Generic Elective in Economics I: Introductory Microeconomics

Course Description

This course is designed to expose the students to the basic principles of microeconomic theory. The emphasis will be on thinking like an economist and the course will illustrate how microeconomic concepts can be applied to analyze real-life situations.

Course Outline

1. Exploring the subject matter of Economics
Why study economics? Scope and method of economics; the economic problem: scarcity and choice; the question of what to produce, how to produce and how to distribute output; science of economics; the basic competitive model; prices, property rights and profits; incentives and information; rationing; opportunity sets; economic systems; reading and working with graphs.

2. Supply and Demand: How Markets Work, Markets and Welfare
Markets and competition; determinants of individual demand/supply; demand/supply schedule and demand/supply curve; market versus individual demand/supply; shifts in the demand/supply curve, demand and supply together; how prices allocate resources; elasticity and its application; controls on prices; taxes and the costs of taxation; consumer surplus; producer surplus and the efficiency of the markets.

3. The Households
The consumption decision - budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences with indifference curves); properties of indifference curves; consumer's optimum choice; income and substitution effects; labour supply and savings decision - choice between leisure and consumption.

4. The Firm and Perfect Market Structure
Behaviour of profit maximizing firms and the production process; short run costs and output decisions; costs and output in the long run.

5. Imperfect Market Structure
Monopoly and anti-trust policy; government policies towards competition; imperfect competition.

6. Input Markets
Labour and land markets - basic concepts (derived demand, productivity of an input, marginal productivity of labour, marginal revenue product); demand for labour; input demand curves; shifts in input demand curves; competitive labour markets; and labour markets and public policy.

Ratna Mitra

Introductory Macroeconomics (GE1) - 2

Generic Elective (GE) Credit: 6

Course Objective

This course aims to introduce the students to the basic concepts of Macroeconomics. Macroeconomics deals with the aggregate economy. This course discusses the preliminary concepts associated with the determination and measurement of aggregate macroeconomic variable like GDP, savings, investment, money, inflation, and the balance of payments. It also introduces students to simple analytical frameworks (e.g., the IS-LM model) for determination of equilibrium output.

Course Learning Outcomes

This course will allow students to understand the basic functioning of the macroeconomy.

Unit 1

Introduction to macroeconomics and national income accounting Basic issues studied in macroeconomics; measurement of gross domestic product; income, expenditure and the circular flow; real versus nominal GDP; price indices; national income accounting for an open economy: balance of payments: current and capital accounts

Unit 2

Money Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy

Unit 3

Inflation Inflation and its social costs; hyperinflation

Unit 4

The closed economy in the short run Classical and Keynesian systems; simple Keynesian model of income determination; IS-LM model: fiscal and monetary multipliers

31.7.24

References

1. Abel. A.. Bernanke, B. (2016). *Macroeconomics, 9th ed.* Pearson Education.
2. Blanchard. O. (2018). *Macroeconomics, 7th ed.* Pearson Education.
3. Dornbusch. R.. Fischer, S., Startz, R. (2018). *Macroeconomics, 12th ed.* McGraw-Hill.
4. Jones. C. (2016). *Macroeconomics, 4th ed.* W. W. Norton.
5. Mankiw. N. (2016). *Macroeconomics, 9th ed.* Worth Publishers.

Teaching Learning Process

Lectures and tutorials

Assessment Methods

Internal assessment and final examination as per CBCS rules

Keywords

GDP, BOP, money, inflation, classical model. Keynesian model

Indian Economy
GE — SEM - 3

Course Learning Outcomes

This course will help students understand the key issues related to the Indian economy. It will broaden their horizons and enable them to analyze current economic policy thus improving their chances of getting employed, and be more effective, in positions of responsibility and decision making.

The course also serves as the base for further study of sector specific policy discussion that is pursed in the course in the next semester.

Unit 1

Issues in Growth, Development and Sustainability

Unit 2

Factors in development: Capital formation (physical and human); technology; institutions

Unit 3

Population and economic development: Demographic trends; urbanisation

Unit 4

Employment: Occupational structure in the organised and unorganised sectors; open-, under- and disguised- unemployment (rural and urban); employment schemes and their impact

Unit 5

Indian development experience: Critical evaluation of growth, inequality, poverty and competitiveness, pre- and post- reform eras

References

Given the current nature of the course, the readings will be updated every year. Selected chapters will be prescribed from:

1. Agrawal. P. (ed.) (2018). *Sustaining high growth in India*, Cambridge University Press.
2. Balakrishnan, P. (2007). The recovery of India: Economic growth in the Nehru era. *Economic and Political Weekly*, 42(45-46), 52-66.
3. Bloom, D. (2012). Population dynamics in India and implications for economic growth. In C. Ghate (ed.): *The Oxford handbook of the Indian economy*. Oxford University Press.
4. Case, K., Fair, R. (2007). *Principles of economics, 8th ed.* Chapter 31. Pearson.
5. Dreze, J., Sen, A. (2013). *India: An uncertain glory*. Allen Lane.
6. Kapila, U. (2009). *Economic development and policy in India*. Academic Foundation.
7. Kapila, U. (2015). *Indian economy since independence, 26th ed.* Academic Foundation.
8. Mehrotra, S. (2015). *Realising the demographic dividend: Policies to achieve inclusive growth in India*. Cambridge University Press.
9. Ministry of Finance. *Economic survey* (latest)
10. Ministry of Finance. *Finance commission report* (latest)

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Keywords
Taxation, public expenditure, policy

Indian Economy II (GE42)

GE - SEM -4

Generic Elective (GE) Credit: 6

Course Objective

The course seeks to equip students with sector-specific knowledge and skills to analyse key economic issues and policy documents. It will also enable them to relate theoretical frameworks of macroeconomics and microeconomics to the Indian context.

Course Learning Outcomes

Students will have capability to understand government policies and will enable informed participation in economic decision making, thus improving their employment prospects and career advancement.

Unit 1

Macroeconomic policies and their Impact: Fiscal, financial and monetary policies

Unit 2

Agriculture: Policies and performance; production and productivity; credit; labour; markets and pricing; land reforms; regional variations

Unit 3

Industry: Policies and performance; production trends; small scale industries; public sector; foreign investment, labour regulation

Unit 4

Services and trade: Trends and performance; trade and investment policy

References

Given the nature of the course, readings will be updated every year.

1. Anant, T. (2006). Institutional reforms for agriculture growth. In N. Majumdar, U. Kapila (eds.): *Indian agriculture in the new millennium: Changing perceptions and development* policy, Vol. 2. Academic Foundation.
2. Balakrishnan, P. (2014). The great reversal: A macro story. *Economic and Political Weekly*, 49 (21), 29-34.
3. Bhaduri, A. (2012). Productivity and production relations: The case of Indian agriculture. In A. Bhaduri (ed.): *Employment and development*. Oxford University Press.
4. Bhagwati, J., Panagariya, A. (2012). A multitude of labor laws and their reforms. In *India's tryst with destiny*. Collins Business.
5. Chanda, R. (2012). Services led growth. In K. Basu, A. Maertens (eds.): *New Oxford companion to economics in India*. Oxford University Press.
6. De, S. (2012). *Fiscal policy in India: Trends and trajectory*. Ministry of Finance Working Paper.