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RNLKWC/B.A.-CBCS/VS/ECO/H/CC12/21

2021

Economics

[HONOURS]

(CBCS)

(B.A. Fifth Semester End Examinations-2021)

PAPER-CC12

(Public Economics)

Full Marks: 60

Time: 03 Hrs

The figures in the right hand margin indicate marks

Candidates are required to give their answers in their own words as far as practicable

Illustrate the answers wherever necessary

Group-A

1. Answer any ten questions:

10x2= 20

- a) Define positive externalities.
- b) What is public good?
- c) Define budget.
- d) Give some examples of non-plan revenue expenditure.
- e) Define public debt.
- f) What is excise duty?
- g) Define 'gift tax'.
- h) What is multiplier?
- i) What is gender budget?

(2)

- j) What do you mean by Pareto optimality?
- k) Write down the causes of market failure.
- l) What do you mean by incidence of taxation.
- m) What is the free-rider problem?
- n) Write down one each of sources of external and internal debt of government.
- o) Define Public Revenue.

Group-B

Answer any four of the following Questions: 5x4 = 20

- 2. Explain the canons of taxation.
- 3. Explain the 'Laffer curve'.
- 4. What are the major differences between Public goods & Private goods?
- 5. Prove that $\Delta Y = \frac{1}{1-MPC} \cdot \Delta I$
- 6. Explain the major sources of public revenue of India.
- 7. Discuss the merits and demerits of the benefit principle of taxation.
- 8. Give the reason for why government intervention is necessary for the production of public goods.

Group -C

Answer any two of the following question: 10x2 = 20

- 9. i) Explain the different types budget.

(3)

- ii) What is meant by public expenditure? Classify the different types of public expenditure.
 - 10. Explain the "Coase" theorem.
 - 11. Critically discuss the solution proposed by Lindhal regarding the optimal provision of public good.
 - 12. Do you think that an indirect tax imposes an excess burden as compared to direct tax? Give reasons for your answer.
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