

# **OBJECTIVES OF PRINCIPLES OF ECONOMICS SYLLABUS**

## **OBJECTIVES**

The course of Economics for higher secondary Part-I, has been designed for a full one year term carrying 75 marks. The syllabus is divided into Micro and Macro Economics. The major objectives of the contents of the proposed syllabus is to provide necessary instructional package for the economics principles course.

## **SPECIFIC OBJECTIVES**

- To introduce the essential principles for an understanding of fundamental economic problem.
- To provide orderly and objective way of thinking about economic policy problems.
- To develop preliminary knowledge of economic concepts for understanding of national and international economy.

# CONTENTS OF PRINCIPLES OF ECONOMICS SYLLABUS

## MICRO ECONOMICS

What is Economics about?

- a. The nature, scope and methods of economic analysis
- b. Importance of Economics

### 1. Demand and Supply:

- a. Individual demand, aggregate or market demand, law of demand, changes in demand, elasticity of demand, measurement of elasticity of demand
- b. What is supply law of supply, supply and stock, elasticity of supply?
- c. Equilibrium between demand and supply

### 2. Consumer Demand Theory:

Law of diminishing and marginal utility, consumer's equilibrium (cardinal approach)

### 3. The Cost and Revenue of a Firm:

Classification of cost, fixed cost, variable cost, total average cost, marginal cost, opportunity cost, total revenue, marginal and average revenue

### 4. Laws of Returns:

- a. The law of diminishing return
- b. The law of increasing return
- c. The law of constant return
- d. The law of costs

### 5. Price and Output Determination:

Pure competition, concept and occurrences, price and output determination under-perfect competition and monopoly

### 6. Resource Pricing:

- a. Marginal productivity theory of resource demand
- b. Factors of production (brief introduction)

## MACRO ECONOMICS

### 1. National Income

Measurement of National Income:

- a. National Income at factor earning
- b. National Income at Market price
- c. Expenditure approach to income measurement

The flow of National Income other social accounts:

GNP = Gross National Product

NNP = Net National Product

NI = National Income

PI = Personal Income

DPI = Disposable Personal Income

### 2. Money

What is Money?

- a. Functions of money
- b. Quantity theory of money
- c. Inflation, Deflation and their effects

### 3. Business Cycle

- a. Phases of business cycle
- b. Theories of business cycle

### 4. International Trade

Importance of world trade, International Specialization Comparative advantage, balance of trade and balance of payment

### 5. Public Finance

Measuring of public finance, cannons of taxation, Zakat and Ushr

## RECOMMENDED REFERENCE BOOKS

In contrast to the previous practice the examination will not be based on a single textbook, but will now be curriculum based to support the examination reforms. Therefore, the students and teachers are encouraged to widen their studies and teaching respectively to competitive textbooks and other available material.

Following books are recommended for reference and supplementary reading:

1. Introduction to Modern Economics (Part – I & II)  
Written by: Dr SM Akhtar
2. Economics and Commercial Geography  
Written by: Gul Zaman Qazi
3. Usool-e-Muashiat  
Written by: Ovais Ahmad Adib
4. Ibtedai Muashiat  
Written by: Abdul Hameed Dar
5. Economics  
Written by: Khadim Hussain
6. Principles of Economics  
Written by: Prof Sirajuddin Qureshi
7. Usool-e-Muashiat  
Written by: Manzoor Ali