


UNIVERSITY OF MUMBAI

No. UG/19 / of 2016-17

CIRCULAR:-

A reference is invited to the Syllabi relating to the B.A./B.Sc. degree course **vide** this office Circular No.UG/258 of 2011 dated 18th August, 2011 and the Principals of the affiliated Colleges in Arts & Science are hereby informed that the recommendation made by Board of Studies in Economics at its meeting held on 26th May, 2016 has been accepted by the Academic Council at its meeting held on 14th July, 2016 **vide** item No. 4.67 and that in accordance therewith, the revised syllabus as per the Choice Based Credit System for S.Y.B.A (Sem.III & IV)F.Y .B.Sc.(Sem. I & II) degree program in Microeconomics (Sem. I & II), which is available on the University's web site (www.mu.ac.in) and that the same has been brought into force with effect from the academic year 2016-17.

MUMBAI – 400 032
3 December, 2016


(Dr.M.A.Khan)
REGISTRAR

To,

The Principals of the affiliated Colleges in Arts & Science.

A.C/4.67/14.07.2016


No. UG/19 / -A of 2016

MUMBAI-400 032

3 December, 2016

Copy forwarded with Compliments for information to:-

- 1) The Co-ordinator, Faculties of Arts & Science,
- 2) The Chairman, Board of Studies in Mathematics,
- 3) The Professor-cum-Director, Institute of Distance & Open Learning
- 4) The Director, Board of College and University Development,
- 5) The Co-Ordinator, University Computerization Centre,
- 6) The Controller of Examinations.


(Dr.M.A.Khan)
REGISTRAR

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MICROECONOMICS –II

S.Y.B.A. SEMESTER III (Academic Year 2017-18)

&

F.Y. B. Sc. SEMESTER I (Academic Year 2016-17)

Preamble: The Course is designed to develop the student's understanding of basic tools of microeconomic analysis. It builds on the material covered in semester 1 and is designed to help the student apply microeconomics to the real world.

Module 1: Utility Analysis:

(12 lectures)

Preferences-strong ordering-weak ordering – completeness- transitivity-rational preferences-utility as representation of preferences-indifference curves and their properties -budget constraint-utility maximisation and consumer's equilibrium-income effect-substitution effect- derivation of demand curves.

Module –II: Production Analysis:

(12 lectures)

Production function- Cobb-Douglas production function-short run and long run returns to scale-Isoquants and their properties –MRTS-iso-cost curves-cost minimisation and producer's equilibrium-derivation of factor demand curves.

Module –III: Costs and revenue:

(12 lectures)

Various concepts of costs and their inter-relationship - behaviour of costs in the short run and the long run -long run average cost curve and its derivation-implicit and explicit costs-total revenue-marginal revenue-average revenue.

Module IV: Competitive Markets: (12 lectures)

Homogenous goods-no barriers to entry-no collusion among sellers-availability of market information – price equals marginal cost in competitive markets- supply curve and derivation in competitive markets- equilibrium of the firm and the industry – consumer's surplus-producer's surplus - economic efficiency in competitive markets .

References:

1. N. Gregory Mankiw, Principles of Microeconomics, 7th edition, Cengage Learning, 2015
2. Sen Anindya (2007), Microeconomics: Theory and Applications, Oxford University Press, New Delhi.
3. Salvatore D. (2003), Microeconomics: Theory and Applications, Oxford University Press, New Delhi.

MACROECONOMICS –II

S.Y.B.A. SEMESTER IV (Academic Year 2017-18)

&

F.Y. B. Sc. SEMESTER II (Academic Year 2016-17)

Preamble

This paper is designed to build on the understanding of basic macroeconomic identity introduced in sem II. The various components are detailed here in the context of a closed economy. The objective is to enable the student to understand how interest rate and income level are determined in a closed economy and how policy may affect these outcomes.

Module 1: Money: (12 lectures)

Concept of money- supply of money- CRR, CDR, high powered money and its components- Money multiplier- current measures of money supply in India – quantity theory of money- velocity of circulation- factors affecting velocity of circulation- Fisher and Cambridge equations.

Module 2: The Money-Market: (12 lectures)

Motives for holding money- transactions motive-precautionary motive-speculative motive- interest rate as cost of holding money- liquidity trap- money-market equilibrium-derivation of LM curve-shifts in the LM curve.

Module 3: The Goods Market: (12 lectures)

Savings function-marginal propensity to save- investment demand function and its interest elasticity- animal spirits- equilibrium in the goods market- derivation of the IS curve-shifts in the IS curve.

Module 4: Monetary and Fiscal Policy: (12 lectures)

Simultaneous equilibrium in the goods and money markets (IS-LM equilibrium) – determination of income and interest rates- monetary policy and its instruments- effectiveness of monetary policy- Fiscal policy and its instruments- effectiveness of Fiscal policy.

References:

1. N. Gregory Mankiw, Principles of Macroeconomics, 7th edition, Cengage Learning, 2015
2. Sikdar, S. (2006), Principles of Macroeconomics, Oxford University Press, New Delhi.
3. Abel, A. B., B. S. Bernanke and D. Croushore (2011), Macroeconomics, Pearson, New Delhi.

