

University of Florida  
Food and Resource Economics Department

## AEB4334 Agricultural Price Analysis and Consumer Behavior Fall 2019

Class number: 10128 (3 Credit Hours)

Tuesday, periods 2 – 3 (8:30 am–10:25 am), in [Williamson 100](#)

Thursday, period 3 (9:35 am–10:25 am), in [Williamson 100](#)

### Instructor and Contact Information

<b>Instructors:</b>	Dr. Conner Mullally Email: <a href="mailto:connerm@ufl.edu">connerm@ufl.edu</a> Phone: (352) 294-7680 Office: 1107 McCarty Hall B Office hours: Tuesday 11:40-12:40 pm and Thursday 12:45-1:45pm or by appointment
<b>Teaching assistant:</b>	Mr. Scott Miller Email: <a href="mailto:scottmmiller@ufl.edu">scottmmiller@ufl.edu</a> Office: 1094 McCarty Hall B Office hours: Wednesday 10am-12pm or by appointment

<b>Undergraduate Academic Advisor:</b>	Ms. Danielle Shu Email: <a href="mailto:dshu@ufl.edu">dshu@ufl.edu</a> Office: 1170B McCarty Hall A
<b>Undergraduate Program Coordinator:</b>	Dr. Jaclyn Kropp Email: <a href="mailto:jkropp@ufl.edu">jkropp@ufl.edu</a> Office: 1157 McCarty Hall A

**E-Learning:** There is a Canvas webpage for this course. To access Canvas you need your Gatorlink username and password. The site can be accessed [here](#). If you have difficulty accessing the page, contact UF computing Help Desk at (352) 392-HELP. Grades will be posted under the ‘Grades’ tab and assignments will be posted under ‘Assignments’ on the home screen. **ALL COURSE ANNOUNCEMENTS WILL BE COMMUNICATED THROUGH CANVAS. IT IS YOUR RESPONSIBILITY TO READ COURSE ANNOUNCEMENTS. IF YOU LOSE ACCESS TO CANVAS, YOU MUST TELL THE INSTRUCTOR OR THE TA AS SOON AS POSSIBLE.**

**Course Description:** Quantitative measurement of factors affecting agricultural and resource prices; theory and application of consumer and producer behavioral principles.

**...which means:** AEB4334 is a managerial economics course that combines quantitative analysis with microeconomic theory. The goal of this course is to train you to “think like an economist” by learning the microeconomic theory of firm and consumer behavior while sharpening your analytical tools. Whatever you end up doing in life, seeing all decisions through the lens of constrained maximization and making use of concepts like marginal analysis and opportunity cost will be extremely valuable.

**Course Objectives**

By the end of this course, you should have mastered the following tools and concepts:

- Economic and technical efficiency in production, and how both concepts relate to firm decision making and outcomes.
- The relationship between decisions at the individual firm or consumer level and market level outcomes.
- Optimal firm behavior under different market structures (perfect competition, monopoly, monopolistic competition, oligopoly) and characteristics of different market structures.

**Recommended (but not required) textbook**

*Managerial Economics – Foundations of Business Analysis and Strategy*, 12<sup>th</sup> edition, by Christopher R. Thomas and S. Charles Maurice. McGraw Hill/Irwin Publishers. 2013. ISBN: 978-0078021909.

This textbook is recommended. Lecture notes are available on the course web page. In general the textbook presents material at a more basic level than the lecture notes. You are responsible for the material in the lecture notes, and if you need a more basic reference you should use the textbook. The textbook also contains many practice problems that can be used if you need additional examples of the material covered in class.

**Prerequisites**

AEB3103 and AEB3550, or the equivalent. AEB4334 will be taught with the assumption that students are comfortable with the material covered in these courses. In addition, students are expected to have a working knowledge of basic economics, algebra, statistics, and differential calculus (we will be taking some derivatives).

**Course Structure**

There are three course modules: consumer theory and empirics, production theory and empirics, and firm behavior and market structure. Lecture notes for each module are found in the “Modules” tab of the Canvas site. At the back of each set of lecture notes you will find a set of practice problems. Each of the three in-class exams will cover a module, as will each homework assignment.

