

Government of Nepal
Teachers Service Commission
Secondary Level Curriculum of Subjective Examination-2076

Subject: Economics

Full Mark: 100

Time: 3 Hours

Section A

Unit One: Teaching Basic Concept of Economics

- 1.1 **Micro and Macro Economics:** Concept, importance, limitations, variables of macro economics
- 1.2 **Demand and supply:** Definition, elasticity of demand, laws of demand and supply
- 1.3 **Theory of Consumer's Behavior:** Concept of total and marginal utilities, law of diminishing marginal utilities, law of substitution effect, application of indifference curve
- 1.4 **Theory of production:** Concept, types, factors of production and pricing, laws of price determination
- 1.5 **Cost and Revenue:** Concept and types of cost, short run cost and cost curves, long run cost and cost curves, concept and types of revenue, revenue curves in various markets

Unit Two: Teaching National Income Accounting

- 2.1. **Concept of National Income:** Gross Domestic Product (GDP), Gross National Product (GNP), Net National Product (NNP), National Income (NI), Personal Income (PI), Disposable Income (DI), Per- Capita Income (PCI)
- 2.2. **Methods of calculation of National Income:** Income approach and expenditure Approach
- 2.3. Circular flow model in National Income Accounting
- 2.4. Nepal National Income Accounting: Status and key indicators
- 2.5. Problems in the Measurement of National Income

Unit Three: Teaching Public Finance

- 3.1. **Public Finance:** Meaning, scope and function of public finance, government revenue and expenditure, intergovernmental fiscal transfer
- 3.2. **Types of Taxes:** Direct tax and indirect tax, progressive tax, proportional and regressive tax, characteristics of good tax system
- 3.3. **Government budget:** Concept and types of government budget, budget formulation process, foreign aid mobilization

3.4 **Deficit Financing:** Concept and objectives, methods of deficit financing, advantages and disadvantages of deficit financing

3.5. **Factors influencing Public finance management:** Internal factors (political involvement, social and demographic status, legal status, economic influence), external factors (globalization and liberalization, market economy, international trade...)

Unit Four: Teaching Rural Economy and Development

4.1. Rural Economy: Concept and approaches of rural economy, effects of rural economy in rural development

4.2. Rural economy and poverty reduction

4.3. **Rural economy of Nepal:** Major Economic activities in Rural areas, (agriculture, industry and tourism), rural Infrastructure, Physical infrastructure (Road, electricity, communication, irrigation) and social infrastructure (Health, sanitation and education)

4.4. **Role of different Institutions in rural economy:** Rural municipality, cooperatives, CBOs and I/NGOs.

4.5. Issues related to Nepalese rural economy and development

Unit Five: Overview of Economics Curriculum of Secondary Level

5.1. **Curriculum and Textbook:** Comparative study of economics curriculum, textbook and Teachers' guide of grade 9-12

5.2. **Teaching Materials:** Development and teaching and supplementary material in teaching Economics

5.3. **Evaluation and Testing:** Testing, Evaluation and Specification Grid in teaching Economics, construction and application of test items in economics

5.4. **Assessment:** Continuous assessment system, grading system in student assessment

5.5 **Teaching Learning Economics:** Teaching Methods, Techniques and Approaches for economics

Section B

Unit Six: Theory of Income and Employment

- 6.1. Classical Theory of Income and Employment, Say's Law of Market, Quantity Theory of Money
- 6.2. Keynesian Theory of Income and Employment, Principle of Effective Demand, Income and Output and Determination in the Two Sector Model and Three Sector Model Including Multiplier
- 6.3. **Inflation:** Concept and types of inflation, consequences and measures to control inflation
- 6.4. **Business Cycle:** Concept, types, characteristics and phases of business cycle.
- 6.5. **The IS- LM Model:** Equilibrium in the goods market, equilibrium in the money market and general equilibrium of the economy

Unit Seven: International Trade

- 7.1. **International Trade:** Concept, importance and features of international trade, foreign trade policy in Nepal
- 7.2. **International regional trade organizations:** World Trade Organization (WTO), South Asian Free Trade Area (SAFTA) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)
- 7.3. Concept of Balance of Trade (BOT) and Balance of Payment (BOP)
- 7.4. **Foreign Direct Investment (FDI):** Importance, trends and effects of FDI in Nepal

Unit Eight: Economic Development and Planning

- 8.1 Concept and characteristics of economic of development
- 8.2 Indicators of Economic Development: Traditional concept (Per capita real income, per capita national income, basic needs), Modern concept, (Physical Quality Life Index, Human Development Index, Human poverty Index. Gross National Happiness, Net Happiness)
- 8.3 **Theories of Economic Development:** Classical theory, Keynesian Theory and Marxian Theory of Economic Development, Rostow's Stages of Economic Growth
- 8.4. **Development Planning:** Concept and tools of development planning, issues related with the development planning of least developed countries
- 8.5. 15th Periodic plan and running year budget of Nepal

Unit Nine: Nepalese Economy

- 9.1. Foundation of Nepalese Economy: Natural resources, agriculture, tourism. (present status, prospects and problems)
- 9.2. Issues in Nepalese Economy Development: Poverty, employment, inclusion, Human resource development, Women empowerment, remittance and economic sustainability
- 9.3. Natural Resources of Nepal: Current status, policies (Forest, Water and Mineral, Land), effects in national economic development
- 9.4. Role of Banking organizations in Economic Development: Central Bank, Commercial Bank, Development Bank, Insurance Companies and Finance Companies
- 9.5. Monetary Policy and Fiscal Policy: Concept, types, instruments and importance

Unit Ten: Statistics for Economics Education

- 10.1 Statistics:** Meaning, Importance and Limitations
- 10.2 Measures of Central Tendency and Dispersion
- 10.3 Construction of Graph, Bar- Diagram, Pie- Chart
- 10.4 Correlation and Regression
- 10.5 Difference and Differential Equation

Specification Grid

Subject: Economics

Level: Secondary

Units	Content Area	Questions	Marks
Section A			
1	Teaching Basic Concept of Economics	1	10
2	Teaching National Income Accounting	1	10
3	Teaching Public Finance	1	10
4	Teaching Rural Economy and Development	1	10
5	Overview of Economics Curriculum of Secondary Level	1	10
Section B			
6	Theory of Income and Employment	1	10
7	International Trade	1	10
8	Economic Development and Planning	1	10
9	Nepalese Economy	1	10
10	Statistics for Economics Education	1	10
Total		10	100

Notes:

1. This curriculum is divided into sections A & Section B.
2. Generally, from section A, questions will be asked related to pedagogy.
3. From section B, questions will be asked covering cognitive level.
4. Separate answer sheets will be used for each section.
5. The medium of the language in written test will be either Nepali or English or both.
6. This curriculum will be effective from 2077/02 /26.