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(July)

ECONOMICS

(Honours)

(**Public Economics**)

Marks : 75

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

Answer **five** questions, taking at least **one**
from each Unit

UNIT—I

1. Define Public Economics. What is the subject matter of Public Economics? Elaborate on the importance of Public Economics in the present-day economy. 2+7+6=15
2. Distinguish between private goods and public goods. What are the characteristics of a public good? Examine the role of externalities and public good in causing market failure. 3+3+9=15

UNIT—II

3. Give the meaning and scope of public expenditure. Explain Peacock-Wiseman hypothesis of public expenditure. Why is it considered superior of Wagner's hypothesis? 5+6+4=15
4. What is tax? What are the various types of classification of taxation? Assess the relative advantages and disadvantages of direct and indirect taxations. 1+4+10=15

UNIT—III

5. What do you understand by 'fiscal policy'? Discuss the objectives of fiscal policy in the light of the Indian economy. To what extent have they been achieved? 3+9+3=15
6. Outline the major functions of the Finance Commission. Review briefly the recommendations made by the Fourteenth Finance Commissions appointed by the Government of India. 5+10=15

(3)

UNIT—IV

7. Define public debt. What are the main objectives of public debt? Account for the effects of public debt in growing economy. $2+6+7=15$
8. Define budget. What are the different kinds of budget? Give your views on budget as an instrument of economic policy. $2+7+6=15$

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