

GS-III Growth and Development

- 1. The viability of a business depends on the vitality of the Economy in which it is embedded.**
Explain the Statement with regard to recent slowdown in the Economy.

Why this Question?

- ▶▶ News of a continuing improvement in India's ranking according to the World Bank's 'Ease-of-doing-business' Index appears to have come in handy for a Government.

Key Demands of Question:

- ▶▶ Briefly explain the statement with regard to recent slowdown in the Economy.
- ▶▶ Explain how the business depends on the economy in which it is engaged.
- ▶▶ Explain the way forward measures to revive the growth of the Economy.

Directive word:

Explain

- ▶▶ Here the student should clearly express why something happens, or why something is the way it is. He needs to look at a subject in depth taking note of the detail and if appropriate, consider the implications, and should explain them in good simple language.

Structure of Answer:

Introduction:

- ▶▶ Briefly give some intro about the current slowdown in the economy or mention some statistics about the current slowdown.

Body:

- ▶▶ Explain the statement with regard to the current slowdown in the economy.
- ▶▶ Mention the causes of slowdown in Indian characteristics.
- ▶▶ Explain how business cycle depends on the economy in which it is engaged. For example current slowdown in the Indian economy is largely due to the aggregate demand in the economy because large population is located in rural areas and agriculture sector is not growing.
- ▶▶ Discuss the steps needed to take to revive the economic growth. For example monetary measures and fiscal measures like investment in rural infrastructure etc.

Conclusion:

- ▶▶ Conclude with immediate attention given to the rural sector to increase aggregate demand in the country to revive the growth in the Economy.