



FEDERAL PUBLIC SERVICE COMMISSION

COMPETITIVE EXAMINATION-2022
FOR RECRUITMENT TO POSTS IN BS-17
UNDER THE FEDERAL GOVERNMENT

Roll Number

ECONOMICS, PAPER-I

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) 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 question will not be considered.		

PART-II

- Q. No. 2.** Differentiate among the own-price elasticity, cross price elasticity and income elasticity of demand. Explain the practical significance of the use of the uses of own-price elasticity and income elasticity of demand. (20)
- Q. No. 3.** What happens to the interest rate if price changes along with a given Aggregate Demand Schedule? Explain with the help of the IS-LM model. (20)
- Q. No. 4.** Discuss the significance of investment in human capital for economic development in Pakistan. How does the brain drain from a developing country retards the process of economic development? (20)
- Q. No. 5.** Differentiate among the tax, fee and price. Express your views about tax collection to GDP ratio of Pakistan. Suggest measures to enhance and rationalize tax revenue in Pakistan. (20)
- Q. No. 6.** State and explain the functions of a central bank. How successful the State Bank of Pakistan has been in achieving its objectives over time? Discuss. (20)
- Q. No. 7.** Specifically describe the types of inflation. Which type of inflation is the most disturbing in Pakistan? Suggest measures to address the identified inflation problem. (20)
- Q. No. 8.** Write short notes on any two of the followings. (10 each) (20)
- Size distribution vs functional distribution of income.
 - Privatization
 - International trade and cartels



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TIME ALLOWED: THREE HOURS	PART-I (MCQS)	MAXIMUM MARKS = 20
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- NOTE:** (i) **Part-II** is to be attempted on the separate **Answer Book**.
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PART-II

- Q. No. 2.** "In Pakistan, poverty is ruler phenomenon". Elaborate this statement keeping in view uni-dimensional and multi-dimensional aspects of poverty. (20)
- Q. No. 3.** Keeping the economic, political and social systems in perspective, what should be successful planning strategic framework for Pakistan to achieve Sustainable Development Goals (SDGs) by 2030? (20)
- Q. No. 4.** Under CPEC initiatives, what kind of industry needs to be promoted across the trade routes and why? Explain in the context of proposed industrial zones in the country. (20)
- Q. No. 5.** What are the trends and tendencies of imports and exports in Pakistan? How the country can enhance its terms of trade favourable with particular reference to trade with China. (20)
- Q. No. 6.** Clarify the difference between conventional banking and interest free banking. How interest free banking can help in the economic and financial development of Pakistan? (20)
- Q. No. 7.** Nobel Laureate Richard H. Thaler has made Economics more human. Keeping his ideas of Behavioural Economics, what sort of revolutionary changes are required in the socio-economic fabric of Pakistan? (20)
- Q. No. 8.** Write short notes on any **TWO** of the following:- (10 each) (20)
- (i). Environmental Degradation
 - (ii). Debit dilemma of Pakistan
 - (iii). Impact of climate change
