FEDERAL PUBLIC SERVICE COMMISSION

COMPETITIVE EXAMINATION FOR
RECRUITMENT TO POSTS IN BS-17
UNDER THE FEDERAL GOVERNMENT, 2015

Roll Number

ECONOMICS, PAPER-1

TIME ALLOWED: THREE HOURS	**PART-I (MCQS) MAXIMUM MARKS = 20**
PART-I(MCQS): MAXIMUM 30 MINUTES	**PART-II MAXIMUM MARKS = 80**

NOTE: (i) **Part-II** is to be attempted on the separate **Answer Book.**
(ii) Attempt **ONLY FOUR** questions from **PART-II. ALL** questions carry **EQUAL** marks.
(iii) All the parts (if any) of each Question must be attempted at one place instead of at different places.
(iv) Candidate must write Q. No. in the Answer Book in accordance with Q. No. in the Q.Paper.
(v) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.
(vi) Extra attempt of any question or any part of the attempted question will not be considered.

PART-II

Q. No. 2. Explain the equilibrium of firm and price fixation in Duopoly when both firms have different elastic Average Revenue and Marginal Revenue curves. **(20)**

Q. No. 3. Compare and contrast the equilibrium of the firm under Perfect Competition and Monopolistic Competition. **(20)**

Q. No. 4. Explain as how new investment impact on national income under Multiplier Effect. Illustrate with table and graph. **(20)**

Q. No. 5. Explain as how the process of Creation of Credit Money is adopted by the banks? **(20)**

Q. No. 6. Define Monetary Policy and explain its instruments which control the inflation and deflation in the economy. **(20)**

Q. No. 7. Why Micro and Macro Economics is prerequisite for complete Economic analysis? Explain. **(20)**

Q. No. 8. Write notes on the following: **(10 each)** **(20)**

(a) How would you identify the Supply Curve of the firm under Perfect Competition in the long Term? Explain with graph.

(b) Do you think that a Monopolistic firm can earn unlimited profit by maximizing the price?

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Roll Number

ECONOMICS, PAPER-II

TIME ALLOWED: THREE HOURS	**PART-I (MCQS) MAXIMUM MARKS = 20**
PART-I(MCQS): MAXIMUM 30 MINUTES	**PART-II MAXIMUM MARKS = 80**

NOTE: (i) **Part-II** is to be attempted on the separate **Answer Book.**

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PART-II

Q. No. 2. How Lorenze curve measures the poverty and income inequalities? Discuss critically. **(20)**

Q. No. 3. "Economy without economic planning is like a ship having no destination". Comment. **(20)**

Q. No. 4. How agriculture development is based on 'Green Revolution'? Discuss as how it brought revolutionary changes in agriculture development? **(20)**

Q. No. 5. 'Domestic resource development is a strategy of economic development'. Discuss as how industrial development is helpful to achieve this goal? **(20)**

Q. No. 6. "Public sector enterprises are white elephant for the economy". Discuss as how privatization can play appositive role to address this issue? **(20)**

Q. No. 7. Do you think as how modern approach of economic development is in accordance with the human welfare? **(20)**

Q. No. 8. Write notes on the following: **(20)**

(a) Poverty line **(6)**

(b) Basic Need Approach for poverty alleviation **(7)**

(c) Economic growth **(7)**

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