

University of Florida  
Food and Resource Economics Department

**AEB4334 Agricultural Price Analysis  
Fall 2019**

Class Number: 16BG (3 Credit Hours)  
Class Time: Thursday | Period 6-7 (12:00 – 2:45 PM)  
Classroom: PEPC Bldg. Rm. TBD

**Instructor and Contact Information**

<b>Instructor:</b>	Mr. Xumin Zhang
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	Office hours: right after class or by appointment

**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 at <http://lss.at.ufl.edu>. Click the “Canvas in Canvas” button. 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 ME AS SOON AS POSSIBLE.**

**Course Description**

AEB4334 is a managerial economics course that combines quantitative analysis with microeconomic theory. Students will be introduced to quantitative measurements of factors affecting agricultural and resource prices; theory and application of consumer and producer behavior principles.

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**

Managerial Economics concerns the application of economic theory and principles to the operation of a firm. After the successful completion of AEB4334, student should have a rather sophisticated understanding of the economic principles forming the foundation of well-informed managerial decisions.

Understanding the externally analysis of a firm:

- The quantitative representation of market analysis;
- The elasticity of demand and its influence on the operations of a firm;
- The empirical formulation of demand functions;
- The economics behind consumer behavior;

Understanding the internally analysis of a firm:

- The empirical formulation of production and cost functions;
- The difference between short-term and long-term planning decisions of a firm;
- The optimal firm behavior under different market structures
- The use of economic analysis as a tool to achieve profit maximization for firms in a variety of contexts.

## **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, and calculus.

## **Recommended Textbook**

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

This textbook is recommended. Presentation and supporting materials are available on the course web page. 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.

## **Course Structure**

The material for this course can be divided into four distinct modules: Methodology and Managerial Analysis, Consumer Theory, Production Theory, and Firm Behavior and Market Structure.

Some of the material may seem familiar to you from other courses, but more than likely we will cover the topics more rigorously and in a more quantitative manner vis-à-vis your previous courses. Some chapters will be covered in their entirety and from others we will only cover selected section.

Presentations, Lecture notes, and Chapters for each module are found in the “Modules” of the Canvas site (At the back of each set of lecture notes you will find a set of practice problems).

A project assignment will cover the first module (no exam). Then, each of the three in-class exams will cover a rest module. There will be three homework assignments to cover the later three models.

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 chapters/lecture notes/presentations; if you need another reference, read the textbook or look online.

### **Course Calendar (subject to changes)**

The calendar below will be adjusted as needed and updated syllabus will be posted to the course web site or by Canvas announcement.

#### **Methodology and Managerial Analysis**

Chapter 1: Managers, Profit, Markets	Aug.22
Chapter 3: Marginal Analysis for Optimal Decisions	Aug.22,29
Chapter 4: Basic Estimation Techniques	Aug.29
Assignment 1 Due/Review of Assignment 1	Sep.5

#### **Markets and Consumer Behavior**

Chapter 2: Demand, Supply, and Market Equilibrium	Sep.5
Chapter 6: Elasticity and Demand	Sep.12
Chapter 5: Theory of Consumer Behavior	Sep.19
Assignment 2 Due/Review of Assignment 2	Sep.26
Exam 1	Oct.3
Review of Exam 1	Oct.10
Exam 1 Corrections Due	Oct.17

#### **Production Theory**

Chapter 8: Production and Cost in the Short Run	Oct.10
Chapter 9: Production and Cost in the Long Run	Oct.17
Chapter 10: Production and Cost Estimation	Oct.24
Assignment 3 Due/Review of Assignment 3	Oct.31
Exam 2	Nov.7
Review of Exam 2	Nov.14
Exam 2 Corrections Due	Nov.21

#### **Firm Behavior and Market Structure**

Chapter 11: Managerial Decisions in Competitive Markets	Nov.14
Chapter 12: Managerial Decisions for Firms with Market Power	Nov.21
Assignment 4 Due/Review of Assignment 4	Nov.28
Exam 3	Dec.5
Review of Exam 3	Dec.12
Exam 3 Corrections Due	-

## Assignments

There will be four assignments posted on the Canvas. 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 **100** points towards your final grade.

<b>Homework</b>	<b>Due</b>
Assignment 1	Sep.5
Assignment 2	Sep.26
Assignment 3	Oct.31
Assignment 4	Dec.3

**The instructors reserve the right to change these dates as appropriate. Any changes will be communicated via Canvas.**

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, 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.

## Exams and Exam Policy

There will be three exams offered in AEB4334. Each exam will cover a different module (2-4) 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 for our exam review and correction.

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. 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. I reserve the right to reseat anyone during an exam.

You may take any exam at another time 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
- Special curricular requirements (e.g., judging trips, field trips, and professional conferences)
- 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.**

**Exam day policy:** Once the first exam is handed in, no one else will be allowed to start the exam. Students are not allowed to leave and re-enter the classroom during exams. Hats must be removed (baseball-style hats can be turned around backward). During exam days, once I say that time is up, you must stop working or risk being penalized. I reserve the right to assign seating to any or all students during exams if I choose.

<p><b>Exam Dates</b></p> <p><b>Exam 1: Oct. 3 (SUBJECT TO CHANGE)</b></p> <p><b>Exam 2: Nov. 7 (SUBJECT TO CHANGE)</b></p> <p><b>Exam 3: Dec. 5 (SUBJECT TO CHANGE)</b></p>
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**The instructors reserve the right to change these dates as needed. Any Changes will be communicated via the Canvas.**

**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 presentation/lecture notes/book chapters 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 four homework assignments. The total number of points available from each component is as follows:

Exam 1: 100 Exam 2: 100 Exam 3: 100	Your three exam scores will be used to compute your exam points. This includes any points you earn back by making exam corrections.
Assignment 1: 25 Assignment 2: 25 Assignment 3: 25 Assignment 4: 25	Your four assignment scores will be used to compute your assignment points.
Maximum total points : 400	Final grade: (Exam + Assignment)/400

The grading scale is as follows:

Letter grade	Percent	Notes
A	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-	90-92.9%	
B+	86-89.9%	
B	83-85.9%	
B-	80-82.9%	
C+	76-79.9%	
C	73-75.9%	
C-	70-72.9%	
D+	66-69.9%	
D	63-65.9%	
D-	60-62.9%	
E	0-59.9%	

**I reserve the right to revise this grading scale during the semester as necessary.**

#### Course Policies

- Please do not talk while someone else in class is talking, whether it be 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, by all means come talk to me. If my door is closed, I am unavailable.

**I reserve the right to make changes to the syllabus, including due dates and exam dates, as appropriate. These changes will be announced as early as possible so that students can adjust their schedules.**

### **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 web-site, <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)

**Students with Disabilities:** The Dean of Students Office provides individual assistance to students with documented disabilities based upon the need and impact of the specific disability. There is no requirement for a student to self-identify his/her disability. However, students requesting classroom accommodations must register with the Dean of Students Office in 202 Peabody Hall, or phone 392-1261.

**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.

This policy will be vigorously upheld at all times in this course. Any instances of academic dishonesty will be reported to Student Judicial Affairs.