



NATIONAL LAW UNIVERSITY AND JUDICIAL ACADEMY, ASSAM

PROGRAMME: B.A., L.L.B.(HONS) FYIC

DETAILS OF COURSE OFFERED

ODD SEMESTER (I) – ACADEMIC YEAR

SL NO	COURSE CODE	COURSE TITLE	L	T	P	CR	CH
1	BL102.2 (ECONOMICS MAJOR- I)	PRINCIPLES OF MICROECONOMICS	4 PER WEEK	1 PER WEEK		4	

- A. CODE AND TITLE OF THE COURSE: BL102.2 (ECONOMICS MAJOR-I) PRINCIPLES OF MICROECONOMICS**
- B. COURSE CREDIT: 4 (TOTAL MARKS-200)**
- C. MEDIUM OF INSTRUCTION: ENGLISH**
- D. COURSE COMPILED BY: MS. DIPAKSHI DAS/MS. NISHIBRATA HAZARIKA**
- E. COURSE INSTRUCTOR: MS. DIPAKSHI DAS/ MS. NISHIBRATA HAZARIKA**

1. COURSE OBJECTIVES

The course of Principles of Microeconomics is so designed as to acquaint the students with the basic principles of microeconomic theory. The study of economics helps us in comprehending a wide array of issues of national as well as international in character. Microeconomics, the base of this syllabus, helps to lay down the foundation for the study of economics. A general understanding of microeconomics is very essential for appreciating how a modern economy functions. Moreover it helps in making managerial decisions, designing public policies etc. The emphasis will be on thinking like an economist and the course will illustrate how microeconomic concepts can be applied to analyze real life situations. It consists of various concepts dealing with the structure, behaviour, performance of the economy as a whole. To conclude basic objectives are as follows:

1. To inculcate the understanding of the subject of economics;
2. To get acquainted with the different forms of market that exists in the real world;
3. To analyze and interpret different factors of production;
4. To enable students to identify emerging issues in the subject.

2. TEACHING METHODOLOGY

The teaching methodology shall be participatory teaching with discussions on the topics included and connected. The students are informed in advance the topic for discussion and the topic of project / assignment they have to prepare. The students prepare their topics from the sources suggested to them. The students are also encouraged to do independent research on their respective assignments. In the classroom every student is required to present his/her topic and to have his/her doubt cleared through discussion. The teacher will be helping and guiding the students in their pursuits of legal learning. The teacher summarizes after the students have completed their discussion, and clarify the doubts, if any, and answer their queries.

3. EXPECTED OUTCOMES OF THE COURSE

On completion of the Course the students are expected to understand the nuances of each module and thereafter they shall be in a position to understand and relate emerging topics in their field of study. They are also expected to develop keen interest in the topics as they are quite relevant in their practical aspects as well. The proper understanding of the modules shall help the students comprehend the some of the basic concepts in the study of microeconomics and also to develop an in depth knowledge of how the economic decisions and choices made at an individual level influences the economic system as a whole.

4. COURSE EVALUATION METHOD

The Course shall be assessed for 200 marks. The Evaluation scheme would be as follows:

Internal assessment: 70% (140 marks)

Semester End Examination: 30% (60 marks)

Sl. No.	Marks Distribution	
1	Project Work	40 marks
2	Seminar/Group Discussion	20 marks
3	Assignment/Assessment	30 marks
4	Mid-Semester Test	40 marks
5	Attendance in class	10 marks
6	Semester End Examination	60 marks

5. DETAILED STRUCTURE OF THE COURSE (SPECIFYING COURSE MODULES AND SUB-MODULES)

MODULE I- INTRODUCTION

Economics- Nature & Scope (Why study Economics?); The Economic Problem- Scarcity & Choice; Choice & Opportunity Cost; Production Possibility Frontier Law of Demand & Supply, their determinants; demand/supply schedule and curve; individual & market demand/supply; shifts in demand/supply curve; demand & supply together; elasticity of demand/supply; Price Rationing & Price Floors; Consumer Surplus & Producer Surplus

MODULE II- CONSUMER BEHAVIOR

Budget Constraint; Cardinal versus Ordinal Utility; Indifference Curve; Consumer's Equilibrium; Price Effect- Income Effect & Substitution Effect; Engel's Curve; Derivation of Demand Curve; Giffen Paradox; Applications to Labour Supply- Choice between leisure & consumption.

