

**St. Xavier's College (Autonomous), Ahmedabad**  
**Syllabus of Semester – I of the following departments under Faculty of Arts**  
**based on Under Graduate Curriculum Framework - 2023 to be implemented**  
**from the Academic Year 2023-24**

**FACULTY OF ARTS**

**DEPARTMENT OF ECONOMICS**

Course	Title	Content	Hours/week	Credit
<b>DSC Major Paper-1 (Theory)</b>	Introductory Microeconomics	U-1: Ten Principles of Economics U-2: Thinking Like an Economist U-3: Interdependence and the Gains from Trade U-4: Supply and Demand	4hrs	4
<b>DSC Major Paper-2 (Theory)</b>	Introductory Macroeconomics	U-1: Introduction to Macroeconomics U-2: National Income: Circular Flow & Accounting U-3: Measuring Cost of Living U-4: Production & Growth	4hrs	4

**BA Economics Hons. (SF)**

**DSC – 1: Introductory Microeconomics-1**

**CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE**

Course Code	Title &	Credit Distribution of The Course			Eligibility Criteria	Pre-requisite(s) of the Course (if any)
		Lecture	Tutorial	Practical / Practice		
Introductory Microeconomics-1		4	0	0	10 + 2 from a recognized board in any stream	High school Economics

## **ECH-1501: Introductory Microeconomics-1 (4 Credits)**

### Course Objectives-

- Introduce students to the subject of Economics
- Familiarize students with the factors determining Demand & Supply in the market
- Focus on the basic understanding of the economic agents: Consumers & Producers
- Prepare students for Intermediate Microeconomic Theory

### **Unit 1: Ten Principles of Economics**

- Introduction to Economics
- Principle 1: People Face Trade-Offs
- Principle 2: The Cost of Something is What You Give Up to Get It
- Principle 3: Rational People Think at the Margin
- Principle 4: People Respond to Incentives

### **Unit 2: Thinking Like an Economist**

- The Economist as a Scientist
- The Scientific Method
- Economic Models
- Assumptions, Variables, and Economic Theories

### **Unit 3: Interdependence and the Gains from Trade**

- Comparative Advantage and Trade
- The Market Economy
- Trade-offs, Opportunity Costs, and Specialization
- Trade and Gains from Exchange

### **Unit 4: Supply and Demand**

- The Market Forces of Supply and Demand
- Market Equilibrium
- Changes in Market Equilibrium
- Elasticity and Its Applications

### **Reference books:**

- 1) Mankiw, G., Principles of Economics (2012)
- 2) Samuelson, Paul., & Nordhaus, William- Economics (2010)
- 3) Sloman- Economics (2018)
- 4) Sowell, Thomas- Basic Economics (2011)

## BA Economics Hons. (SF)

### Core – 2: Introductory Macroeconomics-1

#### CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title & Code	Credit Distribution of The Course			Eligibility Criteria	Prerequisite(s) of the Course (if any)
	Lecture	Tutorial	Practical / Practice		
Introductory Macroeconomics-1	4	0	0	10 + 2 from a recognized board in any stream	High school Economics

#### ECH-1502-Core: Introductory Macroeconomics-1 (4 Credits)

##### Course Objectives-

- Introduce students to the basic variables and concepts of Macroeconomics
- Build a foundation for intermediate Macroeconomic Theory
- Familiarize students with the tools used to assess the Economy
- Prepare students for research in Macroeconomics

##### **Unit-1: Introduction to Macroeconomics**

Introduction to Macroeconomics, Macroeconomic Objectives: Output, Employment & Stable Prices, Macroeconomic Instruments: Monetary & Fiscal Policy, Components of GDP: Consumption, Investment, Government Expenditure, Foreign Trade, Defining GDP, Indian Economy vis-à-vis World Economy

##### **Unit-2: National Income: Circular Flow & Accounting**

Meaning, Circular Flow, Income Concepts: GDP, NDP, GNP, NNP, Personal & Personal Disposable Income, Income Measurements: Value Added/ Production Approach, Income Approach, Expenditure Approach, Income & Welfare.

### **Unit-3: Measuring Cost of Living**

What is Consumer Price Index (CPI), Steps for calculation of CPI, Calculating the CPI, The CPI basket for Indian Economy, Core vs Headline CPI, Substitution Bias, Problems with CPI, GDP Deflator, Contrasting the CPI & GDP Deflator, Correcting Variables for Inflation, Calculating Inflation Rate: CPI & GDP Deflator, Calculating Past Value in Current Terms.

### **Unit-4: Production & Growth**

Comparison: High-, Middle- & Low-Income Countries, Facts about Living Standards, Living Standards around the world, Indicators: GDP Growth vs GDP Per Capita, Productivity, Importance of Productivity, Determinants of Productivity: Physical Capital per worker, Human Capital per worker, Natural Resources per worker, Technological Knowledge, Tech Knowledge vs Human Capital, The Production Function, Cases: Constant, Increasing & Diminishing returns to scale, Policy Measures for Economic Growth.

#### **Reference books:**

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