

ALLAMA IQBAL OPEN UNIVERSITY

Level: Bachelor
Paper: Macro Economics (185)
Time Allowed: 03 Hours

Semester: Autumn 2009
Maximum Marks: 100
Pass Marks: 40

Note: ATTEMPT ANY FIVE QUESTIONS. ALL CARRY EQUAL MARKS.

Q. 1- How you differentiate between NNP and GDP, How GDP is measured in Pakistan. (20)

Q.2- What are the factors effecting consumption function, how you determine income and output (20)

Q. 3- What you understand by direct and indirect taxes, do you favour direct or indirect taxes explain (20)

Q. 4- Which policy is better monetary or fiscal explain, why Government is mainly focus on monetary policy (20)

Q. 5- high inflation leads to low employment true or false explain (20)

Q. 6- What is comparative advantage theory of trade, in what sector Pakistan has comparative advantage in international trade (20)

Q. 7- Is BOP in favour of Pakistan Yes or not, explain it and give reason in favour or against. (20)

Q. 8- Write Short Notes. (20)

1- Determination of exchange rate

2- Types of foreign exchange rate determination system

3- Structural Adjustment program of IMF

4- GATT