



St. Xavier's College – Autonomous Mumbai

Syllabus For 2nd Semester Core Courses in

Economics

(June 2021 onwards)

Contents:

Theory Syllabus for Courses:

SECO0201 Microeconomics – II

SECO0202 Macroeconomics – II

FYBSc

COURSE: SECO0201

TITLE: MICROECONOMICS-II

Learning Objectives:

1. To understand the various objectives of the firm.
2. To apply the concept of equilibrium to the long run and short run.
3. To apply pricing strategies to the factor market.
4. To analyse the concept of risk.

UNIT I: Theory of the firm

[10 lectures]

1. Objectives of the firm (Profit and Sales Maximization)
2. Break even analysis
3. Pricing methods (Marginal Cost and Full Cost Analysis)

UNIT II: Market Structures

[20 lectures]

1. Short-run and long-run equilibrium of a firm under Perfect Competition
2. Short-run and long-run equilibrium of a Perfectly Competitive Industry
3. Short-run and long-run equilibrium of Monopoly; Discriminating Monopoly, Dumping
4. Short-run and long-run equilibrium of firm and industry under Monopolistic Competition

UNIT III: Factor Markets

[20 lectures]

1. Factor pricing in perfectly and imperfectly competitive markets.
2. Wage determination; Collective Bargaining
3. Risk, Uncertainty and Profits
4. Economic Rents

UNIT IV: Choice under Uncertainty [10 lectures]

1. Expectations and expected utility
2. Concept of risk-aversion.
3. Jensen's inequality.
4. Insurance and risk-aversion.

First C.I.A. : MCQs

Second C.I.A. : Presentations of Project (the theme of the project is 'Experiencing the real market')

Basic Reference Book

Mukherjee S (2018), Analytical Microeconomics, NCBA, Fourth Edition

Additional References:

1. Ahuja, H. L. (2012), Advanced Economic Theory, S. Chand & Company, New Delhi.

2. Koutsoyiannis, A. (1980) Modern Microeconomics, Macmillan Press Ltd, London.
3. Lipsey and Chrystal (2004), Economics, Oxford University Press.
4. Varian H.(2010), Intermediate Microeconomics : A Modern Approach
5. Salvatore, D. (2003), Micro Economics, Oxford University Press.
6. Mankiw, N.G. (2002), Principles of Economics, Thomson Asia Pvt. Ltd., Singapore.

FYBSC

Course: SECO202

TITLE: MACROECONOMICS- II

Learning Objectives:

1. To understand the banking system and the role of banks.
2. To analyse the role of central banks and monetary policies.
3. To understand the role of government in an economy.
4. To analyse the financial systems and markets.

Number of Lectures: 60

UNIT I: Central and Commercial Banking

[20 Lectures]

1. Commercial Banks (Functions, Balance Sheet, Credit creation)
2. Banking Regulations; Capital Adequacy norms- Basel Accord III.
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. Ricardian equivalence & debt Sustainability
4. Fiscal Consolidation & tax compliance

UNIT III: Finance & International Trade

[20 Lectures]

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. Foreign Exchange Market
4. Bond Market

First C.I.A.: MCQ-Test

Second C.I.A.: Projects

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
3. L.M Bhole (2017), Financial Institutions and Markets, McGraw Hill Publication Company Ltd, Delhi , Sixth Edition
4. Pathak Bharati (2008), The Indian Financial System –Markets, Institutions, and Services, Pearson Education, New Delhi, 2nd Edition
5. Salvatore, D. (1997) International Economics, Printice Hall, New York