

Course in Charge: Dr. Franco T. Francis

DETAILED SYLLABUS: Core Course 1 in Major –ECO1CJ101 PRINCIPLES OF ECONOMICS

| Module | Unit | Content | Hrs | Marks |
|--------|------|---|-----------|-----------|
| I | | Basic Principles of Economics | 10 | 15 |
| | | How People Make Decisions | | |
| | 1 | People Face Trade-Offs | 1 | |
| | 2 | The Cost of Something Is What You Give | 1 | |
| | 3 | Rational People Think at the Margin | 1 | |
| | 4 | People Respond to Incentives | 1 | |
| | | How People Interact | | |
| | 5 | Trade Can Make Everyone Better Off | 1 | |
| | 6 | Markets Are Usually a Good Way to Organize Economic Activity | 1 | |
| | 7 | Governments Can Sometimes Improve Market Outcomes | 1 | |
| | | How the Economy as a Whole Works | | |
| | 8 | A Country's Standard of Living Depends on its Ability to Produce Goods and Services | 1 | |
| | 9 | Prices Rise When the Government Prints Too Much Money | 1 | |
| | 10 | Society Faces a Short-Run Trade-Off between Inflation and Unemployment | 1 | |
| II | | Thinking like an Economist | 10 | 15 |
| | 11 | The Economist as Scientist: The Scientific Method: Observation, Theory, and More Observation, The Role of Assumptions, Economic Models, The Circular-Flow Diagram, The Production Possibilities Frontier, Microeconomics and Macroeconomics; | 4 | |
| | 12 | The Economist as Policy Adviser: Positive versus Normative Analysis, Why Economists' Advice Is Not Always Followed; | 3 | |
| | 13 | Why Economists Disagree: Differences in Scientific Judgments, Differences in Values, Perception versus Reality | 3 | |
| III | | Limits, Alternatives, and Choices | 10 | 15 |
| | 14 | The Economic Perspective: Scarcity and Choice, Purposeful Behaviour, Marginal Analysis: Comparing Benefits and Costs | 3 | |
| | 15 | Individual's Economizing Problem | 2 | |
| | 16 | Society's Economizing Problem | 2 | |

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| | 17 | Unemployment, Growth, and the Future: A Growing Economy, Present Choices and Future Possibilities, A Qualification: International Trade | 3 | |
| IV | | The Market System | 15 | 25 |
| | 18 | Economic Systems: Laissez-Faire Capitalism, The Command System, The Market System | 2 | |
| | 19 | Characteristics of the Market System: Private Property, Freedom of Enterprise and Choice, Self-Interest, Competition, Markets and Prices, Technology and Capital Goods, Specialization, Use of Money, Active but Limited Government | 2 | |
| | 20 | Five Fundamental Questions: What Will Be Produced? | 4 | |
| | | How Will the Goods and Services Be Produced? Who Will Get the Output? How Will the System Accommodate Change? How Will the System Promote Progress? | | |
| | 21 | The “Invisible Hand”: The Demise of the Command Systems, The Incentive Problem | 3 | |
| | 22 | How the Market System Deals with Risk: The Profit System, Shielding Employees and Suppliers from Business Risk, Benefits of Restricting Business Risk to Owners | 4 | |