We will split our class time between lecture and working through practice problems. All practice problems can be found at the back of the lecture notes. You are responsible for coming to class having read the course lecture notes; if you need another reference, read the textbook or look online.

**Course calendar**

The calendar below will be adjusted as needed and updates will be posted to the course web site. **Exam dates and assignment due dates are subject to change.** A change in an exam date is not an excuse to miss an exam, and change in an assignment due date is not an excuse for late assignments.

**Introduction and syllabus**

August 20

**Consumer theory and empirics**

Theory of Consumer Behavior

August 22, 27, 29

Elasticity and Demand

September 3, 5

**PROBLEM SET 1 DUE/REVIEW OF PROBLEM SET 1****September 12****EXAM 1****September 17**

REVIEW OF EXAM 1

September 19

EXAM 1 CORRECTIONS DUE

September 24

**Production theory and empirics**

Production and Cost in the Short Run

September 24, 26, October 1

Production and Cost in the Long Run

October 3, 8

**PROBLEM SET 2 DUE/REVIEW OF PROBLEM SET 2****October 10****EXAM 2****October 15**

REVIEW OF EXAM 2

October 17

EXAM 2 CORRECTION DUE

October 22

**Firm Behavior and Market Structure**

Managerial Decisions in Competitive Markets

October 22, 24, 29

Managerial Decisions with Market Power

October 31, November 5

Strategic Decision Making and Game Theory

November 7, 12, 14, 19

**PROBLEM SET 3 DUE/REVIEW OF PROBLEM SET 3****November 21****EXAM 3****November 26**

REVIEW OF EXAM 3

December 3

EXAM 3 CORRECTIONS DUE

December 4

**Exams and exam policy**

There will be three exams offered in AEB4334. Each exam will cover a different module of the course, as described above in the course calendar. All exams are mandatory. All exams will take place during our regular class time. There is no final exam for the course. However, if we fall behind, we may use the scheduled final exam time (December 11<sup>th</sup> at 3:00 pm in MCCA 2196) for our third and final exam.

Each exam will have the same format: three to four multi-part questions that include short answers, derivations, and graphical methods. On exams, calculations will always be simple. You never need to report anything beyond the second decimal place when giving a response. The exams are closed book and closed notes. You may use a pen or pencil, a ruler or other straight edge, and a simple (non-graphing) calculator. This list excludes graphing calculators, laptops, cell phones, and tablets. Sharing calculators during an exam is not allowed. You must remove or turn around hats during exams. I reserve the right to reseat anyone during an exam.

You may take any exam early in my office if you must miss the exam on its scheduled date because of an **acceptable absence**. I use the University's definition of "acceptable absence," which is the following:

Acceptable absences include:

- Illness
- Serious family emergencies (weddings do not count)
- Special curricular requirements (e.g., judging trips, field trips, and professional conferences), accompanied by a note from an instructor
- Military obligations
- Severe weather conditions
- Religious holidays
- Participation in official university activities such as music performances
- Athletic competition or debate
- Court-imposed legal obligations (e.g., jury duty or subpoena).

**You must provide some sort of documentation in support of an acceptable absence. You must contact me by email one week in advance of the original exam date to schedule an early exam; exceptions will be made for emergencies that arise unexpectedly.**

**Earning points back on exams**

Depending on attendance, you will have the chance to make corrections to exams after they are handed back. For any exam you hand back in, you may earn back up to half of the points you missed.

To have a chance to earn points back on an exam, you must have had **no more than one** unexcused absence since the date of the prior exam (or in the case of exam 1, since the first day of class). For example, if you missed only one class between exam 2 and exam 3, you would have the chance to make corrections to exam 3 and earn back up to half the points you missed. I will take daily attendance in class for this purpose, beginning with the second day of class.

