

## BUS 310-01 Intermediate Microeconomics - Fall 2018

**Instructor:** Dr. Ali Aljamal  
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**Office hours:** MW 1:00-3:00 pm | UR 12:30-1:30 pm

*“Understanding anything is a process of learning what it does, how and why it works, how to create and modify it, and eventually how to convey that knowledge to others.”*

-Elinor Ostrom (1933-2012); 2009 Nobel Laureate in Economics

### Catalog Course Description

The course expands the use of microeconomics principles and concepts to describe real world current business and economics events. Topics include households and firms' behaviors and their interactions, market structure and their implications for the overall allocation of resources and social welfare, and government intervention and tools to improve the functioning and outcome of markets. Pre-requisite: ECON 200, ECON 201 and BUS 209.

### COLLEGE OF BUSINESS & ECONOMICS MISSION & VISION:

The College of Business & Economics prepares students through an American educational experience combining quality intellectual challenge and ethical professional practice for careers in Kuwait and beyond by: focusing on the development of business in Kuwait and the Gulf; supporting rigorous programs that foster excellence in business teaching and scholarship; and working together to learn and disseminate socially responsible practices to advance society.

**COURSE OBJECTIVES & LEARNING OUTCOMES:** In this course students apply basic models economists use to study the choices made by decision-makers in their roles as consumers, business managers and government officials, and how these individual choices affect markets. It provides a framework to understand how the economy works apply and to understand and appreciate a wide range of economic and social issues. The focus is on policy applications to gain deeper insight into constrained optimization behaviors of individual consumers and firms. The emphasis is on analytic thinking, problem-solving and decision-making in real-world situations. In contrast to the Principles of Economics, this course shifts the focus from learning facts and applying basic tools to discussing techniques to assess real world issues. In addition, the course provides a significant portion of language of economic analysis which sharpens communication and leadership skills to address economic, business and social problems.

Upon successful completion of the course, it is expected that students, to a large extent, should be able to:

1. Recognize the structure and underlying assumptions of the standard models used in microeconomic analysis and how the models' predictions change when the standard assumptions are relaxed.

2. Understand consumer choice theory and model utility-maximization to explain how changes in prices and income affect consumer's purchasing patterns. Students learn how to derive demand curves from utility functions and to identify and analyze income and substitution effects.
3. Understand firm's theory and model firm production - how the firm chooses inputs such as labor and capital to produce output - and how changes in technology affect the firm's production choices in the short- and long runs.
4. Construct the cost-minimization model of the firm and use it to understand how changes in factor prices affect a firm's decisions regarding the employment of labor, capital, and materials.
5. Understand organization of markets and how perfectly competitive, monopolistic, monopolistically competitive, and oligopolistic behaviors influence outcomes of these markets.
6. Identify and solve constrained optimization problems, graphically and mathematically, and demonstrate ability to apply microeconomic theoretical models to analyze real-world problems.

**COURSE OBJECTIVES RELATION TO AACSB ACCREDITATION:** CBE is in the process of pursuing AACSB (<http://www.aacsb.edu/>) accreditation and is currently in the Initial Accreditation Phase. AACSB is the hallmark for excellence in business teaching and research. Roughly about 5% of business degrees-awarding programs around the world are accredited by AACSB. Achieving this accreditation entails subscribing to the highest standards adopted by the very best business programs in the world. As part of this accreditation process CBE has developed a set of learning goals that are emphasized in the Bachelor of Business Administration (BBA) curricula. The specific goals which are being underscored in this course are listed below.

Program Goal	Learning Objective Students will:
Critical Thinking and Decision skills	Demonstrate critical thinking skills with application of principles to business situations.
Global, Regional, and Multi-cultural Aspects of Business	Assess global, regional and multicultural aspects of business operations and their impacts on business.

**PREREQUISITES:** BUS 209 (ECON 302 previous catalog).

**REQUIRED TEXTS:**

Microeconomics 2nd ed. (ISBN: 9781464187025) by Goolsbee, Levitt & Syverson, 2016, Worth Publishers.

