

WEST BENGAL STATE UNIVERSITY
BARASAT



Draft Syllabus
for
4-year Undergraduate Programme
(Honours/Honours with Research) with

ECONOMICS MAJOR

**Under Curriculum and Credit Framework for
Undergraduate Programmes (CCFUP) based on
National Education Policy (NEP), 2020**

(w.e.f. Academic Session: 2023-24)

Approved in the BOS meeting held on July 25, 2023

Table-1: Structure of the 4-year Under Graduate (UG) Programme (Honours) with Major Economics: Semester-wise and Course category-wise distribution of credits

SEM	Major (DSC)	Minor	MDC	AEC	SEC	VAC	Internship	Total Credits
I	DS-1 (5) Introductory Microeconomics	MA-1 (5) MB-1 (5)	MD-1 (3)	AE-1 (3)	SE-1 (3)	VA-1 (3)		27
II	DS-2 (5) Introductory Macroeconomics	MA-2 (5) MB-2 (5)	MD-2 (3)	AE-2 (3)	SE-2 (3)	VA-2 (3)	(4**)	27
Exit with Certificate								(4**) +54
III	DS-3 (5) Mathematical Methods for Economics -I	MA-3 (5) MB-3 (5)	MD-3 (3)	AE-3 (3)	SE-3 (3)			24
IV	DS-4 (5) Intermediate Microeconomics –I DS-5 (5) Intermediate Macroeconomics –I DS-6 (5) Statistical Methods for Economics –I DS-7 (5) Development Economics						(4**)	20
Exit with Diploma								(4**) +98
V	DS-8 (5) Intermediate Microeconomics –II DS-9 (5) Intermediate Macroeconomics –II DS-10 (5) Mathematical Methods for Economics –II DS-11 (5) Indian Economy –I							20
VI	DS-12 (5) International Economics –I						(4**)	20

	DS-13 (5) Statistical Methods for Economics –II DS-14 (5) Introductory Econometrics DS-15 (5) Public Finance							
Exit with Major after 3years	75	30	9	9	9	6		(4**)+138
VII	DS-16 (5) Contemporary Development Economics DS-17 (5) Research Methodology with Application	SM-1 (5) SM-2 (5)						20
VIII	DS-18 (5) International Economics –II DS-19 (5) Resource Economics DS-20 (5) Indian Economy –II DS-21 (5) History of Economic Thought							20
Credits	105	40	9	9	9	6	4	182

MA: Core course from discipline 1, MB: Core course from discipline 2, MC: Core course from discipline 3

Credit (5) distribution: (a) Lab-based Courses: L=3, T/P=2, (b) Non-Lab based Courses: L=4, T=1, (C)

Field-based Courses: P=5, (d) Music as a Major/Minor discipline, credit distribution: L=1/2, P=4/3.

(..) shows credits.

Table-2: Structure of the 4-year Under Graduate (UG) Programme (Honours with Research): Semester-wise and Course category-wise distribution of credits

SEM	Major (DSC)	Minor	MDC	AEC	SEC	VAC	Internship/ Research	Total Credits
I	DS-1 (5) Introductory Microeconomics	MA-1 (5) MB-1 (5)	MD-1 (3)	AE-1 (3)	SE-1 (3)	VA-1 (3)		27
II	DS-2 (5) Introductory Macroeconomics	MA-2 (5) MB-2 (5)	MD-2 (3)	AE-2 (3)	SE-2 (3)	VA-2 (3)	(4**)	27
Exit with Certificate								(4**) +54
III	DS-3 (5) Mathematical Methods for Economics -I	MA-3 (5) MB-3 (5)	MD-3 (3)	AE-3 (3)	SE-3 (3)			24
IV	DS-4 (5) Intermediate Microeconomics –I DS-5 (5) Intermediate Macroeconomics –I DS-6 (5) Statistical Methods for Economics –I DS-7 (5) Development Economics						(4**)	20
Exit with Diploma								(4**) +98
V	DS-8 (5) Intermediate Microeconomics –II DS-9 (5) Intermediate Macroeconomics –II DS-10 (5) Mathematical Methods for Economics –II DS-11 (5) Indian Economy –I							20
VI	DS-12 (5) International Economics –I						(4**)	20

