

Introduction to Agricultural and Applied Economics
AAE 215
Fall 2018

Instructor:

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Class Meetings:

Lectures: Tuesdays and Thursdays, 11 – 11:50 a.m., Soc. Sciences 6203
Discussion section: Thursdays and Fridays, various times and rooms

Office Hours:

Mondays and Thursdays, 2 - 3 pm and by appointment

Class Website:

We will use Learn@UW. Check regularly for announcements, readings, assignments, etc.

Course Description:

Welcome to AAE 215. This introductory course will familiarize students with the way in which economists think about agriculture and related applied topics. After spending the semester applying economic principles to real world topics and timely issues, I hope you will conclude that the discipline offers as useful way to structure problems and to better understand social and political systems.

This is an introductory course. It presumes that students have limited backgrounds in economics and agriculture. For students contemplating a major in agricultural and applied economics, the course will provide you with a broad overview of the field. For students majoring in other disciplines, the course will familiarize you with basic economic tools for assessing the motives and consequences of organizing production and consumption via markets. For students who are uncertain about a major, the course will preview what an educational focus in applied economics would entail.

Introduction to Agricultural and Applied Economics is a class rooted in economic theory so you can expect some diagrams, abstractions, and simplifications. The purpose of the theory is always to help us understand the real world. Economics will not provide us with “the right answer”, but it will give us a framework for thinking about important problems.

Required Textbook:

Brue, Stanley L., Campbell R. McConnell, and Sean Masaki Flynn. 2018. *Microeconomics: Principles, Policies, and Problems*. 21st Edition. McGraw Hill.

The 20th edition of this text will likely suit the needs of this course, but that cannot be guaranteed.

Supplementary Readings:

I will occasionally assign supplementary readings. These will be a mix of book chapter readings, newspaper blogs, and short policy essays.

Grading:

Quizzes: 10 @ 10 points	100 pts
Problem sets: 10 @ 5 points	50
<u>Final exam</u>	<u>50</u>
Total	200 pts

The plan for final grades is as follows:

A:	92 – 100%
AB:	86 – 92%
B:	80 – 86%
BC:	74 – 80%
C:	68 – 74%
D:	56 – 68%

Quizzes:

There will be 11 quizzes, given approximately every week, on Thursdays. You will have 10-15 minutes to complete the questions. The quizzes will contain multiple choice and short-answer questions about lecture material, homework questions, and assigned readings. You may be required to solve mathematical problems and interpret graphs. I have scheduled 11 quizzes, but I will drop your lowest score so that only your 10 best quizzes will count towards your final grade. I will not allow makeup quizzes. If you miss a quiz for a compelling reason, I will reweight your final score such that the quizzes you do take sum to 100 points.

Problem Sets:

There will be 10 problem sets. I will generally distribute these on Tuesdays, giving you one week to complete them. You will be asked to interpret and draw graphs, solve math problems, and critically assess readings from the course. The discussion sections on Fridays will offer opportunities to practice solving problems similar to those in the problem sets. You can earn a maximum of 5 points on each problem set.

Exams:

There will be a two-hour comprehensive final exam. Your grade will depend on how well you demonstrate both intuitive and technical understanding of course concepts.

Student Conduct:

Laptops are allowed in class, but the purpose should be for taking notes (not browsing the internet, checking Facebook, etc). Cell phones, iPads, and other devices are distracting and should not be out during class. All devices must be turned off and out of reach during quizzes and exams.

Course Learning Objectives:

Successful students will

- apply economic tools to predict how market outcomes (e.g., prices, quantities, firm entry) will respond to changes in production costs, information, and policy;
- employ appropriate methodologies and tools to quantify the costs and benefits from market exchange in different applied settings; and
- understand the unique economic challenges facing agricultural producers.

