

B.A. (Honours) Examination, 2022
Semester-V (CBCS)
Economics
Course: Paper -DSE-2(B)
(Economics of Health and Education)

Time: 3 Hours

Full marks: 60

Questions are of value as indicated in the margin

Question No. 1 is compulsory. Attempt any FOUR from the rest.

1. Answer any **FOUR** from the following. 4X5
 - (a) What are the distinctive features of health as an economic good?
 - (b) Elaborate how Pigouvian mechanism can be used to develop herd immunity in the society.
 - (c) Explain the phenomenon of death spiral in health insurance market.
 - (d) What are the determinants of 'amount of schooling' demanded by an average individual?
 - (e) Discuss social cost versus private cost and social benefit versus private benefit of investment in Education.
 - (f) How does education stimulate rural-urban migration?

2. (a) Use a suitable diagram to explain the concept of Quality Adjusted Life Years (QALY). 4
(b) Using a typical production possibility frontier for health production, show that under no circumstances the consumer would end up with zero health consumption. 6

3. (a) Construct a simple multi-period Grossman model of health demand. 4
(b) In this backdrop, examine why depreciation of health plays an important role in determining the optimal level of health investment. 6

4. (a) What do you understand by state independence in health status in presence of illness and insurance? 3
(b) What is actuarially fair insurance contract? Is it same with the idea of full insurance? 5+2

5. (a) 'Basic education is a catalyst of social change' – Explain with evidence. 4+2+4
(b) Why are literacy campaign needed?
(c) State the condition of female education of India.

6. Write a short note on social exclusion in and through elementary education in West Bengal as revealed in Pratichi Trust Report. 10

7. Enumerate the reasons behind the spectacular transition of Himachal Pradesh from mass illiteracy to near universal elementary education in relatively short period. 10