

Tamil Nadu Public Service Commission
Syllabus
Economics
PG Degree Standard

Code: 411

Unit I: (18 Questions)

Theory of consumer behavior - Indifference curve analysis - Revealed preference theory - Hicks revision of Demand theory - Modern Utility Analysis of choices involving risk or Uncertainty – Neumann - Morgenstern – Friedman Savage and Morkowitz Hypothesis - Modern theory of the firm: Baumol's sales Maximisation model, Cyert and March model - Economics of information: Principles of information - Asymmetry, Adverse selection and moral hazard.

Unit II: (17 Questions)

Theory of cost and Production – Cobb Douglas, CES, Translog production function – Embodied and disembodied technical progress - Derivation cost function from production function - Price and Output determination under Oligopoly market - Advances in Distribution theory - Marginal productivity theory - Product Exhaustion theory – Theory of Distribution in imperfect product and factor market.

Unit III: (20 Questions)

General equilibrium analysis - Walrasian General equilibrium - Stoper - Samuelson theorem - Rybczynski theorem – Welfare Economics - Pareto optimal conditions - Social Welfare Maximization – Kaldor's compensation Principle - Arrow's Impossibility theorem - Second Best theorem - Rawl's theory of social justice-Input-Output analysis.

Unit IV: (20 Questions)

Measurement of Aggregate income, Expenditure and circular flow – Rules of computing GDP - Green GDP - Measurement of CPI – Measurement of unemployment - Kuznet's consumption puzzle - Fisher's inter-temporal choice model - Stock market and Tobin's 'Q' theory – Mundell-Fleming model - Fiscal and monetary policy operation under fixed and floating exchange rate regimes- New classical and New Keynesian Business cycle theories.

Unit V: (20 Questions)

Structural transformation and Economic Growth in India - Approaches to Economic development - Optimal growth, Steady - State equilibrium and inclusive Growth - Harrod Domar model - Balanced and Unbalanced Growth model - A.K Sen's Growth theory – Ambedkar's growth model -New Growth theory - Endogenous and Exogenous Growth Theories -Theory of Modernisation, Theory of Dependency, Theory of World System and Theory of Globalization.

Unit VI: (15 Questions)

Role of money in different economic systems - Fisher's Quantity theory of money – Don Patinkin's Real Balance effect - Keynesian Theory of money - Baumol's approach - Tobin's theory - money supply - Creation of money and Creation of Credit - Role of RBI and commercial Banks -monetary policy – Role of NBFIs

Unit VII: (15 Questions)

Composition and Direction of Foreign trade - Basis of International Trade -Balance of payment Equilibrium and disequilibrium - BOP adjustment mechanism - Foreign Direct Investment - Terms of trade - Foreign Exchange rate determination - FERA-FEMA–GATT-WTO-TRIPS-TRIMS- International Financial Institutions ; IBRD-IMF-ADB - New International Economic Order(NIEO).

Unit VIII: (20 Questions)

Fiscal functions - Sources of Public revenue - Direct and Indirect taxes – GST - Public Expenditure - Growth and effects of Public expenditure -Public Debt and Debt Management - Financial administration - Fiscal federalism - Centre and State financial relation - Local finance - Fiscal policy - Compensatory fiscal policy and functional finance.

Unit IX: (35 Questions)

Economic Development - Leading issues in India and in Tamil Nadu - Human Development Index - Gender Related Human Development Index – Progress in Human Development in India - Multi-Dimensional poverty - Poverty and Growth - Reforms on Poverty - India's demographic transition - Population policy in India - Unemployment and employment perspective - Characteristics of Indian labour market - employment policy in India - Issues and problems of migrant labourers – Agriculture prospects and problems - Trends in Agricultural productivity - Green Revolution - Land reforms and effects - Second Green Revolution – Industrialisation in India - Performance of MSMEs - Large scale industries in India - New Industrial Policy of 1991 - Rationalisation of Disinvestment - New Direction of policy on Public sector.

Unit X: (20 Questions)

Planning - Objectives and achievements at national and state level - Development Strategy in India - Failures of Five Year Plans in India - NITI AAYOG - Privatisation, Liberalisation and Globalisation in India - MNCs - Global financial crisis and its impact on Indian economy - Environmental degradation and sustainable development – Issues and Challenges.

Dated: 09.06.2023