



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
FACULTY OF SOCIAL SCIENCES  
DEPARTMENT OF ECONOMICS  
2025\_1 EXAMINATION**

**COURSE TITLE:** PUBLIC SECTOR ECONOMICS  
**COURSE CODE:** ECO 447  
**CREDIT UNITS:** 2 UNITS  
**TIME ALLOWED:** 2 HOURS  
**INSTRUCTIONS:** ANSWER QUESTION ONE (1) AND ANY OTHER  
TWO (2) QUESTIONS

1. a. Define and explain the concept of public finance. (10 marks)  
b. Discuss the principles of taxation and their implications for equity and efficiency. (10 marks)  
c. Explain the role of public debt in government finance and economic stability. (10 marks).
2. Evaluate the importance of cost-benefit analysis in public sector decision-making (20 marks).
3. Discuss the economic implications of public debt. How can a country manage its public debt effectively? (20 marks).
4. Discuss the role of public expenditure in economic development (20 marks).