

BACHELOR OF ARTS

COURSE OF VSK UNIVERSITY

BAEconomics:Semester I

BAECH 101: Microeconomics– I

Sub Code: BAECs 101	No of Lecture Hours per week: 04
Maximum Marks: 100	Internal Marks: 30 and FE: 70

Objectives:

- To familiarize the students with the micro-foundations of the economy;
- To understand the economic aspects affecting the behavior of individuals, firms and markets.

Module I	INTRODUCTION	10 Hours
	Nature-Scope- Wealth- Welfare – Scarcity and Growth oriented definitions – Micro & Macro Economics – Assumptions of Economics. Tools of Economic Analysis – Variables, Functional Relationships, Linear and Non – Linear Functions – Identities and equations.	
Module II	CONSUMER BEHAVIOUR	15 Hours
	Cardinal Approach: Law of Diminishing Marginal utility – Law of Equi-marginal Utility. Ordinal Approach: Indifference curve – properties – Consumer’s Equilibrium – price effect – Income effect and Substitution effect; Giffen Goods, Revealed Preference Theory, Consumer’s Surplus.	
Module III	THEORY OF DEMAND	15 Hours
	Meaning - Law of Demand – Changes in demand determinants of demand – Elasticity of Demand – types of elasticity, price, income & cross elasticity, factors Governing Elasticity of Demand – Methods of Measurements, usefulness of elasticity of demand.	
Module IV	THEORY OF SUPPLY	10 Hours
	Meaning, Law of Supply – Changes in Supply – determinants - Elasticity of Supply.	
Module V	THEORY OF PRODUCTION	10 Hours
	Meaning, production Function, Law of Variable proportions – Returns to Scale, Concept of Firm and Industry – Economies and Diseconomies of Scale - Isoquants.	

Text Book:

Ahuja, H.L., "Modern Economics", S.Chand & Co.

REFERENCES:

Asimakopulos, "Micro Economics", Oxford University Press.

Baumol, W.J. (1982): Economic Theory and Operations Analysis, Prentice Hall of India, New Delhi.

Dacosta, G.C. (1980): Production, Prices and Distribution, Tata McGraw Hill, New Delhi.

Hirshleifer J.A. Glazer (1997): Price Theory and Applications, Prentice Hall of India, New Delhi.

Jhigan M.L "Micro- Economics Theory", Konark Publishers.

Koutsoyiannis, A. (1979): Modern Micro Economics, Macmillan Press, London.

Kreps, David .M. (1990): A Course in Micro Economic Theory, University Press Princeton.

Layard, P.R.G and A.W. Walters (1978): Micro Economic Theory, McGraw Hill New York.

McConnell & Gupta, "Economics", McGraw Hill

Mishra S K and V K Puri, "Micro Economic Theory and Applications", Part-I and Part II, Himalaya Publishing House.

Sankaram, "Micro Economics", Karthikeyan Publishers.

Sundaram KPM and M C Vaish, "Principles of Economics", Ratana Prakashan Mandir.