(Pages : 3) **H – 6148**

Reg. No. : .....

Name : .....

Fifth Semester B.A. Degree Examination, December 2019

First Degree Programme under CBCSS

Economics

Core Course X

EC 1545 – PUBLIC ECONOMICS

(2015 Admission Onwards)

Time : 3 Hours Max. Marks : 80

SECTION – I

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

1. Social good
2. VAT
3. Laffer curve
4. Forfeitures
5. Redeemable and Irredeemable debt
6. Programme Budgeting
7. Advalorem tax
8. Compensatory fiscal policy
9. Deficit financing
10. Indirect tax

(10 × 1 = 10 Marks)

P.T.O.

SECTION – II

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

11. Explain the principles of taxation.

12. What are the difference between public finance and private finance?

13. Write a note on market failure and externalities.

14. What are the canons of public expenditure

15. Describe the sources of non-tax revenue.

16. Distinguish between vertical and horizontal imbalance.

17. What are the merits and demerits of VAT?

18. Write a note on zero based budget.

19. Distinguish between impact and incidence of a tax.

20. Explain the difference between tax avoidance and tax evasion.

21. Describe the advantages of capital levy.

22. What are the principles of public debt management?

(8 × 2 = 16 Marks)

SECTION – III

Answer **any six** questions not exceeding **one** paragraph. Each question carries **4** marks.

23. Distinguish between Classical and Keynesian approaches to fiscal policy.

24. What are the economic effects of deficit financing?

25. Explain the ways of government intervention to correct negative externalities.

26. Describe the features of Peacock and Wiseman Hypothesis.

27. Give an account of the effect of public expenditure on production, consumption and distribution.

28. Critically examine the principle of maximum social advantage.

29. Explain Centre-State financial relations in India.

30. Briefly explain the various revenue sources of Local government in India.

31. Describe the reasons for growing public expenditure in India.

(6 × 4 = 24 Marks

SECTION – IV

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

32. What is meant by a tax? Describe the various classification of taxes.

33. Give an account of the role of the 15th finance commission of India and analyze the fiscal imbalances between Central and State Governments in India.

34. Distinguish between impact, incidence and shifting of taxation. Explain Musgrave's theory of incidence of taxation.

35. Explain meaning and scope of Public economics and how to evaluate the changing role of government in a modern economy.

(2 × 15 = 30 Marks)