

ST. JOSEPH'S COLLEGE FOR WOMEN (AUTONOMOUS) VISAKHAPATNAM
II SEMESTER ECONOMICS Time: 6hrs/week
EC-Mi1-2701(4) MICRO ECONOMICS Marks: 100
W.e.fAK 2023-2024 (Admitted batch)

COURSE OBJECTIVE:

- This course is to learn about basic concepts, principles and theories in Microeconomic to understand the economic behaviour of an individual person and firm.

COURSE LEARNING OUTCOMES:

- After studying this course, the student shall be able to achieve the following outcomes:
- CO1: Explain what an economy, economics is and differentiate MICRO&MACRO ECONOMICS
- CO2: Analyses the demand of a product and estimate elasticity
- 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 Possibilities Curve
- Meaning and Scope of Microeconomics; Differences between Micro and Macro Economics
- Principles of Microeconomics: Equilibrium, Optimization, Welfare; Methodology in Economics: Positive and Normative

UNIT-2: DEMAND AND CONSUMPTION

- Demand: Meaning, Types and Factors; Law of Demand
- Elasticity of Demand: Meaning, Price, Income and Cross Elasticities

- Utility: Meaning, Types, Importance; Marginal Rate of Substitution (MRS), DMRS
- Indifference Curves (IC): Concept, Properties; Budget Line; Consumer Equilibrium under IC

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, Factors, Law of Supply, Elasticity of Supply

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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, Loanable Funds Theory
- 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 a report

Unit-5: Seminar on distribution theories

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