

UNIVERSITY OF PERADENIYA
FIRST EXAMINATION IN ARTS- EXTERNAL

Course No.	: ECNE 101
Course Title	: Introduction to Economics
Credits	: 03
Prerequisites	: None
Core	
Intended Learning Outcomes: At the end of the course, student will be able to explain the basic concepts and analyse issues related to microeconomics and macroeconomics.	
Time Allocation: 45 hours	
<p>Course Description</p> <p>Introductory microeconomics: Introduction of microeconomics: Scope and Concepts of Economics; basic Economic problems, and economic systems; Price theory: Utility, Demand and Supply, Market equilibrium and Elasticity; Market Failure and the Role of Government: Price Controls, Indirect Taxation and Subsidies; The Theory of Production: Theory of Costs Production Function: Short and Long Runs; Isoquant curves; The Law of Diminishing Returns and the Law of Returns to Scale; The: Cost concepts; cost-output relations: Short and Long Runs, Cost Functions and Cost curves; Economies and Diseconomies; The Theory of Firm: Price</p> <p>Introductory Macroeconomics: Macroeconomic concepts and variables, National Income Accounting: determination of Equilibrium National Income: consumption functions; income multiplier; money; nature and functions of money Demand for money and Supply of money; introduction to fiscal and monetary policies.</p> <p>Assessment scheme:</p> <ol style="list-style-type: none"> i. Time of assessment – End of the year ii. Assessment Method – Written examination iii. Assigned percentage for each component – 100% <p>Recommended readings:</p> <p style="padding-left: 40px;">Lipsey,R. G., (1989) An Introduction to Positive Economics, Seventh Edition, Oxford University Press.</p> <p style="padding-left: 40px;">Samuelson, P.A., and William Nordhaus (1998) Economics 16th Edition , McGraw -Hill Companies.</p> <p style="padding-left: 40px;">Parkin, M., Powel, M. and Kent Mathews. (1997) Economics, Third Edition, Addison Wesley Longman Limited.</p> <p style="padding-left: 40px;">Rudiger Dornbusch , Stanley Fischer and Richard Startz (2002) Macro Economics ,Eighth edition, McGraw- Hill Publishing Company Ltd.</p>	

Dernburg Thomas, F., (1985) Macroeconomics: Concepts, Theories, and Policies. Seventh Edition, McGraw- Hill Book company.

Diulio, Eugene (1998) Schaum's Out line of Theoy and Problems of Macroeconomics Third Edition, McGraw -Hill Companies.