PAPER: Principles of Micro Economics

Course Code: ECON-101 / ECO-11318

TIME ALLOWED: 30 mins.

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

(OBJECTIVE PART)

		(5x2=10)
Q1.	Encircle the correct answer.	

I — If income elasticity of demand is negative then the good is
  a) an inferior good
  b) a normal good
  c) a luxury good
  d) an income-neutral good

II — The price of a newspaper rise by 10% and quantity demanded of newspaper fallby10%. This means that the demand for newspaper is
  a) perfectly elastic
  b) unitarily elastic
  c) elastic
  d) inelastic

III — The concept of choice would become irrelevant if
  a) we were dealing with a very simple, one person economy
  b) poverty were eliminated
  c) scarcity were eliminated
  d) capital were eliminated

IV — Monopolist's supply curve is
  a) the marginal cost curve above minimum average variable cost
  b) the marginal cost curve above minimum average total cost
  c) the marginal cost curve below marginal variable cost
  d) nonexistent

V — Which of the following is not characteristic of perfect competition?
  a) large number of sellers
  b) differentiated product
  c) easy entry
  d) no advertising

UNIVERSITY OF THE PUNJAB

First Semester   2017

Examination: B.S. 4 Years Programme

PAPER: Principles of Micro Economics
Course Code: ECON-101 / ECO-11318

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q2.	**Differentiate the following with examples**
	   i. Stock and Supply
	
	  ii. Explicit Cost and Implicit Cost
	
	 iii. Substitutes and complements
	
	 iv. Total Fixed Cost and Total Variable Cost
	
	  v. Homogenous and Differentiated Product
	
	Subjective Questions
	
	Note: Attempt all Questions
		(5x4=20)
		
		(10x3=30)

Q3.	Explain the consumer equilibrium through indifference curve. Draw diagram.	
Q4.	Explain how price and output is determined under monopoly	
Q5.	Explain law of returns with the help of suitable examples	

UNIVERSITY OF THE PUNJAB

Roll No. ....

First Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Fundamentals of Economics   TIME ALLOWED: 30 mins.
Course Code: ECON-111 / ECO-11109   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.
Objective Part

Q: 1   Question one is compulsory

Encircle the correct answer   (10)

i.   Human wants are
    a) Few
    b) finite
    c) Unlimited
    d) One Thousand

ii.   Prices are determined by the forces of
    a) Demand and consumption
    b) Supply and production
    c) Demand and supply
    d) Government

iii. Which of these is a tool of Fiscal policy
    a) Open market Operation
    b) Discount Rate
    c) Reserve Required Ratio
    d) Tax rate

iv.   The firm is at equilibrium where
    a) Output is maximum
    b) Profit is maximum
    c) Price is maximum
    d) Revenue is maximum

v.   When total Revenue is divided by output we have
    a) MC
    b) AC
    c) AR
    d) MR

vi.   AR curve under Monopoly represents
    a) Supply curve
    b) Demand curve
    c) Income curve
    d) Cost curve

vii. Monetary policy is made by
    a) State Bank
    b) Government
    c) Businessmen
    d) Households

viii. Net National Income is equal to
    a) GNP __ Depreciation
    b) GNP __ wages
    c) GNP __ subsidies
    d) GNP __ Indirect tax.

ix.   Which of these is not a direct Tax
    a) Excise duty
    b) Custom Duty
    c) Sale Tax
    d) None of these

x.   Father of Economics is
    a) Adam Smith
    b) Robins
    c) Marshall
    d) Malthus

UNIVERSITY OF THE PUNJAB

First Semester   2017

Examination: B.S. 4 Years Programme

PAPER: Fundamentals of Economics

Course Code: ECON-111 / ECO-11109

TIME ALLOWED: 2 hrs. & 30 mins.

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Part II (Subjective)

Q: 2   Explain the following Concepts: 10x2 = 20

1. Cross elasticity of demand
2. Law of Demand
3. Enlist sources of inflation?
4. Monopolistic Competition
5. Factors of production?
6. Law of Increasing Return to Scale
7. Balance of payment
8. The production possibility curve
9. Exchange Rate
10. GNP

Q: 3

a. Explain the law of Supply   (02)
b. What the determinants of Supply. What happens to the Supply curve when each of these changes   (04)?
c. Distinguish between a change in Supply and a change in the quantity Supplied   (04)

Q: 4

a. Briefly state the basic characteristics of Monopoly   (04)
b. Discuss the Equilibrium of a firm under monopoly using MR=Mc approach.   (06)

Q: 5

a. What is monetary policy?   (02)
b. Discuss the tool of monetary policy briefly.   (08)

UNIVERSITY OF THE PUNJAB

Roll No. ....

First Semester 2017
Examination: B.S. 4 Years Programme

PAPER: Basic Economics-I TIME ALLOWED: 30 mins.
Course Code: ECON-121 MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Part – I (10 marks)

Encircle the right answer

(۱) جزئیاتی معاشیات کو اس نام سے بھی پکارا جاتا ہے۔

(الف) نظریہ قیمت (ب) نظریہ طلب (ج) نظریہ آمدنی (د) نظریہ اخراجات

(1) Microeconomics is also known as.
   (a) Price theory (b) Demand theory
   (c) Income theory (d) Expenditure theory

(۲) خط افادہ مختتم کا جھکاؤ ہوتا ہے۔

(الف) مثبت (ب) منفی (ج) عمودی (د) افقی

(2) What is the slope of Marginal untility curve?
   (a) Positive (b) Negative (c) Vertical (d) Horizontal

(۳) اگر بجلی کی قیمت میں ۱۰ فیصد اضافہ ہو جائے لیکن اس کی طلب میں تبدیلی نہ آئے تو طلب کی لچک برابر ہے۔

(الف) صفر (ب) اکائی (ج) اکائی سے کم (د) لامحدود

(3) If the price of elasticity increased by 10% which resulted in no change at all in its demand then the elasticity of demand for electricity is:
   (a) Zero (b) Unity (c) Less than unity (d) Infinity

(۴) اگر گوشت کی قیمت ساکن رہے اور صارفین کی آمدنیوں میں اضافہ ہو جائے تو۔

(الف) خط طلب کا جھکاؤ بڑھ جائے گا (ب) خط طلب کے ساتھ حرکت ہو گی

(ج) خط طلب اوپر منتقل ہو جائے گا (د) خط طلب نیچے منتقل ہو جائے گا

(ھ) کچھ بھی نہیں

(4) If price of mutton remains constant, an increase in the incomes of consumers result in.
   (a) An increase in the slope of the demand curve.
   (b) A movement along the demand curve.
   (c) An upward shift of the demand curve.
   (d) A downward shift of the demand curve
   (e) None of them

(۵) Qd اور p میں تھوڑی سی تبدیلی کی وجہ سے طلب کی لچک کی پیمائش کرنے کے لیے کون سا فارمولا استعمال کیا جاتا ہے۔

(الف) قوسی لچک (ب) متقاطع لچک (ج) آمدنی لچک (د) نقطی لچک

(5) Which formula is used to measure elasticity of demand with minor change in p and Qd.
   (a) Arc elasticity (b) Cross elasticity
   (c) Income elasticity (d) Point elasticity

P.T.O.

(۲) جب مختتم افادہ تمام خریدی ہوئی اشیاء کا برابر ہو جائے تو کون سے قانون کا اطلاق ہوتا ہے۔

(الف) قانون طلب   (ب) قانون مساوی افادہ مختتم

(ج) قانون تقلیل افادہ مختتم   (د) قانون یکسانیت حاصل

(6) Which law operates when marginal utility of all the purchased goods become equal?
(a) Law of demand   (b) Law of equal marginal utility
(c) Law of diminishing marginal utility
(d) Law of constant return to scale

(۷) کلی معاشیات بتاتی ہے۔

(الف) صارف کا رویہ   (ب) بین الاقوامی تجارت   (ج) فرم کا رویہ   (د) قیمت کا اتار چڑھاؤ

(7) Macroeconomics deals with.
(a) Consumer's behavior   (b) International trade
(c) Firms behavior   (d) Price mechanism

(۸) طلب کی لچک کو ظاہر کیا جاتا ہے۔

(الف) D   (ب) Ed   (ج) ES   (د) M

(8) The symbol of elasticity of demand is.
(a) D   (b) Ed   (c) ES   (d) M

(۹) قیمت کا تعین درج ذیل قوتوں سے ہوتا ہے۔

(الف) طلب اور صرف   (ب) رسد اور پیدائش   (ج) طلب اور رسد   (د) کچھ بھی نہیں

(9) Prices are determined by the forces of.
(a) Demand and consumption   (b) Supply and production
(c) Demand and supply   (d) None of them

(۱۰) آرڈینل اپروچ حتمی طور پر پیش کی گئی۔

(الف) مارشل   (ب) جے۔ آر۔ ہکس   (ج) آدم سمتھ   (د) کچھ بھی نہیں

(10) The ordinal approach was finally presented by.
(a) Marshall   (b) J.R. Hichs
(c) Adam Smith   (d) None of these

UNIVERSITY OF THE PUNJAB

First Semester   2017

<u>Examination: B.S. 4 Years Programme</u>

Roll No. ....

PAPER: Basic Economics-I

Course Code: ECON-121

TIME ALLOWED: 2 hrs. & 30 mins.

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Part – II Questions with short Answers (4x5=20 Marks)

متقاطع لچک کی تعریف کریں۔ (الف)

(1) Define cross elasticity.

جزوی معاشیات اور کلیاتی معاشیات میں فرق بتائیں۔ (ب)

(2) Differentiate between microeconomics and macro economics.

طلب کے بڑھنے اور گھٹنے کی وجوہات بیان کریں۔ (ج)

(3) What are the causes of rise and fall in demand.

رسد اور ذخیرہ میں فرق بتائیں۔ (د)

(4) Differentiate between stock and supply.

افادہ اور فائدہ مندی میں فرق واضح کریں۔ (ہ)

(5) Differentiate between utility and usefulness.

Part – III Questions with brief answers (10x3=30 Marks)

طلب کا سکڑنا، پھیلنا اور بڑھنا اور گرنا کی وضاحت بذریعہ گراف کریں۔ (الف)

(1) Define the expansion and contraction, rise and fall in demand with graph.

طلب کی لچک کی اہمیت کی وضاحت کریں۔ (ب)

(2) Explain the importance of elasticity of demand.

درج ذیل پر نوٹ لکھیں۔ (ج)

(ب) قانون مساوی افادہ مختتم کی حدود   (الف) قوسی لچک

(3) Write a note on following.
(a) Arc elasticity
(b) Limitation of law of equal marginal utility

UNIVERSITY OF THE PUNJAB

Roll No. ....