Guidelines for Doing Well in the Class:

- *Attend all classes* – quizzes, problem sets, and the final exam focus on material discussed in class, and much of the lecture material will not come from the textbooks or readings
- *Keep up with reading* – be “on same page” – or at least on same chapters
- *Devote necessary time* – the course meets for two 50 minute periods per week and carries the expectation that students will work on learning activities (reading, writing, problem sets, studying, etc.) for about 2-3 hours out of classroom for every class period.

Academic Integrity:

By enrolling in this course, each student assumes the responsibilities of an active participant in UW-Madison’s community of scholars in which everyone’s academic work and behavior are held to the highest academic integrity standards. Academic misconduct compromises the integrity of the university. Cheating, fabrication, plagiarism, unauthorized collaboration, and helping others commit these acts are examples of academic misconduct, which can result in disciplinary action. This includes but is not limited to failure on the assignment/course, disciplinary probation, or suspension. Substantial or repeated cases of misconduct will be forwarded to the Office of Student Conduct & Community Standards for additional review. For more information, refer to studentconduct.wiscweb.wisc.edu/academic-integrity/.

Accommodations for Students with Disabilities:

The University of Wisconsin-Madison supports the right of all enrolled students to a full and equal educational opportunity. The Americans with Disabilities Act (ADA), Wisconsin State Statute (36.12), and UW-Madison policy (Faculty Document 1071) require that students with disabilities be reasonably accommodated in instruction and campus life. Reasonable accommodations for students with disabilities is a shared faculty and student responsibility. Students are expected to inform me of their need for instructional accommodations by the end of the third week of the semester, or as soon as possible after a disability has been incurred or recognized. I will work either directly with you or in coordination with the McBurney Center to identify and provide reasonable instructional accommodations. Disability information, including instructional accommodations as part of a student's educational record, is confidential and protected under FERPA.

Diversity and Inclusion:

Diversity is a source of strength, creativity, and innovation for UW-Madison. We value the contributions of each person and respect the profound ways their identity, culture, background, experience, status, abilities, and opinion enrich the university community. We commit ourselves to the pursuit of excellence in teaching, research, outreach, and diversity as inextricably linked goals. The University of Wisconsin-Madison fulfills its public mission by creating a welcoming and inclusive community for people from every background – people who as students, faculty, and staff serve Wisconsin and the world.

TENTATIVE SCHEDULE (Subject to Change)

Week	Topics	Chapter(s)	Notes
1 (Sept 6)	Course overview		No sections
2 (Sept 11, 13)	Limits, Alternatives, Choices Market System	1 2	Th. Quiz 1
3 (Sept 18, 20)	Demand, Supply, Equilibrium	3	T: PS 1 due Th: Quiz 2
4 (Sept 25, 27)	Market Failures	4	T: PS 2 due Th: Quiz 3
5 (Oct 2, 4)	Government's Role and Failures	5	T: PS 3 due Th: Quiz 4
6 (Oct 9, 11)	Elasticity	6	T: PS 4 due Th: Quiz 5
7 (Oct 16, 18)	Utility Maximization	7	
8 (Oct 23, 25)	Behavioral Economics Firms and Production	8 9	T: PS 5 due Th: Quiz 6
9 (Oct 30, Nov 1)	Firms and Production Pure Competition	9 10	T: PS 6 due Th: Quiz 7
10 (Nov 6, 8)	Pure Competition	10-11	T: No class
11 (Nov 13, 15)	Monopoly	12	T: PS 7 due Th: Quiz 8
12 (Nov 20)	Agriculture	22	
13 (Nov 27, 29)	Agriculture International Trade	22 40	T: PS 8 due Th: Quiz 9
14 (Dec 4, 6)	International Trade Natural Resources	40 19	T: PS 9 due Th: Quiz 10
15 (Dec 11, 13)	Natural Resources	19	T: PS 10 due Th: Quiz 11
Week 16	Comprehensive Final Exam on Wed, Dec. 19, 12:25 – 2:25 pm		