AEDE 4001 Managerial Economics for Agribusiness
Autumn 2012

Prof. S. R. Thompson
Department of Agricultural, Environmental, and Development Economics

Lecture: TR 9:35am-10:55am.  HT 164

Course Objectives:
The primary objective is for you to understand how microeconomics can aid managerial decisions of agribusinesses. You will learn to apply economic analysis to a wide variety of issues fundamental to the success of agribusiness firms. You will develop a framework of thinking through problems of business management within a competitive market environment.

Instructor Information:
Office Location: Ag. Admin. Bldg., Room 335
Office Phone: 292-6225
E-mail: thompson.51@osu.edu
Mailbox: Ag. Admin. Bldg. Room 320A
Office Hours: Tuesday and Thursday 2:00 – 3:00pm.

Teaching Assistant: Ms.
Office: Ag. Admin. Bldg. Room
Email: @buckeyemail.osu.edu
Office Hours: TBA

Course Information:
Prerequisites: Preq: 2001 (200) or 2001H (200H) or Econ 2001 (H200) or Econ 2001(201H); and 1131 (Math 131 [Wi 03 or thereafter]) or 1132 (132) or 1151.01 (151.01) or 1152 (152.01). Not open to students with credit for 500.

Text (none required):
Any standard Managerial text books can serve as a useful reference. Please ask the professor for suggestions. However, I have placed on Closed Course Reading in the Agricultural Administration Library the following:


Lecture Notes and Homework Assignments:
The syllabus, lecture notes, homework assignments, and other course information can be found on the course webpage: carmen.osu.edu.
Grading and Course Evaluation:

Grading: Your course grade will be determined as follows:
Midterm Exam I: (Thursday, Sept. 20)  25%
Midterm Exam II: (Thursday, Oct. 25)  25%
Final Exam: (Friday, Dec. 7)  30%
Homework (6-8) and Class Involvement  20%

Final Grade

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<th>Grade</th>
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<tr>
<td>A</td>
<td>93.0 – 100</td>
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<td>A-</td>
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<td>86.7 – 89.9</td>
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<td>B</td>
<td>83.3 – 86.6</td>
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<td>B-</td>
<td>80.0 – 83.2</td>
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<td>66.7 – 69.9</td>
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<td>D</td>
<td>60.0 – 66.6</td>
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There may be a curve depending on the overall performance of the class.

Homework: Several problem sets will be assigned during the quarter. For the most part, these assignments will be due one week after the homework is assigned. Late assignments will be discounted 10 percent per day up to five days late (after 5 p.m. of date due). No credit will be awarded for assignments over five days late, unless the instructor has granted permission in advance of the due date.

Final exam: The final exam for this course is scheduled for Friday, Dec. 7, 10:00 a.m. – 11:45 am. If you plan to graduate this quarter, please alert me of your intentions. There are no make-up examinations without proper documentation of a university accepted excuse.

The examinations will consist of both short-answer questions (with an emphasis on problem solving) and objective (multiple-choice, true/false, definitions) questions.

ACADEMIC MISCONDUCT: Academic misconduct (plagiarism, cheating, and other forms of misconduct as defined by the university) will not be tolerated in this course. According to Faculty Rule 3335-31-02 Academic Misconduct is defined as any activity which tends to compromise the academic integrity of the institution, or subvert the educational process. Please see the student handbook or the instructor if you have questions about this policy.

DISABILITY STATEMENT: Any student who feels s/he may need an accommodation based on the impact of a disability should contact me privately to discuss your specific need.
Topic Outline:

I. Overview of Managerial Economics.
   1. Economic Optimization
   2. Demand and Supply

II. Demand Analysis.
   3. Consumer Demand
   4. Demand Estimation
   5. Forecasting

   Midterm I (September 20)

III. Production and Competitive Markets.
   6. Production Analysis
   7. Cost Analysis
   8. Competitive Markets

   Midterm II (October 25)

IV. Imperfect Competition.
   9. Monopoly and Monopsony
   10. Monopolistic Competition
   11. Oligopoly
   12. Game Theory
   13. Pricing Practices

V. Long-Term Investment Decisions (time permitting).
   14. Risk Analysis
   15. Capital Budgeting

Final Exam: Friday, December 7, 2012, 10:00-11:45am.