

Principles of Economics (POE)

Full Marks: 100

Module-A: Economics: Introduction

- Definition; Micro Vs. Macro; Positive Vs. Normative Economics, Scarcity, Resources, Opportunity Cost, Circular Flow, Production Possibility Curve, Economic Models. Economic Systems – Market Economy and Regulated economy.

Module-B: Basics of Microeconomics

- Market forces of Demand and Supply; Market Equilibrium; Shifts and Changes in the Demand and Supply; Consumer's equilibrium – Utility analysis and Indifference Curve Analysis; Consumer Surplus; Price Ceiling and Floor, Elasticity and its application.

Module-C: Production and Cost

- Concepts of Production; Production in the Short run; Short-run Costs of Production; Relations between Short-run Cost and Production; Production Isoquants and Isocost Curves, Optimal Combination of Inputs; Optimization and Cost; Expansion Path and Returns to Scale; Long Run Costs, Relationship between SR and LR Cost.

Module-D: Market Structure

- Various Forms of Markets; Characteristics of Perfect Competition – Profit Maximization in the Short run (SR) and Long run (LR); Nature of Monopoly and Monopolistic Competition- SR and LR Equilibrium under Monopoly and Monopolistic Competition; Strategic Decision Making in Oligopoly Markets.

Module-E: Market Failure and Market Intervention:

- Concepts of Market Failure and Externalities, Market Failure and Policy Intervention in the financial sector.

Module-F: Macroeconomics

- Overview of Macroeconomics; National Income & Accounts; Govt. Income and Expenditure Accounts; Monetary Account; Balance of Payment Account; Interactions among all these macro accounts; Macro-economic Policies (Monetary and Fiscal Policy) and macro-economic equilibrium.

Module-G: Macroeconomic Performance of Bangladesh

- Indicators of macroeconomic performance; National Income, Savings, Investment, Capital formation, Inflation, Unemployment etc.

References:

1. Dornbusch, Rudiger S. and Fischer, Stanley. Macroeconomics, Macmillan, New York.
2. Mankiw, N. Mankiw, Principles of Microeconomics. The Dryden Press. New York.
3. Mankiw, N, Gregory. Macroeconomics, Palgrave, New York.
4. Samuelson, Paul A. and Nordhaus, William D. Economics, McGraw Hill Irwin. New York.
5. Bangladesh Economic Review, Ministry of Finance, GoB.
6. Alex Tabarrok, Tyler Cowen, Modern Principles of Economics.
7. Carl Menger, Principles of Economics.
8. Karl E. Case, Ray Fair, Sharon M. Oster, Principles of Economics.
9. David Romer, Advanced Macroeconomics.