

**COMMON SYLLABUS FOR OBJECTIVE TYPE SUBJECT APTITUDE TEST (SAT) FOR RECRUITMENT TO POST OF LECTURER (SCHOOL NEW) IN ECONOMICS, CLASS-III IN THE DEPARTMENT OF HIGHER EDUCATION. THIS PAPER WILL BE OF 02 HOURS DURATION OF 100 MARKS. THE OBJECTIVE TYPE SUBJECT APTITUDE TEST (SAT) SHALL COVER FOLLOWING TOPICS**

### **Part-I (Subject) 80 marks**

#### **1. MICRO-ECONOMIC ANALYSIS**

**Basic economic problems** - choice and scarcity; deductive and inductive methods of analysis; equilibrium: existence, stability and uniqueness. Partial and general equilibrium; Walrasian and input-output approach to general equilibrium. **Consumer Behaviour:** Demand analysis, Supply Analysis, Indifference curve analysis: price, income and substitution effects; Slutsky theorem, compensated demand curve; Revealed preference theorem. **Production Function:** short period and long period; Returns to a factor and returns to scale; Isoquants – Least cost combination of inputs; production function of a multiproduct firm; Economies of Scale; Elasticity of substitution; Technical progress and production function; Cobb- Douglas, CES and Translog production functions and their properties. **Costs and Revenue:** Cost concepts, Traditional and modern theories of costs; Derivation of cost functions from production functions; Different Revenue concepts and their mutual Relationship. Average and Marginal, Revenue and Curves under different market forms. **Producer's Equilibrium:** Marginal analysis as an approach to firm's equilibrium; short-run and long-run equilibrium of the firm and industry under perfect and imperfect competition. Supply Curve of the Firm and Industry in the Short-run and Long-run. Price and output determination under Perfect Competition, Monopoly, Oligopoly and Monopolistic Competition. Alternative theories of the firm-Baumol's sales revenue maximization model; Williamson's model of managerial discretion; Decision making under uncertainty: Attitude towards Risks. Theory of games. **Theory of Distribution:** Meaning, Functional versus Personal Distribution. Marginal Productivity Theory and Adding-up Problem. Modern Theory of Distribution. Rent: Meaning of Rent, Ricardian Theory of Rent, Modern Theory of Rent and concept of Quasi-rent. Wages: Demand for Labour and Supply of Labour, Subsistence Theory, Causes of Wage Differentials, Nominal and Real wages. Interest: meaning and its determination. Profit: Meaning and concepts, theories of Profit - Innovations Theory, Risk and Uncertainty Bearing Theories.

#### **2. MACRO - ECONOMIC ANALYSIS**

**Macro-economics:** Meaning, Nature, Scope and Importance, Distinction between Micro and Macro Economics. **National Income:** Various concepts, Circular flow of income in two, three and four-sector economy; different forms of national income accounting-social accounting; input output, and balance of payments accounting, Methods of measurement / estimation of national income. **Theories of Employment:** Classical and Keynesian theories of full employment, Say's law of market. Effective demand. **Theories of Consumption:** Keynes' psychological law of consumption; income-consumption relationship – absolute income, relative income, permanent and life cycle income hypothesis and consumption under uncertainty; **Investment, Marginal efficiency of capital, Multiplier, Investment and theory of Acceleration.** Neo-classical and Keynesian views on interest: IS-LM Model; Post-Keynesian approaches to demand for money; Patinkin and the real balance effect; approaches of Baumol and Tobin. **Inflation:** meaning, types, Classical and monetarist approaches to inflation; structuralist theory of inflation; Philips curve analysis – short-run and long-run Philips curve; Samuelson and Solow- the natural rate of unemployment hypothesis. Tobin's modified Philips curve. **Theory of Business Cycles:** Kaldor, Samuelson, Hicks and Goodwin's Model.

**Marco-economics Policy for Stabilization and Growth:** Theory of economic policy, policy objectives and conflicts; fixed vs. target approach, monetary policy, fiscal policy and crowding out, policy mix.

