

University of Jammu

**Syllabus of Economics for the Examinations to be held from Dec 2016, 2017 & 2018
Semester I**

Course no. UECTC-101
Credits:- 4

Title: Principles of Microeconomics
Total Marks: 100
Internal Assessment: 20
External Examination: 80

PREAMBLE: *As a foundation course, in this paper, the student is expected to understand the behaviour of an economic agent, namely, a consumer, a producer, a factor owner and the price fluctuation in a market. The approach of this paper is to study the behaviour of a unit and analysis is generally static and in partial equilibrium framework.*

UNIT: 1- Introduction:

Nature and Scope of Economics; Market price determination – demand and supply; Utility- Laws of diminishing and Equi-marginal utility; Indifference curves : meaning and properties; consumer’s equilibrium; Elasticity of demand : types, degrees (price, income and cross) and methods for measuring price elasticity of demand; Factors affecting elasticity of demand; Consumer’s surplus (Marshall’s interpretation).

UNIT: 2- Theory of Production and Cost:

Production Function – Meaning and types; Isoquants – meaning and properties; Producer’s equilibrium – least cost combination of factors; Expansion path; Law of variable proportions; Returns to scale; Economics of scale (internal and external); Different cost curves and their relationship.

UNIT: 3- Market Structure:

Market forms- perfect and imperfect; Equilibrium of the firm – Perfect competition, Monopoly, Price Discrimination, Monopolistic competition.

UNIT: 4 Factor pricing and Welfare Economics:

Marginal productivity theory of distribution (classical); Modern theory of wages; Ricardian theory of rent and Concept of quasi rent; Classical and Keynesian theories of interest; Theories of Profit – Risk, Uncertainty and Innovation, Concept of welfare Economics; The Pareto-Optimality (marginal conditions).

Pattern of Examination

THEORY	Syllabus to be covered in the examination	Time Allotted	% Weightage (Marks)
Internal Assessment Test (Pattern: One long answer type question of 10 marks and Five short answer type questions of 2 marks each)	Upto 50% (after 45 days)	1 hour	20
External End Semester University Exam	Upto 100% (after 90 days)	3 hour	80
Component			
04 Short Answer type	4 Credit Courses (Theory Paper)		4 x 2.5 = 10 Marks
03 Medium Answer type		3 x 10 = 30 Marks	
02 Long Answer type		2 x 20 = 40 Marks	
Total Semester End Examination Marks in each course			80
Total			100

Suggested Readings:

Ahuja, H.L.: Advanced Economic Theory- Microeconomic Analysis, S. Chand and Co. New Delhi.

Bhutani, Prem J.: Principles of Economics, Taxmann's Publications (P) Ltd., New Delhi.

Chopra, P.N.: Principles of Economics, Kalayani Publishers, New Delhi.

Dwivedi, D.N.: Microeconomics, Vikas Publishing House, New Delhi.

Koutsoyiannis, A: Modern Microeconomics, Macmillan Publishers Ltd., New Delhi.

Limsey, R.G and Chrystal, K.A: Principles of Economics, Oxford University Press, Oxford.

Mithani, D.M.: Microeconomics, Himalaya Publishing House, Mumbai.

Samuelson, P.A and Nordhaus, W.D: Economics, Tata Mc Graw Hill, New Delhi.

Seth, M.L.: Micro Economics, Lakshmi Narain Agarwal, Publishers, Agra.

Stonier, A.W and Hague, D.C: A Textbook of Economic Theory, ELBS & Longman Group, London.

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Semester II

Syllabus of Economics for the Examinations to be held in the years May 2017, 2018 & 2019

Course No: UECTC-201

credit - 4

Title: Principles of Macroeconomics

Total Marks: 100

Internal Assessment: 20

External Examination: 80

PREAMBLE: The aim of this course is to give an overview as to how the economy behaves when the behaviour of the various economic agents are aggregated. The role of the state and its influence on the economy through its powers to tax, spend and control the supply of money is a major area of economic analysis in terms of theoretical, empirical as well as policy-making issues. Macroeconomics has an extensive, substantive as well as methodical content. It deals with the functioning of the economy as a whole, including how the economy's total output of goods and services and employment of resources is determined and what causes these totals to fluctuate.

This paper has been designed to make the undergraduate students aware of the basic theoretical framework underlying the field of macroeconomics.

UNIT: 1 National Income and Social Accounts:

National income- concepts, methods of measurement: Difficulties in measuring national income and Uses of national income; National income identities with government and international trade, Two-sector and three-sector models.

UNIT: 2 Output and Employment:

The Principle of Effective Demand; Consumption function; Investment function (autonomous, induced and marginal efficiency of capital); Saving and Investment (ex-post and ex-ante)-equilibrium; Investment Multiplier and its effectiveness in LDC's.

UNIT: 3 Financial Markets and Macro Economic Theory:

Money Market – concept, functions and constituents of organised Indian money market; Characteristics of a developed money market; Monetary and Fiscal policies – meaning, objectives and role in developing economies; ISLM Model.

UNIT: 4 Trade cycles, Inflation and Open Economy:

Trade cycles – nature and characteristics; Control of trade cycles- Counter-cyclical Policies, Inflation- types, causes of demand pull and cost push inflation; Effects and methods to control inflation; Concepts of inflation and deflation; Determination of the Equilibrium National Income in a Small Open Economy, Foreign Trade Multiplier, Equilibrium in the Goods Market.

Pattern of Examination THEORY

	Syllabus to be covered in the examination	Time Allotted	% Weightage (Marks)
Internal Assessment Test	Upto 50% (after 45 days)	1 hour	20
(Pattern: One long answer type question of 10 marks and Five short answer type questions of 2 marks each)			
External End Semester University Exam	Upto 100% (after 90 days)	3 hour	80
Component			
04 Short Answer type	4 Credit Courses (Theory Paper)		4 x 2.5 = 10

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03 Medium Answer type

3 x 10 = 30 Marks

02 Long Answer type

2 x 20 = 40 Marks

Total Semester End Examination Marks in each course

Total

Marks

80

100

Suggested Readings:

Ackley, G: Macroeconomics- Theory and Policy, Macmillan Publishing Co., New York.

Ahuja, H.L: Macroeconomics for Business and Management, S. Chand & Co. Ltd., New Delhi.

Bhole, L.M.: Financial Institutions and Markets, Tata McGraw-Hill Publishing Co., New Delhi.

Dwivedi, D.N: Macroeconomics- Theory and Policy, Tata McGraw Hill, New Delhi.

Gupta, S.B.: Monetary Economics, S. Chand and Co., New Delhi.

Khan, M.Y.: Indian Financial Systems, Tata McGraw- Hill Publishing Company, New Delhi.

Shapiro, E.: Macroeconomic Analysis, Galgotia Publications, New Delhi.

Keynes, J.M.: The General Theory of Employment, Interest and Money, Macmillan, London.

Mithani, D.M: Macroeconomics, Himalaya Publishing House, Mumbai.

Paul, R.R: Money, Banking and International Trade, Kalyani Publishers, New Delhi.

Seth, M.L: Macro Economics, Lakshmi Narain Agarwal Publishers, Agra.

Vaish. M.C: Macroeconomic Theory, Vikas Publishing House Pvt. Ltd., New Delhi.