

Department Of Economics

Course Descriptions

Course Number:

ECON 104 (Strictly for Non-Business students)

Title:

Principles of Economics

Contents:

The basic concepts of economics; various economic systems, supply and demand, market equilibrium, elasticities, production, cost and market structures. Factors of production, national income, inflation and deflation, monetary and fiscal policies.

References:

An Introduction to the Principles of Economics, *Saif Al-Sewidi*, Qatar National Printing Co. 2000. (Arabic)

Economics, *McConnell, C.R. and S.L. Brue* (2003), 15th ed., McGraw-Hill.

Prerequisites:

None

Course Number:

ECON 110

Title:

Principles of Microeconomics

Contents:

The definition of economics and the economic problem, economic systems, demand, supply and elasticity, price determination and equilibrium, state intervention, consumer behavior and utility, production, costs, firm equilibrium under various market structures, pricing of factors of production.

References:

Economics, *McConnell, C.R. and S.L. Brue* (2003), 15th ed., McGraw-Hill.

Prerequisites:

None

Course Number:

ECON 111

Title:

Principles of Macroeconomics

Contents:

Macroeconomic variables, national income accounts, the classical and the Keynesian theory on employment and determinants of the level of economic activity, fiscal policy, money and banking, monetary policy, inflation, international trade, exchange rates and balance of payments, growth and development.

References:

Economics, *McConnell, C.R. and S.L. Brue* (2003), 15th ed., McGraw-Hill.

Prerequisites:

None

Course Number:

ECON 205

Title:

Mathematics for Economists

Contents:

Covers some economic applications of mathematical concepts such as the linear and non linear functions, determinants and matrices, difference equations, partial derivatives, constrained and unconstrained optimization problems, definite and indefinite integration.

References:

Introductory Mathematical Methods in Economics. *Mik Wisnieski* [1996] McGraw-Hill.

Prerequisites:

ECON 110 and 111

Course Number:

ECON 210

Title:

Microeconomic Theory

Contents:

Supply, demand, and price determination, theories of demand, consumer behavior and equilibrium, elasticity, theories of production, costs, firm and industry equilibrium under various market structures, pricing of factors of production under various market structures.

References:

Intermediate Microeconomics, *Hal R. Varian* [1996], 4th ed., W.W. Norton & Co.

Microeconomics, *Robert S. Pindyck & Daniel L. Rubinfeld* [1998], 4th ed., Prentice-Hall Inc..

Prerequisites:

ECON 205

Course Number:

ECON 211

Title:

Macroeconomic Theory

Contents:

Basic concepts of macroeconomics, how to determine output, employment, the general price level, and the interest rate under the two major macroeconomic theories, i.e. the classical theory and the income/expenditure model. The "IS-LM" Model; the model of aggregate demand and aggregate supply as an extension of the income/expenditure model. Monetary and fiscal policy in accordance with these models. Modern schools theories of consumption and investment. Macroeconomic schools such as the monetarists and the Neo-classical rational expectations as well as the Post-Keynesians and the New-Keynesians.

References:

Macroeconomics, *Robert. J. Gordon* [1998], 7th ed., Scott Foresman and Co.

Prerequisites:

ECON 205

Course Number:

ECON. 212

Title:

Money and Banking

Contents:

The evolution of money; its essence and functions. The monetary systems, the financial system, interest rates, commercial banks: their balance sheets, functions, and their role in the creation of money. The central bank: its balance sheet and role in setting monetary policy, the money multiplier, the monetary base, and money supply. Money demand, money and inflation, exchange rates and the role of money in economic activity. The course also includes a brief description of the banking sector in Kuwait and the role of the Central Bank of Kuwait.

References:

The Economics of Money, Banking, and Financial Markets., *Frederick Mishkin* [2004], 7th ed., Pearson-Addison-Wesley.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 301

Title:

Economic Development

Contents:

Explain the economy and society of the typical underdeveloped country, and the unique problems each country faces, examine the meaning of the concept of “economic development”, examine of the relationship between of economic development and various particular topics, including, for example: poverty and income distribution, gender, the natural environment, and international commerce, government policy and possibilities of alternative economic development strategies, identify the reasons for failure in much of the Third World and the “transition economics”.

References:

Economic Development, *Michael P. Todaro*, [2000], Addison Wesley

Development Macroeconomics, *R. Agenor & P. J. Montiel* [1996], Princeton University Press.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 303

Title:

Petroleum Economics

Contents:

Sources of energy: kinds and measurement, the importance of oil production, consumption, and reserves on global, regional, and domestic levels. Nature and characteristics of oil, oil industry and its various phases: transportation, refining and petrochemicals, the dynamic view of the exploitation of depletable natural resources, world demand and supply of oil and oil products, oil price determinants and the oil industry in Kuwait

References:

Energy Economics: A Modern Introduction, *Banks, F.E.* (2000), Kulwer Academic Publishers, Boston, (Required).