	DS-13 (5) Statistical Methods for Economics –II DS-14 (5) Introductory Econometrics DS-15 (5) Public Finance							
Exit with Major after 3years	75	30	9	9	9	6	(4**)	(4**)+138
VII	DS-16 (5) Contemporary Development Economics DS-17 (5) Research Methodology	SM-1 (5) SM-2 (5)						20
VIII	DS-18 (5) International Economics –II DS-19 (5) Resource Economics						Research Project (15)	25
Credits	95	40	9	9	9	6	19	187

MA: Core course from discipline 1, MB: Core course from discipline 2, MC: Core course from discipline 3

Credit (5) distribution: (a) Lab-based Courses: L=3, T/P=2, (b) Non-Lab based Courses: L=4, T=1, (C)

Field-based Courses: P=5, (d) Music as a Major/Minor discipline, credit distribution: L=1/2,P=4/3.

(..) shows credits.

ECONOMICS MAJOR (DSC)

DS-1: INTRODUCTORY MICROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome

After completion of this course the students will be able to:

- *Understand the fundamental problems of an economy and optimal allocation of resources to meet the needs of the society.*
- *Learn the market clearing mechanism for setting up equilibrium price and quantity depending on the demand and supply structures from aggregate to disaggregate unit level.*
- *Learn how various economic agents such as, consumers; firms etc. behave rationally to optimize their goals given the economic resources.*
- *Understand the short run and long run behaviour of firms in a given demand condition under perfectly competitive set up.*

Syllabus:

1. Exploring the subject matter of Economics: (6L+2T)

Why study economics? Scope and method of economics; the economic problem: scarcity and choice; distinction between Microeconomics and Macroeconomics; the question of what to produce, how to produce and how to distribute output; the basic competitive model; prices, property rights and profits; incentives and information; rationing; opportunity sets; economic systems.

2. Supply and Demand: (16L+4T)

How Markets work, Markets and Welfare, Markets and Competition; determinants of individual demand/supply; demand/supply-schedule and demand/supply curve; market versus individual demand/supply; shifts in the demand/supply curve, demand and supply together; how prices allocate resources; elasticity and its application; controls on prices; taxes and the costs of taxation; consumer surplus; producer surplus and the efficiency of the markets.

3. The Households: (18L+4T)

The consumption decision - budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences within indifference curves); properties of indifference curves; Consumer's optimum choice; income and substitution effects (Hicks & Slutsky); Ordinary and Compensated demand curves, Inferior goods and Giffen goods, Price consumption and Income consumption curves.

4. Production and Cost: (12L+3T)

Production function, Total, Average and Marginal products, Isoquants and economic regions of production, Cost minimization and expansion path, Elasticity of substitution, Economies of scale, Cobb Douglas, Fixed coefficient and CES functions, short run and long run costs, Derivation of the cost function from production function.

5. Market Structure: (8L+2T)

Different types of market structures- Perfect competition, Monopoly, Monopolistic Competition and Oligopoly (concepts only)

Suggested Readings:

1. Lipsey, R.G – An Introduction to Positive Economics. Widenfeld and Nicholson, London.
2. Maddala and Miller - Microeconomics.
3. Koutsoyiannis – Modern Microeconomics
4. Ryan and Pearce – Price Theory
5. Henderson and Quandt – Microeconomic Theory: A Mathematical Approach
6. Ferguson and Gould – Microeconomic Theory

ECONOMICS MAJOR (DSC)

DS-2: INTRODUCTORY MACROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome:

After completion of this course the students will be able to:

- *Understand nature, construction and measurement of key macroeconomic variables.*
- *Understand the measurement of different components of national income and its importance as an indicator of human wellbeing.*
- *Get an idea regarding the determination of income in short run and long run with essential impacts of fiscal and monetary policy variables in different macroeconomic set up (Classical, Simple Keynesian and IS-LM Model)*

Syllabus:

1. Introduction to Macroeconomics and National Income Accounting: (16L+4T)

Basic issues studied in macroeconomics; measurement of gross domestic product; different methods of calculating National Income; NI- Where it comes from and where it goes –The circular flow of income; measurement of cost of living–CPI, GDP deflator;

measuring joblessness– Unemployment rate, Unemployment and GDP– Okun’s Law; national income accounting for an open economy; balance of payments: current and capital accounts; NI as a measure of economic welfare.

