

5. (a) Explain with diagram the Wagner's law of increasing state activities. What are the differences between Wagner's law and Wiseman-Peacock hypothesis of public expenditure? 7+4=11

Or

- (b) Mention any two primary causes of growth in public expenditure. Explain the different types of control of public expenditure. 4+7=11

6. (a) Write the meaning of public debt management policy. Explain the important features of debt management policy. 3+8=11

Or

- (b) Explain the meaning of burden of public debt in respect of—
 (i) direct money burden;
 (ii) indirect money burden;
 (iii) direct real burden;
 (iv) indirect real burden. 3+3+3+2=11

7. (a) What are the different forms of public enterprises? Explain with diagram how monopoly exploitation can be removed by following the marginal cost pricing policy for public utility services. 4+8=12

Or

- (b) (i) Explain the average cost of production theory of pricing public utilities. 6
 (ii) Justify the principle of making profit for public enterprises. 6