Second Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Principles of Macro Economics
Course Code: ECON-102 / ECO-12318

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q1.   **Encircle the correct answer**

1-Which of the following is not a macro economic issue?   (10)

(a)Stagflation   (b)National Income Accounting

(c)Deficit Financing   (d)Firm's behavior

ا- درج ذیل میں سے کونسا کلیاتی معاشیات کا مسئلہ نہیں؟

ا- افراطی جمود   ب- قومی آمدنی کی پیمائش

ج- خسارے کی سرمایہ کاری   د- فرم کا رویہ

2-The problems of national income relate to:

(a)Micro economics   (b)Macro economics

(c)Welfare economics   (d)Mathematical economic

2- قومی آمدنی کے مسائل کا تعلق ہے

ا- جزیاتی معاشیات   ب- کلیاتی معاشیات

ج- بہبودی معاشیات   د- ریاضیاتی معاشیات

3-The real investment is:

(a)Building of a new factory   (b)Buying stock exchange shares

(c)Depositing money in a building society   (d)Depositing money in a commercial bank

3- حقیقی سرمایہ کاری ہے

ا- نئی فیکٹری کی بلڈنگ   ب- اسٹاک ایکسچینج میں شیئرز کی خریداری

ج- بلڈنگ سوسائٹی میں رقم جمع کروانا   د- کمرشل بنک میں رقم جمع کروانا

4-The economy which has no international transactions is called:

4- ایسی معیشت جو بین الاقوامی لین دین میں ملوث نہ ہو کہلاتی ہے

(a)Closed economy   (b)Open economy

ا- بند معیشت   ب- کھلی معیشت

(c)One sector economy   (d)Two sectors economy

د- ایک شعبی معیشت   د- دو شعبی معیشت

---------- **(P.T.O.)**

5-The income which a person can use according to his will, is:

(a)Personal income   (b)Disposable personal income

(c) Net income   (d)Per capita income

6- Income and employment are at peak level during:

(a)Recovery   (b)Boom

(c)Depression   (d)Recession

7-Which is not autonomous investment:

(a)Establishment of hospitals   (b)Construction of roads

(c)Expenditure on goods and services   (d)Construction of dam

8-Induced consumption relates to:

(a)Savings   (b)Production

(c)Income   (d)Investment

9-The relationship between quantity of money and prices is:

(a)Direct   (b)Inverse

(c)Parallel   (d)Indirect

10-The change in the bank rate is an instrument of:

(a)Monetary policy   (b)Fiscal policy

(c)Agriculture policy   (d)Commercial policy

5-آمدنی جسے ایک شخص اپنی مرضی سے استعمال کر سکتا ہے کہلاتی ہے

ا۔ شخصی آمدنی   ب۔ قابل تصرف شخصی آمدنی

ج۔ خالص آمدنی   د۔ فی کس آمدنی

6۔ کس دوران آمدنی اور روزگار بلند سطح پر ہوتے ہیں:

ا۔ بحالی   ب۔ گرم بازاری

ج۔ پس روی   د۔ سرد بازاری

7۔ کونسی سرمایہ کاری خود اختیار سرمایہ کاری نہیں ہے؟

ا۔ ہپتالوں کا قیام   ب۔ سڑکوں کی تعمیر

ج۔ اشیاء و خدمات پر خرچ   د۔ ڈیم کی تعمیر

8۔ ترغیب یافتہ صرف کا تعلق ہوتا ہے

ا۔ بچت سے   ب۔ پیداوار سے

ج۔ آمدنی سے   د۔ سرمایہ کاری سے

9۔ مقدار زر اور قیمتوں میں تعلق ہوتا ہے

ا۔ براہ راست   ب۔ معکوس

ج۔ متوازی   د۔ بلواسطہ

10۔ شرح بنک میں تبدیلی آلہ ہے

ا۔ زری پالیسی کا   ب۔ زرعی پالیسی کا

ج۔ مالیاتی پالیسی کا   ج۔ تجارتی پالیسی کا

PAPER: Principles of Macro Economics
Course Code: ECON-102 / ECO-12318

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE PART

Q2 Explain the following with examples　　　　　　　　(20 marks)

درج ذیل کی وضاحت مثالوں سے کیجئے -2

i Exogenous Variables

1- بیرونی متغیرات

ii Net National Product

2- خالص قومی پیداوار

iii Nominal and Real GNP

3- ظاہری اور حقیقی خام قومی پیداوار

iv Induced Investment

4- ترغیب یافتہ سرمایہ کاری

v Transaction demand for money

5- روزمرہ کی ضروریات کے لیے زر کی طلب

vi Standard money

6- معیاری زر

vii Proportional Reserve System

7- متناسب محفوظ سرمائے کا نظام

viii Bank Rate

8- شرحِ بینک

ix Cost Push Inflation

9- لاگت کے دباؤ کا افراطِ زر

x Proportional Tax

10- متناسب ٹیکس

Q3　Explain the circular flow of national income in a two sector economy.　(10 marks)

سوال نمبر 3- دو شعبی معیشت میں قومی آمدنی کے دائری بہاؤ کی وضاحت کریں

Q4　Define a central bank. What are the major functions of the state bank of Pakistan(10 marks)

سوال نمبر 4- مرکزی بینک کی تعریف کریں۔ سٹیٹ بینک آف پاکستان کے اہم فرائض کون کون سے ہیں

Q5　Define fiscal policy. What are its instruments? Discuss the role of fiscal policy in (10 marks)
inflation with the help of diagram.

سوال نمبر 5- مالیاتی پالیسی کی تعریف کریں۔ اس کے آلات کون کون سے ہیں؟ افراطِ زر میں مالیاتی پالیسی کے کردار پر بحث ڈائیگرام کی مدد سے کریں

UNIVERSITY OF THE PUNJAB

Roll No. ....

PAPER: Fundamentals of Economics
Course Code: ECON-111 / ECO-12109

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part
Question one is compulsory

Q:1 Encircle the correct answer   (10)

i: Economics is a science which studies;

a) Distribution of wealth only
b) Optimum use of scarce resources
c) Production of wealth only
d) Exchange of wealth only

ii: The demand curve is negatively sloped due to;

a) Income effect
b) Substitution effect
c) Price effect
d) all of the three

iii: Formula of the measurement of Elasticity of supply is;

a) $\dfrac{\Delta Q}{\Delta P} \cdot \dfrac{P}{Q}$ b) $\dfrac{\Delta P}{\Delta Q} \cdot \dfrac{Q}{P}$

c) $\dfrac{\Delta P}{P} \div \dfrac{\Delta Q}{Q}$ d) None of the three

iv: Elasticity of demand for a product will be greater than unity if, with a fall in its price, total expenditure of the consumer will,

a) Increases   b) Falls
c) Remains the same   d) none of the three

v: Total utility is maximized when,

a) Marginal utility is zero
b) Marginal utility falls
c) Marginal utility rises
d) None of the above

(P.T.O.)

vi: When total revenue (TR) of a competitive firm is equal to its total cost (TC), the firm attains;

a) Normal profit
b) Super normal profit
c) Sub-normal profit (loss)
d) Shutdown point

vii: A firm will be in equilibrium where;

a) Its total profit is high
b) Its cost is maximum
c) It produces at a level of output at which its profit is maximum or loss is minimum
d) None of the three

viii: Balance of Payments of a country includes;

a) Current account
b) Monetary account
c) Capital account
d) all of the above

ix: Monetary policy is adopted by central bank to central;

a) Inflation
b) Deficit balance of trade
c) Supply of money of money
d) None of above

x: Exchange rate for currencies is determined by supply and demand in system of

a) Fixed exchange rate
b) Flexible
c) Constant
d) Govt. regulated

UNIVERSITY OF THE PUNJAB

PAPER: Fundamentals of Economics   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-111 / ECO-12109   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part
Attempt *ALL* Questions

Q:2 Briefly explain the following concept.   (20)

   I.   Is Economics is a Science or an Art.
   II.   Write any four Characteristics of Economic wants.
   III.   What is Composite Supply?
   IV.   List the causes of shifting of supply curves.
   V.   Write the assumptions of Law or Diminishing Marginal Utility?
   VI.   What is the Laws of Returns?
   VII. Define total Cost, Average Cost and Marginal Cost.
   VIII. Write Assumptions of Perfect Competition.
   IX.   Differentiate between Real and Nominal GNP.
   X.   Write the tools of Fiscal Policy.

Q: 3 (a) Define the Law of Equi-marginal Utility.   (02)
     (b) Explain the Law of Equi-marginal Utility with the help of Table and Diagram.   (04)
     (c) Write the Limitation of Law of Equi-marginal Utility.   (04)

Q: 4 (a) what is Imperfect Competition   (03)
     (b) Explain the short-run equilibrium of a firm under Monopoly.   (07)

Q: 5 (a) What is Balance of Payments?   (02)
     (b) Write main causes of disequilibrium in Balance of Payment.   (04)
     (c) Write methods for correcting disequilibrium in Balance of Payment.   (04)

سوال نمبر 3 (الف) قانون مساوی افادہ مختتم کی تعریف لکھیں .   (02)

(ب) گوشوارہ اور ڈائیگرام کی مدد سے قانون مساوی افادہ مختتم کی وضاحت کریں۔   (04)

(ج) قانون مساوی افادہ مختتم کی حدود (Limitation) بیان کریں ۔   (04)

سوال نمبر 4: (الف) نامکمل مقابلہ سے کیا مراد ہے ؟   (03)

(ب) مختصر طویل میں اجارہ داری کے تحت فرم کا توازن بیان کریں ۔   (07)

سوال نمبر 5) (الف) توازن ادائیگی سے کیا مراد ہے ؟   (02)

(ب) توازن ادائیگی کے خسارے میں رہنے کے اسباب تحریر کریں   (04)

(ج) توازن ادائیگی کے خسارے کی درستگی کے طریقے بیان کریں   (04)

UNIVERSITY OF THE PUNJAB

Roll No. ....

Second Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Basic Economics-II   TIME ALLOWED: 30 mins.
Course Code: ECON-123 / ECO-12449   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part

Q1. Choose the correct answer listed below against each part.

I. The law of downward-sloping demand states that:
   A) As price increases, quantity demanded increases.
   B) As price decreases, quantity demanded increases.
   C) As price increases, quantity demanded decreases.
   D) As price decreases, demand increases.

II. Which of the following is not a determinant of demand for good X:
   A) Average income.
   B) Population.
   C) Tastes and preferences.
   D) Price of good X.

III. The extra cost associated with producing one additional unit of output is called:
   A) Total cost.
   B) Variable cost.
   C) Marginal product.
   D) Marginal cost.

IV. Total profit equals:
   A) Average revenue minus average cost.
   B) Total product minus total cost.
   C) Total revenue minus total cost.
   D) None of the above.

V. We get fewer and fewer additional units as we add more and more units of the inputs to production process. We call this fact the:
   A) Law of diminishing marginal utility.
   B) Law of diminishing returns.
   C) Law of supply.
   D) Law of demand.

P.T.O.

VI.   Which of the following is considered a fixed input to production in the short-run?
   A) Labor
   B) Capital
   C) Money
   D) Stock

VII.   When the price is 5, the quantity demanded is 10. When the price is 7, the quantity demanded is 5. What is the price elasticity of demand?
   A) 1
   B) 0.5
   C) 0.33
   D) 2

VIII.   When demand is price-inelastic, a price decrease will result in:
   A) An increase in total cost
   B) An increase in total revenue
   C) A decrease in total cost
   D) A decrease in total revenue

IX.   Which of the following is not an example of market failure?
   A) Imperfect competition
   B) Externalities
   C) Imperfect information
   D) Perfect competition

X.   A profit maximizing monopolist will charge the price:
   A) That is equal MR
   B) Found on the demand curve at the level of Q where MR=MC
   C) Found the AC curve at the level of Q where MR=MC
   D) None of the above

UNIVERSITY OF THE PUNJAB

PAPER: Basic Economics-II
Course Code: ECON-123 / ECO-12449

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q2. Explain the following briefly. (Not more than three lines)   5X4=20

  I.   Factors of production
  II. Role of Entrepreneur
  III. Small scale production
  IV. MC-MR approach of profit maximization

Q3. What are the advantages of producing at large scale?   **10**

Q4. Explain the short run equilibrium of the firm in short run.   **10**

Q5. Explain the equilibrium of the firm with the help of TC-TR approach and MC-MR approach.

10

UNIVERSITY OF THE PUNJAB

Attempt this Paper on this Question Sheet only.

(1) Indicate the best choice by writing the question number and choice 'a', 'b', 'c', 'd' or 'e' on your answer sheet. *(MARKS: 10)*

i.   A budget line or price line is always
- a) A straight line
- b) Concave to origin
- c) Convex to origin
- d) Upward sloping
- e) vertical

ii.   Consumer Behavior theory is a part of
- a) International economics
- b) Mathematics
- c) Development economics
- d) Microeconomics
- e) Sociology

iii.   Cost of production is a function of
- a) Supply
- b) demand
- c) Consumption
- d) consumer behavior
- e) Quantity produced

iv.   Under Monopoly, firm's entry is
- a) free from restrictions
- b) restricted
- c) Allowed by consumers
- d) possible
- e) Allowed by the Government

v.   For Equilibrium in the long run in which market AC < AR?
- a) Perfect Competition
- b) Monopoly
- c) Monopolistic Competition
- d) Both 'a' and 'b'
- e) Both 'b' and 'c'

vi.   We may observe an extension in supply due to
- a) Better technology
- b) Improvement in quality
- c) War
- d) Increase in price
- e) Decrease in demand

vii.   Income elasticity of demand is negative for
- a) Normal goods
- b) Inferior goods
- c) Every good
- d) All consumers
- e) None of the options

viii.   Factor pricing is a theory related to
- a) Price
- b) Factor inputs
- c) cost
- d) Supply
- e) None of the options

ix.   Derivatives are used in
- a) Economics only
- b) Optimization
- c) Mathematics only
- d) Demand forecasting
- e) none of the options

x.   Average Cost Curve is
- a) downward sloping
- b) U-shaped
- c) Upward sloping
- d) Always negative
- e) L-shaped

UNIVERSITY OF THE PUNJAB

Second Semester - 2017
Examination: B.S. 4 Years Programme

Roll No. ....

