



University of Benha  
Faculty of Commerce  
English Section  
Dept. of Economics

## Economics of Public Finance

**Course Code:**

**ME326**

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1. Which of the following is an example of a political institution?
  - a) a market
  - b) elections with winners determined by majority rule
  - c) representative government
  - d) both (b) and (c)
  
2. The real cost of government goods and services is:
  - a) money.
  - b) taxes.
  - c) the private goods and services foregone
  - d) inflation.
  - e)
  
3. The main government policies that can be used to pursue its economic goals are
  - (A) fiscal policy and debt policy
  - (B) fiscal policy and monetary policy
  - (C) fiscal policy, debt policy, and monetary policy
  - (D) fiscal policy, subsidies, and monetary policy
  
4. The government's fiscal policy denotes the use of government's
  - A. taxes and expenditure
  - B. consumption and investment
  - C. taxes and revenue
  - D. consumption and expenditure



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5. Scope of public finance includes :
  - A. Public revenue
  - B. Public debt
  - C. Public expenditure
  - D. All of these
  
6. The income of the government through all its sources is called
  - A. Public expenditure
  - B. public revenue
  - C. Public finance
  - D. none of these
  
7. Government finance is called:
  - A. National finance
  - B. Public finance
  - C. Private finance
  - D. (a) and (b) of above
  
8. Govt. prepares its budget:
  - A. Weekly
  - B. Monthly
  - C. Quarterly
  - D. Annually
  
9. The most important source of income of a government is:
  - A. Foreign loans
  - B. Taxes
  - C. Printing of new money
  - D. Sale of government property
  
10. Public Expenditure increases
  - A. Interest rate
  - B. Employment
  - C. Exports
  - D. Imports



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11. When expenditure exceeds total tax revenue, it is called:

- A. Surplus budget
- B. Balanced budget
- C. Deficit budget
- D. None of these

12. The most important aim of fiscal policy in a developing country is

- A. economic stability
- B. economic development
- C. regional balance
- D. None of these