

GENERAL ECONOMICS-III

2014

Time Allowed : Three Hours

Maximum Marks: 200

INSTRUCTIONS

Please read each of the following instructions carefully before attempting questions :

There are TWELVE questions divided under THREE Section.

The ONLY question in Section A is compulsory.

In Section B, SIX out of SEVEN questions are to be attempted.

In Section C, THREE out of FOUR questions are to be attempted.

Candidates should attempt questions/parts as per the instructions given in the Section.

The number of marks carried by a question/part is indicated against it.

All parts and sub-parts of a question are to be attempted together in the answer book.

Attempts of a part/question shall be counted in chronological order. Unless struck off, attempt of a part/question shall be counted even if attempted partly.

Any page or portion of the page left blank in the answer book must be clearly struck off.

Candidates are required to write clear legible and concise answers and to adhere to word limits wherever indicated. Failure to adhere to word limits may be penalized.

Answers must be written in ENGLISH only.

SECTION—A

(Answer all the SEVEN parts of the following question. Answer to each part should be in approximately 100 words.)

5x7=35

L Write short notes on the following :

- Optimal taxation
- Criteria for public investment decision
- Non-use values of environment
- Green climate fund
- Degree of seller concentration
- Indicative pi aiming
- Bounded rationality.

SECTION—B

(Answer any SIX out of the SEVEN questions. Each answer should be in about 200 words.) 15×6=90

2. Discuss the salient features of Direct Tax Code 2013. What would be the difficulties in its implementation ? 15
3. Explain the structure and growth of public expenditure in India and bring out their implications. 15
4. "Pollution permits are better than pollution taxes"— Do you agree or disagree? Give reasons. 15
5. What is informal regulation of pollution control? Is it more important in developing countries like India ? Justify your answer. 15
6. Discuss the UN methodology of Integrated Environmental and Economic Accounting and suggest improvements. 15
7. Explain the model of price leadership in Oligopolistic market. Why firms prefer implicit collusion rather than explicit agreements? Explain. 15
8. 'Indian plans are good on paper but bad in implementation as they are informationally inadequate for arriving at appropriate targets'—Discuss. 15

SECTION—C

(Answer any THREE of the following FOUR questions in about 300 words each.) 25×3=75

9. What are the burdens of public debt 'Internal Public debt has a neutral impact on the economy'—examine this statement. 25
10. What are the optimum extraction rules for exhaustive resources? How can public policy be used to facilitate 'socially optimum' extraction of minerals? 25
11. Compare and contrast the capital-output ratio criteria and the marginal per capita reinvestment quotient criteria of investment planning. 25
12. Critically examine the decentralised planning scenario in India after the 72nd and 73rd amendments to the Constitution. 25