PAPER: Economics (Micro) for Commerce
Course Code: ECON-131 / ECO-12320

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

(2) Provide short answers (maximum 10 sentences per answer). *(MARKS: 20)*

   i.   What is market equilibrium?

   ii.   What happens in the second stage of production?

   iii.   List the characteristics of Monopoly.

   iv.   Derive the price line with an example.

   v.   Differentiate between fixed and variable cost using some examples.

   vi.   Give two examples of Perfect Competition from real life.

   vii.   What is the difference in 'Rise in Supply' and 'Extension in Supply'?

   viii.   When is cross price elasticity positive?

   ix.   Just state the Marginal Productivity Theory.

   x.   Why is the demand curve downward sloping?

(3) Answer the following briefly. *(MARKS: 30, 10 per question)*

   a.   Discuss the law of Supply with diagrams and schedules.

   b.   Discuss the short run equilibrium under Monopolistic Competition.

   $C = cost\ of\ production, Q = quantity\ produced$

   c.   For the following cost function:

      i.   Find average cost

      ii.   Find marginal cost

      iii.   What is marginal cost when 10 units of the commodity are produced

      iv.   Is the cost a long run or short run cost?

      v.   How much is the fixed cost?

$$C = 0.3\,Q^3 - 3\,Q^2 + 100\,Q + 1000$$

PAPER: Intermediate Micro Economics
Course Code: ECON-201/ECO-21318

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE PART

Q. No. 1   **Choose the correct option**   (1x10=10)

I.   Monopolist's supply curve is

    a) the marginal cost curve above minimum average variable cost

    b) the marginal cost curve above minimum average total cost

    c) the marginal cost curve below marginal variable cost

    d) nonexistent

II.   A firm will be willing to produce at a loss in the short run if:

    a) The loss is no greater than its total fixed costs

    b) The loss is no greater than its average fixed costs

    c) The loss is no greater than its total variable costs

    d) The loss is no greater than its average variable cost.

III. A pure monopoly is an industry with a single firm that produces a product for which there are

    a) no close substitutes and in which no significant barriers to entry exist

    b) Many close substitutes and in which significant barriers to entry exist.

    c) No close substitutes and in which there are significant barriers to entry

    d) Many close substitutes and in which there are significant barriers to entry.

IV.   A firm or industry structure characterized by a few firms each large enough to influence market price is

    a) Perfect competition

    b) Monopolistic competition

    c) Oligopoly

    d) Monopoly

V.   For a monopolist, price

    a) Equals marginal revenue

    b) Is less than marginal revenue?

    c) Is greater than marginal revenue

    d) Can be greater than or less than marginal revenue

P.T.O.

VI. Which of the following is NOT a characteristic of monopolistic competition?

   a) Large number of firms

   b) Product differentiation

   c) Mutual interdependence

   d) No barriers to entry

VII. In monopolistic competition, firms achieve some degree of market power

   a) By Virtue of size alone

   b) By producing differentiated products

   c) Because of barriers to entry into the industry

   d) Because of barriers to exist from the industry.

VIII. The demand schedule or curve confronted by the individual purely competitive firm is:

   a) Perfectly inelastic

   b) Inelastic but not perfectly inelastic

   c) Perfectly elastic

   d) Elastic but not perfectly elastic

IX. The feature that distinguishes monopolistic competition from perfect competition is that monopolistically competitive firms are

   a) Large relative to the market

   b) Price takers

   c) Able to block the entry of other firms

   d) Able to differentiate their product

X. Which one of the following is called price maker

   a) Oligopolist

   b) Monopolist

   c) Perfect competitor

   d) Duopolist

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE PART

Q. No. 2   **Briefly answer the following questions**   (4x5=20)

   i.   Homogenous Product

   ii.   Conditions for price discrimination to be possible and worthwhile.

   iii.   Cross elasticity of demand

   iv.   Equilibrium conditions of a firm

   v.   Horizontal demand curve

Q. No. 3   Explain minimization of cost subject to constant output.   **(10)**

Q. No. 4   How price and output is determined under monopoly?   **(10)**

Q. No. 5   Explain the major properties of Cobb Douglas Production function.   **(10)**

UNIVERSITY OF THE PUNJAB

Roll No. ....

Third Semester 2017
Examination: B.S. 4 Years Programme

PAPER: Development Economics
Course Code: ECON-202/ECO-21324

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

NOTE: *Attempt all questions.*

OBJECTIVE

Q.#1: Select the correct answer.   (1x10=10)

I. Pakistan started its 3rd five year plan in:
   (a)1949   (b) 1955   (c) 1965   (d)1970

II. Agriculture accounts for:
   (a) 28% of GDP (b) 20% of GDP   (c) 30% of GDP   (d)15% of GDP

III. Contribution of industrial sector in the economy of Pakistan is:
   (a) 13%   (b) 20%   (c) 18%   (d)25%

IV. Percentage of employment of labor force in agriculture sector is :
   (a)50%(b) 55%   (c) 43%   (d)27%

V. Pakistan is an economy:
   (a)Poor(b) Developed (c) Developing   (d) a and b

VI. Among the most populous countries of the world, Pakistan is:
   (a)9th (b)7th (c) 6th (d)4th

VII. Most of the exports of Pakistan consist of:
   (a)Industrial Products (b) Sports Goods   (c) Cotton Products
   (d) a and b

VIII. The largest item of our imports is:
   (a)Petroleum   (b) Computers   (c) Cotton Cloth   (d) a and b

IX. In Pakistan's foreign trade:
   (a)Exports are equal to imports   (b) Exports are greater than imports
   (c) Exports are less than imports   (d) Exports and imports are equal

X. The short comings which obstruct free system of prices are called:
   (a)Market imperfections   (b) Market perfections
   (c) Business rivalries   (d) a and c

UNIVERSITY OF THE PUNJAB

Third Semester   2017

Examination: B.S. 4 Years Programme

Roll No. ....

PAPER: Development Economics

Course Code: ECON-202/ECO-21324

TIME ALLOWED: 2 hrs. & 30 mins.

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE

Q.#2: **Write short answer to the following.**   **(5x4=20)**

    I.   The vicious circle of poverty

    II.   Human Development Index (HDI)

    III.   Debt Laffer curve

    IV.   Environmental Degradation

    V.   Static and Dynamic gains of trade.

Q.#3:   Critically evaluate the Harrod Domar Model of economic development.

                                                               (10)

Q.#4:   Discuss the importance of education keeping in view the human resources development.

                                                              (10)

Q.#5:   Discuss the link between urbanization and environment issues.   **(10)**

UNIVERSITY OF THE PUNJAB

Roll No. ....

Third Semester 2017
Examination: B.S. 4 Years Programme

PAPER: Basic Economics-III
Course Code: ECON-221/ECO-21449

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE

NOTE: Attempt ALL questions.

Q. # 1: **Select the correct answer.** **(10)**

I- Macro economics is also known as:

    a) Economics of firm behaviour   b) Economics of labour behaviour

    c) Economics of income and employment   d) a and b

II- According to classical economists, the prices and wages are:

    a) Flexible   b) Rigid

    c) Always stagnant   d) None of the above

III- If indirect taxes are deducted from NNP and subsidies are added, we get.

    a) National Income   b) Disposable personal income

    c) Investment   d) Personal savings

IV- GNP is always.

    a) Less than NNP   b) Greater than NNP

    c) Equal to NNP   d) a and c of the above

V- To avoid double counting when GD is estimated economists.

    a) Use GDP deflator   b) Use retail prices

    c) Calculate value added at each stage of production

    d) Use prices of inter mediate goods only.

VI- The consumption expenditures, which are influenced by income are:

    a) Autonomous consumption   b) Induced consumption

    c) Durable consumption   d) None of the above

VII- The steps taken by the central bank to control money supply are called.

    a) Commercial policy   b) Monetary policy

    c) Fiscal policy   d) Consumption policy

VIII- The instruments of fiscal policy are.

    a) Bank rate policy   b) Open market operations

    c) Commercial policy   d) Taxes and government expenditure

IX- The LM curve shows the pairs of rate of interest and level of income where.

    a) Demand is equal to supply   b) Demand for money is equal to supply of money.

    c) Savings are equal to investment   d) All of the above

X- The concept of marginal efficiency of capital (MEC) was presented by.

    a) Marshall   b) Keynes

    c) Hicks   d) Samuelson

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.
SUBJECTIVE

Q. # 2:   Write short answer to the following.   (5x4=20)

    I-   Transfer payments

    II-   Unreported income

    III-   What is induced investment

    IV-   Discuss concept of marginal efficiency of capital (MEC)

    V-   Open market operation

Q. # 3:   What is equilibrium of national income? Explain with diagrams   **(10)**

Q. # 4:   Explain quantity theory of money.   **(10)**

Q. # 5:   Discuss the role of fiscal policy.   (10)

PAPER: Economics (Macro) for Commerce
Course Code: ECON-231/ECO-21320

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE PART

Question 1. Encircle the best choice. More than one circle will be considered as a wrong answer. Cutting and overwriting is not allowed.

i) GDP can be
   a. Greater than GNI
   b. Less than GNI
   c. Equal to GNI
   d. All of the options

ii) According to Keynes, consumption is a function of
   a. saving
   b. income
   c. investment
   d. Interest rate

iii) MPC can be
   a. less than unity
   b. greater than unity
   c. infinity
   d. none of the options

iv) **MPC + MPS** can be
   a. less than unity
   b. greater than unity
   c. equal to unity
   d. none of the options

v) Example of Indirect tax is
   a. income tax
   b. wealth tax
   c. sales tax
   d. none of the options

vi) According to Keynes, inflationary gap can be bridged by
   a. increase in taxes
   b. decrease in taxes
   c. increase in interest rate
   d. decrease in interest rate

vii) Absolute Advantage may mean producing
   a. more at the same cost
   b. less at the same cost
   c. more at greater cost
   d. less at greater cost

viii) IMF provides
   a. short term loans
   b. long term loans
   c. medium term loans
   d. none of the options

ix) WTO is related to
   a. Trading within cities
   b. National Trade
   c. International trade
   d. none of the options

x) Fiscal Policy is related to
   a. Taxes
   b. Interest rates
   c. Money Supply
   d. International trade

UNIVERSITY OF THE PUNJAB

Third Semester   2017

Examination: B.S. 4 Years Programme

PAPER: Economics (Macro) for Commerce   **TIME ALLOWED: 2 hrs. & 30 mins.**
Course Code: ECON-231/ECO-21320   **MAX. MARKS: 50**

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE PART

Questions with short answers

Question 2. Answer the following in 5 to 10 sentences each. Unnecessarily long answers will lead to negative marking.   MARKS: 20

    i)   Differentiate between indirect tax and direct tax giving examples.

    ii) What do you understand by the term 'Absolute Advantage'?

    iii) Why was IMF established?

    iv) What are the objectives of WTO?

    v)   What is Personal Income?

    vi) Define the term Marginal Efficiency of Capital.

    vii) What is 'Progressive Tax System'?

    viii)What is Consumption Function?

    ix) Prove that MPS + MPC = 1

    x)   List at least two tools of Fiscal Policy.

Questions with Detailed answers

Answer the following questions avoiding unnecessary details.   MARKS: 10 per question.

(Maximum 100 sentences approximately per question)

Question 3.   Describe and differentiate between GNP (GNI), GDP and NNP.

Question 4.   What are Inflationary Gaps? How can we solve the problem according to Keynesian Theory?

Questions 5.   Explain the theory of Comparative Advantages in International Trade.

UNIVERSITY OF THE PUNJAB

Fourth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Intermediate Macro Economics   **TIME ALLOWED: 30 mins.**
Course Code: ECON-203 / ECO-22318   **MAX. MARKS: 10**

Attempt this Paper on this Question Sheet only.

OBJECTIVE PART

			10
Q.1		**Encircle the correct answer.**	

(i) A competitive firm hires labor until the marginal product of labor equals the
a) real wage.
b) rental price of capital.
c) price of output.
d) capital/labor ratio.

(ii) The quantity theory of money states that if the money supply doubles and output is constant, prices will
a) fall by half.
b) remain the same.
c) double.
d) fall only if velocity rises.

(iii) According to the IS-LM model, if the central bank increases the money supply, then the interest rate
a) falls and income falls.
b) falls and income rises.
c) rises and income falls.
d) rises and income rises.

(iv) According to Keynes, consumption is primarily determined by
a) the interest rate.
b) income and the interest rate.
c) income.
d) the savings rate.

