

ECON 210: Microeconomic Theory
Department of Economics, College of Business Administration
Kuwait University
Fall, 2021

Instructor: Dr. Shamlan Waleed Albahar
Office: Building BUA-S, 3rd floor, Area A, Room 1014
Office Hours: Mon. & Wed. 12:30 PM – 2:00 PM and by appointment
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Lecture Location: Building BUA-S, 1st floor, Area B, Room 1020 (B1-1020) - This room may change on 2nd week of classes

Lecture Meeting Time: Mon. & Wed. 3:30 PM – 4:45 PM

Tutorial Instructor, time and classroom: TBA

Course Description

This course focuses on learning microeconomic theory at the intermediate level. Microeconomics is the bottom-up view of the economy that studies the behavior of individuals and firms, how they make decisions, and how they interact in markets.

Topics covered include the analysis of the theoretical foundations of consumer choice, firms' production decisions, and market organization. This course begins with studying the theory of the consumer, which covers preferences, budget constraints, and utility maximization. We then turn to the theory of the firm, which covers production technology, cost minimization, and profit maximization. Economic welfare and efficiency are then analyzed under different market structures, market failures, and government interventions.

Prerequisites

To be enrolled in this course, you must have completed ECON 205 (Mathematics for Economists).

This course will heavily build on your ECON 110 (Principles of Microeconomics) course. We'll basically go over the theories that back what you've learned in ECON 110 and use the skills you've learned in ECON 205 (Mathematics for Economists) in applying these theories.

Textbooks

Required textbook: *"Microeconomics," R. S. Pindyck, and D. L. Rubinfeld, 9th Edition, Pearson, 2018.*

This will be the main textbook that we will follow. It should be available in KU's bookstore. It is important that you read all the required chapters in the textbook. If you read the textbook regularly, pay attention during lectures and work hard on assignments and tutorial exercises, the material should be a piece of cake!

Some supportive textbooks (for Principles-Level Revision):

- *"Economics: Principles, Problems, and Policies," C. R. McConnell, S. L. Brue, and S. M. Flynn, Global Edition, McGraw Hill, 2018.*
- *"Principles of Microeconomics," B. Stevenson and J. Wolfers, First Edition, Macmillan Learning, 2020.*

Course Learning Objectives (CLOs)

Upon successful completion of the course, students will be able to:

- CLO1.** Apply the microeconomic theoretical framework to the analysis of consumption & production behaviors
- CLO2.** Use diagrams & calculus to solve optimization problems of microeconomic models & derive their predictions
- CLO3.** Understand the function of markets and their limitations in allocating resources efficiently
- CLO4.** Understand different forms of market failure and the role of government policies in correcting them

CLO Mapping to CBA Skill Based Competency Goals¹

CLO	Competency Goal			
	Analytical	Communication	Information Technology	Business Ethics
1	R			
2	R			
3	R			
4	R			R

Type of Emphases:

- **(I)ntroduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
- **(A)pply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- **(R)einforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

Course Outline

You need to keep track of the material taught in class. I will not follow the exact order of topics in the textbook. I will also cover some additional material in class that may not be covered in the textbook. The course outline will be as follows:

Topic	Textbook Reading (Chapter numbers may differ based on textbook edition)
I. Introduction	
Reviewing Some Topics in Microeconomics:	
<ul style="list-style-type: none"> • Important Micro and Math Preliminaries • Supply–Demand Model • Elasticity 	Variety of textbooks mentioned above
II. Consumer Theory	
Consumer Behavior: Preferences; Budget Constraints; Choice	Chapter 3
Individual and Market Demand	Chapter 4
III. Firm Theory	
Production Technology	Chapter 6
Cost of Production	Chapter 7
Profit Maximization and Competitive Supply	Chapter 8
IV. Efficiency and Market Failure	
Welfare Analysis of Competitive Markets	Chapter 9
Market Failures: Market Power	Selected Parts from Chapters 10, 12 & 13
Market Failures: Externalities, Public Goods, and Incomplete Information	Selected Parts from Chapters 17 & 18

¹ CBA Competency Goals can be found at the end of this document

Grading

Grading Category	Weight	Details
Homework	10%	<ul style="list-style-type: none">• It is fine to work together (e.g. discussing and asking your classmates). However, you are required to turn in your own version of solutions. Note that working together does NOT mean copying solutions from another student or anyone else.• If one student copies solutions from another, BOTH will receive zeros, and BOTH will be subject to Academic Integrity Policy of Kuwait University.• The assignment is meant to be a learning experience. Do not waste this opportunity.• I will drop your lowest homework grade.
Quizzes in Tutorials	10%	<ul style="list-style-type: none">• All quizzes will be pop quizzes without prior announcements. Because it is possible that you did not get a chance to study the latest material, those quizzes will be based on the material that your submitted homework covered. For example, if your submitted homework covered chapter X, then the quiz would be based on chapter X material.• No excuses accepted for missing a quiz. I will drop your lowest quiz grade.
Participation in Lectures & Tutorials	5%	<ul style="list-style-type: none">• Attendance in lectures and tutorials are mandatory.• You will get full credit if you attend classes regularly on time and participate in many lectures. You may also get more than full credit (Bonus)!• You will earn a fair grade if you attend classes regularly without participating much.• Absences in lectures and tutorials will lower your participation grade.• Because it is possible that you will have a personal or medical excuse during the semester, I will not punish you in this category for your first two absences.• University rules will be enforced in cases of persistent, unexcused absences.
Midterm 1	20%	<ul style="list-style-type: none">• All exams will be held on campus.• I'll consider reducing the weight of the midterm that you do not perform well on and raise the weight of the later exams that you do well on if you show improvement over time.
Midterm 2	20%	<ul style="list-style-type: none">• In the unfortunate case that health conditions become worse, and KU decides to make all exams online, I'll re-update exam rules and grading policy.
Cumulative Final	35%	<ul style="list-style-type: none">• Simple equation: Cheating = Automatic F• No make-up exams. In case you have a proof of a VERY SERIOUS medical illness for missing a midterm exam, your final exam will weigh 57.5% of your final grade. If you miss your final exam and have a proof of a VERY SERIOUS medical illness, you have to expect a harder exam compared to the one the class took since you'll have more time to study relative to your classmates.

