

Department of Economics

Lesson Plan (Session 2023-24)

4-year Undergraduate Programme (Honours/Honours with Research)

SEMESTER -1 (Under NEP)

ECONOMICS MAJOR

DS-1: INTRODUCTORY MICROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome

After completion of this course the students will be able to:

- *Understand the fundamental problems of an economy and optimal allocation of resources to meet the needs of the society.*
- *Learn the market clearing mechanism for setting up equilibrium price and quantity depending on the demand and supply structures from aggregate to disaggregate unit level.*
- *Learn how various economic agents such as, consumers; firms etc. behave rationally to optimize their goals given the economic resources.*
- *Understand the short run and long run behaviour of firms in a given demand condition under perfectly competitive set up.*

Topics :

1. Exploring the subject matter of Economics: Number classes allotted - 8

By Rathindra Nath Mallick

- Why study economics? Scope and method of economics; the economic problem: scarcity and choice; distinction between Microeconomics and Macroeconomics; the question of what to produce, how to produce and how to distribute output; the basic competitive model; prices, property rights and profits; incentives and information; rationing; opportunity sets; economic systems. **(Aug 2023 to Oct 2023)**

2. Supply and Demand: Number classes allotted - 20

By Susmita Halder

- 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 **(Aug to Oct 2023)**
- 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. **(Nov 23 -Jan 2024)**

3. The Households: Number classes allotted - 22

By Jayanta Kumar Dwibedi

- The consumption decision - budget constraint, consumption and income/price changes, demand for all other goods and price changes; description of preferences (representing preferences within indifference curves) **(Aug to Oct 2023)**
- Properties of indifference curves; Consumer's optimum choice; income and substitution effects (Hicks & Slutsky); Ordinary and Compensated demand curves, Inferior goods and Giffen goods, Price consumption and Income consumption curves. **(Nov 23 -Jan 2024)**

4. Production and Cost: Number classes allotted - 15

By Nayna Guha Mazumder

- Production function, Total, Average and Marginal products, Isoquants and economic regions of production, Cost minimization and expansion path, Elasticity of substitution, Economies of scale, Cobb Douglas, Fixed coefficient and CES functions, short run and long run costs, Derivation of the cost function from production function. **(Aug to Oct 2023)**

5. Market Structure: Number classes allotted - 10

By Rathindra Nath Mallick

- Different types of market structures- Perfect competition, Monopoly, Monopolistic Competition and Oligopoly (concepts only) .
(Nov 23 -Jan 2024)

SEMESTER -2 (Under NEP)

ECONOMICS MAJOR

DS-2: INTRODUCTORY MACROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome:

After completion of this course the students will be able to:

- *Understand nature, construction and measurement of key macroeconomic variables.*
- *Understand the measurement of different components of national income and its importance as an indicator of human wellbeing.*
- *Get an idea regarding the determination of income in short run and long run with essential impacts of fiscal and monetary policy variables in different macroeconomic set up (Classical, Simple Keynesian and IS-LM Model)*

1. Introduction to Macroeconomics and National Income Accounting: Number classes allotted: 20

By Rathindra Nath Mallick

Basic issues studied in macroeconomics; measurement of gross domestic product; different methods of calculating National Income; NI- Where it comes from and where it goes –The circular flow of income; measurement of cost of living–CPI, GDP deflator;(**April24-June24**)

measuring joblessness– Unemployment rate, Unemployment and GDP– Okun’s Law; national income accounting for an open economy; balance of payments: current and capital accounts; NI as a measure of economic welfare.(**July 24**)

2. Money: Number classes allotted: 15

By Nayna Guha Mazumder

Functions of money; quantity theory of money; determination of money supply and demand; credit creation; tools of monetary policy. Seigniorage- The revenue from printing money. ;(**April24-July24**)

3. Inflation: Number classes allotted: 10

By Susmita Halder

Inflation and its social costs; Demand Pull and Cost Push inflation; hyperinflation; anti-inflationary policies. Inflation and Interest Rates- Fisher Effect.
(**April24-July24**)

4. The Closed Economy in the Short Run: Number classes allotted: 30

By Jayanta Kumar Dwivedi

Classical and Keynesian systems (difference in concepts); Simple Keynesian model of income determination, Multipliers; ;(**April24-June24**)
IS-LM model; Fiscal and Monetary Multipliers (**July 24**)

3-Year Multidisciplinary Undergraduate (UG) Programme

MA-1: INTRODUCTORY MICROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- *The factors that determine the demand for a product by a consumer and how consumer maximizes utility subject to budget constraint*

