

Ex/ECO/A/DSE 10.7/2023

MASTER OF ARTS EXAMINATION, 2023

(2nd Year, 2nd Semester)

ECONOMICS

[PUBLIC ECONOMICS A II]

Time : Two Hours

Full Marks : 30

Instructions: Answer *any three* questions, each question carries 10 marks. Extra but relevant knowledge of the subject will be rewarded, whereas marks will be deducted for producing superfluous/irrelevant information.

1. Define 'tax evasion' and distinguish it from 'tax avoidance'. Discuss the role of formal and informal institutions in curbing tax evasion. Do you think informal institutions are more effective in curbing tax evasion? Justify. 2+6+2=10
2. Discuss the need for a formal robust social security system in a country. Analyse critically Feldstein's extended life cycle hypothesis. 2+8=10
3. What is the puzzle of regulations? Discuss the basic Lafont-Tirole model of regulation to explain cost-reimbursement rules. 3+7=10
4. Write short notes on any two of the following: 5×2=10
 - i) Causes and consequences of corruption. 5
 - ii) Positive theories of social security. 5
 - iii) Auction: meaning and types. 5

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