(v) In the commonly accepted definition of a recession, the level nation output
a) rises at decreasing rate
b) falls
c) rises at an accelerating rate
d) is rising faster than the trend rate of national output.

P.T.O.

(vi)	Sticky prices can result from all of the following except
	   a) setting prices on the basis of costs when wages are sticky.
	   b) long-term contracts between buyers and sellers.
	   c) market structure.
	   d) expansionary monetary policy

(vii)	Permanent-income hypothesis was presented by
	
	   a) Keynes
	
	   b) Friedman
	
	   c) Modigliani
	
	   d) None of the above

(viii)	If the index of GDP rises from 114 in 2003 to 122 in 2004, then the rate of growth for 2004 is
	   a) -4 percent
	
	   b) 2 percent
	
	   c) 5 percent
	
	   d) 7 percent

(ix)	Which of the following is included in M-1?
	   a) gold
	
	   b) checkable deposits
	
	   c) credit cards
	
	   d) money market mutual funds

(x)	Which of the following would increase national income
	   a) Increases in taxation
	
	   b) Increase in savings
	
	   c) Increases in govt. spending
	
	   d) Decreases in consumption spending

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE PART

Q2.		Explain the following briefly. (Not more than three lines)	5 x 4=20
	(i)	Real and financial investment	
	(ii)	Tobin's Q theory	
	(iii)	Liquidity preference theory	
	(iv)	Full-employment and underemployment	
	(v)	Instrument of credit control	
Q3.		Explain permanent income hypothesis **OR** life-cycle hypothesis.	10
Q4.		Explain any two theories of aggregate supply in short-run. On what market imperfection does each theory rely?	10
Q5.		Discuss various types, causes and measurement of inflation in Pakistan. Also suggest some policy measures to curtail inflation.	10

ŧ

UNIVERSITY OF THE PUNJAB

Roll No. ....

Fourth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Argiculture Economics
Course Code: ECON-204 / ECO-22325

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.
Part I (Objective)

Q: 1 Choose correct answer from four possible answers.   1x10=10

i.   The role of agriculture sector in economic development of Pakistan is:
    a. Very important
    b. Unimportant
    c. Nominal
    d. Ignorable

ii.   The agriculture sector provides
    a. Food to the people
    b. Raw material to industries
    c. Food, raw material and employment
    d. Employment

iii.   Agriculture sector gives us:
    a. Shelter
    b. Food
    c. Raw Material
    d. All of above

iv.   Because of water logging
    a. Underground water goes down
    b. Underground water comes up
    c. There is growth of bushes
    d. The productivity of crops increases

v.   The yield per hectare in Pakistan as compared to developed countries of the world is
    a. High
    b. Equal to
    c. Can't be estimated
    d. low

vi.   Pakistan is the largest producer of which crop:
    a. Wheat
    b. Cotton
    c. Sugarcane
    d. Rice

vii.   Crop intensity means the number of crops grown on a piece of land in:
    a. One year
    b. Two Years
    c. Three months
    d. Six months

viii. The effect of support price on the farmer is:
    a. Encouraging
    b. Discouraging
    c. Neutral
    d. None of these

ix.   The effect of green Revolution on agriculture productivity is:
    a. Rising
    b. Falling
    c. Stable
    d. None of these

x.   The interaction of demand for labor and supply of labor determines:
    a. Employment
    b. Wages rate
    c. Unemployment
    d. Bargaining power of workers

PAPER: Argiculture Economics   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-204 / ECO-22325   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.
Part II (Subjective)

Q: 2 Give short answers of the following question: 10x2 = 20

   i. Define agricultural economics
   ii. What are the Green revolution
   iii. Discuss the concept of Agricultural surplus
   iv. What is Mechanization of agriculture
   v. What is the concept of food safety
   vi. Enlist the sources of growth
   vii. What is cooperative farming
   viii. Ricardian theory of Corn Rent
   ix. Concept of economic rent
   x. Land Reforms

Q: 3

   a) Discuss the causes of the backwardness of the Agricultural Sector of Pakistan.(05)
   b) Give suggestion to improve the agricultural sector   (05)

Q: 4

   a) Illustrate the Ricardian theory of Rent.   (02)
   b) What are assumption of the theory   (03)
   c) Discuss the working of the Ricardian theory of rent.   (05)

Q: 5

   a. Discuss the concept and present situation of food security in Pakistan.   (5)
   b. Suggest the steps to ensure the food safety in Pakistan.   (5)

سوال نمبر۔3

ا۔ پاکستان کے زرعی شعبے کی پسماندگی کی وجوہات پر بحث کریں۔

ب۔ زرعی شعبے کو بہتر بنانے کی تجویز دیں۔

سوال نمبر۔4

ا۔ ریکارڈین کے نظریہ لگان کیا ہے۔

ب۔ اس نظریہ کے مفروضات بیان کریں۔

ج۔ ریکارڈین کے نظریہ لگان پر بحث کریں۔

سوال نمبر۔5

ا۔ فوڈ سیکیورٹی کے موجودہ صورت حال کا جائزہ لیں۔

ب۔ فوڈ سیکیورٹی کی بہتری کے لیے اقدامات تجویز کریں۔

UNIVERSITY OF THE PUNJAB

Fourth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Basic Economics-IV   TIME ALLOWED: 30 mins.
Course Code: ECON-223 / ECO-22449   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Type

Q.1 Encircle the correct answer

i- An economist will define the exchange rate between two currencies as the:

    a) Amount of one currency that must be paid in order to obtain one unit of another currency.
    b) Difference between total exports and total imports within a country.
    c) Price at which the sales and purchases of foreign goods take place.
    d) Ratio of imports prices to export prices for a particular country.

ii- The balance of payments account must always balance because:

    a) It is cash flow statement
    b) It is record of flow of foreign exchange between countries.
    c) It is based on the double entry principle
    d) It records international transactions

iii- In the absorption approach, what does (X-M) in the formula $Y = C+I+G+(X-M)$ represent?

    a) Consumption
    b) Government Expenditure
    c) Net Exports
    d) Imports

iv- The balance of payments us divided into two major accounts, namely the:

    a) Current account and the reserve account
    b) Trade account and capital account
    c) Current account and trade account
    d) Current account and capital account

v- The best measure of economic development among the following is:

    a) Life expectancy
    b) Industrial development
    c) Agricultural and industrial development
    d) Development of services sector

UNIVERSITY OF THE PUNJAB

Fourth Semester - 2017
Examination: B.S. 4 Years Programme

Roll No. ....

PAPER: Basic Economics-IV   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-223 / ECO-22449   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q.2 Give short answers to the following questions. (5X4= 20)

a) Differentiate between balance of payment and balance of trade.

b) How disequilibrium in balance of payment can be removed.

c) Define manpower.

d) Differentiate between economic growth and economic development.

Q.3 Give brief answers to the following questions. (10x3=30)

i) Agriculture sector is an important sector for economic development of a country. Discuss in the context of developing country like Pakistan

ii) Why economic planning is given an immense importance for the development of any country? Discuss in detail.

iii) Explain causes of disequilibrium in balance of trade of Pakistan.

PAPER: Economics of Pakistan   **TIME ALLOWED: 30 mins.**

Course Code: ECON-232 / ECO-22320   **MAX. MARKS: 10**

Attempt this Paper on this Question Sheet only.

Please Attempt all questions on your answer sheet. Write your Roll Number on both the question paper and the answer sheet.

(1) Indicate the best choice by writing the question number and choice 'a', 'b', 'c' or 'd' on your answer sheet. *(MARKS: 10)*

i) Reke-Diq mines are located in
   a. Sind
   b. North Waziristan
   c. Kashmir
   d. Baluchistan

ii) Fiscal Policy is related to
   a. Taxes
   b. Interest rates
   c. Bank rates
   d. Money Supply

iii) Banks were nationalized in Pakistan in
   a. 1988
   b. 1948
   c. 1974
   d. 2012

iv) The following is an obstacle to economic development
   a. Overpopulation
   b. Low income
   c. Lack of capital
   d. All of the previous options

v) When was GATT labeled as WTO
   a. 1995
   b. 2006
   c. 1955
   d. 2001

vi) Pakistan's largest source of revenue is
   a. Direct tax
   b. Indirect tax
   c. Import tariff
   d. Excise duties

vii) Monetary policy is related to
   a. Taxes
   b. Import duties
   c. Bank rates
   d. Subsidies

viii) USA is a
   a. Developed country
   b. Developing Country
   c. Least developed country
   d. Transitional economy

ix) Pakistan follow the following exchange rate regime:
   a. Fixed Exchange Rate
   b. Floating Exchange Rate
   c. Managed Floating Exchange Rate
   d. Pegged Exchange Rate

x) Pakistan's unemployment rate is
   a. Above 80%
   b. Less than 1%
   c. Less than 20%
   d. Above 70%

UNIVERSITY OF THE PUNJAB

Fourth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Economics of Pakistan
Course Code: ECON-232 / ECO-22320

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

(2) Provide short answers (maximum 10 sentences per answer). *(MARKS: 20)*

    i. What is meant by Economic Development?

    ii. What are the major features of Pakistan's annual budget?

    iii. What is meant by Agricultural Marketing?

    iv. List any five exports of Pakistan.

    v. List at least five sources of Agriculture Finance.

    vi. What is meant by exchange rate?

    vii. How can we improve our education? List at least five suggestions?

    viii. How does corruption impact economic development?

    ix. Do you think that projects like orange train in Lahore are good for Pakistan? Why or why not?

    x. What are the reasons of adverse BOP?

(3) Answer the following briefly (maximum 20 to 30 sentences per answer). *(MARKS: 30: 10 each)*

    i. What are the characteristics of less developed countries?
    ii. Discuss Pakistan's performance in international trade in the past decade.
    iii. Discuss the importance of transport and communication in economic development.

UNIVERSITY OF THE PUNJAB
Roll No. ....

Fifth Semester   2017

Examination: B.S. 4 Years Programme

PAPER: Micro Economics   **TIME ALLOWED: 30 mins.**
Course Code: ECON-301   **MAX. MARKS: 10**

Attempt this Paper on this Question Sheet only.
SECTION 1 (OBJECTIVE)

Note: Attempt all questions.
Q.No.1:   Select the Correct Answer.

1. The budget constraint shows:
    a) The amount of money that a person has available.
    b) The relative price of two goods
    c) The individuals consumption possibilities
    d) All of the above

2. The individual is in equilibrium when he is
    a) Maximising his profits
    b) Maximising his leisure
    c) Maximising his utility
    d) Reallocating his resources

3. An effective price ceiling.
    a) Distributes goods and services equally
    b) Is above the market equilibrium
    c) Protects the producers surplus
    d) Is below the market equilibrium

4. In long run equilibrium, the pure monopolist, can make pure profits because of:
    a) Blocked entry
    b) High Selling price
    c) Low LAC cost
    d) Advetising

5. Duopoly is a market situation, when there are:
    a) A single seller
    b) Many sellers
    c) Two sellers
    d) Few sellers

6. As a firm increases production in the long run, average total cost may rise due to:
    a) Adding more and more of a variable input to a fixed input
    b) Diminishing marginal product
    c) Increasing fixed costs
    d) Problems with coordination and communication

7. For the imperfect competitor.
    a) AR=P
    b) MR>P
    c) MR=AR
    d) AR<MR

8. Which of the following firms would not be oligopolistic.
    a) A Firm that considers the action of its rivals in making quantity decisions.
    b) A Firm that uses economics of scale to discourage rivals from enterning the market.
    c) A Firm that does not have a differential product
    d) A Firm that has few competitors

9. A cartel is a colllusive agreement among a number of Firms, that is designed to:
    a) Expand outut and lower prices to a predatory level.
    b) Restrict output and raise prices
    c) Expand output and raise prices
    d) None of the above

10. Which of the following most closely approximates our definition of oligopoly?
    a) The citgarette industry
    b) The barber shops in a city
    c) The gasoline stations in a city
    d) Wheat farmers of Lahore

UNIVERSITY OF THE PUNJAB

Roll No. ....

PAPER: Micro Economics   **TIME ALLOWED: 2 hrs. & 30 mins.**
Course Code: ECON-301   **MAX. MARKS: 50**

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE

Q.No.2   Write short answer to the following (4x5=20)

   I.   Differentiate between inferior goods and Giffen goods.

   II.   Discuss marginal rate of technical substitution.

   III.   Explain iso cost line.

   IV.   Discuss AR and MR curves under monopoly.

   V.   What is meant by Dumping.

GIVE ANSWER IN DETAIL

Q.No.3   Discuss short run equilibrium of a firm under monopolistic competition.   (10)

Q. No.4   Prove that according to indifference curve approach a consumer is in   (10)
equilibrium when MRS is equal to price ratio of two goods.