2. Money: (12L+3T)

Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy. Seigniorage- The revenue from printing money.

3. Inflation: (8L+2T)

Inflation and its social costs; Demand Pull and Cost Push inflation; hyperinflation; anti-inflationary policies. Inflation and Interest Rates- Fisher Effect.

4. The Closed Economy in the Short Run: (24L+6T)

Classical and Keynesian systems (difference in concepts); Simple Keynesian model of income determination, Multipliers; IS-LM model; Fiscal and Monetary Multipliers

Suggested Readings:

1. Dornbusch, Fischer and Startz - Macroeconomics, McGraw Hill, 11th edition, 2010.
2. N. Gregory Mankiw - Macroeconomics, Worth Publishers, 7th edition, 2010.
3. Olivier Blanchard - Macroeconomics, Pearson Education, Inc., 5th edition, 2009.
4. Richard T. Froyen, Macroeconomics, Pearson Education Asia, 2nd edition, 2005.
5. Errol D’Souza - Macroeconomics, Pearson Education, 2009.
6. Branson – Macroeconomics (2nd) edition.

Skill Enhancement Course (SEC) in Economics

SE-1: SURVEY METHODOLOGY

3 Credits (36L + 9T)

Total Number of Lecture Hours = 45

Course Outcome/ Learning Outcome:

After completion of this course the students will be able to

- Learn the methodologies of data collection through field surveys.
- Adopt ideas on large scale sample survey methods and theoretical measurement issues including the scaling techniques.
- Learn different methods of data collection and their relative importance.
- prepare project report by using proper survey methodologies.

1. Introduction, Inference and Error in Surveys: (8L+2T)

Introduction to survey methodology; Steps of the process of a survey, Examples of Large-Scale Survey Instruments, Introducing the Concepts of Validity and Reliability, Sources of Error: Sampling and Measurement, Different Theories of Measurement

Readings: Groves, et al. (2009), Chapters 1 and 2

2. Sampling in Survey Research: (10L+3T)

Being Clear about the Population of Interest, Developing a Sampling Frame, Probability sampling; Simple Random and Systematic sampling; Stratification, Cluster and multistage sampling; Other probability designs, Sampling frames; Selection weights; Computing sampling errors, Examples of sample designs

Readings: Groves, et al. (2009), Chapters 3 and 4

3. Mode of Data Collection: (10L+5T)

Face-to-face, Telephone, Self-administered, and Administrative records, Methods of computer assisted data collection; Impact on survey errors, Web surveys, Overview of response behavior; Comprehension; Memory search, Estimation and judgment; Delivery of response Pretesting; Focus groups; Cognitive interviews; Expert review; Pre-tests; Pilot tests

Readings: Groves, et al. (2009), Chapter 5, 7 & 8

4. Nonresponse: (4L+2T)

Contacting sample units; Gaining the cooperation of sample units, Monitoring the progress of data collection; Response rates

Readings: Groves, et al. (2009), Chapter 6

5. Post-Survey Processing; Estimation (Lepkowski): (4L+3T)

Lecture: Editing data; Coding; Imputation; Construction of unit weights, Variance estimation; Analysis of survey data

Readings: Groves, et al. (2009), Chapter 10

(Preferably students should be given an exposure of field survey to understand the process of survey methodology in a better way)

Reference Materials:

1. Groves, Robert et al. (2009): Survey Methodology, 2nd Edition. New York: Wiley The textbook will be available online.

2. Converse, J., & Presser, S. (1986). Survey Questions: Handcrafting the Standardized Questionnaire. Newbury Park: Sage Publications. (available online: <http://mirlyn.lib.umich.edu/Record/012841736>)

3. Kalton, G. (1983). An Introduction to Survey Sampling, Beverly Hills: Sage Publications. (available online: <http://mirlyn.lib.umich.edu/Record/012841441>)

