



## **SHAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR** *DEPARTMENT OF ECONOMICS*

### *INTRODUCTION TO THE DEPARTMENT OF ECONOMICS*

At the department of Economics, we go beyond the basics of economics. We aim to embed bespoke career development into our undergraduate or postgraduate courses in order to equip our graduates with the skills to research and question, and nurture their desire to leverage new ideas so that they can respond creatively to the challenges the future holds.

The Department of Economics at SBBWUP is one of the pioneer departments. The department of economics is working since the inception of this university and started with offering masters in economics programme. Gradually, the department started offering BS Economics (4 years), Mphil leading to PhD in Economics and PhD in Economics programmes.

All the programmes offered aims to train the students for careers in either academia and research, the business, government world and banking sector. Every year, around 100 students gets enrolled in different programmes. Our graduates hold jobs in a variety of fields, including teaching, financial, managerial and consulting.

Intellectual life in the Department is centered around a variety of quarterly research seminars in the areas of Microeconomics, Macroeconomics, Behavioural Economics, Islamic Economics, and related fields in economics. To ensure diversity in student's knowledge, students are encouraged to participate in research seminars and workshops arranged in other fields. As a result, students and faculty are exposed to a continuous flow of researchers whose work is on the frontiers of knowledge in their fields.

### **VALUES**

Our values are excellence, integrity, team work and prosperity.

### **MISSION**

Our mission is to be the leading Department in providing high quality education in all main areas of Economics in theory and practice and provide in depth learner's centered knowledge in teaching and research in the field of Economics.

We aim to

provide quality graduates in the field of economics

- educate female students to possess high professional competence combined with humanistic and moral values
- educate the students by tackling the real life economic problems and inculcating in them a problem solving approach



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**VISION**

To achieve academic and professional excellence by opening new horizons for providing high quality education and promoting research based learning, thus enhancing practical and theoretical approaches in the field of Economics.

**GOALS & OBJECTIVES OF THE DEPARTMENT**

**The Department of Economics degree programmes seeks to fulfill the following interrelated objectives:**

- To stimulate the students to be able to observe, understand and critically analyze data on the multifarious socio-economic problems of the world and Pakistan in particular, by means of Social Science methods so as to effectively contribute objectively to solving the problem.
- **TO GROUND THE STUDENTS IN THE THEORIES, METHODS AND PHILOSOPHY OF ECONOMIC AND POLICY ANALYSIS, EMPHIZING IN THE PROCESS, THE EFFECTS OF SOCIO-POLITICAL FACTORS ON ECONOMIC BEHAVIOR**
- **TO PREPARE GRADUATES TO EASILY FIT INTO SEVERAL FIELDS OF HUMAN ENDEAVOUR IN BOTH THE PUBLIC AND PRIVATE SECTOR. THE PROGRAMME PREPARES STUDENTS FOR CAREERS IN ADMINISTRATION, BANKING AND FINANCE, PLANNING AND POLICY MAKING, RESEARCH, STATISTICS, ENTREPRENEURSHIP, AND IN SECONDARY SCHOOL AND UNIVERSITY TEACHING**



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BS economics is a dynamic program that emphasize all around competence in economics. The course of study develops a more intensive background in math and statistics in the first 4 semesters, reflecting the quantitative character of modern economics. Taking courses in this program will not only allow the students to understand how the economy works but will instill all the necessary skills for jobs in the related fields. This four years long course is designed to make essential economic concepts very clear and students should be able to use them in analyzing real-world issues.

- In first year the study micro (effects of individual decisions) and macroeconomics (large-scale or general economic factors) instill the conceptual and theoretical understanding combined with basic mathematics and statistical tools to provide the necessary quantitative foundation for the study of economics. 2<sup>nd</sup> year is more about understanding of the contemporary economic issues, while 3<sup>rd</sup> and 4<sup>th</sup> years gives advanced and research oriented knowledge to the students with a focus on core economic policy and principles.

**Mission Statement of Program**

The department of economics aims to provide quality graduates in the field of economics by educating female students to possess high professional competence combined with humanistic and moral values and to educate them to tackle the real life economic problems and inculcating in them a problem solving approach.

**Objectives of the Program**

The Program will

1. Orient the students with the basic economic concepts.
2. Develop the analytic and problem solving skills of the students.
3. Prepare the students with necessary abilities to apply economic theory in problem solving of developing countries particularly Pakistan.
4. Orient the students with functioning of various institutions and policies adopted in different countries.
5. Develop excellent communication and presentation skills.
6. Enable the students to understand the basic research techniques for various economic based research problems.
7. Develop the capacity of the students in understanding different economic problems and issues in the global scenario.
8. Provide the students an understanding of multi disciplines other than economics.

9. Create such a learning environment that enhances the personality grooming and ethical values of both the students and the faculty



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**Learning outcomes of the BS Program**

- **STUDENTS SHOULD BE ABLE TO APPLY STANDARD MICROECONOMIC AND/OR MACROECONOMIC MODELS TO EXPLAIN ECONOMIC OUTCOMES.**
- **STUDENTS SHOULD BE ABLE TO ANALYZE CURRENT ECONOMIC ISSUES EMPLOYING ARGUMENTATION, WRITTEN COMMUNICATION, MATHEMATICAL MODELS, AND GRAPHICAL ANALYSIS.**
- **STUDENTS SHOULD BE ABLE TO USE THE SKILLS AND KNOWLEDGE GAINED TO CONTRIBUTE MEANINGFULLY IN THE POST-COLLEGE MARKETPLACE.**
- **STUDENTS SHOULD HAVE A BASIC UNDERSTANDING OF MACROECONOMICS AND/OR MICROECONOMICS THAT WILL ENABLE THEM TO SUCCEED IN BOTH ACADEMIC AND PROFESSIONAL POST-UNDERGRADUATE PURSUITS.**
- **STUDENTS SHOULD BE ABLE TO ANALYZE A CURRENT ECONOMIC ISSUE FROM BOTH A NORMATIVE AND POSITIVE PERSPECTIVE AND RELATE THE ISSUE TO IONA'S CORE VALUE**

**ADMISSION REQUIREMENTS**

**ELIGIBILITY**

- Eligibility/ Pre-requisite for admission: FA/F.Sc or Equivalent

**DURATION**

- Four years programme spread over 08 semesters, two semesters per year.

**COURSE AND CREDIT REQUIREMENTS**

- A total of 140 credit hours are required to complete BS program.

**EVALUATION**

A minimum CGPA required for award of degree is 2.5 out of 4.0 at undergraduate level subject to meet all requirements of the university.



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**FOUR-YEAR CURRICULA FOR UNDERGRADUATE DEGREE IN ECONOMICS**

<b>S.NO</b>	<b>CATEGORIES</b>	<b>NO. OF COURSES MIN- MAX</b>	<b>CREDIT HOURS MIN- MAX</b>
1	Compulsory Requirement (No Choice).	22-22	62-62
2	General and Non economics courses	14-14	42-42
3	Optional (Economics) courses including Research Project /Internship	12-12	36-36
<b>TOTAL</b>		<b>48-48</b>	<b>140</b>

Total numbers of Credit Hours	140
Duration	04 YEARS
Semester Duration	16-18 WEEKS
Semesters	08
Course Load Per Semester	16-18 CREDIT HOURS
Number of Courses Per Semester	05-06
22 compulsory courses	62 Credits
General and Non economics courses	42 Credits
Optional (Economics) courses	36 credits



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S.No	<b>Compulsory Requirements (the student has no choice)</b>	
	<b>22 Courses</b>	
	<b>56 Credit Hours</b>	
	<b>Subject</b>	<b>Credit Hours</b>
1.	Micro Economics –I	3
2.	Macro-Economics –I	3
3.	Micro Economics –II	3
4.	Development Economics	2
5.	Statistics-I	2
6.	Macro-Economics –II	3
7.	Agriculture Economics	3
8.	Statistics-II	3
9.	Monetary Economics	3
10.	Econometrics- I	3
11.	Rural Development	3
12.	Managerial Economics	3
13.	Econometrics –II	3
14.	International Trade Theory	2
15.	International Trade Policy	2
16.	Research Methodology	3
17.	Public Finance	3
18.	History of Economic Thought	3
19.	Applied Economics	3
20.	Islamic Economics	3
21.	Microeconomics III	3
22.	Macroeconomics III	3
	<b>Total Credit Hours</b>	<b>62</b>
S.No	<b>General and Non Economics Courses</b>	
	<b>14 Courses</b>	
	<b>42 Credit Hours</b>	
	<b>Subject</b>	<b>Credit Hours</b>
1.	English-I	3
2.	Pakistan Studies	3
3.	Basic Mathematics	3
4.	Computer Application	3
5.	Introduction to Sociology	3
6.	Islamic Studies/Ethics	3
7.	English-II	3
8.	Mathematical Economics	3

09	Introduction to Psychology	3
10	English-III	3
11	Introduction to Political Science	3
12	Introduction to Management	3
13	Introduction to International Relations	3
14	Gender and Development	3
<b>Total Credit Hours</b>		<b>42</b>

S.No	<b>OPTIONAL (ECONOMICS) COURSES</b>	
	<b>31 COURSES</b>	
	<b>93 CREDIT HOURS</b>	
	<b>Subject</b>	<b>Credit Hours</b>
1.	General Equilibrium & Welfare Economics	3
2.	Labor Economics	3
3.	Demography	3
4.	Industrial Economics	3
5.	Environmental Economics	3
6.	Dynamic Macro Economics	3
7.	Political Economy	3
8.	Health Economics	3
9.	Urban Economics	3
10.	Regional Economics	3
11.	Institutional Economics	3
12.	Topics in Marketing	3
13.	Transportation Economics	3
14.	Energy Economics	3
15.	Economics of Education	3
16.	Entrepreneurial Economics	3
17.	Global Environmental Governance	3
18.	Trade and Environment	3
19.	Political Economy of Pakistan	3
20.	Economics of Law	3
21.	Islamic Banking	3
22.	Industrial Organization	3
23.	Institutions and Development	3
24.	Economic Growth	3
25.	Poverty and Income Distribution	3
26.	Human Resource Management	3
27.	Comparative Economic System	3
28.	Operational Research	3
29.	Financial Markets and Institutions	3



30.	Project Appraisal and Investment Decisions	3
31	Experimental and Behavioral Economics	3
<b>Total Credit Hours</b>		<b>93</b>



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**LIST OF MAJOUR/COMPULSORY COURSES**

S.NO	COURSE TITLE	COURSE CODE	CREDIT HOURS
1.	Micro Economics –I		3
2.	Macro-Economics -I		3
3.	Micro Economics –II		3
4.	Development Economics		3
5.	Statistics-I		3
6.	Macro-Economics -II		3
7.	Agriculture Economics		3
8.	Statistics-II		3
9.	Monetary Economics		3
10.	Econometrics- I		3
11.	Rural Development		3
12.	Managerial Economics		3
13.	Econometrics -II		3
14.	International Trade Theory		3
15.	International Trade Policy		3
16.	Research Methodology		3
17.	Public Finance		3
18.	History of Economic Thought		3
19.	Applied Economics		3
20.	Islamic Economics		3
21.	Macro Economics III		3
22.	Micro Economics III		3



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**LIST OF NON-ECONOMICS OPTIONAL COURSES**

<b>S.NO</b>	<b>COURSE TITLE</b>	<b>COURSE CODE</b>	<b>CREDIT HOURS</b>
1.	English-I		3
2.	Pakistan Studies		3
3.	Basic Mathematics		3
4.	Computer Application		3
5.	Introduction to Sociology		3
6.	Islamic Studies/Ethics		3
7.	English-II		3
8.	Mathematical Economics		3
9.	Introduction to Psychology		3
10.	English-III		3
11.	Introduction to Political Science		3
12.	Introduction to Management		3
13.	Introduction to International Relations		3
14.	Gender and Development		3

Enlightenment Through Knowledge



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**SCHEME OF STUDIES OF BS ECONOMICS (SESSION-2015 ONWARDS)**

S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
1.	<b>1<sup>st</sup></b>	English-I	EC-311	3
2.		Micro Economics-I	EC-312	3
3.		Pakistan Studies	EC-313	2
4.		<b>Basic Mathematics</b>	EC-314	3
5.		Computer Application	EC-315	3
6.		Introduction to Sociology	EC-316	3
<b>Total Credit Hours</b>				<b>17</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
7.	<b>2<sup>nd</sup></b>	Islamic Studies/Ethics	EC-321	2
8.		English-II	EC-322	3
9.		Macro Economics-I	EC-323	3
10.		<b>Mathematical economics</b>	EC-324	3
11.		<b>Human Resource Management</b>	EC-325	3
12.		Introduction to Psychology	EC-326	3
<b>Total Credit Hours</b>				<b>17</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
13.	<b>3<sup>rd</sup></b>	English-III	EC – 431	3
14.		Micro Economics-II	EC – 432	3
15.		Macro Economics – II	EC – 433	3
16.		Statistics-I	EC – 434	3
17.		Introduction to Political Science	EC – 435	3
18.		Labor Economics	EC – 436	3
<b>Total Credit Hours</b>				<b>18</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
19.	<b>4<sup>th</sup></b>	Introduction to Management	EC – 441	3
20.		Managerial Economics	EC – 442	3
21.		Agriculture Economics	EC – 443	3
22.		Statistics-II	EC – 444	3
23.		Introduction to International Relations	EC – 445	3
24.		Public Finance	EC – 446	3
<b>Total Credit Hours</b>				<b>18</b>



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**SCHEME OF STUDIES OF BS ECONOMICS (SESSION 2015-ONWARDS)**

S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
25.	5 <sup>th</sup>	Monetary Economics	EC-551	3
26.		Econometrics-I	EC-552	3
27.		Rural Development	EC-553	3
28.		Gender & Development	EC-554	3
29.		<b>Microeconomics-III</b>	EC-555	3
30.		<b>International Trade Theory</b>	EC-556	3
<b>Total Credit Hours</b>				<b>18</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
31.	6 <sup>th</sup>	<b>International Trade Policy</b>	EC-561	3
32.		Econometrics-II	EC-562	3
33.		Research Methodology	EC-563	3
34.		Development Economics	EC-564	3
35.		<b>Macroeconomics III</b>	EC-565	3
<b>Total Credit Hours</b>				<b>16</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
36.	7 <sup>th</sup>	Demography	EC – 671	3
37.		Operational Research	EC – 672	3
38.		Industrial Economics	EC – 673	3
39.		History of Economic Thoughts	EC – 674	3
40.		Financial Institutions & Markets	EC – 675	3
<b>Total Credit Hours</b>				<b>16</b>
S.NO	SEMESTER	COURSE TITLE	COURSE CODE	CREDIT HOURS
41.	8 <sup>th</sup>	Applied Economics	EC – 681	3
42.		Islamic Economics	EC – 682	3
43.		Project Appraisal and Investment Decisions	EC – 683	3
44.		Major Issues in Pakistan Economy	EC – 684	3
45.		Research Project/Two Optional Courses from	EC –	6
46.		the list given below with its Course Code		(3+3)
<b>Total Credit Hours</b>				<b>18</b>

In the last semester i-e 4<sup>th</sup> semester the students have a choice to take two optional courses or work on a research project.



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**LIST OF OPTIONAL (ECONOMICS) COURSES**

<b>S.NO</b>	<b>COURSE TITLE</b>	<b>COURSE CODE</b>	<b>CREDIT HOURS</b>
1.	General Equilibrium & Welfare Economics		3
2.	Labor Economics		3
3.	Demography		3
4.	Industrial Economics		3
5.	Environmental Economics		3
6.	Dynamic Macro Economics		3
7.	Political Economy		3
8.	Health Economics		3
9.	Urban Economics		3
10.	Regional Economics		3
11.	Institutional Economics		3
12.	Topics in Marketing		3
13	Transportation Economics		3
14	Energy Economics		3
14	Economics of Education		3
15	Entrepreneurial Economics		3
16	Global Environmental Governance		3
17	Trade and Environment		3
18	Political Economy of Pakistan		3
19	Economics of Law		3
20	Islamic Banking		3
21	Industrial Organization		3
22	Institutions and Development		3
23	Economic Growth		3
24	Poverty and Income Distribution		3
25	Human Resource Management		3
26	Comparative Economic Systems		3

27	Operational Research		3
28	Financial Markets and Institutions		3
29	Project Appraisal and Investment Decisions		3
30	Major issues in Pakistan Economy		3
31	Experimental and Behavioral Economics		3





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**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-I**

<b>Course Name:</b> English – I	<b>Course Code:</b> EC – 311
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Introduction</b> <p>The usefulness of English Language cannot be denied. It enriches our thought and culture, and provides us with the most important international vehicle of expression. It has opened for us several doors of light and knowledge, for it is the Lingua Franca of the world and the language of science, technology, commerce and diplomacy. Without English we shall be handicapped in our advancement and our progress will be seriously retarded in several important spheres of life. To give it up means putting the hands of the clock back by more than a century, to take several steps backwards, to surrender ground which has been gained through persistent toil and labour, to lose the front seat in international forums and to miss the opportunity of having a direct impact on the other people's minds.</p>	
<b>Course Objectives</b> <p>The objectives of the course are:</p> <ol style="list-style-type: none"><li>1. To build the sound vocabulary of the students</li><li>2. To improve the linguistic skills of the students</li><li>3. Enhance language skills and develop critical thinking.</li></ol>	
<b>Intended Learning Outcomes:</b> <p>Students will be able: to express their ideas in a coherent manner, speak English with correct pronunciation, read and comprehend the written material, understand the class lectures easily.</p>	
<b>Course Outline</b> <p>Basics of Grammar. Parts of speech and use of articles. Sentence structure, active and passive voice. Practice in unified sentence. Analysis of phrase, clause and sentence</p>	



structure. Transitive and intransitive verbs. Punctuation and spelling

### **Comprehension**

Answers to questions on a given text

### **Discussion**

General topics and every-day conversation (topics for discussion to be at the discretion of the teacher keeping in view the level of students)

### **Listening**

To be improved by showing documentaries/films carefully selected by subject teachers

### **Translation skills**

#### **Urdu to English**

### **Paragraph writing**

Topics to be chosen at the discretion of the teacher

### **Presentation skills**

Introduction

*Note: Extensive reading is required for vocabulary building*

### **Recommended Books**

#### 1. Functional English

##### a. Grammar

1. Practical English Grammar by A.J. Thomson and A.V. Martinet. Exercises 1. Third edition. Oxford University Press. 1997. ISBN 0 194313492
2. Practical English Grammar by A.J. Thomson and A.V. Martinet. Exercises 2. Third edition. Oxford University Press. 1997. ISBN 0 194313506

##### b. Writing

1. Writing. Intermediate by Marie-Christine Boutin, Suzanne Brinand and Francoise Grellet. Oxford Supplementary Skills. Fourth Impression 1993. ISBN 0 19 435405 7 Pages 20-27 and 35-41.

##### c. Reading/Comprehension

1. Reading. Upper Intermediate. Brian Tomlinson and Rod Ellis. Oxford Supplementary Skills. Third Impression 1992. ISBN 0 19 453402 2.

##### d. Speaking

<b>Course Name:</b> Micro Economics – I	<b>Course Code:</b> EC – 312
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The course is designed for the beginners with either no formal background or very little acquaintance with economics. The objective is to give the students with a clear understanding of the basic concepts, tools of analysis and terminologies used in microeconomics. Emphasis will be on the use of graphs, diagrams and numerical tables/schedules for exposition. The teacher is expected to draw examples from the surrounding world to clarify the concepts.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction</b> Definition, Scope of microeconomics, Types of microeconomic analyses, Need and Importance of microeconomics in solving the economics problem</li> <li><b>2. The Price Mechanism</b>  The concept of a market economy, Laws of demand and supply, schedules &amp; graphs of demand and supply, Individual demand and market demand. Market equilibrium and determination of price, Movement along and shifting of demand and supply curves, Concept of elasticity of demand and supply, Importance of elasticity.</li> <li><b>3. Consumer's Behavior and demand analysis</b> Approaches to the consumer behavior: Cardinal utility approach, ordinal utility approach. Indifference curves, MRS, Budget line, Equilibrium of the consumer, Comparative and Static of consumer equilibrium. Income effect, price effect, Substitution effect, and Equivalent variation approach. Hicksian analysis (compensated variation approach) Slutsky analysis of consumer demand. Revealed Preference approach, Applications of Indifference Curve Analysis</li> <li><b>4. Firms and Industries</b> Business enterprises, Forms of business organization: Proprietorship, Partnership, Joint stock companies, Multi-national corporations, Classification of the firms, Production and supply of commodities (goods and services), Objectives of the firm: The profit motive, Output maximization and cost minimization.</li> </ol>	

## 5. Production and Cost Functions

Production function, Primary inputs: factors of production, Secondary/intermediate inputs: Raw material and energy, The laws of return, Revenues of the firm: Concept of total, average and marginal revenues, Cost function: Total, average and marginal costs, Short-run and Long-run costs, Equilibrium of the firm.

### Recommended Books

- Mankiw, G. (2001), Principles of Economics - South-West Publishers.
- Samuelson and Nordrons, (2004), Economics, McGraw Hill.
- McConnel and Bruce (2006), Principles of Economics - McGraw Hill.
- Lipsey and Goerant (2003), Principles of Economics-10th Edition. Oxford University Press

**Course Name:** Pakistan Studies

**Course Code:** EC – 313

**Course Structure:** Lectures: 2

**Credit Hours:** 2

**Prerequisites:** None

### Course Introduction

An introduction to the history of Pakistan is studied with reference to the history of pre independence period and then what were the reforms after the independence of Pakistan. The subject also discusses the different presidential eras and what contributions were made by different rulers in various fields of nation's development.

### Purpose of the Course

This is a history-related course with the goal to introduce the student to basic history. Students will be presented with material, which will give them a broad base of understanding of their nation history. Contemporary issues will also be discussed as well as the history of nation's changes which have occurred over the past one hundred years.

### Course Objectives

- Upon completion of this subject the students will be able to:
- Learn about the historical revolutions that led to freedom
- Understand the great works and study what steps their leaders had taken to free the nation
- The aims and goals of establishing a Muslim state
- What reform their leaders have made to develop the state

- Develop vision of historical perspective, government, politics, contemporary
- Pakistan, ideological background of Pakistan. Study the process of governance, national development, issues arising in
- The modern age and posing challenges to Pakistan.

### **Intended Learning Outcomes**

Students will have knowledge of the history and present status of Pakistan

### **Course Outline**

#### **1. Historical Perspective**

Ideological rationale with special reference to Sir Syed Ahmed Khan, Allama Muhammad Iqbal and Quaid-i-Azam Muhammad Ali Jinnah. Factors leading to Muslim separatism. People and Land: Indus Civilization, Muslim advent, Location and geo-physical features.

#### **2. Government and Politics in Pakistan**

Political and constitutional phases: 1947-58, 1958-71, 1971-77 1977-88, 1988-99, 1999 onward.

#### **3. Contemporary Pakistan**

Economic institutions and issues. Society and social structure. Ethnicity. Foreign policy of Pakistan and challenges. Futuristic outlook of Pakistan

### **Recommended Books**

- Burki, Shahid Javed, (1980), State & Society in Pakistan, The Macmillan Press Limited.
- Akbar, S. Zaidi (2000), Issue in Pakistan's Economy. Karachi: Oxford University Press.
- S.M. Burke and Lawrence Ziring.(1993), Pakistan's Foreign policy: An Historical analysis. Karachi: Oxford University Press.
- Mehmood, Safdar, (1994), Pakistan Political Roots & Development. Lahore.
- Wilcox, Wayne (1972), The Emergence of Banglades., Washington: American Enterprise, Institute of Public Policy Research.
- Mehmood, Safdar. Pakistan Kayyun Toota, Lahore: Idara-e-Saqafat-e-Islamia, Club Road, nd.
- Amin, Tahir. Ethno - National Movement in Pakistan, Islamabad: Institute of Policy Studies, Islamabad.

- Ziring, Lawrence, (1980), Enigma of Political Development. Kent England: WmDawson & sons Limited.
- Zahid, Ansar, (1980), History & Culture of Sindh. Karachi: Royal Book Company.
- Afzal, M. Rafique, (1998), Political Parties in Pakistan, Vol. I, II & III. Islamabad: National Institute of Historical and cultural Research.
- Sayeed, Khalid Bin, (1967), The Political System of Pakistan. Boston: Houghton Mifflin.
- Aziz, K.K. Party, (1976), Politics in Pakistan, Islamabad: National Commission on Historical and Cultural Research.
- Muhammad Waseem, (1987), Pakistan Under Martial Law, Lahore: Vanguard,.
- Haq, Noor ul. (1993), Making of Pakistan: The Military Perspective. Islamabad: National Commission on Historical and Cultural Research.

<b>Course Name:</b> Basic Mathematics	<b>Course Code:</b> EC – 314
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objective</b></p> <p>To prepare the students, not majoring in mathematics, with the essential tools of algebra to apply the concepts and the techniques in their respective disciplines.</p>	
<p><b>Course Contents</b></p> <p><b>1. Preliminaries</b> Real-number system, complex numbers, introduction to sets, set operations, functions, types of functions. <i>Matrices:</i> Introduction to matrices, types, matrix inverse, determinants, system of linear equations, Cramer’s rule</p> <p><b>2. Quadratic Equations</b> Solution of quadratic equations, qualitative analysis of roots of a quadratic equations, equations reducible to quadratic equations, cube roots of unity, relation between roots and coefficients of quadratic equations.</p> <p><b>3. Sequences and Series</b> Arithmetic progression, geometric progression, harmonic progression. <i>Binomial Theorem:</i> Introduction to mathematical induction, binomial theorem with rational and irrational indices. <i>Trigonometry:</i> Fundamentals of trigonometry, trigonometric identities.</p>	
<b>Recommended Books</b>	

- Dolciani MP, Wooton W, Beckenback EF, Sharron S, (1978), *Algebra 2 and Trigonometry*, Houghton & Mifflin publications.
- Kaufmann JE, (1987), *College Algebra and Trigonometry*, PWS-Kent Company, Boston
- Swokowski EW, (1986), *Fundamentals of Algebra and Trigonometry* (6<sup>th</sup> edition), PWS-Kent Company, Boston

<b>Course Name:</b> Computer Application	<b>Course Code:</b> EC – 315
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
<p>This course focuses on introducing computing environments, general application software, basic computing hardware, operating systems, desktop publishing, Internet, software applications and tools and computer usage concepts.</p>	
<b>Course Contents</b>	
<p>Introduction to Information Technology, Understanding Computer Systems, Computer Hardware, Operating Systems, Application Software, Programming Languages, Files and Data Basics, Data Communication, Networking Basics, Internet Basics, E-Commerce, Computer Graphics, Computer Security and Controls, MS Office, MS Word, MS Excel, MS Access, MS Power point, MS Project, Internet Browsers, Databases, Information Systems importance in Business, E-Banking</p>	
<b>Lab Outline</b>	
<p>Programming Languages, Files and Data Basics, Data Communication, Networking Basics, Internet Basics, E-Commerce, Computer Graphics, Computer Security and Controls, MS Office, MS Word, MS Excel, MS Access, MS Power point, MS Project, Internet Browsers, Databases, Information Systems importance in Business, E-Banking.</p>	
<b>Recommended Books</b>	
<ul style="list-style-type: none"> <li>- James A. Senn: <i>Information Technology in Business</i>, BPB</li> <li>Peter Norton's <i>Introduction to Computers</i></li> </ul>	

<b>Course Name:</b> Introduction to Sociology	<b>Course Code:</b> EC-316
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objective</b>	
<p>The course is designed to introduce the students with sociological concepts and the discipline. The focus of the course shall be on significant concepts like social systems</p>	

and structures, socio-economic changes and social processes. The course will provide due foundation for further studies in the field of sociology.

