

P.G. 1st Semester - 2016

ECONOMICS

(CBCS)

Paper : MECOCCT-104

Public Economics-I

Full Marks : 40

Time : 2 Hours

The figures in the right-hand margin indicate marks.

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

Answer any **four** of the following questions. $10 \times 4 = 40$

1. "The government acts as an agent of economic growth and development through operationalizing the planning process." Justify the statement. 10
2. Discuss externality as a case of market failure. What is the distinction between private cost and social cost? Show how pigouvian tax correct the efficiency loss created by production externality. 2+3+5
3. Discuss the Balanced Budget Multiplier. Comment on its value in the presence of the money market effects. 4+6

4. Explain the voluntary exchange model of public goods. 10
5. Write short notes on: $2 \times 5 = 10$
 - a) Wagner's law
 - b) Criteria for public investment
6. What is Social Cost Benefits analysis? Explain its types and methods of measurements in detail. 10

[Turn Over]

170/Eco.

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