4. Fowler, F., & Mangione, T. (1990). Standardized Survey Interviewing, Newbury Park: Sage Publications. (available online: <http://mirlyn.lib.umich.edu/Record/012841712>)

Skill Enhancement Course (SEC) in Economics

SE-2: INDIAN OFFICIAL STATISTICS

3 Credits (36L + 9T)

Total Number of Lecture Hours = 45

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to

- Understand different official Statistics of India and the collection methods.
- Evaluate how the structure of Indian economy has changed by analysing secondary data set.
- Get ideas on Indian official organizations associated with collection, compilation and publication of data set at the national/state and even regional level

1. Introduction:

(8L+2T)

What is Official Statistics? Methods of Collecting Official Statistics, Aims and Objectives, Indian Statistical System: Main functions of Statistical System in Indian, Institutional Framework; Official organizations for collecting/compiling/ publishing national/state level data on different variables

2. Economic Census:

(14L+6T)

Economic Statistics, Population Statistics, Employment Statistics, Agriculture Statistics, Financial Statistics - Main Publications, Who collects - Periodicity and Features

3. Sources of demographic data:

(8L+4T)

Registration of Vital events. Rates and ratios. Measures of mortality. Measures of fertility and Reproduction. Use of demographic data for policy formulation.

4. International Statistical System:

(6L+3T)

Comparison of major macro variables - National Income/GDP. Selected topics from: Purchasing power parity; Indicators relating to Energy, environment, Gender, Industry, National accounts, Social Statistics and Trade.

Reference Materials:

1. M. R. Saluja: Indian Official Statistical Systems.
2. CSO (MOSPI) Publication: Statistical System in India.
3. United Nations publications
4. RBI: Handbook of Statistics for the Indian Economy (various years)
5. Economic Survey, Govt. of India, Ministry of Finance (various years)
6. R. Ramkumar: Technical Demography.
7. K. Srinivasan: Demographic Techniques and Applications.
8. B. D. Mishra: An Introduction to the Study of Population.
9. H. S. Shryock: The Methods and Materials in Demography

Economics Minor Courses and Economics as Multidisciplinary Course (MDC)

(Offered to the Students of Other Honours Disciplines)

Economics Minor Courses

MA-1: INTRODUCTORY MICROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- *The factors that determine the demand for a product by a consumer and how consumer maximizes utility subject to budget constraint*
- *How a business firm decides its output production in short run and long run by considering various costs of production to maximize profit*
- *The characteristic features of different types of output market structure where buyers and*

sellers interact

- *The determination of prices of different factors of production in factor market*

Syllabus:

- 1. Basic Concepts: (8L+2T)**
What is economics? Scope and method of economics; The economic problem: scarcity and choice; Distinction between Microeconomics and Macroeconomics; Concept of Market, Demand & Supply – Market Equilibrium; Elasticity of Demand: Price Elasticity of Demand, Factors affecting the Price Elasticity of Demand- Measurement of Point Price Elasticity of Demand - Income Elasticity of Demand.
- 2. Consumers' Behaviour: (14L+4T)**
Marginal Utility- Law of Diminishing Marginal Utility- Derivation of Demand Curve from Marginal Utility Curve - Consumers' Surplus; Indifference Curve: Definition and Characteristics –Budget Line –Consumers' Equilibrium; Price effect, Income effect and Substitution effect- Inferior goods and Giffen goods (definitions only).
- 3. Producers' Behaviour : (14L+4T)**
Concept of Production- Factors of Production- Production Function: Concepts of Total Product, Average Product and Marginal Product; Derivation of AP and MP curve from TP curve graphically - Law of Variable Proportions; Isoquants and its properties- Expansion Path- Laws of Returns to Scale; Concepts of Revenue- Total Revenue, Average Revenue, Marginal Revenue; Derivation of AR and MR curve from TR curve – Relation between AR, MR and Price Elasticity of Demand; Cost of Production –Fixed Cost and Variable Cost –Shape of the Short-Run Cost Curves; Relation between AC and MC - LAC as the envelope of SACs.
- 4. Market Structure: Perfect Competition (8L+2T)**
Characteristics of Perfectly Competitive Market; Short-run and Long-run equilibrium of Perfectly Competitive firm and industry.
- 5. Market Structure: Imperfect Competition (4L+1T)**
Concepts and Characteristics of Monopoly and Oligopoly Markets.
- 6. Theory of Factor Prices: Rent and Wages (10L+4T)**
Rent: Ricardian Theory, Modern Theory, Quasi-Rent; Wage: Marginal Productivity Theory of Wages – Role of Trade Union in Wage Determination under competitive set up.

