



National Officers Academy
Mock Exams CSS-2025
ECONOMICS, PAPER-I

TIME ALLOWED: THREE HOURS
PART-I(MCQS): MAXIMUM 30 MINUTES

PART-I (MCQS)
PART-II

MAXIMUM MARKS = 20
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.

SUBJECTIVE PART — PART-II

- Q. 2.** What are different approaches to the Money Supply. How Quantity Theory of Money (QTM) is different from M-2 theory of money supply in terms of their focus and definition of money? Which theory can be preferred for Pakistan. Give reasons. **(20)**
- Q. 3.** Discuss the main assumptions of International Trade Theories of comparative advantage and Factor Endowments. How Pakistan can be benefited from the both. Explain **(20)**
- Q. 4.** Explain the TR-TC (total revenue minus total cost approach) of producer equilibrium. How it is different from other approaches. Explain **(20)**
- Q. 5.** What are the functions of the International Monetary Fund (IMF)? What practices IMF adopt in order to assist countries facing financial crisis? Evaluate the IMF lending to the developing countries with reference to Financial Action Task Force (FATF) status. **(20)**
- Q. 6.** Explain the macroeconomic outlook of economy of Pakistan and suggest any policy framework for formulation of budget and reducing budget deficit. **(20)**
- Q. 7.** Elaborate the own-price, cross-price and income elasticity theoretically and empirically. Also explain the relationship between own-price elasticity and the total revenue. **(20)**
- Q. 8.** Point out major sources of inflation in Pakistan. Justify these sources empirically and discuss how this issue was managed in the last three decades. **(20)**

Best of Luck for CSS-2025