



**CSS Aspirants**  
Empowering Future Officers

# CSS Past Papers

**Subject: Economics**

**Year: 2023**

For CSS Solved Past Papers, Date Sheet, Online Preparation, Toppers Notes and FPSC recommended Books visit our website or call us:



[CSSAspirants.Pk](https://www.CSSAspirants.Pk)



[0336 0535622](tel:03360535622)



**FEDERAL PUBLIC SERVICE COMMISSION**  
**COMPETITIVE EXAMINATION-2023**  
**FOR RECRUITMENT TO POSTS IN BS-17**  
**UNDER THE FEDERAL GOVERNMENT**  
**ECONOMICS, PAPER-I**

Roll Number

**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.** Is the slope of an indifference curve at a particular point known as the marginal rate of substitution (MRS)? Justify your answer with a graph. If good 1 is a 'neutral', what is its MRS for good 2? **(20)**

**Q. No. 3.** Define opportunity costs and explain why the economic definition of profit requires that we value all inputs and the outputs at their opportunity cost? **(20)**

**Q. No. 4.** Briefly describe the functions of International Monetary Fund (IMF). How does the IMF help countries trapped in financial issues? **(20)**

**Q. No. 5.** The central bank in a country is responsible for its monetary policy. What are the objectives and tools of monetary policy? Use diagrams to explain your answer. **(20)**

**Q. No. 6.** What is the theory of liquidity preferences? How does it explain the downward slope of the aggregate-demand curve? Use the theory of liquidity preference to explain how a decrease in the money supply affects the aggregate-demand curve in a closed economy. **(20)**

**Q. No. 7.** Considering the current economic scenario of our economy, recommend an effective policy framework that can reduce budget deficit and improve the developmental outlook. **(20)**

**Q. No. 8.** Write short notes on any **FOUR** of the following: **(5 each) (20)**

- a. Public Goods
- b. Draw self-explanatory functions of: MPC, Aggregate demand, Multiplier
- c. Cost minimization by a small firm.
- d. Two methods of national income accounting.
- e. Fuel poverty
- f. Welfare economics

\*\*\*\*\*



**FEDERAL PUBLIC SERVICE COMMISSION**  
**COMPETITIVE EXAMINATION-2023**  
**FOR RECRUITMENT TO POSTS IN BS-17**  
**UNDER THE FEDERAL GOVERNMENT**

Roll Number

**ECONOMICS, PAPER-II**

<b>TIME ALLOWED: THREE HOURS</b>	<b>PART-I (MCQS)</b>	<b>MAXIMUM MARKS = 20</b>
<b>PART-I(MCQS): MAXIMUM 30 MINUTES</b>	<b>PART-II</b>	<b>MAXIMUM MARKS = 80</b>
<b>NOTE: (i) Part-II is to be attempted on the separate Answer Book.</b>		
<b>(ii) Attempt ONLY FOUR questions from PART-II. ALL questions carry EQUAL marks.</b>		
<b>(iii) All the parts (if any) of each Question must be attempted at one place instead of at different places.</b>		
<b>(iv) Write Q. No. in the Answer Book in accordance with Q. No. in the Q.Paper.</b>		
<b>(v) No Page/Space be left blank between the answers. All the blank pages of Answer Book must be crossed.</b>		
<b>(vi) Extra attempt of any question or any part of the question will not be considered.</b>		

**PART-II**

- Q. No. 2.** What is green revolution? How would you explain that it proved an engine of growth rather than development? **(20)**
- Q. No. 3.** Explain the difference between growth and development. **(20)**
- Q. No. 4.** Differentiate between appreciation and depreciation of currency and how it affect trade/economy. **(20)**
- Q. No. 5.** Explain the relationship between unemployment and inflation through Philips curve. **(20)**
- Q. No. 6.** Differentiate between Absolute advantage and comparative advantage. **(20)**
- Q. No. 7.** How comparative advantage becomes the basis of international trade between the two nations. **(20)**
- Q. No. 8.** Write short notes on any TWO of the following: **(10 each) (20)**
- (i)** Globalization and economic growth and development.
- (ii)** Social media and its merits and demerits on Pakistan society and economy.
- (iii)** Factor of productions and two sectors flow diagram of economy.

\*\*\*\*\*