I do not give out keys to the exams, but we will review each exam in class. Your corrected exams will be due before the start of the class sessions immediately after our review of the exam. In other words, if we review the

exam on Tuesday, you would turn in your corrections on Thursday. If we review the exam Thursday, you would turn in your corrections the following Tuesday. Please write your corrections on separate paper, staple them to the back of your original exam, and turn in the whole packet. You may also scan/take a photo of your corrections and email them to me to meet the deadline, but you must turn in your original exam to have your corrections scored.

### Assignments

There will three assignments posted on Canvas during the semester. Each is worth 25 points. Since the homework keys must be posted in time to allow students to study for the exams, and assignments are due immediately before the exams, late assignments will not be accepted. The assignments will be worth a combined total of 75 points towards your final grade.

Homework assignments are due before the start of lecture on the due date. Assignments may be turned in through Canvas, in class before the start of lecture, during office hours, or through email. Assignments may be done by hand or typed; however, if an assignment is done by hand, the instructors reserve the right to subtract points for illegibility. You are welcome to submit a photograph of a hand-written assignment through Canvas. It is up to you to ensure that any attachments to Canvas messages or email can be opened. If either myself or the TA says we cannot open an attachment, you must resubmit a file that can be opened to get credit.

**IMPORTANT:** After any grade is posted, should you believe that your exam/assignment is incorrectly graded or that your grade was posted incorrectly, please contact me as soon as possible. After seven days have passed, your posted grade will be assumed to be correct and accurate.

### Attendance

You are expected to attend class and be prepared by having read the relevant lecture notes when you do so. You will not be graded based on attendance. But as noted above, whether you have chance to earn back points on exams depends on your attendance.

### Grading

Your grade will be based on your performance on three class exams and three homework assignments. The total number of points available from each component is as follows:

Exam 1	75	Your three exam scores will be used to compute your exam points. This includes any points you earn back by making exam corrections.
Exam 2	75	
Exam 3	75	
<i>Total exam points</i>	225	
Assignment 1	25	Your three assignment scores will be used to compute your assignment points.
Assignment 2	25	
Assignment 3	25	
<i>Total assignment points</i>	75	
<i>Maximum total points</i>	300	
Final percentage grade: (Exam points + Assignment points)/300		

The grading scale is as follows:

Letter grade	Point range	Percent	Notes
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A	278	to	300	93-100%	For general information about grading and grading policy at the University of Florida, please refer to: <a href="https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx#grades">https://catalog.ufl.edu/ugrad/current/regulations/info/grades.aspx#grades</a>
A-	269	to	277	90-92%	
B+	258	to	268	86-89%	
B	248	to	257	83-85%	
B-	239	to	247	80-82%	
C+	229	to	238	76-79%	
C	218	to	228	73-75%	
C-	209	to	217	70-72%	
D+	197	to	208	66-69%	
D	188	to	196	63-65%	
D-	179	to	187	60-62%	
E	0	to	178	0-59%	

Your score will be rounded up the nearest whole point. The instructors reserve the right to revise the grading scale during the semester as necessary. grading scale revisions will never negatively affect your grade.

#### **Professional Etiquette:**

- Please do not talk while someone else in class is talking, whether that person is me or another student asking a question.
- Please be on time.
- Please silence your phones and other devices.
- You may not use laptops, tablets, or phones for anything other than taking notes, working through in-class problems, or following the lecture notes during class.
- Do not hesitate to ask questions or come to me for help. I will do my best to respond to emails the same day that you send them, and if my door is open, please come talk to me. If my door is closed, I am unavailable.

**I reserve the right to penalize any student continuously violating these rules by deducting points from your final course grade at my discretion.**

#### **Other Important Information**

Students are responsible for all deadlines/critical dates and policies set forth by the University of Florida. Deadlines/critical dates are published on the University of Florida Office of the University Registrar's website, <http://www.registrar.ufl.edu/>. Current academic policies are presented in the University of Florida Undergraduate Catalog, <https://catalog.ufl.edu/ugrad/current/Pages/home.aspx>.

