Department of Agricultural and Resource Economics  
University of Arizona

AREC 315  
AGRIBUSINESS ECONOMICS AND MANAGEMENT  
Fall 2008  
MWF 10:00-10:50 a.m. Marley 230

Facilitator: Paul N. Wilson, Professor  
Chávez 403A  
Tel. 621-6258  
Fax 621-6250  
pwilson@ag.arizona.edu

Office Hours: Monday, 1:00 p.m. – 3:00 p.m. and  
Wednesday, 3:00 p.m. – 5:00 p.m.  
Students are encouraged to stop by the office to discuss matters requiring clarification or regarding other academic issues. I maintain an OPEN DOOR POLICY. I will speak with you, if I am in my office, unless I am working on something extremely urgent. Or you may make an appointment at a mutually agreeable time by calling me on the phone or sending me an email message with proposed meeting times.

Teaching Assistant: Dinkar Kuchibhotla  
Chávez 436  
621-9972  
Email: ksdinkar@email.arizona.edu  
Office Hours: Tuesday, 12:30-2:00 p.m. or by appointment.

Admin. Asst.: Heather Jepsen  
Chávez 403B  
621-2544  
jepsenh@ag.arizona.edu
Course Objectives
This course is designed to equip students with the economic intuition and analytical skills demanded in global business, with a concentration on entrepreneurship and innovation. Emphasis is placed on economic principles, analytical tools, strategic management, entrepreneurship, and decision science. Problem-solving skills will be developed in case study discussions, in-class team projects and short homework assignments.

Course Organization

1. Consistent **class attendance** has a strong, positive correlation with student learning. A complete set of class notes is a valuable learning asset during the semester.

2. Sixteen **teams** will be formed by the instructor the first week of class. You will be seated near your team members throughout the semester. There will be numerous in-class team activities- some graded and others not graded.

3. **Pop quizzes** will be given during the semester. These quizzes will be team exercises. The purpose of these quizzes is to give the student practice working in teams, encourage attendance and provide the instructor with feedback on student learning. Each quiz is worth 10 points.

4. All assigned work is due on the announced date in class or emailed to the instructor before the beginning of class. **No late assignments will be accepted.**

5. **No make-up exams** are planned. Missing an examination is considered a serious action by the student but extenuating circumstances should be brought to the instructor’s attention. With the instructor’s approval the weight of the missed exam may be added to the remaining exams or the comprehensive final.

Prerequisite
Econ 200 or 201a.

Confidentiality of Student Records
http://www.registrar.arizona.edu/ferpa/default.htm

Course Withdrawal

If you decide to withdraw from this course you must notify the instructor prior to nonattendance in classes and execute drop or withdrawal procedures in accordance with the UA General Catalog (http://catalog.arizona.edu/2005-06). Any student failing to attend class in two or more successive classes is subject to automatic withdrawal if arrangements have not been made between student and instructor.
Incomplete Policy

Any incomplete grade must be verified with a written agreement between you and the instructor specifying the work to be done and a timetable of completion. The provision of the General Catalog will be followed (http://catalog.arizona.edu/2005-06/policies/aaindex.html).

Special Needs and Accommodations Statement

Students who need special accommodation or services should contact the SALT (Strategic Alternatives Learning Techniques) Center for Learning Disabilities and/or the Disability Resources Center:

- **SALT Center**
  - 1010 N. Highland Ave.
  - P.O. Box 210136
  - Tucson, AZ 85721-0136
  - (520) 621-3268
  - (520) 626-9448 FAX
  - [http://www.salt.arizona.edu/](http://www.salt.arizona.edu/)

- **Disability Resources Center**
  - 1224 East Lowell Street
  - Tucson, AZ 85721
  - (520) 621-9423 FAX
  - (520) 626-6072 TTY
  - [http://drc.arizona.edu/](http://drc.arizona.edu/)

The need for accommodations must be documented by the appropriate office.

Classroom Behavior

Please turn off your cell phone/pager during the classroom period. Laptop computers may be used to take notes but only with the instructor’s permission. The right to use a laptop will be rescinded if another student finds the material on the laptop distracting. Also, please do not read the newspaper or sleep while class is in session. Disruptive students will be asked to leave the classroom. For further information please see [http://policy.web.arizona.edu/~policy/threaten.shtml](http://policy.web.arizona.edu/~policy/threaten.shtml).

