

**SUBJECT : ECONOMICS I**  
**SUBJECT CODE : HWC**

**General Principles of Economics**

**Unit – I : Introduction to Economics**

What Economic is about – Definitions – Basic Concepts – Basic Economic Problems – Methods of Economics – Nature – Scope – History of Economic Thought – Classical School – Modern School.

**Unit – II : Micro Economic concepts and Theories**

**1. Consumer Behaviour:**

Demand – Law of Demand – Elasticity – Methods – types – Determinants – Cardinal Utility Theory – Applications and Uses – Indifference Curve Analysis – MRS Relationship between Normal and Giffon Good – Application and Uses – Consumer Surplus.

**2. Production:**

Factors of Production – Production functions – Law of Variable Proportions – Laws of Returns to Scale.

**3. Market :**

Market Structure – Price and Output Determination – Perfect – Monopoly – Monopolistic – Oligopoly – Market Application – Marginal Productivity Theory of Distribution – Rent – Wages – Profits.

**Unit – III : Macro Economic Theories**

Why Study of Macro Economics – National Income Accountings – Circular Flow of Income – Consumption and Saving Choices – Keynesian Theory of Income, Output and Employment – Aggregate Demand and Aggregate Supply – General Equilibrium – Trade Cycle – Inflation.

**Unit – IV : Monetary Economics & Public Finance Concepts & Theories**

Money – Evolution – functions – Demand & Supply of Money – Keynes Liquidity Preference Theory of Interest – Commercial Banks – RBI – Monetary Policy – Principle of Public Finance – Public Expenditure – Public Revenue – Public Debt – Tax – Characteristics of Good Tax System – Kinds – Effects – Deficit Financing – Taxes of Central and State Government – Fiscal Policy.

## **Unit – V : International Economics & Developmental Economic Theories and Concepts**

Importance of Trade – Terms of Trade – Trades in Economic Growth and Foreign Trade  
– Capital Movements – Classical Theory of Comparative Advantage – Hechter – Ohlin Theory  
of International Trade – Balance of Payment – Impact of Globalisation – FDI – WTO – IMF –  
Exchange Rate – Devaluation – MFN

### **Books for reference:**

Principles of Economics – H.L.Ahuja  
Modern Micro Economics – Quotinis  
History of Economic Thought – Srivatsava  
The Basics of Economics – David O' Corner  
Macro Economic Theory and Policy – D.N.Divedi  
Macro Economics – H.C.Bhatia  
- N.K. Sachdeva  
Macro Economics Theory – M.L. Jhrijan  
International Economics – Boa & Sodereston  
International Economics – Francis Cherunilam  
Readings in International Economics – Prof. Krishna & G.Kulkarni  
Public Finance – B.P. Tyagi  
Monetary Economics – M.C.Vaish

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