**PEDAGOGY**

This course integrates the goals of reading, critical thinking, and application. The objective is to challenge the student to ask questions which engender deep reflection on various economic concepts, processes, approaches, and policies. Interaction between the teacher and students, therefore, is viewed as the medium through potential learning takes place. To create a conducive learning environment, the student needs to adopt the discipline to read, practice, discuss and apply course material. To this end, this course utilizes the followings:

- **Reading assignments** are expected to be completed before coming to class since lectures will make more sense if reading is done first. Lectures and readings are complementary and although lectures will often follow the logical sequence of the textbook, some lecture material is not available in the text and some reading material will not be repeated during lectures.
- **Class participation** is mandatory. It is imperative that you attend and actively participate in class by completing the reading assignments before coming to class.

- **Exams** are set of learning tool that moves the application techniques further. They provide independence in applying the techniques learned in class so that by the end you are comfortable with a collection of analytical tools. There will be three midterms and a comprehensive final.

**EVALUATION & GRADING:** course performance and grade is determined using the following criteria:

Class participation (attendance 4% & quizzes 10%)	14%
Homework Assignments	10%
Midterm Exams (two @ 23% each)	46%
Final Exam	30%
<hr/> Total	<hr/> 100%

Letter of grade is assigned based on the following scale

A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
94-100	90-93	87-89	84-86	80-83	77-79	70-74	74-76	67-69	64-66	60-63	0-59

**CLASS POLICIES:**

- **Email communication protocol:** all email communication must be conducted using your AUK account, no exception to this policy. Please note that it is my policy to not use email to communicate or discuss grades under all circumstances.
- **Attendance:** student is expected to attend all classes, arrive on time and leave after I take roster at the end of class. AUK policy on attendance will be enforced and so if you miss more than 15% (6 class meetings) of the class sessions should expect to fail, unless verifiable documented evidence is submitted to justify absence. Student who does not submit documented evidence for absences exceeding the limit are expected to withdraw from the course. It is the student's responsibility to withdraw from the course by the specified deadline, as indicated on the Academic Calendar. Students who withdraw from a course receive a grade of "W." Student who does not withdraw from a course nor submit supporting documents for excessive absences will receive a grade of "FN" (failure for non-attendance).
- **Free-pass policy:** Emergencies do happen and if you have to miss class for a compelling reason use a free-pass and so you do not have to produce evidence to justify your absence (e.g. medical, family emergency, etc.). Each student is entitled to 2-free passes.
- **Make-up exams:** No make-up for missed exams.
- **Extra credit:** there is no extra credit work or projects to improve grades or make up for lost work at the end of the semester.
- **Orderly Conduct:** Disruptive or disorderly conduct will not be tolerated. Basically, any activities or attitudes that hinder the ability of the instructor to carry out classroom duties or create distraction to the instructor or fellow classmates are deemed disruptive. This includes, but not limited to: leaving the classroom while class is still in session, use of smart devices during class. Disorderly conduct could results in loss/reduction course grade leading all the way to a failing grade.

**AUK POLICY & ACADEMIC HONESTY AND INTEGRITY:** upon admission to AUK, you took upon yourself to act responsibly in areas such as personal, social and academic, among others, which are explicitly stated in the AUK STUDENT CODE OF CONDUCT. The University has the right to, through the due process, to take disciplinary action against students for violations of this Code and any institutional standards of behaviors and academic regulations and procedures, which are defined in the catalog and the Student Planner & Handbook. This includes cheating and plagiarism in any form (e.g. exam, research papers). Violations of this Code will be penalized by a failing grade in exam and/or course and may also lead to student's dismissal from the University.

**DISABILITY ACCOMMODATION:** AUK is committed to providing equal opportunity to all students including those with disabilities. If you have a disability you are advised to contact Dr. Huda Shaaban (2224 8399 ex. 3235; [hshaaban@auk.edu.kw](mailto:hshaaban@auk.edu.kw)), Assistant Director for Disability Services at the Student Counseling Center (SCC), to determine eligibility for accommodations. Registration with the SCC is required for ALL disability-related accommodations. Please note that these accommodations cannot be applied retroactively in the event eligibility is determined later in the semester.

**ACADEMIC SUPPORT:** If you have any difficulties, please come see me right away, as I am here to help you. In addition, AUK offers a host of resources designed to help you develop the skills you need to succeed in college. The Academic Advising Center provides Academic Skills Workshops throughout the semester such as: effective study habits, time management, classroom etiquettes, note-taking, productivity and critical thinking, building reading skills, thinking styles, building self-esteem & self-motivation, test-taking, communications skills, stress management. In addition, the Tutoring Center offers free peer tutoring. It is imperative that you utilize these resources to achieve your academic goals in a timely and efficient manner.