Suggested Readings:

1. Lipsey, R.G – An Introduction to Positive Economics . Widenfeld and Nicholson, London.
2. Ahuja, H.L – Advanced Economic Theory.

3. Stonier Hague – Economics
4. Mukherjee, Debes – Essentials of Micro and Macroeconomics New Central Book Agency (P) Ltd.
5. Dewett , K.K –Modern Economic Theory
6. Joydev Sarkhel – Adhunik Orthoñitir Bhumika (Bengali version)

Economics Minor Courses

MA-2: INTRODUCTORY MACROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- *The three key macroeconomic concepts for a closed economy, namely, economic growth (and how it is measured in terms of GDP and National Income), Inflation (its different types and how it is influenced by money supply) and unemployment (how it can be present in Classical and Keynesian macroeconomic system)*
- *The idea of two important component of GDP, namely, Consumption and Investment*
- *The money and banking system of an economy*

Syllabus:

1. National Income: (16L+4T)

National Income and its measurement-different methods and their drawbacks; GDP and GNP; Difference between Nominal and real GNP/GDP; The circular flow of income and expenditure. GNP/GDP as a true index of Nation's welfare; Concept of HDI.

2. Macroeconomic Theories: (16L+4T)

Classical Macroeconomic Theory and Keynesian Theory (concepts and historical background how they are different); Simple Keynesian Model (SKM) of Income Determination-Consumption Function-Relation between Average and Marginal Propensity to Consume- Multiplier Theory

3. Money and Banking: (16L+4T)

Functions of Money-Value of Money Different Concepts of Money: M₁, M₂, M₃ and M₄; Concepts of Bank and Non-bank Financial Intermediaries-Functions of and Credit Creation by Commercial Banks-Central Bank-Functions and Credit Control Measures.

4. Inflation: (12L+3T)

Concepts of Inflation, Deflation and Stagflation-Inflationary Gap – Distinction between Demand Pull and Cost Push Inflation-Effects of Inflation; Anti-inflationary Fiscal and

Monetary Policies.

Suggested Readings:

1. Gupta, S.B –Monetary Economics, S. Chand & Co., New Delhi
2. Ahuja, H.L – Macroeconomics
3. Mukherjee, Debes – Essentials of Micro and Macroeconomics, New Central Book Agency (P) Ltd.
4. Joydev Sarkhel – Adhunik Orthoñitir Bhumika (Bengali version).

Multidisciplinary Course (MDC) [Economics]

MD-1: UNDERSTANDING ECONOMICS

3 Credits (36L + 9T)

Total Number of Lecture Hours = 45

Course Outcome/ Learning Outcome:

After completion of this course the students will be able to

- *Understand the scope of economic, economic stem and its functioning*
- *Conceptualize the problem of scarcity and the allocation of resources*
- *Comprehend two pillars of Economics and theoretical bases.*
- *Learn an overview of Indian economic system with a special emphasis on Indian financial system.*

1. Exploring the subject matter of Economics (2L+0T)

Why should one study Economics; Scope and methods of Economics; Distinction between Microeconomics and Macroeconomics; Problem of Scarcity and Choice – what to produce, how to produce and how to distribute the output; Economic systems (Capitalism, Socialism, Mixed Economy)

2. Supply and Demand: How Markets Work (8L+2T)

- Laws of Demand and Supply; Determinants of Individual Demand and Supply; Concept of Equilibrium; Process of trial and error and Determination of Equilibrium Price and Quantity; Shifts in the Demand and Supply curves;
- Markets and Competition; Types of Markets - Perfect Competition, Monopoly, Oligopoly (concepts only)

