

**FYBA Economics (RUAECO101) Internal Test Syllabus 2020-21 Odd Semester (For English & Marathi Medium)**

**RUAECO101: Microeconomics- I**

**Unit I- Ten Principles of Economics and Economic Methods**

A) Trade-offs faced by the individuals, Significance of opportunity cost in decision making, Thinking at the Margin, Responses to incentives, Benefits from Exchange, Organization of Economic activities through Markets and its Benefits, Role of Government in improving Market Outcomes, Dependence of Standard of Living on Production, Growth in Quantity of Money and Inflation, Inflation and Unemployment Trade-off. (To be explained with simple examples.)

B) Positive Economics and Normative economics, Basics of graphs (graph of single variable, graph of two variables, curves in the co-ordinate system, slope- cause and effect)

**Unit II- Consumer Behaviour & Demand**

Utility Analysis: TU, MU, Cardinal, Ordinal Utility, Estimation of utility function  
Consumer's Tastes: Indifference Curves Characteristics of Indifference curves, MRS. Some special types of Indifference curves The Consumer's income and price constraints, Consumer's choice

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### **RUSECO102: Macroeconomics- I**

#### **Unit I- National Income & Employment**

Gross Domestic Product, Three Methods of Computing GDP, Problems of GDP Measurement, National Income Accounting in India, Real vs. Nominal GDP, GDP Deflator, Measurement of Cost of Living

#### **Unit III- Money**

The Nature of Money, Money Supply, The Creation of Money: Monetary Policy & Its Limitations, Monetary Policy Regimes- The Case of India  
Demand for money- theories, Determination of interest rates, Real & Nominal Interest rates