

Course title: From the plate to the farm. An Agribusiness approach

University: University of Buenos Aires, Argentina

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Language of instruction: English

Contact hours: 45

General course description

Drabenstott (1995) mentions two strong processes driving change in agribusiness: a new farmer and a new consumer. The new consumer is extremely demanding both in quantity and quality –quality, consistency and value– while the new farmer benefits from production technology and the management tools needed to carry the food from the field to the consumer’s plate (Kherallah & Kirsten, 2001).

Farmers produce what consumers want to consume. As Boehlje (1996) says, the mindset for commodities to “produce and then sell” is now being replaced by the strategy to “first ask the consumer” and then create the products responding to what the consumer wants. Those farmers make use of organizational and technological innovations to provide consumers what they want (Kherallah & Kirsten, 2001).

Main drivers of structural change in food and agribusiness are numerous and diverse (Gray and Boehlje, 2007). First of all, technology drives structural change through the form or type of technology used in agricultural production as well as the rate and characteristics of the adopters of the technology. Biotechnology occupies a more important role in agribusiness, because the possibility to reducing costs, increasing yields, saving crops from illnesses or plagues, etc. But also, new technologies as GPS, yield monitoring, TICs, etc. have been introduced. Other drivers are:

Economic/financial forces (day by day, financial aspects are critical for competing in a global business; but also, risk management, rental or outsourcing are important issues)

Human capital (not only capacities, but also attitudes, adaptation, etc.)

Value chain forces (policies, market power, consumer demands, JIT, etc.)

All of these changes in food and agribusiness have led firms to join in strategic alliances – horizontal and vertical coordination–, mergers and/or acquisitions of smaller firms (Kherallah & Kirsten, 2001). How companies adapt to different institutional, organizational, technological and commercial environments is the key of this course. In that sense, organizations interact with different players in the agribusiness system, trying to produce more, with lower costs and with higher quality (in terms of what consumers demand), in order to compete with other companies within different consumers.

Objectives

The objective of this course is to supply its students with the necessary tools to understand the functioning of Argentina's Agribusiness, all the while emphasizing the importance of the consumer and its role as a driving force for these systems. This course will provide insights on organizational adaptation in Argentine agribusiness companies, caused by changes at institutional, organizational, technological and commercial environments. The proposal contemplates themes related to production, marketing and management of agro-based systems which will be value-adding for the students.

Course organization and contents

1.- Introduction to agribusiness

Theory of Agribusiness. Authors and schools.

Coordination; adaptation.

Chains, networks, netchains, clusters.

2.- The role of consumer. Market studies. Global consumer. Argentine consumer. Trends. Marketing adaptation of companies

3.- New institutional economics. Joskow (1995) approach

Institutional environment: property rights, contractual laws, antitrust, administrative regulations, constitution and policies.

Modern industrial organization theory.

Transaction cost economics.

4.- Commodities and specialties in Argentina. Production trends. Exports. Institutional, organizational and technological environments

5.- Case studies

Two cases of commodities (networks in agriculture; Los Grobo??/Bioceres???)

Two cases of specialties (Prinex; Horst; Ovine Cheese??)

6.- Field trips

Bolsa de Comercio de Rosario and Rosario terminal.

Sueño Verde

Course calendar

Class	Date	Duration (hs)	Topic	Professor
1	June 26 th	2,5	Unit 1: introduction to agribusiness	
2	July 1 st	2,5	Unit 1: introduction to agribusiness	
3	July 3 rd	2,5	Unit 2: the role of consumer	
4	July 4 th	2,5	Unit 3: new institutional economics	
5	July 8 th	2,5	Unit 3: new institutional economics	
6	July 10 th	2,5	Unit 3: new institutional economics	
7	July 11 th	2,5	Unit 3: new institutional economics	
8	July 15 th	2,5	Unit 4: commodities and specialties	
9	July 17 th	2,5	Unit 4: commodities and specialties	
10	July 18 th	2,5	Unit 5: case study	
11	July 22 nd	2,5	Unit 5: case study	
12	July 24 th	2,5	Unit 5: case study	
13	July 25 th	2,5	Unit 5: case study	
14	July 29 th	10	Field trip: Rosario	
15	July 31 st	2,5	Field trip: Sueño verde	

Evaluation criteria

Students will be evaluated due to previous lecture and participation in class.

Special activities

The course introduces theoretical concepts and practical application, by using examples in agribusiness in Argentina. It also includes case study methodology in order for students to assimilate the theoretical concepts previously exposed through practical experiences.

Two final field trips are organized, in order to fulfill the knowledge application. Professors will go with students to both trips.