

HS402 INTRODUCTION TO ECONOMICS (3-0-0:3)

Introduction to Economics and the Economic Problem

Basics of Economics: Nature and Scope of Economics; Goods and Services; Resources; Scarcity; Choices; Alternative Uses; Opportunity Cost; Marginal Principle; Present and Future Consumption; Basics of Production Possibilities.

Analysis of Demand and Demand Forecasting

Demand: Demand; The Law of Demand; Demand Schedule; Demand Curve.

Supply: Supply; The Law of Supply; Supply Schedule; Supply Curve; Shift in Supply Curve; Supply Function.

Analysis of Consumer Demand: Basis of the Consumer Demand: Utility; Law of Diminishing Marginal Utility; Cardinal and Ordinal Concepts of Utility.

Consumer's Equilibrium: Consumer's Equilibrium: Cardinal Utility Approach; Consumer's Equilibrium: Ordinal Utility Approach

Analysis of Market Demand and Demand Elasticities: Meaning of Market Demand; Demand Function; Elasticities of Demand; Use of Elasticities in Business Decision Making.

Demand Forecasting: Meaning of Demand Forecasting; Steps in Demand Forecasting; Techniques of Demand Forecasting.

Production and Cost Analysis

Theory of Production: Production Function; Short-Run Laws of Production; Long-Term Laws of Production.

Theory of Cost and Break-Even Analysis: Cost Concepts; Theory of Costs; Economies and Diseconomies of Scale; Break-Even Analysis.

Market Structure and Pricing Decisions

Market Structure; Price Determination under Perfect Competition; Price Determination under Pure Monopoly; Pricing and Output Decisions under Monopolistic Competition; Pricing and Output Decisions under Oligopoly.

Basic Macroeconomic Aspects

Macroeconomics: Introduction and Nature and Scope of Macroeconomics.

National Income: Basic Concepts; Measures of National Income; Methods of Measuring National Income.

Business Cycles and Stabilization: Phases of Business Cycles; Theories of Business Cycle; Economic Stabilization Policies.

Inflation: Definition of Inflation; Methods of Measuring Inflation; Kinds of Inflation; Effects of Inflation.

Introduction to International Economics

Consequences and Implications of Globalisation; Basis of Foreign Trade; Foreign Exchange Market and Its Functions; Determination of Foreign Exchange Rate.

Text Books:

1. Dwivedi, D. N., Managerial Economics, Vikas Publishing House Pvt. Ltd.
2. Hoag, A. J. and Hoag, J. H., Introductory Economics, World Scientific

References:

1. T. R. Banga & S. C. Sharma "Industrial Organization and Engineering Economics", Khanna Pub.
2. H. L. Ahuja, "Micro-Economic Theory", S. Chand Pub.