### **Course Outline**

#### **1. Introduction**

Definition, Scope, and Subject Matter. Sociology as a Science. Historical background of Sociology

#### **2. Basic Concepts**

Group, Community, Society. Associations: Non-Voluntary, Voluntary. Organization: Informal, Formal. Social Interaction: Levels of Social Interaction, Process of Social Interaction: Cooperation, Competition, Conflict, Accommodation, Acculturation and diffusion, Assimilation, Amalgamation.

#### **3. Social Groups**

Definition & Functions. Types of social groups: In and out groups, Primary and Secondary group, Reference groups, Informal and Formal groups, Pressure groups.

#### **4. Culture**

Definition, aspects and characteristics of Culture: Material and non material culture, Ideal and real culture. Elements of culture: Beliefs, Values, Norms and social sanctions. Organizations of culture: Traits, Complexes, Patterns, Ethos, Theme. Other related concepts: Cultural Relativism, Sub Cultures, Ethnocentrism and Xenocentrism, Cultural lag.

#### **5. Socialization & Personality**

Personality, Factors in Personality Formation. Socialization, Agencies of Socialization. Role & Status.

#### **6. Deviance and Social Control**

Deviance and its types. Social control and its need. Forms of Social control. Methods & Agencies of Social control

#### **7. Collective Behavior**

Collective behavior, its types. Crowd behavior. Public opinion. Propaganda. Social movements. Leadership.

### **Recommended Books**

- Anderson, Margaret and Howard F. Taylor, (2001), *Sociology the Essentials*. Australia: Wadsworth Publishing.
- Brown, Ken (2004), *Sociology*. UK: Polity Press
- Giddens, Anthony (2002), *Introduction to Sociology*. UK: Polity Press.
- Macionis, John J. (2006), 10<sup>th</sup> Edition *Sociology*, New Jersey: Prentice-Hall
- Tischler, Henry L. 2002. *Introduction to Sociology* (7<sup>th</sup> ed). New York: The Harcourt Press.
- Frank N Magill. (2003), *International Encyclopedia of Sociology*. U.S.A: Fitzroy Dearborn Publishers
- Macionis, John J. (2005), *Sociology* (10<sup>th</sup> ed). South Asia: Pearson Education
- Kerbo, Harold R. (1989), *Sociology: Social Structure and Social Conflict*. New York: Macmillan Publishing Company.
- Koenig Samuel. (1957), *Sociology: An Introduction to the Science of Society*. New York: Barnes and Nobel publishing.
- Lee, Alfred Mclung and Lee, Elizabeth Briant (1961), *Marriage and The family*. New York: Barnes and Noble.
- Leslie, Gerald et al. (1973), *Order and Change: Introductory Sociology*, Toronto: Oxford University Press.
- Lenski, Gevbard and Lenski, Jeam, (1982), *Human Societies*. 4<sup>th</sup> edition New York: McGraw-Hill Book Company.
- James M. Henslin. (2004), *Sociology: A Down to Earth Approach*. Toronto: Allen and Bacon.





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**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-II**

<b>Course Name:</b> Islamic Studies	<b>Course Code:</b> EC-321
<b>Course Structure:</b> Lectures: 2	<b>Credit Hours:</b> 2
<b>Prerequisites:</b> None	
<b>Course Objectives</b> This course is aimed at: <ul style="list-style-type: none"><li>- To provide Basic information about Islamic Studies</li><li>- To enhance understanding of the students regarding Islamic Civilization</li><li>- To improve Students skill to perform prayers and other worships</li><li>- To enhance the skill of the students for understanding of issues related to faith and religious life.</li></ul>	
<b>Course Outline</b>  <b>1. Introduction to Quranic Studies</b> Basic Concepts of Quran. History of Quran. Uloom-ul –Quran	
<b>2. Study of Selected Text of Holly Quran</b> Verses of Surah Al-Baqra Related to Faith (Verse No-284-286). Verses of Surah Al-Hujrat Related to Adab Al-Nabi (Verse No-1-18). Verses of Surah Al-Mumanoon Related to Characteristics of faithful (Verse No-1-11). Verses of Surah al-Furqan Related to Social Ethics (Verse No.63-77). Verses of Surah Al-Inam Related to Ihkam(Verse No-152-154)	
<b>3. Study of Selected Text of Holly Quran</b> Verses of Surah Al-Ihzab Related to Adab al-Nabi (Verse No.6,21,40,56,57,58.). Verses of Surah Al-Hashar (18,19,20) Related to thinking, Day of Judgment. Verses of Surah Al-Saf Related to Tafakar,Tadabar (Verse No-1,14)	
<b>4. Seerat of Holy Prophet (S.A.W) I</b> Life of Muhammad Bin Abdullah ( Before Prophet Hood). Life of Holy Prophet (S.A.W) in Makkah. Important Lessons Derived from the life of Holy Prophet in Makkah	
<b>5. Seerat of Holy Prophet (S.A.W) II</b> Life of Holy Prophet (S.A.W) in Madina. Important Events of Life Holy Prophet	

in Madina. Important Lessons Derived from the life of Holy Prophet in Madina

**6. Introduction To Sunnah**

Basic Concepts of Hadith. History of Hadith. Kinds of Hadith. Uloom –ul-Hadith. Sunnah & Hadith. Legal Position of Sunnah.

**Selected Study from Text of Hadith**

**7. Introduction To Islamic Law & Jurisprudence**

Basic Concepts of Islamic Law & Jurisprudence. History & Importance of Islamic Law & Jurisprudence. Sources of Islamic Law & Jurisprudence. Nature of Differences in Islamic Law. Islam and Sectarianism

**8. Islamic Culture & Civilization**

Basic Concepts of Islamic Culture & Civilization. Historical Development of Islamic Culture & Civilization. Characteristics of Islamic Culture & Civilization. Islamic Culture & Civilization and Contemporary Issues

**9. Islam & Science**

Basic Concepts of Islam & Science. Contributions of Muslims in the Development of Science. Quranic & Science

**10. Islamic Economic System**

Basic Concepts of Islamic Economic System. Means of Distribution of wealth in Islamic Economics. Islamic Concept of Riba. Islamic Ways of Trade & Commerce

**11. Political System of Islam**

Basic Concepts of Islamic Political System. Islamic Concept of Sovereignty. Basic Institutions of Govt. in Islam

**12. Islamic History**

Period of Khlaft-E-Rashida. Period of Ummayyads. Period of Abbasids

**13. Social System of Islam**

Basic Concepts of Social System of Islam. Elements of Family. Ethical Values of Islam

**Recommended Books**

- Hameed ullah Muhammad, Emergence of Islam , IRI, Islamabad
- Hameed ullah Muhammad, Muslim Conduct of State

- Hameed ullah Muhammad, Introduction to Islam
- Hussain Hamid Hassan, An Introduction to the Study of Islamic Law leaf Publication Islamabad, Pakistan.
- Ahmad Hasan,(1993), Principles of Islamic Jurisprudence Islamic Research Institute, International Islamic University, Islamabad
- Mir Waliullah, (1982), Muslim Jrisprudence and the Quranic Law of Crimes Islamic Book Service
- H.S. Bhatia, (1989), Studies in Islamic Law, Religion and Society Deep & Deep Publications New Delhi
- Dr. Muhammad Zia-ul-Haq, (2001), Introduction to Al Sharia Al Islamia Allama Iqbal Open University, Islamabad

<b>Course Name:</b> English –II	<b>Course Code:</b> EC-322
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> English-I	
<p><b>Course Objectives</b></p> <p>Enable the students to meet their real life communication needs.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li><b>1. Paragraph writing</b> Practice in writing a good, unified and coherent paragraph</li> <li><b>2. Essay writing</b> Introduction</li> <li><b>3. CV and job application</b> Translation skills. Urdu to English</li> <li><b>4. Study skills</b> Skimming and scanning, intensive and extensive, and speed reading, summary and précis writing and comprehension</li> <li><b>5. Academic skills</b> Letter/memo writing, minutes of meetings, use of library and internet</li> <li><b>6. Presentation skills</b> Personality development (emphasis on content, style and pronunciation)</li> </ol> <p><i>Note: documentaries to be shown for discussion and review</i></p>	

## Recommended Books

### Communication Skills

- a) Grammar
  - 1. Practical English Grammar by A.J. Thomson and A.V. Martinet. Exercises
  - 2. Third edition. Oxford University Press 1986. ISBN 0 19 431350 6.
- b) Writing
  - 1. Writing. Intermediate by Marie-Christine Boutin, Suzanne Brinand and Françoise Grellet. Oxford Supplementary Skills. Fourth Impression 1993. ISBN 019 435405 7 Pages 45-53 (note taking).
  - 2. Writing. Upper-Intermediate by Rob Nolasco. Oxford Supplementary Skills. Fourth Impression 1992. ISBN 0 19 435406 5 (particularly good for writing memos, introduction to presentations, descriptive and argumentative writing).
- c) Reading
  - 1. Reading. Advanced. Brian Tomlinson and Rod Ellis. Oxford Supplementary Skills. Third Impression 1991. ISBN 0 19 453403 0.
  - 2. Reading and Study Skills by John Langan
  - 3. Study Skills by Richard Yorky.

<b>Course Name:</b> Macro Economics-I	<b>Course Code:</b> EC-323
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> <p>The course is designed for the beginners with no formal background or little acquaintance with economics. The objective is to give the students with a clear understanding of the basic concepts, tools of analysis and terminologies used in macroeconomics. Emphasis will be on the use of graphs, diagrams and numerical tables/schedules for exposition. The teacher is expected to draw examples from the surrounding world to clarify the concepts.</p>	
<b>Course Contents</b> <b>1. Introduction</b> The economy in aggregate, Scope of macroeconomics, Brief account of the development of macro-economic after the World War-II, Concept of business cycles: Boom and Depression, Macroeconomic variables and their mutual relationship.	

## 2. National Income

Definition and concept of national income, Measures of national income: Gross Domestic Product (GDP) and Gross National Product (GNP), GDP at factor cost and at market prices, Computation of national income: Product, Income and Expenditure approaches, Circular flow of income.

## 3. Income, Prices & Employment

Classical theory of income & employment: Labor market, money market & real market. Say's law of market. Keynes Theory of income & employment: determination of equilibrium level of income in two, three & four sector economy (aggregate demand – aggregate supply approach and saving – investment approach)

## 4. Consumption, Saving & Investment

Consumption function, marginal propensity to consume, average propensity to consume, determinants of consumption. Saving function, marginal propensity to save, average propensity to save. Investment function, Determinants of investment.

## 5. Goods Market & Money Market Equilibrium

Goods market equilibrium (Derivation of IS curve), Money market equilibrium (Derivation of LM curve). Shifts in IS curve, shifts in LM curve. General equilibrium (IS- LM model).

### Recommended Books

- Mankiw, G, (2001). Principles of Economics, South-West Publishers.
- Samulson and Nordrons, (2004). Economics, New delhi: McGraw Hill Inc.
- Parkin, Michael , (7<sup>th</sup> ed.)(2004). Macroeconomics, Prentice Hall
- Miller, R.L., (2005). Economics Today, Addison Wesley.

<b>Course Name:</b> Mathematical Economics	<b>Course Code:</b> ECON – 513
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objective</b> Aim of the course is to provide the students the knowledge of basic mathematical tools and to acquaint them with the use of mathematical models for economic analysis.	
<b><u>Intended Learning Outcomes</u></b>	

The students are expected to understand and use different mathematical models and their relationships, encompassing the economic theories in real world.

## **Course Contents**

### **1. Mathematical Models and Its Ingredients**

Review of Basic Concepts: constants, Variables and Parameters. Functions: Linear, Quadratic, Hyperbolic, Logarithmic and exponential functions. Use of Graphs for representation of data, equations and identities.

### **2. Derivatives and rules of differentiation: Economic Applications**

Concepts of differentiation, Rules of differentiation: constant, sum theorem, product, quotient, chain rule, Logarithmic and exponential derivatives  
Higher order derivatives, Economic Applications of derivatives: Elasticity, average, marginal and total costs, revenues, Production functions, average and marginal product.

### **3. Optimization Techniques**

Introduction to optimization concept, Relative Maxima and Minima, Point of inflection and derivative test, Constrained and unconstrained optimization, Economic applications of Maxima and Minima: Maximization of Utility, profit, & revenues minimization of costs. Constrained optimization: Substitution method and Lagrange Multiplier method, Economic applications of constrained optimization, Optimization of multivariable functions and economic applications.

### **4. Partial Derivatives and Differentials**

Functions of several variables and partial derivatives, Rules of partial derivatives, Application of partial derivatives on comparative static analysis of economics: Market model, national income determination, partial elasticity's.

### **5. Integral Calculus**

Concept and laws of integration, Methods of integration: integration by substitution, integration by parts, Definite and indefinite integrals, Economic applications of integrals: Finding Total Functions from Marginal Functions & Capital Formation and Present Value of Cash Flow. Present Value of a perpetual flow.

### **6. Equilibrium Analysis in Economics**

Concept and meaning of equilibrium in economics, Partial market equilibrium- a non-linear model General market equilibrium: commodity market, money market,

National Income Equilibrium.
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Chiang, A. C., (2000) Fundamental Methods of Mathematical Economics, McGraw Hills.</li> <li>- Baumol W. J., Economic Dynamics, Macmillan, (Latest edition).</li> <li>- Mirza miraj., (2005) Basic tools of Mathematical Economics, caravan press.</li> <li>- Dowling E. T., Mathematics for economists, Schun Series (latest edition).</li> <li>- Weber E. Jean, (2002) Mathematical Analysis, Business and Economic Applications, Harper and Row Publishers, New York.</li> </ul>

<b>Course Name:</b> Human Resource Management	<b>Course Code:</b> EC-325
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>This course is basically designed to provide students the basic understanding of key HRM functions, which include HR planning, recruitment &amp; selection, compensation, performance evaluation, and training &amp; development. Since human resource provides a competitive advantage that ultimately has a vital role in success and effectiveness of any organization, this course emphasizes on the understanding of the basic concepts of managing human resource and their applications in today's organizations. The course is designed to help the students understand if western human resource management theories and practices have any relevance to the local settings. The course will also discuss the Islamic perspective of managing human resource. It will shed light on the basic tenets of human resource management given by Quran and Sunnah. The students will also be encouraged to compare and contrast the human resource practices suggested in their text books and the practices critical for achieving success from indigenous perspective.</p>	
<p><b>Course Contents</b></p> <p><b>1. Introduction</b></p> <p>Meeting present human resource requirements, what is HRM, Why HRM is important, Emerging Human resource management challenges. Trends in HRM Global vs local HRM practices. HRM from Islamic and indigenous perspective Basic Islamic philosophy of managing human resource. Conducting Job analysis. HR Planning Job Description Job Specification</p> <p><b>2. Staffing</b></p>	

<p>Recruiting and selecting employees, Recruitment techniques Sources of recruitment Selection tests and Interviewing techniques</p> <p><b>3. Employee development</b></p> <p>Performance appraisals, Performance management, Training and development Training the employees Types of training Technique of training, Developing careers. Career growth</p> <p><b>4. Compensations</b></p> <p>Managing compensation, Types of compensation, Rewarding performance Pay for Performance, Designing and administering benefits. Types of benefits, Employee relations</p>
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>• By Luis R. Gomez Mejia, David B. Balkin, Robert L. Cardy <b>Managing Human Resources.</b> (Fourth ed.)</li> </ul>

<b>Course Name:</b> Introduction to Psychology	<b>Course Code:</b> EC-326
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>This course aims, looking at the phenomena of human behavior and individual self. It also studies about to shape and forms an “origin” as well as contextual perspective. It will also address the issue of human behavior within society and culture. It also introduces that the human behavior deals with other social factors and create a new change in attitudes. It also introduces the social change and social action. Psychology is unique among the behavioral sciences in its emphasis upon the individual and personality.</p>	
<p><b>Course Contents</b></p> <p><b>1. Introduction To Psychology</b> What is psychology, and history of Psychology; How psychology is different from others fields. Areas within psychology today. Methods of psychology. Goals of psychology.</p> <p><b>2. Physical And Cognitive Development</b></p>	



Principle of growth and development. Physiological development. Psychological changes during adolescence. Emotional, social and character development.

### **3. Nervous System**

The Central nervous system. The peripheral Nervous system. Cellular structures and functions. The brain: structure and function.

### **4. The Self-Concept**

Definition of self. Development of self nature of self-awareness. The subject and object of thought, theories of self.

### **5. Personality**

Definition of personality, components of personality, Various theories of personality. Various tools and measurements of personality, how the personality develop (heredity and personality, cultural and personality) Normal and abnormal personality.

### **6. Sensation And Perception:**

Definition of, Perception, components of perception, social factors of perception and factors influences on perception. Perception in organization. Difference between perception and reality, Theories of perception. (top-down theory and bottom-up theories)

### **7. Motivation**

Definition, primary motives, Secondary motives, Physiological motives, stimulus motives, learned motives, social motives, unconscious motives. Theories of motivation (Maslow's hierarchy of needs, Arousal theory, psychoanalytical theory)

### **8. Intelligence And Creativity And Thinking:**

Definition of intelligence, Theories of the nature of intelligence, extremes of intelligence. Measurement of psychophysical performance. Various levels of intelligence, various tools and measurement of intelligence. Mental age and the intelligence Quotient, Thinking process, various stages of thinking, phantsia and imagination.

### **9. Emotions**

Definition of emotion, various types of emotions, Characteristics of emotions, measurement of emotions.

### **10. Learning And Memory**

Definition of learning, factors of learning Methods of learning. Types of learning. Theories of learning, Types of memory. Memory, brain and mind.

### **11. Therapies**

Presentation. Problems solving session.

**Recommended Books**

- Robert J. S. Psychology, *In search of the human mind*.
- Charles G. M., (latest ed.), *Psychology an introduction*.
- Papalia D. and old S.W., *Psychology*, McGraw Hills.
- E.R. Hilgard, R. C. Atkinson, Rita L. Atkinson, (latst ed.) *Introduction to Psychology*
- Ruch and Zimbardo, (latst ed.), *Psychology and life*.
- Lindrey, Hell, Thompson, (latest ed.), *Psychology*.
- John, M. Darley, Sam Glucksberg, Ronald A. Kinchla, (latst ed.), *Psychology*.
- Lyle, E. Bourne, Jr. Bruce, R. Ekstrand, (latst ed.), *Psychology, its principles and meanings*.
- Gerald Matthews, Ian. Deary and Martha C. Whiteman, (latst ed.), *Personality traits*



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**SEMESTER-III**

<b>Course Name:</b> English – III	<b>Course Code:</b> EC – 431
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> English II	
<b>Course Objectives</b>  Enhance language skills and develop critical thinking	
<b>Course Outline</b>  <b>1. Presentation skills</b>  <b>2. Essay writing</b> Descriptive, narrative, discursive, argumentative  <b>3. Academic writing</b> How to write a proposal for research paper/term paper How to write a research paper/term paper (emphasis on style, content, language, form, clarity, consistency)  <b>4. Technical Report writing</b>  <b>5. Progress report writing</b>	
<i>Note: Extensive reading is required for vocabulary building</i>	
<b>Recommended Books</b> <b>Technical Writing and Presentation Skills</b> a) Essay Writing and Academic Writing 1. Writing. Advanced by Ron White. Oxford Supplementary Skills. Third Impression 1992. ISBN 0 19 435407 3 (particularly suitable for discursive, descriptive, argumentative and report writing). 2. College Writing Skills by John Langan. Mc=Graw-Hill Higher Education. 2004. 3. Patterns of College Writing (4 <sup>th</sup> edition) by Laurie G. Kirzner and Stephen R. Mandell. St. Martin's Press. b) Presentation Skills	

c) Reading

The Mercury Reader. A Custom Publication. Compiled by norther Illinois University. General Editors: Janice Neulib; Kathleen Shine Cain; Stephen Ruffus and Maurice Scharton. (A reader which will give students exposure to the best of twentieth century literature, without taxing the taste of engineering students).

<b>Course Name:</b> Micro Economics – II	<b>Course Code:</b> EC – 432
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> Micro Economics I	

**Course Objectives**

The objective of the course is to clarify and extend further the microeconomic concepts and to develop analytical skills and solving petty problems. In addition to diagrammatic approach, the students ought to get accustomed to simple mathematics and numerical tools. The teacher is expected to draw examples from surroundings for exposition. The students may be given assignments to collect information from the markets and to analyze the data. They may have tours to the industrial units and to observe the process of production and problems in supply and demand.

**Course Outline**

**1. Production Functions**

Definition, classification and problems of firms, Production and value-added functions, Fixed and variable-coefficient functions, Some commonly used production functions: Cobb Douglas and CES etc., Average and marginal products of variable factors and their inter-relationship.

**2. Cost of Production**

Profit maximization (loss minimization) as the sole objective of all firms, Equilibrium of the firm when it faces the market, , Equality of marginal revenue and marginal costs, Economic profit and rent, Short-run and Long-run position of a price taking and price seeking firm, The controversy over the profit maximization hypothesis.

**Market Structure and Price Determination**

**3. The Perfectly Competitive Market**

Assumptions of the model, Pure and Perfect Competition, Short-run Equilibrium of firm: TR – TC Approach & MR – MS approach .short run equilibrium of industry. Long-run equilibrium of competitive firms, long run equilibrium of industry. Supply curve of firm & industry in the short run. Long-run supply curve of industry: supply

curve of Constant-cost industry, supply curve of increasing-cost industry, supply curve of decreasing cost industry,

#### **4. Monopoly and Monopsony**

The market power of a firm, Sources of monopoly power: (why do monopolies exist), natural monopoly (Price and output determination), Comparison between monopoly and monopsony, Short-run of firm under Monopoly. Long-run Equilibrium of a firm with monopoly power: Less than Optimal scale, optimal scale, more than optimal scale, Bi-lateral monopoly, Multi-plant monopoly, The social costs of monopolies, Market regulation and anti-trust policies.

#### **5. Price Discrimination**

Definition of price discrimination, conditions of price discrimination, degree of price discrimination: first degree price discrimination, second degree price discrimination, third degree price discrimination.

#### **6. Monopolistic Competition and Oligopoly**

Characteristics of monopolistic competition, Short-run and Long-run equilibrium, Comparison with pure competition & monopoly, The role of advertisement and media, Definition & characteristics of oligopoly. Models of non-collusive Oligopoly: Cournot, Bertrand, Chamberlain, Sweezy. Price leadership and cartel formation.

#### **7. Pricing of the Factors of Production**

Demand for Variable(Labor) Input in perfectly competitive market, The marginal productivity theory and its criticism, Modern theory of factor demand with emphasis on the labour and capital markets, The labour supply in perfectly competitive market, Determination of factor price in perfect market and, Input substitution elasticity, Pricing of factors that are fixed in the short-run: Rents & Quasi-rents.

#### **8. General Equilibrium**

Introduction, general equilibrium of consumption, general equilibrium of production. General equilibrium of consumption & production.

#### **Recommended Books**

- Pindyck and Rubinfeld with Mehta- Microeconomics (2005)- - 6<sup>th</sup> (ed) Pearson Education, Singapore
- Walter Nicholson- Intermediate Microeconomics- (1994) or latest – The Dryden Press: Harcourt Brace College Publishers
- Koutsoyiannis, A.- Modern Microeconomics- (1979)- 2<sup>nd</sup> ed) Macmillan Publishing
- Varian Hall R, (2002). Intermediate Microeconomics: Modern Approach: 6<sup>th</sup> Ed W. W. Norton Publishing Company, New York.

- Leftwich, Eckert (1988), The Price System and Resource Allocation: The Dryden Press, New York.
- Dowling, Edward – Mathematics for Economists

<b>Course Name:</b> Macro Economics -II	<b>Course Code:</b> EC – 433
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> Macro Economics-I	

### **Course Objectives**

The objective of the course is to clarify and extend further the concepts of macroeconomics so as they develop the capacity to understand the issues and problems of the economy in a global scenario. In particular, they have to capture the nature and scope of various public policies. In addition to diagrammatic approach, the students are confronted to simple mathematical and numerical analysis. The teacher is expected to draw examples from the surrounding world for exposition.

### **Course Contents**

#### **1. Introduction**

Macro Economic aggregates and flow of economic activities. Macroeconomic issues: economic growth, stability and social welfare. Macro Economic Policy framework. GNP as measure of welfare, Nominal and Real income, The GDP deflator, Problems in computation of national income, The underground economy

#### **2. Theories of Consumption**

Theories of Consumption: The Absolute income, Kuznet's findings and Reconciliation of Marginal and Average Propensity to Consume. Relative income, Permanent income and Life-cycle income hypotheses.

#### **3. Saving and Investment**

Definition of Investment, types of investment: business fixed investment, residential investment, inventory investment. Autonomous and Induced investment, Determinants of investment: (Marginal efficiency of capital & interest rate). The Present Value criterion of investment, , Tobin's Q-Theory, Lags in Investment Demand, Volatility of Investment, Investment by the Public sector, The Saving-Investment gap in developing countries.

