M.A. (PREVIOUS) EXAMINATION 2016 HELD IN 2017

ECONOMICS (PAPER V B)

NATIONAL INCOME ACCOUNTING AND ANALYSIS

Time: 3 hours   Max Marks: 100

Instructions:

(i) Attempt any FIVE questions

(ii) All questions carry equal marks

Q1   What are good and bad points of using real GDP as measure of social welfare?

Q2   Discuss major reasons for making estimate of national income.

Q3   How public expenditure policy can be used to bring about change in the level of economic activity?

Q4   Discuss the importance of input output technique. How it is used in national income analysis?

Q5   Explain how national income is determined at the level where savings and investment are equal. How any discrepancy between savings and investment is corrected by changes in the level of national income?

Q6   (a) Explain why the tax multiplier is negative and why it is smaller in absolute value then government expenditure multiplier?

       (b) Why the government expenditure multiplier in open economy is less than the government expenditure multiplier in closed economy?

Q7   Explain how economic depression in one country may affect the national income of another country?

M.A. (PREVIOUS) EXAMINATION 2017 HELD IN 2018

ECONOMICS (PAPER V B)

NATIONAL INCOME ACCOUNTING AND ANALYSIS

Time: 3 hours   Max Marks: 100

Instructions:

(i) Attempt any FIVE questions

(ii) All questions carry equal marks

Q1   (a) Discuss the effect of equal changes in taxes and government expenditure on the level of income and employment.

(b) Explain the determine employment and output in the classical model.

Q2   Derive the IS and LM curve for the three sector economy model.

Q3   (a) Discuss the importance of input-output technique in the national income analysis.

(b) What would be the effect of the recent increase in Pakistan's policy rate on the national income, inflation, employment and foreign sectors?

Q4   (a) Explain why the tax multiplier is negative and smaller in absolute values than the government expenditure multiplier?

(b) Why the government expenditure multiplier in an open economy is less than the government expenditure multiplier in a closed economy?

Q5   Explain the methodology of price collection and computing price indices.

Q6   (a) Discuss the importance of marginal efficiency of capital in determining the level of investment.

(b) Explain the effect of taxation, investment and consumption on the national income.

Q7   Write short notes on any TWO of the following

(a) Use of national income analysis for changes in population, productivity, prices and employment

(b) Methods of national income estimate in Pakistan

(c) Multiplier and marginal propensity to save

(d) Differences in the concept of aggregate supply in the classical and Keynesian theories.