

**Economics:** The academic input in Economics during Foundation Course is designed to get the participants to recognize and understand the basic principles of functioning of markets, the macro economics and will also introduce them to the basic principles relating to International Trade.

### **Course Structure**

**Unit I: Microeconomics:** The sessions in microeconomics will broadly cover areas of Law of demand and Law of supply, Elasticity of demand & supply and its applications, Theory of consumer choice, Costs of production, Theory of Firm, General equilibrium and optimality of markets, Market failure, and Microeconomics Measurement.

**Unit II: International Economics:** The sessions in International Economics will broadly cover International Trade, Introduction to the WTO and recent developments.

**Unit III: Macroeconomics:** The sessions in Macroeconomics will broadly cover sessions on Measurement of output and inflation, the financial system, Growth and Fluctuations. The session will also include fiscal system and monetary system, stabilisation by Fiscal policy and Monetary policy, Impossible trinity and Current Indian thinking on macro and finance policy.