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**M – 1226**

Reg. No. : .....

Name : .....

**Fifth Semester B.A. Degree Examination, December 2021**

**First Degree Programme Under CBCSS**

**Economics**

**EC 1545 — PUBLIC ECONOMICS**

**(2014 Admission)**

Time : 3 Hours

Max. Marks : 80

**SECTION – I**

Answer in **one** or **two** sentences. Attempt **all** questions. **Each** question carries **1** mark.

1. Market Failure
2. Externalities
3. Escheat
4. Incidence
5. VAT
6. Taxable Capacity
7. Public Debt
8. Capital Levy
9. Balanced Budget
10. Fiscal Policy

**(10 × 1 = 10 Marks)**

P.T.O.

## SECTION – II

Answer **any eight** questions not exceeding **1** paragraph. **Each** question carries **2** marks.

11. Mention public economics.
12. What are public goods?
13. Distinguish between direct and indirect taxes.
14. Explain the benefit principle of taxation.
15. What do you mean by degressive taxation?
16. Distinguish between specific and Advalorem duties.
17. What are special assessments?
18. What do you mean by shifting of taxes?
19. List out the major sources of revenue to local self governments.
20. Explain zero-based budgeting.
21. What is fiscal deficit?
22. Distinguish between vertical and horizontal fiscal devolution.

**(8 × 2 = 16 Marks)**

## SECTION – III

Answer **any six** questions not exceeding **120** words. **Each** question carries **4** marks.

23. Examine the role of government in a national economy.
24. Explain the basic canons of taxation.
25. Write a note on the Goods and Service Tax (GST).
26. Explain Wagner's Law.
27. Discuss the major effects of public expenditure in an economy.

28. Distinguish between performance and programme budgets.
29. Examine the role of finance commission in India.
30. Explain deficit financing.
31. Write a note on the financial administration of a government.

**(6 × 4 = 24 Marks)**

#### SECTION – IV

Answer **any two** questions not exceeding **4** pages. **Each** question carries **15** marks.

32. Explain the principle of maximum social advantage.
33. Discuss the major sources of revenue to the government.
34. Examine the major methods of public debt redemption and management.
35. Explain the centre-state financial relations in India.

**(2 × 15 = 30 Marks)**