

Syllabus for Ph.D Entrance Test (ECONOMICS)

Module I: Micro Economics

Module II: Macro Economics

Module III: Development and Planning

Module IV: Mathematical and Statistical Methods

Module V: Public Finance

Module VI International Economics

Module VII: Money, Banking and Finance

Module VIII: Environmental Economics

Module IX: Emerging Issues in Indian Economy, Poverty, and Income distribution

Module X: Agricultural Economics

Duration – 3 hours

Maximum Marks – 100

Part A - 50 Multiple choice 50x1=50

Part B - 10 Questions 5 x 10=50

Answer 5 Questions

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Module I- Micro Economic Analysis

Demand Analysis – Marshallian, Hicksian and Revealed Preference Approaches
Consumer Behaviour under Conditions of Uncertainty, Theory of Production and Costs,
Pricing and output under different forms of market structure, Collusive and non-
Collusive oligopolies, Different models of objectives of the firm – Baumol, Morris &
Williamson, Cournot, Sweezy, Factory-Pricing, General Equilibrium & Welfare
Economics.

Module II- Macroeconomics

Classical approach: Implications – Keynesian approach – concepts – Determinants of
Effective Demand – Relevance – Economic Fluctuations-Hicks & Samuelson
Approaches – Measures to minimize economic fluctuations – Phillips curve-Concepts –
Trade off – Implications- New classical Macroeconomics: Propositions and Policy
conclusions of Supply Side Economics and Rational Expectations Analysis – Open
Economy Macroeconomics – concepts – Simultaneous Equilibrium – Implications.

Module III - Development and Planning

Sustainable Development – various measures of economic development – Human
Development Index – capability approach to development – Development as freedom-
Development management – Development ethics- Development Vs Displacement –
Inclusive growth – Gender substituted development – Market failure – Development
planning – State & Development – State failure – Emerging issues of Development
Planning.

Module IV- Mathematical and Statistical Methods

Linear and Non-linear functions and their applications - Application of Differential and Integral
Calculus in consumer behaviour and production theories – Matrix algebra and its application.
Measures of Central Tendencies and Dispersion – Elementary theory of probability –
Binominal, Poisson and Normal Distribution – Testing of Hypothesis – Z, t, X^2 and F test – Index
numbers – Time series.

Module V- Public Economics

Economic Functions of Modern Government – Role of Government in Economic Planning and Market Governance – Welfare foundations – Budget- Types of budget – concepts of deficits – Reforms in Budgeting – Zero Base Budgeting and Performance Budgeting – Public Revenue – Sources of Revenue – Tax Revenue – Effects of taxes on production, consumption, work efficiency, Savings – Public Expenditure – Effects of Public Expenditure on the Economy – Evaluation of Public Expenditure: Cost Benefit Analysis – Public debt – Issues in Management – Fiscal Policy – Objectives – Instruments – As an instrument of growth and social justice.

Module VI- International Economics

Foreign trade and Economic Development – Two – gap model – Foreign trade multiplier – Heckscher – Ohlin theory of International trade – Secular Decline in Terms of Trade – Prebisch – Singer & Myrdal's thesis – Balance of payment problem in LDCs , Traditional, Absorption & Monetary approaches to BOP – Foreign exchange market & its functions – impact of tariff & non-tariff on trade – Regional trade Blocks – WTO & India.

Module VII- Money, Banking & Finance

Money supply & Money Demand – Role, Constituents & Functions of money - capital markets – central Bank – commercial banks- cooperative banks-Regional Rural banks-Technological developments in banking – Mutual funds – SEBI & RBI guidelines – Insurance sector – LIC- GIC- reforms in the Financial sector.

Module VIII- Environmental Economics

Natural Resources – Classification – Environmental costs – Environmental Accounting – Valuation of Natural Resources – Green GDP – Valuation of forests – Environmental Economics-Public goods- Market Failure – Common Property Resources – Market Based Instruments – Environmental Impact Assessment – Environmental Policy in India- Global warning – climate change

Module IX- Emerging Issues in the Indian Economy – Poverty and Income Distribution

National Income accounting: Trends and major issues – performance of different sectors – problems of poverty, unemployment, migration, inflation & environment – Economic reforms in India – India on the eve of economic reforms-objectives, nature & structures of economic reforms – impact of economic reforms –India & WTO- India & GATS

Module X- Agricultural Economics

Agriculture and Economic Development – Farming systems – Theories of Agricultural Development –Laws of returns – Production Function – Cobb-Douglas production function – supply behavior of Agriculture- Agricultural Marketing – Problems – Farm Budgeting- Techniques – Agricultural Price Policy – Agricultural growth and productivity – capital formation – sustainable agriculture –Green Revolution- Man –land ratio-agricultural finance- NABARD – WTO and Indian Agriculture.

