

BA I Year	BEC-C201: Principles of Microeconomics-II		Semester 2
Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks	Total Credits
30	70	100	6
<b>Learning Outcomes:</b> Student will be able to <ul style="list-style-type: none"> <li>Analyze the behavioural patterns of different economic agents under different forms of market</li> <li>Understand that decision-making process in different market situations such as perfect competition, monopolistic competition, monopoly, and oligopoly markets.</li> <li>Internalize the concept of general equilibrium, economic efficiency and market failure.</li> <li>Assess advance theoretical issues and practical applications of distribution theories.</li> </ul>			
Unit 1	<b>PERFECT COMPETITIVE MARKETS:</b> Assumptions: theory of a firm under perfect competition, Welfare: allocative efficiency under perfect competition.		
Unit 2	<b>MONOPOLY AND IMPERFECT COMEPTITION:</b> Concept of imperfect competition; short run and long run price and output decisions of a monopoly firm; concept of a supply curve under monopoly; comparison of perfect competition and monopoly, social cost of monopoly, price discrimination; remedies for monopoly: Antitrust laws, natural monopoly. Monopolistic competition: Assumptions, SR & LR price and output determinations under monopolistic competition, economic efficiency and resource allocation; oligopoly: assumptions, oligopoly models, game theory		
Unit 3	<b>MARKET EQUILIBRIUM:</b> Market adjustment to changes in demand, efficiency of perfect competition, Application of market equilibrium (floor and ceiling prices)		
Unit 4	<b>MARKET FAILURE:</b> Externalities, internalising externalities, public goods, imperfect information: adverse selection, moral hazard, social choice, government inefficiency		
Unit 5	<b>INCOME DISTRIBUTION AND FACTOR PRICING:</b> Input markets: demand for inputs; labour markets, land markets, profit maximisation condition in input markets, input demand curves, distribution of Income.		
<b>Suggested Readings:</b> <ul style="list-style-type: none"> <li>Karl E. Case and Ray C. Fair, Principles of Economics, Pearson Education Inc., 8th Edition, 2007.</li> <li>N. Gregory Mankiw, Economics: Principles and Applications, India edition by South Western, a part of Cengage Learning, Cengage Learning India Private Limited, 4th edition, 2007.</li> <li>Joseph E. Stiglitz and Carl E. Walsh, Economics, W.W. Norton &amp; Company, Inc., New York, International Student Edition, 4th Edition, 2007.</li> </ul>			

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