

**BASIC ECONOMICS (HST102) \_CORE COURSE in B. TECH-I Year**

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| <b>UG</b>   | <b>Department of Humanities &amp; Social Sciences</b> |
| <b>Course Code: HST 102</b>   | <b>Course Name: Basic economics</b>                   |
| <b>Credit: 3</b>  | <b>L-T-P: 2-1-0</b>                                   |
| <b>Version:</b>   | <b>Core</b>   |
| <b>Pre-requisite course: Nil</b>  |   |
| <p><b>Course Objectives:</b><br/>         The course aims at introducing students with the basic concepts and analytical methods of economics, helpful in decision making related to demand, production, pricing, markets etc. In addition some ideas of basic macroeconomic concepts are to be presented to make the students aware of various economic issues.</p>  |   |
| <p><b>Course Outcomes:</b><br/>         By the end of this course, students should be able to:</p> <ul style="list-style-type: none"> <li>- Comprehend the fundamental questions that economics in general addresses affecting the choice making process in practical and professional world.</li> <li>- Identify and analyse the basic determinants of consumer behavior and market.</li> <li>- Understand and comprehend the tools and techniques of economics at the micro level for optimal choices, decisions and behavior of the producers.</li> <li>- Learn and become familiar with the macroeconomic issues.</li> </ul>  |   |
| <p><b>Course Content:</b></p> <ul style="list-style-type: none"> <li>▪ <u>Introduction:</u> <ul style="list-style-type: none"> <li>- <i>Why study Economics?</i></li> <li>- Scope of Economics: Microeconomics &amp; Macroeconomics, Diverse fields of Economics, Positive and Normative Economics</li> <li>- The Economic Problem: Scarcity, Choice and opportunity Cost; Production Possibility Frontier</li> <li>- Economic Systems and the Role of Government: Command Economies, laissez-faire Economies-The Free market, Mixed Economies</li> </ul> </li> <li>▪ <u>Basic Microeconomics and Applications:</u> <ul style="list-style-type: none"> <li>- How Market Works: Market forces of Demand and Supply, Elasticity and its applications</li> <li>- Consumer Behaviour: Utility theory, Indifference Curves Approach, Optimum Choice</li> <li>- Production Analysis: Short-run and long-run production functions, Law of Variable Proportions, Iso-quants, Returns to Scale</li> <li>- Cost of Production: Short-run and long-run cost curves, Revenue-cost-output relationship, Profit maximization</li> <li>- Market Structures: Perfect Competition, Monopoly, Monopolistic Competition, Oligopoly</li> <li>- Economic Appraisal Techniques: Payback period, NPV, IRR, Cost-benefit ratio</li> </ul> </li> <li>▪ <u>Introduction to Macroeconomics</u> <ul style="list-style-type: none"> <li>- National Income: Circular Flow of Income, Measures of national income, GDP as a measure of Economic Well-Being</li> <li>- Macroeconomic Issues: Growth and Development, Inflation, and Unemployment</li> <li>- Introduction to Fiscal and Monetary Policies</li> </ul> </li> </ul> |   |
| <p><b>Suggested Text and Reference Material:</b></p> <ol style="list-style-type: none"> <li>1. Principles of Microeconomics, N. Gregory Mankiw; South western Cengage Learning.</li> <li>2. Economics; Paul A Samuelson, William D Nordhaus; Tata Mc Graw Hill, Special Indian Edition (Indian Adaptation by Sudip Chaudhari and Anindya Sen).</li> <li>3. Principles of Macroeconomics, Karl E Case, Ray C Fair &amp; Sharon M Oster, Prentice Hall, Pearson.</li> </ol>   |   |