#### **4. The Demand for and Supply of Money**

The demand for money and its determinants, The Quantity Theory of money, The Liquidity Preference/ Portfolio Balance Approach, The supply of money: M1, M2, M3 concepts, The money supply multiplier and the role of banking system, Instruments of credit control and the role of central bank.

### **5. Multipliers & supply side economics**

Concept of multiplier: simple investment multiplier, govt. expenditure multiplier, tax multiplier, balanced budget multiplier, foreign trade multiplier (import & export multiplier).

### **6. Aggregate Supply and the Labor Market**

The concepts of full-employment and underemployment, Supply shocks and stabilization, Interaction of aggregate demand and supply and price determination.

### **7. Inflation and Unemployment**

Nature of inflation, Types of inflation: demand pull inflation, cost push inflation, structural inflation. causes of inflation and measurement of inflation, Global inflation and its impacts on developing economies, Transitory and structural unemployment, The problem of unemployment with special reference to Pakistan, The relationship between inflation and unemployment: Phillips curve in the short-run and long-run, Remedial measures to combat inflation and unemployment.

### **8. Theories of business cycle**

Meaning of business cycle, phases of business cycle, types of business cycle. Theories of business cycle: Monetary theory of business cycle, Schumpeter theory of trade cycle, Keynes theory of trade cycle.

### **Recommended Books**

- Shapiro, Edward, (2000), Macroeconomic Analysis, Harcourt Brace Inc.
- Froyen, Richard, (2002), Macroeconomics: Theories and Policies, New York: Macmillan.
- Mankiw, Gregory N., (2007), Macroeconomics, New York: Worth Publishers.
- Blanchard, Oliver, (2000), Macroeconomics, Prentice Hall International.
- Dornbusch & Fisher, (2004), Macroeconomics, New Delhi: McGraw Hill.
- Jhingan M L (latest edition), Monetary theory: Konark Publishers Pvt.Ltd ,India
- Pakistan Economic Survey, (latest), Annual reports of the State Bank of Pakistan, Federal and Provincial Budgets (latest).

<b>Course Name:</b> Statistics – I	<b>Course Code:</b> EC – 434
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<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
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**Prerequisites:** None

### **Course Objectives**

The course aims at enabling the students to understand the basic statistical tools for research and economic models development.

### **Course Outline**

**1. What is Statistics?**

Definition of Statistics, Population, sample Descriptive and inferential Statistics, Observations, Data, Discrete and continuous variables, Errors of measurement, Significant digits, Rounding of a Number, Collection of primary and secondary data, Sources, Editing of Data. Exercises.

**2. Presentation of Data**

Introduction, basic principles of classification and Tabulation, Constructing of a frequency distribution, Relative and Cumulative frequency distribution, Diagrams, Graphs and their Construction, Bar charts, Pie chart, Histogram, Frequency polygon and Frequency curve, Cumulative Frequency Polygon or Ogive, Histogram, Ogive for Discrete Variable. Types of frequency curves. Exercises.

**3. Measures of Central Tendency**

Introduction, Different types of Averages, Quantiles, The Mode, Empirical Relation between Mean, Median and mode, Relative Merits and Demerits of various Averages. Properties of Good Average, Box and Whisker Plot, Stem and Leaf Display, definition of outliers and their detection. Exercises.

**4. Measures of Dispersion**

Introduction, Absolute and relative measures, Range, The semi-Inter-quartile Range, The Mean Deviation, The Variance and standard deviation, Change of origin and scale, Interpretation of the standard Deviation, Coefficient of variation, Properties of variance and standard Deviation, Standardized variables, Moments and Moments ratios. Exercises.

**5. Probability and Probability Distributions.**

Discrete and continuous distributions: Binomial, Poisson and Normal Distribution. Exercises

**Recommended Books**

- Walpole, R. E. (1982). Introduction to Statistics, 3<sup>rd</sup> Ed., Macmillan Publishing Co., Inc. New York.
- Muhammad, F. (2005). Statistical Methods and Data Analysis, Kitab Markaz, Bhawana Bazar Faisalabad.



<b>Course Name:</b> Introduction to Political Science	<b>Course Code:</b> EC – 435
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The objective of this course is to introduce the students with the fundamentals of the subject of Political Science and prepare them for advanced studies in the forthcoming semesters. The very basic concepts and terminology commonly used in the further courses of studies are taught to make the students friendly with the subject.</p> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction</b> Definition, Nature, Scope and Sub-fields of Political Science. Relationship of Political Science with other social sciences.</li> <li><b>2. Approaches to the study of Political Science</b> Approaches to study political science: Traditional and Modern.</li> <li><b>3. Basic concepts of Political Science</b> Power, Authority, Legitimacy, Nation and Sovereignty.</li> <li><b>4. State</b> Its origin and evolution; Western and Islamic concepts of State, Forms of State: Unitary, Federation, Confederation.</li> <li><b>5. Organs of Government</b> Legislature, Executive, Judiciary.</li> <li><b>6. Forms of Government</b> Parliamentary, Presidential, Authoritarian.</li> </ol> <p><i>Note: Sub-fields of Political Science include: Political Philosophy/Theory; Comparative Politics; International Relations; Public Administration/ Public Policy; Local Government, etc.</i></p>	
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Choudhry Ahmad Shafi, Usul-e-Siyasiat (Urdu) (1996)., Lahore Standard Book Depot,</li> <li>- Sheikh Bashir Ahmad,(1985) Riyasat Jo Ilm (Sindhi meaning Science of State), Jamshoro, Institute of Sindhalogy, University of Sindh.</li> <li>- Mazher ul Haq, (1996), Theory and Practice in Political Science, Lahore Bookland</li> <li>- Michael G. Roskin, (1997), Political Science: An Introduction, London: Prentice Hall.</li> <li>- Mohammad Sarwar, (1996), Introduction to Political Science, Lahore Ilmi Kutub</li> </ul>	

Khana,.

- Robert Jackson and Dorreen Jackson, (1997), A Comparative Introduction to Political Science, New Jersey, Prentice – Hall
- Rodee Anderson etc. Introduction to Political Science, Islamabad, National Book Foundation, Latest Edition.
- R. C. Agarwal, (2006), Political Theory (Principles of Pol. Science), New Delhi, S. Chand & Co.
- V. D. Mahajan, (2006), Political Theory (Principles of Pol. Science), New Delhi, S. Chand & Co.
- 10. Ian Mackenzi (2005.), Political Concepts: A Reader and Guide, Edinburgh, University Press.

<b>Course Name:</b> Labor Economics	<b>Course Code:</b> EC – 436
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<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
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**Prerequisites:** None

**Course Objectives**

To understand the labor market and its functioning including essential concepts of wages, unemployment and inflation.

**Course Contents**

- 1. Importance of Labor Economics**  
Introduction to labor economics, overview of labor economics, Tools to Analyze Labor Markets and Conditions, Overview of Labor Issues in Developing and Developed World, Industrialization and Emergence of Labor Economics.
- 2. Labor Markets Analysis: Demand for Labor**  
Labor Market Indicators, Demand for Labor, Decision Making and Labor Hiring, Demand for Labor by Firms, Short Run and Long Run Demand for Labor, Industry and Market Demand. Labor Migration: Reasons and Impacts.
- 3. Labor Market: Supply of Labor and Wages**  
Determinants of Labor Supply, Concepts of Human Capital, Human Capital, Productivity and Wages, The Determinants, Labor Force Participation, Supply of Labor and Household Productions, Labor – Skill, Training and Productivity, The Dual Labor Market Theory Labor Unions and Wages, Supply and Demand for Labor and Wage Determination, Backward bending Supply Curve of Labor
- 4. Wages, Unemployment and Inflation**  
Determinants of Wages, Market Determination of Wages and Marginal Productivity, High Wages and Involuntary Unemployment, Stagflation and Unemployment, Structural Adjustment and Wages, Major Sources of Unemployment, Wages and Phillip Curve, Wage Rigidity, Labor Unions and Unemployment. Unemployment and Social Protection

## **5. Labor Market Discrimination**

Discrimination in Labor Market: Gender, Race and Ethnicity. Efficiency Wage Theories and Coordination Failure

## **6. Labor Market Information System**

Labor Market Information System and Efficiency, Labor Statistics and Labor Policy, Human Welfare and Labor Policy, Minimum Wages, Rationale and Impacts

## **7. Trade unions and Theories of Labor Movements**

The Marxist, The Wells, Selling and Pearlman's contributions to labor movements, Labor unions, Impacts of Labor Union, Trade Unions in Pakistan, Labor Legislation/ policies in Pakistan,. Labor Policies in Pakistan: Critical Evaluation.

## **8. Child Labor**

Definition and extent of child labor, Child labor; moral aspects, Child labor an international issue: Extent of Child labor in developing countries. Child labor in Pakistan, Policies to combat child labor, Child labor and international trade issue.

### **Recommended Books**

- Comith Stephen, (2003), Labour Economics, Routledge Publishers.
- Bruce, Kaufman; e. Kaufman, Julie L; Hotchkiss, (2002), Economics of Labour Markets, Thomson Publisher
- Palgrave, (1989), Current Issues in Labour Economics, New York: McMillan.
- Orley, Ashenfelter (ed) Layard, P. R. G., (1986), Hand Book of Labour Economics, Elsevier Science Pub. Co.



**SHAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR**  
**DEPARTMENT OF ECONOMICS**

**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-IV**

<b>Course Name:</b> Introduction to Management	<b>Course Code:</b> EC – 441
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b> This is an introductory course about the management of organizations. It provides instructions on principles of management that have general applicability to all types of enterprises; basic management philosophy and decision making; principles involved in planning, organizing, leading, and controlling; and recent concepts in management. The principles learned in this course will allow the student to effectively work with and through others in an organization. The course will also encourage the students to explore and inquire the applicability of western management principles and theories in local settings. Besides, the course will discuss the Islamic perspective of managing businesses and organizations.</p>	
<p><b>Course Outline</b></p> <ol style="list-style-type: none"><li><b>1. Introduction to Management</b> Organization, The management Process. The History and evaluation of Management</li><li><b>2. Organizational theories and different approaches to management</b> The organizational Culture and the Manager. The external environment and the Manager. The internal environment and the manager.</li><li><b>3. Foundations and basic elements of Planning</b> Process of planning and MBO. Effective strategic planning. Decision Making. The manager's role as decision maker. Decision making process.</li><li><b>4. Basics of Strategic Management</b> Case of Strategic Management. Strategic management process</li><li><b>5. Organizational Structure</b> Types of organizational structures. Case Decision-making.</li><li><b>6. Human Resource Management</b> HRM and its processes</li></ol>	

<p><b>7. Motivation</b> Motivation &amp; its theories. Current issues in Motivation</p> <p><b>8. Team work and Group Behaviour</b> Case of team and team work</p> <p><b>9. Leadership</b> Leadership &amp; its characteristics. Leadership styles and behaviours</p> <p><b>10. Control</b> The process of control. The Control Standards. Case of Controlling. Presentation.</p> <p><b>11. Staffing</b> Presentation</p>
<p><b>Recommended Books</b></p> <p>- Mary Coulter &amp; Robbins, (latest ed) Management, International ed.</p>

<b>Course Name:</b> Managerial Economics	<b>Course Code:</b> EC – 442
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b> The objective of the course is to integrate micro economic theory, basic statistics and management philosophies to learn the proper functioning of the organizations.</p> <p><b>Course Outline</b></p> <p><b>1. Introduction</b> Nature, Scope and Overview of Managerial Economics. The Managerial decision making process, Economic optimization, Economic relations of variables, The Incremental concept in Economic Analysis.</p> <p><b>2. Demand Analysis</b> The Basis for DemPPublic fand, The Market Demand function, Demand sensitivity analysis: Elasticity, Price Elasticity of Demand with Managerial applications, Income Elasticity of Demand with Managerial applications.</p> <p><b>3. Demand Estimation &amp; Forecasting</b> Demand Estimation: The identification problem, Marketing research approaches to demand estimation, Application of Regression Analysis Demand forecasting: Qulitative Forecasts, Time Series Analysis.</p> <p><b>4. Production and Cost Analysis</b></p>	

Production functions. Total, Marginal and Average Product,. Production function estimation, Productivity Measurement, , Short run and long run cost curves. cost estimation, Learning curves and application, Cost- -profit analysis

### **5. Pricing Analysis and Decisions**

A Review of Market Structures and Basic Pricing Models, Perfect Competition Monopoly, Monopolistic Competition, Oligopoly, Selected Pricing Models, Marginalist Pricing, Mark up pricing, New Product Pricing, , Price Discrimination

### **6. Monoposony and Price Product**

Managerial Theories and Models of the Firm Baumol's Theory of Sales Revenue Maximization, Marris's Model of Managerial Enterprise, Williamson's Model of Managerial Discretion Topics, Behavioral Model by Cyert and March

### **7. Capital Budgeting and Investment**

Pre-requisites of Capital Budgeting. Investment Criteria and Decisions, Cash flow estimation, Internal Rate of Return, Profitability-Index Criterion and other criterion: NPV Criterion , superiority of NPV over IRR.

### **Recommended Book**

- Hirschey, M., (2003), Managerial Economics, U.S.A.: Thomson South-Western.
- Hirschey, M. and J.L. Pappas, (1998), Fundamentals of Managerial Economics, Chicago: Dryden Press.
- Kent P, and P Young, (2003), Managerial Economics: Economic Tools for Today's Decision Makers.
- Keat, P., and P., Young, (1992), Managerial Economics, New York: MacMillan.
- Koutsoyiannis, A., , (1979), Modern Microeconomics, MacMillan
- Mansfield E., (1998), Managerial Economics, Theory, Application and Cases, W. W. Norton & co
- Michael R., Baye (2000) Managerial Economics and Business Strategy, New Delhi: McGraw Hills.
- Pappas, James, Brigham Eugene F and Hirschey Mark, (latest edition), Managerial Economics, Chicago: Dryden Press.
- Salvatore, D. (2001), Managerial Economics, McGraw Hill.
- Thomas, M. (7<sup>th</sup> Ed) (2002), Managerial Economics In a Global Economy, New York: McGraw Hills.
- Peterson, Craig, H., Lewis, W. Cris and Jain, Sudhir, K., Managerial Economics, latest Edition Pearson Education: 2009

<b>Course Name:</b> Agriculture Economics	<b>Course Code:</b> EC – 443
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
<p>The course aims at developing an understanding of the agricultural economics, given the level of importance of agriculture for LDC'S this course will enable students to analyze the structure and characteristics of agriculture, its problems and solutions.</p>	
<b>Course Contents</b>	
<p><b>1. Introduction and Importance of Agriculture</b> Introduction to agricultural economics, Agricultural Revolution, Importance of Agriculture and agricultural economics. Agriculture vs. Industrial development Debate, Current State of Agricultural Development, Introduction to issues in Agriculture etc</p>	
<p><b>2. Role and Characteristics of Agriculture in LDCs</b> Traditional Agriculture and Productivity. Farm Size and Productivity, Farm Size in Pakistan and Productivity. Commercial Farms, Impact of Agricultural Reforms on Farm Size. Role of agriculture in economic development: Product Contribution, Market Contribution, Factor's Contribution, Foreign Exchange Contribution.</p>	
<p><b>3. Agricultural Finance</b> Introduction to agricultural finance, importance and scope of agricultural finance, sources of agricultural finance in Pakistan..</p>	
<p><b>4. Theory of Rent and the Concept of 'Surplus'</b> Introduction, Economic Rent, the Theory of Rent, Rent and Quasi-Rent, the Ricardian 'Corn Rent, The Rental Market, Agricultural Surplus, Characteristics of Landownership in Underdeveloped Agriculture and Pakistan. The Theory of Share Tenancy. Some Extensions of the Share Tenancy Model. Tenant's Status in Pakistan. Agricultural productivity in Pakistan and use of inputs</p>	
<p><b>5. Agriculture in Dualistic Development Models</b> Introduction: The Lewis Model, The Ranis-Fei (FR) Model. The Jorgenson Model. Kelley, Williamson, Cheetham Model. Agricultural Adequacy; Mellor's Model</p>	
<p><b>6. Resource Use Efficiency and Technical Change in Peasant Agriculture</b> Efficiency of Resource Utilization, Technological Change in Agriculture, Generation of new Agricultural Technology, Factor-biased Technological Change and its Distributional Consequences, Agricultural Technical Change and Agricultural Employment: Empirical Evidences. Agricultural Resources and Technical Change in LDCs: with Special Reference to Pakistan.</p>	

## **7. Supply Response**

Introduction: The Cobweb Model: An Illustration. Price-Supply Response in Backward Agriculture, A simple Supply Response Model. Supply Response in the Underdeveloped Agricultural labor Market, Specifically in Pakistan. The Concept of 'Marketed Surplus': Some Methods of Estimation. Green Revolution in Pakistan and Responses, Present Status of Green Revolution in Pakistan: Empirical Analysis.

## **8. Population and Food Supplies**

The Classical Model: Malthusian Model, Ecological Disequilibrium: Synthesis of Population and Food Supply Theories. Malnutrition in Developing Countries like Pakistan and Remedial Measures. Agricultural farm Planning: introduction, advantages, short term farm planning, long term farm planning.

### **Recommended Books**

- Capstick ,Margret, (latest edition), The Economics of Agriculture, London: George Allen Unwin Ltd.,.
- Chaudhary, M. Aslam, (1989), Agricultural Development and Public Policies, Lahore: Izhar Sons.
- Ghatak S., and Ingersent K., (Latest ed.), Agriculture and Economic Development, Harvester Press.
- Khan Mahmood-ul-Hassan, (1975), The Economics of Green Revolution in Pakistan, New York,
- Shafi M., (1995), Pricing of Farm Produce in Pakistan, Objectives, Practices, and Experiences. Islamabad:Print Associates International.
- Thorbake Erike. (1971), The Role of Agriculture in Economic Development, New York: Columbia University Press
- Yujiro Hayami and Vernon W. Ruttan, (Latest ed.).Agricultural Development, London:John Hopkin University Press.
- Pingali L. Prabhu and Evenson E Robert. Handbook of Agricultural Economics, volume 4.
- Colman. D and Young. (1989) T. Principles of Agricultural Economics: Markets and prices in less developed countries. Cambridge University Press.
- Rane . A . A and Deorukhkar A . C. Economics of Agriculture. Atlantic Publishers and distributors P limited, New Dehli India.
- Kragh. Kjeldsen. Soren (2007) The Role of Agriculture in Economic Development: The Lessons of History. Copenhagen Business School Press, Denmark.



<b>Course Name:</b> Statistics-II	<b>Course Code:</b> EC – 444
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> Statistics-I	
<b>Course Objectives</b>	
<p>The course aims at enabling the students to understand the basic statistical tools for research and economic models development.</p>	
<b>Course Content</b>	
<p><b>1. Sampling and Sampling Distributions</b>  Introduction, sample design and sampling frame, bias, Sampling and non sampling errors, Sampling with and without replacement, Probability and non-probability sampling, Sampling distributions for single mean and proportion, Difference of means and proportions. Exercises</p>	
<p><b>2. Index Numbers</b>  Concept of index numbers, simple and weighted index numbers, unweighted index numbers, consumer price index, whole sale price index, advantages and limitations of index numbers.</p>	
<p><b>3. Inferential Statistics</b>  Basic concepts of estimation, Hypothesis testing, Statistical problem, null and alternative hypothesis, Type-I and Type-II errors, Level of significance, Test statistics, acceptance and rejection regions, Testing of hypothesis about mean, Difference between means using Z, t statistics. Fitting of distribution using Chi-square distribution.</p>	
<p><b>4. Analysis of Variance and Experimental Design</b>  Introduction, One Way Analysis of Variance, Two way classification. Experimental design and its different types.</p>	
<p><b>5. Interpolation</b>  Introduction, Interpolation with equal Interval, Unequal intervals using Newton’s and Langrange’s Methods.</p>	
<b>Recommended Books</b>	
<ul style="list-style-type: none"> <li>- Choudhry, Sher Muhammad, (2006), Introduction to Statistical Theory, part – 11, Lahore: ilmi Kutab Khana.</li> <li>- Spiegel, M.R., (2002) Theory and Problems of Statistics, (Schaum’s Outline Series), New Delhi: McGraw-Hill</li> <li>- Allan G. Bluman, (3<sup>rd</sup> ed.) (2003) Elementary Statistics A step by step approach, New Delhi: McGraw Hill Book co.</li> </ul>	

- Walpole, Raynold E., (latest ed) Introduction to Statistics (Maxwell, McMillan Int, Ed).

<b>Course Name:</b> Introduction to International Relation	<b>Course Code:</b> EC – 445
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
<p>The major purposes of this course are to provide the students with the opportunity to explore international relations in a variety of ways, and to familiarize them with the major theoretical traditions, which explain the world politics. It would enable the students to grasp the main themes of the theories that have been most influential over the past two centuries. It would also explain the recent theoretical work in world politics by providing an up-to-date survey of the foundational and anti-foundational theoretical literature. Thus the learners will be able to understand the main themes of the various theories and be able to assess their comparative strengths and weaknesses.</p>	
<b>Course Content</b>	
<p><b>1. Introduction to the Study of International Relations</b>  Theory and Methodology, International Relations &amp; Foreign Relations, The Nature of International System, Order of Anarchy, Man, the state and international system, The nature of distribution of power in the system, Major Theoretical schools of International Relations, Idealism, Realism neo-realism  Power politics / uni-polarity / multi-polarity</p>	
<p><b>2. Foreign Policy Analysis &amp; Decision – Making</b>  Ideology and concept of national interest, Cognition and rational actor model  Global Political Economy, Extractive colonialism to complex interdependence</p>	
<p><b>3. Theories of Social Change and Comparative Politics</b></p> <p>New states and role of developing economies, e.g. Asian tigers, NICs: newly industrialized countries, Theocratic States and states in limbo Iran, Palestine etc., Para Politics and ideological challenges to the world</p>	
<p><b>4. International Law and International morality</b>  Human rights, Law of treaties and codification of international law, Asylum and extradition, Refugees law, Insurgency and belligerency, Law of Sea, Sea-bed resources as universal heritage of mankind, Fishing in the high sea, land locked states, continental shelly, exclusive economic zone and archipelagic states</p>	
<p><b>5. Politics in Nuclear Age</b>  Clash of civilizations to dialogue among civilizations, Unity in diversity Issues in</p>	

International Relations, Pollution, environmental degradation, Regionalism, Nuclear Technology, International Terrorism, Hunger and disease	
<p><b>6. The origins of International Organization</b>  The origins of UNO, The impact of scientific technological revolution and growth of nongovernmental organizations as well as regional and international</p>	
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Hedley Bull , (latest ed.)(2001), The Anarchical Society</li> <li>- Stanley Holmann, Contemporary Theory in International Relations.</li> <li>- Hans J. Morgenthau, Politics among Nations.</li> <li>- James N. Rosemen, (2003), International Politics &amp; Foreign Policy</li> <li>- R.A.Falk &amp; W. Hanrieden, International Law &amp; Organization</li> <li>- Joseph Nye a Keohane, Transnational Politics &amp; World Politics</li> </ul>	
<b>Course Name:</b> Public Finance	<b>Course Code:</b> EC – 446
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <ol style="list-style-type: none"> <li>1. To prepare students to develop the understanding of public revenue and expenditure.</li> <li>2. To prepare students to improve planning and utilization of resources.</li> </ol>	
<p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction of Public Finance</b>  Meaning and Nature of public finance, Evolution of public sector economics, significance of studying public finance. Methods of public finance.</li> <li><b>2. The Theory of Public Goods</b>  Public and Private Goods, Pure Public Goods, Should Public Sector be Produced Vs. Private Goods? Semi Public Goods, Merit Goods, Free Rider Problem, Externalities and Public Policy</li> <li><b>3. Introduction and Role of Public Sector</b>  The economic Functions and Public Goods, Problem of Allocation of Resources Redistribution of Income and Wealth and Stabilization.</li> <li><b>4. Public Revenue and Taxes</b>  Introduction to public revenue, Sources of public revenue: Tax Vs. Non Tax Revenue, Tax rate relationship, progressive, regressive &amp; proportional taxes. Types of taxes: direct vs. indirect taxes: commodity spending, sales and excise</li> </ol>	

taxes, income taxes. Introduction to other taxes. Cannons of Taxation. Tax shifting and incidence.

### **5. The Theory of Public Revenue**

The Economic Case for the Public Sector to Allocate Resources: Market Imperfections, Decreasing Costs of Production, Public Goods and Externalities. Pricing Decreasing Cost Industry

### **6. Tax Structure of Pakistan**

Performance of different types of taxes in Pakistan: Income and Sales Taxes, Excise and Custom Duties, Export and Import Taxes, Tax Reforms in Pakistan and their Impacts. General Equilibrium Vs. Partial Equilibrium: Tax Incidence Analysis. Determinants of Tax Shifting under Partial Equilibrium Conditions, Impacts of Tax Shifting on Price

### **7. Public Expenditure and Budget**

Theories of Public Expenditures, Wagner's Law, Effects of Public Expenditures, Components of Public Expenditures in Pakistan, Sources and Direction of the Growth of Public Expenditures. Impacts of subsidies on market equilibrium, deadweight losses in the long and short run. Social Insurance and Security. Income Distribution and Welfare Reforms

### **8. Fiscal Policy**

Kinds of Budget, Surplus, and Deficit and Balanced: Preparation of Budget Cycle in Pakistan, Development and Non-Development Budget and its Patterns. Zero Based Budget, Planning, Programming Budgeting System.