ECONOMICS

Model Question Paper for Ph.D Entrance Examination 2013-14

PART-A

Note: Choose the correct answer.

50x1=50

Answer all the 50 questions. Each question carrier's one mark.

1. When the price of an inferior good declines –
 - a) Income effect is negative while substitution effect is positive
 - b) Income effect is positive while substitution effect is negative
 - c) Both income and substitution effects are positive
 - d) Both income and substitution effects are negative

2. Discriminating Monopoly is possible if two markets have
 - a) Rising cost curve
 - b) Rising and declining cost curve
 - c) Different elasticities
 - d) Equal elasticities

3. An individual's supply curve of labour will bend backward when
 - a) The income effect of a higher wage and the demand for leisure is greater than the Substitution effect
 - b) The substitution effect of higher wage is greater than the income effect
 - c) The income and substitution effects of a higher wage reinforce each other
 - d) Leisure is a giffen good.

4. The total area under the demand curve of a good measures
 - a) Marginal utility
 - b) Total utility
 - c) Consumer surplus
 - d) Producer surplus

5. Under monopoly Monopolist does not have
 - a) Demand curve
 - b) Supply curve
 - c) Indifference curve
 - d) Isoquant

6. Sales maximization principle is identified with
 - a) Baumol
 - b) Sweezy
 - c) Friedman
 - d) Keynes

7. Keynesian Economics lays more emphasis on
 - a) Monetary Policy
 - b) Fiscal Policy
 - c) Interest rate determination
 - d) Free market mechanism

8. The Phillips curve shows the inverse relationship between
 - a) Inflation and consumption
 - b) Income and consumption
 - c) Income and Employment
 - d) Inflation and Unemployment

9. New Classical Macroeconomics is about the
 - a) Ineffectiveness of aggregate demand management policies
 - b) Effectiveness of aggregate demand management policies
 - c) Ineffectiveness of aggregate supply management policies
 - d) Failure of the markets.

10. Average propensity to save is
 - a) Ratio of savings to investment
 - b) Ratio of price to disposable income
 - c) Ratio of income to disposable income
 - d) Ratio of savings to disposable income

11. Open economy model is also known
 - a) Schumpeter Model
 - b) Harrod – Domer Model
 - c) Robert Fleming – Mundell Model
 - d) Scitovsky Model

12. Human Development Reports are prepared by
 - a) ILO
 - b) IMF
 - c) UNDP
 - d) UNO

13. Inclusive growth strategy is focused in
 - a) Sixth Five Year Plan
 - b) Eleventh Five Year Plan
 - c) Eight Five Year Plan
 - d) Seventh Five Year Plan

14. State provides an Umpire service under
- Neo-liberalism
 - Perfect competition
 - Laissez faire
 - Liberalism
15. 'Free to choose' concept is identified with
- Mahbub-ul-Haq
 - Amartya Sen
 - Meganad Desai
 - J.N. Bhagawati
16. Which one of the following is not directly identified with Amartya Sen
- Entitlement
 - Functionings
 - Capability
 - GDP growth
17. Identify which of the following function is quadratic
- $y = 20 - 2p$
 - $y = 2x^2 + 8x - 52$
 - $y = 4x^3 - 5x + 20$
 - None
18. Cobb-Douglas production function assumes that the elasticity of substitution is
- Three
 - One
 - Four
 - Zero
19. Correlation coefficient lies between
- 0 to 1
 - 1 to 0
 - 1 to + 1
 - 1 to 2
20. Which of the following does satisfy both factor and time reversal test?
- Paache's index number
 - Fisher's index number
 - Laspeyres's index number
 - None
21. Which of the following is not an instrument of fiscal policy
- Public Revenue
 - Public Expenditure
 - Public Borrowing
 - Cash Reserve Ratio
22. Peacock-Wiseman Hypothesis is about
- Public Revenue
 - Public Expenditure
 - Regional variations
 - Fiscal Federalism

23. Non-rivalry & excludability characterise
- Luxury goods
 - Necessary goods
 - Public goods
 - Private goods
24. In Case of Indirect Taxes
- Tax incidence can be shifted
 - can not be shifted
 - Indeterminate
 - Remains constant
25. Which of the following tax systems promote more equitable distribution of income
- Progressive
 - Regressive
 - Proportional
 - Indirect
26. R.G. Howtrey & Von-Hayek argue that Business cycle is purely a
- Non-monetary phenomenon
 - Monetary phenomenon
 - Structural phenomenon
 - Psychological phenomenon
27. Hecksher –Ohlin theory of international trade is also known as
- Factor Endowment theory
 - Price-equalisation theory
 - Opportunity cost theory
 - Absolute cost advantage theory
28. Secular decline in Terms of Trade is associated with
- Haberler
 - Gunnar Myrdal
 - Prebisch –Singer
 - J.N. Bhagawati
29. BOP disequilibrium is fundamentally a Monetary Phenomenon ‘This was argued by
- R. Mundell & H. Johnson
 - Jacob viner
 - Alvin Toffler
 - P.A. Samuleson