**DISCLAIMER:** Please note that contents of this syllabus may be subject to change. In the event changes are made to this syllabus, you will be notified in class. It is your responsibility to stay current of all changes announced in class.

**ECON 310 - Fall 2018**  
Course Outline (tentative)

<b>Week</b>	<b>Reading</b>	
Week1 Sep 9-13	<i>Adventures in Microeconomics (Chapter 1)</i> Online Calculus Appendix: The Mathematics of Utility Functions <b>Sep 11 (Tue): Islamic New Year – University holiday</b>	
Week2 Sep 16-20	<i>Supply and Demand (Chapter 2)</i>	
Week3 Sep 23-27	<i>Supply and Demand (Chapter 2)</i>	
Week4 Sep 20-Oct 4	<i>Using Supply and Demand to Analyze Markets (Chapter 3)</i>	
Week5 Oct 7-11	<i>Consumer Behavior (Chapter 4)</i>	
Week 6 Oct 14-18	<i>Consumer Behavior (Chapter 4)</i>	
Week7 Oct 21-25	<i>Individual and Market Demand (Chapter 5)</i>	<b>Midterm 1 Wed. Oct 24<sup>th</sup></b>
Week8 Oct 28-Nov 1	<i>Individual and Market Demand (Chapter 5)</i>	AUK Midterms
Week9 Nov 4-8	<i>Producer Behavior (Chapter 6)</i>	
Week10 Nov 11-15	<i>Producer Behavior (Chapter 6)</i> <i>Costs (Chapter 7)</i>	
Week11 Nov 18-22	<i>Costs (Chapter 7)</i> <b>Nov 22 (Thu): Prophet's Birthday – University holiday</b>	
Week12 Nov 25-29	<i>Supply in a Competitive Market (Chapter 8)</i>	
Week13 Dec 2-6	<i>Supply in a Competitive Market (Chapter 8)</i>	
Week 14 Dec 9-13	<i>Market Power and Monopoly (Chapter 9)</i>	<b>Midterm 2 Wed. Dec 12<sup>th</sup></b>
Week 15 Dec 16-20	<i>Game Theory</i> <b>Last day of class Wed Dec 19th</b>	
Week 16 Dec 23-27	<b>Winter Break</b>	
Week 17 Dec 30-Jan 3	<b>Winter Break</b>	
Jan 8-13	<b>Comprehensive Final Examination</b> (see Final Exam schedule)	

**ECON 310-01: INTERMEDIATE MICROECONOMICS**  
Fall 2018 - (CNR 8296) MW 11:00-12:15 am, Room A204

**Instructor: Dr. Ali Aljamal**

Students enrolled in this class are required to complete this form and return it to the instructor no later than Wednesday Sept 19, 2018.

I, (Student's name) \_\_\_\_\_ have received a copy of the class syllabus and I understand the requirements and policies stated in it. I also acknowledge awareness of my rights and responsibilities as defined as defined in the AUK STUDENT CODE OF CONDUCT.

\_\_\_\_\_  
Student's Signature

\_\_\_\_\_  
Date

**Consent to Release Class Scores (Optional)**

Students enrolled in this class have the option of viewing their scores and running grades in a spreadsheet posted to the course’s homepage in **Moodle**. Scores are listed under a unique 5-digit code the student select. The code can be a mix of letters and numbers, excluding initials and student ID and it must not in any way be suggesting or revealing of identity. This service is optional and students can opt out any time by submitting a written request to the instructor. Each participating student takes full responsibility for maintaining the anonymity of his/her code.

I, \_\_\_\_\_, enrolled in ECON310 in Fall 2018 hereby consent to  
(print your full name)

releasing my scores in a spreadsheet posted to the course’s homepage in **Moodle** under the following

code \_\_\_\_\_. I understand that I will take full responsibility for maintaining the confidentiality of  
(5-digit max)

my code and that I will keep a copy of this consent form for my record.

\_\_\_\_\_  
Student Signature

\_\_\_\_\_  
Date