Fiscal and Economic Aspects of Federalism, Federal – Provincial Fiscal Co-ordination, Collection of Revenue and Provincial Share and its Distribution Criteria, Deficit Financing and its Impacts

### **Recommended Books**

- Ted Gayer and Harvey S. Rosen (2010), Public Finance: 10<sup>th</sup> (eds)
  - Ronald C. Fisher, (2006), State and local public finance 6<sup>th</sup> (eds),
  - Bernard P. Herber, (1999), Modern Public Finance.
  - Chellieah R.J., (Latest ed.), Fiscal Policy in Less Developed countries.
  - David N. Hyman, (1996), Public Finance, Harcourt Brace College Publishers.
  - Govt. of Pakistan, Economic Survey, Yearly Publication, Ministry of Finance, Economic Advisory Wing, Islamabad
  - Rosen and Harvey S., (1999), Public Finance, New Delhi: McGraw Hill.
  - Musgrave R.A. and B.P., Musgrave (Latest ed.), Public Finance in Theory and Practice, New Delhi: McGraw Hill.
  - Stiglitz E., (2000), Economics of the Public Sector, W. W. Norton & Co.
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**SAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR**  
**DEPARTMENT OF ECONOMICS**

**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-V**

<b>Course Name:</b> Monetary Economics	<b>Course Code:</b> EC – 551
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> This course is designed to give the students an insightful understanding of the subject. The main purpose is to orient the students with fundamental concepts of public side economics and the role and functioning of money mechanism.	
<b>Course Outline</b>  <ol style="list-style-type: none"><li><b>1. Introduction and Development of Monetary Mechanism</b> Evolution of Money and Payment System, Definition of Money: M1, M2, M3, L etc, Function of Money &amp; Measurement of Money, Demand for Money &amp; Supply of Money.</li><li><b>2. Role of Money in the Economy</b> Debate on neutrality and non-neutrality of Money, Classical Dichotomy and Keynesian Integration of Nominal and Real Sectors, Role of Money in the IS-LM Framework, Money in Aggregate Demand &amp; Aggregate Supply Analysis, Keynesian Vs. Monetarist views of Equilibrium Output, Employment and Prices.</li><li><b>3. Demand for Money</b> Quantity Theory of Money, Transaction Theories of Demand for Money, Portfolio Theory of Demand for Money, Baumol – Tobin Model of Cash Management, Friedman’s Restatement of Quantity Theory of Money: Empirical Evidence on the Demand for Money.</li><li><b>4. The Money Supply Process</b> Monetary Base, Keynesian Liquidity Preference Framework, Friedman’s Modern Quantity Theory of Money, Multiple Deposit Creation: Introducing the Money Supply Process. Determinants of the Money Supply: Exogenous and Endogenous. Understanding Movements in the Monetary Base, Money Multiplier, Velocity of Money and its variability, Explaining Depositor and Bank Behaviour: the Complete Money Supply Model,.</li><li><b>5. The Conduct of Monetary Policy: Central Bank</b></li></ol>	

Structure and Functions of Central Bank, Independence of Central Bank and its role in Economic Growth, Tool of Central Bank for Money Control: The Conduct of Monetary Policy: Goals and Targets. Tools of Monetary Policy: Three Major Tools of Monetary Policy. Required Reserve Ratio, Discount Window Loans and Open Market Operation, Advantages and Disadvantages and Impact Analysis of each Policy Tool. Central Bank as a lender of last Resort, Financial Intermediaries, , Ineffectiveness of Stabilization Policies,.

#### **6. Money & Interest Rates**

Determinants of interest rates, Kinds of Interest Rates, The Behavior of Interest Rates, Understanding & Measuring the Interest Rates: Real & Nominal Interest Rates, Theories of Interest Rate Determination: The Risk and Term Structure of Interest Rates, The Distinction Between Interest Rates and Returns. Maturity & Volatility of Bond Returns, Portfolio Choice: the Theory of Asset Demand.

#### **7. Money and Inflation**

What is Inflation & Causes of Inflation? Demand – pull Inflation, Cost – push Inflation, Stagflation & Hyperinflation., The Philips Curve and Accelerating Inflation. Inflation in Pakistan: Sources of inflation in Pakistan and Managing Policies to combat inflation in Pakistan. Spiracle Evidences.

#### **8. Monetary Policy in International Framework**

Current Issues in Monetary and Financial Sector Reforms. Conduct of Monetary Policy in Fixed and Flexible Exchange Rates, Perfect Mobility of Capital and Money Control, Effectiveness of Monetary Policy. Managed Exchange Rate System and Monetary Policy.

#### **Recommended Book**

- Bennett T. McCallum, (1989), Monetary Economics, Theory and Policy, New York: McMillan.
- Fredric S. Mishkin, (1995), Financial Markets and Money, New York: Harper & Row Publishers.
- Laider, David E.W., (1996), The Demand for Money: Theories, Evidence and Problems, , New York: Harper & Row, Publishers.
- Miller, R. L. and David VanHose, (2001), Money, Banking & Financial Markets, Singapore: South Western.
- Mishkin, Frederic S., (6<sup>th</sup> ed.) (2001), The Economics of Money, Banking and Financial Markets, New York: Addison Wesley.
- Vanish K., (2000), Monetary Theory, Delhi: Vikas Publishing House.
- Patinkin Don, (Latest Edition), Money, Interest and Prices, New York: Harper and Row Publisher

<b>Course Name:</b> Econometrics I	<b>Course Code:</b> EC – 552
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The course is designed to enable the students derive relationship between economic variables from the available data. The students should be in a position to apply statistical methods to data via simple mathematical models and to interpret the results by using economic theory. The students are encouraged to learn the use of simple computer programs and econometric packages in handling data and to understand the print outs.</p> <p>The teacher should expose the students to the use of computer in solving simple econometric problems and assignments.</p> <p><b>Course Contents</b></p> <p><b>1. Introduction</b></p> <p>Definition and scope of Econometrics, Economic theory as the basis for empirical analysis, Mathematical, statistical and Econometric models, Ingredients of Econometric modeling: Specification, Estimation, Evaluation and Forecasting.</p> <p><b>2. The Classical Linear Regression Model (CLRM)</b></p> <p><b>a) The simple Regression Model</b></p> <p>Variables and parameters, Meaning of the explained and explanatory variables, Estimators and estimates, Correlation theory: derivation of important formulas and estimation procedure, interpretations of the results. Structure of the linear econometric model with one explanatory variable: derivation of important formulas of coefficient estimates, estimation procedures and interpretation, BLUE properties of OLS estimates, mean and variances of coefficient estimates. Coefficient of determination and interpretation of the results.</p> <p><b>b) Multiple regression model</b></p> <p>Structure of the linear econometric model with two explanatory variables, Rationale for inclusion of the disturbance term, Assumptions of the model with special reference to the disturbance term, derivation of coefficient estimates formulas, Mean and variances of coefficient estimates, The estimation procedure, The economic interpretation of the estimated coefficients, BLUE properties of the OLS estimators, Hypothesis testing and the use of Z, t, F, test statistics, Coefficient of determination vs. correlation coefficient, comparing regression and correlation theory, Computation of elasticities, The degree of freedom and adjusted <math>R^2</math>, The explanatory power of the model and ‘Goodness of Fit’.</p> <p><b>c) The General linear Regression Model</b></p> <p>The multiple regression (K-variable) model in matrix format, Assumptions of the model, The Least-Squares estimation procedure in matrix notation, Properties of the OLS estimators, Interpretation of the Beta coefficients (<math>\beta_1, \beta_2, \dots, \beta_k</math>), Hypothesis testing using matrix approach</p>	

### 3. Dummy Variable Regression Models

Nature of dummy variables, ANOVA models with qualitative variables, Regression with dummy dependent and independent variables, Technical aspects of the dummy variable.

### 4. The Maximum Likelihood Estimators

The likelihood function, Properties of ML estimators: consistency, asymptotic normality, efficiency, Comparison with OLS estimators, Instrumental variable (IV) estimators

#### Recommended Books

- Gujarati, D.J., (2003), Basic Econometrics, New Delhi: McGraw Hill Company.
- Dougherty, Christopher, (2002), Introduction to Econometrics, Oxford University Press.
- Koutsoyiannis, A. (1977), Theory of Econometrics, New York: McMillan.
- Wonnacot & Wonnacot, (1970), Econometrics, New York: John Wiley,.
- Pindyck & Rubinfeld, (1992), Econometric Models & Economic Forecasts, New Delhi: McGraw Hill.
- Maddala, G.S., (1988), Econometrics, New Delhi: McGraw Hill.

<b>Course Name:</b> Rural Development	<b>Course Code:</b> EC – 553
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> Introduction of the structure of the rural economy encompassing socio-economic set up, developmental status and core social, economic and environmental problems to the students. Impart knowledge to the students about the historical background, evolutionary planning process of rural development & familiarization of students with the rural scene of Pakistan.	
<b>Course Contents</b>	
<b>1. Structures of Rural Economy: Land, People and Resources.</b> Socioeconomic and Political Organizations, Modes, Means and Relations of Production, Potential for Development, Basic Problems Including Traditions, Power Structure, Illiteracy, Poor Health, Unemployment, Poverty, Underdeveloped Infrastructures and Environmental Degradation	
<b>2. Theories of Rural Development: Basic Needs and Community</b> Development, Modernization of Agriculture, Diversification of Rural Economy,	



Rural-Urban Nexus of Development and Other Approaches

**3. Rural Development Planning: Rural Integrated Development Program**

Including Location, People, Utilities and Services, and Infrastructures, Village Aid Program, Rural Development through Local Government.

**4. Rural Development in Pakistan: Historical Background, Introduction**

Rural Scene in Pakistan, Land Reforms, Government Plans and Policies, Peoples Participation, NGOs and RSPs Vision in Rural Development, Rural Development Strategy. Use of Improved Technologies, Poverty in the Non-Modern Sector, Impact of Integrated Rural Development Programme (IRDP), Impact of Rural Support Programmes (RSPs) on Rural Households

**Recommended Books**

- Young, F/Clark, J., (2006), Interdisciplinary Theories of Rural Development, Jai Press.
- Hasan, Ibnul, (1989), Integrated Rural Development in Pakistan, Sterling Press Limited.
- Kator Singh, (1999), Rural Development: Principals and Policy Institute of Rural Management.
- Desilva, G. Haque, (1988), Towards A Theory of Rural Development, Progressive Publishers.
- James, Jeffrey, (1989), Improving Traditional Rural Technologies, New York: Macmillan Press
- Kenneth Lynch, (2005), Rural Urban Interaction in the Developing World, Routledge
- Khan, Mahmood Hasan, (2001), Community Organizations and Rural development, Vanguard.

<b>Course Name:</b> Gender & Development	<b>Course Code:</b> EC – 554
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> This course combines a broad interdisciplinary insight into developmental theories and strategies with focus on gender issues. It includes building a core understanding of key concepts and terms associated with gender and gender planning; mainstreaming gender; and gender planning frameworks. It builds an understanding of gender sensitive indicators with regards to women's access to basic services (including health, education, water and sanitation); reviewing options for effective delivery of public services; relationship of these to the Millennium Development Goals; and measures to overcome	

present challenges.

### **Course Content**

- 1. Introduction to the course**  
Understanding of basic terminology and importance of gender studies
- 2. Development and Gender perspectives**  
Relationships and basic concepts
- 3. Historical Contexts of gender and development**  
Mainstreaming, empowerment and participation
- 4. Gender studies approaches, WID and GAD**
- 5. WID and GAD incorporation in Development processes**
- 6. International Instruments and Conventions on Women's rights and implications on development processes**
- 7. World Conference on Women and development**
- 8. Millennium Development Goals, their understanding, scope and tools to meet the goals**
- 9. Human Rights and Gender**
- 10. Gender Development Process in Pakistan, issues, constraints and way ahead**
- 11. Gender aspect in development**
- 12. Gender baseline intervention planning and strategies formulation**
- 13. Approaches to gender training and development**
- 14. Gender Training in Pakistan, techniques and prospects**
- 15. Integrating gender frameworks in Project Planning and Management**
- 16. Various school of thoughts and the gender development process**

### **Recommended Books**

- Kumari Jayawordena (1994), *Feminism and Nationalism in the third world* . ASR: Lahore.
- UNESCO (2003), *Breaking the mould: Men's involvement in the quest for gender equality*. UNESCO.
- Bela Awasthi (2002), *Women 's Liberation and modern World*, New Delhi: Omsous Publication.
- United Nations (2002), *Gender mainstreaming: An Overview*. United Nations
- Jane Pilcher (2005), *50 key concepts in Gender Studies*, Sage Publication
- Beatrice Kachuck (2002), *Modern Theories of Feminism*, Sage Publication.
- K. Sultane (2004), *Woman and Man*, Lahore: Church World Service: 8. Pam Kosty (2002). *Gender*. New Delhi: McGraw Hill.
- World Bank (2003), *Gender Equality and the Millennium Development Goals*.

<b>Course Name:</b> Micro Economics – III	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> Micro Economics II	
<p><b>Course Objectives</b></p> <p>The course is designed for senior undergraduates. The objective is to confront them to advanced and rigorous micro economic analysis with real world examples. To develop the analytical skills and to enhance the capabilities to solve somewhat complicated problems.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li><b>1. General Equilibrium</b> Introduction. General equilibrium of consumption. General equilibrium of production. General equilibrium of consumption &amp; production</li> <li><b>2. Welfare Economics</b> Introduction. Criterion for social welfare. Growth of GNP as welfare criterion Bentham’s criterion. Cardinalist criterion. The Pareto optimality criterion. The Kaldor-Hicks criterion. Bergson criterion. Maximization of social welfare Derivation of GUPF. Determination of the welfare-Maximizing State</li> <li><b>3. Risk &amp; Uncertainty</b> Describing Risk, Preferences toward Risk, Reducing Risk, the Demand for Risky Assets. Lotteries. Example: Demand for insurance, Global risk aversion.</li> <li><b>4. Duality</b> Duality Problem. Sufficient condition for cost functions. Example: constant returns to scale and the cost function. Elasticity of scale and the cost function Uses of duality.</li> <li><b>5. Game Theory</b> Description of a game. Example: Matching Pennies. The prisoners Dilemma Example: Cournot duopoly. Solution Concepts. Nash Equilibrium. Repeated Games. Dominant Strategies. Elimination of dominant strategies. Sequential games. Games with incomplete information.</li> </ol>	
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Varian Hall R, (2002). Intermediate Microeconomics: Modern Approach: 6<sup>th</sup> Ed W. W. Norton Publishing Company, New York.</li> </ul>	

- Varian Hall R. Micro Economic Analysis. 3<sup>rd</sup> Ed. W.W.Norton publishing company, Newyork
- Pindyck and Rubinfeld with Mehta- Microeconomics (2005)- - 6<sup>th</sup> (ed) Pearson Education, Singapore
- Walter Nicholson- Intermediate Microeconomics- (1994) or latest – The Dryden Press: Harcourt Brace College Publishers
- Koutsoyiannis, A.- Modern Microeconomics- (1979)- 2<sup>nd</sup> ed) Macmillan Publishing
- Leftwich, Eckert (1988), The Price System and Resource Allocation: The Dryden Press, New York.
- Dowling, Edward – Mathematics for Economists

<b>Course Name:</b> International Trade Theory	<b>Course Code:</b> EC – 556
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The course aims at familiarizing the students with international economic issues, trade theories, policies and international organizations. The main emphasis of the course is to prepare the students for policy formulation and creating analytical skills.</p> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction to International Economics</b> The scope and nature of international economics, distinguishing features of domestic trade, foreign trade and national interest.</li> <li><b>2. The pure theory of international trade</b> Basis of trade, Classical theories of trade: Absolute advantage theory, comparative advantage theory, Heberler's theory of opportunity cost, Mill's theory of reciprocal demand. Modern Trade theory: H-O hypothesis, the Leontief paradox. Use of indifference curves, offer curves and box diagrams for exposition of trade theories. The production possibility curve.</li> <li><b>3. Commercial Policy</b> The case for and against free trade, theory of tariffs, infant industry argument, the effective rate of protectionism, optimum tariffs, tariff &amp; small country: effects of tariff. Price and demand for imports, welfare impacts. Impacts of tariff on government revenue retaliation, trade barrier taxes, subsidies and quantitative restrictions, non barrier export cartels and dumping. Managed trade, quantitative restrictions, voluntary export restrictions and their impact.</li> </ol>	

#### **4. International Trade and Economic Growth**

International Trade and Growth, mutual effects of growth and trade in context of small and large country: welfare and terms of trade of small country, welfare and terms of trade of large country. Immiserizing Growth. Market Barriers, Secular decline in terms of trade.

#### **5. Technical Progress & International Trade**

Meaning of technical progress, classification of technical progress, effects of technical progress on trade.

#### **6. Economic Integration**

Types of economic integration, reasons of economic integration, the theory of custom union: static and dynamic effects of custom union, economic integration among developing countries, SAAR

#### **Recommended Books**

- Jhingin M . L (Latest Ed.) International Economics Vrinda publications Limited.
- Caves Richard, E., and Jones Ronald W., (Latest ed.) World Trade and Payments: An Introduction, Little, Brown and Company.
- Chacholiades, Miltiades, (Latest ed.) International Trade Theory and Policy, New York : McGraw Hill Book Company.
- Donomick Sal Vatore B., (Latest ed.) International Economics, Prentice Hal.
- Grubel Herbert C., (Latest ed.) International Economics, Richard D. Irwin Inc., Honewood, Illinois.
- Peter Holinder & Thomas A., Pugel, (Latest ed.) International Economics,
- Sodersten B. and Geoffry Read., (1994), International Economics, New York: Macmillan Press Ltd.
- Baldwin Robert L. and Richardson David J., (1986), International Trade and Finance, Little Brown and Company.



**SHAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR**  
**DEPARTMENT OF ECONOMICS**

**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-VI**

<b>Course Name:</b> International Trade Policy	<b>Course Code:</b> 561
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> International Trade Theory	
<b>Course Objectives</b> The aim of the course is to introduce the students to the main facts of the theory of international trade, as well as to demonstrate principles and application of basic models.	
<b>Contents</b>	
<b>1. International institutions promoting trade</b> Introduction and objectives of GATT, UNCTAD, WTO, the world bank, IMF and European common market. Role of these institutions in trade promotion. Major Trade Roles and Their Expected Impacts on Trade	
<b>2. Balance of Payments</b> Balance of payments accounts, autonomous and accommodating items, disequilibrium in balance of payments and corrective measures. The Elasticity of Exports Demand and Balance of Payment, Impacts of Rise in Exports Demand.	
<b>3. Income Adjusted Mechanism</b> Income determination in open economy, the foreign trade multiplier, foreign repercussions, national income and the balance of payments, policies for internal and external balance, swan's and mundell models and policy assignments.	
<b>4. Markets, Cartels and International Trade</b> Monopoly and Import Competition, Export Opportunities, Competitiveness and Market Share, Gains from Migration, Multinationals Firms and Foreign Direct Investment, Transfer of Capital, Technology, Skill and other Gains, Transfer of Resources and Transfer Problem	
<b>5. Technology and Factor Endowment</b> National and World Gains from Trade, International Wage differentials and Productivity. Technical Progress and International Gains. WTO and Gains from Technical Progress: Impacts on Prices. Equilibrium Production and Consumption: Non-traded and Tradable, Costs, Free Trade and Income Distribution, Relative Demand, Supply and Pattern of Trade, Dutch Disease and its application	

## 6. International Monetary Systems

Characteristics of a good monetary system, the Bretton wood system, its major weaknesses and its collapse, the present system of managed flexibilities, its appraisal and need for reforms, IMF conditionality and structural adjustment programs, world bank and regional development banks (Asian banks and Islamic development banks)

### Recommended Book

- Hirschey, M., (10<sup>th</sup> ed.) (2003), Managerial Economics, U.S.A.: Thomson South-Western.
- Hirschey, M. and J.L. Pappas, (1998), Fundamentals of Managerial Economics, Chicago: Dryden Press.
- Kent P, and P Young, (4<sup>th</sup> Ed) (2003), Managerial Economics: Economic Tools for Today's Decision Makers.
- Keat, P., and P., Young, (1992), Managerial Economics, New York: MacMillan.
- Koutsoyiannis, A., (1979), Modern Microeconomics, MacMillan
- Mansfield E., (1998), Managerial Economics, Theory, Application and Cases, W. W. Norton & co
- Michael R., Baye (2000) Managerial Economics and Business Strategy, New Delhi: McGraw Hills.
- Pappas, James, Brigham Eugene F and Hirschey Mark, (latest edition), Managerial Economics, Chicago: Dryden Press.
- Salvatore, D. (2001), Managerial Economics, McGraw Hill.
- Thomas, M. (7<sup>th</sup> Ed) (2002), Managerial Economics In a Global Economy, New York: McGraw Hills.

<b>Course Name:</b> Econometrics II	<b>Course Code:</b> 562
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> Econometrics I	
<b>Course Objectives</b> The course is designed for senior undergraduates more inclined towards quantitative studies. The objective is to enable the students dive deep into complex problems of the real world economic life. They have to understand data problems, to have good grasp over advanced estimation techniques and to have the capability of inferring results accurately. The students have to learn certain computer packages like SPSS, E-views and Strata besides Excel.	
<b>Course Content</b>  <b>1. Multicollinearity</b> Linear relationship between any two explanatory variables, Nature and severity of the problem, Distinction between perfect and partial Multicollinearity, Properties of	

OLS estimators in the presence of collinearity, Detection of the problem and remedial measures.

## **2. Heteroscedasticity**

Meaning of Heteroskedasticity, The nature of the problem with reference to economic theory, Cross-section data and the problem of non-constant variances, Consequences for OLS estimators, Detection of the problem and remedial measures in brief, Introduction to the Generalized Least-Squares model (GLS).

## **3. Autocorrelation**

Autocorrelation and its causes, Time-series data and emergence of the problem with reference to economic theory, The AR(1) process, Consequences of Autocorrelation for OLS estimators, Detection of the problem and remedial measures in brief.

## **4. The Simultaneous Equations Models**

Why Simultaneous Equations Models: Deviation from the classical assumptions, The simultaneous equations bias, Various types and general format of simultaneous equations models, Exogenous Endogenous variables, The structural and reduced-form models,

## **5. Identification problem**

The identification problem, Formal rules for identification: The Order and Rank conditions, The Indirect Least Squares (ILS), The Instrumental Variables and Two-Stage Least Square(2-SLS).

## **6. Errors in variables**

Errors in variable, time as a variable, dummy variables, uses of dummy variables, exogenous lagged variables, endogenous lagged variables,

### **Recommended Books**

- Johnston, J & John Dinardo, (4<sup>th</sup> ed.) (1997), Econometric Methods, Singapore: The McGraw Hill Companies, Inc.
- Intrilligator, M,(Latest ed.), Econometric Models: Techniques and Applications, N. J. Prentice Hall.
- Judge, George G. et al., (1988) The Theory and Practice of Econometrics, John Willey and Sons.
- Maddala, G.S. & Kim, (1998) Unit Roots, Co-integration and Structural Change, Cambridge University Press.
- Johnston, J., (3<sup>rd</sup> ed.) (1991) Econometric Methods, McGraw Hill Company
- Kamenta, J., (2<sup>nd</sup> ed.) (1971), Elements of Econometrics, Macmillan.



<b>Course Name:</b> Research Methodology	<b>Course Code:</b> 563
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
To enable the students to learn the basic research techniques essential for all social scientists	
<b>Course outline</b>	
<b>1. Introduction</b>	
Introduction to research, What is research and why to do research? The research process, Human Inquiry and Science, Different types of research (Basic and Applied Research, Exploratory research, Descriptive Research, Causal Research, Explanatory Research, Qualitative Research, Quantitative Research, Archival and historical Research), Selection, formulating and clarifying the research topic, Introduction to writing research proposal.	
<b>2. Literature Review and Critical Reading</b>	
Introduction, The Importance of Literature Review, Types of Literature Review, Some General Points in Literature Reviewing, Obtaining Literature Sources Searching the Literature, Assessing the Quality of Literature , Academic Referencing and using Endnote.	
<b>3. Understanding research philosophies and approaches</b>	
Research Approaches: inductive and deductive, What is reality? Ontology and Epistemology and its importance in social research, Role of theory and philosophy in research , Objectivist and subjectivist approaches, What is a Research Philosophy, Positivism and Interpretivism , Macro and micro theory	
<b>4. Conceptual Framework</b>	
What, why and how of conceptual framework, Designing conceptual framework Conceptual framework in qualitative and quantitative research, Combining more than one theory, Mixed Method Research, Theoretical Research.	
<b>5. Research design</b>	
Definition and Purpose of the research design, Quantitative & qualitative research designs: Research strategies, Sampling techniques, Multiple methods choices – combining data collection techniques and analysis procedures, Time horizons: Cross sectional and longitudinal research, Data collection, Data collection tools , Types of Data: Primary data secondary data, Data management in Quantitative and qualitative research, The credibility of research findings, The ethics of research design.	
<b>6. Data analysis I: Analysis of Primary data</b>	
Analysing quantitative data:	
a. Preparing, inputting and checking data	

- b. Exploring and presenting data
- c. Describing data using statistics
- d. Examining relationships, differences and trends using statistics

#### Analysing qualitative data

- e. Differences between qualitative and quantitative data
- f. Preparing your data for analysis: transcription and translations of data
- g. Types of qualitative analysis processes: Grounded theory, thematic analysis
- h. Data presentation, writing analysis, Memo writing
- i. Use of software in qualitative and quantitative data analysis

### **7. Data analysis II: Analysis of secondary data**

Introduction , Types of secondary data and uses in research, Locating secondary data, Advantages and disadvantages of secondary data, Evaluating secondary data sources.

### **8. Report writing**

Introduction, Getting started with writing, Structuring and presenting the Dissertation/project report, Organising the project report's content, Developing an appropriate writing style.

### **Recommended Books**

#### **Core Text:**

- Sounders, M., Lewis, P. and Thornhill, A. (2000), Research Methods for Business Students, 5<sup>th</sup> edition, Prentice-Hall, Upper Saddle River, NJ.
- Adams, J., Khan, H. T. A., Raeside, R., & White, D. (2007). Research methods for graduate business and social science students. New Delhi: Response Books

#### **Additional Text:**

- Babbie, E. (2007). The practice of social research. 7<sup>th</sup> Edition, New York: Macmillan
- Bryman, A. (2012). Social Research Methods. New York: Oxford University Press
- Johnson, Glenew, (Latest ed.), Research Methodology for Economists: Philosophy and Practice, New York: McMillan Publishing Co
- Neuman W. Lawrence, (1997), Social Research Methods, Qualitative and Quantitative Approaches, Allyn and Bacon; Boston
- Uma, Sekarn, (1992), Research Methods for Business. A Skill Building Approach, John Willey & Sons, Inc.
- Young Pauline V., (latest ed.), Scientific Social Survey and Research, Prentice Hall Inc
- Zikmund William, G., (1994), Business Research Methods, Chicago: The drydem Press.

