

**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 - 2	U-1: Elasticity and Its Applications U-2: Consumer and Producer Surplus U-3: Producer Behavior and the Supply of Goods U-4: Competitive Markets for Goods and Services	4hrs	4
<b>DSC Major Paper-2EA (Theory)</b>	Introductory Macroeconomics - 2	U-1: Saving, Investment, and the Financial System U-2: Money U-3: Central Banking U-4: Money Supply	4hrs	4

**BA Economics Hons. (SF)**

**Core – 1: Introductory Microeconomics-2**

**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 Microeconomics-2	4	0	0	10 + 2 from a recognized board in any stream	High school Economics

## **ECH-2501- Core: 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: Elasticity and Its Applications**

- Price Elasticity of Demand
- Income and Cross-Price Elasticity of Demand
- Price Elasticity of Supply
- Elasticity and Tax Incidence

### **Unit 2: Consumer and Producer Surplus**

- Consumer Surplus
- Producer Surplus
- Market Efficiency
- Taxes and Market Efficiency

### **Unit 3: Producer Behavior and the Supply of Goods**

- Production and Costs
- Short-Run vs. Long-Run Costs
- Competitive Firms and Markets
- Profit Maximization in Competitive Markets

### **Unit 4: Competitive Markets for Goods and Services**

- Perfect Competition
- Long-Run Equilibrium
- Entry and Exit
- Efficiency of Perfectly Competitive Markets

### **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-2

#### 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-2	4	0	0	10 + 2 from a recognized board in any stream	High school Economics

#### ECH-2502-Core: Introductory Macroeconomics-2 (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: Saving, Investment, and the Financial System**

Financial Markets , Financial Intermediaries FYI: Key Numbers for Stock Watchers , Summing Up , Saving and Investment in the National Income Accounts , Some Important Identities , The Meaning of Saving and Investment , The Market for Loanable Funds , Supply and Demand for Loanable Funds , Policy : Saving Incentives , Policy : Investment Incentives , Policy : Government Budget Deficits and Surpluses ASK THE EXPERTS: Fiscal Policy and Saving CASE STUDY: The History of U.S. Government Debt FYI: Financial Crises

##### **Unit-2: Money**

Nature, Functions and Role, Definition of Money —Functions of Money—Importance of Money— Paper Money, System or Managed Currency Standard — Role of Money in Economic Development: Money Promotes Division of Labor and Productivity —Money Promotes Investment —Money and Inflationary Financing of Economic Development—Money and Forced Savings — Monetization and Economic Growth.

### **Unit-3: Central Banking**

The Principle of Central Banking — Functions of Central Bank— Methods of Credit Control—Bank Rate Policy—Limitations of Bank Rate Policy—Open Market Operations—Limitations of Open Market Operations—Selective Credit Controls—Moral Suasion.

### **Unit-4: Money Supply**

Introduction: Money Supply and High Powered Money— Four Concepts of Money Supply — Theory of Money Supply—Deposit Multiplier— Money Multiplier— Derivation of Money Multiplier—Factors Determining Money Supply: RBI's Approach — Growth of Money Supply and Rate of Inflation in Recent Years — Budget Deficit and Money Supply – Money Supply and the Open Economy.

#### **Reference books:**

- 1) Macroeconomics- Ahuja H.L. (2016)
- 2) Mankiw, G., Principles of Economics (2012)
- 3) Samuelson, Paul., & Nordhaus, William- Economics (2010)
- 4) Sloman- Economics (2018)
- 5) Sowell, Thomas- Basic Economics (2011)