

Economy Questions in UPSC Mains: 2025-2013 | Economic Development 2025

- Distinguish between the Human Development Index (HDI) and the Inequality-adjusted Human Development Index (IHDI) with special reference to India. Why is the IHDI considered a better indicator of inclusive growth? (Answer in 150 words)
- What are the challenges before the Indian economy when the world is moving away from free trade and multilateralism to protectionism and bilateralism? How can these challenges be met? (Answer in 150 words)
- Explain how the Fiscal Health Index (FHI) can be used as a tool for assessing the fiscal performance of states in India. In what way would it encourage the states to adopt prudent and sustainable fiscal policies? (Answer in 250 words)
- Discuss the rationale of the Production Linked Incentive (PLI) scheme. What are its achievements? In what way can the functioning and outcomes of the scheme be improved? (250 words)

2024

- **Examine the (pattern) and trend of public expenditure on social services in the post-reforms period in India. To what extent this has been in consonance with achieving the objective of inclusive growth?** (Answer in 150 words)
- **What are the causes of persistent high food inflation in India? Comment on the effectiveness of the monetary policy of the RBI to control this type of inflation.** (Answer in 150 words)
- **What were the factors responsible for the successful implementation of land reforms in some parts of the country? Elaborate.** (Answer in 150 words)
- **Discuss the merits and demerits of the four 'Labour Codes' in the context of labour market reforms in India. What has been the progress so far in this regard?** (Answer in 250 words)
- **What is the need for expanding the regional air connectivity in India? In this context, discuss the government's UDAN Scheme and its achievements.** (Answer in 250 words)
- **Elucidate the importance of buffer stocks for stabilizing agricultural prices in India. What are the challenges associated with the storage of buffer stock? Discuss.** (Answer in 250 words)

2023

- Faster economic growth requires increased share of the manufacturing sector in GDP, particularly of MSMEs. Comment on the present policies of the Government in this regard
- What is the status of digitalization in the Indian economy? Examine the problems faced in this regard and suggest improvements.
- How does e-Technology help farmers in production and marketing of agricultural produce? Explain it.
- State the objectives and measures of land reforms in India. Discuss how land ceiling policy on landholding can be considered as an effective reform under economic criteria.
- Most of the unemployment in India is structural in nature. Examine the methodology adopted to compute unemployment in the country and suggest improvements

- Distinguish between ‘care economy’ and ‘monetized economy’. How can care economy be brought into monetized economy through women empowerment?
- What are the direct and indirect subsidies provided to farm sector in India? Discuss the issues raised by the World Trade Organization (WTO) in relation to agricultural subsidies.

2022

- Why is **Public Private Partnership (PPP)** required in Infrastructural projects? Examine the role of PPP model in the redevelopment of Railway Stations in India.
- Is **inclusive growth** possible under market economy? State the significance of financial inclusion in achieving economic growth in India.
- What are the major challenges of **Public Distribution System (PDS)** in India? How can it be made effective and transparent?
- The increase in **life expectancy** in the country has led to newer health challenges in the community. What are those challenges and what steps need to be taken to meet them?
- “**Economic growth** in the recent past has been led by increase in **labour productivity**”. Explain this statement. Suggest the growth pattern that will lead to creation of more jobs without compromising labour productivity.

2021

- How did **land reforms** in some parts of the country help to improve the socio-economic conditions of marginal and small farmers?
- Distinguish between **Capital Budget and Revenue Budget**. Explain the components of both these Budgets.
- Discuss how emerging technologies and globalisation contribute to **money laundering**. Elaborate measures to tackle the problem of money laundering both at national and international levels.
- Do you agree that the Indian economy has recently experienced **V-shaped recovery**? Give reasons in support of your answer. (Answer in 250 words)
- “**Investment in infrastructure** is essential for more rapid and inclusive economic growth.” Discuss in the light of India’s experience.