Energy and the Petroleum Industries: Fundamentals and Economics. *Mohammed, Y.H.* (1986), Kuwait.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 304

Title:

Economics of Industry

Contents:

This course examines the main topics in industrial organization such as concentration, barriers to entry, product differentiation, innovation and technical change, vertical integration, diversification and regulation. The aim is to provide an overview of industrial organization and economics to students with basic knowledge of microeconomics. The effects of structural conditions on the firm's pricing strategies and performance are examined. In the applied cases, special attention is paid to the Kuwait market structures.

References:

Industrial Organization: An Analysis of Competitive Markets, *Lipczynski, J. & Wilson, J.* (2001), Prentice-Hall.

Industrial Economics, *Roger Clarke* (1985), Basil-Blackwell

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 307

Title:

Labor Economics

Contents:

Theories pertaining to labor markets, effects of investment in human capital on productivity and earnings and the effects of labor unions on wages. The impact of discrimination on earnings and employment as well as causes and effects of labor migration and how it impacts real wages. Time is also allocated to the study of the domestic labor market and its peculiarities.

References:

The Economics of Labor Markets, *Bruce Kaufman and Julie Hotchkiss* [1999]. 5th ed., The Dryden Press.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 309

Title:

Economics of Natural and Environmental Resources

Contents:

Illustrates the optimal rate of utilization for renewable and non-renewable natural resources under different market structures. The analysis is presented within the context of a static and a dynamic setting and its impact on economic growth is highlighted. Special attention is directed towards environmental pollution, its causes, and remedies. In addition, students are introduced to practical examples that demonstrate the impact of pollution on different economic variables.

References:

The Economic Approach to Environmental and Natural Resources, *James Kahn* [1998], The Dryden Press.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 310

Title:

Business and Economic Forecasting

Contents:

The role of forecasting in business and economics. Survey of procedures for measuring changes in business activity and the methods for forecasting the economy, industry activity and opportunities for the firm. This course provides a fundamental acquaintance with methods used to predict future levels of economic activity. Emphasis will be placed on defining the problem, selecting the appropriate techniques, forecast design and forecast evaluation.

References:

Elements of Forecasting. *Francis Diebold* [2001], South Western College Publishing.

Prerequisites:

ECON 110, ECON 111 and QMIS 220

Course Number:

ECON 311

Title:

Introduction to Islamic Economics

Contents:

Part one of this course is designed to introduce students to the principles of Islamic economics, characteristics of Islamic economics, the economic problem from an Islamic perspective, ownership in Islam, the role of work in Islamic economics, the role of government, as well as monetary and fiscal policies in Islam. Part two deals with the Islamic financial services and models of Islamic finance. Finally part three covers some case studies.

References:

Introduction to the principles of Islamic Economics, *Al-Qiri, M.* (1999), Dar Hafiz Pub. (Arabic)
Islam and The Economic Challenge, *Umer Chapra,*[1992], The Islamic Foundation and The International Institute of Islamic Thought.

A Basic Guide to Contemporary Islamic Banking and Finance, *Mahmoud El-Gamal,* [2000], Islamic Society of North America, Plainfield, Indiana.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 312

Title:

Population Economics

Contents:

Examines world population status, different theories of population growth, essential concepts of demographics such as fertility and mortality rates, migration patterns and population characteristics, population change and economic development. Moreover, policy related issues are discussed such as population management, and the effects of population growth on the environment. Demographics of different Arab countries are studied with a particular attention to the State of Kuwait.

References:

Understanding Population Change. *Nam, C.* [1994] Peacock Publishers Inc.

Population: Patterns Dynamics and Prospects, *Newman, J. and Metzke* [1984] Prentice-Hall Inc.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 314

Title:

Economics of International Trade

Contents:

Theories of international trade and the impact of trade on economic welfare. Trade policy including protection tools such as tariffs, quotas and other non-tariff barriers. Factor migration, regional integration and WTO. Balance of payments equilibrium and adjustment.

References:

International Economics. *Husted, S. and Melvin, M.*[1997] 4th ed., Harper Collins Addison – Wesley.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 315

Title:

Economics of International Finance

Contents:

The course introduces the basic theories of the balance of payments and exchange rates models. The Current and Capital Accounts are discussed, as well as the balance of payments equilibrium and adjustment mechanism. Purchasing power parity and Interest rates parity are examined. Some of the basic theories of the balance of payments are also covered, such as the absorption, the elasticities, and the monetary approach. Macroeconomic policy is investigated under fixed and flexible exchange rates and the implications are discussed.

References:

International Economics, *Husted, S. and Melvin, M.*[1997] 4th ed., Harper Collins Addison – Wesley.

