Economics
B.A./B.Sc.: Elective and Optional

Outlines of Tests

<table>
<thead>
<tr>
<th>Paper</th>
<th>Title of Course</th>
<th>Marks</th>
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<tbody>
<tr>
<td>‘A’</td>
<td>Basic Mathematics and Microeconomics</td>
<td>100</td>
</tr>
<tr>
<td>‘B’</td>
<td>Macroeconomics and Economic Development of Pakistan</td>
<td>100</td>
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<tr>
<td>Total</td>
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<td>200</td>
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Syllabi and Courses of Reading

PAPER A : BASIC MATHEMATICS AND MICROECONOMICS

SECTION – I:

BASIC MATHEMATICS

1. FUNCTION AND EQUATIONS:

1. DERIVATIVES:

2. MAXIMA AND MINIMA OF FUNCTIONS:

SECTION II: MICRO ECONOMICS

1. THE NATURE AND IMPORTANCE OF MICRO ECONOMICS:

2. THE THEORY OF CONSUMER BEHAVIOUR:

3. THE THEORY OF PRODUCTION COSTS AND REVENUES:
   The Concept of Production Function. Iso-Quant And Iso-Cost Curves. Marginal Rate of Technical Substitution. Optimal Combination of Resources. The Cost and Revenue of Firm.

4. THE THEORY OF FIRM BEHAVIOUR AND MARKET ORGANIZATION:
   (a) Perfect Competition
   (b) MONOPOLY:
Outlines of Tests and Courses of Reading BA/B Sc Pass Course


(c) Imperfect Competition:

5. PRICING AND EMPLOYMENT OF RESOURCES:

NOTE
In paper "A" four questions will be set from Section-I and six questions from Section-II. The candidates will be required to attempt 05 questions in all selecting 02 questions from section-I and 03 questions from section-II.

1. Chiang, Alpha C,
2. Edward T. Dowling "Schaum's Outline of Introduction to Mathematical Economics”.
3. Ferguson & Gould’s "Microeconomics Theory” 6 Edition
4. A. Koutsoyiannis “Modern Microeconomics”
5. A. Hamid Shahid “Principles of economics I”

PAPER B: MACRO ECONOMICS AND ECONOMIC DEVELOPMENT OF PAKISTAN

SECTION I: MACRO ECONOMIC

1. A FRAME – WORK FOR MACRO ECONOMICS

2. DETERMINATION OF NATIONAL INCOME AND EMPLOYMENT (two sector Economy)
   (i) The Classical Theory of Employment:
   (ii) Keynesian Theory of Income and Employment:

3. DETERMINANTS OF NATIONAL INCOME (Two Sector Economy) :
   (i) Consumption:
   (ii) Investment:
       Investment and Capital, Determinants of Investment. Marginal Efficiency of Capital (MEC) and Marginal Efficiency of Investment (MEI). Optimal Level of Investment. The Principals of Acceleration.

4. GENERAL EQUILIBRIUM IN THE GOODS AND MONEY MARKET:

5. FLUCTUATIONS IN NATIONAL INCOME:
   GC University, Faisalabad

6. MONETARY INFLUENCE ON INCOME DETERMINATION:

7. FISCAL POLICY AND INCOME DETERMINATION:

8. INTERNATIONAL TRADE AND INCOME DETERMINATION

SECTION - II: ECONOMIC DEVELOPMENT OF PAKISTAN

1. THE CONCEPT AND MEASUREMENT OF ECONOMIC DEVELOPMENT:
   Main Features of Developing Economy with Special Reference to Pakistan.

2. AGRICULTURE AND INDUSTRY:
   Relative Importance of Agricultural and Industrial Sectors in the Economic Development of Pakistan.

3. ECONOMIC DEVELOPMENT THROUGH PLANNING:

4. ECONOMIC PLANNING IN PAKISTAN:

5. RESOURCE MOBILIZATION FOR PLANNED ECONOMIC DEVELOPMENT IN PAKISTAN:
   (i) Financial Resources:
   Domestic and Foreign Resources of Pakistan. Extent of Pakistan's Dependence on Foreign Aid and Debt Servicing Problem.

   (ii) Human Resources:

NOTE:
In Paper “B” six questions will be set from Section -I and four questions from Section-II. The candidates will be required to attempt five questions in all selecting three questions from Section-I and two questions from Section-II.

Recommended books:
3. A. Hamid Shahid “Principles of economics

ECONOMICS : OPTIONAL

For BA

Outlines of Tests

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Syllabi and Courses of Reading

Note:-

GC University, Faisalabad
This paper consists of two sections. The paper setter is required to divide the question paper into two parts in such a way that 5 questions are set from each section. Candidates will be required to attempt at least two questions from each part.

SECTION I
(Economic Theory)

(1) Basic Economic concepts:

(2) Micro-economic (Price Theory):
(i) The price of market mechanism. The influence of the price system on resource allocation, consumption patterns and income distribution.
(iii) Pricing of the productive factors. Wages, profits, interest and rent.

(3) Macro economic (income and Employment Theory):
(i) Measurement of national income. Concept of GNP, and NNP. Circular flow of national income. Three approaches to national income measurement, income at factor cost, income at market price and expenditure approach.
(ii) Determination of the national income and employment. Equilibrium level of national income, saving, consumption and investment schedules and their inter-section. Say’s law of markets and its refutation by ‘Keynes’ general theory of employment-aggregate demand, aggregate supply, effective demand.
(iv) Investment as determinant of effective demand: Determinants of investment. The marginal efficiency of capital. The accelerator and its interaction with the multipliers. The rate of interest and investment.

(4) Economics, Statistics and Mathematics:
Their growing relationship.

SECTION II
Economic Planning in Pakistan


2. Special features of Pakistan’s economy: Primary production in population pressure, capital deficiency, Low income.

3. Development Planning in Pakistan: A brief comparison of the First, Second and Third Five-Year Plans with reference to their (a) size (b) objectives (c) strategies (d) Programme priorities and (e) financial resources.

4. Strategic sectors of Pakistan’s economy:
(a) Agriculture its strategic position in economic set up; its contribution to GNP: the existing draw-back; measures to make agriculture a dynamic sector.
(b) Human resources development___ Population as a dynamic factor in the economic development of Pakistan, Non-material capital formation.
(c) Industries__ Present industrial complex, Justification of industrial development of Pakistan. Public, vs private enterprise and industrial development. Industrial development and Structural changes in the economic development of Pakistan.
(d) Pakistan’s export sectors and economic development. Export promotion schemes. Scarcity of foreign exchange. Trends in the terms of trade and their cases.
(e) A brief discussion of Pakistan’s monetary and fiscal policies as reflected the Second and Third Five-Year Plans.
5. **General Review of the economic situation in Pakistan:** Rate of growth of Pakistan’s national income. The contribution of various sectors. Per Capital income, Causes of inequality of income distribution.

**Recommended Books:**

**For Section I:**

**For Section II:**
- Qureshi, Al (ed.): *The Third Five Year Plans and other Papers* (Rawalpindi, 1966).

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