NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_2 EXAMINATIONS

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 Public Sector Economics and explain its significance in modern economies. (10 marks)
   b. Discuss the differences between public goods and private goods. (10 marks)
   c. Explain the concept of market failure and how it justifies government intervention. (10 marks).

2. Discuss the role and impact of government budget on the economy (20 marks).

3. Explain the concept of fiscal policy and its tools. Discuss how it can be used to achieve economic objectives (20 marks).

4. Analyze the impact of externalities on resource allocation and how government intervention can address these issues (20 marks).