BACHELOR OF ARTS EXAMINATION, 2023

(3rd Year, 1st Semester)

ECONOMICS

[ECONOMICS OF HEALTH AND EDUCATION]

Time : Two Hours   Full Marks : 30

Answer any ***three*** from the following.

1. (a) Show that for an income distribution $(Y_1, Y_2, Y_3, \ldots \ldots \ldots, Y_n)$ the Gini coefficient lies between zero and $(n-1)/n$.

   (b) Describe how education Lorentz curve is constructed based on education attainment data. Why is the education Lorentz curve truncated along the horizontal axis?   4+(5+1)=10

2. (a) Define 'cohort' life expectancey. How is it calculated? Why is 'cohort' life expectancy greater than 'period' life expectancy?

   (b) Distinguish between 'prevalence' and 'incidence' of disease. How are they related?   (1+3+2)+(2+2)=10

[Turn over

3. Examine the role of education as signal when

   (i) signalling cost is higher for low ability person

   (ii) signalling cost is same for all

4. (a) Discuss the difference between on job, general and specific training? Who pays for and collects the return from each type of training?

   (b) Do you think Education is a pure public good? Justify your answer.   5+5=10

5. (a) Explain the steps followed in the computation of Inequality-adjusted Human Development Index.

   (b) The following table contains information related to calculation of multidimensional poverty index (MPI). Consider a hypothetical population consisting of 4 households with 6, 9, 8 and 7 members. Fill up the columns corresponding to each household arbitrarily by 1 and 0 to indicate deprivation and non-deprivation respectively in any indicator. Also assign appropriate weight to each indicator following standard method of MPI calculation in the last column of the table. Then calculate the MPI for this hypothetical population.

[**Note :** Same representation of deprivation and/or non-deprivation in the indicators by many students will lead to deduction of marks]

Indicators	Households				Weights
	1	2	3	4	
Household size	6	9	8	7	
Education					
No household member has completed 6 years of schooling					
Any school-age child is not attending school					
Health					
Any member is malnourished					
Any child has died					
Standard of living					
No electricity					
No access to clean drinking water					
No access to improved sanitation					
Household has dirty floor					
Household uses 'dirty' cooking fuel					
Household has no access to information and has no assets related to mobility or assets related to livelihood					

                              4+6=10