



TRIPURA UNIVERSITY

**(A Central University)
Suryamaninagar-799022**

Syllabus

For

Semester – II

Economics (Major & General)

Year 2014

Economics (Major)

Semester-II

H-2: Microeconomic Theory

100 Marks

Unit-I: Profit Maximization and Perfect Competition and Analysis of Competitive Markets

Profit maximization in Short run and Long run; Short run supply curve of the firm and Long run supply curve of the industry; Constant, Increasing and Decreasing cost industry; The Effects of Tax.

Unit-II: Market with Power

Market Power and capturing Consumer Surplus: Price Discrimination-first second and third degree price discrimination.

Monopoly: Sources of monopoly power; Average revenue, Marginal revenue and Monopolist equilibrium; the Multiplant Monopolist; Social cost of monopoly, rent seeking.

Monopsony: Monopoly and Monopsony comparison, Sources of Monopsony Power, the Social Cost of Monopsony Power, Bilateral Monopoly.

Monopolistic Competition: Equilibrium in the short run and long run; Economic Efficiency and Monopolistic Competition

Oligopoly: Equilibrium-Cournot and Bertrand Model, Competition vs. Collusion.

Unit-III: Factor Market Analysis

Price and Employment of Factor Inputs in a Competitive Factor Market

Unit-IV: Welfare Economics

Pareto Optimality of Competitive Markets, Aggregation of Preferences and Social Welfare Function

Economics (General)

Semester -II

ECP-2: Economic Theory-II

100 Marks

Group-A: Micro Economics-II

50 marks

Unit-I: Production, Cost and Revenue

Production Function: Law of Variable Proportion. Returns to Scale.

Cost of Production: Fixed and Variable Cost. Short and Long Run Costs.

Revenue: Total, Average, Marginal Revenue and Their Relation with Elasticity of Demand.

Unit-II: Theories of Market

Perfect Competition, Monopoly and Monopolistic Competition with Price Discrimination.

Theories of Factor Pricing: Rent, Wages, Interest and Profit.

Group-B: Macro Economics-II

50 marks

Unit-III: Consumption and Investment

Keynes Law of Consumption. Average and Marginal Propensity to Consume. Average and Marginal Propensity to Saving. Determining Factors of Consumption.

Investment: Marginal Efficiency of Capital and Marginal Efficiency Investment. Investment Multiplier.

Unit-IV: Money Supply and Taxation

Functions of Central and Commercial Banks. Credit Creation. Credit Control.

High Powered Money and Money Multiplier.