

ECONOMICS

SYLLABUS

1. Micro-economic Analysis

Demand analysis - Marshallian, Hicksian and Revealed preference approaches, Theory of Production and Costs, Pricing and output under different forms of market structure, Factor Pricing analysis, Elements of general equilibrium and new welfare economics

2. Macro-economic Analysis

Determination of output and employment - Classical approach, Keynesian approach, Consumption hypotheses, Demand for Money - Fisher and Cambridge versions, Approaches of Keynesian, - Friedman, Patinkin, Baumol and Tobin, Supply of Money, Determinants of money supply, High-powered money, Money multiplier, Phillips Curve analysis, Business cycles - Models of Samuelson, Hicks and Kaldor. Macro-economic Equilibrium - Relative roles of monetary and fiscal policies

3. Development and Planning

Economic Growth, Economic Development and sustainable Development - Importance of institutions - Government and markets - Perpetuation of underdevelopment - Vicious Circle of poverty, circular Causation, structural view of underdevelopment - Measurement of development conventional, HDI and quality of life indices, Theories of Development - Classical, Marx and Schumpeter; Economic Growth - Harrod-Domar model, instability of equilibrium, Neoclassical growth - Solow's model, steady state growth. Approaches to development: Balanced growth, critical minimum effort, big push, unlimited supply of labour, unbalanced growth, low income equilibrium trap, Indicators and measurement of poverty, Importance of agriculture and industry in economic development -choice of techniques and appropriate technology - Investment Criteria - Elementary idea of cost-benefit analysis, Trade and Aid - International trade as 'engine of growth' - Globalization and LDC's, Objectives and role of monetary and fiscal policies in economic development, Techniques of planning; Plan Models in India; planning in a market-oriented economy

4. Public Finance

Role of the Government in Economic activity -- Allocation, distribution and stabilization functions; Private, Public and Merit goods, The Public Budgets - Kinds of Budgets, Zero-base budgeting, different concepts of budget deficits; Budgets of the Union Government in India Public Expenditure - 'Hypotheses; effects and evaluation Public Revenue - Different approaches to the division of tax burden, incidence and effects of taxation; elasticity and buoyancy; taxable capacity, Public Debt - Sources, effects, burden and its management, Fiscal Federalism -Theory and problems; Problems of Centre-State Financial relations in India, Fiscal Policy - Neutral and compensatory and functional finance; balanced budget multiplier

5. International Economics

Theories of International Trade: Empirical verification and Relevance, International Trade under Imperfect competition, Terms of Trade and Economic Growth -Secular, Deterioration of Terms of Trade Hypothesis - a critical review, Equilibrium/disequilibrium in Balance of Payment -- Traditional, Absorption and Monetary approaches for adjustment in the Balance of Payments, Foreign Trade multiplier, Impact of Tariffs, Partial and general equilibrium analysis; Political economy of Non-Tariff Barriers, Theory of regionalism at Global level - Collapse of Bretton-Wood System – Recent Monetary reforms, Trade Policy and Reforms in India

6. Indian Economy

Basic Economic indicators - National income, performance of different sectors, Trends in prices and money supply, Agriculture - Institutional and technological aspects, new agricultural policy
Industry - New industrial policy and liberalization, Money and banking - Concepts of money supply, inflation, monetary policy and financial sector reforms ' Public finance, Trends in revenue and expenditures of the Central and State Governments, Public debt; analysis of the Union Budget
Foreign trade - Trends, Balance of payments and trade reforms, Poverty, unemployment, migration and environment

7. Statistical Methods

Measures of Central tendency, dispersion, skewness and kurtosis, Elementary theory of probability - Binomial, Poisson and Normal distributions, Simple correlation and regression analysis 'Statistical inferences - Applications, sampling distributions (t, χ^2 and F t e s t s), sampling of attributes, testing of Hypothesis ,Index numbers and time series analysis, Sampling and census methods, types of sampling and errors