Bonus

Category	Weight	Details
Bonus	+5%	<ul style="list-style-type: none">You can earn up to +5% in your final class grade from your participation in lectures, self-recorded videos and writing assignments.I may possibly increase the bonus weight by the end of the semester.I do not share bonus grades with students. Just do your best.

Examination Dates and Times

Midterm 1: Mon. 13/12/2021 during class time.

Midterm 2: Mon. 10/1/2022 during class time.

Final Exam: Tue. 25/1/2022 from 11:00 AM to 1:00 PM.

Tutorial

Learning the material from lectures is not enough and you need to practice applying what you've learned. That's why it's mandatory and extremely important to attend all tutorial sessions. You will get the chance to ask your TA questions, solve practice problems and review homework and exams. Tutorials and homework will be your best preparation to practice solving exam-like questions.

Moodle

Moodle will be the e-learning platform that we will be using for taking online exams when necessary. You can access Moodle by visiting: <http://moodle.ku.edu.kw>

Respondus Lockdown Browser Installation

You will need to install Respondus lockdown browser to do Homework 0. This proctoring software will also be used for taking online exams when necessary (e.g. health conditions become worse, and KU decides to make all exams online). Detailed guidelines on how to log into Moodle and install the lockdown browser are provided on the course MS Teams channel titled "***Respondus Lockdown Browser Installation.***"

What is My Kuwait University Email?

Steps to access your Kuwait University email:

- 1- Log in to the Online Registration System (<http://portal.ku.edu.kw/sis>)
- 2- Click on "My Profile" in the main menu, then choose "My Personal Info."
- 3- Your KU email will be shown under the "University email" section.
- 4- You can now access your university email by visiting (<http://365.ku.edu.kw>) using your KU email address that you found in the previous step. Note that your password is identical to the one you use in the Online Registration System.

For technical support, contact Kuwait University Center of Information Systems:

Web: <http://kuweb.ku.edu.kw/ku/ar/Staff/ElectronicServices/KUOffice365/Office365FAQ/Students/index.htm>

Phone number: 24983365 (Ext. 83365)

Lecture Notes

All lecture notes will be available for you to download and print on MS Teams. Click on “Files” and then “Class Materials” and finally choose “Lecture Notes.”

Communication

If you need to write me an email, use your **Kuwait University (KU) email**. I will only respond to KU emails.

Disabilities

Inform me if you have a disability and need assistance or accommodation.

Academic Honesty

Cheating and plagiarism are stealing. They are unfair to classmates and the original authors, disrespectful to the professor, and beneath the dignity of a respectable university. They are serious offenses and there will be a zero-tolerance policy as per the university rules (Student Guide §3.2). Material submitted for grading is presumed to represent the student’s own performance. Thus, any student implicated in academic dishonesty will receive an (F) grade in the assignment/exam in question or the entire course. Use the APA standard for citations:

https://owl.purdue.edu/owl/research_and_citation/apa_style/apa_style_introduction.html.

If still in doubt about attributing the work of others, seek my advice.

University Rules

You are responsible for familiarizing yourself with the rules in the Student Guide:

http://kuweb.ku.edu.kw/cs/groups/ku/documents/ku_content/kuw055940.pdf

CBA Competency Goals

1. Analytical Competency: A CBA graduate will be able to use analytical skills to solve business problems and make a well-supported business decision.

Student Learning Objectives:

- 1.1. Use appropriate analytical techniques to solve a given business problem.
- 1.2. Critically evaluate multiple solutions to a business problem.
- 1.3. Make well-supported business decisions.

2. Communication Competency: A CBA graduate will be able to communicate effectively in a wide variety of business settings.

Student Learning Objectives:

- 2.1. Deliver clear, concise, and audience-centered presentations.
- 2.2. Write clear, concise, and audience-centered business documents.

3. Information Technology Competency: A CBA graduate will be able to utilize Information Technology for the completion of business tasks.

Student Learning Objectives:

- 3.1. Use data-processing tools to analyze or solve business problems.

4. Ethical Competency: A CBA graduate will be able to recognize ethical issues present in business environment, analyze the tradeoffs between different ethical perspectives, and make a well-supported ethical decision.

Student Learning Objectives:

- 4.1. Identify the ethical dimensions of a business decision.
- 4.2. Recognize and analyze the tradeoffs created by application of competing ethical perspectives.
- 4.3. Formulate and defend a well-supported recommendation for the resolution of an ethical issue.

5. *General Business Knowledge:* A CBA graduate will be able to demonstrate a basic understanding of the main business disciplines' concepts and theories.

Student Learning Objectives:

5.1. Acquire a fundamental understanding of knowledge from the main business disciplines (e.g. finance, accounting, marketing, and management information systems, among others).