

AMERICAN UNIVERSITY OF CENTRAL ASIA
DEPARTMENT OF ECONOMICS
MASTER'S PROGRAM

MICROECONOMICS I

Fall 2021

Instructor

Prof. Nazgul Jenish
jenish_na@auca.kg

Lectures

Saturday 9:25 pm – 12:05 pm

Course Description:

This course is the first in the Microeconomics sequence for the MSc. Economics Program. The objective of the course is to equip students with fundamental concepts and methods of the modern economic theory focusing on rational behavior of consumers and producers. Using rigorous mathematical methods (e.g., multivariate calculus, constrained optimization, game theory), the course derives demand and supply functions under different market structure assumptions from the first principles, i.e. from the optimization behavior of economic agents, and examines various determinants of the demand and supply functions.

The following topics are covered: preferences, budget constraints, the consumer's choice problem and demand function, the firm's production problem and supply function, market equilibrium.

Prerequisites:

Students are expected to have good knowledge of multivariate calculus or analysis, including functions, partial derivatives, and constrained optimization methods. Students who have concerns about the adequacy of their mathematical background should contact me within the first week of classes.

Required Text:

Intermediate Microeconomics: A Modern Approach. 9th Edition. Hal R. Varian. W.W. Norton & Company, 2014

The eighth edition of the textbook can also be used.

Requirements and Grading:

You are expected to attend all lectures and seminars, as well as to complete eight-nine homework assignments during the semester. Assignments will be posted on the e-Course webpage and will be due at the beginning of lectures. No late assignments will be accepted. Completion of the assignments is strongly recommended as they are an integral part of the learning process. They will also have a direct impact on your final grade.

There will be one mid-term and one final in-class exams. You are required to take **both exams**. Course grades will be determined as follows:

Final exam	50%
Mid-term exam	30%
Homework assignments	20%
Total	100%

The following grading scale will be used:

A= 93+
A-=90-92
B+=85-89
B= 75-85
B-=70-74
C+=65-69
C=60-64
C-=55-59
D=50-54
F<50

Policies:

The standard AUCA rules and regulations concerning absences, exams, grading, and violations of academic integrity will apply to this course. Please consult the AUCA website.

Course Outline: (I may add, drop or change the order of topics and chapters.)

<i>Chapter</i>	<i>Topic</i>
1	The Market
2	Budget Constraint
3	Preferences
4	Utility
5	Choice
6	Demand
15	Market Demand
16	Equilibrium
19	Technology
20	Profit Maximization
21	Cost Minimization
22	Cost Curves
23	Firm Supply