

Economics for
Livestock Development and Policy

Introduction to the Course

Welcome to the course

Welcome to *Economics for Livestock Development and Policy*. This is an optional course in the Livestock Health and Production Programme and the Veterinary Epidemiology and Public Health Programme of the Royal Veterinary College.

Expansion in the livestock sector depends on the long-term sustainability of the livestock industry. This requires economic policy development in relation to livestock, awareness of market demands, and the promotion of international trade in livestock products. During the past three decades there have been considerable changes in the demand and supply of foods of animal origin, the role of livestock, and the effects of the livestock sector on the global economy and the environment. In the next two decades the livestock sector is projected to become the world's most important agricultural sub-sector in terms of adding value and of land use. The world's demand for meat is projected to grow from 188 million tons in 1993 to 303 million tons by 2020, and total milk consumption from 512 million tons to 772 million tons over the same period.

On a global basis, growth in the livestock population is accelerating in developing countries: 95 per cent of the growth in demand for meat and 80 per cent of the increase in demand for milk will be from the developing world. To satisfy this demand, meat production in developing countries is predicted to rise from its 1993 level of 88 million metric tons per year to 183 million metric tons in 2020, an increase of 108 per cent. During the same period the anticipated rise in meat production in developed countries will be 121 per cent. The equivalent figures for milk production are a rise of 51 per cent in developing countries, compared with a 7 per cent increase in milk produced by developed countries.

Not only is there a need for increased production to meet this global rise in demand for meat, eggs and dairy products: compliance with international trade standards is essential. Increased livestock production also requires the development of sound economic policies, as well as a clearer understanding of farm animal economics that can be applied in different farming systems worldwide.

This course is designed to give you an understanding of economics that can be applied in policy development at national and individual farm level.

What will you learn from this course?

By the end of this course you should be able to:

- discuss of the economic, political, social, and environmental issues that will affect future livestock development
- describe the major livestock systems throughout the world
- explain, largely in economic terms, the global pattern of livestock production, marketing, and consumption
- analyse trends in the supply of, and consumer demand for, livestock products and assess their implications for marketing, processing and distribution on both domestic and foreign markets
- consider the impact of government policy on livestock production and marketing, and thus the effects on producers and consumers
- provide the people concerned with livestock with the tools to analyse the issues confronting producers, their advisers, planners and policymakers.

Course structure

The course consists of 12 units of study, all of which you should complete. They make up the following three modules.

Module 1 *Basic Concepts in Livestock Production*

In this module (Units 1–4) you will learn about the global livestock situation and the current demand for livestock products worldwide. An overview of the range of livestock systems is presented, so that you may draw comparisons and understand why different economic conditions must be applied in different parts of the world.

Module 2 *Economics of Livestock Development*

The second module (Units 5–8) explores current supply and demand patterns for livestock products and focuses on marketing and international trade.

Module 3 *Policy for Livestock Development*

The final module (Units 9–12) focuses on economic policy. After an introduction to livestock policy, you will develop a detailed understanding of the economic tools that are necessary for policy development in livestock programmes and projects.

Tutor-marked assignments

In addition to your work on the 12 units, you are required to complete and submit at least one tutor-marked assignment (TMA) for assessment. If you submit more than one – and you may submit up to three – your best TMA will be used in the calculation of your final mark. Full information on how to approach and submit TMAs is provided in your *Student Handbook* and in the assignments themselves. You should bear in mind that your TMA will count for 20 per cent of your final mark for the course.

Study time

The entire course, including revision and examination, is designed to take approximately 240 hours to complete. This is based on an average of 10–15 hours' study time for each unit and 15–20 hours for the TMA(s), any remaining time to be used for personal study and revision.

You may find that some units will take you more or less time than estimated, depending on your familiarity with the subject.

Assessment

Your work for this course will be assessed by means of a three-hour unseen written examination paper which will take the form of essay questions. In addition, you must submit at least one and up to three TMAs. There are TMA submission deadlines for each module and for details please refer to your *Student Handbook*. The grade awarded will be based on the mark obtained in the written examination (80 per cent) and on the mark for the compulsory assignment (20 per cent).