UNIVERSITY OF KERALA

Complementary Course in ECONOMICS

for the students of BA Degree Programme under CBCSS

SYLLABUS

(Applicable from 2015 Admissions)

Semester: **1** Type of course: **Complementary**
Course Code: **EC1131** Course Name: **FOUNDATIONS OF ECONOMIC THEORY**
lnstruction Hours/Week: **3** Number of credits: **2**

Course Objective

The main objective is to provide a basic understanding of economic concepts and theories.

MODULE I: INTRODUCTION TO ECONOMICS

Nature and Scope of Economics—Definitions: Wealth, Welfare, Scarcity and Growth definition—Basic Economic Problem—Micro and Macro Economics—Positive and Normative Economics—Significance of the study of Economics.

MODULE II: CONSUMER BEHAVIOUR

Consumption—The Concept of Utility—Cardinal Utility and Ordinal Utility—The Law of Diminishing Marginal utility—Consumer's Surplus—Demand and Supply and their determinants—Law of demand and law of supply—Changes in demand and supply.

MODULE III: THEORY OF PRODUCTION

Factors of production—Production function—Short run and Long run—Economies of scale—Concepts of cost, total cost, average cost, marginal cost, opportunity cost—Concepts of revenue: total revenue, average revenue and marginal revenue—Breakeven point.

MODULE IV: MARKET STRUCTURES

Market structures–Perfect competition, Monopoly, Monopolistic competition and oligopoly (Features only)—Factor pricing: wages, interest, rent and profit—Marginal Productivity theory of distribution.

References

- Samuelson. P.A. Nordhaus (2009), Economics, Tata McGraw Hill.
- Dewett, K.K. (Recent edition): Modern Economic Theory, S. Chand & Co., Delhi.
- Salvatore, D: (Year) Microeconomics: Theory and Practice, OUP.
- Dwivedi, D.N(2005), Microeconomics: Theory and Applications, 2nd ed. Pearson.
- Agarwal, H.S (2009) Micro-Economic Theory, ANE Books.

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PS: This is only a copy of the syllabus of the course, published by the University and is primarily intended to provide an easy reference to the students of the course. The University being the final authority as far as the syllabus of a course is concerned, the students are advised to verify that the University has not made subsequent changes in the syllabus of the course.