<b>Course Name:</b> Development Economics	<b>Course Code:</b> 564
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The course aims at developing necessary abilities in students to apply development economics theories to solve problems of developing countries and helps to understand the functioning of various institutions and the policies adopted in developing countries.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li> <p><b>1. Scope and New Developments</b></p> <p>Definitions: Economic Development and Growth, Identification of Development variables. Scope and Significance of Development Economics. Characteristics of LDC's. Measurement of Economic Development and Growth, Per Capita Income approach, Quality of Life Index / HDI etc. Historical overview of world development and emerging major issues pertaining to Less Developed Countries (LDC's). Why the whole world is not developed.</p> </li> <li> <p><b>2. Major Theories of Development</b></p> <p>Classical and Neo-classical Theories, Vicious Circle of Poverty, Stages of Economic Growth, Balanced and Unbalanced Growth, Big Push Theory. Endogenous Growth Theory: New growth Theory. Income Convergence/Divergence debate.</p> </li> <li> <p><b>3. Agriculture and Industry</b></p> <p>Agriculture vs. Industry: Development Debate. Lewis' Model of surplus Labor. Rains' Fei Model and its critical review. Transforming Agriculture, Underemployment problem. Land Holdings, Green Revolution and its Performance. Need for Industrialization. Industrialization and its financing mechanism. Why Green Revolution? The Spread of Green Revolution in Pakistan and its Status / Contributions.</p> </li> <li> <p><b>4. Domestic problems and Policies:</b></p> <p>Poverty: definition(s) and approaches to measure poverty; 1) Basic need approach 2) Poverty of opportunity index (POIP) 3) Calorie based approach. Types of poverty: Absolute and Relative Poverty. The concept of poverty line. The nexus of poverty, inequality and underdevelopment. The distribution of wealth and resources, poverty and nutrition. Demographic transition. Population growth; its causes and consequences. Urbanization/rural-urban migrations; its causes and consequences. Human capital; education, health and development. Agriculture and rural</p> </li> </ol>	

development. Sustainable development.

### **5. International Debt, Aid / Assistance**

Why international borrowing? Two Gap Model, Aid commitments and disbursement. Sources of borrowing. Debt Cycle Theory/Stages. Debt Burden: Debt Servicing, Debt buy back etc., Latin American Debt Crises, Debt Problem of LDC's and South Asia, Debt Overhang and threat to growth. Policies to combat debt problem: Forecasting debt and solution for debt burden, saving mobilization/Domestic resource mobilization, Debt rescheduling etc. Debt Modeling and Forecasting Future Implication.

### **6. Economic Growth and Environment**

Environment and development nexus. Environmental Externalities. Optimal growth in the presence of environmental externalities. Industrialization and its environmental cost. Use of pesticides and environmental impact. Natural resources and Economic growth. Natural resource degradation. Cost of pollution/environmental degradation.

### **Recommended Books**

- Balasubramanyam V. and Lall, S. (Latest eds.), Current Issues in Development Economics. McMillan , London.
- Chaudhary M. Aslam and Hamid, A., (1989). Human Resource Development and Management in Pakistan. Ferozsans, Lahore.
- Chaudhary M. Aslam and Eatzaz, A., (2004), Globalization: WTO, Trade and Economic Liberalization in Pakistan, Ferozsans, Lahore, Pakistan.
- Chenery H. B. and Srinivasen. Hand Book of Development Economics, vol. I & II, Amsterdam (1988, eds.). North Holland.
- Cypher J. M. and Dietz James L., (2004), The Process of Economic Development, Routledge. Tayl or Francis Group, London/New York.
- Ghatak Subarta, (2003), Introduction to Development Economics, Routledge, Taylor and Francis Group, London/New York.
- Herrick B. and Kindleberger C., (latest eds.). Economic Development. McMillan, New York.
- Hirshman A. O., (1960). Strategy of Economic Development, Yale University, Press.
- Jones H. G., An Introduction to Modern Theories of Economic Growth, (Latest Edition), McGraw Hills.
- Mahboob-ul-Haq Center for Human Development (MHCHD). Human Development in South Asia, Annual Reports, Islamabad. ----- (1999), A Profile of Poverty In Pakistan, (In Collaboration with UNDP).
- Meier Gerald M., Leading Issues in Economic Development, (Latest Issue),Oxford University Press.

- Perkins, D. H., S. Radelet, D. R. Snodgrass, M. Gillis and M. Roemer (2001): Economics of Development, W. W. Norton: New York
- Thirlwall, A.P., (2003), Growth and Development, With Special Reference to Developing Economies 7<sup>th</sup> edition, Palgrave Publisher.
- Todaro M. P., Economic Development in the third World. Latest Edition, Heinemann, London.
- UNDP, Human Development Reports , Annual Reports.
- Van Den Berg H., (2001), Economic Growth and Development,\* McGraw Hills.
- William, Easterly, Growth without Development, A Case Study of Pakistan, World Bank.
- World Bank, World Development Reports, Annual reports, 1986, 1987, 1990, 1991, 1992, 1994, 1995, 1998/99, 2000/2001 and 2004.
- Yotopolous Pan A. and Nugent Jeffery B., Economics of Development, Empirical Investigation (Latest eds.). Harper and Row Publishers, London/New York.
- Please see the link for the last topic [http://ec.europa.eu/economy\\_finance/publications/publication7726\\_en.pdf](http://ec.europa.eu/economy_finance/publications/publication7726_en.pdf)
- [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/69195/pb13390-economic-growth-100305.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69195/pb13390-economic-growth-100305.pdf)
- [http://www.unep.org/geo/geo4/report/01\\_Environment\\_for\\_Development.pdf](http://www.unep.org/geo/geo4/report/01_Environment_for_Development.pdf)

<b>Course Name:</b> Macroeconomics III	<b>Course Code:</b> ECON -
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3

**Prerequisites:** Macroeconomics II

<p><b>THE ECONOMY IN THE VERY LONG RUN</b></p> <p><b>1. Economic Growth I: Capital Accumulation and Population Growth</b> (Mankiw Ch#8, Weil Ch#3, 4, Williamson Ch#6)</p> <ul style="list-style-type: none"> <li>• The Accumulation of Capital: The Supply and Demand for Goods, Growth in the Capital Stock and the Steady State, Approaching the Steady State: A Numerical Example, How Saving Affects Growth</li> <li>• The Golden Rule Level of Capital: Comparing Steady States, Finding the Golden Rule Steady State: A Numerical Example, The Transition to the Golden Rule Steady State</li> <li>• Population Growth: The Steady State With Population Growth, The Effects of Population Growth, Alternative Perspectives on Population Growth</li> </ul> <p><b>2. Economic Growth II: Technology, Empirics, Policy, and Human Capital</b> (Mankiw Ch#9, Weil Ch#7, 8, 9, 6, Williamson Ch#7)</p> <ul style="list-style-type: none"> <li>• Technological Progress in the Solow Model: The Efficiency of Labor, The Steady State With Technological Progress, The Effects of Technological Progress</li> </ul>
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- From Growth Theory to Growth Empirics, Balanced Growth, Convergence Factor Accumulation Versus Production Efficiency
- Policies to Promote Growth: Evaluating the Rate of Saving, Changing the Rate of Saving, Allocating the Economy's Investment, Establishing the Right Institutions, Encouraging Technological Progress
- Beyond the Solow Model: Endogenous Growth Theory, The Basic Model, A Two-Sector Model, The Microeconomics of Research and Development, The Process of Creative Destruction

### 3. Economic Growth III: Beyond the Correlates of Economic Growth (Weil Ch#14 & 15)

#### A.1: The Effect of Culture on Economic Growth

Openness to New Ideas, Hard Work, Saving for the Future, Trust, Social Capital  
Social Capability

#### A.2: What Determines Culture?

Climate and Natural Resources Cultural Homogeneity and Social Capital,  
Population Density and Social Capability

#### A3: Cultural Change

Economic Growth and Cultural Change, Government Policy and Cultural Change

#### B.1 Geography

Location, Trade and Growth, Geographic Concentration and Spillovers,  
Geography's Effect on Government

#### B.2 Climate

Climate and Agricultural Productivity, Climate and Disease, Climate and Human  
Effort

#### B.3 Natural Resources

The Relationship between Natural Resources and Growth, Explanations for the  
Resource Curse

## INTERNATIONAL MACROECONOMICS: THE OPEN ECONOMY

### 6. The Open Economy (Mankiw Ch#6, ABC Ch#13, Williamson Ch#14)

- The International Flows of Capital and Goods: The Role of Net Exports, International Capital Flows and the Trade Balance, International Flows of Goods and Capital: An Example
- Saving and Investment in a Small Open Economy: Capital Mobility and the World Interest Rate, Why Assume a Small Open Economy? The Model, How Policies Influence the Trade Balance, Evaluating Economic Policy
- Exchange Rates: Nominal and Real Exchange Rates, The Real Exchange Rate and the Trade Balance. The Determinants of the Real Exchange Rate. How Policies Influence the Real Exchange Rate. The Effects of Trade Policies, The Determinants of the Nominal Exchange Rate. The Special Case of Purchasing-Power Parity

### 7. Open Economy Revisited: The Mundell-Fleming Model and the Exchange Rate

### **Regime (Mankiw Ch#13, ABC Ch#13, Williamson Ch#15)**

- The Mundell–Fleming Model.  
The Key Assumption: Small Open Economy With Perfect Capital Mobility. The Goods Market and the IS\* Curve, The Money Market and the LM\* Curve  
Putting the Pieces Together
- Time Horizons in Macroeconomics: How the Short Run and Long Run Differ  
The Model of Aggregate Supply and Aggregate Demand
- Aggregate Demand: The Quantity Equation as Aggregate Demand, Why the Aggregate Demand Curve Slopes Downward, Shifts in the Aggregate Demand Curve
- Aggregate Supply: The Long Run: The Vertical Aggregate Supply Curve, The Short Run: The Horizontal Aggregate Supply Curve, From the Short Run to the Long Run
- Stabilization Policy, Shocks to Aggregate Demand, Shocks to Aggregate Supply

### **8. Aggregate Demand II: Applying the IS-LM Model (Mankiw Ch#12, ABC Ch#11)**

- Explaining Fluctuations With the IS–LM Model, How Fiscal Policy Shifts the IS Curve and Changes the Short-Run Equilibrium. How Monetary Policy Shifts the LM Curve and Changes the Short-Run Equilibrium. The Interaction between Monetary and Fiscal Policy. Shocks in the IS–LM Model. What Is the Fed’s Policy Instrument - The Money Supply or the Interest Rate?
- IS–LM as a Theory of Aggregate Demand. From the IS–LM Model to the Aggregate Demand Curve. The IS–LM Model in the Short Run and Long Run
- The Great Depression: The Spending Hypothesis: Shocks to the IS Curve, The Money Hypothesis: A Shock to the LM Curve. The Money Hypothesis Again: The Effects of Falling Prices. Could the Depression Happen Again?

### **Core Text**

- Mankiw, N. Gregory (2013). Macroeconomics. Eighth or latest Edition, Worth Publishers.
- Weil, David N. (2012). Economic Growth. Third Edition, Pearson.

### **Supplementary Texts:**

- Abel, Andrew, B., Bernanke, Ben S. & Croushore, D. (2010). Seventh or latest Edition. Addison-Wesley.
- Williamson, Stephen D. (2010). Macroeconomics. Fourth or latest Edition, Prentice Hall.
- Romer, David - Advanced Macroeconomics -(latest edition)- McGraw Hills, New York.



**SHAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR**  
**DEPARTMENT OF ECONOMICS**

**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-VII**

<b>Course Name:</b> Demography	<b>Course Code:</b> 671
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> This course focuses to explore issues of population from an economic perspective and to provide a critical overview.	
<b>Course Contents</b>  <b>1. Introduction</b> Understanding demography, importance of demography, sources of demographic data, processes of demography. Population/labor as factor of production.  <b>2. Population theories</b> Mercantilist perspective, Malthusian theory of Population, The Marxist Perspective, The theory of demographic transition.  <b>3. Fertility</b> Understanding the concept, Measuring fertility, Fertility Trends, Fertility & Population growth in Pakistan.  <b>4. Mortality</b> Components of Mortality, Lifespan, Longevity, Causes of Death, Measuring Mortality, Estimates of mortality in Pakistan.  <b>5. Population Composition</b> Age, & Gender composition, Measuring age composition, measuring gender composition, Impact of population processes on age composition, impact of age composition on population processes.  <b>6. Population Growth and Ageing</b> Demographic composition of elderly: dynamic scenarios, biological & social aspect of ageing, implications for the society. impact of population growth on economic development.	



### **7. Migration**

Definition & meaning of migration. Causes of migration. Internal Vs. international migration. Individual & social consequences of migration. Migration trends in Pakistan: Causes & consequences.

### **8. Urbanization**

Concept of urbanization. Effects of urbanization. Urbanization trends in Pakistan: Causes & consequences.

### **9. Population Policies**

Concept of population policy. Need of population policy. national population survey. Population programs in Pakistan & their impacts. regional/provincial distribution of population in Pakistan

### **Recommended Books**

- Deaton, A., (1986), Demand Analysis, in Z. Griliches & M. Intrilligator, Handbook of Econometrics, North Holland: Amsterdam.
- Killingsworth, M. and J. Heckman, (1986), A Labor Supply of Women, @ in Ashenfelter and Layard (eds.) Handbook of Labor Economics, Vol. 1.
- Pencavel, J. (1986), A Labor Supply of Men: A Survey, @ in Handbook of Labor Economics, Vol. 1.
- Gronau, R., (1986). Home Production CA Survey, in O. Ashenfelter and R. Layard, eds., Handbook of Labor Economics, Volume I, Amsterdam: North-Holland,.
- Becker, G. (1960), An Economic Analysis of Fertility, @ in Demographic and Economic Change in Developed Countries, Princeton: National Bureau of Economic Research, 1960, 209-231.
- Hotz, V. J., J. Klerman, and R. Willis, A., The Economics of Fertility in Developed Countries: A Survey, @ in M.R. Rosenzweig and O.
- Schultz, T.P., 1996, A Demand for Children in Low Income Countries,@ in M.R. Rosenzweig and O. Stark, editors, Handbook of Population and Family Economics, North Holland,.
- Weeks J. R. (1989), Population: An Introduction to Concepts and Issues, Wadsworth Publishing Company, USA
- Poston D. L. & L. F. Bouvier (2010), Population and Society: An Introduction to Demography, Cambridge University Press, UK

<b>Course Name:</b> Operational Research	<b>Course Code:</b> 672
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	

The basic aim of the course is to study basic tools of quantitative method for decision making; main emphasis is on solution, methods and strategies.

## **Course Contents**

### **1. Introduction**

History, Meanings and introduction to Operations Research, Art of modeling and phases of Operations Research, Discussion on different types of Operations Research models

### **2. Linear Programming**

Meanings and objectives of Linear Programming Models, Formulation of Linear Programming model/problem, Solutions of linear programming problems:

- a. Graphical approach
- b. Algebraic solution (Simplex method, M-technique and two-phase method).
- c. Degeneracy, Alternative optima, unbounded solutions and Non-existing solutions.

### **3. Duality and Sensitivity Analysis**

Definition of the dual problem, Primal Dual relationship, Economic interpretation of duality, Sensitivity Analysis

### **4. Transportation Model**

Definition and application of the transportation model, Solution of the transportation problem. The Assignment model, solution and application of assignment model, The transshipment model.

### **5. Project Scheduling By Pert-CPM**

Meanings and purposes of Project Scheduling, Arrow diagram representation, determination of critical path and floats Construction of time chart and resource leveling Probability and cost considerations in project scheduling, Project control

### **6. Inventory Models**

Meaning and objectives of Inventory model, Formulation of generalized inventory model. Types of inventory model:

- (a) **Deterministic Models:** Single-item static model, single-item model with price breaks, multiple-items static model with storage Limitations, Single-item N-period dynamic model and N-period production scheduling model.
- (b) **Probabilistic Models:** A continues review model, single period models and multi period model

### **7. Dynamic Programming**

Elements of the Dynamic model, Examples of dynamic programming models and

computations

**Recommended Books**

- Bunday, Brian D. (1st ed.) (1984), *Basic Linear Programming*, Edward Arnold.
- Gillet, Billy. E. (1st ed.) (2001), *Introduction to Operations Research*, New Delhi: McGraw hill.
- Hamdy Taha. A. (7<sup>th</sup> ed.)( 2002), *Operations Research An Introduction*, Prentice Hall.
- Hillier and Lieberman, (7<sup>th</sup> ed.)( 2002), *Introduction to Operations Research*, New Delhi: McGraw hill.
- Wagner, Harvey. M., (2<sup>nd</sup> ed.)(2001), *Principles of Operations Research*, Prentice Hall.
- Dimintrings Bersimas and John N. Tsistsiklis, (2<sup>nd</sup> ed.)(1997), *Introduction to Linear Optimization* Athena Scientific .
- Fryer M. J. (1<sup>st</sup> ed.)( 1978), *Introduction to Linear Programming and Matrix Game Theory*, Edward Arnold
- Gass M. J. (1<sup>st</sup> ed.)(1975), *Linear Programming Methods and Application*, New Delhi: McGraw hill.
- Paul-A-Jensen and Jonathan F. Brad (1<sup>st</sup> ed.) ( 2002),*Operations Research Models and Method*, Wiley.
- Waynelwinston, (3<sup>rd</sup> ed.)(1994), *Operations Research Application & Algorithm*, Duxbury Press.

**Course Name:** Industrial Economics

**Course Code:** 673

**Course Structure:** Lectures: 3

**Credit Hours:** 3

**Prerequisites:** None

**Course Objectives**

The course analyzes the problems of the real economy that cannot be described within the framework of a classical economic theory that is taught by traditional micro- and macroeconomics. This course will cover all the three main fields of industrial organization theory: the theory of a firm, the theory of imperfect competition, and the theory of economic regulation. The students are presumed to be familiar with the standard courses in micro- and macroeconomics at the graduate level.

**Course Contents**

**1. Introduction To Industrial Organization**

Industrial structure, meaning and significance of industrial structure. Firm concentration.

**2. Structure conduct and performance**

### **3. Location of industry**

Economic criteria for industrial location. Non-economic criteria. Role of government in determining the location of industry.

### **4. Efficiency concepts**

Definitions of efficiency. Technical efficiency, Scale efficiency, cost efficiency allocative efficiency and X-inefficiency. Revenue and Profit efficiencies. Quality, risk and efficiency, Measurement of efficiency levels, Some efficiency conditions in the theory of Production, efficiency and decision making process

### **5. Objective function of firms with special emphasis on the conduct of nationalized and privatized firms**

### **6. Industrial Finance**

Sources of industrial finance (domestic and foreign). Methods of industrial financing. Problems of industrial financing in developing countries.

### **7. Mergers, Acquisitions And Agglomeration**

Mergers and Acquisitions: Horizontal, vertical and conglomerates. Examples of mergers and acquisition. Horizontal mergers and public welfare, Herfindal-Hirshman index as a measure of public welfare. Effect of a vertical merger on output of final and intermediate products. Phenomenon of industrial agglomeration, Increasing returns to scale as a driving force of agglomeration.

### **8. Industrial Labour**

Problems of skill formation, labor union, labor industry legislation

### **9. A review of industrial development and industrial planning in Pakistan, problems of industrial efficiency and standardization**

### **10. Analysis of Particular Industries and Enterprises**

#### **Airlines**

Effects of deregulating air companies, "Hub and Spokes" system and its efficiency

#### **Theatres and restaurants**

Why in developed market economies there are queues in theatres, restaurants, etc.?

#### **Economics of Show Business**

Why relatively small numbers of people in show business, sports, book publishing, etc. earn a lot of money and dominate on markets?

**Recommended Books**

- Paul R. Ferguson, Glenys Ferguson (1988), Industrial Economics: Issues and Perspectives, New York University Press.
- R R Barthwal (2000), Industrial Economics: An Introductory Text Book, New Age international Publishing Limited.
- Adams W.J., and Yellen, J.L. (1976), Commodity Bundling and the Burden of Monopoly, Quarterly Journal of Economics, vol. XC, 475-498.
- Averch H., and Johnson, L.L. (1962), Behavior of the Firm under Regulatory Constraint, American Economic Review, vol. 52, 1052-1069.
- Baron D., (1989), Design of Regulatory Mechanisms and Institutions, in R. Schmalensee and R.D. Willig eds.: The Handbook of Industrial Organization, Elsevier North-Holland.
- Baumol W.J., J.C. Panzar, and R.D. Willig, (1982), Contestable Markets and the Theory of Industry Structure, New York: Harcourt Brace Jovanovich.
- Becker G., (1991), A Note on Restaurant Pricing and Other Examples of Social Influences on Price, Journal of Political Economy, vol. 99, 1109-1116.
- Braeutigam R., (1989), Optimal Policies for Natural Monopolies, in R. Schmalensee and R.D. Willig eds.: The Handbook of Industrial Organization, Elsevier North-Holland.
- Buchanan J.M., (1969), External Diseconomies, Corrective Taxes, and Market Structure, American Economic Review, vol. 59, 174-177.
- Coase R.H., (1992), The Institutional Structure of Production, American Economic Review, vol. 82, 713-719.

<b>Course Name:</b> History of Economic Thoughts	<b>Course Code:</b> 674
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> The course deals with a deep understanding of the history and evolution of economic philosophies.	
<b>Course Contents</b>  <b>1. Introduction</b> Introduction: Importance of Economic History: Approaches to Study the Subject. Overview of Ancient Greek, Roman and Medieval Economic Thought, Overview of Ancient and medieval thoughts, Quensey's influential ideas, Feudalism, Mercantilism, Nature's Circular Flow, Process of modern theories and thoughts. Overview of Islamic thoughts: Ibne-Khuldoon and thereafter. Overview of Silent Features of Muslim School of Thought	

## **2. Mercantilists and the Physiocrats**

The Contributions of Mercantilists and the Physiocrats, A doctrine of economic process, transition to liberalization: Wage theory to natural price, the task of government. Overtime, Changing Role of Government

## **3. Classical School**

The Contributions of Classical School, Adam Smith; Malthus and Ricardo etc, The Labor Theory of Value, Bullin Debate, Ricardo's Monetary Thought, Evolutionists, Ricardo and Reformers of 18th Century. The Theory of Rent, Profit Concepts of Colonization. Economic

## **4. Socialism**

Socialism before Marx, English Socialists, Anarchism, Karl Marx's Contributions, The Class Struggle, Criticism on Marx, Challenges to Capitalism. German Historical School, Weber's contributions. The Marginalist School, Neo-Classical Economics, Jeans Inference, The concept of Welfare State, Chamberlin and Robinson. Australian School of thought. Veber and Galberith's Contribution

## **5. Keynesian and Post Keynesian School**

The Keynesian and Post Keynesian School, The Great Depression: Economic Policies and Capitalist Instability between the World Wars. The 20<sup>th</sup> Century Paradigms. The Growth of International Economy, The Rise and fall of Post World War II, The American economic history and Lessons

- a) The Emergence of Modern Economic Growth, Building Blocks, Industrial Revolution, Structuralist and Dependency School of thought; Sunkel, Amir Samer, Frank and others' contribution, Technological Change and Impacts. The Crisis of the 1970's and International Responses, Failure of Trickle down effects, Rational Expectation Revolution, Basic Needs Approach and welfare, Emergence Famine and Poverty
- b) Modern Economic Thought. Comparison of Post Keynesian and Monetarist Thoughts, Supply side economics, Globalization, Liberalization and New Weave of Economic Growth and Welfare, New Growth Theory, Convergence and Divergence Debate, Future of Economics, Quality and International Trade and emergence of markets, New Regionalism, New directions of research, Environment and sustainable growth

### **Recommended Books**

- Robert Lekachman, (1959), A History of Economic Ideas, New Delhi: McGraw Hill Company.
- Blaug, (1978), Economic Theory in Retrospect, Cambridge University Press.
- Frank A. G., (1998), Global Economy in the Asian Age, University of California Press.

- Henry John D., (1992), The Future of Economics, Black Wall Publishers.
- Marx k., and Engles F.,(latest edition), The Communist Manifesto, Moscow: Peoples Publishing House.
- Rima Ingrid, (Latest ed.).Development of Economic Analysis, Routledge Publishers.
- Spechler, Martin C., (1990), Perspective in Economic Thought, New Delhi: McGraw Hills.
- Dobb M., (latest Edition),Theories of Value and Distribution, Cambridge Univ. Press,

<b>Course Name:</b> Financial Institutions & Markets	<b>Course Code:</b> 675
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	

### **Course Objectives**

The course aims at the understanding of national and international financial systems it covers all the aspects of various financial transactions.

### **Course Contents**

#### **1. Theory of the Role and Functioning of Financial System**

Introduction to the financial system, intermediaries and institutions. Information asymmetric and the need for the role of financial sector, Some Basic concepts like adverse selection, moral hazard, free rider and principal-agent problems in financial sector to understand puzzles of financial markets, Financial system and its relationship with the rest of the economy, Functions of financial sector: mobilization and allocation of resources; pooling, diversification and trading of risk; advisory role; financing technological innovation and development. Financial Repression vs Financial Liberalization

#### **2. Growth and stability of financial system**

Why there is need to regulate the financial sector? Why financial sector is most regulated one in an economy? State Bank of Pakistan and its main functions: conduct of monetary policy; promotion, establishment, regulation and supervision of depository institutions; exchange rate policy and management of foreign exchange reserves; Payment System (NIFT and its functions. Relating to payments system), Securities and Exchange Commission of Pakistan and its functions: promotion, establishment, regulation and supervision of various components of capital market.

#### **3. Financial Institutions and Current issues**

- i) Scheduled Banks and their role in economic development of Pakistan: Introduction to commercial banking; structure of commercial bank in Pakistan; Assets and Liabilities of a commercial bank; performance indicators for commercial banks; recent issues in commercial banking.
- ii) Non-bank Financial Institutions: Development Financial Institutions, Investment Banks, Modarbas, Leasing companies, Mutual Funds, Housing Finance Corporations, Discount Houses, Venture Capital Companies.
- iii) Micro Finance Institutions, SME Banks
- iv) Insurance Companies – the rationale and role.