3. Macroeconomics: An Overview (10L+3T)

- Concepts of Gross National Product, Gross Domestic Product, National Income; Circular Flow of National Income; Real and Nominal National Income;

- Problem of Inflation – causes and its remedies;
- Difference between Growth and Development; Concept of Human Development Index

4. Indian Economy

(16L+4T)

- Characteristic features of Indian Economy as a Developing Country; Sectoral Composition of National Income of India
- Problem of Poverty, Unemployment and Underemployment in India (overview only);
- Introduction to Indian Financial System; Reserve Bank of India, Commercial Banks, Development Banks; Financial Instruments – Bank Deposits, Equity Market, Mutual Funds (concepts only)

Suggested Readings:

1. Mukherjee, Debesh – Essentials of Micro and Macro Economics, New Central Book Agency (P) Ltd.
2. Ahuja, H.L. – Macroeconomics
3. Gupta, S.B – Monetary Economics, S.Chand & Co., New Delhi
4. Majumder, Siddhartha - Indian Financial System and Financial Market Operations
5. Mishra and Puri – Indian Economy (latest edition)
6. Datt and Sundaram – Indian Economy (latest edition)
7. Sarkhel Joydeb – Byastigato o Samastigato Arthaniti

WEST BENGAL STATE UNIVERSITY

BARASAT



Draft Syllabus for

**3-Year Multidisciplinary Undergraduate (UG)
Programme with**

ECONOMICS

**Under Curriculum and Credit Framework for
Undergraduate Programmes (CCFUP) based on
National Education Policy (NEP), 2020**

(w.e.f Academic Session 2023-24)

Approved in the BOS meeting held on July 25, 2023

**Table 1: Structure of the 3-year Multidisciplinary Undergraduate (UG) Programme:
Semester-wise and Course category-wise distribution of credits**

SEM	Core Course (A)	Core Course (B)	Core Course (C)	MDC	AE C	SEC	VAC	Internship	Total Credits
I	MA-1 (5) Introductory Microeconomics	MB-1 (5)	MC-1 (5)		AE-1 (3)		VA-1 (3)		21
II	MA-2 (5) Introductory Macroeconomics	MB-2 (5)	MC-2 (5)		AE-2 (3)		VA-2 (3)	(4**)	21
Exit with Certificate									(4**) +42
III	MA-3 (5) Development Economics	MB-3 (5)	MC-3 (5)		AE-3 (3)	SE-1 (3)			21
IV	MA-4 (5) Indian Economy	MB-4 (5)	MC-4 (5)	MD-1 (3)		SE-2 (3)		(4**)	21
Exit with Diploma									(4**) +84
V	MA-5 (5) International Economics and Elementary Statistics	MB-5 (5)	MC-5 (5)	MD-2 (3)		SE-3 (3)			21
VI	MA-6 (5) Public Finance	MB-6 (5)	MC-6 (5)	MD-3 (3)		SE-4 (3)		(4**)	21
Credits	30	30	30	9	9	12	6	4	(4**)+12 6

MA: Core course from discipline 1, MB: Core course from discipline 2, MC: Core course from discipline 3
Credit (5) distribution: (a) Lab-based Courses: L=3, T/P=2, (b) Non-Lab based Courses: L=4, T=1, (C) Field-based Courses: P=5, (d) Musicasa Major/Minor discipline, credit distribution: L=1/2,P=4/3.
(..) shows credits.

Core Course

MA-1: INTRODUCTORY MICROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- The factors that determine the demand for a product by a consumer and how consumer maximizes utility subject to budget constraint*
- How a business firm decides its output production in short run and long run by considering various costs of production to maximize profit*
- The characteristic features of different types of output market structure where buyers and sellers interact*
- The determination of prices of different factors of production in factor market*

Syllabus:

1. Basic Concepts: (8L+2T)

What is economics? Scope and method of economics; The economic problem: scarcity and choice; Distinction between Microeconomics and Macroeconomics; Concept of Market, Demand & Supply – Market Equilibrium; Elasticity of Demand: Price Elasticity of Demand, Factors affecting the Price Elasticity of Demand- Measurement of Point Price Elasticity of Demand - Income Elasticity of Demand.

