University of Madras
Department of Economics
Syllabus for Entrance Exam for PG Degree:2022-23

Unit -1

Micro Economics

Cardinal Utility Approach – Total Utility and Marginal Utility –Law of Diminishing Marginal Utility – Law of equi-marginal utility – Limitations – Ordinal Utility – Indifference Curves – Properties – Marginal Rate of Substitution – Consumer's Equilibrium –Hicksian Price Effect -- Concept of Consumer Surplus- Demand Function – Law of Demand – Determinants of Demand – Exceptions to the Law of Demand- Individual and Market Demand – Shift in Demand – Elasticity of Demand – Price, Income and Cross Elasticity – Factors influencing Elasticity of Demand – Measurement of Elasticity of Demand – Point Method, Arc Method and Total Elasticity Method.-Cost and Revenue Concepts – Types of Costs – Fixed and Variable Costs – Average, Marginal and Total Costs – Short run and Long run Costs – Traditional and Modern Costs – Total, Average and Marginal Revenues.

Unit-2

Macro Economics

Keynesian Absolute Income Hypothesis–Psychological Law of Consumption – Post Keynesian consumption functions – Dusenberry's Relative Income hypothesis – Milton Friedman's Permanent Income Hypothesis, Franco Modigliani's Life Cycle Hypothesis. The implications and propositions of consumption function-Objective and subjective factors determining consumption function-IS-LM-BP Curves – Effects of monetary and fiscal policy under fixed and flexible exchange rate regimes- Working of Devaluation and foreign shocks on National Income. Rational Expectations – Classical and Keynesian Expectations Augmented Aggregate Supply Curves-Actual and expected Price Level.

Unit-3

Public Finance

Meaning and Definition of Public Expenditure – Reasons for the Growth of Public Expenditure – Views of Economists on Public Expenditure: Wagner's Hypothesis and Peacock – Wiseman Hypothesis, Canons of Public Expenditure – Effects of Public Expenditure- Objectives of Public debt – Classification of Public Debt ,Causes,Effects and Redemption of public debt –Public debt management in India- Meaning and Definition of Budget – Objectives of the Budget –Structure of the

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Budget –Budgetary procedure in India – An overview of Current Union Government Budget.

Unit-4

International Economics

Theories of International Trade: Adam Smith (Absolute Advantage) – David Ricardo (Comparative Cost Advantage) –Heckscher - Ohlin Theorem–– Heberler (Opportunity Cost Theory) - J.S. Mills (Reciprocal Demand Theory) -Free Trade – Protection – Meaning – Cases for and against Free Trade and Protection – Quotas: Meaning and Types. Tariff: Meaning, Types and Effects-Balance of Payments – Causes of Disequilibrium – Measures to Control Disequilibrium. New International Economic Order – Objectives and Implementation.

Unit-5

Statistics

Sampling and Sampling Design-Data Collection-Primary and Secondary data-Questionnaire and Schedules-Measures of Central Tendency-Measures of Dispersion-Skewness, Moments and Kurtosis-Methods of analysing -Correlation and Regression-Regression Equation-Index Numbers-Methods of constructing index numbers-Analysis of Time Series-Components of Time Series-Measurement of Trends.

Question Paper Pattern

1 Total Marks is 40
2 Six Questions will be asked
3 Out of Six questions, 4 should be answered
4 Each question carries 10 marks
5 All should be written in essay format

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