#### **4. Financial Markets and Current Issues**

- i) Functioning of Money Market (Primary and Secondary Dealers)
- ii) Capital Market (Stock exchanges and Various Components of capital markets – Securities, equities, bonds, debentures)
- iii) Foreign Exchange Market and its evolution, dollarization of the economy.

#### **5. Financial Infrastructure**

Legal Framework (SBP Act 1956, BCO, 1984, SBP Prudential Regulations), Accounting Standard, Auditing, Corporate governance of banks and other financial institutions Human Resource Development (Skill and Training) – Importance for functioning of financial sector. Electronic Banking and its prospects

#### **Recommended Books**

- Fabozzi, F and Modigliani, F. (1996), Capital Markets, London: Prentice- Hall.
- Mishkin, (2003), The Economics of Money, Banking, and Financial Markets.
- Ritter, L. S. and Peterson, R.L., (9<sup>th</sup>ed.) Financial Institutions and Financial Markets, New York: Basic Books.
- Arby, Muhammad Farooq, (2004), Functions, Evolution and Organization of State Bank of Pakistan
- *History of State Bank of Pakistan,*
- Zaidi, Akber (2005), Issues in Pakistan Economy, Karachi. Chapters 12, 13
- SBP Annual and Quarterly Reports.
- SBP Financial Sector Assessment: 1990-2002, 2003 and onward.





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**DETAILED COURSE OUTLINE OF ECONOMICS BS (4 YEARS PROGRAM)**

**SEMESTER-VIII**

<b>Course Name:</b> Applied Economics	<b>Course Code:</b> 681
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> The course aims at enabling the students to have command over computer applications which are essential for research in social sciences.	
<b>Course Outline</b>  <b>1. SPSS and E-View</b> Menu, Tool Bars, File Linkages, Dialog Boxes, Data Analysis, Analysis of Variance Simple and Multiple Regression Analysis, Formatting Reports, Creation and Modification of Chart, Line Area and Pie Chart, Output Navigator Printing, Data Editor Printing, Command Syntax Printing. Use of E-view for Model Estimation	
<b>2. Estimation of Production Function</b> Use of Computer, SPSS, E-View to Estimate Production Functions. Cob-Douglas Production Function, Constant Elasticity Production Function etc	
<b>3. Computer Applications: Demand – Supply &amp; Equilibrium</b> Estimation of Demand and Supply using E-View / SPSS, Aggregate Demand – Aggregate Supply and Equilibrium, Model Building and Estimation Building Simple Econometric Models and Estimation. Single Equation Models, Multiple / Simultaneous Equation Model, Interpretation of Computer Output	
<b>4. Project Appraisal and Computer Application</b> Use of Computer Programming (Softwares), E-View etc. for Cost-Benefit Analysis, Estimation of Present Values, Estimation of Economic and Social Benefits, Project Appraisal Using E-View etc, Estimation of Cost Functions and Decision Making	
<b>5. Econometric Analysis and Computer Applications</b> Regression Functions, Estimation with Qualitative Variables Confidence Interval and Hypothesis Testing, Estimation and Improving Model Estimates: Autocorrelation, Estimation of Simultaneous Equations, Estimation of VAR and	

ARIMA Models.

**Recommended Book**

- E-View Manual, (Learning help available with package (software)).
- Gimi, Carter and Annette, Marquis, with Karl Browning, (2001), Mastering Microsoft Office XP Premium, Selection B.P.B., Publishers, New Dehli ,
- Robertson, D.F., Computer Applications and Programming, Har Brace Jovanovich Inc. USA (latest ed.)
- SPSS-Manual

**Course Title: Islamic Economics**

**Course Code: 682**

**Prerequisites: None**

**Credit Hours: 3**

**Course Objectives**

The course is designed for senior students to let them realize that Islam provides full guidance to its followers in all spheres of social life. The students have to understand the Islamic injunctions ordained for economic behaviour, both in the individual as well as collective capacity, They have to compare the prevailing system with that devised by Islam, to capture the socio-economic problems faced by the present day Muslim countries and to find ways and means to reconstruct the system in vogue according to Islamic guidelines so as to achieve greater stability, equity in distribution and reduction in poverty as the primary goals of all developing nations.

**Course Contents**

**1. Introduction**

Islamic Economics: Definition, Nature, and Importance, Islamic Economics Versus Secular Economics, The foundations of Islamic Economics, Brief Introduction of the Basic Values of Islam; Piety (Taqva), The lawful and unlawful (Halal and Haram), Trusteeship, Accountability, Justice, Benevolence, Equality, Brotherhood and Cooperation, Determinants of Economic Behaviour and Policies in Islam.

**2. Islamic Economic Thought**

Contribution of prominent scholars towards development of Islamic Economic Thought (Imam Abu Yousuf, Imam Abu Ubaid Al-Qasim, Ibn-e-Khuldoon, Imam Ibn-e-Taimiyah, Shah Walliullah Dehlawi, Maulana Maududi, Baqar-al-Sadar etc)

### **3. Microeconomics in Islamic Framework**

#### **a) Consumer's Behaviour**

Objectives, Success in this world and the life Hereafter, Moderation in consumption, restricted set of preferences, altruism and charitable donations (Zakah and Sadaqat), Utility function, Consumer's equilibrium in an Islamic framework.

#### **b) Behaviour of the Firm**

Business Ethics in production and marketing, Permissible and prohibited activities, Hoarding and gains, Forms of business organization: Proprietorship, Partnership (Muzara'h, Mudharbah, and Musharakah), Joint Stock Company (Sharikah), Modes of investment and financing.

#### **c) Market structure**

The concept of fair trade, Resource allocation under Islamic environment, Emphasis on competition, The case of monopolies and cartels in an Islamic system, Behaviour of the retailers, stock holders and whole-sellers, Types of transactions (Bai Fasid, Bai Slalm, Bai Muajjal, Murabaha), Principles of financial contracts, Determination of price and the rate of Normal profit, Meeting of losses, Price mechanism and role of the State in market regulation.

### **4. Macroeconomics in Islamic Framework**

#### **a) Some Basic Macroeconomic Concepts**

Consumption, saving and investment functions, Determinants of consumption and Investment functions in Islamic environment, Concept of helping others, The parameters of Public spending in Islamic framework, International trade relations, Inflation and unemployment, Stabilization policies in Islamic framework.

#### **b) Money and Banking**

Commodity money, Paper money and Credit money, The concept of Riba (interest): its interpretation and implications, Justification of interest in the conventional theory, Rationale for prohibition of interest-based transactions and gambling, Models of interest-free Commercial Banking, Modes of financing investment: leasing (Ijarah), partnership in capital (Musharka), principal-agent Murabaha, Bai-Salam, Bai Muajjal etc., Central Banking and monetary policy in Islamic framework: Combating inflation, Design of capital markets and Insurance.

## **5. Public Finance and Fiscal Policy**

Sources of revenue and heads of expenditure of an Islamic State, the scope for taxation, Objectives of fiscal policy: Social justice, Equity in distribution and elimination of poverty, Beneficiaries of Zakat, Exemption limits and rates of Zakah, Economic impacts of Zakah & Usher: the multiplier effect, Financing economic growth and development in Islamic perspective, The case of domestic and foreign borrowing.

## **6. Islamic Economic System**

Salient features of an Islamic Economic System: Objectives, Economic Freedom, Equity and Efficiency, Social and distributive justice, The relative importance of Capital and Labour, Private ownership and property rights, Family system and the law of inheritance, The institution of Zakah and Bait-ul-Mal, Wider circulation of wealth, Fulfillment of basic needs, The institution of Interest and its inconsistency, Rationale for prohibition of interest, Role of the State in an Islamic system, Protection of faith and Islamic values, Economic and social welfare, Alleviation of poverty and reducing of inequalities, Comparison of Islamic economic system with Capitalism and Socialism.

## **7. Islamization Process in Pakistan**

Islamization of the banking and financial system: Reports of the CII and implementation issues, The role of financial institutions in the private sector, Implementation of Zakah and Usher system: Prospects and Problems, A brief survey of changes that have taken place in economic and financial structure since 1980's, Islamic Banking practice and the role of the State Bank of Pakistan, The process of Islamization in other countries like Iran, Sudan, Malaysia

## **Recommended Books**

- Ahmed, Khurshid, (1980). Studies in Islamic Economics, King Abdul Aziz University Jeddah and The Islamic Foundation UK .
- Ahmed, Khursheed, (1995). Elimination of Riba in Economy, Islamabad: IPS.
- Ziauddin et al (1983), Money and Banking in Islam, King Abdul Aziz University Jeddah and Institute of Policy Studies Islamabad.
- Ziauddin et al (1983), Fiscal Policy and Revenue Allocation in Islam, King Abdul Aziz University Jeddah and Institute of Policy Studies Islamabad.
- Siddiqui, M.N., (1983), Issues in Islamic Banking, UK; The Islamic Foundation.
- Khan M. Fahim, (1995), Human Resource Mobilization through the Profit-Loss Sharing,, Islamic Development Bank Jeddah.
- Mahdi, M. Ahmad, (1995), Islamic Banking Modes for House Building Finance, Jeddah :Islamic Development Bank.

- Ahmad Khurshid, (1998), Elimination of RIBA from the Economy, Islamabad: Institute of Policy studies.
- Rahman, Habibur, (2003), Islamic Financial Instruments, Peshawar :Sardar Khan Welfare Trust.
- Al-Saddar, Muhammad Baqir, (1998), Iqtisaduna, Iran: World Organization for Islamic Services,.
- Khan, Muhammad Ikram, (1991), Islamic Economics, UK: The Islamic Foundation,

<b>Course Name:</b> Project Appraisal and Investment Decisions	<b>Course Code:</b> 683
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b> The course aims at understanding various aspects of development of a project, its feasibility analysis and pricing.</p> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. Introduction</b> Meaning of Project Appraisal, usefulness and significance, Aspect of project appraisal with a special focus on economic versus financial analysis, Contours and Dimensions of a project and its essential ingredients, Project Vs. Plans. Project Cycle.</li> <li><b>2. Investment Overview</b> Investment &amp; Investment Appraisal: an overview, nature &amp; scope. Investment Appraisal and Financial Decision Making. Public &amp; Private Sector Appraisal. Significance &amp; importance of Investment and Project Appraisal in Developing Countries.</li> <li><b>3. Investment Appraisal – Basic Evaluation techniques</b> Introduction, Traditional Methods, Time Value of money Methods.</li> <li><b>4. Identify Project Benefits and Costs</b> Objectives of Costs and Benefits, The Incremental / Net Benefits and “With” and “Without” Comparisons, Categories of Costs and Benefits</li> <li><b>5. Cash Flows, Capital Budgeting &amp; Investment Decisions</b> Introduction, identifying &amp; using cash flows, capital market imperfections, simple. Simple ways to cope with risk.</li> </ol>	

## 6. Social & Economic Cost-Benefit Analysis

Cost Benefit Analysis – An illustration, Identifying costs & Benefits, Valuation of costs & Benefits, A case study in Valuation - putting money on human life.

## 7. Discount Rate, Risk & Uncertainty in Cost Benefit analysis

The discount rate, theoretical & derivation of a social discount rate, the social discount rate in practice, risk & uncertainty, methods for handling risk and uncertainty.

## 8. Different Criterion for Project Evaluation

Discounting Technique, Discounted measure: NPV, IRR, BCR, Net benefit Investment Ration. Undiscounted measures. Comparison of NPV & IRR.

### Recommended Books

- Steve Lumby and Chris Jones (latest ed), Corporate Finance: Theory & Practice.
- Tan, (2001). Economic Analysis of Investment Operations, Richard Layard and Stephen Glaister, Cost-Benefit Analysis.
- Hughes, A., & D.J. Storey, (latest ed) Finance and The Small Firm (Ed) Routledge, London.
- Donald, E., Fischer, Arnold, J., (latest ed), Security Analysis and Portfolio Management, New Delhi: Prentice Hall.
- Gittinger J. Price, (latest ed), Economic Analysis of Agricultural Projects, London: The Johns Hopkins University Press.
- Hughes and Storey D.J., Finance and Small Firms, London: Routledge.
- Hussain, Ch. M: "Project Appraisal, Monitoring and Evaluation Process with Special Reference to Pakistan", Karachi: Royal Book Co.
- United Nations: (Latest ed.), "Guide to Practical Project Appraisal – Social Benefit – Cost Analysis in Developing Countries", New Delhi: Oxford & IBH publishing Co.
- United Nations: (Latest ed.), "Manual for Evaluation of Industrial Projects", New Delhi: Oxford & IBH Publishing Co.
- Zvi Bodie, Alex Kane, Alan K., (Latest ed.), Essentials of Investment, New York: McGraw Hill.

<b>Course Name:</b> Major Issues in Pakistan Economy	<b>Course Code:</b> 684
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> The course aims at the understanding of national and international financial systems it	

covers all the aspects of various financial transactions.

## **Course Contents**

### **1. Overview of Pakistan Economy**

Development Experience, Approaches, Policies and Outcomes, Identification of Issues: The era of 1950's, 1960's, 1970's, 1980's 1990's and 2000's. Structural Change and Sources of Growth, Emergence of Economic Issues, Human Resource Development, Unemployment, Poverty, Income Distribution, Debt, Deficit etc Growth with limited development in Pakistan.

### **2. Development Planning and Resource Mobilization**

Agricultural Development Policies and Priorities, Major Targets of Develop Plans and Emerging Issues; Neglects and Successes: Mobilization of Domestic Resources; Shortages, Deficits and Role of Foreign Aid. Agricultural Vs. Industrial Development Debate, Agricultural Adequacy.

### **3. Agriculture and Industrial Development: Emerging Issues**

Pattern of Agricultural and Industrial Development, Land Reforms and Its Impacts, the Role of Green Revolution and its Impacts: Present Status. Agricultural Price Policy and Income Tax, Sectoral Terms of Trade, Industrial Development Policies and Strategies, Development of Large and Small Industries, Value Added: Manufacturing Goods Vs. Primary Goods Production, Agriculture Vs. Industry: Development Debate.

### **4. Sectoral Development, Employment Pattern and Unemployment**

Sectoral Priorities and Development Issues, Human Resource Development and Emerging Issues: Population Growth, Labor Force Participation Rate and Employment Pattern, Unemployment and Underemployment, Forecasting Manpower Needs and Employment. Strategies to combat unemployment, Criteria to Measure Unemployment / Underemployment: Time Criterion, Productivity Criterion and New Index of Unemployment: Application to Pakistan and Empirical Evidences. Good Governance, Social Action Plan and its Impact. Role of Institution in Development, Social Sectors development Vs. High Return Sectors: Growth trade off.

### **5. International Debt and Dependency**

Concepts of Foreign Aid and Debt, Borrowing Vs. Domestic Reserve Mobilization (failure), Size of Foreign Debt, Debt Saving and its Impacts. Strategies to combat with High Debt: Saving Policy, Foreign Trade Promotion, Cutting non-development Expenditures, Rescheduling and its Impacts. Debt Management in Pakistan and Its Impacts Debt Modeling and Future Implications

### **6. Poverty and Income Distribution**

Pattern of Income Distribution: Rural and Urban. Definitions and Approaches to

Measure Poverty: Income Approach, Expenditure Approach, Basic Needs Approach, Poverty of Participatory Index (POPI). How to Combat Poverty; Growth Strategy, Basic Needs, Labor Intensive Investment: Education / Training etc. and Social Action Plan (SAP), its Role and Critical Review, Evasion of Policies / Strategies to Combat Poverty and Improving Income Distribution: Critical Evaluation. Neglect of Human Resource Development, Child Labor, Factors Productivity Issues

### **7. Inflation, Foreign Trade Deficit and Emerging Issues**

Sources of Inflation in Pakistan, Policies to Combat Inflation and their Impacts, Trade Performance, Instability and its Impacts, Policies to Combat Deficit and Trade Instability, WTO and Its Impacts. Reforms and Further Needs, Expected Impacts of WTO and Challenges. Terms of Trade Issues, Market Access and Health Related Rates.

### **Recommended Books**

- Aslam M., (2001-2002). *Perspective on Development Planning In Pakistan*, Lahore : Allied Book Centre.
- Chaudhary M.Aslam and Ahmad Eatzaz., (2004).*Globalization, WTO and Trade Liberalization in Pakistan*, Lahore: FerozSons.
- Chaudhary M. Aslam,.(1989).*Human Resource Development and Management in Pakistan*, Lahore: Ferozsos.
- Khan, Shahrukh R., (2000). *50 Years of Pakistan's Economy – Traditional Topics and Contemporary Concerns*. Karachi: Oxford Univ. Press.
- Mahbool-ul-Haq Centre for Human Development (MHCHD),. (1989).*Poverty Profile of Pakistan*, Karachi: Oxford University Press.
- *Human Development in South Asia*, Annual Report.
- Saeed, Khawaja Amjad,. (2004).*The Economy of Pakistan*, Karachi: Oxford University Press.
- Zaidi, Akbar, (1999), *Issues in Pakistan Economy*, Oxford Univ., Press, Karachi.
- World Development Reports, World Bank.





**SHAHEED BENAZIR BHUTTO WOMEN UNIVERSITY PESHAWAR**  
**DEPARTMENT OF ECONOMICS**

**DETAILED COURSE OUTLINE OF OPTIONAL COURSE OF ECONOMICS**  
**BS (4 YEARS PROGRAM)**

<b>Course Name:</b> Health Economics	<b>Course Code:</b> EC – 555
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> This course is an introduction for advanced economics students to contemporary theoretical analysis of, empirical evidence on and policy debate about: what and who produces health, how it is produced, variations in its production, consequences of its production or lack of production	
<b>Course Contents</b> <b>1. Introduction to Health Economics</b> Meaning and definition of Health Economics, Scope of health economics, role of health economics in improved health outcomes, health care system in Pakistan. <b>2. Micro &amp; Macroeconomics of Health</b> Demand and supply of health care, typology of health care markets, production and distribution of health as a public good. Unemployment in the health sector (human resource for health), Inflation in the health sector (Medical consumer price index), International trade and health care <b>3. Health and sustainable development</b> Population growth and its impacts on health, Health and education, Income distribution and poverty, Human Development Index Human capital in the form of health, Health and Economic growth, Modeling the interaction of health and incomes, changes in the level of education, Health education and its impact on the economy <b>4. Health Care Finance</b> How health care is paid for? Health care financing techniques, New approaches to health care financing (Demand side financing, community financing and public private partnership in health) <b>5. Economic evaluation of health care</b> Introduction to economic evaluation of health care, Cost benefit analysis, Cost utility analysis, Cost minimization analysis and cost effectiveness	
<b>Recommended Books</b> - Fazl-e-Hakeem Khattak (2012), Social determinants of Health: Issues and	

Challenges in Pakistan. <http://www.pc.gov.pk/wp-content/uploads/2013/10/Social-Determinents-of-Health-04.12.2012.pdf>

- The Economics of Health is one of the newest fields to have its own North-Holland 2-Volume Handbook, and remains somewhat standardized, with major variations in subject matter between countries and departments.
- Drummond MF, O'Brien BJ, Stoddart GL, Torrance GW (1998). Methods for the Economic Evaluation of Health Care Programmes, Oxford :Oxford University Press.
- Duckett S.J. (2004). The Australian Health Care System. Oxford :Oxford University Press.
- Gold M.R. Siegel J.E. Russell LB, Weinstein MC (1996), Cost-Effectiveness in Health and Medicine. Oxford: Oxford University Press.
- Petitti D.B. (2000), Meta-Analysis, Decision Analysis, and Cost-Effectiveness Analysis:
- Methods for Quantitative Synthesis in Medicine, (2<sup>nd</sup> ed.), Oxford :Oxford University Press.
- Rychlik R (2002), Strategies in Pharmacoeconomics and Outcomes Research. New York: The Haworth Press.
- Zweifel and Breyer, (latest ed) Economics of Health, North Holland.

<b>Course Name:</b> General Equilibrium & Welfare Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b>  The objective of the course is to enable the students to understand the advance concepts of welfare economics and theories general equilibrium.</p> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li>1. <b>The nature of general equilibrium analysis</b>  General Equilibrium Theory, Multi market equilibrium in a competitive setting, Walras Law. Existence of equilibrium; Stability of equilibrium; Money in a general equilibrium setting.</li> <li>2. <b>Technical and allocative efficiency and case of exchange economy,</b></li> <li>3. <b>Linear programming technique to general equilibrium theory (Activity Analysis)</b></li> <li>4. <b>The Von-Neuma Model of an expanding economy,</b>  The input-out Model. Pareto principle, optional production and resource</li> </ol>	

allocation and efficiency of Perfect Competition,

**5. Measurement of Changes in Welfare:**

Consumer Surplus. Compensation Principle. The Theory of Social Choice. Social welfare function. Arrow's Impossibility Theorem,

**6. Marginal cost pricing,**

Joint Products, Externalities. Income distribution and compensation principles. Theory of second best and its application in Public Sector and international trade

**Recommended Books**

- Mas-Colell, Whinston and Green, (1995), *Microeconomics Theory*, Oxford: Oxford University Press.
- Arrow and Hahn, (1971), *General Competitive Analysis*, Francisco: Holden-Day
- Jehle, G.A., & P.J. Reny, (2<sup>nd</sup> ed.) (2001), *Advanced Microeconomics Theory*, Addison Wesley.
- Varian, H., (3<sup>rd</sup> ed) (1992), *Microeconomics Analysis*, Norton.

<b>Course Name:</b> Institutional Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> A course in "Institutional economics" accomplishes a series of courses that constitute the basic training for economists. Before studying institutional economics students should master not only the fundamentals of general economic theory but have knowledge of the historical courses and humanities as well.	
<b>Pre-Requisite</b> It is assumed that the students should be familiar with the following courses: Microeconomics and Macroeconomics, game theory, industrial organization, economic history and history of economic thought.	
<b>Course Contents</b>	
<b>1. Introduction</b> Introduction to institutional analysis; The concept of institution: attempts at definition. Institutions and organizations, Functions of social institutions, Interaction situations and the types of norms: prisoners' dilemma-type situation; co-ordination situation; inequality situation. Enforcement characteristics, Institutional structure of a society. Formal and informal institutions, Sanctions for disobeying norms (self-enforcing sanctions, guilt, shame, informational sanctions, bilateral costly sanctions, multilateral costly sanctions), Conditions of norms' effectiveness, Interaction of formal and informal institutions, The limits of	

imitations of institutions from best-performing countries, The problems of their Enforceability, The New Institutional Economics and modern institutionalism, Old institutional economics

## **2. Transaction costs**

The concept of transaction, Market and intrafirm transactions, Transaction costs as friction in the economy. Transaction costs and transformation costs, Interdependency between transaction costs and transformation costs, Types of market transaction costs and means of transaction costs minimization (search and information costs; measurement costs; bargaining and decision costs; supervision and enforcement costs). Comparative advantages and shortcomings of the legal enforcement mechanism, Reputation as a contract enforcement device, Ideal model of "perfect reputation", Shortcomings of the reputation as a contract enforcement mechanism, Reputation and the "free rider problem", Reputations aided by institutions, Contract enforcement in contemporary Russia

## **3. Property Rights**

The definition of property rights, Property rights in different legal traditions (common law and civil law traditions). The property rights approach: some basic concepts. Specification of property rights, the bundle of rights, partitioning of property rights, attenuation of property rights. Assigning of property rights: the internalization of externalities, The Coase Theorem, Critic of Coase (dynamic effects of alternative legal rules, wealth effect, distributional effects, strategic behavior and the problem of holding-out, endowment effect, sociological critic, unrealistic assumption about zero transaction costs), Alternative property rights regimes, Common property (open access) and the tragedy of the commons, Exclusive property rights and the conditions for their emergence, The first economic revolution, Communal property, Optimal group size, Private property, Moral and economic aspects of private property, Public property, The emergence of property rights. The optimistic theory of the emergence of property rights (naive model). The interest-group theory of property rights, The costs of collective action. The theory of rent-seeking, Interest-groups and rent-seeking in the Russian economy

## **4. Contracts**

The definition of a contract, Legal and economic approach to contracts, Freedom of contract, Bounded rationality and contractual incompleteness, Asymmetric information (hidden characteristics, hidden information/ hidden action, hidden intentions) and opportunistic behavior, Adverse selection and the closing of markets. Signaling, screening and self-selection, Asset plasticity and moral hazard, Principal-agent problem and agency costs, A simple principle-agent experiment in the classroom, Controlling and preventing moral hazard (controlling the agent, incentive contracts, bonding, do-it-yourself method), Case study: crisis of the savings and loan associations in America as an example of moral hazard in financial markets. Attributes of transactions and the choice of a contract, Asset specificity, types of specific assets, Synergy effects, quasi-rents

appropriation and hold-up problem, Classification of contracts (classical, neoclassical and relational contracting), discrete alternative governance structures: market, hybrids and hierarchy. Self-enforcing agreements (Telser) and hostages (Williamson), Hybrids: specific assets and their safeguards. Institutional environment and its role in the choice of contract, GM and Toyota: different models for solving the problem of safeguards for specific investments. The role of trust, Economic approach to trust, Kreps: the trust game. Types of trust (contractual trust, competence trust and good will trust). Explaining the internal structure of formal organizations: transaction costs approach

#### **5. The new institutional theory of the firm**

Neoclassical theory of the firm, Explanations of the firm in the new institutional theory (F.Knight, R. Coase, A. Alchian and H.Demsetz, O.Williamson, O.Hart), The market and the firm. Comparative analyses of the alternative coordination forms, internal market and influence costs, The boundaries of the firm, Ownership structure of the firm, A theory of the owner-monitor. Competing forms of economic organization, relative advantages of alternative structures (proprietorships, partnerships, Open Corporation, regulated firms, public enterprises, nonprofit organizations, labor-managed firms), Separation of ownership and control in the open corporation, Opportunistic behavior of the managers and corporate control, Outsider and insider corporate governance, Privatization in Russia and other transition economies: how to control the managers.

