

# University of Ghana

## Department of Economics

### Sample Fall Courses

#### **ECON 301      Microeconomic Theory I (Pre-req: ECON 201 and ECON 203)**

Economic model-building. Positive and normative economics. Micro and Macro. Comparative Static and dynamic models. Consumer Behaviour and Demand Theory, Cardinal utility approach to demand theory: law of diminishing marginal utility, consumer equilibrium, Marshal's derivation of law of demand. Ordinal utility approach: indifference curve analysis; principle of diminishing marginal rate of substitution; consumer equilibrium, price consumption curve; income consumption curve; income effect; substitution effect; price effect; inferior good, Giffen good. Revealed preference approach: brief treatment. Demand function; individual and market demand schedules and curves; ceteris paribus assumptions; elasticity of demand; price elasticity of demand; income elasticity of demand; price and marginal revenue; cross-elasticities. *Theory of Production*: Production function: Total, average, and marginal product. 3-stage analysis. Isoquants. Marginal rate of technical substitution. Isocost curves. Relationships between costs and inputs. Expansion path. Social costs and private costs. Short-run cost theory: fixed, variable, total, average and marginal cost. Long-run costs. Cost elasticity. Economies and diseconomies of scale. *Theory of the Firm: Perfect Competition*: Basic concepts, definitions, assumptions: the firm, market, product homogeneity, perfect knowledge, profit maximization, free entry. Short-run equilibrium of firm and industry. Long-run equilibrium of the firm. Constant and increasing costs industries.

#### **ECON 303      Macroeconomic Theory I (Pre-req: ECON 202 and ECON 203)**

Introduction: Macroeconomic variable; functional relationships and parameters; national income and national product accounting; circular flow of income and spending. *Classical Macroeconomics*: Say's law of market; the quantity theory of money; saving, investment and the rate of interest to the classical full-employment equilibrium; Wicksell's formulation: monetary and fiscal policy in classical economics. *Keynesian Macroeconomics*: The consumption function; the multiplier; simple Keynesian model; liquidity preference and the speculative demand for money; the liquidity trap; extensions of the simple Keynesian model, government - expenditure multiplier; balanced-budget multiplier; investment and foreign-trade multiplier; policy implications of the Keynesian model. *Aggregate Demand and Supply Curves*. *Theory of Inflation*: Demand-pull and cost-push inflation; the dynamics of inflation; hyper-inflation and creeping inflation; Phillips curve; controls of inflation.

**ECON 305 Applied Math For Economists (Prereq: ECON 203 and ECON 204)**

Review of basic mathematical concepts; derivations, rules for differentiation, integral, calculus, difference and differential equations. Mathematical treatment of the theory of consumer behaviour; axioms of consumer behaviour; utility functions, budget lines; consumer utility maximization; derivation of demand curves; priced and income elasticities; complements and substitutes; normal inferior and Giffen good. Mathematical treatment of production theory. Production functions: Cobb-Douglas, Constant Elasticity of Substitution (CES), and Homogeneous production functions. Derivation of the isoquant, the expansion path, and the elasticity of substitution; producer profit maximization. The applications of difference and differential equations to the analyses of economic fluctuations and the 'cobweb' model.

**ECON 307 Economic Development And Growth I (Pre-req: Econ 201 and 202 )**

Introduction to the Study of G & D. Definitional Aspects of Growth and Development. Traditional and the New Economic View on Development. Common Characteristics of LDCs (also some Basic Diversities). Selected Theories of G & D. Classical, Neo-classical (Solow type), Marxian, Neo-Marxian, Harrod-Domar, Rostowian and Lewis-Ranis-Fei. Some Strategies of G & D. Agricultural Transformation and Rural Development. Export-led Growth. Industrialisation and Import Substitution. Poverty and Income Distribution. Education and Manpower. Population, Urbanisation and Migration. Summaries of some other strategies: Big Push, Balanced and Unbalanced Approaches etc.

**ECON 401 Economic Theory I (Micro)**

**(Pre-req: ECON 301 and 302. A good background in Quantitative Techniques)**

The nature of Economic Theory. Theory of Consumer Behaviour and firm behaviour treated as maximization problems under given constraints. General equilibrium analysis under different market situations with the conditions for an optimum solution expressed mathematically. Introduction to welfare economics and economics of socialism.