Q. No.5   How much labor and capital will be required to minimize the cost when   (10)

$C = 1ok + 50 L$

Subject to output

$Q = 10 LK = 1250$

UNIVERSITY OF THE PUNJAB

Roll No. ....

Fifth Semester   2017

Examination: B.S. 4 Years Programme

PAPER: Econometrics-I

Course Code: ECON-302

TIME ALLOWED: 30 mins.

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

	Objective Part: **Encircle the correct answer.**	Max Marks = 10
1.	Which of the following is an equivalent expression for saying that the explanatory variable is "non-stochastic"? a) The explanatory variable is partly random b) The explanatory variable is fixed in repeated samples c) The explanatory variable is correlated with the errors d) The explanatory variable always has a value of one	
2.	If an estimator is said to have minimum variance, which of the following statements is NOT implied? a) The probability that the estimate is a long way away from its true value is minimised b) The estimator is efficient c) Such an estimator would be termed "best" d) Such an estimator will always be unbiased	
3.	Which one of the following is the most appropriate definition of a 99% confidence interval? a) 99% of the time in repeated samples, the interval would contain the true value of the parameter b) 99% of the time in repeated samples, the interval would contain the estimated value of the parameter c) 99% of the time in repeated samples, the null hypothesis will be rejected d) 99% of the time in repeated samples, the null hypothesis will not be rejected when it was false	

P.T.O.

4.	Suppose that a test that the true value of the intercept coefficient is zero results in non-rejection. What would be the appropriate conclusion? a) Drop the intercept and re-run the regression b) Retain the intercept c) Re-compute the test statistic d) The regression line is running exactly through the origin	
5.	Which one of the following is examined by looking at a goodness of fit statistic? a) How well the population regression function fits the data b) How well the sample regression function fits the population regression function c) How well the sample regression function fits the data d) How well the population regression function fits the sample regression function.	
6.	What would be then consequences for the OLS estimator if heteroscedasticity is present in a regression model but ignored? a) It will be biased b) It will be inconsistent c) It will be inefficient d) All of (a), (b) and (c) will be true.	
7.	Negative residual autocorrelation is indicated by which one of the following? a) A cyclical pattern in the residuals b) An alternating pattern in the residuals c) A complete randomness in the residuals d) Residuals that are all close to zero	
8.	If a Durbin Watson statistic takes a value close to zero, what will be the value of the first order autocorrelation coefficient? a) Close to zero b) Close to plus one c) Close to minus one d) Close to either minus one or plus one	
9.	What is the meaning of the term "heteroskedasticity"? a) The variance of the errors is not constant b) The variance of the dependent variable is not constant c) The errors are not linearly independent of one another d) The errors have non-zero mean	
10.	The dummy variable trap is an example of a) imperfect multicollinearity b) something that is of theoretical interest only c) perfect multicollinearity d) something that does not happen to university or college students	

UNIVERSITY OF THE PUNJAB

Fifth Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Econometrics-I
Course Code: ECON-302

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

	Subjective Part	
	Note: Attempt all questions.	
Q2.	Explain the following briefly.	
	(i) BLUE properties	4 x 5
	(ii) ANOVA technique	=20
	(iii) AR(1) process	
	(iv) Order and Rank conditions	
	(v) Two Stage Least Square	

Q3. In a regression of average wages (W, \$) on the number of employees (N) for a random sample of 30 firms, the following regression results were obtained: **[10]**

$$\widehat{W} = 7.5 + 0.009N \tag{1}$$
$$t = \text{n.a.} \quad (16.10) \qquad R^2 = 0.90$$

$$\widehat{W}/N = 0.008 + 7.8(1/N) \tag{2}$$
$$t = (14.43) \quad (76.58) \qquad R^2 = 0.99$$

a. How do you interpret the two regressions?
b. What is the author assuming in going from Eq. (1) to (2)? Was he worried about heteroscedasticity? How do you know?
c. Can you relate the slopes and intercepts of the two models?
d. Can you compare the R^2 values of the two models? Why or why not?

Q4. Consider the following modified Keynesian model of income determination: **[10]**

$$C_t = \beta_{10} + \beta_{11}Y_t + u_{1t}$$
$$I_t = \beta_{20} + \beta_{21}Y_t + \beta_{22}Y_{t-1} + u_{2t}$$
$$Y_t = C_t + I_t + G_t$$

where C = consumption expenditure
                I = investment expenditure
                Y = income
                G = government expenditure
        G_t and Y_{t-1} are assumed predetermined

a. Obtain the reduced-form equations and determine which of the preceding equations are identified (either just or over).
b. Which method will you use to estimate the parameters of the over-identified equation and of the exactly identified equation? Justify your answer.

Q5. Discuss how dummy variables can be used to test (i) change in intercept (ii) change in slope and (iii) changes in both intercept and slope **[10]**

UNIVERSITY OF THE PUNJAB

Roll No. ....

Fifth Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Mathematical Economics-I   TIME ALLOWED: 30 mins.
Course Code: ECON-303   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.
OBJECTIVE TYPE

PART- I (MCQs)   10

ENCIRCLE THE RIGHT ANSWER

1. Real number system consist of_____

    a) Integer   b) fraction   c) rational and irrational numbers   d) all

2. A function in which each term contain a coefficient as well as integer power of independent variables is called

    a) Linear or quadratic   b) polynomial   c) both a and b   d) none

3. Matrix algebra can only be applied to the system of ___ equations

    a) Nonlinear   b) linear   c) quadratic   d) none

4. A minor coupled with prescribed sign is called

    a) Transpose   b) co-factor   c) both   d) none

5. The analysis in which we study the all types of rates of changes

    a) Partial analysis   b) comparative static analysis   c) both   d) none

6. The point where a function changes its rates of change is called

    a) Saddle point   b) point of inflection   c) maxima   d) minima

7. In optimization under single inequality constraint, the method of ____ is applied while under several inequality constraints _____is applied to get the optimal solution

    a) Linear programming, Langrange multiplier   b) Langrange multiplier, linear programing   c) none

8. The marginal function are found from total function using

    a) Derivatives   b) integrals   c) optimization   d) none

9. If p=a+c/b+d the b+d should be _____ for unique positive solution

    a) Greater than zero   b) less than zero   c) b+d=0   d) none

10. The domain of exponential function consist of ____-but range is____

    a) Real number, positive real number   b) integral numbers, rational numbers   c) both

UNIVERSITY OF THE PUNJAB

PAPER: Mathematical Economics-I	**TIME ALLOWED: 2 hrs. & 30 mins.**
Course Code: ECON-303	**MAX. MARKS: 50**

Attempt this Paper on Separate Answer Sheet provided.
SUBJECTIVE TYPE

PART II   20

GIVE SHORT ANSWERS OF THE FOLLOWING.

All questions carry equal marks:

1. Differentiate between exponential and logarithmic functions

2. Find the equilibrium P and Q for the following

   $Qd = 3-P^2$, $Qs = 6P-4$

3. What are the conditions for maxima and minima for a multivariable function $z=f(x,y)$

4. Find the equation of straight line passing through two point (3, 4) and (-5, 2)

PART III   30

All questions carry equal marks:

1. Write a comprehensive note on types of functions with examples and diagrams

2- Find the equilibrium solution for the two competing product model, if:

   $Q_{d1} = 24-3P_1 +P_2$ $Q_{d2} = 16+P_1 -2P_2$

   $Q_{s1} = -4 + 4P_1$ $Q_{s2} = -4 + 3P_2$

3- Given $Y = C+I+G$

   And $C = a+bY$ $I=I_o$ $G=G_o$

   Find the values of Y and C by Matrix method

4- Solve the following equations by Matrix Inversion Method

   $8X_1 - X_2 = 16$

   $2X_2 +5X_3 = 5$

   $2X_1 +3X_3 = 7$

5- The total cost function of the commodity x is $TC=60 -12X+2X^2$. Find the level of output at which total cost is minimum. Find the average cost function and the level of output at which this function is minimum.

Fifth Semester   2017

Examination: B.S. 4 Years Programme

PAPER: General Equilibrium and Welfare Economics   TIME ALLOWED: 30 mins.
Course Code: ECON-304   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.
OBJECTIVE TYPE

NOTE: Attempt all the questions.

PART- I (MCQs)   10

ENCIRCLE THE RIGHT ANSWER

i. The concept of general equilibrium is given by _____.

(a) Marshal   (b) Keynes   (c) Walras   (d) Pigue

ii. Pareto optimality is affected by _____

(a) public goods   (b) monopolies   (c) taxes and subsides   (d) all of these

iii. Upward shifting of Production Possibility Curve (PPC) shows _____

(a) growth   (b) development   (c) welfare   (d) none

iv. The slope of production possiabitly frontier is defined to be the marginal rate of _____

(a) transformation   (b) technical substitution   (c) substitution   (d) profit

v. By joining all the points in the edge worth box we get _____

(a) efficiency locus   (b) contract curve   (c) general Equilibrium   (d) both a & b

vi. If we take the contract curve from the commodity space to utility space, we get _____

(a) production possibility curve   (b) utility possibility curve   (c) both   (d) none

vii There is general equilibrium of production and consumption when the slope of PPC is equal to _____

(a)$MRS_{xy}A$ (b) $MRS_{xy}B$ (c)$MRS_{xy}A=MRS_{xy}B$ (d) none

viii. GNP criterion of social welfare is given by _____

(a) Keynes   (b) Adam Smith   (c) Hicks   (d) Milton Friedman

ix. General equilibrium is about the analysis of all sectors _____

(a) partially   (b) simultaneously   (c) particular segments of economy   (d) none

x. All the points on the contract curve in case of production give _____

(a) maximum output   (b) minimum output   (c) maximum satisfaction   (d) minimum satisfaction

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

PART II   20

GIVE SHORT ANSWERS OF THE FOLLOWING.

All questions carry equal marks:

i.   Differentiate between partial and general equilibrium analysis.

ii.   Write a note on utility possibility curve.

iii. Discuss the concept of product mix efficiency.

iv.   Explain the concept of externalities.

v.   Explain the fundamental theorems of welfare economics.

PART III   30

All questions carry equal marks:

Q1. Discuss the conditions necessary for efficiency.   (10)

Q2. Explain general equilibrium of production using edge worth bowly box diagram.   (10)

Q3. Discuss pareto optimality criterion of social welfare.   (10)

UNIVERSITY OF THE PUNJAB

Roll No. ....

Fifth Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Labor Economics   TIME ALLOWED: 30 mins.
Course Code: ECON-305   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.
OBJECTIVE TYPE

Q.1. Select the correct answer.

1. The demand for labour is.
   - (a) direct demand
   - (b) basic demand
   - (c) both A and B
   - (d) derived demand

2. The participation rate in labour force is affected by:
   - (a) change in tastes between leisure and work
   - (b) low fixed cost of working
   - (c) higher real wages
   - (d) all of the above

3. MRPL is always
   - (a) equal to VMPL
   - (b) more than VMPL
   - (c) equal to Zero
   - (d) less than VMPL

4. It percent the labour force participation rate is:
   - (a) 32.3%
   - (b) 20.9%
   - (c) 25.6%
   - (d) 18.7%

5. In a perfect competitive economy the demand for labour is determined by:
   - (a) labourers
   - (b) entrepreneurs
   - (c) both a and b
   - (d) none of these

6. At present manufacturing employs (of labour force)
   - (a) 20%
   - (b) 15.3%
   - (c) 19.1%
   - (d) 18.5%

7. Karl Marx was the follower of:
   - (a) capitalism
   - (b) socialism
   - (c) islamic Economic system
   - (d) none of the above

8. Employment level associated with minimum wage rate is:
   - (a) less than market wage rate, employment level
   - (b) greater than market wage rate, employment level
   - (c) equal to the marked wage rate, employment level
   - (d) all of the above

9. There exists inverse relationship between inflation and unemployment in case of:
   - (a) stage flation
   - (b) phillips curve
   - (c) hyperinflation
   - (d) all of the above

10. Export of man power has a strong impact on economic development if supported by:
    - (a) government
    - (b) formal and technical education
    - (c) customs of society
    - (d) all of these

NIVERSITY OF THE PUNJAB

PAPER: Labor Economics
Course Code: ECON-305

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.
SUBJECTIVE TYPE

Q.No.2.   Write short answers to the following: (4x5=20)

1 Importance of labour economics.

2 Collective bargaining.

3 Human resources development.

4 Determinants of demand for labour.

5 Disguised unemployment.

Q.3 Explain the concept of backward bending supply curve of labour.   **(10)**

Q.4 Define Phillips curve. How is it related to inflation, unemployment and wages.   **(10)**

Q.5 Discuss the causes of unemployment in Pakistan.   **(10)**

UNIVERSITY OF THE PUNJAB

PAPER: Macro Economics	**TIME ALLOWED: 2 hrs. & 30 mins.**
Course Code: ECON-306	**MAX. MARKS: 50**

Attempt this Paper on Separate Answer Sheet provided.

