**ADVANCED ECONOMIC THEORIES**

**Preamble:**
This paper is mainly concerned with the objective of equipping the students in a rigorous and comprehensive manner with the economic theories of various branches of economics. The paper deals with the micro and macro economic theories. It also deals with the theories of industrial economics, agricultural economics, developmental economics, public economics and International economics. This paper provides theoretical base to the students, which enables them further to conduct a valuable research.

**Micro Economic Theories**

Theories of demand: utility, indifference curve, Slutsky theorem, revealed preference theory; Price and Output determination: Perfect competition—short run and long run equilibrium of the firm and industry; Monopoly—short run and long run equilibrium; Monopolistic competition—equilibrium of the firm and the group with product differentiation and selling cost.
Macro Economic Theories

Consumption function: Keynes' psychological law of consumption; Income-consumption relationship: absolute income, relative income, permanent income and life cycle hypothesis; Investment Function: Marginal efficiency of capital and Investment-long run and short run; The accelerator and investment behaviour; Impact of policy measures on Investment.

Theories of International Economics

Ricardian principle of comparative advantage; Haberler's opportunity cost; Hicksher-Ohlin theorem.

Theories of Development

Marxian concept of capitalist economic development-theory of social change, surplus value and profit; Rostow's Theory; Rosenstein Rodan's Theory; Schumpeter and capitalistic development; Innovation-role of credit, profit and degeneration of capitalism.

Theories of Industrial Economics

Seller's concentration; Product differentiation; Entry conditions; Economies of scale; Market structure and profitability; Market structure and innovation; Theories of industrial location-Webb and Sargent Florence; Factors affecting location.

Theories of Agricultural Economics

Schultz's theory, Mellor theory, Boserup theory, Arthur Lewis theory and Ranis-Fei Model of economic development.

References: