

# BACHELOR OF ARTS

COURSE OF VSK UNIVERSITY

## BA Economics: Semester II

### BAECS 201: Microeconomics-II

Sub Code: BAECS 201	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 and analyze the economic aspects affecting firms and markets.

<b>Module I</b>	<b>THEORY OF COSTS AND REVENUE</b>	<b>15 Hours</b>
	Cost concepts – Fixed, Variable, Total, Marginal, AFC, AVC-Cost Calculation and graphical presentation – the inter- relationship- Short and Long – run cost curves – the revenue concepts – MR-AR-TR – calculation and graphical presentation – inter- relationship between cost and revenue curve under different market conditions, equilibrium of the firm.	
<b>Module II</b>	<b>BREAK EVEN ANALYSIS</b>	<b>06Hours</b>
	Meaning, Definition – graphical representation – limitations.	
<b>Module III</b>	<b>MARKET STRUCTURE</b>	<b>14 Hours</b>
	Perfect Competition – Meaning; Features- Price and output determination – Role of time element – Monopoly – Meaning, Types, Features – price and output determination – Monopolistic Competition – Feature – Price and Output Determination – Oligopoly; Features and Types.	

**Module IV FACTOR PRICING****15 Hours**

Marginal productivity theory of distribution – Rent: Ricardian Theory – Modern theory – Quasi Rent, Wages: Wage Fund Theory – Subsistence theory – Modern theory of Wages. Interest: Classical – Loanable Funds and Liquidity Preference. Profit: Risk Theory – Uncertainty Bearing – Innovations theory.

**Module V WELFARE ECONOMICS****10 Hours**

Meaning and Nature of welfare Economics –Classical welfare Economicsand Pareto Criteria.

**Text Book:**

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

**REFERENCES:**

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

Asimakopulos, “Micro Economics”, Oxford University Press.

Jhingan M.L “Micro- Economics Theory”, Konark Publishers.

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

Mishan.E.J. (1969): Welfare Economics: An assessment, North Holland., Amsterdam.

Mishra S K and V K Puri, “Micro Economic Theory and Applicatoins”, Part-I and Part II, Himalaya Pulishing House McConnel& Gupta, “Economics”, McGraw Hill

Qurk,J.and R Saponnik (1968): Introduction to General Equilibrium and Welfare Economics, McGraw Hill, New York

R.S.Pindyck and D.Rubenfeld (1995): Micro Economics Prentice Hall of India, New Delhi.

Sankaram, “Micro Economics”, Karthikeyan Publishers.

Sen, Anindya (1999): Micro Economics: Theory and Applications, Oxford University Press, New Delhi.

Sundaram KPM and M C Vaish, “ Principles of Economics”, RatanaPrakashanMandir.

Weintrub.E.R. (1974) General Equilibrium Theory, McMillan, London.