**Absences:** Acceptable absences include: Illness, serious family emergencies, special curricular requirements (e.g., judging trips, field trips, professional conferences), military obligation, severe weather conditions, religious holidays and participation in official university activities such as music performances, athletic competition or debate, and court-imposed legal obligations (e.g., jury duty or subpoena). You must provide some sort of documentation in support of an acceptable absence.

**Students Requesting Classroom Accommodation:** The Disability Resource Center coordinates the needed accommodations of students with disabilities. This includes registering disabilities, recommending academic accommodations within the classroom, accessing special adaptive computer equipment, providing interpretation services and mediating faculty-student disability related issues. Please contact this office at 0020 Reid Hall, (352) 392-8565, [www.dso.ufl.edu/drc/](http://www.dso.ufl.edu/drc/). Any student requesting accommodation will have to provide documentation from the Disability Resource Center.

**UF Counseling Services:** The life of a college student can sometimes be overwhelming. Resources are available on-campus to help students manage personal issues or gain insight into career and academic goals. Students experiencing crises or personal problems that interfere with their general well-being are encouraged to utilize the university's various counseling resources. The following resources are available for all UF students:

- For general student affairs, Dean of Students Office, 392-1261 (after hours, call 392-1111)
- For mental health consultations, Counseling & Wellness Center, 392-1575 (24/7 phone access)
- For physical health consultations, Student Health Care Center, 392-1161
- For victims of sexual assault, Office of Victim Services, 392-5648 (after hours, call 392-1111)
- For career guidance, Career Resource Center, 392-1602, [www.crc.ufl.edu](http://www.crc.ufl.edu)

**Software Use:** All faculty, staff, and students of the University of Florida are required and expected to obey the laws and legal agreements governing software use. Failure to do so can lead to monetary damages and/or criminal penalties for the individual violator. Because such violations are also against University policies and rules, disciplinary action will be taken as appropriate.

**By enrolling in this course you are agreeing to the terms outlined in this syllabus. Good luck!**

### **Statement Regarding Academic Honesty**

**Academic Honesty:** In 1995 the UF student body enacted an honor code and voluntarily committed itself to the highest standards of honesty and integrity. When students enroll at the university, they commit themselves to the standard drafted and enacted by students. In their words, **the Honor Code Preamble:** In adopting this honor code, the students of the University of Florida recognize that academic honesty and integrity are fundamental values of the university community. Students who enroll at the university commit to holding themselves and their peers to the high standard of honor required by the honor code. Any individual who becomes aware of a violation of the honor code is bound by honor to take corrective action. The quality of a University of Florida education is dependent upon community acceptance and enforcement of the honor code.

***The Honor Pledge: We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.***

On all work submitted for credit by students at the university, the following pledge is either required or implied:

**"On my honor, I have neither given nor received unauthorized aid in doing this assignment."** The university requires all members of its community to be honest in all endeavors. A fundamental principle is that the whole process of learning and pursuit of knowledge is diminished by cheating, plagiarism and other acts of academic dishonesty. In addition, every dishonest act in the academic environment affects other students

adversely, from the skewing of the grading curve to giving unfair advantage for honors or for professional or graduate school admission. Therefore, the university will take severe action against dishonest students. Similarly, measures will be taken against faculty, staff and administrators who practice dishonest or demeaning behavior.

**Student Responsibility:** Students should report any condition that facilitates dishonesty to the instructor, department chair, college dean or Student Honor Court.

**Faculty Responsibility:** Faculty members have a duty to promote honest behavior and to avoid practices and environments that foster cheating in their classes. Teachers should encourage students to bring negative conditions or incidents of dishonesty to their attention. In their own work, teachers should practice the same high standards they expect from their students.

**Administration Responsibility:** As highly visible members of our academic community, administrators should be ever vigilant to promote academic honesty and conduct their lives in an ethically exemplary manner (*Source: 2010-2011 UF Undergraduate Catalog*). This policy will be vigorously upheld at all times in this course.

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Any instances of academic dishonesty will be reported to Student Judicial Affairs.