

UGC NET ECONOMICS SYLLABUS

PAPER-2

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
- General Equilibrium Analysis
- Factor Pricing
- Efficiency Criteria: Pareto-Optimality, Kaldor –Hicks and Wealth Maximization
- Asymmetric Information: Adverse Selection and Moral Hazard
- Welfare Economics: Fundamental Theorems, Social Welfare Function

Unit 2: Macro Economics

- Determination of output and employment: Classical & Keynesian Approach
- National Income: Concepts and Measurement
- Consumption Function
- Investment Function
- Multiplier and Accelerator
- Demand for Money
- Supply of Money
- IS-LM Model Approach
- Inflation and Phillips Curve Analysis
- Monetary and Fiscal Policy
- Business Cycles
- 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

- Simultaneous Equation Models – recursive and non-recursive
- Identification Problem
- Discrete choice models
- Time Series Analysis

Unit 4: Mathematical Economics

- Linear Algebra –Matrices, Vector Spaces
- Input-Output Model, Linear Programming
- Sets, functions and continuity, sequence, series
- Differential Calculus and its Applications
- Static Optimization Problems and their applications
- Difference and Differential equations with applications

Unit 5: International Economics

- International Trade: Basic concepts and analytical tools
- Theories of International Trade
- Balance of Payments: Composition, Equilibrium and Disequilibrium and Adjustment
- Mechanisms
- International Trade under imperfect competition
- Exchange Rate: Concepts and Theories
- Foreign Exchange Market and Arbitrage
- Tariff and Non-Tariff barriers to trade; Dumping
- Gains from Trade, Terms of Trade, Trade Multiplier
- 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
- Public Revenue: Tax & Non-Tax Revenue, Direct & Indirect Taxes, Progressive and non
- Progressive Taxation, Incidence and Effects of Taxation
- Regulation of Market – Collusion and Consumers' Welfare
- Public Budget and Budget Multiplier
- Fiscal Policy and its implications
- Public expenditure
- Public Debt and its management

Unit 7: Money and Banking

- Central Bank
- Commercial Banking
- Components of Money Supply
- Instruments and Working of Monetary Policy
- Capital Market and its Regulation
- Non-banking Financial Institutions

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
- Theories of Population
- Concepts and Measures: Fertility, Morbidity, Mortality
- Age Structure, Demographic Dividend
- Cost-Benefit Analysis and Compensation Criteria
- Valuation of Environmental Goods
- Migration
- Life Table

Unit 10: Indian Economy

- Economic Growth in India: Pattern and Structure
- Agriculture: Pattern & Structure of Growth, Major Challenges, Policy Responses

- Services: Pattern & Structure of Growth, Major Challenges, Policy Responses
- Industry: Pattern & Structure of Growth, Major Challenges, Policy Responses
- Urban Development –Issues, Challenges and Policy Responses
- Rural Development –Issues, Challenges & Policy Responses
- Infrastructure Development: Physical and Social; Public-Private Partnerships
- Foreign Trade: Structure and Direction, BOP, Flow of Foreign Capital, Trade Policies
- Centre-State Financial Relations and Finance Commissions of India; FRBM
- Reforms in Land, Labour and Capital Markets
- Poverty, Inequality & Unemployment