Q: 2   Briefly explain the following: (20)

    I. What are various measures of GDP?

    II. State instruments of monitory policy

    III. Explain the Say's law of markets.

    IV. List the components of AD.

    V. List the instruments of fiscal policy.

    VI. Explain perfect capital mobility.

    VII. List the functions of money.

    VIII. Explain balance of payments.

    IX. Explain the concept of business cycle.

    X. Define the fiscal policy.

Q: 3	Describe the theory of real business cycle.	حقیقی تجارتی چکر کا نظریہ بیان کریں۔	(10)
Q: 4 (a)	What is Monetary Policy?	زری پالیسی سے کیا مراد ہے؟	(3)
(b)	Discuss the objectives of fiscal policy.	مالیاتی پالسی کے مقاصد پر بحث کریں۔	(7)
Q: 5	Derive the AS curve under classical assumption.	کلاسیکی مفروضات کے تحت مجموعی خط رسد اخذ کریں۔	(10)

UNIVERSITY OF THE PUNJAB

Roll No. ....

PAPER: Macro Economics
Course Code: ECON-306

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Part-Objective

i. Expansionary monetary and fiscal policy shift
   a. Aggregate demand to the right
   b. Aggregate supply to the left
   c. Aggregate supply to the right
   d. Aggregate demand to the left

ii. In the equation $C = \bar{c} + cyd$, the behavioural coefficient is
   a. $\bar{c}$
   b. Yd
   c. c
   d. All the above

iii. When nominal G N P is $1100 and real GNP is $1000 the GNP deflator is
   a. 9.09
   b. 90.91
   c. 1.1
   d. 110

iv. By definition, the marginal propensity to consume
   a. Equals $\Delta c / \Delta y d$
   b. Is the behavioral coefficient in the equation $C = \bar{c} + cyd$
   c. Is the slope of consumption function
   d. All the above

v. In a three sector model
   a. Household saving equals next investment
   b. Household saving equals gross investment
   c. Household saving plus deprecation always equal gross investment plus government spending
   d. Household saving plus taxes equal net investment plus government spending

vi. If consumption is $40 + 0.90yd$ and planned investment is 60, the equilibrium income is
   a. 90
   b. 400
   c. 100
   d. 500

vii. When there is an equal increase in net tax revenues and govt. spending, centric paresis
   a. $C + I + G$ shifts upward
   b. $C + I + G$ shifts downward
   c. $C + I + G$ does not shift
   d. Information is insufficient to answer

viii. Which of the following statement is incorrect? Assume all spending but consumption exogenous.
   a. K is 4 when the MPC = 0.75
   b. K is -3 when the MPC = 0.75
   c. K is 2 when MPC = 0.60
   d. K is 1 when MPC = 0.50

ix. If the LM eq. is $Y = 750 + 20i$, there is equilibrium b/w supply of and demand for money when
   a. The rate of interest is 10% and income level is $752
   b. The rate of interest is 10% and income level is $800
   c. The rate of interest is 10% and income level is $950
   d. The rate of interest is 10% and income level is $900

x. The demand for money is
   a. Positively related to the income level and the rate of interest
   b. Negatively related to the income level and the rate of interest
   c. Negatively related to the income level, positively related to the rate of interest
   d. Positively related to the income level and negatively related to interest rate

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

	Subjective Part Note: Attempt all questions.	

Q2.	Explain the following briefly.
	   (i) Autoregressive process
	   (ii) Properties of ML estimators
	   (iii) ARCH models
	   (iv) Instrumental variable
	   (v) Durbin Watson Statistics
		4 x 5
		 =20

Q3.	Outline the major steps involved in the application of the Box–Jenkins approach to forecasting.	10
Q4.	The following equation was estimated, where standard errors are in parenthesis: SAThat = 1,028.1 + 19.30 hsize – 45.09 female – 169.81 black + 62.31 female*black (6.29) (3.83) (4.29) (12.71) (18.15) Where hsize is the number of students in the school, female and black are dummy variables indicating that the student is female or black, respectively, and female*black is an interaction of the two. a) What is the estimated difference in SAT score between black males and non-black males? b) What is the estimated difference in SAT score between black females and non-black females? What would you need to do to test whether the difference is statistically significant? c) State the null hypothesis that the effect of being female does not vary by race. d) What is the marginal effect of being female on SAThat? Briefly interpret this result.	10
Q5.	What is autocorrelation? Briefly discuss the methods available to detect and remove it.	10

UNIVERSITY OF THE PUNJAB

Roll No. ....

Sixth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Econometrics II
Course Code: ECON-307

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

	Objective Part:	Max
Q.1	**Encircle the correct answer.**	Marks= 10

1. The confidence interval for a single coefficient in a multiple regression
   a) makes little sense because the population parameter is unknown.
   b) should not be computed because there are other coefficients present in the model.
   c) contains information from a large number of hypothesis tests.
   d) should only be calculated if the regression R^2 is identical to the adjusted R^2.

2. When there are omitted variables in the regression, which are determinants of the dependent variable, then
   a) you cannot measure the effect of the omitted variable, but the estimator of your included variable(s) is (are) unaffected.
   b) this has no effect on the estimator of your included variable because the other variable is not included.
   c) this will always bias the OLS estimator of the included variable.
   d) the OLS estimator is biased if the omitted variable is correlated with the included variable.

3. When you have an omitted variable problem, the assumption that $E(u_i | X_i) = 0$ is violated. This implies that
   a) the sum of the residuals is no longer zero.
   b) there is another estimator called weighted least squares, which is BLUE.
   c) the sum of the residuals times any of the explanatory variables is no longer zero.
   d) the OLS estimator is no longer consistent.

4. In a two regressor regression model, if you exclude one of the relevant variables then
   a) it is no longer reasonable to assume that the errors are homoskedastic.
   b) OLS is no longer unbiased, but still consistent.
   c) you are no longer controlling for the influence of the other variable.
   d) the OLS estimator no longer exists.

(P.T.O.)

5. For a stationary autoregressive process, shocks will
   a) Eventually die away
   b) Persist indefinitely
   c) .Grow exponentially
   d) Never occur

6. The purpose of "augmenting" the Dickey-Fuller test regression is to
   a) Ensure that there is no heteroscedasticity in the test regression residuals.
   b) Ensure that the test regression residuals are normally distributed
   c) Ensure that there is no autocorrelation in the test regression residuals
   d) Ensure that all of the non-stationarity is taken into account.

7. If the Engle-Granger test is applied to the residuals of a potentially cointegrating regression, what would be the interpretation of the null hypothesis?
   a) The variables are cointegrated
   b) The variables are not cointegrated
   c) Both variables are stationary
   d) Both variables are non-stationary

8. Which of the following could be used as a test for autocorrelation up to third order?
   a) The Durbin Watson test
   b) White's test
   c) The RESET test
   d) The Breusch-Godfrey test

9. Which one of the following is examined by looking at a goodness of fit statistic?
   a) How well the population regression function fits the data
   b) How well the sample regression function fits the population regression function
   c) How well the sample regression function fits the data
   d) How well the population regression function fits the sample regression function.

10. Stationarity means that the
    a) error terms are not correlated.
    b) forecasts remain within 1.96 standard deviation outside the sample period.
    c) probability distribution of the time series variable does not change over time.
    d) time series has a unit root

UNIVERSITY OF THE PUNJAB

PAPER: Mathematical Economics II   **TIME ALLOWED: 30 mins.**
Course Code: ECON-308   **MAX. MARKS: 10**

Attempt this Paper on this Question Sheet only.

Objective Part

Q.1: Encircle the correct answer.

1. If the slope of phase line is negative, then time path will be:
   a) Perpetual
   b) Convergent
   c) Divergent
   d) All of these

2. The general solution of **dy/dt +ay=0** is:
   a) y/a
   b) $Y(t) = Ae^{-at}$
   c) $Y(t) = A(-a)^t$
   d) $Y(t) = b/a$

3. Complementary function 'Yc' shows the solution of:
   a) Reduced equation
   b) Complete equation
   c) Difference equation
   d) None

4. Particular integral 'Yp' shows the:
   a) Complementary function
   b) Inter-temporal equilibrium
   c) Zero
   d) None

(P.T.O.)

5. The Cartesian form of $Re^{i\theta}$ is:
a) (h+vi)
b) $R\cos\theta$
c) $R\sin\theta$
d) $R(\cos\theta+i\sin\theta)$

6. $dy/dt+ty=y^2$=is
a) Linear differential equation
b) Difference equation
c) Bernoulli equation
d) None

7. According to Domar growth model output is function of:
a) Labor
b) Capital
c) Labor and Capital
d) Money supply

8. $Y_{t+1}-Y_t=3$ is:
a) Quadratic equation
b) Differential equation
c) Difference equation
d) All

9. If the slope od phase line is positive, then time path will be:
a) Convergent
b) Divergent
c) Perpetual
d) All of these

10. $dy/dt +2t=y^3$
a) Quadratic equation
b) Cubic equation
c) Bernoulli equation
d) None

UNIVERSITY OF THE PUNJAB

Roll No. ....

PAPER: Mathematical Economics II   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-308   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Note: Attempt all questions.

Q2. Write short answers.   (5 X4= 20)

I.   What is meant by complex numbers?

II.   Write four Properties of definite integrals.

III.   State the Routh Theorem.

IV.   Find total variable cost (TVC) when $MC=12Q^2-3Q+10$

V.   Solve:

$$dy/dt+3y=2 \text{ where } y(0)=4$$

Q3. Give the frame work of Solow Growth model with its qualitative solution.   **10**

Q4. Find definite solution of   **10**

$$2y''(t)-12y'(t)+20Y=40; \ Y(0)=4, \ Y'(0)=5$$

Q5. Solve the difference equation   **10**

$$Y^{t+2}-Yt^{+1}+1/4y^t=2 \text{ where } y_0=4 \text{ and } y_1=7$$

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

Q.2. Write Short Answers to the following.   (4x5=20)

(I)   The effects of population growth on economic development.

(II)   The effects of economic development on population growth.

(III)   Write note on population explosion.

(IV)   Discuss factors affecting the labour efficiency.

(V)   Explain labour as factor of production.

Long Questions

Q.3.   Explain optimum theory of population.   **(10)**

Q.4.   Why do we study population economics? Discuss.   **(10)**

Q.5.   Discuss current statistical data of population of Pakistan. **(10)**

UNIVERSITY OF THE PUNJAB

Roll No. ....

Sixth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Population Economics   TIME ALLOWED: 30 mins.
Course Code: ECON-309   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

NOTE: Select the correct answer.   (1x10=10)

Section-I (Objective)

Q. No.1   In developed ocuntries of the world.

    (a)   Birth rate is high   (b)   Death rate is high

    (c)   Infant mortality rate is high   (d)   None of these

Q. No.2   The theory that points out the size of population, at which per capita income is maximum.

    (a)   Malthussian Theory of population   (b)   Demographic Transaction

    (c)   Optimum Theory of population   (d)   All of these

Q. No.3   Population census in Pakistan is carried out after every.

    (a)   20 years   (b)   10 years

    (c)   5 years   (d)   15 years

Q. No.4   Factors of high birth rate are.

    (a)   Early age marriages   (b)   Joint family system

    (c)   Religion   (d)   All of these

Q. No.5   In which stage of demographic transaction, is the population growth highest.

    (a)   First   (b)   Second

    (c)   Third   (d)   fourth

Q. No.6   In Pakistan life expectancy (year) of females is

    (a)   50.5   (b)   61.1

    (c)   68.2   (d)   72.3

Q. No.7   Total population (millions) of Pakistan at present is

    (a)   191.71   (b)   195.4

    (c)   199.1   (d)   180.3

Q. No.8   Youth Development Program consists of:

    (a)   Micro interest free loans   (b)   Small business loans

    (c)   Youth training and development   (d)   All of these

Q. No.9   Increasing population growth rate increases dependency and puts pressure on

    (a)   Education   (b)   Health system

    (c)   Food supply   (d)   All of these

Q. No.10   At present working population (age group 15-59) of Pakistan is:

    (a)   61.4% of the total population   (b)   50% of the total population

    (c)   44.6% of the total population   (d)   71.4% of the total population

UNIVERSITY OF THE PUNJAB

PAPER: Major Issues in Pakistan Economy   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-310   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Note: Attempt all questions.

