

ECONOMICS

PAPER-I

I. Micro Economics:

- Consumer behavior
- Determination of market demand and supply i.e., the concept of elasticity of Demand & Supply
- Static, Comparative Static Analysis
- Distinction between partial and general equilibrium analysis (basic level)
- Theory of the Firm
- Producer's equilibrium
- Pricing of the factors of production

II. Macro Economics:

- Basic Economic Concepts
- National Income Accounting
- Consumption Function, Multiplier, Accelerator & Component of Aggregate Demand
- Labor Demand and Supply
- Un-Employment
- Determination of equilibrium level of income and output (at least with reference to two or three "schools of thought")
- Inflation

III. Money and Banking:

- Functions of Money
- Quantity Theory of Money
- The Fisher and Cambridge Formulations
- Systems of note issue, Credit Creation
- Functions of Central Banks
- Instruments of Credit Control
- Distinction between Goals, Operational & Intermediate Target of Central Banks Policy
- Concept of Reserves, Liquidity Premium, Term Structure of Interest Rate, etc.
- Transmission Mechanisms of Monetary Policy
- Theory of Liquidity Preference
- TVM, Capital Structure & Capital Restructuring
- IS-LM Analysis and the role of Central Bank
- Money Demand and Supply

IV. Public Financing:

- Government expenditure
- Sources of Government Revenue
- Privatization
- Taxes and non-taxes
- Incidence of different taxes
- Public Debt, Objectives & methods of repayment
- Deficit financing
- General Equilibrium Analysis
- Welfare Economics
- Fiscal Policy

V. International Trade:

- Theories of comparative advantage and Factor Endowments
- Trade & Growth
- Colonialism, Imperialism
- International Trade & Trade Restrictions
- Economic Integration
- Trade Policy
- Balance of Payments
- Foreign Exchange
- International Monetary system
- Custom Unions

VI. Economic Development:

- Concepts of development
- Human development
- Historical growth process and Development
- Theories of development
- Structural issues of development
- Income distribution and poverty
- Sectoral (agricultural, Industry, trade and fiancé) issues and development
- Environment and Development

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PAPER-II (Economics of Pakistan)

I. Definition and Measurement of Development:

- Characteristics of underdevelopment
- Rethinking on the concept of development: Growth vs. Redistributive justice, Absolute and Relative Poverty
- Basic Needs Approach
- Sustainable Development
- Environmental Degradation & other Issues

II. Planning Experience of Pakistan:

- A critical evaluation of the strategy of economic planning
- Governance & Institutions

III. Agricultural Development in Pakistan:

- Changes in Agricultural Policies over plan periods
- Major Monetary and Fiscal measures to promote Agricultural development
- Green Revolution Strategy and its implications for growth and redistribution
- Land Reforms and changes in the Tenure System 1950—1980
- Cooperative Farming
- Rural Development

IV. Industrial Development in Pakistan:

- Early industrialization strategy
- Creation of Financial and Development Institutions
- Major monetary and fiscal measures to promote industrial development
- Changing role of the public sector over the plan periods
- Evaluation of Nationalization Policy
- Concentration of industrial income and wealth
- Evaluation of Import Substitution Policy
- Export-led Growth Strategy in Pakistan

V. Role of Foreign Trade and Aid in Economic Development:

- Trends in Pakistan's Balance of Payments
- Terms of Trade & Changes in direction of trade
- Trends in Pakistan's major exports and imports
- Causes of significant changes in the trends
- The role of migration and remittances in Pakistan's economy
- Costs and benefits of Foreign Aid
- Role of Foreign Investment

VI. Privatization, Denationalization, Deregulation:

- Conceptual and Operational aspects
- International comparisons
- Pakistan Experience of Privatization

VII. Interest-Free Banking in Pakistan

VIII. Energy Policy of Pakistan

IX. Social Sector Development in Pakistan

X. Major Issues in Pakistan Economy:

- Energy crisis
- Corruption
- Bad governance
- External debt accumulation and dependency
- Unemployment, Income inequality & Inflation
- Fiscal and trade deficits
- Balance of payment issues
- Shortage of irrigation water