2020

- Explain **intra-generational** and **inter-generational issues of equity** from the perspective of inclusive growth and sustainable development.
- Define **potential GDP** and explain its determinants. What are the factors that have been inhibiting India from realizing its potential GDP?
- Explain the meaning of **investment in an economy in terms of capital formation**. Discuss the factors to be considered while designing a concession agreement between a public entity and a private entity.
- Explain the rationale behind the **Goods and Services Tax (Compensation to States) Act of 2017**. How has COVID-19 impacted the GST compensation fund and created new federal tensions?

2019

- Enumerate the **indirect taxes** which have been subsumed in the **goods and services tax (GST)** in India. Also, comment on the revenue implications of the GST introduced in India since July 2017.
- Do you agree with the view that steady **GDP growth and low inflation** have left the Indian economy in good shape? Give reasons in support of your arguments.
- It is argued that the **strategy of inclusive growth** is intended to meet the objectives of inclusiveness and sustainability together. Comment on this statement.
- The **public expenditure management** is a challenge to the Government of India in the context of budget-making during the post-liberalization period. Clarify it.

2018

- “**Access to affordable, reliable, sustainable and modern energy** is the sine qua non to achieve **Sustainable Development Goals (SDGs)**”. Comment on the progress made in India in this regard.
- Comment on the important changes introduced in respect of the **Long term Capital Gains Tax (LCGT) and Dividend Distribution Tax (DDT)** in the Union Budget for 2018-2019.
- The **China Pakistan Economic Corridor (CPEC)** is viewed as a cardinal subset of China’s larger ‘One Belt One Road’ initiative. Give a brief description of CPEC and enumerate the reasons why India has distanced itself from the same.
- How are the principles followed by **NITI Aayog** different from those followed by the erstwhile planning commission in India?
- How would the recent phenomena of **protectionism and currency manipulations** in world trade effect macroeconomic stability of India?

2017

- Among several factors for **India’s potential growth**, the savings rate is the most effective one. Do you agree? What are the other factors available for growth potential? (Answer in 150 words)
- Account for the **failure of the manufacturing sector** in achieving the goal of labour-intensive exports rather than capital-intensive exports. Suggest measures for more labour-intensive rather than capital-intensive exports.
- Examine the **developments of Airports in India through Joint Ventures under the Public-Private Partnership (PPP) model**. What are the challenges faced by the authorities in this regard?
- One of the intended objectives of Union Budget 2017-18 is to ‘**transform, energize and clean India**’. Analyse the measures proposed in the Budget 2017-18 to achieve the objective.
- “**Industrial growth rate has lagged behind in the overall growth of Gross-Domestic-Product (GDP) in the post-reform period**” Give reasons. How far the recent changes in Industrial Policy are capable of increasing the industrial growth rate?
- What are the salient features of ‘**inclusive growth**’? Has India been experiencing such a growth process? Analyze and suggest measures for inclusive growth.

2016

- How **globalization** has led to the reduction of employment in the formal sector of the Indian economy? Is increased informalization detrimental to the development of the country?
- **Women empowerment in India needs gender budgeting.** What are the requirements and status of gender budgeting in the Indian context?
- **Pradhan Mantri Jan Dhan Yojana (PMJDY)** is necessary for bringing the unbanked to the institutional finance fold. Do you agree with this for financial inclusion of the poor section of the Indian society? Give arguments to justify your opinion.
- What are '**Smart Cities**'? Examine their relevance for urban development in India. Will it increase rural-urban differences? Give arguments for 'Smart Villages' in the light of PURA and RURBAN Mission.
- Justify the need for **FDI for the development of the Indian economy.** Why is there a gap between MOUs signed and actual FDIs? Suggest remedial steps to be taken for increasing actual FDIs in India.
- Comment on the challenges for **inclusive growth** which include careless and useless manpower in the Indian context. Suggest measures to be taken for facing these challenges.