2. Consumers' Behaviour: (14L+4T)

Marginal Utility- Law of Diminishing Marginal Utility- Derivation of Demand Curve from Marginal Utility Curve - Consumers' Surplus; Indifference Curve: Definition and Characteristics –Budget Line –Consumers' Equilibrium; Price effect, Income effect and Substitution effect- Inferior goods and Giffen goods (definitions only).

3. Producers' Behaviour : (14L+4T)

Concept of Production- Factors of Production- Production Function: Concepts of Total Product, Average Product and Marginal Product; Derivation of AP and MP curve from TP curve graphically - Law of Variable Proportions; Isoquants and its properties- Expansion Path- Laws of Returns to Scale; Concepts of Revenue- Total Revenue, Average Revenue, Marginal Revenue; Derivation of AR and MR curve from TR curve – Relation between AR, MR and Price Elasticity of Demand; Cost of Production –Fixed Cost and Variable Cost –Shape of the Short-Run Cost Curves; Relation between AC and MC - LAC as the envelope of SACs.

- 4. Market Structure: Perfect Competition** (8L+2T)
 Characteristics of Perfectly Competitive Market; Short-run and Long-run equilibrium of Perfectly Competitive firm and industry.
- 5. Market Structure: Imperfect Competition** (4L+1T)
 Concepts and Characteristics of Monopoly and Oligopoly Markets.
- 6. Theory of Factor Prices: Rent and Wages** (10L+4T)
 Rent: Ricardian Theory, Modern Theory, Quasi-Rent; Wage: Marginal Productivity Theory of Wages – Role of Trade Union in Wage Determination under competitive set up.

Suggested Readings:

1. Lipsey, R.G – An Introduction to Positive Economics . Widenfeld and Nicholson, London.
2. Ahuja, H.L – Advanced Economic Theory.
3. Stonier Hague – Economics
4. Mukherjee, Debes – Essentials of Micro and Macroeconomics New Central Book Agency (P) Ltd.
5. Dewett , K.K –Modern Economic Theory
6. Joydev Sarkhel – Adhunik Orthonitir Bhumika (Bengali version)

Core Course

MA-2: INTRODUCTORY MACROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- *The three key macroeconomic concepts for a closed economy, namely, economic growth (and how it is measured in terms of GDP and National Income), Inflation (its different types and how it is influenced by money supply) and unemployment (how it can be present in Classical and Keynesian macroeconomic system)*
- *The idea of two important component of GDP, namely, Consumption and Investment*
- *The money and banking system of an economy.*

Syllabus:

- 1. National Income:** (16L+4T)
 National Income and its measurement-different methods and their drawbacks; GDP and GNP; Difference between Nominal and real GNP/GDP; The circular flow of income and expenditure. GNP/GDP as a true index of Nation's welfare; Concept of HDI.

2. Macroeconomic Theories: (16L+4T)

Classical Macroeconomic Theory and Keynesian Theory (concepts and historical background how they are different); Simple Keynesian Model (SKM) of Income Determination-Consumption Function-Relation between Average and Marginal Propensity to Consume- Multiplier Theory

3. Money and Banking: (16L+4T)

Functions of Money-Value of Money Different Concepts of Money: M₁, M₂, M₃ and M₄; Concepts of Bank and Non-bank Financial Intermediaries-Functions of and Credit Creation by Commercial Banks-Central Bank-Functions and Credit Control Measures.

4. Inflation: (12L+3T)

Concepts of Inflation, Deflation and Stagflation-Inflationary Gap – Distinction between Demand Pull and Cost Push Inflation-Effects of Inflation; Anti-inflationary Fiscal and Monetary Policies.

Suggested Readings:

1. Gupta, S.B – Monetary Economics, S.Chand & Co., New Delhi
2. Ahuja, H.L – Macroeconomics
3. Mukherjee, Debes – Essentials of Micro and Macroeconomics, New Central Book Agency (P) Ltd.
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