(Pages : 3)

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Reg. No. : .....

Name : .....

Fifth Semester B.A. Degree Examination, December 2017
First Degree Programme Under CBCSS
Economics
Core Course – X
EC 1545 : PUBLIC ECONOMICS
(2013 and 2014 Admn.)

Time : 3 Hours

Max. Marks : 80

SECTION – I

Answer in **one** or **two** sentences. Attempt **all** questions.

1. VAT.
2. Private Goods.
3. Vertical imbalance.
4. Monetary Policy.
5. Fiscal Federalism.
6. Proportional taxation.
7. Merit goods.
8. Impact of taxation.
9. Market failure.
10. Tax revenue.

(10×1=10 Marks)

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SECTION – II

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

11. Distinguish between progressive and regressive taxation.

12. What are the salient features of GST ?

13. What are public goods ? What are its features ?

14. Explain the canon of economy of taxation.

15. Explain the cost of service principle of taxation.

16. Explain shifting of taxes.

17. Identify the different revenue sources of states in the pre GST period.

18. Explain balanced budget.

19. Explain the concepts of internal and external debt.

20. What do you mean by taxable capacity ?

21. What are the advantages and disadvantages of direct taxation system ?

22. "Public expenditure moves in jerks like manner". Explain. **(8×2=16 Marks)**

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SECTION – III

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

23. Explain economic classification of budgeting.

24. Critically evaluate the benefit theory of taxation.

25. Examine production and consumption effects of taxation.

26. Explain the concepts of deficit financing.

27. How public goods generate externalities ?

28. What are reasons for the growth of public expenditure in developing economies ?

29. Examine the stabilisation function of modern governments.

30. Explain forward and backward shifting of tax.

31. Explain the different sources of non-tax revenue. **(6×4=24 Marks)**

SECTION – IV

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

32. Evaluate the different canon of taxation.

33. "Govt. activities should be carried out up to the level where the marginal social benefit equals the marginal social cost". Elucidate.

34. Critically evaluate the ability to pay theory of taxation.

35. Explain the meaning, classification and methods of redemption of public debt. **(2×15=30 Marks)**

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