GOVERNMENT COLLEGE FOR WOMEN (AUTONOMOUS),SKLM
DEPARTMENT OF ECONOMICS
I Year B. A. Programme (UG) Courses – Under CBCS
Semester – II/ Paper – III (Major Core)
(w.e.f 2024-25 Admitted Batch

Micro Economics

Course Objective: This course aims to learn about basic concepts, principles and theories inMicroeconomic to understand the economic behavior of an individuals and firm.

Course Learning Outcomes:

After studying this course, the student shall be able to achieve the following outcomes:

CO1: Explain what is Economics and differentiate between micro and macro Economics

CO2: Analyses the demand of a product and estimate elasticity of demand

CO3: Estimate production function and understand its application

CO4: Analyze functioning of different markets and their differentiations

CO5: Examine the determination of rent, wage, interest and profit

Unit–1: Introduction to Economics

Economic Activities and Economic System; Definition, Scope and Importance of Economics; Fundamental problems of economics: Scarcity and Choice, Production PossibilitiesCurve; Meaning and Scope of Microeconomics; Differences between Micro and MacroEconomics

Principles of Microeconomics: Equilibrium, Optimization, Welfare ; Methodology in Economics : Positive and Normative Economics.

Unit -2: Demand and Consumption

Demand: Meaning, Types and **Factors or determinants of demand**; Law of Demand, Elasticity of Demand: Price, Income and Cross Elasticities; measurement of elasticity of demand; Utility: Meaning, Types, Importance; Marginal Rate of Substitution (MRS), Indifference Curves (IC): Concept, Properties; Budget Line; Consumer Equilibriumunder IC, **Concept of Consumer Surplus**.

Unit -3: Production and Supply

Firm: Concept and Objectives; Production and Factors of Production; Concepts of Production, Cost and Revenue: Total, Average, Marginal;

Production Function: Meaning and Types; Cobb- Douglas Production Function;

Law of Variable Proportions; Laws of Returns to Scale; Supply: Meaning, **determinant Factors of supply**, Law of Supply, Elasticity of Supply.

Unit-4: Markets Market:

Concept and Classification; Perfect Competition: Characteristics, Equilibrium of Firm and Industry

Monopoly: Characteristics, Equilibrium, Price Discrimination;

Monopolistic Competition: Characteristics, Equilibrium, Selling Costs ; Oligopoly: Characteristics, Types, Kinked Demand Curve Model

Unit - 5: Distribution

Distribution: Meaning, types and importance; Rent: Ricardian Theory of Rent, Marshallian Quasi Rent Theories of Wage: Subsistence Theory, Modern Theory: Theories of Interest: Classical Theory; **Liquidity Preference Theory of Keynes**; Theories of Profit: Risk and Uncertainty Theory, Innovations Theory

References:

1. Microeconomic Analysis, Bilingual Textbook, APSCHE
2. H. L. Ahuja, Advanced Economic Theory, S. Chand, 2004
3. A. Koutsoyiannis, Modern Microeconomics – Macmillan, London.
4. P. N. Chopra, Principles of Economics, Kalyani Publishers, Ludhiana, 2018.
5. Telugu Academy Publications on Microeconomics
6. Microeconomics, Dr. Br. Ambedkar Open University Material
7. Microeconomics, IGNOU Material

Suggested Activities:

Unit-1: Group discussion on Identifying Surrounding Economic Activities

Unit-2: Project on Demand Analysis of any Good/Services and make presentation

Unit-3: Assignment on any production function or concepts of production

Unit-4: Field visit to any market and submission of report

Unit-5: Seminar on distribution theories