

**School of Law, HILSR
Jamia Hamdard**

Course Syllabus

Course Overview:

Course Title: Economics – I

Course Code: BALLB – 103

Semester: First

Credits: 4

Medium of Instruction/Assessment: English

Instructor:

Objectives of the Course:

This course is designed to acquaint students with the fundamental principles of microeconomic theory. After familiarising students with the basic concepts, the course intends to introduce them to the all-important Marshallian Demand-Supply framework of micro economic theory. The course lays a special focus on analysing the decision making by a consumer and a producer in situations characterised by certainty. Similarly, an important objective of this course is to apprise students about various forms of market structure and theory of distribution.

Learning Outcomes:

At the end of this course, students will be able to do the following:

1. Understand the economic jargon necessary to comprehend microeconomic theory.
2. Appreciate the scientific nature of the discipline of Economics.
3. Gain an understanding into the mechanism of consumer's and producer's choice.
4. Recognise the impact of competition on the determination of price and output in the market.
5. Identify the factors which determine the distribution of income in the economy.

Assessment and Evaluation:

The course has a weightage of 100 marks. 75 % of the marks will be covered by the End Semester Examination; while as 25 % will constitute internal assessment to be done by the concerned instructor.

(A) End Semester Examination: There shall be ten questions in the Question paper with two from each unit. Students shall have to answer five questions in all selecting one from each unit.

(B) Internal Assessment: Students will be assessed and evaluated by the concerned teacher during the entire semester at regular intervals. This will be done by employing a wide range of methods including written tests, tutorials, term paper writing, presentations etc. Attendance of the students will also form a part of the internal assessment.

Course Outline:

The course is based on five units.

Unit - I Nature of Economics

Definition, Methodology and scope of Economics; Forms of Economic analysis- Micro vs. Macro, Partial vs. General, Static vs. Dynamic, Short-run vs. Long-run.

Problem of scarcity and choice; Opportunity cost and production possibility frontier; Central problems of an Economy; Economic systems.

Demand and Supply framework: Law of demand, determinants of demand, shifts of demand vs. movements along the demand curve, Market demand; Supply curve, Shifts of supply vs. movements along the supply curve, Market supply; Market equilibrium.

Unit - II Utility Analysis, Consumer Behaviour and Elasticity of Demand

Utility- cardinal and ordinal utility; Indifference curve- properties and types; Budget line; consumer's equilibrium; Substitution effect and income effect; consumer surplus; Elasticity of demand-price, cross and income elasticity.

Unit - III
Theory of Production and Costs

Factors of production; Production function; Law of variable proportions ; Returns to scale; Accounting vs. Economic costs; Classification of costs; Short run and long run analysis of costs; Revenue and profit; Isoquants and isocost lines; Producer's Equilibrium; Least cost combination of inputs; Economies and diseconomies of scale.

Unit - IV
Market Structure

Forms of market structure— Perfect and imperfect market; Short-run and long-run equilibrium of a firm and industry under perfect competition and monopoly; Market power and price discrimination; Monopolistic competition, duopoly and oligopoly— Concept and characteristics.

Unit - V
Factor Pricing

Distribution— Concept; Marginal productivity theory of distribution; Wages— Modern theory of wages, Wage differentials; Rent— Concepts, Ricardian theory of rent; Profit— Innovation and dynamic theory; Interest— Classical and Keynesian Theory; Rent as return to fixed factors; capital - basic concepts, classical theory of capital.

Readings:

The reading list given below is the chief source of material which will suffice to master the contents of this course.

1. N. Gregory Mankiw, *Principles of Economics*, South-Western College Publishing; 7th edition.
2. Karl E. Case (Author), Ray C. Fair, *Principles of Economics (Case & Fair)*, Pearson; 3 edition.
3. Paul Samuelson, *Economics*, McGraw Hill Education; 19 edition.
4. A. Koutsoyiannis (2006), *Modern Microeconomics*, Macmillan Press Ltd, London.
5. D.N. Dwivedi (2007), *Microeconomics*, Tata McGraw Hill, New Delhi.
6. H.L.Ahuja (2007), *Advanced Economic Theory— Microeconomic Analysis*, S. Chand & Company, New Delhi.