ABUS 301: Agricultural Production Economics and Quantitative Analysis

Course Information:

Meeting: Fall 2015, TR 8:00 – 9:15 AM
Location: THMA 117

Instructor: Dr. Jude Bayham

Office: 213 Plumas Hall
Phone: 530-898-4632
Email: jbayham@csuchico.edu
Office Hours: M,W 1:00 – 3:00 PM, and by appointment

Course Prerequisites: ABUS 101 or ECON 103. If you have questions concerning this prerequisite, please consult your advisor.

Course Materials:

You are not required to purchase textbooks for the course. There are three textbooks online that you will find helpful (links below). I will draw material from all three textbooks throughout the course.

Introductory: Introduction to Managerial Economics. Open access provided by Saylor.org
http://www.saylor.org/site/textbooks/Principles%20of%20Managerial%20Economics.pdf


Course Website: I will use Blackboard Learn (https://learn.csuchico.edu) for communicating and updating information, assignments, and posting relevant online materials.

Course Description: Application of microeconomic theory to the agricultural production process, including single and multivariate production and cost functions, price determination in competitive and non-competitive markets and programs.

Learning Objectives: We will study how the tools of economics are used to make man-
agement decisions in agriculture and beyond. In this course, you will:

- Become familiar with the language of economics both terminology and mathematics
- Understand how the profit motive influences input and output decisions on an individual farm or firm
- Understand how market structures, production technologies, and economic policies affect market equilibrium and welfare outcomes
- Application of economic concepts and tools to real world problems

Grading:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problem Sets</td>
<td>40%</td>
</tr>
<tr>
<td>In-class Exams &amp; Quizzes</td>
<td>40%</td>
</tr>
<tr>
<td>Final Comprehensive Exam</td>
<td>20%</td>
</tr>
</tbody>
</table>

Grades will be based on the standard university scale (including plus and minuses). For example, 93% is an A, between 90% and 93% is an A−. Grades will be updated throughout the semester on Blackboard Learn.

Problem Sets: Problem sets will be assigned throughout the course to give you experience applying the tools we discuss in class. I will post problem sets on Blackboard Learn. Hardcopies of homework will not be handed out in class. Problem sets will involve short written response, drawing graphs, and computer exercises in MS Excel. If you do not own a computer, there are numerous computer labs available for use throughout campus. The due dates will be clearly specified in Blackboard Learn and on the assignment itself. Collaborating on homework is encouraged however, each student needs to understand the concepts to succeed on the quizzes and exams.

Exams and Quizzes: There will be two exams, three in-class quizzes, and one comprehensive final. You will be given the entire class period for exams and 20 – 30 minutes for quizzes. Quizzes are designed to provide each student with a progress benchmark during intervals with no exam. See the course schedule for exam and quiz dates. Make-up exams will only be given in case of emergency or if prior arrangements were made with the instructor. The time and date for the final examination WILL NOT be changed to accommodate personal situations.

Course Guidelines and Expectations: Students are responsible for all material presented in the assigned readings and in lectures. An initial reading should be completed before the lectures on each topic area. Students who do not keep up with readings, lectures, and other assignments will experience far more difficulty and frustration in the long run. Exams will not include “trick questions”, but any topics brought up in lectures, discussions, or supplemental readings will be fair game for exams or quizzes.

Communication and correspondence will be sent through Blackboard Learn. I can best be
reached by email through Blackboard Learn, and I will try to respond promptly. When many students have the same kind of question, I may reply to the entire class or post documents to the class website. Students are expected to check their Blackboard Learn account regularly for course-related information, readings, and assignments. I will try to post solutions to problem sets and answer keys after the items have been graded.

Attendance is not required, but it is strongly encouraged (you are paying for it after all!). By enrolling in this course, all students commit themselves to learning the subject, acting in a civil manner in class, and being respectful of their peers and the instructor. Contrary behavior will result in disciplinary action and possible expulsion from the class. Students are expected to arrive on time, stay for the entire class period, and refrain from side conversations and other noisy or disruptive behavior. Cell phones and other communication devices must be silenced and stowed before class. Laptops are not allowed in class.

**How to Succeed in this Course:** Economics is challenging for most students, and consistent, serious effort is necessary for understanding and applying economic concepts and for getting above-average grades in the course. Economics provides unique insights into how society functions, and those insights are often interesting, exciting, and fun. Although some unfamiliar terminology is involved, little of the subject can be learned through memorization. Truly understanding the concepts and analytical tools requires study and practice. Cramming before exams is rarely a successful strategy. The course will proceed by constructing and then practicing a set of basic analytical tools, which are then applied to various issues, with some additional concepts and complications. This means that students who do not keep up from the beginning will have a difficult task catching up later. Students who start out being satisfied with C performance nearly always end up with Ds and Fs. A grade of C+ or less on the first exam, therefore, should be taken as a loud wakeup call.

