

# **SYLLABUS OF M.A ECONOMICS ENTRANCE EXAMINATION 2019**

**Pattern of Question: 100 Objective Multiple Choice**

**Time: 2 Hours**

## **ECONOMICS**

Microeconomics – Scarcity and Choice – Opportunity Costs –Price Theory - Market Signals– Market Forces – Demand and Supply – Equilibrium – Cardinal Utility Approach– Total and Marginal Utility - Water Diamond Paradox – Law of Diminishing Marginal Utility – Optimal Purchase Rule – Ordinal Utility Approach– Indifference Curve Analysis –Income and Substitution Effect - Slutsky’s Law- Giffen Paradox - Revealed Preference Hypothesis- Elasticity of Demand and Supply.

Production Function– TP, MP, AP– Isoquants, Iso-cost Lines, PPC and Iso-revenue Lines - Returns to Variable Factor - Returns to Scale - Laws of Production – Law of Variable Proportions and Laws of Returns to Scale - Short run and Long run Cost Curves-

Perfect competition and Monopoly- Classical Non-Collusive Oligopoly Models - Cournot Model – Bertrand Model - Chamberlin’s Small Group Model – Sweezy’s Model - Price Rigidity –Marginal Productivity Theory – Product Exhaustion Theorem - Rent and Quasi Rent - Accounting Profit and Economic Profit- Welfare Economics.

Macroeconomics – National Income –Output and Employment- Classical Macroeconomic Model – Full Employment –Flexible Wage, Price and Interest Rate –Say’s Law – Fisher’s Equation of Exchange - Neutrality of Money – Classical Dichotomy.

Keynesian Macroeconomic Model - Money Illusion - Involuntary Unemployment - Saving Investment Equality - Aggregate Supply and Demand – Economic Instability - Fiscal and Monetary Policy -Secular Stagnation.

Consumption Function – Absolute Income Hypothesis – Relative Income Hypothesis – Life Cycle Hypothesis – Permanent Income Hypothesis- Investment Function – Autonomous and Induced Investments - Multiplier and Accelerator – Volatility of Investment - Balanced and Unbalanced Budget.

ISLM - Inflation and Unemployment - Inflationary Gap - Disinflation– Interest Rate and Inflation- Phillips Curve - Trade Cycles- Theories of Trade Cycles – Money – Quantity Theory of Money – Transaction and Cash Balance Approaches – Restatement of Quantity Theory – Portfolio Theories of Money Demand - Supply of Money – Inside and Outside Money – Monetary Base – Fiat Money - Money Multiplier.

Public goods- externalities - Theory of public Choice- public revenue - Tax Revenue – canons of taxation- theories of taxation- Musgrave’s theory of incidence- forward and backward shifting- impact and incidence- direct and indirect taxes - tax rate and tax base -Progressive, Proportional, Regressive taxes- specific and Ad Valorem taxes- VAT

Public debt- public expenditure- Canons -Theories - Wagner’s law-Wiseman-Peacock hypotheses- trends in public expenditure in India- Budget- deficit financing- fiscal federalism- finance commission.

International and inter regional trade- absolute advantage, comparative advantage, Heckscher-Ohlin theory- Terms of trade - Free trade Vs protection- protectionism- balance of trade and balance of payments-

Exchange rate- Theories of exchange rate determination- Mint parity theory- the purchasing power parity theory- The Brettonwoods system, IMF and World Bank, WTO, International capital movements, foreign direct investment, foreign portfolio investment-

Economic planning in India- Role of agriculture sector- industrial development in India- role of small scale industries- Role of service sector- post liberalization scenario- India’s foreign trade- sectoral composition-pattern of imports and exports- economic reforms since 1991

Kerala economy- features- Agriculture sector- land reforms –agricultural stagnation Industrial sector- industrial backwardness - Migration, foreign remittances, energy crisis-food security -ageing and lifestyle diseases.

## **STATISTICS**

Number system- logarithm- arithmetic and geometric series- compound growth rate- linear equations, quadratic equations - Set theory- Data– Population- Sample- sampling-

Tables- Frequency distributions- Histograms, polygon, frequency curves, bar and pie diagrams- Measures of central value- standard deviation and their relative measures-Positional averages- Lorenz curve, Gini Coefficient- probability- addition theorem, conditional probability- multiplication theorem- Bayes’ theorem - time series, measurement of trend – semi average, moving average, method of least squares. Index numbers –Laspyer’s, Paasche’s and Fisher’s index numbers- Bernoulli’s weak law

Non- parametric test- one sample tests- run test, -randomness, sign test, signed rank test. Two sample tests-Mann-Whitney ‘U’ Test, Median test.- Kolmogrov-Smirnov test

## **MATHEMATICS**

Function - single variable, multi-variable, increasing, decreasing, convex and concave functions- linear, quadratic and cubic, logarithmic, exponential functions- Limit and Continuity of Functions - Point continuity and interval continuity

Differentiation- Derivatives - Unconstrained Maxima and Minima of functions- Partial and total derivatives- Homogeneous function - Constrained optimisation - Lagrange multiplier method- Integration - Definite integral - Indefinite integral - matrix - determinants –Cramer's rule - Gauss elimination method- Eigen value - quadratic forms - Sign definiteness

Ordered sets-Hasse diagrams- conic, Parabola-ellipse-hyperbola- Auxiliary circle and Eccentric angle- - Rolle's theorem- Taylor's theorem- Cantor's theorem

**GENERAL AWARENESS-** At the graduate Level