

Economics of production animal health

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A majority of veterinary faculties recognise the need for education of the undergraduate veterinary students in economics. Where economics is taught there will be a tendency to focus on farm management economics. There are good reasons to focus on this area as it offers an ability to cover critical concepts such as opportunity cost, profitability and productivity along with very practical skills such as partial budget analysis and cost benefit analysis. In addition to these core areas it is also argued that the students need to gain a greater overview on areas such as disease impact assessment, and the use of methods such as cost-effectiveness analysis. Again these are very practical skills that a veterinarian can apply with their clients, and can also examine their usefulness within the context of the veterinary business.

Many economists would feel uncomfortable describing such a rapid and practical overview as an adequate education in the economics of production animal health. Some would argue that further work is required around the understanding of markets and the need to assess producer and consumer surplus issues where changes are large. They may even look towards larger scale sector or economy wide models. These all have a place, yet such methods are of a postgraduate degree level.

One final area that the author will argue is important is the role of animals in society. The veterinarians play a unique role in society as guardians of animal welfare and gatekeepers of pharmaceutical products used in animals. In order to help the veterinary population appreciate this role there is a need for students to reflect on the overall importance of animals in terms of land, water and capital use and the importance of the good they generate from food through to pleasure.

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