

Mid-West University  
**Examinations Management Office**  
Birendranagar, Surkhet  
Chance Examination, 2082

**Subject: DE 535E: Public Economics-I**

FM: 60

Level/program: Master (M.A) Semester: III

Time: 3 Hours

PM: 30

*Candidates are required to answer the questions in their own words as far as practicable.*

**Attempt ALL of the Following Very Short Answer Question**

**1x10=10**

1. What is meant by state?
2. What do you mean by planning?
3. Define allocating resources in your own words.
4. Mention any two features of public goods.
5. Define externalities.
6. Introduce market.
7. Define estimation of cost.
8. What is meant by deficit financing?
9. Mention any two impacts of taxation.
10. Define double taxation.

**Attempt any THREE of the Following Short Questions.**

**3x8=24**

11. "Public and private partnership is important in economic development." Justify the statement.
12. Explain the theory of equilibrium. Show the difference between the first best and the second best equilibrium.
13. What is market failure? What are some strategies to address and improve it? Discuss.
14. Explain the allocation and equity aspects of individual taxes in the context of public finance? Discuss.

**Attempt any TWO of the Following Long Questions.**

**2x13=26**

15. What is the concept of economic planning? "State is an agent for economic planning and development." Justify this statement.
16. Explain the concept of project evaluation. In the context of budgetary expenditure in Nepal, what should be done in order to reform? Discuss.
17. Mention the key features of Nepal's tax system. How does the problem of double taxation affect taxpayers within the country? Discuss.

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