

Dr. BABASAHEB AMBEDKAR MARATHWADA UNIVERSITY, AURANGABAD
DEPARTMENT OF ECONOMICS
M.A. (Economics) SYLLABUS

Course Code No.: ECO- 101	No. of Credits: 04	Semester: I
Course Title:	MICRO ECONOMICS - I	
Course Objectives:		
<p>1) To enable students to understand and analyse the theory of consumer behaviour, the determinants of consumer choices those involving risks, the theory of production and the theory of costs.</p> <p>2) To prepare students for further Courses / Units in Economics which require knowledge of Micro Economics.</p> <p>3) To enable them to take up case studies for application of the prescribed theories.</p>		
Unit	Course Content	Periods
I	Introduction & Basic concepts: 1.1 Basic Economic Problem – Choice & Scarcity 1.2 Methodology of Economics – Deductive & Inductive, Positive & Normative Economics, Static & Dynamic equilibrium. 1.3 Concept of Equilibrium – General Equilibrium & Partial Equilibrium Edgeworth box – Walrasian theory of general equilibrium.	15
II	The Theory of Consumer Behaviour: 2.1 Cardinal Utility Approach : Law of diminishing marginal utility - Consumer equilibrium – Derivation of Demand curve - Law of Demand 2.2 Ordinal Utility Approach: Indifference curve, properties - Consumer's equilibrium - Price, income & substitution effects. 2.3 Revealed preference theory of demand	10
III	Demand Analysis: 3.1 Concept of Elasticity - Price, Income & cross elasticity - Measurements - Empirical estimations 3.2 Recent Developments in Demand Theory - Hicksian Revised Theory - The Neuman Morgenstern method - The Friedman Savage Hypothesis - The Marcowitz Hypothesis -The Pragmatic Approach to demand analysis - The constant – elasticity demand function- Dynamic versions of demand function - Linear expenditure system	15
IV	Theory of Production: 4.1 Production Function: Law of variable proportions & returns to scale 4.2 Isoquants: properties, producer's equilibrium 4.3 Technical progress & production function 4.4 Cobb – Douglas production function 4.5 CES production function & their properties	10
V	Theory of Costs: 5.1 Cost concepts – economic cost, private and social cost, opportunity cost, fixed and variable cost, average, marginal & total cost, cost curves 5.2 The traditional theory of cost – The envelope curve 5.3 The modern theory of cost – The 'L' shaped curve	10
Course Outcomes:		
<p>1) Student will be able to understand and analysis theories of economic agents.</p> <p>2) Student will be aware about risks and uncertainty in the economy.</p>		

DEPARTMENT OF ECONOMICS



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