International Economics, *Dennis Appleyard and Alfred Field,* [1998], 3rd ed. Irwin McGraw-Hill.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 330

Title:

Public Finance

Contents:

Examines the economic principles necessary to understand government policies on both the tax and spending side, among the general questions considered are the following: what areas of the economy are most appropriate for government intervention? What effects do government programs have on

economic efficiency on growth, and on the distribution of income? What considerations should influence the choice between alternative tax policies? What effect does the tax structure have on incentives to work, save, and invest? What are the primary expenditure areas for the government, and how effective are they? How does the political process distort government decisions?

References:

Public Finance, *Harvey, Rosen*, [1999], Homewood, ILL: Irwin.

Prerequisites:

ECON 110 and ECON 111

Course Number:

ECON 403

Title:

Financial Economics

Contents:

An overview of financial instruments and markets is introduced. A brief discussion of relevant statistical concepts is presented. The topic of portfolio management is covered where the single index model is introduced. The course also covers CAPM and API models.

References:

Modern Portfolio Theory and Investment Analysis. *Edwin Elton and Martin Gruber* [1995], John Wiley & Sons Inc.

Prerequisites:

ECON 110, ECON 111 and QMIS 220

Course Number:

ECON 405

Title:

Econometrics

Contents:

Essentials of statistics and mathematics necessary to estimate different economic variables. Estimation and hypothesis testing for the two-variable and multiple regression models. Ordinary Least Squares, diagnostics and remedy of the major violations of assumptions contained in the Classical Linear Regression. Model specification and dummy variables. An attempt is made to achieve an optimal mix between econometrics theory and application.

References:

Undergraduate Econometrics, *Hill, Griffiths and Judge*[2000], John Wiley & Sons, Inc.

Prerequisites:

ECON 210, ECON 211 and QMIS 220

Course Number:

ECON 408

Title:

Mathematical Economics

Contents:

Designed to apply mathematical tools to economic analysis. The mathematical concepts of differentiation and Integration are introduced and applied to consumer theory, theory of the firm, and the theory of cost and production. The course also introduces the student to linear Programming and its practical applications in the field of economics.

References:

Fundamental Methods of Mathematical Economics, *Alpha Chiang* [1990] 2nd ed., McGraw-Hill.

Mathematical Methods for Economics, *Michael W. Klein* [1998], Addison-Wesley.

Prerequisites:

ECON 210 and ECON 211

Course Number:

ECON 413

Title:

Managerial Economics

Contents:

Scope of managerial economics, tools of analysis and optimization, demand, markets, and elasticity, regression analysis, diagnostic statistics, curve fitting, and violations, estimating structural demand functions, forecasting structural demand equations, and qualitative forecasting, production, costs and profitability analysis (short and long run), market structure and Globalization: perfect competition, monopolistic competition, oligopoly, and monopoly, market power and market domination including cartels, local and international dominating firms, and pricing practices (price discrimination, action reaction pricing policies, and non-profit pricing, capital budgeting and investment decisions, risk analysis, linear programming, government and business.

References:

Managerial Economics. *Salvatore, D.* [2001] Harcourt College Publishers

Managerial Economics, *Mansfield, E.* [1999], 4th ed., W. Norton & Co.

Managerial Economics: Theory and its Applications, *Rabinovitch, R.* [1996] KOLB Publishing Co.

Prerequisites:

ECON 110 QMIS 111

Course Number:

ECON 416

Title:

History of Economic Thought

Contents:

Analyzes and illustrates economic thoughts during the ancient era and middle ages which form the foundation of present economic thought. Development of economic ideas through successive schools: the Mercantilists, the Physiocrats, the Classical School, the Marxists, and the Neoclassical School and Institutionalists.

References:

History of Economic Thought, *Hunt, E.K.* [1991], Harper Collins.

Prerequisites:

ECON 110, ECON 111

Course Number:

ECON 470

Title:

Seminar in Economics

Contents:

Discusses selected topics that are not covered in other courses. The content and nature of the course are determined by the Instructor and the Department's Chair and is made known to the student prior to the registration date.

References:

Selected materials related to the assigned topics.

Prerequisites:

ECON 210 and ECON 211

Course Number:

ECON 480

Title:

Internship in Economics

Contents:

Designed to provide students with practical training through temporary employment in appropriate economic institutions. The plan of training is jointly set by the Instructor and the economic institution. Performance of students is monitored by the instructor on a weekly basis. Upon the completion of the training period, each student is asked to write a report on his/her learning experience including issues related to operational, academic, and technical skills. The training period should be no less than 10 weeks with at least 10 hours per week directly devoted to the above-mentioned job.

Prerequisites:

Completion of 90 credit hours.

Course Number:

ECON 491

Title:

Special Topics in Economics

Contents:

This course covers current issues and topics not usually covered by the other courses.

References:

Selected materials related to the topics.

Prerequisites:

ECON 110 and ECON 111
