1. The examination for degree of Masters of Arts shall be taken in two parts; (1) Previous examination and (2) Final Examination, each for one year’s duration. Students passing the B.A. Honors (Three years course) Examination will be eligible to take the M.A. Final Examination after one year’s study without being required to pass the M.A. Previous Examination.

2. The Previous Examination shall consist of five papers, papers I-IV are compulsory and one optional from paper V. Each paper shall be of 100 marks and of 3 hour’s duration.

**M.A. Final**

3. The M.A. Final Examination shall comprise five papers, papers I, II, III, and V are compulsory and one optional from paper IV. Each paper shall be of 100 marks and of 3 hours duration.

**(M.A. Previous)**

**PAPER I**

**Micro Economics**

1. Utility and preference:


Preference in a two-commodity world. Choice in a two commodity world. Changes in the Data (Budget changes) (Price changes). Three or more commodities. One commodity and money. The Validity of this theory-Demand curves and various Elasticities.
2. The General Equilibrium of Exchange:


3. Value

A Survey of the contributions of economists towards value theory-classical, Neo classical, Up-to-date back ground of value theories. the place of prices in a Modern Economy.


Equilibrium of the firm and industry under perfect competition. Monopolistic competition-monopoly in all its aspects-oligopoly with its problems and solutions.

5. Introduction to games theory :

An introductions to games theory.


7. Welfare Economics.

Books Prescribed

1. J.R. hicks Value and Capital
2. J. Robinson Economics of Imperfect
4. W. Fellner. Modern Economics analysis
5. Erol’o Fossati The theory of General static
Government Activities and Expenditure :

1. Role Of Government In An Economy.
The Basic Economy Decisions. The Market Economic and the Attainment of Economic goals. The Consideration Which have led to the undertaking of Government Activity.

2. Optimum Levels of Government Activities.


Sources of Government Revenues :
Sale of Goods and Services :Taxation ,Borrowing. The Developments and Nature of Principal Taxation.
Taxation of Income:

Income Tax Deduction and Exemption Income Tax Rate Structure and Tax Administration –The time Period Problem –Economic Consequences of Income Shifting and Incidence—Sales Taxation

PART II

Government Borrowing and Fiscal Policy:


PART III

The Budget and Modern Government:


Boxes Prescribed


For Part II John F. Due. Government Finance, Richard Irwin Ince, Relevant Chapters.

PAPER III

Advanced Economic Statistics


2. Importance of diagrams and graphs: bar, sub-divided rectangles, circles, graphs of time series and frequency distributions, histograms, frequency polygon and curve, cumulative, frequency curve, percentage frequency curve, Lorenz curve, Pareto’s law of income distribution.

3. Measures and dispersion, coefficient of variation, relative importance of different averages.

4. Idea of normal curve and its importance properties.

5. First four moments, Sheppard’s correction, skewness and symmetry, calculation of coefficients of skewness, Kurtosis.


7. Index numbers, weighted index numbers, Cost of living numbers.


9. Fitting a straight time and a parabolic curve of the type \( y = a + bx \) \( y = ab - x + cx^2 \) theory of sampling, random, stratified, multistage and purposive sampling.


11. Interpolation by the use of Lyngranges and Newton’s formula. Use of logarithms and prices on Newton’s formula.

Books Prescribed

1. G. U. Yule and M. G. kendall: An Introduction to statistics.
1. **Principles of Planning:**
   (a) Theories of Economic development and their application.
   (b) Definition and techniques of planning.
   (c) Instruments of planning and role of various policy variables.

2. **Evolution of planning for the acceleration of development process.**
   (a) Development experiences in west European Countries.
   (b) Development experience in socialist countries.
   (c) Development experience in under developed countries.

3. **Patterns of developments planning:**
   (a) Indicative planning socialist planning and comprehensive planning
      In a mixed economy.
   (b) Annual planning, five years planning and perspective planning.

4. **Preparation of development plan in an underdeveloped economy:**
   (a) Assessment of country’s resources.
   (b) Minimum of country’s resources.
   (c) Need for foreign assistance.
   (d) Plan strategy and target consistency.
   (e) Sectoral allocations and interdependence.
   (f) Input-Output exercise.

5. **Implementation of a Development plan.**
   (a) Private sector : guide- lines government policies with special reference to fiscal
      Monetary and foreign trade policies.
   (b) public-sector : (i) Finance of the public sector development project via : (a)
      taxation (b) inflation and (c) foreign aid.
   (c) Public-sector expenditure on (a) infrastructure (b) social service and (c)
      commodity production.

6. **Evolution of planning experience :**
   With special reference to :
   (a) Targets vs. achievements.
   (b) Agriculture vs. industry.
   (c) Public vs. private sector.
   (d) Balance vs. unbalance growth.
   (e) Growth vs. distribution.
PAPER II
PLANNING IN PAKISTAN

Evolution of planning process in Pakistan.
Objectives and techniques of planning. Use of models in programming.
National Resources and targets for national plans.
Price structure: Choice of policy instructions.
The role of public and private sector.
Estimation of capital requirements.
Sources of Capital formation.
Public & private sector, foreign capital inflow.
Method of Allocation of investment Resource.
Obstacles arising for investment choices sectoral constancy.
Strategies of growth, Balance of payment and foreign Aid.
Manpower resources and its utilization.
Regional Balance.
This study will be made in the light of the development plans of the country, specially
with reference to current plans.

Books Prescribed

1. Leading Issues in economic development by G. M. Meir.
2. Development Planning by W. A. Lewis.
3. Analytical Techniques of Economic development. A cases study
   Of Pakistan by W. Times.
7. Development Planning: Lessons from Experience by Waterstone, A.
8. Economic Planning in under-developed Areas by Mason, E. S.
9. Economic Planning in Pakistan by Waterstone, A.
10. The First Five-year Plan of Pakistan.
11. The Second Five year in Pakistan.
    Preliminary Evolution of Progress during the second five.
    Year plan. The Third Five year 4th plan, 5th plan and 6th plan.
12. Pakistan, Development Review.
    Pakistan Institute of Development Economic.
PAPER V-A
Economics of Agriculture
PART—A

A   Introduction to Economic of Agriculture : Definition concepts, tool and techniques.

B   Demand and supply functions in agriculture.
    Focal points and conditions of long—term shift in the demand curve, peculiaries
    of demand-supply function in agriculture, farm price behavior.
    Problems of price determination with reference to income effect, cobweb theorem
    and relevant income elasticities.

    (i) Input-output Relationship :
        Choice and resource allocation criteria:
        Resource—substitution and factor relationship:
        Resource-combination and cost minimization:
        Resource allocation and enterprise combination, chaise between product and
        resource-use.

    (ii) Resource Classification and other problems in aggregation :
        Nature and types of cost curves:
        Returns to scale and farm size;
        Factors determining optimum size of farm;
        Time-factor reward and resource valuation;
        Economic planning and farm-size;
        Agriculture and trade-prices;
        The role of the state in regulation prices in developed and underdeveloped
        Countries.

C.   Problems of agricultural credit:
        Credit and Agricultural development;
        Form of credit;
        Role of interest in agricultural credit vs. rate of interest in industrial credit:
        Form-credit supply ;
        Allocation and use of farm-credit ;
        Credit institutions and marketing operations.

D.   Economic Development and Agriculture;
        Agriculture in a developing economy; measurement and evaluation with reference
To:
(i) Population increase relating to income
(ii) Use of techniques employed by consuming units and
(iii) Rise in output effecting trade, and development

E. Land Organization income distribution and economic development.

**PART II
AGRICULTURE OF PAKISTAN**

A. PHYSICAL, INSTITUTIONAL CHARACTER OF AGRICULTURE IN PAKISTAN.
Detailed study of Agricultural sector with reference to its 2nd & 3rd Five year Plans, Land Unitization, Land man ratio, size of holding, income and standard of living.

B. (i) LAND: Size of holdings, Farm mechanization, water-logging salinity, quality and quality of inputs.
(ii) LABOUR: Rate of population growth and land ratio study of agricultural labour force and its employment; possibility of its transfer to non-agricultural sector, problems of agricultural wages.
(iii) CAPITAL: Availability and requirements of capital credit institutions and their performance. The role of National and international agricultural Credit institutions.
(iv) ORGANISATION: Farm until and its layout, problem of sub division and fragmentation of holding, their consolidation scheme, Techniques of cultivation, irrigation system, marketing operation, suggestion for improvement, impact; stable, unstable prices on the growers; A study in respective and prospect. Effect of Land Reforms and Tenancy Acts.
(v) Description of Major food and cash crops like food grains, Jule, Cotton, Tobacco, and the evaluation of policies related to their management and improvement.
(vi) Livestock and animal husbandry: A review of existing situation and projection for future. The role of agro industries diversification, strengthening and expansion of agricultural sector through establishment agro-industries.
(vii) Effect of agricultural production in the international Trade and Balance of payment of Pakistan. Foreign Aid and agricultural development, food self-sufficiency program.
**Books Prescribed**

(i) Economic of Production and Resource Use.
    Earl O. Heady.

(ii) Contemporary Reading in Agricultural Economics.

(iii) Outline of Agricultural Economics.
    Henry C. Taylor (Macmillan Company)

(iv) The Economics of Agriculture Development J. W. Mellor

(v) Pakistan:- A Developing Economy.
    S. M. Akhtar (Latest)

(vi) Demand and supply for Agrienital Product in Pakistan
    S. A. Abbas, Oxford University Press.

(vii) Chapter of 1st  IInd IIIrd Five year Plane relating to Agricultural sector.

(viii) Economy of Pakistan.

**Books Recommended**

(i) The Economic of Agriculture.

(ii) Agricultural Marketing.

(iii) Introduction of Agricultural Economics.
    Bishop and Toussaint.

(iv) Farm Management Economics.
(v) Agricultural Economics.
Government of Pakistan Publication.

(vi) (a) Report to the Government of Pakistan on Labour conditions
In Agriculture.
(b) Food and agricultural commission Report 1960.
(c) Report of the Land Reforms commission.
(d) Report of the Credit Enquiry Committee.

(vii) Agriculture and Economic Development.
Carl Ficher and Luwrence Witt.

(viii) Proceedings of 11th International Conference of agricultural Economic.
Oxford University Press, London.

(ix) CENTO Conference on Agricultural Extension, CENTO 1967.

(x) Developing Rural India Plane and Practice by John W. Mellor &
others.

(xi) Pakistan Development Review, Institute of Development Economics.

PAPER V-B
NATIONAL INCOME ANALYSIS AND
ACCOUNTING
PART 1

(i) Introduction:
Macro v/s Micro Economics, state Dynamic Concepts
Micro Economic Equilibrium Analysis and techniques.

Real and Money income.
Circular flow of income, its component. Ways of calculating national
Income.
Gross and Net Product.
(iii) **Conceptual Problem in the Estimation of National Income:**
(a) Product to be included.
(b) Final and Intermediate Product.
(c) Valuation of the Production.

(iii) **Accounting Framework and National Income Aggregate.**
(a) Income and production statement for firm.

(b) Sector account: National Income Aggregate as.
(1) G. N. P. and G.N.I.
(2) N.N.P at Market Price.
(3) G.N.P and Income
(4) N.N.I. as factor cost-and national Income.
(5) Personal Income and outlay.
(6) Disposable Income.

(c) Their definitions and uses for comparative Analysis.
(1) Structural  (2) Comparative Analysis.
(3) Over Space.

(d) Criticism of national Income Accounting.

(v) **Other System of Economic Accounting:**
(a) Input-output Techniques, Analytical consideration.
And form of input-output accounting table, uses of analysis based on input-output relationship.

(b) Flow of Fund Accounting.
Rationale of Accounting Procedure, System of Sector Account and uses

(c) Use of National Income analysis for changes is
(1) Population  (2) Production  (3) Productivity
(4) Prices  (5) Employment.

**Part II**

vi) **National Accounting System of Pakistan:**
Methods of National Income estimates in Pakistan.
Identification of Problems and suggested salution.
Part III

VII) Component of National Aggregate:
Simple Income Determinations Multiplier.
Factor Affecting Consumption Expenditure.

(b) Federal Policy and Income Consumption Expenditure.
Government expenditure. Taxation the Equilibrium Level of Income.

(c) Level of Investment.
Discounting and the present value of an asset. The inducement to invest.
Factors Affecting investment in spending.

(d) Money and Interest.
Interest and Investment.
General Equilibrium.

(e) Level of Employment.
(i) Factor’s market and classical Doctrine.
(ii) Keynesian Economics and the level of Employment.

PREScribed BOOKS

Part I & II

1) R. Ruggle & M.D. Ruggles National Income Accounts and
   Income Analysis
2) J.P.P welson  National Income & Flow of Fund
    Analysis.
3) A.J. Vandermenien &
   D.C Vandermenien  National Income Analysis &
   Sector Accounting.
4) W. H. Mier. Yk Input & output Analysis.
5) Sam Rosen  National Income
7) Parker & Harcurt Reading in the concept and
    measurement of national income.
8) S. C. Shoup Principal of National Income
    Analysis.

Part II
1) **Function and Diagrams in Economics Theory:**

2) **Derivation & their Interpretation:**
Derivatives and approximate value. Derivation and tangents to curves. Second and higher order derivatives. The application of derivatives in Economic Theory.

3) **The technique of derivative:**
The powers function and its derivation. Rules for the evaluation of derivatives. The evaluation of second and higher order derivatives.

4) **Application of derivatives:**

5) **Logarithmic Derivation:**
6) **Function of two or more variables**: 
Function of two variables. Function of more than two variables. Function of several variables in economic theory. The production function and constant product curves. The utility functions and indifference curves.

7) **Partial Derivatives & their applications**: 

8) **Differential and Differentiation**: 

9) **The cobweb & other simple Dynamic Models**: 
Cobweb model. A simple continuous model. Central features of the model. Model with stocks.

10) **Matrix Algebra**: 

**Books Prescribed**

1) R. G. D. Allen  
   Mathematical analysis for Economists chaps, V to XIII.
2) R. G. D. Allen  
   Mathematical Economics Chaps 1 & XII.

**Books Recommended**

1) G. C. Archibald  
   A Mathematical Treatment of Economics.
2) J. Perty Lewis  
   An Introduction to mathematics for Students of Economics.
3) D. W Bushaw & W. Clower.  
   Mathematical Economics.
PAPER V—D
Comparative Economic System)
Section I
Introduction

(a) An Introduction to the study of Comparative Economic system.
(b) Performance criteria for Economic system.

Prescribed Reading

1. Halm, George N.  
   Part I chapter I.
2. Lucks, William N.  
   Comparative Economics, Systems. Harper International Student Reprint, John Weatherhill. Tokyo,  
3. Bornsten, Morris  
   (ed) Comparative Economic System: Model and cases Richard D Irwid, Homewood, Illions, 1965,  
   Part I, chapter 1&2,

Section II

(a) Capitalism: Meaning and characteristics: historical Evolution: Major Institutions.
(c) An evaluation of the achievement and failing of capitalism. (case study : United states of America)

Prescribe Readings

1  Loucks Part I chapters 2 to 4 and Part IX chapter 33.
2  Halm, Part II chapters 5 to 9.
Section III

Socialism and Communism

(a) Definition and concept: Brief outline of Historical Evolution of Socialism.

(b) Maximum theories of history, value and capitalist development.

(c) Economic theories of Democratic socialism.

(d) The soviet Economic: Problems of a centrally planed economy.

(e) Evaluation of the achievements and failings of Socialism in Russia.

Prescribed Readings:

Halm, Part III chapter 10 to 13; Part IV chapters 14 to 17; Part V; chapters 8 & 19; Loncks, Part III chapters 5 to 10; Part IV chapter 15 Part VI chapter 23 to 28; Ahmed Shaikh Mehmud, Economics of Islams, Ashraf, Lahor, 1964.

Bornstein, Part II chapter 6 to 12; Part III chapter 15 to 18.


Section IV

Islamic Economy

(a) The nature of Islamic Economy; its goals and objectives;

(b) Principles relating to Property labour production and growth, consumption, trade and marketing and economic organization. The working of the price system in an Islamic economy.

(c) Interest and the problem of its elimination.
(d) Zakat and the principles of taxation; income distribution and social responsibility.

(e) Economic functions of the state.

(f) Distinctive features of Islamic economy v/s-a-v/s capitalism and socialism.

**Suggested Readings:**

(1) Ahmed, Shaikh Mahmud, chapters II, IV, VI, and VII,


(3) Yusuffuddin, Dr, M. Islam Ka’ashi nazaryat, Hyderabad, 1950 Volume I, Chapter 3 and 4; Vol. II Chapter 4 to 7.


**Suggested Readings:**


(3) Weight, David Mac, Capitalism The McGraw Hill Book Co.

(4) Pigou, A.C, Socialism vs Capitalism the Macmillan Co. London.


(8) Maududi, Abul Ala, sood, (Urdu), Islamic Publication Lahore.

(9) Maududi, Abul Ala, Islam and Jadeed Ma’ashi Nazaryat, Islamic Publication, Lahore.


(12) Qureshi Dr. Anwar Iqbal, Islam and the theory of Intrest, Ashraf, Lahore.

(13) Attaullah, Sheikh, Revlval of Zakat, Repon, Press, Lahore.


PAPER V-E

Economics Of Islam

Section – A

Descriptive

1. Nature of Islamic Economic
   Islam and Economic
   Basic principals of Islamic Economics
   Islamic Principals and its comparison with capitalistic. And Socialistic systems.

2. Social fram work of Islam
   Value System Moral cade
   Legal Fram Work
   Economic Institutions
   Problems of Social Integration and Islam

3. Evolution of Economics Through in Islam and brief introduction to the writings of:
i) Qazi Abu yusuf

ii) Imam Mohammad

iii) Qazi Abu Ubaid

iv) Ibn Hazam

v) Shah Waliullah.

Section – B

Analysis

1. Consumer’s Behaviour:

   Islamic Principals of Consumption and the Law of equimarginal utility.

   Concept of austerity, in Islam and aggregative consumption.

2. Production:

   Importance and goals of production

   Organization of factors of Production and distinguishing features of Islamic classification.

3. Demand and Supply Analysis:

   Concepts of Value

   Nature of Market & Market Behavior

   Process of Price Cotermination

3. Distribution :

   Determination of the share of productive factors with special reference to the concept of Shirkyat and Mazarbat Problems of rent and retier class.

   Wages rates
Intrests and Problems of its elimination

Concept of Profits

An introduction to the Islamic Concept of welfare and theory of Distribution.

Section – C

Social Economics

i) Socio-Economic Objectie of the Islamic economy.
ii) Economic functions of the state.
iii) Concept of State ownership and economic control in Islam.
iv) Social security and welfare

Section – D

Public Finance

Source of income and their underlying principals taxation and specific taxes.

Principals of Public expenditure. Public dept.

Fiscal Policy :

Section - E

Money & Banking

Money credit and interest free Banking system.
Tenents of monetary policy in Islam.
Principals of trade & internal economic relation.

Books Prescribed


5. M.Yusufuddin, Islam kai Mo’ashi Nazaryat Hyderabad (Daccan) 2 volumes.

6. Abul Ala Maududi, sood, Islamic Publication Lahore.

7. Abul Ala Maududi, Islam and Jadeed mo’ashi Nazaryat, Islamic Publication Lahore.

Books Recommended


12. Economic of Islam Ibne Saud (Ma’Shiat-e-Islam)
14. Ghair Soodi Bainkari (Nijatullah Siddiqui)

M.A (FINAL)

There shall be five papers of 100 marks each of 3 hours duration

PAPER 1
MACRO-ECONOMICS

1 Development of macro-economics, Micro economics vs. Macro-economics.

2 The Classical Macro-Economics:
   Say’s law and Quantity—Wages, Prices Employment and Production—Savings, Investment and the role of Interest. Wicks ell’s formulation and monetary and fiscal policy.

3 The Keynesian Macro Economics:

4 Equilibrium:
   Income Output and Employment—systems and effects of changes in price level.

5 Accelerations and Multiplier:
   Working of acceleration, its efficiency effects and coefficient. Static and dynamic mutisector multiplier, employment and foreign trade multipliers.

6 Growth and Fluctuation:
   Growth, Investment and employment- stage nation or Exhilaration, Cyclical fluctuation.

7 Employment Policy:
Changes in monetary and fiscal policies, Effect on investment, limitation and alternative policies.
Coefficient static and dynamic multisector multiplier, employment and foreign trade multiplier.

Books Prescribed

Ackely : Macro-Economic Theory General.
Keyne Theory of Employment, Interest and money
Kuribara : Post-Keynesian Economics.
Mc’Dougal & Dernberg : Macro-Economics.
American Economic Association Surveys of Economic theory Vol II
Ruval Economic Society.
Ellia (ed) A Survey of Contemporary
Holly (ed) Economics Vol II
Domar Essays in the Theory of Growth
Samuelson Foundation of Economic Analysis.
Macro Economic Readings

PAPER II
INTERNATIONAL ECONOMICS

Evolution of International Trade theory from Ricardo to Haberler—Measurement of cost to assess gain from trade,

1 Pure theory International Trade.
   Terms of Trade: Various concepts their role in measuring gain from trade Factors affecting terms of trade of advanced and developing countries.
   Trade and Welfare: Trade as instrument of welfare under multilateralism and various restrictive variants. Trade and Economics Growth : Trade and Growth, Growth and Trade. Different implication of these inter-relationships for specialized economics. Diversification of the economy for increased growth.

2 Balance of Payments: (Changes and their adjustment).
The balance of payments of statement. Elements in the adjustment process. Elasticities and propensities of Trade. The working of the price and income effect in the payment mechanism. Inter-relation between monetary and fiscal policies and price income changes. Discriminatory trade and payment restrictions and balance of payments adjustment. Concept of balance payments
in the short and long terms. Variation in payments disequilibria in Industrialised and developing economy. Gold standard and the payments machahism.

3 **International Investment and Foreign Aid:**
   **Foreign Exchange:** Market short term and long term Capital movement. The transfer process.
   **Foreign Aid:** Change in the concept. Terms and Volum of aid-problems of donor & recipient countries. Absorption Capacity and flow of funds.

4 **Commercial Policy:**
Trade restriction and the structure of world trade since the end of the First World War. Tarrifs, Quotas, Commodity Agreements, State trading Exchange control these restriction should be studied from the point of view of their impact on the direction, composition and volume of the world trade and its effect on the economic growth and welfare of various regions.

5 **International Monetary Problems and Institutions:**
Evolution of payment system is western Europe since World War II, payments problem of the developing countries. Dollar storages. its changing character causes and cure. The position of Dollar as reserve currency, its significance for industrialized and under developed country. Sterling area: its changing role in the postwar period I.M.F. World Bank. GATT and other international Economic institutions.

6 **Regional Economic Integration:**
Custom union issue from viner on words. Attitude of GATT. Regional Cooperation in western Europe. Regional Integration and economic development. Regional arrangement in developing areas, with special reference to R.C.D.

1 **Basic Rending**

- American Economic Association, Reading in International Trade.
2. Supplementary Readings

- MacDougall, D.  The Dollar Problem, A reappraisal Prinston University Essay in International Finance, 1960
- Vanek  International Trade : Theory and Policy.
• E.S. Mason Controlling World Trade, McGraw Hill Book.

• GATT International Trade. (Annual Publication).


• A. G. L. Day The Future of Starling (Oxford Univ.Press)

P. W. Bell The Sterling Area In the Postwar World,(London O.U.P.1956)


• R. Triffin Yold and Dollar Crisis (Yale University Press 1960)

• F.Machtup Palm for Reform of the International Monetary System (Princeton University.1962)

• Richard E. Caves Economic structure and International Trade.

• E.S.Masoa Controlling World Trade, McGraw Hill Book.

PAPER III

MONETARY ECONOMICS

1. Supply of Money:
   (i) Definition of money.
   (ii) Process of the Creation of money.
   (iii) Institutional Determinants of supply of money.
   Government, Commercial Bank, non Banks financial intermediates and Central Bank.
2. **Demand of Money:**
   (i) Classical view
   (ii) Keynesian extensions
   (iii) Recent extensions
   (a) Chicago School
   (b) Patinkin
   (c) Gurley Shaw

3. **Purchasing Power of Money**
   (i) The Quality Theory of Money
   (ii) The Fundamental Equations
   (iii) The conditions for stability
   (iv) The theories of inflation and deflation.

4. **Monetary Theory:**
   Integration of real sector with monetary variables
   (i) Theory of Interest - classical, non-classical, Keynesian, Recent contributions.
   (ii) Theory of wages - classical, non-classical, Keynesian, Recent contributions.
   (iii) Theory of Price - classical, non-classical, Keynesian, Recent contributions.

5. **Monetary Policy: Objectives of Monetary Policy:**
   (i) Price stability
   (ii) Fostering of rapid growth in the economy
   (iii) Generation of employment
   (iv) Maintenance of balance in International payments.

6. **Monetary Management:** The mechanism and instruments of monetary management.
   (i) Mechanism of monetary management
      (a) Interstate mechanism
      (b) Availability doctrine
      (c) Portfolio approach
   (ii) Tools of monetary management:
      (a) Rediscout Rate
      (b) Open market operation
      (c) Reserve requirements
      (d) Selective credit controls

7. **External Value of Money:**
   (a) Gold Standard
   (b) Purchasing Power Parity Theory
   (c) Balance of Payments Theory
8. **International Liquidity:**
(i) International Monetary Fund
(ii) International Bank of Reconstruction and Development
(iii) International Development Association
(vi) International Finance Corporation
(v) Need for an international currency

**Monetary Management in Pakistan**

**Reading List**

Chandler, L.V. Economic of Money and Banking

Whittlsey, C. R Money and Banking. Analysis and Policy,
London, Macmillan, 1963

1961).

De Kock, M. H Central Banking.(London) Staple, Press,
1961.

Friedman, M. Studies in the Quantity Theory of Money
(Chicago, University Press)

Keynes, J.M. The General Theory of Employment
Interest and Money.

Patinkin D. Money Interest and Prices: An Integration
Of Monetary and Value Theory, (Yew

Friedman, M. A Program for Monetary stability (New

Johnson, H.G. “Monetary Theory and Policy” American

Johnson, H.G Keynes General Theory after Twenty Five,
Years, ‘American Economic Review.
May 1951.

A. Schheim, J. Techniques of Monetary Control Baltiмор
John Hopkins, 1961

Lendbeck, A A Study of Monetary Analysis, Uppsals,
Abmquistwechsell, 1962

Chandler, L. C Central Banking and Economic
Development : (Bombay University 1962)

Meenai, S.A Money and Banking in Pakistan, (Allied
Book Corporation :1966)
**PAPER IV**

There are Five alternatives in this paper. Candidates have the option to take any one of the following:

A. History of Economics Thought.
B. Economic of Labour.
C. Econometrics.
D. Development Economics.
E. Management Economics.

**PAPER IV—A
HISTORY OF ISLAMIC THOUGHT**

A history of the following main schools of thought and main lines of development since about 1700 till about 1960. Mercantilism: Classical Physiocrats; Historical Socialist and Marginal Utility Schools: Marshall Ian Economics; Growth of Welfare Economics. Stockholm School and Monetary Theory; Neoclassical school and theory of imperfect Competition and Consumer Behavior, Growth in the Theories of Business Cycles and International Trade; Monetary Theory up to 1936; The New Economics and J M, Keynes.

**Recommended Books**

1. Monroe  
   Early Economic Thought.
2. Heimann  
   History of Economic Thought
3. Schumpeter  
   History of Economic Analysis
4. E. Cannan  
   A Review of Economic Thought
5. Eric Roll  
   A History of Economic Thought
6. Gide & Rist  
   History of Economic Thought
7. Hutchinson  
   History of Economic Thought
8. Gray  
   History of Economic Thought
9. Hanney  
   History of Economic Thought

**PAPER IV-B
ECONOMIC LABOUR
PART – 1**

3. Theory of Labour Commitments:
PART –II

1. **LABOUR PROBLEMS OF PAKISTAN**

2. **Labour Market:** Study of the demand for Labour, Industrial Location Requirement system, training of labour force and occupational analysis—Contract Labour Non Agricultural skilled labour requirements. Supply of labour characteristics of Industrial labour force, mobility of labour and commitment and examination of backward bending supply curves. Lewis model of unlimited labour supply and economic development.

3. **Wage Price Analysis:** Determination of wages, Payment of wages—wage rate differential—Dearness allow once, its effect on prices, employment and productivity. Price trend, cost of living, real wages labour—welfare provisions.

4. **Labour Organization:** Short history of labour movement, Growth of Trade Unions after 1957—Size, geographical location, significance—the bipartisan tripartite bodies, the structure of unions—political involvement—I.L.O, and Pakistan—objectives of union as an institution—Trade Unions and Economic Development.

**Books Prescribed**

   J.T. and Myers, C.A.
PAPER IV—C  
ECONOMICSTRICS

1. Introduction to the Theory of Economics, an outline of procedure and main discoveries.
2. Elements of matrix algebra, Matrices, determinates vicars and vectors differentiation, characteristic roots and vectors.
3. **Error in variables.**  
   The two-variable linear case  
   The classical approach  
   Prediction Problems.  
   Grouping of observations.  
   Use of Instrumental variables.

4. **Auto-Correlation.**  
   The two variable case.  
   Consequences of auto-correlated disturbances  
   Generalized Least squares  
   Estimation method  
   Prediction Problems  
   Multicollinarity  
   Heteroscedasticity.  
   Legged variables, Dummy Variables

5. **Simultaneous-Equation Problems**  
   Simultaneous-Equation Problem  
   Identification  
   Limited Information Sign Equation (LISE)  
   Least Variance Ratio (LVR)  
   Two stage least squares  
   K-class Estimator  
   Tests of Identifying Restrictions  
   Full information Maximum Likelihood (FIML)  
   Tree stage least squares.

6. **Technical Economic Relations.**  
   Micro-Economic Cost Curves.  
   Technical Development.

7. **Econometric Model.**  
   The descriptions of Complete Systems.  
   The Movements of Complete Systems.  
   The purpose and logic of economic policy.
Books Prescribed

2. Tinter                                                   Econometrics Method.
3. Hood and Koopmans                                        Studies in Economic
4. Allen, R.G.D                                               Mathematical Economic
5. Blyth. C.A.                                              The Use of Economics
6. Tinbergen                                               One the Theory of Economics Policy.

PAPER IV—D
DEVELOPMENT ECONOMICS

1. Concept of Growth & Development—Basic terminology

2. (a) A general framework of analysis:
   (b) Main constituent of growth

   Smith.
   Ricardo.
   Marx
   Schempeter.
   Lewis.
   Nurkse.
   Rosentein-Rodan
   Hirschman.
   Harrod-Domar Model and its Variants

4. Project Appraisal.
   (a) Criteria of project evaluation.
   (b) Project evaluation of Development.

5. Issue in Development Planning.
   (a) Role of fiscal and monitory policy.
   (b) Role of Agriculture.
   (c) Role of foreign Trade
   (d) Role of Foreign Aid
   (e) Role of Social Overheads
   (f) Population Growth
   (g) Role of Public and Private Sector and its balancing.
Reading List

Adelman, Irma
Theories of Economic Growth and Development, Stanford, 1986

Bicanic, Rudolf

Galbraith, John K.

Haq. M.

Higgins, B. H.

Hirchman, A. O.
The strategy of economic Development , Yale.

Nichols W. H

Nurkes
Problems of Capital Formation in Underdeveloped countries New York, 1963

Ranis, G

Rosestein-Rodan
Rostow

Ses, A.K

Schumpeter, J. A

Tinbergen, J.

Walkinsly L.J.

Wilcix, Clair

E.A.G. Robinson

UN, ECAFE
Economic Development and Planning in Asia and the Far East-Social aspect Economic Bulletin for Asia & the Far East (Bangkok) Vol. 10 No. 3. 1959

Berner, Y.S.
Theories of Economic Development and Growth,

Meir. Gerald M.

Brution, Henry J.
Principles of Development Economics

Hesly
The Economics of Aid.
1. **A Unified Concept of Management.**
   Planning Organization, Co-ordination. Motivation Control.

2. **The Organizational hierarchy.**
   The Board of Directors. The Chief Executive. The Supervisor.

3. **Departmentation.**
   Basic Departmentation. The Assignment of Activities.

4. **Staff and Line Relationship.**

5. Centralization and De-centralization.


**PART II**

1. **Pricing Strategy**

2. **Pricing Strategy.**

3. **Promotional Strategy.**

4. **Introduction to Operational Research and Managements.**
   1. Problems of Management in Under developed countries :
BOOKS PRISCRIBED
(PART - I)

(i) Harold Koontz & Cecil O'Donnel  

(ii) Elmore Peterson Grosner Plowman & J. M Triket  
Business Organization and Management (Richard D. Irwin Inc. New York 1962)

(iii) L. A Allen  

(iv) Hodges  
Management.  
(For Chapter six)

PRISCRIBED BOOKS
(PART - II)

(i) Jeel Deam  
Managerial Economics Practice Hall Inc.  

(ii) M. J. Sargeaunt  
Operational Research for Management (Heineman Ltd. 1965. London)

*Principles of taxation and specific taxes.  
Public Debt.  
Fiscal Policy.

Paper V
ESSAY

The paper shall comprise all the subject taught as compulsory & optional papers at the M.A economic examination in the university of Karachi.