

**2020/TDC(CBCS)/ODD/SEM/  
ECODSE-502T (A/B)/461**

**TDC (CBCS) Odd Semester Exam., 2020  
held in March, 2021**

**ECONOMICS  
( 5th Semester )**



**Course No. : ECODSE-502T**

**Full Marks : 70**

**Pass Marks : 28**

**Time : 3 hours**

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

**Candidates have to answer either from  
Option—A or Option—B**

**OPTION—A**

**Course No. : ECODSE-502T (A)**

**( POLITICAL ECONOMY—I )**

**SECTION—A**

**Answer any twenty of the following as directed :**

**1×20=20**

**1. What is meant by public in economics?**

**2. Define public finance.**

3. Is public finance a positive science or a normative science?

4. The scope and subject-matter of public finance is static.

( Write True or False )

5. The modern concept of public finance is tax the \_\_\_\_ (rich/poor).

( Choose the correct option )

6. Define externality.

7. Mention one point of classical theory of public finance.

8. Public finance and private finance are synonymous.

( Write True or False )

9. What is meant by public revenue?

10. Define tax.

11. Gifts are compulsory contributions by private individuals.

( Write True or False )

12. Define indirect tax.

13. Grants are non-tax revenue or tax revenue?

14. What is public expenditure?

15. In your opinion, is public expenditure fruitful or wastage?

16. Growth of socialism is responsible for \_\_\_\_\_ of public expenditure (decrease/increase).

( Choose the correct option )

17. Mention one characteristic of a good tax system.

18. In \_\_\_\_\_ taxation, the larger the income of tax-payer, the smaller is the proportion that he contributes.

( Fill in the blank )

19. What is meant by principles of taxation?

20. Which is the most generally accepted principles of taxation?

(Ability to pay/Benefit principle)

( Choose the correct option )

21. Define schedule of proportional tax rates.

22. How many broad approaches are there for the measurement of ability to pay?

23. Give an example of progressive tax rate system.

24. Which taxes are not progressive?

(Direct tax/Indirect tax)

( Choose the correct option )

25. Define public debt.

26. Can a country become bankrupt through public debt?

27. Define debt trap.

28. Mention one limitation of internal debt.

29. What is meant by danger of insolvency of the government?

30. State one effect of public debt on money market.

31. Excessive and unwanted loans cause political and non-political crisis in a country.

( Write True or False )

32. Point out one advantage of public debt.

33. Define government budget.

34. The term 'budget' is originated from which French word?
35. Mention one characteristic of an ideal budget.
36. What is Finance Commission?
37. Who is the Chairman of the Fifteenth Finance Commission in India?
38. Does a balanced budget ensure stability of prices?
39. What is zero-base budgeting?
40. Who is the current Indian Finance Minister?

**SECTION—B**

Answer any five of the following questions :  $2 \times 5 = 10$

41. Distinguish between public goods and private goods.
42. Point out two similarities between public finance and private finance.
43. Mention two demerits of direct tax.

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44. State two points of importance of public expenditure in a developing economy.
45. Distinguish between single tax and multiple tax systems.
46. Write two merits of the benefit principle of taxation.
47. Distinguish between money burden and real burden of public debt.
48. Point out two shortcomings of public debt in a developing country.
49. Mention two functions of the Finance Commission.
50. Distinguish between revenue account and capital account of a budget.

**SECTION—C**

**Answer any five questions**

51. Distinguish between public finance and private finance. Explain briefly the growing importance of public finance in modern times.

3+5=8

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( Continued

52. Discuss in brief the negative and positive externalities with the help of a diagram. 4+4=8

53. Discuss briefly the effects of public expenditure on production and distribution.

4+4=8

54. (a) Distinguish between direct and indirect taxes.

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(b) "Indirect taxation though regressive has an important role in developing countries." Comment.

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55. Explain briefly the ability to pay taxes principle. Highlight three major grounds on the basis of which the ability to pay principle has been justified.

5+3=8

56. Discuss in brief the merits and demerits of progressive taxation.

4+4=8

57. Distinguish between public debt and private debt. Give the classification of public debt.

2+6=8

58. Briefly explain the various methods of debt redemption.

8

59. Give an account of the major recommendation of the 14th Finance Commission of India.

8

60. Write short notes on the following : 4+4=8

(a) Classification of government budget

(b) Role of Finance Commission in India



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OPTION—B

Course No. : ECODSE-502T (B)  
( ENVIRONMENTAL ECONOMICS )

SECTION—A

Answer any *twenty* of the following questions :

1×20=20

1. Define environmental economics.
2. What is the main aim of environmental economics?
3. How do externalities arise in a market economy?
4. What is meant by market failure?
5. Give an example of positive externality.
6. What are property rights?
7. Who is the benefactor of the externality?
8. What is Pareto optimality?
9. State the meaning of Pigouvian tax.
10. What are called tradable permits?

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( Turn Over )

11. Give an example of Pigouvian tax.
12. What are effluent charges?
13. In which year, Environmental Protection Act was passed in India?
14. Point out one difference between tradable permits and quota.
15. State one function of environmental policy.
16. What is carbon tax?
17. Mention one global environmental issue.
18. What is meant by trans-boundary pollution?
19. Give an example of trans-boundary environmental problem faced by India.
20. What is climate change?
21. Who are most vulnerable to climate change?
22. What is greenhouse gas?
23. What is the biggest contributor to climate change?

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24. Mention one natural cause of climate change.
25. What is meant by non-market value?
26. Point out the difference between market value and non-market value.
27. What do you mean by environmental valuation?
28. Name a survey-based valuation technique of environment valuation.
29. Point out the importance of environmental valuation.
30. Define hedonic pricing.
31. Mention the basic assumption of travel cost method.
32. Which valuation method uses the concept of willingness to pay to evaluate environmental quality?

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( Turn Over )

33. What is sustainable development?
34. In which year, the term 'sustainable development' came into existence?
35. Name the Commission which coined the term 'sustainable development'.
36. What is environmental sustainability?
37. How many sustainable development goals are set to be achieved by 2030?
38. What are the three pillars of sustainability?
39. Mention the primary goal of sustainability.
40. By which name, the United Nations Conference on Environment and Development is known?

**SECTION—B**

Answer any *five* of the following questions :  $2 \times 5 =$

41. Distinguish between positive externalities and negative externalities.

42. Mention two characteristics of a well-defined property rights.
43. How do tradable pollution permits help to reduce pollution?
44. Write two main objectives of environmental policy in India.
45. Mention two reasons of global warming in recent years.
46. How can trade agreements among nations help to protect the environment?
47. What is environmental risk assessment?
48. How is risk assessment used in environmental decision-making?
49. Give two examples of sustainable development.
50. What are the challenges of sustainable development?

SECTION—C

Answer any *five* of the following questions :  $8 \times 5 = 40$

51. Explain the relationship between environment and economics.
52. State and explain Coase theorem. What are its significances to environmental economics?
53. How do Pigouvian taxes help for controlling environmental pollution? Explain with example using suitable diagram.
54. Write about the pollution control measures adopted by India.
55. Explain various environmental issues related to international trade.
56. Discuss how climate change impacts the economy.
57. Critically discuss any two non-market valuation methods in environmental policy analysis.

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58. What are the benefits of environmental improvements? Suggest some policy measures to environmental improvements in India.

59. Explain different ways of measuring sustainable development.

60. Discuss the evolution of the concept of sustainable development in the discourse of environmental economics.

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