**ECON 403 Econometrics I (Prerequisite: ECON 305 and 306)**

*The Meaning and Purpose of Econometrics:* Econometrics of Demand. Econometric demand equations. Theory of the disturbance term. Cross-sectional analysis, and Engel curves. *Econometric Methods:* Least Square (LS), Tests of original hypotheses, and analysis of residuals. A battery of statistical and economic tests of the economic and statistical hypotheses of the equation of relation; co-efficient of correlation, determination, variation; t-tests; test for randomness or serial correlation of the disturbances, of graphing the residuals, and by the Durbin-Watson 'd' statistic. The general linear equation of relation with many variables estimated by classical least square, and using matrix methods. The sample error co-variance matrix of estimated parameters. Econometrics of the Firm and of Supply.

**ECON 407 International Trade Theory And Policy**

**(Pre-req: Part II Standing and a good background in Microeconomics)**

The changing pattern of World Trade. Theories of International Trade - Classical, Hecksher-Ohlin and alternative trade theories. Trade Policy - Economic analysis of various instruments of trade intervention. Trade strategies for development. Economic Integration. GATT, UNCTAD and developing countries. Trade Preferences. Commodities and Commodity Agreements. Theories of Foreign Direct Investment. The transnational companies in world economy.

**ECON 409 Industrial Economics I (Prerequisite: ECON 301 and 302)**

The scope and method of Industrial Economics. Welfare Economics of Competition and Monopoly. Dimensions and measures of Market Structure - Concentration, product Differentiation, Diversification, Vertical Integration. Some Determinants of Market Structure - Economies of Scale, Entry Conditions, Mergers, Corporate Growth, Patents and Copyrights. Market Power on the Buyers' Side. Price Discrimination. Non-Price Competition and Monopolistic Competition.

**ECON 413 Public Finance I (Prerequisite: ECON 301, 302, 303 and 304)**

The Study of Public Finance. The nature and Objectives of Public Finance. Some Theoretical Foundations: Efficiency Criteria, Market Failure and Externalities, Internalisation and Coase Theorem. Public Expenditures. The Theory of Public (Social) and Quasi-Public Goods. Allocative, Redistributive and Stabilization Effects of Public Expenditure. Growth of Public Expenditures and Determinants. Costs Benefit Approach to Public Sector Investments. Concepts and Processes in Budgetary Analysis. Taxation. Basic Theoretical Issues in Taxation. Principles and Objectives of taxation. Efficiency and Equity Considerations. Taxable Capacity etc.

**ECON 417 Agricultural Economics I (Pre-req: A good background in Economic Theory)**

Elements of farm management. Management under different systems of organization. Peasant, capitalist; immigrant, settlement, corporate and collective schemes. Farm Planning.

*Agricultural finance.* Economics of Agricultural capital and credit. Principles of agricultural marketing. Marketing processes and organization. International trade in Agricultural products.

**ECON 427 Economic Planning I (Prerequisite: ECON 302 and 304)**

Theoretical foundations of economic policy and economic planning, theories of growth and development of capitalist and socialist economies. The significance of the institutional framework for economic planning. The nature of 'projection' plans under capitalism and 'directive' plans under socialism. Planning in economies on the way to socialism and in developing countries.

**ECON 429      Labour Economics I (Prerequisite: ECON 301 and 302)**

*Overview Of The Labour Market: Definitions.* How the Market Works. Applications of the Theory. *The Demand For Labour: A Simple Model of Labour Demand.* Modified Models of Labour Demand. Policy Application: Minimum-Wage Legislation. *Elasticities Of Demand For Labour: Elasticity and Cross Elasticity.* The Hicks-Marshall Laws of Derived Demand. Empirical Evidence on Wage Elasticities of Demand. Applying the Laws of Derived Demand. Policy Applications.

Extensions Of The Theory Of Demand: Non-wage Labour Costs. The Employment/Hours Trade-off, Hiring and Training Costs and the Demand for Labour. Screening Devices and the Internal Labour Market. *Supply Of Labour To The Economy: Trends in Labour-Force, Participation and Hours of Work.* A theory of the Decision to Work. Policy Applications. *Labour Supply: Household Production And The Family: The Theory of Household Production.* Joint Husband-Wife Labour-Supply Decisions. Life-Cycle Aspects of Labour Supply.

**ECON 433      Money And Banking I (Pre-req: ECON 303 and ECON 304)**

Review of IS-LM framework in both classical and Keynesian context. Theories of Demand for money - classical, Keynesian, the Monetarists and the restatement of the quantity theory; Demand for Money in Ghana. The Supply of Money. Monetary Aggregates in Ghana. Theories of Inflation and Effects of Inflation. Theories of Interest Rates; Term Structure of Interest Rates. Objectives, Instruments and Targets of Monetary Policy. Monetary policy in Ghana.