Student Code of Academic Integrity

Students are encouraged to share their views and discuss freely the principles and applications of course materials. However, graded work/exercises must be the product of independent effort unless otherwise instructed. Students are expected to adhere to the UA Code of Academic Integrity as described in the UA General Catalog: [http://w3.arizona.edu/~7Estudpubs/policies/cacaint.htm](http://w3.arizona.edu/~7Estudpubs/policies/cacaint.htm)

Student Evaluation

I use a standards-based grading system where grades are assigned in an approximate 90% and above=A, 80-89=B, 70-79=C, etc. scale. Grades are not based on a curve. Examples of previous exams/quizzes are available on the course website: [http://ag.arizona.edu/classes/arec315](http://ag.arizona.edu/classes/arec315) with Username: arec315 and Password: global.
Assessment Design*

1. Individual Performance
   - In-Term Exams (4@75 points each) 300
   - Short Assignments (5@20 points each) 100
   - Business Idea and Competitor Analysis 100
   - Final Exam (Comprehensive) 100
   **Individual Total** 600

2. Team Performance
   - Pop Quizzes (15@10 points each) 150
   **Team Total** 150

**Course Total** 750

*Subject to change at the discretion of the instructor.

**Required Textbook:**


This textbook is available in the ASUA Bookstore.

**Support Materials:**

Other supplementary reading materials will be distributed in class or put on the course website during the semester and the student is responsible for this material as well. I suggest you purchase a large 3-ring binder for your notes and handouts.

Several *Special Topic* lectures are drawn from:


Lecture material on innovation is taken from:


Students do not need to buy either of these books.

*Class attendance, conscientious note taking, active listening, and reading/studying the textbook are all critical for academic success.*
General Course Outline*

I. Introduction: Integration of Economics and Management (1 week)
   A. Course Orientation
   B. Introduction to Managerial Economics (Chapter 1)
   C. The Executive and Leadership

II. Economics of Strategy (1 week)
   A. Industry and Competitor Analysis
   B. Global Competition

III. Economics of Entrepreneurship (1 week)
   A. Introduction
   B. Business Plan

IV. Economics of Innovation (2 weeks)
   A. Creating Customer Value
   B. Innovation Team
   C. Innovation Enterprises

V. Marketing and Customer Demand (3 weeks)
   A. Marketing Overview
   B. The Basics of Customer Demand (Chapter 2)
   C. Elasticity (Chapter 3)

VI. Barriers to Entry: Economics of Execution/Production (4 weeks)
   A. Economics for Managers
      -Supply (Chapter 4)
      -Competitive Markets (Chapter 5)
      -Economic Efficiency (Chapter 6)
      -Costs (Chapter 7)
   B. Budgeting for Managers
      -Operating Budget
      -Partial Budgets
      -Cash Flow Budgeting
      -Capital Expenditure Budget (Capital Budgeting)

VII. Rivalry: Economics of Market Structure (2 weeks)
   A. Monopoly (Chapter 8)
   B. Pricing (Chapter 9)
   C. Strategic Thinking (Chapter 10)

VIII. Imperfect Markets and Uncertainty: Managing for Biases, Surprises and the Unknown (2 weeks)
   A. Externalities (Chapter 12)
   B. Asymmetric Information (Chapter 13)
   C. Incentives and Organization (Chapter 14)
   D. Traps in Decision Making
   E. Trust

*Subject to change at the discretion of the instructor.
# Key Assessment Dates

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<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Wednesday, September 19</td>
<td>In-Term Exam #1</td>
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<tr>
<td>Friday, October 10</td>
<td>Business Plan (Phase I) Due</td>
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<td>Friday, October 17</td>
<td>In-Term Exam #2</td>
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<td>Wednesday, November 5</td>
<td>In-Term Exam #3</td>
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<td>Friday, November 21</td>
<td>Competitor Analysis Due</td>
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<td>Monday, December 8</td>
<td>In-Term Exam #4</td>
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<td>Friday, December 12</td>
<td>Final Exam, 11 a.m.-1 p.m.</td>
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