

## **B.A. PART-I (FIRST SEMESTER) MICRO ECONOMICS (BA109)**

Pass Marks: 35%

Internal Assessment: 30 Marks

Credits : 4

Maximum Marks: 100

External Assessment: 70 Marks

### **INSTRUCTIONS FOR PAPER SETTERS**

The question paper will consist of three sections: A, B and C. Sections A and B will have four questions each. Each question shall carry 12 marks. Section C will consist of 11 short- answer type questions which will cover the entire syllabus uniformly and will carry 2 marks each. The candidates are required to give answer of each short type question in about 100 words.

### **INSTRUCTIONS FOR THE CANDIDATES**

Candidates are required to attempt five questions in all selecting two questions from each of the Section A and B and the entire section C.

### **SECTION-A**

Meaning and Scope of Economics; Definition of Economics (Adam Smith, Marshall and Robbins). Theory of Demand and Consumer Behavior: Utility Analysis and Indifference Curve Analysis; Consumer's Surplus and its measurement; Elasticity of Demand and its measurement. Concept and types of Production Function, Laws of Returns to Scale and Law of Variable Proportions; Cost Concepts and Cost Curves in the Short and the Long Periods. Market forms, Concepts of Revenue.

### **SECTION-B**

Price and Output Determination of the Firm and Industry under Perfect Competition in the Short and Long run; Price and output determination under Monopoly and Monopolistic competition in the short and long run (except Discriminating Monopoly). Marginal Productivity Theory of distribution; Factor pricing; Wages, Rent and other theories of rent, Interest: Classical and Loanable Funds Theory of Interest, Profit: Risk and Uncertainty.

### **Recommended books**

1. A.W. Stonier and D.C. Hauge: A Text Book of Economic Theory (Fourth edition) Part-I.
2. ਪਾਲ ਏ. ਸੈਮੂਅਲਸਨ (ਅਨੂ ਪਿਆਰ ਸਿੰਘ) : ਅਰਥਸ਼ਾਸਤਰ: ਇਕ ਪ੍ਰਾਰਥਿਕ ਵਿਸ਼ਲੇਸ਼ਣ, ਪੰਜਾਬੀ ਯੂਨੀਵਰਸਿਟੀ, ਪਟਿਆਲਾ,

### **Supplementary Readings**

- Koutsyannis, A., Modern Microeconomics, Macmillan Press Ltd.
- Jhingan, M. L. Micro Economics, Advent Books Division Inc
- Ahuja, H.L. Advanced Micro Economies Theory, S. Chand & Co, New Delhi.

**B.A. PART-1 (SECOND SEMESTER) MACRO ECONOMICS**  
**COURSE CODE: BA209**

Pass Marks: 35%  
Internal Assessment: 30 Marks  
Credits : 4

Maximum Marks: 100  
External Assessment: 70 Marks

**INSTRUCTIONS FOR PAPER SETTERS**

The question paper will consist of three sections: A, B and C. Sections A and B will have four questions each. Each question shall carry 12 marks. Section C will consist of 11 short- answer type questions which will cover the entire syllabus uniformly and will carry 2 marks each. The candidates are required to give answer of each short type question in about 100 words.

**INSTRUCTIONS FOR THE CANDIDATES**

Candidates are required to attempt five questions in all selecting two questions from each of the Section A and B and the entire section C.

**SECTION-A**

Macro Economics: Meaning, Scope and importance of macro-economics, Difference between micro and macro-economics.

National Income: Concepts of National Income GDP, GNP, NDP and NNP at market prices and factor cost; Measurement of National Income: Product, Income and Expenditure methods; Difficulties in the calculation of national income.

Circular flow of Income and Expenditure: Importance of circular flow. Circular flow in two, three and four-sector economy.

Macro-Economic Theory: Classical Theory of Income and Employment; Say's Law of market; Implications of Say's Law; Keynesian Theory of Employment, Principle of Effective Demand - Determinants of effective demand, Importance of effective demand.

**SECTION-B**

Consumption Function: Average and Marginal Propensity to Consume; Factors affecting consumption; Keynes Psychological Law of Consumption.

Investment Function: Meaning and types; Determinants of Investment-Marginal Efficiency of Capital & Rate of Interest; Factors affecting investment decisions.

Inflation: Concept, Types, Causes and Effects. Theories of Inflation: Demand pull and Cost-push; Control of Inflation. Trade Cycles: Meaning and Phases.

**RECOMMENDED READINGS**

1. O.P.Sharma: *Macro Economics (Punjabi Medium)*, Punjabi University, Patiala.
2. M.C.Vaish, *Macro Economic Theory*, Vikas Publishing House, New Delhi.
3. R.D. Gupta: *Keynes Post-Keynesian Economics*, Kalyani Publications, Ludhiana.
4. P.N. Chopra: *Macro Economics*, Kalyani Publications, Ludhiana.
5. H.L. Ahuja: *Macro Economics-Theory and policy*, S. Chand, New Delhi.

