

ALLAMA IQBAL OPEN UNIVERSITY, ISLAMABAD
(Department of Computer Science)

WARNING

- 1. PLAGIARISM OR HIRING OF GHOST WRITER(S) FOR SOLVING THE ASSIGNMENT(S) WILL DEBAR THE STUDENT FROM AWARD OF DEGREE/CERTIFICATE, IF FOUND AT ANY STAGE.**
- 2. SUBMITTING ASSIGNMENTS BORROWED OR STOLEN FROM OTHER(S) AS ONE'S OWN WILL BE PENALIZED AS DEFINED IN "AIOU PLAGIARISM POLICY".**

Course: Economics (402)
Level: B.A

Semester: Autumn, 2012
Total Marks: 100
Pass Marks: 40

Assignment No. 1
Units 1-4

- Q. No. 1. What are the bases of defining different economic systems prevailing in the world? Give a detailed discussion on the five main characteristics of capitalist economic system. Also discuss in detail the working of a capitalist economy. (20)
- Q.No.2. What is utility? How can the equilibrium of a consumer be shown by using utility approach? Discuss with the help of table and diagram (20)
- Q. No. 3. What is demand elasticity? Differentiate clearly between the point elasticity and arc- elasticity of demand by giving a suitable example. (20)
- Q.No.4. Explain the concepts of an indifference curve and a budget line in brief. How can the decomposition of price effect into substitution effect and income effect be shown with help of these concepts? (20)
- Q. No. 5. Write a note on the following:
- a. Micro and Macroeconomics
 - b. Total utility and marginal utility
 - c. Total revenue and average revenue
 - d. Short run and long run average cost curves. (5+5+5+5)

Assignment No. 2
Units 5-8

Total Marks: 100

Pass Marks: 40

- Q.No.1. Differentiate between a firm and a market. Explain with the help of diagrams the equilibrium of a firm in the short-run and long-run having perfect competition in the market. (20)
- Q. No. 2. How the supply of labour is related with its marginal productivity? Explain in detail. (20)
- Q. No. 3. Explain with the help of diagrams the equilibrium of a firm having monopoly power in the market in the short-run and long-run. (20)
- Q.No.4. Differentiate between equation and function. Also explain the term derivative and the rules for taking the derivatives of different types of functions with suitable examples. (20)
- Q. No. 5. Write a short note on each of the following:
a. Forms of organization
b. Theories of wage determination
c. Factors of production
d. Mean, Median and mode (5+5+5+5)

Assignment No. 3
Units 9-13

Total Marks: 100

Pass Marks: 40

- Q. No. 1. Explain the circular flow of national income with the help of diagram. Also differentiate between Gross National Product (GNP) and Gross Domestic Product (GDP). (20)
- Q. No. 2. Explain in detail Keynesian general theory of employment with the help of chart and diagram. Also explain the determination of national income and inflationary and deflationary gaps with the help of diagram. (20)
- Q. No. 3. Define international trade. Also explain merits and demerits of international trade in detail. (20)
- Q.No.4. What is a multiplier? Also mathematically derive and explain employment multiplier, consumption multiplier, super multiplier, government expenditure multiplier and foreign trade multiplier. (20)

- Q.No.5. How the exchange rate is determined under gold standard and inconvertible paper currency. Explain in detail. Also critically evaluate the theory of purchasing power parity in the inconvertible paper currency. (20)

Assignment No. 4
Units 14-18

Total Marks: 100

Pass Marks: 40

- Q.No. 1. Explain the merits and demerits of free trade. Also explain whether protection is useful for a country like Pakistan. (20)
- Q. No. 2. What is meant by public expenditures and revenues? Also write a note on growth, principles and classification of public expenditures (20)
- Q.No.3. Define fiscal policy. Also discuss in detail the importance and objectives of fiscal policy. (20)
- Q.No.4. What is meant by economic development? Also explain different criteria for measuring the economic development in detail. (20)
- Q.No.5. Why does the economic planning necessary for the development of a country? Also write a note on the process of planning in detail. (20)
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