This course offers several kinds of learning tools and opportunities: 1) the textbooks and readings; 2) lectures, classroom discussions, and problem sets; and 3) office hours and other direct help from the instructor. Although individuals might find each of these resources more or less effective, nearly all successful students take advantage of all these methods. As well as using office hours and scheduled review sessions, students are encouraged to cooperate, form study groups, and teach each other.

The classroom should be a productive, pleasant, and interesting learning environment. Lectures and discussions are intended to clarify difficult concepts and help students with one of the most challenging, but rewarding, aspects of economics: making the connection between theory and real events. I strongly encourage students to ask questions and express their views. When concepts, terminology, methods are unclear; don’t be shy, ask! You are probably not alone; other students would almost certainly like to hear an explanation.
Course Outline and Content

- Math and graphing review

- Section 1: Production and Supply
  - Revenue, cost, and profit
  - Marginal analysis
  - Cost and production functions
  - Average cost and marginal cost
  - Long-run average cost and scale
  - Exam 1 (October 6)

- Section 2: Consumption and Demand
  - Consumer theory and the demand curve
  - Determinants of demand
  - Forecasting demand
  - Exam 2 (November 12)

- Section 3: Market Structure
  - Perfect competition
  - Short vs. long run equilibrium
  - Imperfect competition and monopoly
  - Decision-making under uncertainty
University Policies and Campus Resources:

- **Dropping and Adding**: Students may drop this course during the first two weeks of the semester without restriction or instructor approval. Students may add if room is available through the instructor only. During the 3rd and 4th weeks of classes, Change of Program (COP) forms are needed to add/drop, and require the instructor’s signature. After the 4th week of classes, all COP forms to add/drop require a serious and compelling reason (see University Catalog) and require approval signatures from the instructor, department chair, and dean of the college. Do not assume you will be automatically dropped for not attending class; however, failure to attend the first two days may lead to being dropped. It is your responsibility to make a commitment to dropping or staying in class by the second week. If you do not follow the appropriate drop procedure, you risk getting a failing grade for the class.

- **Academic Honesty**: Any work submitted that is not the product of the student who has their name on the work, which would include work taken from any other sources and not properly noted or cited, is plagiarized work and will be prosecuted according to university standards. Any sign of cheating in any way on any course exams or assignments will be addressed directly, according to university standards. If you do not understand what plagiarism is, or what cheating entails, you must seek information regarding this matter from the current University Catalog and from me. The consequences of plagiarism begin with a failing grade on the work, and possibly a failing grade in the course, depending upon university action.

  It is the expressed expectation of this instructor that all students demonstrate integrity and individual responsibility in all actions related to this course. Unethical behavior of any kind is unacceptable and will be prosecuted vigorously.

- **Diversity Statement**: Students in this class are encouraged to speak up and participate during class meetings. Because the class will represent a diversity of individual beliefs, backgrounds, and experiences, every member of this class must show respect for every other member of this class. Every student has the right and privilege to learn in the class, free from harassment and disruption.

- **Campus Policy in Compliance with the American Disabilities Act**: If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. Students with disabilities requesting accommodations must register with the Accessibility Resource Center (ARC) to establish a record of their disability. The Accessibility Resource Center website is [http://www.csuchico.edu/arc](http://www.csuchico.edu/arc).

  Special accommodations for exams require ample notice to the testing office and must be submitted to the instructor well in advance of the exam date.
• **Student Learning Center**: The mission of the Student Learning Center (SLC) is to provide services that will assist CSU, Chico students to become independent learners. The SLC prepares and supports students in their college course work by offering a variety of programs and resources to meet student needs. The SLC facilitates the academic transition and retention of students from high schools and community colleges by providing study strategy information, content subject tutoring, and supplemental instruction. The SLC is online at [http://www.csuchico.edu/slc](http://www.csuchico.edu/slc). The University Writing Center has been combined with the Student Learning Center.

• **Student Services** Student services are designed to assist students in the development of their full academic potential and to motivate them to become self-directed learners. Students can find support for services such as skills assessment, individual or group tutorials, subject advising, learning assistance, summer academic preparation and basic skills development. Student services information can be found at: [http://www.csuchico.edu/current-students](http://www.csuchico.edu/current-students).