8. Other topics

Theory of Demand -Axiomatic approach, Demand functions, Consumer behavior under conditions of uncertainty, Theory of production, Collusive and non-Collusive oligopolies, Different models of objectives of the firm - Baumol, Morris and Williamson, Factor pricing, General equilibrium and Welfare Economics, Keynesian and post-Keynesian approaches to theory of output and employment; concept of investment multiplier; consumption hypotheses V ' Theories of investment and accelerator Theories of demand for money - Keynesian and post-Keynesian-Different approaches to money supply; money supply; components and determinants; money multiplier, Output -price determination (aggregate supply and aggregate demand curve analysis), Fleming-Mundell open economy model

Development and Growth - Role of institutions, Theories of growth and development -- Models of growth of Joan Robinson and Kaldor; Technical Progress - Hicks, Harrod and learning by doing, production, function approach to the determinants of growth 2 Endogenous growth: role of education, research and knowledge - explanation of cross country differentials in economic development and growth. Theories of development - Classical, Marx, Schumpeter and structural analysis of development - Imperfect market paradigm, Lewis model of development, Ranis-Fei model, Dependency theory of development Factors in economy development - natural resources, population, capital, Human Resource Development and infrastructure, Trade and development - trade as engine of growth, two-gap analysis, Prebisch, Singer and Myrdal views; gains from trade and LDCs

Theories of taxation, types, incidence and effects, Theories of public expenditure -- effects on savings, investment and growth, Burden of public debt, Union Finance - Trends in Revenue and Expenditure of the Government of India, State finance - Trends in Revenue and Expenditure of the State Governments ' Public Debt - India's Public debt since 1951 - growth composition, ownership pattern and debt management 'Union- State Financial Relations - Horizontal and vertical imbalances; the Finance Commissions ' Fiscal Policy and Fiscal Reforms in India, 'Monetary approach' and adjustment in the balance of payments, Regional blocs - multilateralism and world trading system, The Political Economy of imposition of non-tariff barriers International trade under conditions of imperfect competition in goods market, Theory of International reserves, Optimum Currency Areas - Theory and impact in the developed and developing Countries, WTO and its impact on the different sectors of the economy

Components of money supply- Role, constituents and functions of money and capital markets, RBI - recent monetary and credit policies - Commercial banks and co-operative banks, Specialized financial and investment institutions, Non-Bank financial institutions and Regional Rural Banks, Industrial structure and economic growth, Pattern of industrialization - Public and Private; large and small industries, Theories of Industrial location - Indian experience, Industrial productivity - measurement, partial and total trends, Industrial Finance in India, Industrial Labour - Problems, policies and reforms in India, Economic Reforms and industrial growth, Population and Economic development - interrelation between population, development and environment, sustainable development, Malthusian theory of population, Optimum theory of population, theory of demographic transition, population as 'Limits to Growth' and as Ultimate Source' Concepts of Demography - Vital rates, Life tables, composition and uses, Measurement of fertility - Total fertility rate, gross and net reproduction rate – Age pyramids, population projection - stable, stationary and quasi-stationary population; characteristics of Indian population through recent census Poverty in India - Absolute and relative; analysis of poverty in India, Environment as necessity - amenity and public goods; causes of environmental and ecosystem degeneration - policies for controlling pollution -- economic and persuasive; their relative effectiveness in LDCs; Relation between population, poverty and environmental degradation - microplanning for environment and eco-preservation - water sheds; joint forest management and self-help groups, Role of State in environmental preservation - Review of environmental legislation in India

Role of Agriculture in Indian Economy - Share of Agriculture, interrelationship between agriculture and industry, Institutional aspects - Land reforms, Green revolution, Technological aspects - Agricultural inputs and shifts in production function. Capital formation in the rural sector - Savings, assets and credits, Strategies for rural development, Regional disparities in Indian agriculture, Cooperative movement in India - Organization, structure and development of different types of cooperatives in India, Application of Differential and Integral Calculus in theories of consumer behavior, Production and pricing under different market conditions, Input-output analysis and linear programming, Application of Correlation and Regression, Testing of Hypothesis in Regression Analysis