

# UNIVERSITY OF MUMBAI



## **Revised Syllabus for the F.Y.B.A. (Sem II)**

### **Microeconomics – II**

### **Course: Economics**

(As Per Choice Based Credit System with effect from the  
academic year 2019-20)

**F.Y.B.A.**  
**Subject: Economics**  
**Microeconomics – II**  
**Semester – II**

(Academic Year: 2019 - 20)

**Preamble:**

As a logical sequence to Microeconomics Paper I, this paper is aimed at giving supply side knowledge of Economics to the learner which will enhance their knowledge about aspects of production, cost and revenue analysis, theories of distribution and understanding about the market structure.

**Module I: Production Analysis** **(12 Lectures)**

Production Function: Concept And Types; Concepts of Total, Average and Marginal Product; Law of Variable Proportion and Returns to Scale, Isoquant and Producer's Equilibrium

**Module II: Cost & Revenue Analysis** **(12 lectures)**

Concepts of Costs: Money and Real Cost, Social Cost, Private Cost, Explicit and Implicit Cost, Opportunity Cost; Relationship between Average, Marginal and Total Cost; Derivation of Short Run and Long Run Cost Curves; Concepts of Revenue: Types and Interrelationship

**Module III: Factor Pricing** **(12 lectures)**

Marginal Productivity Theory of Distribution; Rent: Ricardian Theory of Rent, Modern Theory of Rent, Quasi Rent; Wages: Modern Theory of Wages; Collective Bargaining; Supply Curve of Labour; Interest: Classical Theory of Interest, Loanable Funds Theory of Interest; Profit: Risk and Uncertainty Theory, Innovation Theory

**Module IV: Equilibrium in Different Market Structure** **(12 Lectures)**

Concept Of Equilibrium: TR - TC And MR - MC Approach; Features of Perfect Competition; Monopoly and Monopolistic Competition, Short Run and Long Run Equilibrium of Firm and Industry under each Market Condition; Selling Cost and Wastages under Monopolistic Competition

*Note: we may include case studies and numerical examples for modules 1, 2 and 4 from examination point of view.*

## Reference

1. A. Koutsoyannis, (2015), Modern Microeconomics, 2nd edition, Palgrave Macmillan.
2. Paul Samuelson and W. Nordhaus, (2009), Economics, 19th edition: Economics, McGrawHill Publications.
3. Mankiw M.G (2015), Principles of Micro economics 7<sup>th</sup> edition - Cengage Learning.
4. Anindya Sen, (2006), Microeconomics, OUP India Publisher.
5. M.L.Jhingan, (2006), “Microeconomics Theory”, 5<sup>th</sup> edition, Vrinda Publication (P) Ltd.
6. H.L.Ahuja, (2016), “Advance Economics Theory” S.Chand & Company Ltd.