### 3. STATISTICS

**Statistics:** definition, functions, scope and limitations. **Collection of Data:** primary and secondary data, their uses and limitations. **Sampling:** Meaning, importance, methods of sampling. **Classification, Tabulation and Graphical Representation of Data:** Meaning, Types. **Measures of Central Tendency:** Mean (Arithmetic, Geometric and Harmonic), Median, Quartiles, Deciles, Percentiles and Mode. **Measures of Dispersion:** Absolute & Relative Measures; Range, Quartile Deviation, Mean Deviation, Standard Deviation and Coefficient of Variation; Lorenz Curve. **Skewness, Kurtosis and Moments:** meaning and their measures. **Correlation:** Definition, types, properties and measures of correlation – Karl Pearson, Rank Correlation and concurrent deviation methods. **Regression:** Meaning, types, difference between Correlation and Regression, Methods of obtaining Regression Equations in case of two Variables only, Properties of Regression Coefficients, Discrete and Continuous Variables (grouped data method). **Interpolation and Extrapolation:** meaning, conditions and methods (Binomial Expansion Method, Newton's Method for Leading Differences and Lagrange's Method). **Index numbers:** Meaning, types, problems for the construction of Index Numbers, methods of construction of Index Numbers (Weighted and Unweighted), Chain and Fixed Base Index Numbers, Tests of Consistency and Cost of living Index Numbers. **Time Series Analysis:** meaning, Components of Time Series analysis and methods of measurement of time series using Secular Trend. **Tests of significance:** meaning, procedure, regions of acceptance and rejection, two tailed and one tailed tests, Type I and Type II errors. Standard error of the mean, Student's "t" distribution and its properties. **Chi Square:** General features of Chi Square ( $\chi^2$ ), chi square as a test of goodness of fit and as a test of independence. Contingency table and Yate's correction for continuity. **Analysis of Variance:** meaning, assumptions and techniques of analysis of variance - one way and two-way analysis.

### 4. DEVELOPMENT ECONOMICS

**Development and Growth:** Meaning and difference, Development and Under-development: Measurement of development; per capita income, purchasing power parity income, PQLI, HDI; Problems of international comparison. **Economic development and structural change:** theories of Kuznets and Chenery. Classical, Marxian and Schumpeterian theories of economic development. **Stages of economic growth:** Rostow and Marx. **Approaches to the theory of development -** Big-push theory, Critical minimum effort thesis, Balanced and Unbalanced Growth, Low level equilibrium trap, Lewis and Ranis-Fei models. **Theory of Growth:** Harrod - Domar, Kaldor, Meade, Solow. **Planning and the market mechanism:** State intervention vs. liberalization and privatization debate. The core areas of State intervention under liberalization. Process of plan formulation. Investment criteria for plan projects, cost-benefit analysis. Determination of size, growth rate and priorities in planning. Use of input-output and linear programming techniques in planning, **Models in economic planning:** policy models, projection models and development planning models. Resources for Development: Domestic and external. **Population and development:** theory of demographic transition. **Resource Allocation:** Cost-benefit analysis. Shadow prices. investment criteria. Choice of appropriate technology and employment. Project evaluation. Inter-temporal optimization. **Human Capital:** Education and Research & Development, health and nutrition. **Environment and Development:** Sustainable development, conservation and use of exhaustible resources. Sustainable Development Goals.

## 5. INDIAN ECONOMY

**Economic History of India:** Economic Development during 1857-1947, Economic consequences of British Rule. **India's Five-Year Plans:** Objectives, Need, Strategies, Achievements and Constraints. Decentralized planning and people's participation. Saving-investment rates- trends and problems. The policy debate in the post liberalization period - general downsizing of the public sector and disinvestments in public sector undertaking, MNCs vs. Swadeshi movement, benefits and pitfalls of globalization and international finance. Role of NITI Aayog. Economic Reforms. Role of public and private sectors in India. **Agricultural development in India:** Trends in growth and structure, New Agricultural Strategy and Green Revolution: Factors responsible and Implications. Role of Green Revolution in Agricultural development. Land Reforms: Meaning, Forms, Objectives, Problems of Agricultural Labourers and Small Farmers. Rural Indebtedness in India: Meaning, Causes and Measures. Agricultural Finance: Meaning, Types, Sources, Objectives and Problems. Agricultural Price Policy in India: Meaning, Objectives and main Elements, CACP. Diversification of Agriculture: Meaning, Objectives, Incentives and Disincentives, Problems. **Industrialisation in India:** Nature and extent. Existing production structure of industry. Industrial policy 1948, 1956 and 1991. Growth of large industrial houses. Small scale industries and their problems. **Financial Markets:** Money and capital markets in India. **Infrastructure in Indian economy:** energy, power, transport and communication. **Urbanisation in India:** nature, growth and infrastructure. economic development and environmental degradation. **Contemporary Issues:** Concentration of economic power, Poverty, Unemployment, Economic Inequalities, Regional Imbalances, Population, Inflation.

