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N – 1089

Reg. No. :

Name :

Sixth Semester B.A. Degree Examination, April 2022

First Degree Programme Under CBCSS

Economics

Core Course

EC 1643 – PUBLIC ECONOMICS

(2019 Admission)

Time : 3 Hours

Max. Marks : 80

SECTION – A

Very Short Answer Type Questions. One word to maximum of 2 sentences. Answer all questions. Each question carries **1** mark.

1. Private finance
2. Disinvestment
3. Gender budgeting
4. Marginal Social Cost
5. Free rider problem
6. Compensatory Finance
7. Functional Finance
8. Specific tax

P.T.O.

9. Public debt
10. Dead weight loss of taxation

(10 × 1 = 10 Marks)

SECTION – B

Short Answer Type Questions. (Not to exceed one paragraph). Answer **any eight** questions. Each question carries **2** marks.

11. Explain the nature and scope of public finance.
12. Write down the difference between public expenditure and private expenditure.
13. Define the features of private good.
14. What is the importance of local finance?
15. Give a brief account on the various sources of public revenue.
16. What are the objectives of public debt?
17. Examine the importance of fiscal federalism in India.
18. Define capital levy.
19. What is development expenditure? Give examples.
20. Write a note on built in flexibility.
21. What are the three types of budget?
22. What is consolidated fund and contingency fund?
23. Distinguish between productive debt and unproductive debt.
24. Why Public Private Partnership (PPP) policy is required in Indian Economy?
25. What is meant by cost benefit analysis (CBA)?
26. Write a note on conversion of debt.

(8 × 2 = 16 Marks)

SECTION – C

Short Essay Questions. (Not to exceed **120** words). Answer **any six** questions. Each question carries **4** marks.

27. What is Taxable capacity? Account for its significance.
28. Explain negative and positive externalities with an example.
29. Explain Keynesian views on public debt.
30. Define balanced budget multiplier.
31. Give the meaning of fiscal consolidation. Why is fiscal consolidation important?
32. Examine the role of panchayat raj institutions in rural development.
33. Discuss Peacock Wiseman hypothesis
34. Explain benefit principle of taxation.
35. Examine the role of fiscal policy in developing country like India.
36. What is performance budgeting? What are the conditions for its success?
37. Describe the objectives of deficit financing.
38. Discuss the major challenges faced by public enterprises in the new economic policy regime.

(6 × 4 = 24 Marks)

SECTION – D

Long Essay Questions. Answer **any two** questions. Each question carries **15** marks.

39. Examine the functions and scope of public activities.
40. Discuss the causes of market failure and what are the measures for addressing the problem of market failure.
41. Discuss the different methods for public debt redemption.

42. What is meant by incidence of taxation? Explain Musgrave views on incidence of taxation.
43. Public expenditure has increased tremendously over the years. Give reasons for its expansion.
44. Examine the development of federal finance in our country. How does the system of flow of resources from center to the states work in India?

(2 × 15 = 30 Marks)
