

**NORTH-EASTERN HILL UNIVERSITY**  
**Under Graduate Economics Syllabus Under Semester System as Approved in the 98th**  
**meeting of the Academic Council, NEHU on 17-05-2017 (with effect from July 2017)**

**B.A./B.Sc. Economics (Honours) Syllabus**  
**Under Semester System**

Course Structure for Bachelor of Arts (B.A.) Economics Honours		
Semester	Paper	Marks
Paper-I:	Introductory Economic Theory*	100
Paper-II:	Development and Environmental Economics*	100
Paper-III:	Indian Economy*	100
Paper-IV:	Mathematics for Economists	100
Paper-V:	Advanced Economic Theory	100
Paper-VI:	International Economics	100
Paper-VII:	Statistics	100
Paper-VIII:	Public Economics	100
*Paper I, II & III are to be offered as elective papers in Economics.		

The entire TDC in Economics is spread over six (6) semesters with a total of eight (8) papers. Each paper is divided into five units. Number of classes for each paper will be held as per the NEHU Ordinance and that will be equally divided among the Units of each paper. The question paper shall be prepared as per University guidelines. Out of 100 marks in each paper, 75 will be assessed in end semester exam and 25 will be carried from the sessional assessments. There will be two questions from each unit and the students have to answer one from each unit.

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The objective of this paper is to introduce students with fundamentals of micro and macro economics at elementary level. It is common for both the students of Economics honors and elective.

### Paper – I

## Introductory Economic Theory

### Unit – I

Consumer Behaviour: Concepts of demand and supply, price mechanism and market equilibrium. Elasticity of demand: types, determinants and methods of measurement (point, arc and total outlay methods), relationship between the price elasticity of demand and the slope of the demand curve. Indifference curve analysis of demand: basic assumptions, properties, consumer's equilibrium.

### Unit – II

Production & Cost: Concepts of Production Function, Returns to a Factor, Returns To Scale, Law of Variable Proportions; Cost Curves – Short Run and Long Run; Total, Average and Marginal Revenue Curves, Relationship between AR, MR and Price Elasticity.

### Unit – III

Market Structure and Factor Pricing: Perfect and Imperfect Competition Markets; Equilibrium of the Firm and Industry under Perfect Competition; Equilibrium of the Firm under Monopoly and Monopolistic Competition, Meaning and Features of Oligopoly; Ricardian and Modern Theories of Rent; Marginal Productivity Theory of Wages; Loanable Funds and Liquidity Theories of Interest; Knight's Theory of Profit.

### Unit – IV

National Income: Meaning, Concepts and Their Inter-Relationship; Methods of Measuring National Income and Their Limitations; National Income Identity in a Closed Economy; Circular Flow of Income – Two, Three and Four Sector Models; Green Accounting.

### Unit – V

Output and Employment: Classical theory of employment; Keynesian theory of income and employment; the principle of effective demand; consumption and saving function; investment multiplier; marginal efficiency of capital; saving and investment: ex post and ex ante (concepts only); concept of accelerator.

### Suggested Readings:

- Ackley, G. (1976), *Macroeconomics: Theory and Policy*, Macmillan Publishing Co., New York.  
Koutsoyiannis, A. (1990), *Modern Microeconomics*, Macmillan, London.  
Lipsey, R. J. and K. A. Chystal (1999), *Principles of Economics* (9e), Oxford University Press, Oxford.  
Mankiw, N.G. (2007), *Principals of Macroeconomics*, Thomson Learning Inc., New Delhi.  
Mankiw, N. G. (2007), *Economics: Principles and Applications*, Cengage Learning, New Delhi.  
Mukherjee, Sampat (1990), *Modern Economic Theory*, Wiley Eastern Ltd., New Delhi.  
Samuelson, P.A. and W.D. Nordhaus (1998), *Economics*, Tata McGraw Hill, New Delhi.  
Shapiro, E (1996), *Macroeconomic Analysis*, Galgoti Publications, New Delhi.  
Stonier, AW: and DC. Hague (1999), *A Textbook of Economic Theory*, Pearson Education, New Delhi.  
Mankiw, N.G. (2007), *Principals of Macroeconomics*, Thomson Learning Inc., New Delhi.  
Mankiw, N. G. (2007), *Economics – Principles and Applications*, Cengage Learning, New Delhi.  
Samuelson, P.A. and W.D. Nordhaus (1998), *Economics*, Tata McGraw Hill, New Delhi.  
Shapiro, E (1996), *Macroeconomic Analysis*, Galgoti Publications; New Delhi.  
Branson, WH (2005), *Macroeconomic Theory and Policy*, East West Press.