

Second Allied IV Business Economics

- Unit 1.** The Nature and Scope of Economics – Micro and Macro Economics - Demand Analysis- Demand Schedule – Law of demand - Demand curve-Utility analysis – Law of Diminishing Marginal Utility - Indifference curve analysis - Marginal rate of substitution – Consumer’s equilibrium - Elasticity of demand.
- Unit 2.** Production function-Factors of Production – Law of returns - Returns to scale – Iso – Quant Curves. Cost and Revenue – Total fixed cost, total variable cost, Total cost, Average fixed cost, Average variable cost, Average cost, Marginal cost, Short run cost curves- Revenue curves - Average and Marginal Revenues.
- Unit 3.** Market structure - Equilibrium of the firm and Industry. Pricing under perfect competition and under monopoly- price discrimination - Pricing under monopolistic competition - Duopoly and Oligopoly.
- Unit 4.** National Income – Concepts of National Income – determination of national income – Theory of employment: Unemployment, full employment.
- Unit 5.** Trade cycle – different phases of trade cycle – Modern Theory of trade cycle. Inflation: concept, demand –pull inflation, cost –push inflation – deflation.

References:

- 1) Browning Edger K and Browning Jacuenbace.M, *Micro Economic Theory and Application*, Kalyani Publishers, New Delhi, 1985.
- 2) Sankaran, S, *Economic Analysis*, Margham Publications, Chennai, 2003
- 3) Seth M.L., *Micro Economic*, Agarwal, Agra.
- 4) Seth M.L., *Money, Banking, International Trade and Public Finance*, Lakshmi Narain Agarwal
- 5) Seth.M.L, *Principles of Economics*, Lakshmi Narain Agarwal
- 6) Sundaram K.P.M. & E.N.Sundaram, *Economic Analysis* Sultan Chand & Sons New Delhi