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4 SEM TDC ECO M 2

2019

(May)

ECONOMICS

(Major)

Course : 402

(Public Economics)

Full Marks : 80

Pass Marks : 32/24

Time : 3 hours

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

1. Choose the correct option/Answer the following : 1×8=8

(a) Which of the following is a merit good?

(i) National Highways

(ii) Educational Service

(iii) Public Parks

(iv) Defence

(b) "Every tax ought to be levied at the time or in the manner in which it is most likely to be convenient to pay it." Who said this?

(i) Adam Smith

(ii) Bastable

(iii) Mill

(iv) None of them

(c) 'Goods and Services Tax' was launched in India with effect from

(i) 1st July, 2017

(ii) 7th July, 2017

(iii) 1st April, 2017

(iv) 31st March, 2017

(d) Who was the pioneer of Modern Theory of shifting of tax?

(i) Adam Smith

(ii) Delton

(iii) Seligman

(iv) Edgeworth

(e) According to Colin Clark, the critical limit of public expenditure is _____ of National Income.

(i) 20%

(ii) 25%

(iii) 10%

(iv) 15%

(f) What is Sinking Fund?

(g) Which one of the following statements is true?

(i) Public enterprises are financed by the government.

(ii) Public enterprises are managed by the government.

(iii) Public enterprises are helpful in implementing government plan.

(iv) All of the above

(h) Mention one characteristic of public utilities.

2. Write short notes on any *four* of the following
(**within 150 words** each) :

4×4=16

(a) Role of Public Finance

(b) Characteristics of a good tax system

(c) Wisemen-Peacock hypothesis

(d) Debt burden and future generations

(e) Forms of public enterprises

Answer the following questions (**within 500 words** each) :

3. (a) What is Public Finance? Define the concepts of—

(i) public goods;

(ii) private goods;

(iii) merit goods;

(iv) mixed goods;

(v) club goods.

1+(2×5)=11

Or

(b) Explain the principle of Maximum Social Advantage of public finance. What are its limitations?

7+4=11

4. (a) What is Taxable Capacity? Critically explain the Ability-to-Pay Principle of taxation.

1+10=11

Or

- (b) What is Public Revenue? Explain the effects of taxation on production and distribution. $1+5+5=11$

5. (a) What is Public Expenditure? Explain the role of public expenditure as an instrument of growth and stabilization. $1+5+5=11$

Or

- (b) What are the causes of growth of public expenditure in recent days? Explain any two measures to control public expenditure. $9+2=11$

6. (a) What do you mean by Public Debt? Explain the role and purpose of public debt. $1+10=11$

Or

- (b) What are productive and non-productive debts? Explain the various effects of public debt in an economy. $2+9=11$

(7)

7. (a) Describe Public Enterprise. Explain the various objectives of public enterprises.

2+10=12

Or

- (b) What do you mean by public enterprises? Describe the roles of public enterprises in less developed countries.

2+10=12