## 6. PUBLIC ECONOMICS

**Public Economics:** Meaning, Importance and Scope. Private goods, public goods and merit goods. Difference between Private economy and Public economy. Market failure-imperfections, decreasing costs, externalities. **Changing perspective about the Role of the Government.** Government in a mixed economy; public and private sector, cooperation or competition; Government as an agent for economic planning and development; **Sources of Publics Revenue:** Tax and Non-Tax sources, Administrative Revenue, Commercial Revenue and Pricing policy of the Public Enterprises. **Taxation:** Meaning and types. Impact, Incidence and Shifting of taxation. Theory of incidence: Alternative concepts of incidence; Taxable capacity, Meaning and determinants, Effects of taxation – trade-off between equity and efficiency. Theories of taxation: Benefit and ability to pay approaches. The problem of double taxation. **Public Expenditure:** Meaning and importance. Rationale for the growth of public expenditure, Wagner's law of increasing state activities: Wiseman-Peacock hypothesis; Pure theory of public expenditure. Planning & Programme budgeting and Zero-Base budgeting. Incidence and Effects of Public Expenditure. **Public Debt:** Classical view of public debt; Compensatory aspect of debt policy; Classification of public debt; effects of public debt/ Borrowings. Burden of public debt. Principles of debt management. Methods of debt redemption. **Deficit Financing:** Meaning and importance. **Fiscal Policy:** Meaning, Objectives and Instruments. Interdependence of fiscal and monetary policies; **Budgetary deficits and surpluses:** Meaning, concepts and their implications. Balanced-budget multiplier. **Fiscal Federalism:** Principles, Assignment of functions and sources of revenue; Criteria for transfer of resources; Centre-state financial relations in India; Problems and prospects; Transfer of resources from Union to States and local bodies. **Indian Public Finances:** Major taxes in India, Elementary introduction to GST.

## 7. INTERNATIONAL ECONOMICS

**Pure Theory of International Trade:** Classical, comparative cost advantage, opportunity cost and factor-endowments. Theory of factor price equalization, reciprocal demand, offer

curve analysis and determination of international prices. **Gains from trade and their distribution:** terms of trade, concepts and measurement. Secular deterioration thesis of terms of trade. Emmanuel's theory of unequal exchange. **Commercial policy:** free trade vs. protection. Theory of tariffs, effects of tariffs; partial and general equilibrium analysis. Optimum and effective rates of tariffs. **Exchange Rate:** Spot and forward, fixed and flexible, Foreign exchange risks, hedging and speculation, Foreign exchange options and futures, Determination of exchange rate: Mint parity, purchasing power parity, monetary approach and portfolio balance. Optimum currency areas. **Balance of payments:** Concepts and components, Equilibrium and disequilibrium in balance of payments. Adjustments under different exchange rate systems. Policy for correcting disequilibrium in balance of payments: expenditure reduction and switching, devaluation and absorption approach, exchange controls and monetary approach. **International Monetary System:** Gold Standard, Bretton Woods system and Post-Bretton Woods System. IMF and IBRD: Functions, Organization and Lending mechanism.

## **8. MONEY AND BANKING**

**Money:** Origin, Functions and Types. **Demand of Money:** Classical quantity theory of money: Keynesian theory: contribution of Tobin; Modern quantity theory (Friedman's Restatement): Liquidity theory of money (Radcliffe-Sayers and Gurley-Shaw thesis). **Supply of Money:** Meaning & Measures of Money supply, H-theory of money supply: High powered money, money multiplier process, factors affecting high powered money. **Commercial Banks:** Meaning, Classification and functions including Credit Creation. Theories of commercial banking, Innovations in commercial banking services. **Central Bank:** Definition, functions, techniques of monetary management. Reserve Bank of India. **Monetary Policy:** Concept, objectives and instruments. Recent trends in monetary policy of Reserve Bank of India. **Demonetisation:** Concept, Logic and Impact. **Non-Banking Financial Institutions:** Meaning, types, impact on India's economic development, measures taken to control their operations. **Banking Sector Reforms in India.**

### **Part-II (B.Ed. portion) 20 marks**

#### **Foundation of Education System**

- Concept and Nature of Knowledge, Knowledge Acquiring Process.
- Indian Knowledge System; Vedic Education System, Buddhist Education System
- Concept of Education; Meaning, Nature, Modes of Education, Objectives of Education, Approaches to Education.
- Philosophical, Psychological, Sociological and Technological Basis of Education (Meaning and Needs)
- Concept of important Variables: Personality, Intelligence, Creativity, Academic Achievement, Problem Solving Ability

#### **Teacher Education and Related Aspects:-**

- Concept of Teacher Education, Historical Aspects of Teacher Education in India, Scope of Teacher Education, Types and Levels of Teacher Education Programmes.
- Teacher and Teaching related Concepts, Learner and Learning Related Concepts, Relation between Teaching and Learning, Learning Environment, Pillars of Learning.
- Challenges in the field of Teacher Education (Discussion with reference to NEP 2020 also)

#### **Pedagogy and Teaching Learning Experiences:-**

- Communication Skills and its Use

- Models of Teaching; Advance organizer, Concept Attainment, Information Processing, Inquiry Training
- Methods of Teaching
- Preparation and Use of Teaching Learning Material

**Information Technology in Teaching Learning Process**

- ICT; Its meaning and use in Teaching Learning Process
- Concept of Open Educational Resources, SWAYAM and MOOCs
- Digital Initiatives in School Education by Government of India

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