Q2. Explain the following briefly.   4 X 5=20

    I.   Mobilization of domestic resources
    II.   Difference between underemployment and unemployment
    III.   Debt management in Pakistan
    IV.   Difference between Aid and Debt
    V.   Non development expenditures

Q3. Discuss various measures taken to combat trade deficit in Pakistan.   **10**

Q4. Critically analyze the land reforms and their impacts on the economy.   **10**

Q5. What are the various approaches to measure poverty   **10**

UNIVERSITY OF THE PUNJAB

Roll No. ....

PAPER: Major Issues in Pakistan Economy   TIME ALLOWED: 30 mins.
Course Code: ECON-310   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part

Q1. Encircle the correct answer.

1. State Bank of Pakistan was established in :
   a) 1947
   b) 1948
   c) 1949
   d) 1950

2. Environment deterioration is occurring because of:
   a) Lack of education
   b) Population pressure
   c) Underutilization of natural resources
   d) (a) and (b) of above

3. The Human Development Index (HDI) ranks all countries on the scale of:
   a) 0 to 1
   b) 1 to 100
   c) -1 to +1
   d) None of above

4. Life expectancy in Pakistan is:
   a) Less than 60 years
   b) Between 60 to 70 years
   c) Between 70 to 80 years
   d) More than 80 years

5. How many stock exchanges are in Pakistan?
   a) 1
   b) 2
   c) 3
   d) 4

(P.T.O.)

6. Base year of Pakistan for national income accounting is:
a) 1989 -1990
b) 1999-2000
c) 2005-2006
d) 2009-2010

7. The World Trade Organization (ETO) officially commenced on:
a) 1st January 1994
b) 1st January 1995
c) 1st January 1996
d) 1st June 1994

8. Government of Pakistan announced privatization policy in:
a) 1981
b) 1995
c) 1991
d) None of these

9. Pakistan devalued its currency in 1972 by:
a) 131%
b) 121%
c) 100%
d) None of above

10. The land reforms of 1972 reduced the ceiling on land ownership to:
a) 200 acres
b) 150 acres
c) 100 acres
d) 50 acres

UNIVERSITY OF THE PUNJAB

PAPER: International Trade Theory　　　　　**TIME ALLOWED: 2 hrs. & 30 mins.**

Course Code: ECON-401　　　　　　　　　　**MAX. MARKS: 50**

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q: 2　Give short answers to the following questions.　　　　　(20)

　　1.　What is Optimum tariff?

　　2.　Explain the Stolper-Samuelson Theorem.

　　3.　Explain the Rybzynski theorem.

　　4.　Explain the product cycle theory of international trade.

　　5.　Explain the concept of Factor Intensity Reversal.

Q: 3　What does factor price equalization theorem postulate? What is its relationship to the international mobility of factors of production?　　　　　(10)

Q: 4　Explain the theory of comparative advantage given by David Ricado.　　(10)

Q: 5　What are the objectives of World Trade Organization (WTO)? Discuss the possible impacts of WTO on less developed country like Pakistan.　　　(10)

UNIVERSITY OF THE PUNJAB

Roll No. ....

Seventh Semester 2017
Examination: B.S. 4 Years Programme

PAPER: International Trade Theory
Course Code: ECON-401

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q: 1   Choose the correct option.   Objective Part   (10)

1. According to Stolper-Samuelson theorem which factor of production is harmed with the opening of international trade:

    a. The Abundant Factor   b. The Scarce Factor
    c. Both Abundant and Scarce Factor   d. None of the above

2. Classical trade theory emphasized which one of the following as an underlying explanation of the basis for trade?

    a) Productivities of labor inputs   b) Tastes and preferences among nations
    c) Changes in technologies over time   d) Quantities of economic resources

3. Similar to import tariff, the import quota tends to result in

    a. Higher prices and reduced imports   b. Increased Govt. revenue
    c. Increased consumer surplus   d. Decreased producer surplus

4. Which of the following theory postulates that a nation will export the commodity whose production requires the intensive use of the factor which is relatively abundant and cheap in the nation:

    a. The Linder theory   b. The intra-industry trade theory
    c. The Heckscher-Ohlin theory   c. The absolute advantage theory

5. Which trade theory suggests that a newly produced good, once exported, could ultimately end up being imported as the technology is transferred to lower-cost nations?

    a. Factor Endowment Theory   b. Overlapping demand theory
    c. Product cycle theory   d. Comparative advantage theory

6. Which international organization stipulates procedures for the settlement of international trade disputes?

    a. World Trade Organization   b. World Bank
    c. International Monetary Fund   d. United Nations

7. In the absence of trade a nation is in equilibrium where the community indifference curve

    a. Lies above its production possibility curve
    b. Is tangent to its production possibility curve
    c. Intersects its production possibility curve
    d. Lies below its production possibility curve

8. From the late 1940s until the creation of WTO which organization was responsible for conducting rounds of trade negotiations?

    a. International Trade Organization   b. GATT
    c. United Nations   d. IBRD

9. A concave to origin production possibilities curve refer to

    a. Constant Cost   b. Increasing Cost
    c. Decreasing Cost   d. None of the above

10. Which of the following is not an example of foreign direct investment?

    a. the construction of a new auto assembly plant overseas
    b. the acquisition of an existing steel mill overseas
    c. the purchase of bonds or stock issued by a textile company overseas
    d. the creation of a wholly owned business firm overseas

UNIVERSITY OF THE PUNJAB

Seventh Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Research Methodology	TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-402	MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q. 2	**Briefly explain the following** i. Exploratory the study ii. Applied research iii. Continuous variables iv. Null hypothesis v. Human interactive interview vi. Double barreled questions vii. Significance level viii. Type-II error ix. Sampling error x. Cognitive changes	20
Q. 3	Explain interviewing techniques. Construct guidelines for interviewing.	10
Q. 4	What are the different types of variables? Explain their significance in research process.	10
Q. 5	What are the different sources of primary and secondary data? Explain them in detail.	10

UNIVERSITY OF THE PUNJAB

Roll No. ....

Seventh Semester 2017
Examination: B.S. 4 Years Programme

PAPER: Research Methodology
Course Code: ECON-402

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part

Q.1	Encircle the correct answer	10
I	Research that is conducted to expand the boundaries of knowledge itself is called a) Applied Research b) Basic Research c) Business Research d) Social Research	
II	Data that have been previously collected for some project other than the one at hand is called a) Primary Data b) Pilot Data c) Tertiary Data d) Secondary Data	
III	The data that you gather from Economic Survey of Pakistan is called a) Primary Data b) Secondary Data c) Authenticated Data d) Auspices Data	
IV	Personal interview conducted at the respondent's home or place of business is a) Door to door interview b) Mall intercept interview c) Human interactive interview d) None of the above	
V	An error caused by rejecting the null hypothesis when it is true is called a) Critical Error b) Type-II Error c) Type-1 Error d) None of the above	

UNIVERSITY OF THE PUNJAB

PAPER: Public Finance
Course Code: ECON-403

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Section B: Write short answers to the followings : Marks: 4x 5 =20

a-   Differentiate between public finance and private finance.

سرکاری مالیات اور نجی مالیات میں فرق واضح کریں۔

b-   Explain free rider problem.

Free Rider Problem کی وضاحت کریں۔

c-   What is difference between direct tax and indirect tax?

براہِ راست اور بلواسطہ ٹیکس میں کیا فرق ہے۔ ؟

d-   Describe the Impacts of Tax Shifting on price.

ٹیکسوں کی منتقلی کے قیمتوں پر اثرات بیان کریں

e-   Describe impacts of Tax Reforms in Pakistan.

پاکستان میں ٹیکس اصلاحات کے اثرات بیان کریں۔

Section C: Write brief answers to any three of the followings: Marks 3x10 = 30

Q.1. Define Market Imperfections. How can these Imperfections be controlled by state intervention?

منڈی کی ناکامیات کی تعریف کریں۔ حکومت کی مداخلت سے ان ناکامیات پر کیسے قابو پایا جاسکتا ہے؟

Q.2. Define progressive taxation system and discuss its merits and demerits.

متزائد نظام ٹیکس کی تعریف کریں۔ اور اس کی خوبیاں و خامیاں بیان کریں۔

Q.3. Describe the cannons of taxation? How do these cannons help to design the tax policy of a country?

ٹیکسوں کے اصول بیان کریں۔ کسی ملک کی ٹیکس پالیسی دیتے وقت یہ اصول کس طرح مدد کرتے ہیں۔؟

Q.4. Define Fiscal policy. How can inflation be controlled with its help?

سرکاری مالیاتی پالیسی کی تعریف کریں۔ اس کی مدد سے افراطِ زر کو کیسے کنٹرول کیا جاتا ہے۔؟

UNIVERSITY OF THE PUNJAB

Roll No. ....

Seventh Semester 2017
Examination: B.S. 4 Years Programme

PAPER: Public Finance

Course Code: ECON-403

TIME ALLOWED: 30 mins.

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Section (A)   Make the right choice: Marks = 1x10 =10

1- Government finance is called:

a-National Finance   b-Public finance   c- Private finance   d- Functional finance

(الف)قومی مالیات   (ب) سرکاری مالیت   (ج) نجی مالیات   (د) تفاعلی مالیات

2- The government can collect revenue from:

a- Taxes   b- Fees   c- prices   d- all the three

(الف) ٹیکسوں سے   (ب) فیس سے   (ج) قیمت سے   (د) تینوں سے

3- The government can meet its expenditure:

a- By taxing people   b-By printing new money   c-By borrowing   d-All the three

(الف) ٹیکس لگا کر   (ب) نوٹ چھاپی کرکے   (ج) قرض لے کر   (د) تینوں سے

4-The tax whose "impact" and "burden" is on tax payer is called

a- Direct tax   b- Indirect tax   c-Tax   d-Custom duty

(الف) براہ راست ٹیکس   (ب) بالواسطہ ٹیکس   (ج) ٹیکس   (د) کسٹم ڈیوٹی

5- The income and spending policy of a Govt. is called:

a- Monetary policy   b- Fiscal policy   c-Commercial policy   d-Finance policy

(الف) زری پالیسی   (ب) سرکاری مالیاتی پالیسی   (ج) تجارتی پالیسی   (د) مالی پالیسی

6-Zakat is a major source of income of:

a- Every Govt.   b- Modern Govt.   c-Islamic Govt.   d-All the three

(الف) ہر حکومت کا (ب) جدید حکومت کا   (ج) اسلامی حکومت کا   (د) تینوں کا

7- Taxes on commodities are:

a- Indirect Tax   b- Direct tax   c- Progressive tax   d- Proportional tax

(الف) بالواسطہ ٹیکس   (ب) بلاواسطہ ٹیکس   (ج) متزائد ٹیکس   (د) متناسب ٹیکس

8-Taxes are levied on people to:

a- Penalise   b- Provide direct benefits   c- Provide general benefits   d-To accumulate fund

(الف) سزا دینے کے لیے   (ب) براہ راست مفاد دینے کے لیے   (ج) بہبود عامہ کے کاموں کے لیے   (د) فنڈ زاکھٹا کرنے کے لیے

9- Which of the following is NOT be the aim of Public Finance?

a- Economic growth b- Full employment   c- unfair distribution of wealth   d-Price stability

(الف) معاشی نشوونما   (ب) مکمل روزگار   (ج) غیر مساوی تقسیم دولت   (د) قیمتوں میں استحکام

10- Subsides and transfer payments are the tools of:

a- Fiscal policy   b- Monetary policy   c- Deficit financing   d-All of three

(الف) مالیاتی پالیسی   (ب) زری پالیسی   (ج) خسارے کی سرمایہ کاری   (د) تینوں

UNIVERSITY OF THE PUNJAB

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Give short answer to the following questions

Q. 2

i. Explain Say's law of Market
ii. Explain wage Theory
iii. Discuss centralization of capital by Karl Marx
iv. Discuss Mercantalist's point of view about international trade
v. Discuss utility theory presented by Alferd Marshal.