#### **6. The new institutional theory of the state**

Social mechanisms for constraining open access. Contractual theories of the state (Locke, Rousseau), Hobbes predatory theory of the state, North's model of the state, The regulatory role of the state in the Russian economy

#### **7. The theory of institutional change**

Stability of institutions and institutional change, The concept of institutional equilibrium, The main sources of institutional change, Centralized and spontaneous institutional change, The role of the state in the process of institutional change, The problem of compensation of the disadvantaged groups. Theories of selection of efficient institutions in the process of competition (Alchian, Friedman), Institutional change and path dependence, Forms of path-dependence (weak form, semi-strong and strong forms), Institutional change in contemporary Russia

#### **Recommended Books**

- Akerlof G.A. (1984),The Markets for "Lemons": *Quality Uncertainty and the Market Mechanism*" 84 Quarterly Journal of Economics, pp. 488-500
- Alchian A., Demsetz H. (1972), Production, Information Costs and Economic The American Economic Review, pp. 777-795
- Coase R. (1937), The Nature of the Firm, Economical, pp. 386-405

- Coase R.H. (1960) ,*The Problem of Social Cost*. Journal of Law and Economics 1-44
- Dahlman C. (1979) ,*The Problem of Externality*. Journal of Law and Economics, pp. 141-162.
- Hart O. (1989), *An Economist's Perspective on the Theory of the Firm*. 89 Columbia Law Review, p. 1757
- Joskow P. (1987), Contract Duration and Relationship-Specific Investments: Empirical Evidence from Coal Markets. 77 American Economic Review pp. 168-173
- Milgrom P., Roberts J. Economics, Organization and Management.
- Milgrom P., Roberts, (1992), J. Economics, Organization and Management - Prentice-Hall Int.
- North D. (1990), Institutions, *Institutional Change and Economic Performance Cambridge*, University Press.
- Posner R. (1997), Social Norms and the Law: an Economic Approach. 87 American Economic Review, pp. 365-369
- Rose C. Evolution of Property Rights, In: Newman P, The New Palgrave Dictionary of Economics and the Law Vol. 2,.

<b>Course Name:</b> Fiscal Policy	<b>Course Code:</b> EC
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b>  This course will discuss the impact of Fiscal policy on individual behavior and the macro economy. The goal of this course is to develop and use a dynamic theoretical model of individual decisions and study how government tax and transfer policies, government debt and deficits affect these decisions.</p> <p><b>Course Content</b></p> <ol style="list-style-type: none"> <li>1. Facts about Deficits and Debt</li> <li>2. Comparative Statics and Borrowing Constraints</li> <li>3. The General Life Cycle Model</li> <li>4. The Government Budget Constraint</li> <li>5. Ricardian Equivalence</li> <li>6. Origin, Results and Assumptions</li> <li>7. Fiscal Situation of developing World</li> <li>8. Consumption, Labor and Capital Taxation</li> <li>9. Social Security and Social Insurance</li> </ol>	

- 10. Fiscal and social policy**
- 11. Poverty, income distribution and socio-economic development in SA**
- 12. fiscal and social policy issues**
- 13. Public debt and budget deficits**
- 14. Intergovernmental fiscal relations**
- 15. Fiscal federalism**

**Recommended Books**

- Auerbach, A. and L. Kotliko, (1987), *Dynamic Fiscal Policy*, Cambridge University Press.
- Burda, M. and C. Wyplosz, (3<sup>rd</sup> ed.)(2001), *Macroeconomics*, A European Text, Oxford: Oxford University Press
- Lord, W. (2002), *Household Dynamics, Economic Growth and Policy*, Oxford: Oxford University Press.
- Rosen, S., (6th ed.) (2002), *Public Finance*, New Delhi: McGraw-Hill

<b>Course Name:</b> Monetary Policy	<b>Course Code:</b> EC
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3

**Prerequisites:** None

**Course Objectives**

This course aims to provide a fundamental understanding of the most basic questions in monetary economics: What is the role of money? What causes inflation? How does monetary policy affect output? Insights into these questions underline some of the most important developments in macroeconomics in the 20th century. This course will examine that how knowledge from the monetary conduct the monetary policy in a more scientific and ‘optimal’ way, at least conceptually. This course will also discuss issues related to credit and banking, as well as other non-resolved current issues in monetary economics that have been of interest to academics and policy makers in recent years. ECON 012 will offer as an upper level theory course. As such, much of the course will be analytical in nature.

**Course Contents**

- 1. Time Inconsistency:**  
Inflation bias of discretionary policy, solutions The Mechanics of Monetary Policy: Monetary Operations, Monetary Transmission Mechanism
- 2. The Science of Monetary Policy:**  
Monetary Policy framework, Optimal monetary policy, inflation targeting
- 3. Current issues in monetary policy**

Liquidity trap, great moderation, roles of asset prices, Fiscal Monetary-Exchange rate policies mix.
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Bruce Champ and Scott Freeman, (2<sup>nd</sup> ed.)(2001), <i>Modeling Monetary Economies</i>, Cambridge University Press,</li> <li>- Carl Walsh,(2<sup>nd</sup> ed.) (2003), <i>Monetary Theory and Policy</i>, MIT Press.</li> <li>- Michael Woodford, (2003), <i>Interest and Prices: Foundations of a Theory of Monetary Policy</i>, Princeton University Press.</li> <li>- David Romer, (2<sup>nd</sup> ed.)(2000), <i>Advanced Macroeconomics</i>, New Delhi: McGraw-Hill.</li> </ul>

<b>Course Name:</b> Development Policy	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The subject deals with enabling students to understand development policies, its formulation and implementation. The subject also focuses on various factors which affect the development of an economy</p>	
<p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. International Debt, Aid/Assistance, and New Role of World Bank and IMF</b> Why international borrowing? Two Gap Model, Aid commitments and disbursement, Sources of borrowing, Debt Cycle Theory/Stages, Debt Burden: Debt Servicing, Debt ladder Curve, Debt buy back etc., Latin American Debt Crises, ASEAN Crises, Debt Problem of LDC's and South Asia, Debt Overhang and threat to growth. Policies to combat debt problem: Forecasting debt and solution for debt burden, saving mobilization/Domestic resource mobilization, Debt rescheduling etc, Debt Modeling and Forecasting Future Implication. Solution to debt Problem</li> <li><b>2. Resource Mobilization and Industrialization</b> LDC's Inflation and Deficit B.O.P Problem, Savings and forced savings, Direct and indirect taxation, Transfer of resources from agricultural to industry, Migration and its role. Urban unemployment, Industrialization and Small Manufacturing enterprises (SME's), Human Capital and its development / productivity</li> <li><b>3. Multinational Corporations (MNC'S), FDI and Development</b></li> </ol>	



Multinational Corporations (MNC's): Objectives, Role and Contributions, Long term cost of TNC's. Transfer of Technology: Ways and Means. Global integrated production system: MNC's and Globalization, Foreign Direct Investment (FDI) and Its Determinants/Role. Foreign Direct Investment (FDI) and MNC's, Flow of FDI and its contributions

#### **4. Poverty and Income Distribution**

Definitions and Measurement of Poverty/Poverty Line, Poverty concepts/definitions, Absolute Poverty, Relative Poverty, Income approach, Expenditure approach, Basic needs approach, Poverty of Opportunities Index (POPI) and Calorie-based approach etc. Poverty Indicators, Poverty by socio-economic groups, Sources, impacts and policies to combat poverty, Strategies and tools to combat poverty, Growth and Income Inequality in the world. Empirical evidences on poverty. Redistribution with growth, How to combat income inequality, Basic Needs, Social Action Programs and Poverty alleviation

#### **5. Environment and Development**

Model of Environment and Economic Activity, Market Based Approach and Externalities. Deforestation and Renewable Resources, Measuring environment values, Deforestation and Macroeconomic Environment, Industrialization and its environmental cost, Use of Pesticides and Environmental Impacts. Natural resources degradation, Cost of Pollutions/Environmental degradation, International awareness about environment, production and need for Reforms. Economic thoughts and Environment, International Agencies: Environmental concerns and programs. Urbanization and environmental issues, Sustained development, Ecology and economic progress

#### **6. WTO, Liberalization and International Trade**

Trade vs. Aid, Liberalization of Trade and its impacts/gains etc., Trade led Growth, Foreign Exchange Constraints and Balance of Payment deficit. Role of GATT and its Failure, WTO and LDC's, Trade Instability, Distribution of gains from Trade liberalization, Regional Trade Associations (RTA's): their role and contributions. Basis for trade and benefits: Gains from Trade: Static and Dynamic Gains. Comparative Advantage, Revealed Comparative Advantage and Competitiveness, Trade as an engine of growth. Product Cycle, Determinants of exports growth, Transfer of Technology: Sources & Need. Technology Centered Development and Appropriate technology issue.

#### **7. Growth Models**

Harvard – Dorner Model, Neo-classical growth theory, Technical change, endogenous growth. Institutional Economics, Institution's and Market, Good Governance, Role of Institutions in Economic Development., Institutions and LDC's.

#### **Recommended Books**

- Meier, Gerald M. and James E. Rauch, (7<sup>th</sup> ed.)(2000), *Leading Issues in*

*Economic Development*, Oxford: Oxford University Press.

- Todaro, Michael P. and Stephen C. Smith, (2003), *Economic Development*, Pearson Education Limited.
- Allen, Tim and Alan Thomas (2<sup>nd</sup> ed.)(2000), *Poverty and Development*, Oxford: Oxford University Press.
- Stiglitz, Joseph and Gerald Meier, (2001), *Frontiers of Development Economics: The Future in Perspective*. Oxford: Oxford University Press/The World Bank

<b>Course Name:</b> Environmental Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	

**Course Objectives**

The objective of the course is to understand the economics of environment and study global environment.

**Course Contents**

**1. Introduction and Awareness**

What is Economics of Environment? Historical Framework for Environmental Protection, Distinction between natural resource economics and environmental economics, The Economy and the Environment, First and the second laws of thermodynamics. The fundamental balance

**2. Analytical Tools: An Environment**

Supply and Demand Issue: Cost of Controlling Environment Benefit – Cost and its Estimation. Willingness to Pay. Equilibrium Principle Technology and Equi. Marginal Principles, Marginal Cost and Supply, Economic Efficiency and Markets, Equity and Social Efficiency, External costs and external benefits

**3. The Economics of Environmental Quality**

Pollution and Impacts on Human Life, quality of life and Environment Quality, General Models of Pollution Control. Emission Reduction and Equi Marginal Principle, Long Run Sustainability through Pricing Mechanism

**4. Valuing the Environment and Benefit Cost Analysis**

Measuring environmental benefits: Contingent valuation, the travel cost method and the hedonic approach. Benefit Cost analysis: Costs: The value of life, health, safety and risk. Pigovian Analysis, The Coase Theorem.

**5. Economic Development and the Environment**

General considerations, Environmental degradation in developing economies,

Economy and Environment, The Pollution Haven hypothesis, The role of developed countries

#### 6. Environment and Pakistan

Emergence of Environment Issue in Pakistan, Industrial Waste, Urban Waste and Agricultural Issues Related to Pesticides use, Salinity and Water Logging, Urban Environmental Issues, Public and Private Efforts to Improve Environment Quality and Impacts, Air pollution in Pakistan, Public Policies and Awareness to Control Pollution, Environmental Policy and Strategy in Pakistan

#### 7. The Global Environment

Ozone Depletion, The Economics of Global Warming. Keyoto – Protocol and Issues International Environmental Agreements, UN and Environmental Cooperation International trade and the Environment. Impacts of Awareness Policy

#### Recommended Books

- Field, B.C and M.K Field, (3<sup>rd</sup> ed.)(2002), *Environmental Economics: An Introduction* New York: McGraw Hill.
- Barry C. Field,(Latest Ed.).*Environmental Economics: An Introduction*, New York: McGraw Hill.
- Chapman, D., (Latest ed.). *Environmental Economics: Theory Application and Policy*, Massachusetts: Addison- Wesley.
- Hussen A., (2003).*Principles of Environmental Economics*, Rutledge Publishers.
- Baker Steve, (2003).*Environmental Economics*, New Delhi: Dominant Publisher and Distributors.
- Buchanan J.M., (1969), *External Diseconomies, Corrective Taxes, and Market Structure*, American Economic Review, vol. 59, 174-177.
- Coase R.H., (1992),*The Institutional Structure of Production*, American Economic Review, vol. 82, 713-719.

<b>Course Name:</b> Experimental and Behavioral Economics	<b>Course Code:</b> ECON -
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
This course applies the tools of economic analysis to theoretical and empirical issues in behavioral economics. There will be an emphasis throughout on microeconomic theory and applications. The aims of the course are to give students an understanding of the	

main hypotheses in behavioral economics and the empirical evidence in their support.

By the end of the course students should

- have an overview of major papers in the literature and appreciate differences between neoclassical and behavioral methods
- be able to apply the basic frameworks to economic problems
- appreciate some of the key debates in thinking about how behavioral economics can inform public policy.

**Course outline:**

1. Introduction to behavioral economics
2. Advantages and Limitations of Laboratory Experiments
3. Competitive Experimental Markets
4. Bargaining Behavior
5. Fairness and Competition
6. Voluntary Cooperation and Public Goods Provision
7. Theories of Fairness and Reciprocity
8. Enforcement of Social Norms
9. Behavioral Economics of Incentives and Contracts I
10. Behavioral Economics of Incentives and Contracts II
11. Loss Aversion and Labor Supply
12. The Economics of Money Illusion

**Recommended Books:**

- Altman, M. (ed.) (2006), *Handbook of Contemporary Behavioral Economics: Foundations and Developments*. Armonk, N.Y. and London: Sharpe.
- Camerer, C.F. (2003), *Behavioral Game Theory: Experiments in Strategic Interaction*. Princeton University Press.
- Charles Holt (2007), *Markets, Games & Strategic Behavior*, Pearson Addison-Wesley,
- Davis, D., Holt, C. (1993), *Experimental Economics*. Princeton University Press.
- Dhami, S. (2015), *Foundations of Behavioral Economic Analysis*. Oxford

University Press. (to appear)

- Khalil, E.L. (ed.) (2009), *The New Behavioral Economics*. [Volume 1. A Taste for Fairness. Volume 2. A Taste for the Present. Volume 3. Tastes for Endowment, Identity and the Emotions]. International Library of Critical Writings in Economics, vol. 238. Cheltenham, U.K. and Northampton, Mass.: Elgar.
- Rubinstein, A., (1998), *Modeling Bounded Rationality*. Cambridge, Mass: MIT Press. Edward Cartwright (2011) *Behavioral Economics*, Routledge,

<b>Course Name:</b> Dynamic Macro Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives:</b> The course aims at enabling the students to understand the basics of dynamic macro economics.	
<b>Course Contents</b> <ol style="list-style-type: none"><li>1. Role of information and expectations in macroeconomic modeling</li><li>2. Disequilibrium macro economics</li><li>3. Rational expectations and New-Classical Economics</li><li>4. Rational expectations and macroeconomic modeling</li><li>5. Ramsey-Phelps-Koopman model of economic growth</li><li>6. Samuelson-Diamond-Gale overlapping generations models</li><li>7. Dynamic stochastic general equilibrium models</li><li>8. Growth in open economies</li></ol>	
<b>Recommended Books</b> <ul style="list-style-type: none"><li>- Romer, D (2001, 2006), <i>Advanced Macroeconomics</i>, latest edition, New York: MacGraw-Hill</li><li>- Minford, P and D. Peel (2002), <i>Advanced Macroeconomics: A Primer</i>, Adward-Elgar</li><li>- Scarth, W. M (1996), <i>Macroeconomics: An introduction to Advanced Methods</i>, Dryden Toronto</li><li>- Turnovsky, S.J. (1995), <i>Methods of Macroeconomic Dynamics</i>, MIT Press, New</li></ul>	

Jersey

<b>Course Name:</b> Political Economy	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	

### **Course Objectives**

The aim of the course is to enable students to understand the link between politics and economics. Understand the process of global economic and political order.

### **Course Contents**

#### **1. Introduction**

Meaning, Definition and brief Introduction of basic Concepts of Political Economy, Economic and Political Integration, Policy Reform and Popular Organization, key Social and Economic indicators, Political and Economic Institutions and their role in decision making. Linkages of Politics and Economics, Conceptualizing the Changing Global Order

#### **2. Political Economy and World Order**

Problem of Power and Knowledge: New Millennium, Knowledge, Politics and Neo-Liberal Political Economy. New Voices in the Globalization Debate: Green Perspective, Regional Phenomena and State Order, New State Actors, Theory of Exclusion.

#### **3. Regional Dynamics**

Regionalism and Globalization, The Political Economy of European Integration, Regionalism in the Asia-Pacific Political Globalization and the Competition State, Economic Blocks and Political Blocks

#### **4. Political Economy of Economic Development**

International Politics and Transfer of Technology, Sector Specific Development Limitation, Agriculture and Industry, Political Slogans and their Implementation, International challenge of poverty, The Political Economy of food grain prices, Rural Development, Regional Exporting Blocks and their Markets

#### **5. Political Economy of Pakistan**

The Economics of Patronage, Seven Pillars of good Governance, The Political Economy of Reforms, Pakistan - Dynamics of Elitist Model, Strategies for self-preservation, A military Theocracy, Different Regimes, Economic Development, Ethnic conflict, the Role of State. Emerging Economic and Political Issues and

their linkages, Regionalism, Poverty and Governance etc

#### **6. SAARC: Political & Economic Aspects**

Economic Aspects, Poverty Eradication, Trade & Economic Cooperation, Cooperation with Regional NGO's in South Asia. Pakistan and SAARC: Composition of Trade, Foreign Trade Trends in External Trade, Direction of Foreign Trade, Trends of Trade with SAARC. Future Economic Prospects of SAARC

#### **7. Issues in Lawlessness and Development**

Introduction, Economic Crimes, Terrorism & Insurgency, Theories of the Economic impact of Law & Order

#### **8. Socio Economic Developments & Crime**

A Review of Socio-Economic Situation in Pakistan, Urbanization, Housing, Unemployment, Poverty, Juvenile Delinquency, Health Hazards, Environment and Externalities

#### **9. Global Issues**

Global Issues in Historical Perspective, Capital Mobility and Global Order, Opening up of Services Sector and its beneficiaries. Will there be free mobility of factors of production? Capital, labor and entrepreneurs etc. Multinationals: Objectives, Contribution and their Mobility. Emerging World Financial Order, The Group of Seven and Political Management of the Global Economy, Big Businesses and New Trade Agreements, Trade Blocks.

#### **Recommended Books**

- Azhar, H.N. (2002). *Pakistan: The Political Economy of Lawlessness*, Oxford: Oxford University Press.
- Gupta, S. Dev, (Latest eds.), *The Political Economy of Globalization*, Kluwer Academic Publishers.
- Hagen Everett E., (Latest eds.), *The Economics of Development*, Richard D. Irwin, Inc.
- Hussain Ishrat, (2004), *Dollars, Debt and Deficits, Reform and Management of Pakistan Economy*, Oxford University Press (1999), Pakistan, the Economy of an Elitist State, Oxford University Press.
- Kardar Shahid, (Latest ed.), *The Political Economy of Pakistan*, Pakistan: Progressive Publishers.
- Kher, R.S. (2004), *SAARC: Political & Economic Aspects*, Dominant Publishers and Distributors.
- Noman Omar (1988), *The Political Economy of Pakistan 1947-1985*, KPI, London and New York.
- Stubbs Richard and Underhill Geoffrey R.D., (2000), *Political Economy and the*

<i>Changing Global Order</i> , Oxford: Oxford University Press.	
<b>Course Name:</b> Urban Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Contents</b>	
<ol style="list-style-type: none"> <li><b>1. Theory of Residential Land Use</b> The Standard Monocentric City Model: Comparative Statics, Dynamic Stability:</li> <li><b>2. Durable Housing - Development Timing</b></li> <li><b>3. Durable Housing</b> Endogenous Maintenance, A Commodity Hierarchy Model, Maintenance, Comparative Statics with Durable Housing:</li> <li><b>4. Name Durable Housing - Investment and Demolition</b></li> <li><b>5. Spatial Interactions and Non-monocentric Cities</b></li> <li><b>6. Name Economics of Agglomeration</b></li> <li><b>7. City Sizes: Factory Towns, A System of Cities,</b></li> <li><b>8. Empirical Studies on the Housing Market</b> Homogeneous Housing, Intraurban Migration, Supply, Demand, Tenure Choice,</li> <li><b>9. Urban Transportation</b> Congestion Pricing and Investment, Second-Best Pricing and Investment, Land Use for Transportation, Transportation Technology and Demand, Regulation of Urban Transportation Services</li> <li><b>10. Local Public Goods</b></li> <li><b>11. Taxation</b> Property Taxes, Capital Gains Tax</li> <li><b>12. Externalities and Zoning</b> Externality Zoning, Fiscal Zoning</li> <li><b>13. The Hedonic Approach</b></li> <li><b>14. Measuring the Benefits and Costs of Urban Externalities</b></li> <li><b>15. The Contract Theory and the Housing Market, Tenure Choice Project Financing in Pakistan.</b></li> </ol>	
<b>Recommended Books</b>	
<ul style="list-style-type: none"> <li>- Beckmann, M.J. (1968), <i>Location Theory, Random House</i>, (An old book, but still the best one in location theory)</li> <li>- Fujita, M. (1989), <i>Urban Economics Theory</i>, Cambridge University Press, (An up-</li> </ul>	



to-date survey of technical aspects of urban land use theory)

- Henderson, J.V., (2nd ed.) (1985). *Economic Theory and the Cities*, Academic Press, (1985) (A standard graduate textbook).
- Kanemoto, Y. (1980), *Theories of Urban Externalities*, North-Holland.
- Miles, D. (1994), *Housing, Financial Markets and the Wider Economy*, Wiley. (A book on housing economics with special emphasis on the financial side)
- Mills, E. S. and Hamilton, B.W. (4<sup>th</sup> ed.)(1994), *Urban Economics*, Scott, Foresman and Company, (A standard undergraduate textbook if you have not read this book yet, you should do so in a hurry.)
- Small, K. A., (1992), *Urban Transportation Economics*, Harwood, (A good survey of recent research on transportation economics with special emphasis on the empirical side)
- Wildasin, D. E., (1986), *Urban Public Finance, Fundamentals of Pure and Applied Economics 10*, Switzerland: Harwood Academic Publishers: Chur.

<b>Course Name:</b> Regional Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b>          To acquaint the students with the problems of regional economics and methods of analyzing them. The factors for regional growth and development will also be considered.</p> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li>1. Different types of Regions, Micro Level (Regional), Political Blocks, Homogeneous and Heterogeneous Blocks, Need for Planning for Local Level Development; Techniques / Methods / Tools. Regional Aims of Planning, Theoretical and Practical Problems of Regional Development Planning, Combining Theory, Techniques and Practices of Development, Linkage between Planning and Implementation at grassroots Level, Aggregate and Regional Planning Techniques / Models, Inter-industry Model, Theories of Inter-regional Economic Growth, Regional Policies and Alternatives. Shadow Pricing and Socio-economic Development. Criteria for Development of Backward Areas</li> <li>2. Impact of Distance on Classical Economic Markets and Theory of Firms, International and Regional Location Analysis of Industries, Spatial and Economic Structure of Regions and Regional Development, Agglomeration Economics and Industrialization Measurement of Regional Economic Activities, Social and Economic Returns to Develop Backward Regions</li> </ol>	

3. Growth Poles, Project Economics and Planning, Centralized and Decentralized Planning and Financing for Development, Rationale for Decentralization and Functioning of Markets, Factor Mobility, Lack of Local Resources and Financing Techniques. Sharing to Finance Local Projects and Benefits, Cost / Benefits Analysis of Socially Uplifting Projects, Social Returns to Local Projects
4. International Inter-regional Economic Growth: Convergence-divergence debate. Regional Policies for Development and Regional (Provincial) development in Pakistan; Planning, Implementation and Progress, International Income Differential and Issues

### **Recommended Books**

- Armstrong, H. (2000), *Regional Economics and Policy*, Black wall Publishing Company.
- Choi, Rok-Byung, (2003), *High Technology Development in Regional Economic Growth, Policy Implications of Dynamic Externalities*, Amazon.com.
- Davis H., Craig, (1990), *Regional Economics, Impact Analysis and Project Evaluation*, Amazon.com
- Hijkamp (Editor), *Handbook of Regional and Urban Economics*, North Holland.
- Lee Roger (1997), *Geographics of Economics*, John Wiley and Sons
- Marshall Peter, (1998), *Competitiveness, Localized learning and Regional Development: Specialization and Prosperity in Small Open Economies*, (Routledge Functions of Political Economy), Amazon.com.
- Mcker David L., (1970), *Regional Economics: Theory and Practice*, New Yok: The Free Press.
- Philip McCann, (2001), *Urban and Regional Economics*, Oxford University Press.
- Richardson H.W. (1985), *Regional Development Theories in Economic Prospects for the Northeast*, (Editors), Harry W. Richardson and Joseph H., USA: Turek, Temple University Press, Philadelphia.
- David, S., (1990), *Third World Regional Development: A Reappraisal*, Paul Chapman Educational Publishing.
- Shrivastava D.S. (1985), *Advanced Economics of Development and Planning*, New Delhi: Allied Publications.
- Thisse, Fujita, M.J., (2002), *Economics of Agglomeration: Cities, Industrial Location, and Regional Growth*, Cambridge University Press.
- Taylor, Jim, and Armstrong, H.W., (2000), *Regional Economics and Policy*, Amazon.com
- Treyz, George, (1993)( latest ed.). *Regional Economic Modeling: A Systematic*

*Approach to Economic Forecasting and Policy Analysis*, Kluwer Academic Publishers.

- Winters L. A., *Regional Integration and Development*, Amazon.com.
- Zaidi, A. (1999), *Issues in Pakistan Economy*, Karachi: Oxford Univ. Press.

