

## **Annexure E**

### **Economics Syllabus**

#### **Unit-1 : Micro Economics**

Theory of Consumer Behaviour

Theory of Production and Costs

Decision making under uncertainty Attitude towards Risk

Game Theory – Non Cooperative games

Market Structures, competitive and non-competitive equilibria and their efficiency properties

Factor Pricing

General Equilibrium Analysis

Efficiency Criteria: Pareto-Optimality, Kaldor – Hicks and Wealth Maximization

Welfare Economics: Fundamental Theorems , Social Welfare Function

Asymmetric Information: Adverse Selection and Moral Hazard

#### **Unit-2 : Macro Economics**

National Income: Concepts and Measurement

Determination of output and employment: Classical & Keynesian Approach

Consumption Function

Investment Function

Multiplier and Accelerator

Demand for Money

Supply of Money

IS – LM Model Approach

Inflation and Phillips Curve Analysis

Business Cycles

Monetary and Fiscal Policy

Rational Expectation Hypothesis and its critique

#### **Unit- 3 : Statistics and Econometrics**

Probability Theory: Concepts of probability, Distributions, Moments, Central Limit theorem

Descriptive Statistics – Measures of Central tendency & dispersions, Correlation, Index Numbers

Sampling methods & Sampling Distribution

Statistical Inferences, Hypothesis testing

Linear Regression Models and their properties – BLUE

Identification Problem

Simultaneous Equation Models – recursive and non-recursive

Discrete choice models

Time Series Analysis

#### **Unit-4 : Mathematical Economics**

Sets, functions and continuity, sequence, series  
Differential Calculus and its Applications  
Linear Algebra – Matrices, Vector Spaces  
Static Optimization Problems and their applications  
Input-Output Model, Linear Programming  
Difference and Differential equations with applications

### **Unit-5 : International Economics**

International Trade: Basic concepts and analytical tools  
Theories of International Trade  
International Trade under imperfect competition  
Balance of Payments: Composition, Equilibrium and Disequilibrium and Adjustment Mechanisms  
Exchange Rate: Concepts and Theories  
Foreign Exchange Market and Arbitrage  
Gains from Trade, Terms of Trade, Trade Multiplier  
Tariff and Non-Tariff barriers to trade; Dumping  
GATT, WTO and Regional Trade Blocks; Trade Policy Issues  
IMF & World Bank

### **Unit-6 : Public Economics**

Market Failure and Remedial Measures: Asymmetric Information, Public Goods, Externality  
Regulation of Market – Collusion and Consumers' Welfare  
Public Revenue: Tax & Non-Tax Revenue, Direct & Indirect Taxes, Progressive and non-Progressive Taxation, Incidence and Effects of Taxation  
Public expenditure  
Public Debt and its management  
Public Budget and Budget Multiplier  
Fiscal Policy and its implications

### **Unit-7 : Money and Banking**

Components of Money Supply  
Central Bank  
Commercial Banking  
Instruments and Working of Monetary Policy  
Non-banking Financial Institutions  
Capital Market and its Regulation

### **Unit-8 : Growth and Development Economics**

Economic Growth and Economic Development  
Theories of Economic Development: Adam Smith, Ricardo, Marx, Schumpeter, Rostow, Balanced & Unbalanced growth, Big Push approach.  
Models of Economic Growth: Harrod-Domar, Solow, Robinson, Kaldor  
Technical progress – Disembodied & embodied; endogenous growth

Indicators of Economic Development: PQLI, HDI, SDGs  
Poverty and Inequalities – Concepts and Measurement  
Social Sector Development: Health, Education, Gender

### **Unit-9 : Environmental Economics and Demography**

Environment as a Public Good

Market Failure

Coase Theorem

Cost-Benefit Analysis and Compensation Criteria

Valuation of Environmental Goods

Theories of Population

Concepts and Measures: Fertility, Morbidity, Mortality

Age Structure, Demographic Dividend

Life Table

Migration

### **Unit-10 : Indian Economy**

Economic Growth in India: Pattern and Structure

Agriculture: Pattern & Structure of Growth, Major Challenges, Policy Responses

Industry: Pattern & Structure of Growth, Major Challenges, Policy Responses

Services: Pattern & Structure of Growth, Major Challenges, Policy Responses

Rural Development – Issues, Challenges & Policy Responses

Urban Development – Issues, Challenges and Policy Responses.

Foreign Trade: Structure and Direction, BOP, Flow of Foreign Capital, Trade Policies

Infrastructure Development: Physical and Social; Public-Private Partnerships

Reforms in Land, Labour and Capital Markets

Centre-State Financial Relations and Finance Commissions of India; FRBM

Poverty, Inequality & Unemployment