

AGE-962	Supply and Demand Analysis	3(3-0)
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Course Objectives: *To familiarize the students with numerous applications of the supply and demand on different microeconomic aspects and their implication for policy development purposes.*

Course Contents:

Basic Production Theory; Production theory and its assumptions; Production functions; Economic aspects of production, the input perceptive; Profit and maximum profit, factor demand; Supply function estimation techniques; Statistical estimation of production functions; Alternative functional forms: Quadratic; Cobb-Douglas; Statistical procedures for restricting estimated parameters. Basic demand Theory; Demand functions; Interpretation of demand elasticities; Derivation of individual and Aggregate demand functions; Factor demand functions; Derivation of factor; demand functions from duality; Estimation of demand models; Applications of demand analysis to agricultural policy issues; Optimum distribution of products; Applications of spatial equilibrium models; Reactive Programming Cost functions and their estimation; Estimation of spatial equilibrium models; resource availability and demand for resources; Resource payments and pricing.

Suggested Readings

1. Baumol, W.J. and A.S. Blinder. 2007. Microeconomics: Principles and Policy. 10th Ed. Thomson, South-Western, USA.
2. Bruce, B.R., C.R. Taylor and M.J. Watts. 2009. The Economics of Production. 2nd Ed. John Wiley and Sons, New York, USA.
3. Foote, R. J. 1958. Analytical Tools for studying Demand and Price Structures. U.S. Dept. of Agriculture Handbook. Washington DC, USA.
4. James, M. H. and Richard, E. Q. 1980. Microeconomic theory, A Mathematical Approach. 3rd Ed. McGraw-Hill, New York, USA.
5. John, P. D. and F. Orazem. 1992. Production Economics: Theory with Applications. 2nd Ed. Krieger Pub. Co., Florida USA.

6. Nicholson, W. and C. Snyder. 2008. Microeconomic theory: basic principles and extensions. 10th Ed. Thomson, South-Western, Mason, USA.
7. J.P. Quirk. 1987. International Microeconomics. 3rd Ed. Chicago, USA