



ANDHRA KESARI UNIVERSITY :: ONGOLE

Model Syllabus for Economics (Minor) in consonance with Curriculum
framework w.e.f. AY 2025-26

COURSE STRUCTURE

Year	Semester	Course	Title of the Course	No. of Hrs /Week	No. of Credits
II	III	1	Microeconomics	4	4
	IV	2	Macroeconomics	4	4
III	V	3	Indian Economy	4	4
		4	Statistical methods for Economics	4	4
	VI	5	Monetary Economics	4	4
		6	Entrepreneurship and MSMEs	4	4

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SEMESTER-III

COURSE 1: MICROECONOMICS

Theory

Credits: 4

4 hrs/week

Course Objective: This is the first course in economics intended to learn basic concepts, principles and theories in Microeconomics with a view to understanding the economic behavior of an individual person and firm.

Course Learning Outcomes:

After studying this course, the student shall be able to

1. Explain the Law of Demand, Elasticity of Demand and the behaviour of individual consumer in the market place in terms of Cardinal utility and Ordinal utility theories;
2. Analyse the cost, revenue and production functions in terms of equations and graphs;
3. Understand the functioning of perfectly competitive and monopoly markets;
4. Evaluate the functioning of the realistic markets such as monopolistic competition and Oligopoly.
5. Apply the principle of Marginal Productivity to the determination of the remuneration to the factors of production.

Unit -1: Demand and Utility Analysis

- An Introduction to Microeconomics, its nature and scope
- Law of Demand, Elasticity of Demand: Meaning and Types of Elasticity
- Cardinal Utility : Law of Diminishing Marginal Utility, Law of Equi Marginal Utility
- Ordinal Utility: Meaning, Indifference Curves Properties, Budget Line and MRS
- Consumer's equilibrium using Indifference curves

Unit – 2: Production and Cost Analysis

- Firm: Concept and Objectives; Production and Factors of Production; Cost and Revenue: Total, Average, Marginal and the relationship among them
- Production Function: Meaning and Types; Cobb- Douglas Production Function and its properties
- Law of Variable Proportions; Laws of Returns to Scale
- Supply: Meaning, Factors, Law of Supply, Elasticity of Supply

Unit-3: Perfect Competition and Monopoly

- Market: Concept and Classification

- Perfect Competition: Characteristics, Price and Output Determinations of Firm and Industry
- Monopoly: Characteristics, Price and Output Determinations
- Monopoly - Price Discrimination

Unit - 4: Monopolistic Competition and Oligopoly

- Monopolistic Competition: Characteristics, Costs and Demand curves
- Monopolistic Competition : Equilibriums of the Firm and Group, Selling Costs
- Oligopoly: Kinked Demand Curve, Characteristics of Collusive and Non Collusive Oligopoly
- Real world examples of Monopolistic Competition and Oligopoly

Unit - 5 Theories of Distribution

- Types of Distribution and Marginal Productivity Theory of Distribution
- Rent: Ricardian Theory of Rent, Marshallian Quasi Rent
- Theories of Wage: Subsistence Theory, Modern Theory
- Theories of Interest and Profits: Classical Theory of interest, Innovations Theory of Profit

References:

1. Microeconomic Analysis, Bilingual Textbook, APSCHE
2. H. L. Ahuja, (2004), *Advanced Economic Theory*, New Delhi: S. Chand.
3. A. Koutsoyiannis (2023), *Modern Microeconomics*, 2nd ed. Reprint, London: Macmillan.
4. P. N. Chopra (2018), *Principles of Economics*, Ludhiana: Kalyani Publishers.
5. Telugu Academy Publications on Microeconomics
6. Microeconomics, Dr. Br. Ambedkar Open University Material
7. Microeconomics, IGNOU Material

Suggested Activities:

- Unit-1: Studying the behaviour of people in the market place while buying Good/Services and making presentations in the class room.
- Unit-2: Identifying the applications of Indifference curves in real world situation
- Unit-3: Giving Assignment on any production function or traditional or modern theories of costs
- Unit-4: Arranging field visit to any nearby vegetable Rythu market and submission of a report
- Unit - 5 Seminar on theories of distribution which were studied at intermediate level.

SEMESTER-IV

COURSE 2: MACROECONOMICS

Theory

Credits: 4

4 hrs/week

Course Objective: The objective of this course is to impart basic concepts, principles and theories of Macroeconomics to make the student understand the functioning of a macro economy.

Course Learning Outcomes:

After the completion of this course, the students will be able to

1. Explain the circular flow of national income in a macro economy, various concepts of national income and their measurement;
2. Compare and contrast the Classical and Keynes theories of employment and their relevance to the present day economies;
3. Evaluate Keynes' theories of consumption and investment functions and their implications to the economy;
4. Analyse causes and the measures to control inflation and trade cycles in the economy;
5. Evaluate the structure and components of balance of payments, exchange rate systems and capital flows to achieve internal and external stability.

Unit - 1: Introduction to Macroeconomics and National Income

- Macroeconomics: Definition, Scope and Importance; Macroeconomic variables: Stock and Flow
- Circular Flow of Income: Two, Three and Four Sector economies
- National Income: Definition, Concepts, Importance
- Measurement of National Income and Difficulties

Unit -2: Theories of Employment

- Classical Theory of Employment, Say's Law of Market,
- Pigou's Wage-Price Flexibility,
- Keynesian Theory of Employment: Assumption, Concepts and Model,
- Classical theory vs Keynesian theory of employment.

Unit -3: Consumption and Investment

- Consumption: Factors, Consumption Function,
- Keynes' Psychological Law of Consumption, life cycle hypothesis
- Investment: Types, Factors, Investment Function, Marginal Efficiency of Capital,

- Working of Multiplier and Accelerator

Unit - 4: Inflation and Trade Cycles

- Inflation: Meaning and types
- Measurement - Consumer Price Index and Wholesale Price Index
- Causes, Consequences and Controlling of Inflation
- Trade Cycles: Phases, Causes and Controlling Measures

Unit- 5: Globalization, External Sector and Macroeconomic Linkages

- Role of Foreign Trade and Capital flows in Domestic Economy
- Exchange rate systems: Fixed, Flexible, and Managed Floating
- Balance of Payments: Structure, current account, capital account and their significance
- Bilateral, Multilateral Trade Agreements and WTO

References:

1. Macroeconomic Analysis, Bilingual Textbook, APSCHE
2. H. L. Ahuja (2004), *Advanced Economic Theory*, New Delhi: S. Chand.
3. P. N. Chopra (2014), *Macroeconomics*, Ludhiana: Kalyani Publishers.
4. D. M. Mithani (1990), *Macro Economic Analysis and Policy*, New Delhi: Himalaya Publications.
5. Telugu Academy Publications on Macroeconomics
6. Macroeconomics, Dr. Br. Ambedkar Open University Material
7. Macroeconomics, IGNOU Material

Suggested Activities:

- Unit-1. Practical Exercise on national income measurement
- Unit-2. Group discussion on relevance of Classical and Keynesian employment theories to current economic situation
- Unit-3. Seminar presentations on the implications of Keynes' Psychological Law of Consumption
- Unit-4. Assignment on current measures to control inflation
- Unit-5. Quiz on sectoral and regional flow of FDI in India and debate on monetary vs fiscal policy