

**COURSE DATA****Data Subject**

<b>Code</b>	36386
<b>Name</b>	Sectoral economy
<b>Cycle</b>	Grade
<b>ECTS Credits</b>	6.0
<b>Academic year</b>	2023 - 2024

**Study (s)**

<b>Degree</b>	<b>Center</b>	<b>Acad. year</b>	<b>Period</b>
1212 - Degree in Gastronomic Sciences	Faculty of Pharmacy and Food Sciences	3	Second term

**Subject-matter**

<b>Degree</b>	<b>Subject-matter</b>	<b>Character</b>
1212 - Degree in Gastronomic Sciences	26 - Economía Sectorial	Obligatory

**Coordination**

<b>Name</b>	<b>Department</b>
PANIAGUA SORIANO, JORDI	132 - Economic Structure

**SUMMARY**

Food economics is a compulsory semester subject that is taught in the third year of the Degree in Gastronomy. The objective of the course is to understand the behavior of consumers and companies; the foundations of their decisions and more specifically of the companies in the gastronomic sector. The course begins with an introduction to basic economic concepts. It then delves into consumer and producer behavior. The functioning of the markets and the characteristics of the companies in the sector are analyzed, such as location and size.

**PREVIOUS KNOWLEDGE**



### **Relationship to other subjects of the same degree**

There are no specified enrollment restrictions with other subjects of the curriculum.

### **Other requirements**

There are not enrollment restrictions related with other subjects of this degree

## **OUTCOMES**

### **1212 - Degree in Gastronomic Sciences**

- Students must be able to apply their knowledge to their work or vocation in a professional manner and have acquired the competences required for the preparation and defence of arguments and for problem solving in their field of study.
- Students must have developed the learning skills needed to undertake further study with a high degree of autonomy.
- Have knowledge and understanding in the field of gastronomic sciences.
- Be able to work in a team and to organise and plan activities, always taking account of gender perspective.
- Know, critically analyse and forecast the socio-economic situation and trends in all the gastronomic private productive sectors as scenarios for professional and business development.

## **LEARNING OUTCOMES**

Know the behavior of consumers and companies.

Understand the operation of companies in the gastronomic sector.

Analyze and know how to make decisions about storage, location and size.

## **DESCRIPTION OF CONTENTS**

### **1. The uniqueness of the gastronomic market**

- Natural conditions
- Market conditions
- Structure
- 10 principles of economics

Hansen (2013)

Mankiw, G. (2018)



## **2. The Basics of Supply and Demand**

- Supply and Demand
- The Market Mechanism
- Changes in Market Equilibrium
- Elasticities of Supply and Demand
- Short-Run versus Long-Run Elasticities
- Elasticity and demand for food
- Understanding and Predicting the Effects of Changing Market Conditions
- Effects of Government Intervention Price Controls

Bibliography: Pindyck & Rubinfeld (2018), Hansen (2013)

## **3. Consumer Behavior**

- Consumer Preferences
- Budget Constraints
- Consumer Choice
- revealed Preference
- Marginal Utility and Consumer Choice
- Cost-of-Living Indexes

Bibliography: Pindyck & Rubinfeld (2018)

## **4. Individual and market demand**

- Individual Demand
- income and Substitution Effects
- market Demand
- Consumer Surplus
- Network Externalities
- Empirical Estimation of Demand

Bibliography: Pindyck & Rubinfeld (2018)

## **5. Discrimination of prices**

- Firms and Their Production Decisions
- Production with one Variable Input (Labor)
- Production with Two Variable Inputs
- Returns to Scale

Bibliography: Pindyck & Rubinfeld (2018)



## **6. The Cost of Production**

- measuring Cost: Which Costs matter?
- Cost in the Short Run
- Cost in the Long Run
- Long-Run versus Short-Run Cost Curves
- Production with Two outputs Economies of Scope
- Dynamic cost variations: the learning curve
- The estimation and prediction of costs
- Costs in the gastronomic company

Bibliography:

Pindyck & Rubinfeld (2018)

Dorfman (2014)

## **7. Theory of storage**

Components of the storage costs

A model of storage

On-site storage

Storage monopolies

Dorfman, Jeffrey (2014) Economics and Management of the Food Industry: , Routledge: New York

## **8. Profit maximization and competitive supply**

- Perfectly Competitive Markets
- Profit Maximization
- Marginal Revenue, Marginal Cost, and Profit Maximization
- Choosing Output in the Short Run
- The Competitive firms Short-Run Supply Curve
- The Short-Run Market Supply Curve
- Choosing Output in the Long Run
- The Industrys Long-Run Supply Curve

Bibliography: Pindyck & Rubinfeld (2018)

## **9. Location and size**

Optimal size

Optimum number and location

Value of surfaces

Border problems

Example: Decisions in agriculture

Rents and location

Dorfman (2014)



## WORKLOAD

ACTIVITY	Hours	% To be attended
Theory classes	60,00	100
Development of group work	30,00	0
Development of individual work	15,00	0
Study and independent work	30,00	0
Preparation of evaluation activities	15,00	0
Preparing lectures	30,00	0
Preparation of practical classes and problem	15,00	0
Resolution of online questionnaires	15,00	0
<b>TOTAL</b>	<b>210,00</b>	

## TEACHING METHODOLOGY

The teaching methodology will be based on a combination of on- and off- campus activities. The theoretical class will be devoted to the presentation by the teaching staff of the most important concepts and contents of each subject in order that the students acquire the knowledge related to the subject, promoting participation.

The practical part of the subject is structured around three main instruments: active participation in the classroom (virtual and face-to-face), tests of continuous evaluation and group work with class exposition.

## EVALUATION

The final grade will be calculated according to these three evaluation criteria, according to the attendance of the course:

1. 100% continuous evaluation: The final grade will be the average of the continuous evaluation (PECs and practices). Only those who have submitted all the practices and carried out all the continuous assessment tests (PECs) will be eligible for this evaluation method.
2. Continuous assessment 50%, Online / classroom exam 50%.
3. 100% online / face-to-face exam. Only students who for duly justified reasons have not been able to carry out the PECs (work or confinement.) Will be eligible for this evaluation method.



## REFERENCES

### Basic

- Dorfman, Jeffrey (2014) Economics and Management of the Food Industry, Routledge: New York
- Hansen, Henning (2013) Food Economics, Routledge: London
- Pindyck, R. S., & Rubinfeld, D. L. (2018). Microeconomía, Madrid: Pearson.

### Additional

- MANKIW, G. (2018) Principles of Economics, Cengage Learning: Boston
- The CORE Team, The Economy. <http://www.core-econ.org>