Civil Services (Main) Examination, 2004

ECONOMICS

(Paper II)

Time Allowed : Three Hours | *Maximum Marks : 300*

QUESTION PAPER SPECIFIC INSTRUCTIONS

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

There are **EIGHT** questions divided in **TWO SECTIONS**.

Candidate has to attempt **FIVE** questions in all.

Questions no. **1** and **5** are compulsory and out of the remaining, any **THREE** are to be attempted choosing at least **ONE** question from each Section.

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

SECTION 'A'

1. Answer any three of the following in about 200 words each: 20×3=60

(a) Discuss the 'Drain of Wealth Controversy' of the late 19th century.

(b) Make a critical appraisal of the Common Minimum Programme.

(c) Discuss the rationale of government subsidies to various categories of goods in India. Is granting subsidies to non-merit goods justified?

(d) What is the role of the State in economic development in India in the context of globalisation and privatisation?

2. Suggest appropriate strategies for self-sustained employment generation in the rural economy of India. Do you think that the proposed National Employment Guarantee Act is a model safety net for those without work? 60

3. What is the role of the small-scale industries in the Indian economy? Discuss briefly the main recommendations of the Study Group on Development of Small Enterprises. 60

4. Enumerate the recommendations of the Committee on Banking Sector Reforms (1998) in India. What follow-up actions have been undertaken by the Government for implementing these recommendations? 60

SECTION 'B'

5. Answer any three of the following in about 200 words each: 20×3=60

(a) Has WTO helped the developing countries as was professed at the time of its establishment? Give reasons for your answer with reference to the Indian economy.

(b) Discuss the Kelkar Task Force recommendations on indirect taxes. Has the Government implemented them?

(c) In what ways have banks in India diversified their functions and adopted new technologies since their nationalisation?

(d) Examine the need for foreign capital in the Indian economy and discuss critically the Government policy on foreign direct investment.

6. Make an appraisal of economic reforms in India. What has been their impact on GDP growth, employment and poverty? 60

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7. Account for the transition from central planning, to indicative planning in India. Do you think that adoption of PURA (Providing Urban Amenities in Rural Areas) attempts a reconciliation between employment and GDP growth objectives? 60

8. What are the recommendations of the Eleventh Finance Commission to reduce budget deficits? Enumerate the actions taken by the Government of India on them. 60

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