aglasem.com

FOR UPSC IES ISS EXAM PREPARATION

UPSC IES ISS 2024 Question Paper · General Economics Paper II

EXAM	YEAR	TYPE	SUBJECT
UPSC IES ISS	2024	Question Paper	General Economics Paper II

GENERAL ECONOMICS

Paper – II

*Time Allowed : **Three** Hours*

*Maximum Marks : **200***

Question Paper Specific Instructions

Please read each of the following instructions carefully before attempting questions :

*There are **SIXTEEN** questions divided under **THREE** sections.*

*The ONLY question in Section A is **compulsory**.*

*In Section B, **SIX** out of **NINE** questions are to be attempted.*

*In Section C, **FOUR** out of **SIX** questions are to be attempted.*

Candidates should attempt questions/parts as per the instructions given in the sections.

The number of marks carried by a question/part is indicated against it.

Candidates are required to write clear, legible and concise answers and to adhere to word limits, wherever indicated. Failure to adhere to word limits may be penalized.

Attempts of questions shall be counted in sequential order. Unless struck off, attempt of a question shall be counted even if attempted partly.

Any page or portion of the page left blank in the Question-cum-Answer (QCA) Booklet must be clearly struck off.

*Answers must be written in **ENGLISH** only.*

---

aglasem.com For more Question Papers, Sample Papers, Notes & Syllabus visit aglasem.com Page 1 of 4

SECTION A

(Compulsory Section)

Q1. Answer the following questions in about 100 words each : *5×6=30*

(a) Distinguish between Mercantilism and State Socialism. $2\frac{1}{2}+2\frac{1}{2}$

(b) Explain the concepts of Real GDP and Nominal GDP. Which is a better indicator to measure economic performance of a country ? *3+2*

(c) The origins of Keynesian Revolution can be found in the problem of unemployment. Explain. *5*

(d) State and explain the trade creation and trade diversion effects of Customs Union. $2\frac{1}{2}+2\frac{1}{2}$

(e) Explain how Current Account in Balance of Payments is different from Capital Account. $2\frac{1}{2}+2\frac{1}{2}$

(f) What is a Derivative Market ? Explain the merits and demerits of derivative market. *2+3*

aglasem.com For more Question Papers, Sample Papers, Notes & Syllabus visit aglasem.com Page 2 of 4

SECTION B

Answer any *six* out of the following nine questions in about 200 words each :

15×6=90

Q2. What is National Income ? Why is measurement of national income done ? What changes are brought into the basic equation of a two-sector model with the introduction of government sector ? *3+5+7*

Q3. The economic ideas of J.S. Mill are essentially rooted in the economics of Adam Smith and David Ricardo. Explain. *15*

Q4. What are the similarities and differences between the Fisherian and Cambridge versions of the Quantity Theory of Money ? *7+8*

Q5. State and explain the components of equity market. How does trading take place in the equity market ? *9+6*

Q6. In the Harrod model there is no automatic mechanism that will ensure the equality between s/v and n. Explain. *15*

Q7. Explain the non-tariff barriers to trade. What are their implications on international trade ? *10+5*

Q8. Explain how Kaldor's model of economic growth has solved the problem of discrepancy between the warranted rate and natural rate of growth. *15*

Q9. State and explain the Foreign Trade Multiplier. Examine its implications on international trade of a country. *10+5*

Q10. What are the major objectives of IMF ? Do you agree that the IMF has succeeded in addressing global financial problems ? *7+8*

aglasem.com For more Question Papers, Sample Papers, Notes & Syllabus visit aglasem.com Page 3 of 4

SECTION C

Answer any *four* out of the following six questions in about 300 words each : *20×4=80*

Q11. What is Green National Income ? How is it computed ? Explain why Green National Income accounting is essential for sustainable human development. *5+5+10*

Q12. State and explain Stolper-Samuelson Theorem. What are its implications on a labour-abundant economy ? *10+10*

Q13. Explain disequilibrium in the Balance of Payments. Elucidate the monetary and non-monetary measures to correct disequilibrium in the Balance of Payments. *5+15*

Q14. Explain Human Poverty Index (HPI) as a measure of Human Development. How is it different from Physical Quality of Life Index (PQLI) ? *15+5*

Q15. Critically examine the role of Multinational Corporations in the global economic development. *20*

Q16. Differentiate between Demand-Pull Inflation and Cost-Push Inflation. Describe in detail their causes and impact on the economy. Suggest appropriate policy measures to control inflation. *5+10+5*

aglasem.com For more Question Papers, Sample Papers, Notes & Syllabus visit aglasem.com Page 4 of 4