



## TAMIL NADU STATE ELIGIBILITY TEST (TNSET 2024)

### SYLLABUS

**Subject: ECONOMICS**

**Code No.:2410**

#### **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