

Scheme of B.A. (Economics Hons.) Semester System

B.A.Part-1

***Semester-1* Nomenclature**

Paper-101 Micro Economics -I

Paper-102 Macro Economics -I

Semester-2

Paper-203 Micro Economics -II

Paper-204 Macro Economics -II

B.A. 1st(HONS)
1ST SEMESTER
Paper-101
Micro Economics -I

Theory Paper: 80
Internal assessment: 20

The Question paper will have Nine questions, including two questions from each unit. The candidate will be required to attempt **Five** questions in all. Question number one will be compulsory and it will have **ten** objective type questions (each carrying 2 marks) uniformly spread over entire syllabus. Out of the remaining eight questions (each carrying 15 marks), the candidate will be required to attempt four questions selecting one from each unit.

Unit-1

Introduction: Nature and Scope of Economics, Methodology of Economics, Choice as an Economic problem and Production Possibility Frontier.

Demand Analysis: Law of demand, Elasticity of Demand (Price, Income and Cross); Degrees and measurement, determinants and importance.

Unit-2

Consumer Behaviour: Cardinal and ordinal utility analysis and consumer equilibrium, Revealed Preference Hypothesis.

Consumer's Surplus : Concepts and measurement(cardinal, ordinal), Compensating variation Principle, Importance of the concept.

Unit-3

Producer's Behaviour: Law of variable proportions, Returns to scale, characteristics of Iso-quants, Ridge lines, least cost combination of factors, Internal and external economies and diseconomies.

Supply: Law of Supply, Movements and shifts in supply curve, Elasticity of supply (degrees, measurement and importance).

Unit-4

Cost Analysis : Concepts of costs and their interrelationship, short period costs and long period costs, Modern Theory of costs.

Revenue : Concepts of revenue; total, average and marginal revenue and their relationships, Break-even-analysis & its uses.

Suggested Readings:

Paul A. Samuelson: Micro Economics
A. Koutsoyiannis: Modern Micro Economics
C.S Barla: Advanced Micro Economics
N.C.Ray: An Introduction to Micro Economics
Hal R. Varian: Micro Economic Analysis
Dominick Salvatore: Micro Economic Theory
H.L. Ahuja: Modern Micro Economics
M.L. Seth: Micro Economics
T.R.Jain & A.S.Sandhu : Micro Economics
Amit Sachdeva : Micro Economics
Richard G.Lipsey : An Introduction to Positive Economics
J.M.Joshi: Theory of Value, Distribution and Welfare Economics

B.A. 1st (HONS)
1st SEMESTER
Paper102
Macro Economics -I

Theory Paper: 80
Internal Assessment: 20

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Unit-1

Introduction: Nature and Scope of Macro Economics, Difference between Micro and Macro Economics and Importance of Macro Economics.

National Income: Concepts, Measurement and Limitations of National Income Statistics, Circular flow of income in two, three and four sector economy.

Unit-2

Determination of Income and Employment: Classical Theory of Employment, Say's Law of Market and its implications, Keynesian objections to Classical Theory, Keynesian Theory of Employment.

Unit-3

Consumption: Consumption Function, Technical Attributes of Consumption, Keynesian Psychological Law of Consumption and Its Implications, Empirical evidence.

Income-Consumption Relationship: Absolute & Relative Income Hypothesis, Permanent Income Hypothesis, Life Cycle Hypothesis.

Unit-4

Investment function: Types of Investment, Determination of Level of Investment. Marginal Efficiency of Capital (MEC).

Theories of Investment: Classical and Keynesian Theory of Investment (Marginal Efficiency of Investment), Saving-Investment Equality.

Suggested Readings:

1. Lipsey R.G. and K.A. Chrystal (1999) "Principles of Economics", 9th Ed., Oxford University Press.
2. Ackley, G (1978), "Macroeconomics: Theory and Policy", Macmillan, New York.
3. Branson, W. A. (1989), "Macroeconomic Theory and Policy", 3rd Ed., Harper & Row, New York.
4. Shapiro, E (1996), "Macroeconomic Analysis" Galgotia Publication, New Delhi.
5. Stiglitz J. E. and Carl E. Walsh (2002) Principles of Macroeconomics, W.W. Norton & Company, New York.
6. Paul Samuelson and Nordhaus: (2005) "Economics" (18th Ed.) Tata Hill Publishing Company, New Dehli.
7. Mankiw N. Gregory: (2007) "Principles of Economics", Thomson, Indian Reprint.
8. Lipsey R.G. and K.A. Chrystal (2007) "Economics", Oxford University Press. Oxford.

B.A. 1st(HONS)
2ND SEMESTER
Paper-203
Micro Economics -II

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Internal Assessment: 20

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Unit-1

Theory of firm: Market: Types and Equilibrium, Perfect Competition: Characteristics, Short run and Long run Equilibrium of Firm and Industry, Supply curve (short and long run of firm and industry). Monopoly: Characteristics, Short run and Long run Equilibrium of Firm, Discriminating Monopoly, degree of Monopoly power.

Unit-2

Monopolistic competition: Characteristics, Short run and Long run Equilibrium of Firm, Group Equilibrium, Product differentiation and Selling Costs.

Oligopoly: Non-Collusive (Cournot, Bertrand and Kinked demand models) Collusive Oligopoly: (Cartels, Price Leadership)

Unit-3

Theory of Factor pricing: Marginal Productivity Theory of Distribution, Backward sloping supply curve of labour, Modern theory of distribution, *Rent*; Ricardian and Modern theories, Quasi-Rent, Rent and price relationship.

Interest & Profit: Basic Concepts of Interest; Classical, Neo-classical Theories, Profit: Gross and Net Profit and Theories of Profit.

Unit-4

General Equilibrium: Concepts of Partial and General Equilibrium, Walras Excess Demand Model, Existence, Stability and Uniqueness of General Equilibrium.

Welfare Economics: Pareto Optimality Criterion and Its Limitations.

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2ND SEMESTER
Paper-204
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Unit-1

Keynesian multiplier: Concept, Relation between Multiplier, MPC &MPS, Comparative Static and Dynamic Process, Working of Multiplier in UDCs. Acceleration Principle and Concept of Super Multiplier.

Unit-2

Determination of General Price Level: Classical and Keynesian Theory of Money and Prices.

Inflation: Types, Cost Push and Demand Pull Inflation, Effects, Inflation –Unemployment Trade-off (Phillips Contribution-Introductory Version)

Unit-3

Rate of Interest: Keynesian and IS-LM Theories of Interest rate.

Macro Economic policies: Monetary and Fiscal Policies (Objectives, Instruments, Policy-Mix, Limitations)

Unit-4

Trade cycles: Meaning, Types, Phases and Theories of Trade Cycles (Hicks and Samuelson)

Growth models: Harrod-Domar model, Solow model.

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- 1 Lipsey R.G. and K.A. Chrystal (1999) “Principles of Economics”, 9th Ed., Oxford University Press.
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