MODULE III- THEORY OF PRODUCTION & COST

Production Function & its related concepts-TP,AP, MP & the Law of Variable Proportion; Isoquant; Factor Elasticity of Substitution; Returns to Scale & Returns to Factor; Forms of Production Function- Cobb Douglas; CES & Fixed Co-efficient Type; Least Cost Input Combination; Expansion Path; Contract Curve; Cost of Production; Types of Cost; Costs in the Short Run- FC, VC, TC, AC, MC & their interrelation; Derivation of Long run AC & MC curves; Economies & Diseconomies of Scale

MODULE IV- MARKET STRUCTURE, DISTRIBUTION & FACTOR PRICING

TR, AR, MR & their relation; Comparing Costs & Revenue to maximize profits. Perfect Competition; Monopoly, Degrees of Price Discrimination; Monopolistic Competition; Oligopoly- Duopoly Models of Cournot, Bertrand & Stackelberg; Kinked Demand Curve Model of Oligopoly- Collusive Oligopoly- Cartels & Price Leadership.

Pricing of Factors under Perfect Competition & Imperfect Competition; Factor Share & Technical Progress- Backward Bending Supply Curve of Labour-Monopsony.

Wages: Wages & Employment – Nominal & Real wage – Equilibrium & Employment – relationship between demand for goods and services and levels of employment – Marginal productivity theory of Labour, Labour Union & Collective Bargaining

Rent: Differential Surplus Approach; Modern Theory of Rent; Quasi Rent

Profit: Economic Profit, Gross & Net Profits; Innovation Theory: Risk & Uncertainty Bearing Theory

Interest: Concept; Keynesian Theory of Interest

6. PRESCRIBED READINGS

- H.L. Ahuja, Advanced Economic Theory, S. Chand Publications, 17th Revised Edition 2011
- P.N. Chopra, Micro economics, Kalyani Publishers, 2005
- G.S. Maddala and Ellen Miller, Microeconomic Theory and Application, Tata McGraw Hill, New Delhi, 2004
- Anindya Sen, Microeconomics: Theory and Applications, Oxford University Press, 2011

- Dominick Salvatore, Principles of Microeconomics, Oxford University Press, 2011
- Abha Mittal, Microeconomics: Theory and Applications, Taxmann Publications, 2012
- A Koutsoyiannis, Modern Microeconomics, Macmillan Press Ltd., London, Second Edition, 1979
- Robert S Pindyck, Rubinfeld, L. Daniel and L. Prem Mehta, Micro Economics, Pearson Prentice Hall, 2011
- D.N. Dwivedi, Microeconomic Theory and Application, Pearson education, New Delhi, 2005
- Karl E. Case and Ray C. Fair, Principles of Economics, Pearson Education Inc., 8th Edition, 2007.
- N. Gregory Mankiw, Economics: Principles and Applications, India edition by South Western, a part of Cengage Learning, Cengage Learning India Private Limited, 4th edition, 2007.
- Joseph E. Stiglitz and Carl E. Walsh, Economics, W.W. Norton & Company, Inc., New York, International Student Edition, 4th Edition, 2007.
- Hal R. Varian, Intermediate Microeconomics, a Modern Approach, W.W. Norton and Company/Affiliated East-West Press (India), 8th edition, 2010. The workbook by Varian and Bergstrom may be used for problems.
- C. Snyder and W. Nicholson, Fundamentals of Microeconomics, Cengage Learning (India), 2010.
- B. Douglas Bernheim and Michael D. Whinston, Microeconomics, Tata McGraw- Hill (India), 2009.