



# St. Xavier's College – Autonomous Mumbai

## Syllabus For 2<sup>nd</sup> Semester Courses in **Economics** (June 2013 onwards)

Contents:

Theory Syllabus for Courses:

S.Eco.2.01 - Introductory Microeconomics -II

S.Eco.2.02–Macroeconomic Analysis – The Indian Perspective-II

**FYBSc**  
**S.ECO.2.01**

**COURSE:**

**TITLE: INTRODUCTORY MICROECONOMICS-II**

**Learning Objectives:**

1. To introduce the students to the concepts and basic elements of microeconomics
2. To introduce some elementary microeconomic models

**Number of Lectures: 60**

**UNIT I:**

**Theory of Production.**

**[15 lectures]**

1. Law of Variable Proportions
2. Isoquants, Iso-cost lines and producer's equilibrium
3. Returns to Scale: Economies and Diseconomies of Scale
4. Cobb-Douglas Production Function

**UNIT II:**

**Theory of the Firm**

**[15 lectures]**

1. Objectives of the firms (Profit, Sales and Growth Maximization)
2. Break even Analysis
3. Pricing Methods (Marginal Cost and Full Cost Approaches)

**UNIT III:**

**Price and Output under Perfect Competition**

**[15 lectures]**

1. Short run Equilibrium of a firm and industry
2. Long run Equilibrium of a firm and industry

**UNIT IV:**

**Price and Output under Imperfect Competition**

**[15 lectures]**

1. Monopoly: Short and long run Equilibrium; Discriminating Monopoly, Dumping
2. Monopolistic Competition: Short run and long run Equilibrium of a firm; Wastes.

**C.I.A. I** Scheduled written Test

**II** An industrial visit -written report of production systems of an industry

**Basic Reference Books:**

1. Salvatore, Dominick, 2009, Principles of microeconomics, Oxford University Press, New Delhi.
2. Salvatore, Dominick, 2004, Microeconomic theory, Schaum's Outlines, Tata Mcgraw-Hill, third edition

## **TITLE: MACRO ECONOMICS ANALYSIS-The Indian Perspective-II**

### **Learning Objectives:**

1. Familiarise students with theoretical macroeconomic analysis
2. To introduce quantitative application of macroeconomic analysis

**Number of Lectures: 60**

### **UNIT I:**

#### **Central and Commercial Banking**

**[20 Lectures]**

1. Commercial Banks (Functions, Balance Sheet, Credit creation)
2. Banking Regulations (Basel Standards) and new forms of banking.
3. Central Banks (Functions, Instruments of Monetary Policy)
4. Monetary Policy objectives and targets

### **UNIT II:**

#### **Public Finance and Fiscal Policy**

**[20 Lectures]**

1. Public finance-scope, taxation and expenditure policies
2. Government budget constraints and debt dynamics
3. Debt and deficits
4. Fiscal Restructuring

### **UNIT III:**

**[20 Lectures]**

#### **Finance**

1. Money Market (features of Indian money market, Instruments of money market)
2. Capital Market (primary and secondary markets, role of capital market in economic development, SEBI).
3. Asset Valuation
4. Managing Risk

### **C.I.A.:**

- I.** Scheduled Test (concepts and short Answers)
- II.** Visit to the RBI-(Report on comparison with other Central banks)

### **Basic Reference Books :**

1. D'Souza Errol, (2012), Macroeconomics, Dorling Kindersley India prvt. Ltd.-Pearson Education, second edition.
2. Mankiw Gregory,(2007), Principles of Macro Economics, Cengage Learning India Private ltd. New Delhi, Fourth edition