

BIRLA INSTITUTE OF TECHNOLOGY & SCIENCE
INSTRUCTION DIVISION
First Semester 2016-17
Course Handout Part II

Dated: 01-08-2016

In addition to part I (General Handout for all courses appended to the time table) this portion gives further specific details regarding the course.

Course No. : **ECON F211**
Course Title : **PRINCIPLES OF ECONOMICS**
Instructor-in-Charge : **DURGESH CHANDRA PATHAK**

The course aims to provide an insight into production, distribution and consumption of wealth, analysis of market structure, Input pricing, public finance and economics of development and macroeconomic issues including international trade with emphasis upon use of analytical tools. The course is designed to give emphasis on the application of real life examples on various fundamental issues of economics.

2. Text Book: Case E. Karl & Ray C. Fair, *Principles of Economics*, 8/e, Pearson Education, 2007.

3. Reference Books:

- R1:** Varian, H. R.: *Intermediate Microeconomics*, 8/e, W. W. Norton & Company Inc., NY.
R2: Nicholson & Snyder: *Intermediate Microeconomics and Its Applications*, 11/e, South-Western CENGAGE Learning, 2010.
R3: Samuelson P. A. & W. D. Nordhaus: *Economics*, 18/e, Tata McGraw-Hill, 2007.
R4: Lipsey, R. G. & K. A. Chrystal, *Economics*, 11/e, Oxford University Press, 2007.
R5: Frank, Robert H.: *The Economic Naturalist: Why Economics Explains Almost Everything*, Virgin Books, 2008.

4. Course Plan:

Lec. no.	Objective	Topic(s)	References (TB)
1	Why study Economics	The Scope and method of Economics	Chapter 1
2	Understanding the problem of scarcity and choice and the concepts of comparative advantage along with various economic systems	The Economic Problem: Scarcity & Choice	Chapter 2
3-6	Elements of market Economy	Demand, Supply and Market Equilibrium	Chapter 3,4
7-8	Applications of Demand & Supply	Elasticity	Chapter 5
9-11	MU & Indifference Theory	Household Behavior and Consumer Choice	Chapter 6
12-14	Analysis of Production	The Production Process: The behavior of profit maximizing firms	Chapter 7

15-18	Cost Analysis	Cost Structure of Firms and output decision	Chapter 8,9
19-20	Input pricing: Land, Labor, Capital and Investment	Input demand: The labour and land market, the Capital Market and the Investment Decision	Chapter 10 &11
21-23	Market mechanism: Perfect Competition	General Equilibrium and the efficiency of perfect competition	Chapter 12
24-29	Monopoly, and Monopolistic Competition	Imperfect Competition	Chapter 13 &14
30-31	Economics of Public Goods, Externalities, Public Goods, Imperfect Information and Social Choice	Externalities	Chapter 15
32-33	Poverty & impact of income distribution	Income distribution and poverty	Chapter 16
34	Basic concepts of public finance	Public Finance: The economics of Taxation	Chapter 17
35-39	Elements of Macroeconomics, Measurement of Macroeconomic Variables	Macroeconomic concepts and National Income accounting,	Chapter 18 &19
40-42	Role of Money, Banking and Credit creation	Money Supply & The Central Bank	Chapter 23 & Notes
43-45	Economic Basis for trade	International Trade and comparative advantage	Chapter 33

5. Evaluation Scheme

S.	Component	Weightage (%)	Date and Time	Duration	Remar
1	Test 1	20	10/9, 4.00--5.00 PM		CB
2	Test 2	20	22/10, 4.00--5.00		OB
3	Project/Presentation	20		-----	
4	Comprehensive Exam	40	01/12 AN		CB

6. Chamber Consultation Hour: To be announced in class

7. Notices shall be displayed on LTC notice board/CMS.

8. Make-up policy: Make-up will be given only on Doctor's/Warden's recommendation and with prior (at least 01 day before the test/exam) permission of the Instructor-in-Charge/Instructor. Request for make-up made by phone/sms or during/after the test/exam would NOT be entertained at all.

**Instructor-in-Charge
ECON F211**