OBJECTIVES:
To enable the students

- to analyse the economic principles and concepts.
- to understand the theories.
- to evaluate and apply the principles to real world situation.

COURSE CONTENT:

UNIT I: DEMAND ANALYSIS:
Marshallian and Hicksian indifference curve analysis— Hick’s revision of demand theory - Samuelson’s revealed preference hypothesis—enunciation of demand theorem—critical appraisal.
15 hrs

UNIT II: MODERN CARDINAL UTILITY ANALYSIS:
Newmann Morgenstern theory of measuring utility- Friedman-savage hypothesis.
10 hrs

UNIT III: THEORY OF PRODUCTION:
Production function – technical progress and production function- Production function of a multi – product firm - the production possibility curve of the firm – the iso - revenue curve of the firm- equilibrium of the multi -product firm – short run cost function— long run cost function.
15hrs

UNIT IV: THEORY OF PRODUCT PRICING:
Oligopoly – Features – Kinked demand curve - Non-collusive oligopoly – the duopoly models of Cournot, Bertrand and Edgeworth – kinked demand curve analysis - Collusive oligopoly – cartels – joins profit maximising cartels – market sharing cartels – price leadership models- the model of the low cost price leadership – dominant firm leadership and barometric price leadership.
25 hrs

UNIT V: WELFARE ECONOMICS :
25hrs

PRINCIPAL TEXT BOOK:

REFERENCE BOOKS: