

Study Inn Coaching Center

Guess Papers

M.A Economics (Previous)

By Sir M.A Jalil

Email: majalilonline@yahoo.com

Micro economics

Q1: Define Micro economics. Explain the subject matter, scope and significance of micro economics. b) State and explain various concepts of equilibrium.

Q2: What do you understand by consumer's equilibrium ($MRS=Price$ ratio)? Prove with the help of diagram that price effect is a combination of income and substitution effect. b) Drive the consumer demand curve through PCC.

Q3: Define and drive market demand curve for a commodity. Is it necessary that market demand curve must have the same slope as the individual demand curve? Explain

Q4: Describe Income elasticity of demand. Explain in detail Point elasticity and ARC elasticity of demand. What is the relationship between total revenue and price elasticity of demand?

Q5: Explain the concept of implicit cost, whether it is a part of total fixed cost. Discuss the short-run costs with the help of schedule and diagram. Why does MC curve intersect AC at its minimum point and why does AC curve U-shaped?

Q6: State and explain the Law of variable proportion (TPP, MPP, APP) with the help of schedule and diagram. Also discuss the Least Cost Principle ($MRTS=FPR$).

Q7: Explain the basic assumptions of Perfect competition with the help of diagrams.

b) Discuss the difference between short-run equilibrium and long-run equilibrium in monopolistic competition.

Q8: Define discriminating monopoly. How equilibrium prices and output are determined in monopoly ($MC=MR$)?

Q9: Explain the characteristics of the Oligopoly and its Kinked demand curve. b) Explain the Game Theory in economics with the help of examples.

Q10: Explain Keynesian Theory of Interest and compare it with the Classical Theory of Interest.

Notes

Ordinal Vs Cardinal Utility

Indifference curves Vs ISO-Quant Curve

Law of diminishing marginal utility

Least-cost Principle

Elasticity of substitution

Marginal rules of welfare (by Pareto Optimality)

Ricardian Theory of Rent

Consumer / Producer Surplus

Capacity output

Public finance

Q1: Explain the concept of Pareto Optimality. What Pareto Optimality condition need to be satisfied by an economy to be efficient and equitable? Are these conditions realistic? And explain the first and second theorems of welfare economics.

Q2: Why do markets fail to allocate resources in the presence of public good? How does government intervention solve this problem? Also derive the demand curve for public goods.

Q3: What are externalities? Analyze and compare the three solutions to externality problem? Which solution do you think is most efficient and why?

Q4: How are average and marginal tax rates related under proportional, progressive and regressive income tax system? How does each relate to equity and ability to pay?

Q5: Explain the differences among public goods, club goods and merit goods?

(b) discuss the Samuelson Principle and its implications for public expenditures programs.

Q6: Distinguish between Impact and Incidence of tax. Explain how sellers ability to pay shift the tax burden and buyers ability to avoid the depends upon price elasticity of supply and price elasticity of demand respectively?

Q7: What are the three methods (cost-benefit analysis) used to evaluate public sector projects? What issue underlie the determination of social discount rate?

Q8: Privatization, deregulation and user charges are considered as alternative sources of financing development expenditure. Examine these policies.

Q9: Explain with the help of diagram, how can an individuals choice between work and leisure be altered by imposition of income tax?

Q10: Explain Laffer curve with the help of diagram, how lowering of tax rates will estimates incentive to work, save and invest resulting in substantial expansion of national output and income?

Notes

- Public Finance Vs Private Finance. Balance Budget.
- Fiscal Policy and its implications. Excess burden.
- Borrowing Vs taxation. Canon of taxes (tax efficiency).
- Causes of growth Public Expenditures. Merit and Demerit Goods.
- Budget deficit Vs deficit financing.

!Note: Statistics-numerical based questions can not be guessed in M.A Economics.

Agriculture economics

Q1: Define the various definitions of Agriculture Economics its significance and scope.

Q2: Distinguish between:

- a) Price support and Price ceiling.
- b) Tax and subsidy.
- c) Income Effect and substitution Effect.
- d) Product – Product relationship and Factor- Factor relationship.

Q3: What are the problems of price determination in agricultural products? How the support price affect their supply and their market price?

Q4: What is meant by optimum size of farm? What factors determine an optimum size of farm?

Q5: What is the role of agriculture in economic development and export in Pakistan? How the agriculture production effects the international trade of Pakistan? Discuss the impact on balance of payments.

Q6: Define agriculture economics and explain the relationship between agriculture and industry.

- b) How the Input – output policies are helpful in the agricultural sector of the economy?

Q7: define the role and coverage of financial institution in providing credit to the agriculture sector in recent years.

Q8: What are the sources of water availability in the agriculture sector of Pakistan? What is the importance of canal irrigation water as compare to other sources?

Q9: Self sufficiency in agri-products is still a problem, therefore we have to depend on others. Why we have not attained the self sufficiency in agri-products? Give reasons and suggest measures to attain the self sufficiency in agri-products.

Notes

- Performance of agriculture sector in Pakistan. Green revolution.
- Basic problems of the agriculture sector in Pakistan. Impact of land reforms.
- Major food and cash crops of Pakistan. Cob-Web Theorem.
- Farm mechanism policies for labor surplus and its pros and cons.

Economics of planning

- Q1:** What is the difference between Economic Growth and Economic Development? How should the policy makers try to raise the level of Economic Development in a country like Pakistan?
- Q2:** Compare the theories of Balanced and Unbalanced Growth (Hirshman). Which do you think better suite a developing country like Pakistan? Why?
- Q3:** Define the various definitions of the term economic planning? What are the objectives of economic planning? What instruments do planners have their disposal to attain these objectives? Also compare inducement and control planning techniques.
- Q4:** what are the key assumptions of Leontief's industry model? Do these assumptions limit the usefulness of the model or not? Formulate a complete input-output table for a hypothetical economy.
- Q5:** Discuss the main features of the Rostow's stages of Economic growth. Do you think that the Pakistan's economy is passing through the take-off stage?
- Q6:** What is social-cost benefit analysis? Why is it useful for the purpose of economic planning?
- Q7:** why is education important for economic growth, poverty reduction and get rid from income inequality?
- Q8:** What is the importance of Fiscal and Monetary Policies in the economic of planning of the developing countries? Discuss.
- Q9:** Discuss the causes of deficit in the balance of payments of Pakistan. Suggest the scheme to relief the debt-servicing burden of developing countries.

Notes

- | | |
|--|---|
| Exchange Rate. | Objectives of 8 th five year plan. |
| Privatization Vs deregulation. | Agriculture Vs industry |
| Shadow prices' significance in planning. | Role of IMF. |
| Foreign Aid Vs Foreign Direct Investment. | Tax reforms in Pakistan. |
| Salient features of Schempeters Model of Economic growth. | |
| Carl Marx model of growth Vs Classical Model Of economic growth. | |