

Category III

B.A. Programmes with Economics as non-Major or Minor discipline

DISCIPLINE SPECIFIC CORE COURSE -3 (DSC-3): Intermediate Microeconomics I: Behavioural foundations of Market Interactions

Course title & Code	Credits	Duration (per week)			Eligibility Criteria	Prerequisite
		Lecture	Tutorial	Practical/ Practice		
Intermediate Microeconomics I: Behavioural foundations of Market Interactions – ECON007	4	3	1	0	Passed Class 12th	NIL

Learning Objectives

The Learning Objectives of this course are as follows:

- The course is designed to formally analyze the behaviour of individual agents like consumers and producers under certain conditions.
- Mathematical tools are used to facilitate understanding of the basic concepts.
- This course looks at the behaviour of the consumer and the choices of a competitive firm.

Learning outcomes

The Learning outcomes of this course are as follows:

- Students will learn the basic elements of consumption and production theories using various technical frameworks.
- This course provides them the behavioural foundations of market supply and demand.

Syllabus

UNIT I: Consumer behaviour (15 hours)

Preference and utility, Budget and choice, Income and substitution effect, Demand derivation, Labour supply, One-person welfare

UNIT II: Decision-making under uncertainty (15 hours)

Expected utility, Risk aversion, Insurance, Risk spreading

UNIT III: Producer behaviour and markets (15 hours)

Technology, Profit maximization, Cost minimization, Supply, Short and long run

Recommended readings

- Serrano, Roberto and Feldman, Alan (2012), *A short course in intermediate Microeconomics with Calculus*, Cambridge University Press
- Espinola-Arredondo, Ana and Muñoz-Garcia, Felix (2020), *Intermediate Microeconomic Theory*, MIT Press
- Osborne, M J and Rubinstein, A (2020), *Models in Microeconomic Theory*, Open Book Publishers
- Muñoz-Garcia, Felix (2017) *Practice Exercises for Advanced Microeconomic Theory*, MIT Press
- Dunaway, Eric; Strandholm, John C., Espinola-Arredondo, Ana and Munoz-Garcia, Felix (2020) *Practice Exercises for Intermediate Microeconomic Theory*, MIT press