- *How a business firm decides its output production in short run and long run by considering various costs of production to maximize profit*
- *The characteristic features of different types of output market structure where buyers and sellers interact*
- *The determination of prices of different factors of production in factor market*

Topics

1. Basic Concepts: Number classes allotted - 10

By Susmita Halder

- What is economics? Scope and method of economics; The economic problem: scarcity and choice; Distinction between Microeconomics and Macroeconomics; Concept of Market, Demand & Supply – Market Equilibrium (**Aug 23 to Oct 23**)
- Elasticity of Demand: Price Elasticity of Demand, Factors affecting the Price Elasticity of Demand- Measurement of Point Price Elasticity of Demand - Income Elasticity of Demand. (**Nov 23-Jan 24**)

2. Consumers' Behaviour: Number classes allotted - 18

By Jayanta Kumar Dwibedi

- Marginal Utility- Law of Diminishing Marginal Utility- Derivation of Demand Curve from Marginal Utility Curve - Consumers' Surplus (**Aug 23 to Oct 23**)
- Indifference Curve: Definition and Characteristics –Budget Line –Consumers' Equilibrium; Price effect, Income effect and Substitution effect- Inferior goods and Giffen goods (definitions only). (**Nov 23-Jan 24**)

3. Producers' Behaviour : Number classes allotted - 18

By Nayna Guha Mazumder

Concept of Production- Factors of Production- Production Function: Concepts of Total Product, Average Product and Marginal Product; Derivation of AP and MP curve from TP curve graphically - Law of Variable Proportions; Isoquants and its properties- Expansion Path- Laws of Returns to Scale; Concepts of Revenue- Total Revenue, Average Revenue, Marginal Revenue; Derivation of AR and MR curve from TR curve – Relation between AR, MR and Price Elasticity of Demand; Cost of Production –Fixed Cost and Variable Cost –Shape of the Short-Run Cost Curves; Relation between AC and MC - LAC as the envelope of SACs. (**Aug 23 to Oct 23**)

4. Market Structure: Perfect Competition Number classes allotted - 10

By Nayna Guha Mazumder

- Characteristics of Perfectly Competitive Market; Short-run and Long-run equilibrium of Perfectly Competitive firm and industry. (**Nov 23-Jan 24**)

5. Market Structure: Imperfect Competition Number classes allotted - 5

By Nayna Guha Mazumder

- Concepts and Characteristics of Monopoly and Oligopoly Markets. **(Jan24-Jan 24)**

6. Theory of Factor Prices: Rent and Wages Number classes allotted - 14

By Rathindra Nath Mallick

- Rent: Ricardian Theory, Modern Theory, Quasi-Rent **(Aug 23-OCT 24)**
- Wage: Marginal Productivity Theory of Wages – Role of Trade Union in Wage Determination under competitive setup. **(Nov 23-Jan 24)**

MA-2: INTRODUCTORY MACROECONOMICS

5 Credits (4L+1T)

Total Number of Lecture Hours = 75

Course Outcome/ Learning Outcome –

After completion of this course the students will be able to understand:

- *The three key macroeconomic concepts for a closed economy, namely, economic growth (and how it is measured in terms of GDP and National Income), Inflation (its different types and how it is influenced by money supply) and unemployment (how it can be present in Classical and Keynesian macroeconomic system)*
- *The idea of two important component of GDP, namely, Consumption and Investment*
- *The money and banking system of an economy.*

Syllabus:

1. National Income: Number classes allotted - 20

By Rathindra Nath Mallick

National Income and its measurement-different methods and their drawbacks; GDP and GNP; Difference between Nominal and real GNP/GDP; The circular flow of income and expenditure. GNP/GDP as a true index of Nation's welfare; Concept of HDI.

(April to July 24)

2. Macroeconomic Theories: Number classes allotted - 20

By Jayanta Kumar Dwibedi

Classical Macroeconomic Theory and Keynesian Theory (concepts and historical background how they are different); Simple Keynesian Model (SKM) of Income Determination-Consumption Function-Relation between Average and Marginal Propensity to Consume- Multiplier Theory **(April –July 24)**

3. Money and Banking: Number classes allotted - 20

By Nayna Guha Mazumder

Functions of Money–Value of Money Different Concepts of Money: M1, M2, M3 and M4; Concepts of Bank and Non-bank Financial Intermediaries–Functions of and Credit Creation by Commercial Banks–Central Bank-Functions and Credit Control Measures. **(April-July 24)**

4. Inflation: Number classes allotted - 15

By Susmita Halder

Concepts of Inflation, Deflation and Stagflation–Inflationary Gap – Distinction between Demand Pull and Cost Push Inflation-Effects of Inflation; Anti-inflationary Fiscal and Monetary Policies. **(April-July 24)**