4 x 5 = 20

Long Question

Q. 3

i. Discuss absolute advantage theory presented by Adam Smith.

ii. Compare David Ricardo's Labor theory of value with Karl Mars labor theory of value.

iii. How does Milton Friedman feel about the welfare system? Discuss thoroughly.

10 x 3 = 30

UNIVERSITY OF THE PUNJAB

Seventh Semester 2017
Examination: B.S. 4 Years Programme

PAPER: History of Economics Thoughts

Course Code: ECON-404

TIME ALLOWED: 30 mins.

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part

Q.1	Encircle the correct answer	10
I	The communist Manifest was written by a. Adam Smith b. John Stuart Mill c. Karl Marx	
II	The role of Govt. in Economic affair was advocated by a. J.S Mill b. David Recardo c. John Kynes	
III	Supply creates its own demand" is a. Ricardo's Law b. Smith's Law c. Say's Law	
IV	Essay on principle of population was written by. a. Adam Smith b. Thomas Robert Malthus c. Adam Smith	
V	Adam Smit's book wealth of nations was published in a. 1970 b. 1775 c. 1776 d. 1772	

P.T.O

UNIVERSITY OF THE PUNJAB

Seventh Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Monetary Economics
Course Code: ECON-405

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE PART

Q2.	Write short answers to the following questions.	5 x 4 = 20
	(i) Briefly explain the various stages in evolution of money.	
	(ii) Define Central Bank and its functions.	
	(iii) What is meant by open market operations?	
	(iv) Distinguish between demand pull and cost push inflation.	
	(v) What is inflation targeting?	
Q3.	Explain the concept of money multiplier. What difference you note between the monetary base and reserve base multiplier?	10
Q4.	Discuss various determinants of money supply.	10
Q5.	Explain Friedman's modern quantity theory of money.	10

UNIVERSITY OF THE PUNJAB

Roll No. ....

Seventh Semester   2017
Examination: B.S. 4 Years Programme

PAPER: Monetary Economics   **TIME ALLOWED: 30 mins.**
Course Code: ECON-405   **MAX. MARKS: 10**

Attempt this Paper on this Question Sheet only.

OBJECTIVE PART

Note: *Attempt all questions. All questions carry equal marks*

	Objective Part Time Allowed 30 Minutes.	
Q.1	Choose the correct answer listed below against each part.	10

1. In the classical system, it plays no role in the determination of employment, income and output

   A) interest

   B) money

   C) saving

   D) investment

2. the most important function of all the commercial bank is

   A) printing notes

   B) control money

   C) credit creation

   D) create deflation

3. Fixing the exchange rate of a country has benefits, including:

   A) they reduce the risk that investors face when they hold foreign bonds.
   B) that it makes it easy for policy makers to let inflation occur.
   C) it imports monetary policy from the economy to which the exchange rate is pegged.
   D) all of the answers given are correct.

4. The quantity of money is in part decided by the nonbank public through:

   A) the monetary base.
   B) the required reserve ratio.
   C) the excess reserve ratio.
   D) the currency–to–deposit ratio.

5. A decrease in excess reserves held by commercial banks:

   A) decreases the required reserves.
   B) results in more deposits.
   C) decreases the quantity of money.
   D) increases the quantity of money.

P.T.O.

6. The monetary base:

   A) is also called "high-powered money".

   B) is currency held in the hands of the public.

   C) is the reserves in the banking system.

   D) None of the above.

7. Keynes believed that transaction demand for money is the function of

   A) investment

   B) consumption

   C) income

   D) interest

8. The speculative demand for money is a decreasing function of

   A) the income

   B) interest

   C) currency

   D) supply

9. The policy which is adopted by Central Bank to control the supply of money is called

   A) fiscal policy

   B) inflation policy

   C) stable policy

   D) monetary policy

10. The inverse relationship between unemployment rate and inflation is called

   A) demand curve

   B) Phillips curve

   C) inflation curve

   D) Tobin curve

UNIVERSITY OF THE PUNJAB

Roll No. ....

Eighth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Applied Economics
Course Code: ECON-406

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

		Objective Part:	Max Marks= 10
Q.1		Encircle the correct answer.	

1. In SPSS, what is the "Data Viewer"?
   a) A table summarizing the frequencies of data for one variable.
   b) A spreadsheet into which data can be entered.
   c) A dialog box that allows you to choose a statistical test.
   d) A screen in which variables can be defined and labeled.

2. What does the operation "Recode Into Different Variables" do to the data?
   a) Replaces missing data with some random scores.
   b) Reverses the position of the independent and dependent variable on a graph.
   c) Redistributes a range of values into a new set of categories and creates a new variable.
   d) Represents the data in the form of a pie chart.

3. How would you use the drop-down menus in SPSS to generate a frequency table?
   a) Open the Output Viewer and click: Save As; Pie Chart
   b) Click on: Analyze; Descriptive Statistics; Frequencies
   c) Click on: Graphs; Frequencies; Pearson
   d) Open the Variable Viewer and recode the value labels

4. In which sub-dialog box can the Chi Square test be found in SPSS?
   a) Frequencies: Percentages
   b) Crosstabs: Statistics
   c) Bivariate: Pearson
   d) Gender: Female

5. How would you print a bar chart that you have just produced in SPSS?
   a) In Output Viewer, click File, Print, select the bar chart and click OK
   b) In Variable Viewer, open bar chart, click File, Print, OK
   c) In Chart Editor, click Descriptive Statistics, Print, OK
   d) In Data Editor, open Graphs dialog box, click Save, OK

(P.T.O.)

6. You cannot close MS Word application by
   a) Choosing File menu then Exit submenu
   b) Press Alt+F4
   c) Click X button on title bar
   d) From File menu choose Close submenu

7. Portrait and Landscape are
   a) Page Orientation
   b) Paper Size
   c) Page Layout
   d) All of above

8. Which of the following is not a font style?
   a) Bold
   b) Italics
   c) Regular
   d) Superscript

9. PowerPoint presentations are widely used as
   a) note outlines for teachers
   b) project presentations by students
   c) communication of planning
   d) All of above

10. A new presentation can be created from
    a) Blank Presentation
    b) From Existing Presentation
    c) From Design Template
    d) All of above

UNIVERSITY OF THE PUNJAB

Eighth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Applied Economics
Course Code: ECON-406

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

	Subjective Part	
	Note: Attempt all questions.	
Q2.	Explain the following briefly.	
	i) Data Retrieval	4 x 5
	ii) VAR Models	=20
	iii) Estimation of Present Value	
	iv) Advanced formatting features in MS Word	
	v) Macros in MS Word	
Q3.	Discuss the procedure to estimate demand, supply and their equilibrium in Eviews	10
Q4.	Discuss the procedure to estimate the Cobb-Douglas production function with constant returns to scale in SPSS.	10
Q5.	How computer programming can be used in the project appraisal. Discuss in details.	10

UNIVERSITY OF THE PUNJAB

Eighth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Islamic Economics   TIME ALLOWED: 30 mins.
Course Code: ECON-407   MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part   **(10 Marks)**

Q. 1. Tick the correction option in the following 10 statements.

i. Sources of Islamic Economics include:
    a. Al-Qura'an only
    b. Al-hadith only
    c. Both (a) and (b)
    d. None of the all

ii. Taqwa entails consumption of wealth as:
    a. Prodigally
    b. Miserly
    c. Moderately
    d. Lavishly

iii. Al-muqddama is the famous writing of:
    a. Shah Wali Ullah
    b. Abu Ubaid Al-Qasim
    c. Imam ibn e Taimiah
    d. Ibn-e-Khuldoon

iv. A Muslim consumer's consumption optimizing horizon is ----------- as compared to a Non-Muslim consumer.
    a. Broader
    b. Narrower
    c. Equal
    d. None

v. When two or more parties run a business with joint capital of all partners this is called:
    a. Mudharabah
    b. Musaqat
    c. Muzarah
    d. Musharakah

vi. When a trader withholds the product from market and stores it to artificially create shortage it is called:
    a. Moderation
    b. Ihtikar
    c. Bai muajjal
    d. Bai salam

vii. Zakat and Sadaqah --------------the wealth
    a. Increase
    b. Reduce
    c. Do not affect
    d. Waste

viii. When price is paid in advance and delivery of the sold good is done later on it is called:
    a. Bai Muajjal
    b. Bai Salam
    c. Bai Eenah
    d. Murabah

ix. A ten percent zakat on agriculture products is called
    a. Fitrana
    b. Khums
    c. Ushre
    d. Kaffara

x. Riba al-nasiah is called:
    a. Riba al-Qura'an
    b. Riba al-Hadith
    c. Both (a) and (b)
    d. None of the above

UNIVERSITY OF THE PUNJAB

Eighth Semester - 2017

Examination: B.S. 4 Years Programme Roll No. ....

PAPER: Islamic Economics   TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: ECON-407   MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q: 2. Briefly explain the following concepts: (5*4=20)

    I. Need for Islamic Economics

    II. *Bai Salam*

    III. Law of Inheritance in Islam.

    IV. Foundations of Islamic Economic System

    V. Rights of ownership in Islam

Q: 3 Explain economic teachings of Imam Abu Yusuf (R. A.).   (10) اامام ابو یوسف کی معاشی تعلیمات کی وضاحت کریں۔

Q: 4 Highlight the Islamic code of Business Ethics.   (10) اسلام کے ضابطہ کاروباری اخلاقیات پر روشنی ڈالیں۔

Q: 5 Explain the concept of *Ijma'a* with examples.   (10) مثالوں کے ذریعے اجماع کے تصور کی وضاحت کریں۔

UNIVERSITY OF THE PUNJAB

Roll No. ....

Eighth Semester - 2017
Examination: B.S. 4 Years Programme

PAPER: Fiscal Policy
Course Code: ECON-409

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Objective Part

Q: 1   **Encircle the correct answer**   (10)

1. The principles of taxation are:
    a. Principle of equality
    b. Principle of certainty
    c. Principle of secrecy
    d. Both a and b

2. Fiscal deficit is financed through
    a. Domestic sources
    b. Privatization proceeds
    c. External sources
    d. All of the above

3. The most important source of government income is
    a. Foreign loan
    b. Taxes
    c. Printing of new money
    d. Sale of government property

4. Sources of deficit financing are
    a. Central bank
    b. Commercial bank
    c. Printing new notes
    d. All of the above

5. Government prepares its budget
    a. Weekly
    b. Month
    c. Quarterly
    d. Annually

P.T.O.

6. The following are the heads of the government expenditures Except
   a. Provision of social service
   b. Defense
   c. Provision of cosmetics
   d. Improvement of transport and infrastructure

7. Which of the following is/are the tool(s) of Fiscal Policy?
   a. Taxes
   b. Government expenditures
   c. Subsidies
   d. All of the above

8. ----------------is a component of direct tax in Pakistan.
   a. Custom duty
   b. Excise duty
   c. Sale tax
   d. Income tax

9. ----------------is the component of external debt of Pakistan.
   a. Permanent debt
   b. Floating debt
   c. Unfunded debt
   d. Short term borrowing from IMF

10. Taxes in Pakistan are levied by
    a. Prime minister of Pakistan
    b. State Bank of Pakistan
    c. National Assembly
    d. Federal Cabinet

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q: 2 Write the short answers of the following questions: (20)

1. What are canons of taxation?
2. Differentiate between social security and social insurance.
3. What are the major causes of budget deficit?
4. Discuss the theory of Ricardian Equivalence.
5. Differentiate between external debt and internal debt.

Q: 3   a) What is meaning of deficit financing?   (02)

<div dir="rtl">خسارے کی سارمایہ کاری کیا ہے</div>

    b) Discuss various source of deficit financing.   (08)

<div dir="rtl">خسارے کی سارمایہ کاری کے زراے پر بحت کریں</div>

Q: 4   a) Explain the term Fiscal policy   (02)

<div dir="rtl">ما لیاتی پا لیسی کیا ہے</div>

    b) Discuss the tool of Fiscal Policy   (08)

<div dir="rtl">ما لیاتی پا لیسی کے الات کی وظاحت کریں</div>

Q: 5   a) Discuss the concept of Public Debt   (02)

<div dir="rtl">سرکاری قرضے کیا ہے</div>

    b) Explain various types of Public Debt   (08)

<div dir="rtl">اس کے اقسام کئ وضاحت کریں</div>