GENERAL INFORMATION

INSTRUCTOR: Dr. R. Wes Harrison, Professor
Dept. of Ag. Economics & Agribusiness
Room 230, Martin D. Woodin Hall

OFFICE HOURS: By appointment.
Tel: 225-578-2727
rwharri@lsu.edu

LECTURES: MWF - 12:30- 1:20: Room 104 AUDUBON HALL


PREREQUISITES:
The prerequisites for this course are “C” or better in AGEC 2003 and Econ 2030, or Econ 2000 and 2010; and MATH 1431 (or equivalents). The course is designed to build upon introductory microeconomics, and we will use some basic calculus, so if you have not taken these two courses you should consider rescheduling the course after completion of the prerequisites.

COURSE DESCRIPTION:
Applications of graphical, mathematical, and computer-based microeconomic analysis to problems in the production and marketing of food and agricultural products.

COURSE OBJECTIVES:
The overall objective of the course is to develop your understanding and appreciation for how businesses, policy makers, and individuals can use microeconomic theory to analyze and resolve economic problems in the food and agricultural sector.

Upon completion of the course, you should:

1) be proficient in graphical and mathematical analysis used in intermediate microeconomic theory; and,

2) be able to use economics to analyze and predict economic behavior of consumers and producers, and the economic performance of markets, within the food and agricultural sector (i.e., be able to think like an economist).
GRADING POLICY

The grade obtained in the course will be determined by your performance on class participation, quizzes, three exams and a comprehensive final exam. The relative weights are as follows:

<table>
<thead>
<tr>
<th>% of Grade</th>
<th>Class Participation</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Quizzes (Drop the lowest)</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>Three exams (Drop the lowest) 100 pts each x 2 exams</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Cumulative Final Exam</td>
<td></td>
</tr>
<tr>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Exams dates will be announced in class (and posted on Moodle) at least two weeks prior to the day the exam will be given. The final is scheduled for Thur. Dec 10th from 12:30pm to 2:30pm (All students must take the final, sorry, no exceptions). The final grading scale is as follows:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+</td>
<td>97 or above</td>
</tr>
<tr>
<td>A</td>
<td>94-96.4</td>
</tr>
<tr>
<td>A-</td>
<td>90-93.4</td>
</tr>
<tr>
<td>B+</td>
<td>87-89.4</td>
</tr>
<tr>
<td>B</td>
<td>84-86.4</td>
</tr>
<tr>
<td>B-</td>
<td>80-83.4</td>
</tr>
<tr>
<td>C+</td>
<td>77-79.4</td>
</tr>
<tr>
<td>C</td>
<td>74-76.4</td>
</tr>
<tr>
<td>C-</td>
<td>70-73.4</td>
</tr>
<tr>
<td>D+</td>
<td>67-69.4</td>
</tr>
<tr>
<td>D</td>
<td>64-66.4</td>
</tr>
<tr>
<td>D-</td>
<td>60-63.4</td>
</tr>
<tr>
<td>F</td>
<td>below 60</td>
</tr>
</tbody>
</table>

IMPORTANT POLICIES AND PROCEDURES (please read these carefully)

(1) **There will only be one make-up exam given in this class.** You have two options:
   a. You can use your one-exam drop option, or
   b. Take a make-up exam that will be scheduled the last week of class. **This option is available only with an excused absence. You must provide documentation for the excused absence one week before or after the date of the exam you missed.**

(2) Homework problems will be assigned during the semester and posted on Moodle. The homework will not be graded but it will be reviewed in class, after which an answer key will be posted on Moodle.

(3) You will be held to all university policies regarding academic misconduct, as described under section 5.1 of the LSU student handbook.
AGEC 3003 - Fall 2015
Course Outline

Introduction to Microeconomics
   Making Trade-offs: The Allocation of Scarce Resources
   Models
   Use of Economic Models

Chapter 1

Supply and Demand
   Demand
   Supply
   Market Equilibrium
   Shocking the Equilibrium
   Analysis of Government Intervention

Chapter 2

Applying the Supply and Demand Model
   The Shapes of Supply and Demand Matter
   Price Elasticity of Demand and Supply
   Analysis of Sales Taxes

Chapter 3

The Theory of Consumer Behavior

Understanding Consumer Choice
   The Foundations of Consumer Preferences
   Utility Functions and Indifference Curves
   The Budget Constraint
   Constrained Consumer Choice

Chapter 4

Applying Consumer Theory
   Deriving Demand Curves
   Changes in Income, Prices, and the Cost of Living

Chapter 5

The Theory of Firm Behavior

Firms and Production
   Production Functions
   Short Run Production: One Variable and One Fixed Input
   Long Run Production: Two Variable Inputs
   Returns to Scale
   Productivity and Technical Change

Chapter 6

Costs
   Measuring Costs
   Short Run Costs
   Long Run Costs
   Lower Costs in the Long Run

Chapter 7

The Perfectly Competitive Model

Competitive Firms and Markets
   Competition
   Profit Maximization
   Competition in the Short Run
   Competition in the Long Run

Chapter 8