

ECONOMICS
B.A. 1st Year (Pass)
Course Contents
AN INTRODUCTION TO MICRO ECONOMIC THEORY

UNIT-I: NATURE AND SCOPE OF ECONOMICS

Definition and scope of Economics, approaches to Economics - Micro and Macro, advantages and limitations of Micro approach.

UNIT-II: CONSUMER'S BEHAVIOUR : Cardinal Utility

Total utility, marginal utility, consumer's equilibrium, derivation of Marshallian demand Curve, limitations of Marshallian approach to demand.

UNIT-III: CONSUMER'S BEHAVIOUR : Ordinal Utility

Axioms of indifference curve analysis, properties of indifference curves, consumer's equilibrium; law of demand, factors affecting demand, the concept of elasticity of demand-price, income and cross.

UNIT-IV: THEORY OF PRODUCTION

Production Function-properties of Isoquant, average and marginal productivity; laws of variable proportions, returns to scale; elasticity of output with respect to factors.

UNIT-V: THEORY OF COST

Fixed cost and variable cost; total, average and marginal cost, and the concept of opportunity cost; equilibrium of the firm.

UNIT-VI: MARKET FORMS: Perfect Competition

Perfect competition-assumptions, equilibrium of a perfectly competitive firm and industry; short run and long run equilibrium; derivation of the supply curve, limitations of perfect competition.

UNIT-VII: MARKET FORMS : IMPERFECT COMPETITION

Various forms of imperfect market; oligopoly, discriminating monopoly, monopolistic competition. (concepts only); monopoly - characteristics, equilibrium, absence of supply curve, measures of degree of monopoly power

UNIT-VIII: FACTOR PRICING

Marginal Productivity theory of distribution; theories of wage determination-classical, collective bargaining; different concepts of rent- scarcity rent, differential rent and quasi rent; Ricardian theory of rent; interest - classical theory of interest; profit-risk theory.

ECONOMICS

PAPER II MACRO- ECONOMICS AND INTERNATIONAL TRADE

UNIT-I NATURE AND SCOPE OF MACRO ECONOMICS

Nature and scope of macro economics, difference between micro and macro economies.

UNIT-II NATIONAL INCOME

Definition of national income, different concepts of national income - GDP, GNP, NNP per capital income, measurement of national income.

UNIT-III CLASSICAL AND KEYNESIAN THEORIES

Classical theory of income, employment and price level, quantity theory of money.
Keynesian theory - effective demand, consumption function, multiplier, liquidity preference, marginal efficiency of capital.

UNIT-IV INFLATION

Types of inflation, causes of inflation-demand pull, cost push, effects of inflation on production and distribution, control of inflation.

UNIT-V BANKING

Principles of Commercial Banking and functions of Central Bank.

UNIT-VI PURE THEORIES OF INTERNATIONAL TRADE.

Pure theories of international trade - Smith's absolute advantage, Ricardo's comparative advantage.

UNIT-VII BALANCE OF TRADE AND PAYMENTS

Balance of trade balance of payments, their difference, added disequilibrium in the balance of payment, corrective measures, the concept of terms of trade.

UNIT-VIII MACRO ECONOMIC POLICY

Monetary policy for stabilisation