<b>Course Name:</b> Topics in Marketing	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b> Developing understanding of the important marketing concepts including consumer and business markets, advertisement and distribution channels etc	
<b>Pre-Requisite</b> It is assumed that the students should be familiar with the following courses: Microeconomics and Macroeconomics, game theory, industrial organization, economic history and history of economic thought.	
<b>Course Contents</b>	
<b>1. Introduction to Marketing</b> Marketing defined, Evolution of Marketing, Scope and Importance of Marketing, Marketing strategy and elements of the marketing mix, Marketing as an Exchange Process, Marketing as a Demand Management Tool.	
<b>2. Environmental forces and marketing ethics</b> Elements and analysis of the marketing environment (micro and macro environment), Ethics and social responsibility in the marketing environment.	
<b>3. Strategic marketing planning and forecasting</b> Strategic planning concepts and process, , The BCG Matrix, GE Nine Cell Model and Porter's Generic Strategies Models of SMP, Components of a marketing plan, Forecasting Market Demand and sales.	
<b>4. Consumer's and Buyer's Behaviors</b> Consumer Motive to Marketing, Models of Consumer, Buyer Behaviour, Influences on Buyer's Behaviour, Industrial Buyer Behaviour, Decision making behavior.	
<b>5. Marketing research and analysis</b> The role of marketing information, The marketing research process, Researching in international markets, The ethics of marketing research.	
<b>6. Segmentation, targeting, and positioning</b> Identifying market segments, Selecting target segments, Positioning, Repositioning.	
<b>7. Product Management</b> What is product, Product classification, Developing new products, Product	

Adoption and Diffusion, Product Life Cycle, Product Positioning and Differentiation, Product Mix Strategies.

**8. Pricing Strategies and Sales**  
 The role of price in the marketing mix, Overview of the pricing process, Price strategies, Short-run and Long-run Pricing

**9. Marketing channels, Distribution Management and Market Intermediaries**  
 Foundations of marketing channels, Basic channel functions, Types of marketing channels, Designing Distribution Networks, , The supply chain, The Wholesale Market, Retail Marketing

**10. Promotional strategies and processes**  
 The role of promotion, The elements of promotion , Promotion and the communication process , The promotional mix , Promotion and society

**11. Intercultural and international marketing**  
 Defining intercultural marketing, Defining international marketing, Assessing social elements in international marketing, Developing the level of international involvement, Developing international marketing strategies

**Recommended Books**

- Jerome McCarthy, Prentice Hall, (8<sup>th</sup> Ed.). *Basic Marketing*
- Boyd H.W.,( latest ed.) “*Marketing Management: Strategic Approach with a Global Orientation*”
- Burman, E. (4<sup>th</sup> Ed.). “*Marketing*” McMillan Publishing Co.
- Tousley, R.D., (latest ed.), “*Principles of Marketing*”, Eugene Clark
- Etzel, W. & Stanton, (11<sup>th</sup> Ed.),“*The Fundamentals of Marketing*”, New Delhi: McGraw Hill.
- Kotler, P. (latest ed.), “*The Marketing Management*” Millennium Edition Prentice Hall.

<b>Course Name:</b> Transport Economics	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	

**Course Objectives**  
 This course will provide students with the basic concepts and tools for economic evaluation of transportation projects and related investments. Students should obtain basic skills in the analysis of travel demand and in the valuation and analysis of transportation system benefits. Students should also be able to understand different components of the costs of transportation, basic pricing principles, and how these factors affect the market for transportation infrastructure and services. Finally, students should

be able to apply these concepts to analyze transportation investment decisions.

### Course Contents

- 1. Economic analysis of transportation projects** and transportation infrastructure investment, optimal pricing and investment.
- 2. Travel demand analysis** and the value of travel time saving consumers' surplus and producers' surplus measures, General equilibrium models for transportation economics, analysis of travel demand, benefits, costs, equilibrium, pricing, and market structure.
- 3. Microeconomic principles** in transportation, Pricing alternatives, road pricing and sustainable transportation, fare increases and the public transport fare adjustment mechanism, Price discrimination ,Road congestion pricing, Equity dimensions of transport policy,
- 4. Cost function for transport firm**, City formation and transport cost, , peak load and cost allocation problem, project appraisal and financing, Economics of transport logistics, ,Efficiency measurement theory and its application to transport, Theory of external cost, Transport and energy.
- 5. Competition, regulation and public service obligations.**
- 6. Public private partnership in transport** , transportation improvements and land values, returns to scale and road durability, Project evaluation, Congestion, Air quality, Fuel economy and safety.
- 7. Transportation technology.** Transportation and international Trade, Transportation and Economic Development.

### Recommended Books

- Palma, Andre De. A Handbook of Transport Economics. Edward Elgar Publishing, 2011
- Émile Quinet, R. Roger William Vickerman, Principles of Transport Economics, Edward Elgar Publisher 2005
- John Robert Meyer, José A. Gómez-Ibáñez, W. William B. Tye, Essays in Transportation Economics and Policy. A Handbook in Honor of John R. Meyer.

<b>Course Name:</b> Energy Economics	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	

This course is the study of economic relationships in energy production, consumption, demand and supply, pricing and conservation, energy policy and the development of new and renewable energy sources. This course aims to provide students with the opportunity to study and develop a broader understanding of the economics of energy. There is mounting evidence that the current global energy system has been growing far beyond what is globally sustainable and already poses a serious, and potentially irreversible, threat to global environmental quality and stability in future decades.

## **Course Outline**

### **1. Overview and Fundamental Concepts**

Energy in the Economy; Global Energy Problems and Issues, Fundamental Concepts: Energy, Power; Measuring energy: units and conversion factors, Laws of Thermodynamics, 1st Law and Entropy law, Input and output energy, energy efficiency, Energy conversions (technologies), Global Energy system sustainability issues, Energy markets and energy prices; competitive market valuation and social valuation, Market Failures: Market power (monopoly, oligopoly, and cartels), Externalities, Public goods and common property resources.

### **2. Oil Resources and Economic Issues**

Discounted cash flow analysis, reserve and resources, resource substitution, forecasting prices and speculation, Natural resource (oil) demand and supply, OPEC

### **3. Overview of Energy Economics and Global Energy Sustainability**

Primary energy supply, secondary energy and energy end use demand/consumption, Energy, economic activity, and growth: energy intensity, global energy use forecasts, Energy conversion, energy transportation and/or transmission, and clean energy use, Conditions for a sustainable global energy system, climate change and clean energy.

### **4. Clean Energy Supply from Non-Conventional, Alternative and Renewable sources**

Climate change and primary and secondary energy use, Energy Conservation policies, demand side management, Non-conventional and renewable alternative energy: Solar, Biomass, Wind, Geothermal, Tidal & other, Hydrogen energy, fuel cells.

### **5. Energy Supply from Non-Renewable Fossil Fuel Resources**

Fossil fuel resources and reserves model, Cartel models of global energy markets,

Overview of Oil, Natural gas, and Coal industries, Backstop technologies and Non-renewable resource Pricing (Hotelling model), Clean fossil fuel use; carbon sequestration

**6. Energy Conversion and Supply by Electric Utility Industries**

Electric Power demand and load duration vs. Electric energy consumption, time-of-use, Electricity production technologies and electricity production cost trade-offs, Thermal, hydro, nuclear and renewables production and transmission of electricity, Electricity pricing issues, regulation and deregulation issues, Nuclear energy issues and prospects.

**7. Sustainable Energy Policy**

Jaccard’s Sustainable Energy System in 2100, Energy Policy of Pakistan, Sustainable energy options and criteria for comparison, Sustainable Energy Policy Alternatives and Climate Change, International Policy Initiatives.

**Recommended Books**

- Mark Jaccard, Sustainable Fossil Fuels: The Unusual Suspects in the Quest for Clean and Enduring Energy, Cambridge University Press (2005) Subhes C. Bhattacharyya Energy Economics Concepts, Issues, Markets and Governance Springer-Verlag London Limited (2011)
- J. M. Griffin, and H. B. Steele (1985): Energy Economics and Policy, Academic Press
- Tom Tietenberg and Lynne Lewis Environmental & Natural Resource Economics Pearson Education, Inc., 9<sup>th</sup> Edition 2012

<b>Course Name:</b> Economics of Education	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives:</b> The course aims to analyze the ways through which the education is organized and delivered to achieve economic growth in the most efficient ways. It helps to understand the efficacy of reforms pertaining to teacher salaries, student teacher ratio and charter schools. The course helps to develop an understanding of the importance of education in economic growth of a country. This course is intended to make students aware of the fact as to how education enhances labour productivity, earnings and distribution of income. It will further help the students to analyze the relation between education, inequality and poverty prevailing in the developing economies of the world.	

**Course outline:**

**1. Introduction**

Defining economics and educational problem

**2. Importance of Schooling**

**3. Econometrics overview**

Empirical research methods in the economics of education

**4. Human Capital theory**

The basic economic perspective on education

**5. Education as a Signal**

Signalling in the labour market

**6. Returns to education in developing countries, with special reference to Pakistan, social rate of returns to education**

**7. Educational Production**

**8. Education and health**

**9. Education and inequality**

**10. School Accountability and Standards**

**11. Technology and Education**

**12. Role of state in education**

**13. Educational privatization**

**Recommended Books**

- Autor, David, Frank Levy, and Richard J. Murnane. "The Consequences of Increasing the Nation's Supply of College Graduates." Policy Brief Written for the Gates Foundation. December, 2003
- Feinstein, Leon. "Inequality in the Early Cognitive Development of British Children in the 1970 Cohort." *Economica* 70, no. 277 (2003): 73-97.
- Introduction to Econometrics: 4th Edition by Christopher Dougherty, Oxford University Press (2011, 512pp)
- Modern Labour Economics, Theory and Public Policy: Ronald Ehrenberg, Robert Smith, 11th edition.
- . Borjas, G. 2008. Labour Economics, pp.268-273.
- Hanushek, E. A. 1986. "The Economics of Schooling: Production and Efficiency in Public Schools." *Journal of Economic Literature* 24(3): 1141- 77.



- Clotfelter, Charles T., and Helen F. Ladd. "Recognizing and Rewarding Success in Public Schools." Chapter 2 in Holding Schools Accountable. Edited by Helen Ladd. Washington, DC: Brookings Institution Press, 1996. ISBN: 9780815751038
- Rouse, Cecilia Elena, and Alan B. Krueger. "Putting Computerized Instruction to the Test: A Randomized Evaluation of a 'Scientifically Based' Reading Program." Economics of Education Review 23, no. 4 (2004): 323- 338

<b>Course Name:</b> Entrepreneurial Economics	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The emphasis of this course is on entrepreneurship as a manageable process that can be applied in virtually any organizational setting. Entrepreneurship will be studied over the life cycles of people’s careers, of organizations as they evolve from start-up enterprise to sizeable corporation. However, the principal focus is on the creation of new ventures, the ways that they come into being, and factors associated with their success. The objective is to have a greater understanding of the entrepreneurial process – a process of opportunity recognition, resource marshalling, and team building driven by communication, creativity and leadership. When process and passion collide, the seemingly unconnected become connected. New ventures are born, stagnating businesses grow, and failing businesses are reinvented.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li><b>1. The Entrepreneurial Mind for an Entrepreneurial World</b></li> <li><b>2. The Effectuation theory of Entrepreneurship</b></li> <li><b>3. The Opportunity</b></li> <li><b>4. The Founder and the Team</b></li> <li><b>5. Marketing and Financing Entrepreneurial Ventures</b></li> <li><b>6. Startup and beyond</b></li> </ol> <p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- “New Venture Creation: Entrepreneurship for the 21st century”, by Jeffrey Timmons, Stephen Spinelli, Jr. 8th edition</li> <li>- Entrepreneurship: A process perspective 2e, by Robert A. Barona and Scott A. Shane</li> <li>- Effectual Entrepreneurship, by Stuart Reed and Saras Sarasvathy</li> <li>- Innovation and Entrepreneurship: Peter Drucker</li> <li>- Collins and Porras: Build to Last 6. Parker, Simon C., “The economics of Entrepreneurship” latest Edition, Cambridge University Press, USA, New York.</li> </ul>	

- Hirsch, Robert D., Peters, Michael P. and Shepherd, Dean A., “Entrepreneurship” latest Edition, McGraw-Hill Companies, Inc. USA, New York.
- Naqi, S. M., “Entrepreneurship: A Recipe for Economic Development” Latest Edition, Newfine Printing Press, Lahore.

### Support Articles

- Entrepreneurship Plus: The Impact of Spiritual Orientation on Entrepreneurial Orientation, Market Orientation and the Entrepreneurial Process, Shahid Qureshi, IRCMP, 16-17 January 2013, LUMS, Lahore, Pakistan, Theme: Entrepreneurship.
- HBS reading: The New Normal: Agenda for responsible living
- IBA Review: The New Entrepreneurial Leader
- Beyond Selfishness Henry Mintzberg, MIT Sloan Management Review
- Entrepreneurship from an Islamic Perspective by Journal of Business Ethics Ali Aslan Gümüşay
- HBS reading: How will you measure your life

<b>Course Name:</b> Poverty and Income Distribution	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The aim of this course is to introduce students to the subject of poverty and inequality. The emphasis will be on problems in the modern contemporary economy, but the topic will also be approached from an historical perspective, taking a longer term view of the distribution of income in human societies. In particular, we will examine why some individuals and groups have less access to resources and income than others. Students will learn the fundamental concepts, theories and methodologies that are used by economists to measure and understand questions related to the distribution of income. By the end of the course, students should expect to not only have a greater knowledge of the forces determining the extent of poverty and the distribution of income, but to have also gained some understanding of the methods used by economists and policy-makers to deal with them.</p> <p><b>Course Outline</b></p> <p><b>1. What Is Poverty and Why Measure It?</b></p> <p>The Concepts of Well-Being and Poverty, Measuring Poverty, Steps in Measuring Poverty, monetary poverty, capability approach, Poverty Lines, Relative Poverty, Absolute Poverty, Issues in Choosing an Absolute Poverty Line, Measures of Poverty, Headcount Index, Poverty Gap Index, Squared Poverty Gap (Poverty</p>	

Severity) Index, Sen Index, The Sen-Shorrocks-Thon Index, FGT class of measures, multidimensional poverty index, Poverty Indexes: Checking for Robustness, Sampling Error, Measurement Error, Equivalence Scales, Choice of Poverty Line and Poverty Measure

## 2. Definition of Inequality

Measures of Inequality, Decile Dispersion Ratio, Gini Coefficient of Inequality, Generalized Entropy Measures, Atkinson's Inequality Measures, Inequality Comparisons, Measuring Pro-Poor Growth, Decomposition of Income Inequality, Poverty Profiles,

## 3. Additive Poverty Measures of poverty

Determinants of Poverty, Household and Individual-Level Characteristics, Analyzing the Determinants of Poverty: Regression Techniques, Poverty Reduction Policies, The Analysis of Poverty over Time, Vulnerability to Poverty, Quantifying Vulnerability to Poverty.

## 4. Poverty in Pakistan

Poverty and inequality in Pakistan- How does Pakistan compare? Historical Trends- the longer term picture.

### Recommended Books

- Jonathan Houghton and Shahidur Khandker (2009) Handbook on Poverty and Inequality. (World Bank Training Series) ISBN-10: 0821376136
- Atkinson, A. B., B. Cantillon, E. Marlier and B. Nolan (2002), Social Indicators. The EU and Social Inclusion. Oxford: Oxford University Press.
- Cowell, F. (1992), Measuring Inequality, 2nd Edn. Hemel Hempstead: Harvester Wheatsheaf.87
- Fields, G. S. (2001), Distribution and Development. Cambridge, MA: MIT Press.
- Foster, J. E., J. Greer and E. Thorbecke (1984), "A class of decomposable poverty measures", *Econometrica*, 52(3): 761-66.
- Kakwani, N. (2003), "Issues in Setting Absolute Poverty Lines", Poverty and Social Development Paper 3. Asian Development Bank.
- Ravallion, M. (1994), Poverty Comparisons, Chur: Harwood Academic Publishers.
- Sachs, Jeffrey (2005) End of Poverty: Economic Possibilities for our Time (New York, Penquin).

<b>Course Name:</b> Global Environmental Governance	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objective</b>	

The main objective of this course is to examine the ways in which world society is striving to address environmental challenges by means of ‘global governance’ – that is, international, transnational and global institutions and organisations that are meant to deal with international and global environmental issues. It will be attained by looking at the historical perspectives of the international, transnational and global structures and the way they have evolved over time, as well as examining specific organisations and other dynamic actors in global environmental governance today. The management of specific global environmental challenges will also be discussed. This course is intended to make students aware of the key concepts, theories and the practical implications of global environmental governance.

### Course Outline

1. **Historical evolution of global environmental governance and key actors**
2. **Key concepts, practices and theories in global environmental governance**
3. **Global commons – climate and ozone**
4. **Transboundary issues: toxics and biosafety**
5. **The interface of global economic and environmental governance.**
6. **Trade and environment**
7. **Multilateral environmental funding mechanisms**
8. **Private governance and market-based initiatives for the global environment**
9. **Civil society and individual responses to global environmental problems**

### Recommended Books

- Anderson, S., J. Kavanagh and T. Lee (2000), Field Guide to the Global Economy, New Press, New York
- Faure, M., J. Gupta and A. Nentjes (2003): Climate Change and the Kyoto Protocol: The Role of Institutions and Instruments to Control Global Change, Edward Elgar Publishing

<b>Course Name:</b> Trade and Environment	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives</b>	
<p>This main objective of this course is to give the student the knowledge of the linkages between international trade, growth and the environment from both theoretical and empirical viewpoints. It investigates the theoretical links between international trade and sustainability by examining the impact of trade and growth on both industrial pollution and natural resource use. This course is intended to enable the students to review and critique the empirical evidence linking trade and growth to environmental outcomes using theory as a guide to evaluate the literature. During the course it shed light on the basic issues about the link between trade and the environment using both theoretical and empirical methods. This will include the discussion of impact of international trade on the</p>	

environment; whether free trade raise pollution levels; if it leads to over consumption of cheap resources produced in developing countries. Secondly, this subject will also touch the issue of impact of government environmental policy on the trade flows and environmental outcomes.

**Course Outline**

1. **Unilateral trade-based measures**
2. **The legality of multilateral environmental agreements**
3. **Employing trade measures**
4. **Utilization of science-based trade tests**
5. **Environmental impacts of foreign investment liberalization**
6. **The major international trade agreements and institutions, such as GATT, NAFTA, the World Trade Organization**

**Recommended Books**

- Faure, M., J. Gupta and A. Nentjes (2003): Climate Change and the Kyoto Protocol: The Role of Institutions and Instruments to Control Global Change, Edward Elgar Publishing  
 Wold, C, S. Gaines and G. Block (2005): Trade and the Environment: Law and Policy, Canadian Academic Press

<b>Course Name:</b> Political Economy of Pakistan	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The objective of this course is to examine the global context in which the economy works. Global Political Economy incorporates different fields such as individual disciplines of politics, economics, and international relations. The course will familiarize the students with some of the important debates within the subject of political economy in relation to Pakistan and will deepen understanding of the history of macroeconomic policies and economic development in Pakistan. The course will attempt to form a holistic picture of the connections between economic and political developments in our history.</p>	
<p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li>1. <b>Introduction and basic theory of political economy</b></li> <li>2. <b>Rural elite and agricultural development in Pakistan</b></li> <li>3. <b>The pattern of adoption of new technology</b></li> <li>4. <b>Technical change and social polarization</b></li> <li>5. <b>Urban elite and industrial development</b></li> <li>6. <b>Development of small and large scale industry and the role of State</b></li> </ol>	

7. **Political economy of foreign aid and debt, its motivation for donors and recipients and the effects on the economy of debt**
8. **Globalization and its effects on the economy of developing countries, especially Pakistan**
9. **Environmental impacts of foreign investment liberalization**

**Recommended Books**

- Bhatia, B. M. (1981): *Economic History of Pakistan*, Oxford University Press
- Zaidi, A. (1999): *Issues in Pakistan's Economy*, Oxford University Press, Karachi

<b>Course Name:</b> Economics of Law	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>The main objective of this course is to provide students with an interdisciplinary knowledge of the fields of law and economics. Particular emphasis will be on application of the economics analysis to the law. The main focus will remain on the economic and legal aspects of market regulation (in banking, regulations, property rights, energy, telecom, transport, health care, etc.), private equity, hedge funds, competition and competition policy, corporate governance, and mergers.</p> <p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li>1. <b>Application of economic analysis to the law</b></li> <li>2. <b>Property rights, taking the Coase Theorem</b></li> <li>3. <b>The economics of regulation</b></li> <li>4. <b>Crime and punishments</b></li> <li>5. <b>Liability law</b></li> <li>6. <b>Public choice</b></li> <li>7. <b>Contract law and the law of corporations merger/take-overs</b></li> <li>8. <b>Personal and corporate bankruptcy</b></li> </ol>	
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Marciano, A. (2009): <i>Law and Economics: A Reader</i>, Routledge, London</li> <li>- Weigel, W. (2008): <i>Economics of the Law: A Primer</i>, Routledge, London</li> <li>- <a href="#">Cooter</a>, R. and T. Ulen (2007): <i>Law and Economics</i>, 5th Edition, Pearson, India</li> </ul>	

<b>Course Name:</b> Islamic Banking	<b>Course Code:</b> EC –
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<p><b>Course Objectives</b></p> <p>This module provides an introduction to the Islamic principles and the modes used in financing particularly in Islamic Banking System and goes on to deal with the key operations of Islamic banks and co-operation between conventional and Islamic banks. The subject shall contribute to the understanding, advancement and acceleration of the process of Islamic financial product development from the Shariah aspect.</p> <p>The course will also enable students to understand the Islamic Banking from the Shariah aspect and the technical issues related to it. The course will enable the students analyze the issues both at the theoretical and policy sides of Islamic Banking.</p>	
<p><b>Course Outline</b></p> <ol style="list-style-type: none"> <li>1. Introduction to Islamic financial system</li> <li>2. Concept of sales in Islam</li> <li>3. Islamic financial products</li> <li>4. Deposit and financing in Islam</li> <li>5. Structure of Islamic banks</li> <li>6. Governance of Islamic banks</li> <li>7. Islamic insurance</li> </ol>	
<p><b>Recommended Books</b></p> <p>- Ahmad, K. (1980), Studies in Islamic Economics, Leicester, The Islamic Foundation, U.K.</p>	

<b>Course Name: Industrial Organization</b>	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours: 3</b>
<b>Prerequisites:</b> None	
<p><b>Course Objectives:</b>  Students examine of the performance and operation of imperfectly competitive markets, as well as the behavior of firms in these markets. They attempt to answer big questions, such as why are firms and markets organized the way they are; how does the behavior of firms affect the structure and performance of markets; and how does the organization of markets determine how firms behave and how markets perform. Topics include theories of the firm; market structure models; strategic interaction among firms; business practices such as mergers and acquisitions, price discrimination, advertising, innovation, vertical restraints, and cartels; and new developments in industrial organization, including network issues and auction markets.</p> <p>After completing this course, students should be able to:</p> <ol style="list-style-type: none"> <li>1. Describe the basic models of the behaviour of firms and industrial organization.</li> <li>2. Solve analytically problems relating to industrial organization.</li> <li>3. Explain why government intervenes in markets.</li> <li>4. Discuss how the firms' actions affect consumer welfare.</li> <li>5. Apply models to important policy areas while being aware of the limitations.</li> <li>6. Discuss the factors that influence the conduct of firms in terms of their advertising, price setting, R&amp;D, and other decisions.</li> </ol> <p><b>Course Contents</b></p> <ol style="list-style-type: none"> <li><b>1. Monopoly Power and Practice</b> Price discrimination, Product variety and quality</li> <li><b>2. Game Theory and Oligopoly Markets</b> Static games and Cournot competition, Dynamic games and first and second movers</li> <li><b>3. Anticompetitive Strategies</b> Limit pricing and entry deterrence, Price-fixing and repeated games</li> <li><b>4. Contractual Relations between Firms</b> Horizontal mergers, Vertical and conglomerate mergers</li> <li><b>5. Nonprice Competition</b> Advertising, market power, and information, Research and Development</li> <li><b>6. New Developments in Industrial Organization</b> Network issues, Auctions and Auction Markets</li> </ol>	
<p><b>Recommended Books</b></p> <ul style="list-style-type: none"> <li>- Lynne Pepall, Daniel J. Richards and George Norman, Industrial Organization: Contemporary Theory and Practice, 4rd Edition, South-Western College</li> </ul>	



Publishing, 2008.

<b>Course Name: Institutions and Development</b>	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives:</b> The specific objectives of the course are to help student learn to: <ul style="list-style-type: none"><li>○ describe the tenets and concepts of, and the similarities and differences between, major theories of how institutions effect development and how development affects institutions;</li><li>○ use theories, concepts, and empirical evidence to construct explanations of institutions, development, and their consequences for private interests and public well-being.</li></ul>	
<b>Course Contents</b> <ol style="list-style-type: none"><li>1. Individuals, organization, Institutions and state</li><li>2. Interaction among individuals and institutions</li><li>3. Law, police, property rights and financial development</li><li>4. Governance and economic growth</li><li>5. Institutions, conflict resolution and decision making</li><li>6. Role of state institutions in economic development</li></ol>	
<b>Recommended Books</b> <ul style="list-style-type: none"><li>○ Stglitz, J. E. (2003), Challenges in the Analysis of the Role of Institutions in Economic Development, Oxford University Press, Oxford</li><li>○ Lin, J. Y. and J. B. Nugent (1995), Institutions and Economic Development, HDE, Vol IIIa</li></ul>	

<b>Course Name:</b> Economic Growth	<b>Course Code:</b>
<b>Course Structure:</b> Lectures: 3	<b>Credit Hours:</b> 3
<b>Prerequisites:</b> None	
<b>Course Objectives:</b>	
<b>Course Contents</b> <ol style="list-style-type: none"><li>1. Theories of economic growth: Harrod-Domar model, Kaldore model, Marxist</li></ol>	

- model, Malthusian model
2. Two sector models of economic growth
  3. Cambridge growth controversy
  4. Technological change in Herrod-Domar, neo-classical and Cambridge settings
  5. Models of endogenous growth: human capital, knowledge, learning and externality in growth.
  6. Growth accounting and growth empirics

**Recommended Books**

- Romar, D. (2006): *Advanced Macroeconomics*, McGraw-Hill (Boston)
- Taylor, J. B. and M. Woodford (2005) *Handbook of Macroeconomics*, Vol. 1A, Elsevier, North Holland (Amsterdam)
- Jones, Hywel (1975): *An Introduction to Modern Theories of Economic Growth*, Van Nostrand Reinhold (UK) Co. Ltd. (Southampton)
- Hahn, F. H. (1971): *Readings in the Theory of Growth*, MacMillan (London)
- Stiglitz, Joseph E. and Uzawa, Hirofumi (1969): *Readings in the Modern Theory of Economic Growth*, M. I. T. Press Cambridge (Massachusetts and London)