2015

- **The nature of economic growth in India is described as jobless growth.** Do you agree with this view? Give arguments in favour of your answer.
- In what way could **replacement of price subsidy with Direct Benefit Transfer (DBT)** change the scenario of subsidies in India? Discuss.
- What are the impediments in **marketing and supply chain management** in the industry in India? Can e-commerce help in overcoming these bottlenecks?
- **The craze for gold in Indians has led to a surge in import of gold in recent years and put pressure on the balance of payments and external value of the rupee.** In view of this, examine the merits of the Gold Monetization Scheme.
- **"Success of 'Make in India' programme depends on the success of 'Skill India' programme and radical labour reforms."** Discuss with logical arguments.
- There is a clear acknowledgement that **Special Economic Zones (SEZs)** are a tool of industrial development, manufacturing and exports. Recognizing this potential, the whole instrumentality of SEZs requires augmentation. Discuss the issues plaguing the success of SEZs with respect to taxation, governing laws and administration.

2014

- Normally countries shift from **agriculture to industry and then later to services**, but India shifted directly from **agriculture to services**. What are the reasons for the huge growth of services vis-a-vis the industry in the country? Can India become a developed country without a strong industrial base?
- While we found **India's demographic dividend**, we ignore the dropping rates of employability. What are we missing while doing so? Where will the jobs that India desperately needs come from? Explain.
- The **right to fair compensation and transparency land acquisition, rehabilitation and resettlement act, 2013** has come into effect from 1 January 2014. What implication would it have on industrialization and agriculture in India?

- **Capitalism** has guided the world economy to unprecedented prosperity. However, it often encourages shortsightedness and contributes to the wide disparities between the rich and the poor. In this light, would it be correct to believe and adopt capitalism driving inclusive growth in India? Discuss. (Statement lifted from Business-world column, 27th June 2014)
- **Foreign direct investment** in the defence sector is now said to be liberalized. What influence this is expected to have on Indian defence and economy in the short and long-run?
- Explain how **private-public partnership agreements**, in longer gestation infrastructure projects, can transfer unsuitable liabilities to the future. What arrangements need to be put in place to ensure that successive generations' capacities are not compromised?
- **National urban transport policy** emphasizes on moving people instead of moving vehicles. Discuss critically the success of various strategies of the government in this regard.

2013

- With consideration towards the **strategy of inclusive growth**, the new **Companies Bill, 2013** has indirectly made CSR a mandatory obligation. Discuss the challenges expected in its implementation in the right earnest. Also, discuss other provisions in the Bill and their implications. (200 words)
- What were the reasons for the introduction of **Fiscal Responsibility and Budget Management (FRBM) Act, 2013**? Discuss critically its salient features and their effectiveness.
- What is the meaning of the term '**tax expenditure**'? Taking the housing sector as an example, discuss how it influences the budgetary policies of the government.
- Examine the **impact of liberalization on companies owned by Indians**. Are they competing with the **MNCs** satisfactorily? Discuss.
- Discuss the impact of **FDI** entry into the Multi-trade retail sector on supply chain management in the commodity trade pattern of the economy.
- Though India allowed **Foreign Direct Investment (FDI)** in what is called multi-brand retail through the joint venture route in September 2012, the FDI, even after a year, has not picked up. Discuss the reasons.
- Discuss the rationale for introducing the **Goods and Services Tax (GST)** in India. Bring out critically the reasons for the delay in roll out for its regime.
- Write a note on **India's green energy corridor** to alleviate the problem of conventional energy.
- Adoption of the **PPP model** for infrastructure development of the country has not been free of criticism. Critically discuss the pros and cons of the model.
- What do you understand about the **Umpire Decision Review System in cricket**? Discuss its various components. Explain how silicone tape on the edge of a bat may fool the system?
- What do you understand about the **Run-of-river hydroelectricity project**? How is it different from any other hydroelectricity project?