

**R.B.I.S.B. (OFFICER Gr-B-DSIM)****P.Y. - 2016****PAPER III - ( ENGLISH )****( Duration - 3 Hours )****( Maximum Marks - 100 )***Instructions.*— (1) All questions are *compulsory*.(2) Figures to the right indicate *full* marks to each question.

(3) Each question should be answered on a new page and the question number must be written on the top.

(4) The answers of parts of the same question, if any, should be written together. In other words, the answer of one question should not intervene between the parts of the answers of another question.

(5) The *Precis* and its title should be written on the *Precis* sheet only.

(6) Marks will be deducted if an answer far exceeds or falls short of the set limit or if the handwriting is illegible.

(7) Answers must be written only in *English*.(8) Candidate should use only **Blue** or **Black** ink pen/ball point pen to write the answers.

(9) The Name, Roll No. and other entries should be written on the answer script at the specified places only and this should not be written anywhere else on the answer script and supplements.

**Marks**

1. Write an argumentative essay of about 500 words on any *one* of the following :— (40)

(a) Judgment delayed inordinately is judgment denied permanently.

(b) Can an involvement by the corporate sector in higher education realign it to the needs of our society ?

(c) Despite laudable individual efforts, Child labour in India, remains a national disgrace.

(d) Has the service sector contributed to the process of economic development in India ?

(e) Monetary policy is not a panacea for long term economic challenges.

2. (a) Make a *Precis* of the following passage in your own words reducing it to about 200 words, and give it a suitable title. Use the special sheet provided for this purpose :— (24)

Drawing comparisons with the fall of the Berlin Wall ushering in the symbolic end of Socialism, economists read recent events as perhaps signals that will usher in the end of the high tide of globalization.

[ *Turn over*

Advocates of globalization argue that free flow of goods and services of labour and capital, of skills and ideas will result in prosperity for all.

However, a look around the world shows that this vision lies in all but tatters. The financial crisis of 2008, a long term rise in inequality that the French economist Thomas Piketty has documented, and stagnating employment and wages in the Western economies have led to a rise in right -wing populism, xenophobia and isolationism.

The jobs being outsourced to Asian economies have indeed contributed to reduction in global poverty in the last few decades; but have also created deindustrialization and impoverishment in significant pockets of the western world.

A 2016 International Monetary Fund (IMF) report, 'Neoliberalism: Oversold?' states that without sufficient safety net, openness and austerity are associated with increasing inequality and can seriously undermine growth and openness; the very things that the neoliberal agenda is intent on boosting.

While the educated and the higher income groups support globalization in developed economies; the lower income groups and the less educated want globalization out. The spike in the numbers of those who are against globalization seem to be a symptom of a large part of the population. Their economic dislocation caused by impersonal market forces, needs to be pegged to some visible scapegoats. Factors such as ethnic identity and migration have emerged as the causes of the malady. It is always easier to blame a particular group - identifiable by definable traits as against the invisible hands of the market.

Clearly, the most important challenge is to reinvent the welfare state in the era of globalization so that one can balance the gains that trade, markets and migration bring with the losses that some groups suffer. Otherwise, the growing inequality will lead more and more countries to pull up the drawbridge of globalization. The result may be less inequality but also less prosperity for all.

Further, it emerges that the new class divide is more by education rather than by wealth or privilege. The rising inequality in the west is to a large extent driven by the rising gap between skilled and unskilled wages.

Education is also a key driver of political support for certain key economic policies. There is a surprising convergence of views between educated elite, even though they may have divergent political affiliations, on core economic policies.

This means the focus on redistributive policies should focus on higher spending on education and training, which expand equality of opportunity, what is often called pre-distribution policies. This would mitigate the clash of interests regarding the opportunities that globalization brings.

Education also tends to create a more socially tolerant worldview. Even Adam Smith had not only extolled the virtues of the market as a source of wealth of nations, he wrote about the civilizing effect of commerce as well. A culture of cosmopolitanism and social liberalism, when fostered, would help society protect itself from its worst instincts of xenophobia and racism.

Adam Smith's focus on trade and Karl Marx's focus on inequality are customarily seen as being totally antithetical in spirit. However, the economic policies that challenge the 21<sup>st</sup> century may well suggest that they aren't antithetical at all.

(adapted from an article in Economic Times by Maitreesh Ghatak.)

- (b) (i) Answer any *two* of the following questions on the passage, briefly and in your own words :— (10)
- (a) How has globalization impacted the issue of poverty on a worldwide scale?
  - (b) What are the challenges facing globalization?
  - (c) Discuss the gap between the projected and actual outcomes of globalization.
  - (d) In what ways can the negative effects of globalization be curtailed?
  - (e) Discuss the author's opinion that the views of Smith and Marx are perhaps not 'antithetical'.
- (ii) Explain clearly and briefly the contextual meaning and implication of any *three* of the following words / expressions in this passage :— (6)
- (a) High-tide of globalization
  - (b) Visible scapegoats
  - (c) Invisible hands of the market
  - (d) Key driver of political support
  - (e) Clash of interests
  - (f) To be pegged to
3. Attempt any *one* of the following in about 250 words :— (20)
- (a) As the leader of a fact finding committee instituted by the RBI, write to the heads of public sector banks asking for a detailed report on the steps being taken by them for recovery and prevention of NPAs.
  - (b) It has been brought to the notice of the RBI that the number of customers facing credit card fraud issues has increased in recent times. Write a note to the issuing banks to instruct their card services division to include additional protection features in all credit cards issued henceforth.
  - (c) On behalf of the Dy. Governor's office of the RBI, write a letter to the Chairman of major Indian banks asking them to provide details of measures taken by them for migration to Basel 3 norms by 2018.
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