MIZORAM PUBLIC SERVICE COMMISSION
MIZORAM CIVIL SERVICES (COMBINED COMPETITIVE)
MAIN EXAMINATION, 2023

ECONOMICS PAPER-I

Time Allowed : 3 hours   FM : 100

Marks for each question is indicated against it.

Attempt <u>any 5 (five)</u> questions taking not more than 3 (three) questions from each Part.

PART - A

1. Define monopolistic market. "A monopolist can either decide on the output of his product or the price of the product but not both". Explain and illustrate.   **(4+16=20)**

2. What is Pareto Optimality criterion? What are the basic conditions to be satisfied in order to achieve Pareto Optimality?   **(5+15=20)**

3. Explain Keynes' Liquidity Preference Theory of Interest. Point out the limitations.   **(14+6=20)**

4. Discuss Say's law of market. How far is this theory relevant to a modern society? In what ways the classical theory of employment differ from Keynesian theory?   **(6+7+7=20)**

PART - B

5. Elucidate the various innovative services provided by the banks in the current banking system. Discuss the various tools used by the Reserve Bank of India to regulate the flow of credit in the country.
                                                                                       (8+12=20)

6. Make a comparison between tariff and quota as instruments of protective trade policy.   **(20)**

7. Differentiate between balanced and unbalanced growth strategy. Do you feel that controversy over balanced and unbalanced growth is a fruitless affair?   **(10+10=20)**

8. Write note on the relationship between economic development and environmental sustainability. Explain strong sustainability and weak sustainability. Also, describe the main indicators of sustainable development.   **(6+6+8=20)**

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