

PUNJAB PUBLIC SERVICE COMMISSION
COMBINED COMPETITIVE EXAMINATION
FOR RECRUITMENT TO THE POSTS OF
PROVINCIAL MANAGEMENT SERVICE, ETC.

ECONOMICS (OPTIONAL) PAPER-II

TIME ALLOWED: 3 HOURS

MAXIMUM MARKS: 100

Note: Attempt in English or Urdu Language.

Attempt Three questions from Section 'A' and

Two questions from Section 'B'.

SECTION-A

- Q.1:** Derive the Aggregate Supply Curve under Classical and Keynesian approach. (20)
- Q.2:** How does the Equilibrium in Goods and Money Markets take place? Explain with the help of IS_LM Curves. (20)
- Q.3:** Define Investment Multiplier. Explain Limitations and Leakages of Multiplier? (20)
- Q.4:** "Monetary Policy is far more effective in Controlling Inflation than Fiscal Policy." Comment. (20)

SECTION-B

- Q.5:** What are the pre-requisites for Economic Development? How far do they exist in Pakistan? (20)
- Q.6:** Discuss the Role of Private Sector in the Industrial Development of Pakistan. (20)
- Q.7:** What is Deficit Financing? Explain the causes of Deficit Financing in Pakistan. (20)