AGEC5103. Agricultural Microeconomics

Instructor: Qiuqiong Huang

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By Appointment [You can always stop in and ask questions anytime the light is on in my office. If I am busy when you stop by, we will arrange for a mutually convenient time to meet. It is also a good idea to email or phone to schedule appointments].

Class hours: Tuesdays and Thursdays, 12:30 PM - 1:45 PM, AGRI 301A

Objective of the course: This course provides Masters-level training in microeconomic theory and its applications to food, agriculture and the environment. The course focuses on the traditional topics of microeconomics, behavior of firms, households and markets, in more depth and rigor than encountered in undergraduate courses. For each topic, theories are explained and then applications relevant to food, agricultural, environment and resource issues are described. The emphasis will be on understanding microeconomic applications rather than theoretical or mathematical modeling. Upon completion of the course, students should have the skills to function as applied microeconomists in the real world.

Prerequisites: Principle of microeconomics; Survey of calculus or equivalent; Graduate standing. Students are encouraged to take intermediate microeconomics in preparation for this course.


- Answers to odd-numbered exercises are at the end of the textbook.

Course website: Most course materials will be posted on Blackboard (Syllabus, Class notes, Problem Set answers, Exam info etc.)

Grading: 6 Problem sets × 5% = 30%
2 EXAMs × 20% = 40%
FINAL EXAM 20%
In-class Discussions† 10%

†There will be two or three classes allocated to discussions. Discussion questions will be distributed in advance. These questions will cover modeling exercises, empirical applications and policy questions. You are also encouraged to submit your own discussion questions.
Course Outline

Readings from Nicholson & Snyder in parentheses

I. Consumer Behavior and Demand
   A. Preferences and Utility (Chapter 3)
   B. Utility Maximization and Choice (Chapter 4)
   C. Demand and Elasticity (Chapters 5 and 6)

*Review of Mathematics (Chapters 1 and 2) is integrated into Part I.

EXAM 1

II. Producer Behavior and Supply
   A. Production (Chapter 9)
   B. Cost (Chapter 10)
   C. Optimization and Supply (Chapter 11)

EXAM 2

IV. Theory of Markets
   A. Perfect Competition (Chapter 12)
   B. Monopoly (Chapter 14)
   C. Imperfect Competition (Chapters 8 and 15)

FINAL EXAM
<table>
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<tr>
<th>Dates</th>
<th>Topic</th>
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| T  Aug 25 | Introduction  
Preferences and Utility (Chapter 3) |
| Th Aug 27 | Preferences and Utility (Chapter 3) |
| T  Sep 1  | Utility Maximization and Choice (Chapter 4) |
| Th Sep 3  | Utility Maximization and Choice (Chapter 4) |
| T  Sep 8  | Utility Maximization and Choice (Chapter 4) |
| Th Sep 10 | Demand and Elasticity (Chapters 5 and 6) |
| T  Sep 15 | Demand and Elasticity (Chapters 5 and 6)  
**PS1 Due one week after Chapter 4 is covered** |
| Th Sep 17 | Demand and Elasticity (Chapters 5 and 6) |
| T  Sep 22 | Demand and Elasticity (Chapters 5 and 6) |
| Th Sep 24 | Demand and Elasticity (Chapters 5 and 6) |
| T  Sep 29 | Demand and Elasticity (Chapters 5 and 6)  
**PS2 Due one week after Chapter 6 is covered** |
| Th Oct 1  | Discussion 1 (Discussion questions will be provided in advance)  
**PS3 Due one week after Chapter 10 is covered** |
| T  Oct 6  | Production (Chapter 9) |
| Th Oct 8  | Production (Chapter 9)  
**EXAM 1 (covers I. Consumer Behavior and Demand, Chapters 3-6)** |
| T  Oct 13 | EXAM 1 (covers I. Consumer Behavior and Demand, Chapters 3-6)  
Cost (Chapter 10) |
| Th Oct 15 | Cost (Chapter 10)  
**PS4 Due one week after Chapter 11 is covered** |
| T  Oct 20 | Fall Break |
| Th Oct 22 | Cost (Chapter 10) |
| T  Oct 27 | Cost (Chapter 10) |
| Th Oct 29 | Cost (Chapter 10) |
| T  Nov 3  | Optimization and Supply (Chapter 11) |
| Th Nov 5  | Optimization and Supply (Chapter 11)  
**PS5 Due one week after Chapter 12 is covered** |
| T  Nov 10 | Discussion 2 (You are more than welcome to submit your discussion questions!)  
**PS6 Due one week after Chapter 14 is covered** |
| Th Nov 12 | Perfect Competition (Chapters 12) |
| T  Nov 17 | EXAM 2 (covers II. Producer Behavior and Supply, Chapters 9-11) |
| Th Nov 19 | Perfect Competition (Chapters 12) |
| T  Nov 24 | Perfect Competition (Chapters 12) |
| Th Nov 26 | Thanksgiving Holiday |
| T  Dec 1  | Monopoly (Chapter 14)  
**PS5 Due one week after Chapter 12 is covered** |
| Th Dec 3  | Monopoly (Chapter 14) |
| T  Dec 8  | Imperfect Competition (Chapters 8 and 15) |
| Th Dec 10 | Discussion 3 (You are more than welcome to submit your discussion questions!)  
**PS6 Due one week after Chapter 14 is covered** |
| T  Dec 15 | FINAL EXAM Comprehensive, 1:00—3:00 PM |

Please hand in your Problem Sets to the instructor before class on due dates.  
Coverage of each lecture and Due dates may vary depending on the progress of the class.
Classroom Rules

- Be on time for classes. No cellphone/smart phone/ipad.
- Questions and discussions relevant to class are more than welcome.

- Academic Integrity—Academic Honesty. "As a core part of its mission, the University of Arkansas provides students with the opportunity to further their educational goals through programs of study and research in an environment that promotes freedom of inquiry and academic responsibility. Accomplishing this mission is only possible when intellectual honesty and individual integrity prevail. Each University of Arkansas student is required to be familiar with and abide by the University’s ‘Academic Integrity Policy’ at honesty.uark.edu. Students with questions about how these policies apply to a particular course or assignment should immediately contact their instructor." Any scholastic dishonesty of yours will result in points taken off your Problem Sets or exams or even an F for the class grade. If you are caught cheating, campus procedures will be followed to exact the appropriate punishment.

Other Information

Emergency Preparedness— The University of Arkansas is prepared for a wide range of emergencies. Detailed information and contact numbers: http://emergency.uark.edu/

Inclement Weather— We will follow the campus’s inclement weather policy (link below). If campus is closed, no lecture will be given. No assignment would be graded down in such a case and an exam would be re-scheduled. During inclement weather the instructor will try to communicate with students via e-mail. http://emergency.uark.edu/

RazALERT— The University of Arkansas has a campus-wide alert system for any hazardous conditions that may arise on campus. To learn more and to sign up: http://razalert.uark.edu/index.php

Academic Support— A complete list and brief description of academic support programs can be found on the University’s Academic Support site, along with links to the specific services, hours, and locations. The instructor can assist you with finding and using the support services that will help you be successful. http://www.uark.edu/academics/academic-support.php

Learning Disabilities— Students with learning disabilities will be accommodated in accordance with campus policies. Students with such disabilities should contact the instructor early in the semester so that the means of accommodation can be arranged.