30. _____ is the basis of free trade according to David Ricardo
- a) Relative cost
 - b) Absolute cost
 - c) Opportunity cost
 - d) Comparative cost
31. Seattle Negotiations failed because of differences in
- a) Non-tariff barriers
 - b) Tariff barriers
 - c) Service related
 - d) None of the above
32. Multi dimensional poverty index was introduced in
- a) 2010 HDR
 - b) 2000 HDR
 - c) UNDP report
 - d) World Bank Report
33. Employment elasticity measures
- a) Decline in employment
 - b) Increase in employment
 - c) Employment intensity of growth
 - d) Unemployment
34. India signed the GATS agreement in the year
- a) 2008
 - b) 2000
 - c) 2007
 - d) 2005
35. Environmental standards in international trade adversely affects our
- a) Exports
 - b) Imports
 - c) Sustainable development
 - d) None of the above
36. Classification of government expenditure according a particular purpose is
- a) Functional budget
 - b) Primary budget
 - c) Revenue budget
 - d) Public budget

37. The basic distinction between narrow and broad money is the
- Treatment of post office deposits
 - Treatment of time deposits of banks
 - Treatment of savings deposits of banks
 - Treatment of currency
38. Tax imposed on a commodity on the basis of value is
- Value added tax
 - Ad valorem tax
 - Service tax
 - Commodity tax
39. Commercial banks suffer from
- Regional imbalances
 - Increasing overdues
 - Lower efficiency
 - All of the above
40. The first mutual fund set up in India was
- HDFC Mutual Fund
 - Unit trust of India
 - LIC mutual fund
 - SBI mutual fund
41. Government of India opened the Insurance sector to private players on
- October 24, 2000
 - October 24, 1991
 - October 02, 2005
 - None of the above
42. A production function
- Shows the dependency output of the working population.
 - Shows the relationship between input and output
 - States the functional relationship between products and income distribution
 - Is a function of natural resources in a country.
43. Which of the following is a nonrenewable natural resource?
- Fish and cattle
 - Petroleum
 - Human Resources
 - All answers above are correct

44. Which items from list below is a positive externality?
- a) Public Immunization
 - b) Traffic jams
 - c) A neighbor's barking dog
 - d) All answers above are correct
45. Indicators of monetary policy are
- a) Money base & interest rates
 - b) Money base, bank liabilities & assets, short-term interest rates
 - c) Interest rates and wages
 - d) Price stability & income
46. What is a market failure?
- a) Something prevents the market to allocate resources efficiently
 - b) Both consumers' and producer's surpluses are maximized
 - c) Free market of individuals acting in their own self interest leads to a socially-desirable result
 - d) None of the answers is correct
47. What is a common-property regime?
- a) Individuals hold entitlement
 - b) Government owns and controls property
 - c) NO one owns or exercises control over the resource
 - d) Property is jointly owned and managed by a specific group
48. The agricultural price support program is an example of
- a) a price ceiling
 - b) a price floor
 - c) equilibrium pricing
 - d) none of the above
49. The law of diminishing (marginal) returns states that as more of a variable factor is added to a certain amount of a fixed factor, beyond some point
- a) Total physical product will be stable
 - b) The marginal physical product rises
 - c) The marginal physical product falls
 - d) The average physical product rises
50. The author of Argumentative Indian is
- a) Mahbub-ul-Haq
 - b) J.N. Bhagawati
 - c) P.R. Bramhananda
 - d) Amartya Sen

PART-B

Note: Answer any Five of the following.

5x10=50

Each question carries 10 marks

1. Examine the differences between Cournot and Sweezy Models of oligopoly.
2. Give an account of Keynesian consumption function.
3. Define Sustainable Development. Discuss the different approaches to SD
4. Explain the application of linear and non-linear functions in economics.
5. Discuss the features of zero-base budgeting.
6. Explain the concept of Foreign Trade Multiplier and examine its importance in Economic Development
7. Discuss the objectives & structure of economic reforms in India
8. What are the characteristics of Indian money market? Do you think these have changed during the last decade? If so, give reasons.
9. Write about Environmental Impact Assessment.
10. Discuss the rationale of Agricultural price policy.