



23123791

QP CODE: 23123791

Reg No :

Name :

B.A DEGREE (CBCS) REGULAR EXAMINATIONS, MAY 2023

Fourth Semester

B.A Economics Model I

CORE COURSE - EC4CRT06 - PUBLIC ECONOMICS

For Regular Candidates : 2021 Admission Only

For Private Candidates : 2017 Admission Onwards

581C419C

Time: 3 Hours

Max. Marks : 80

*Instructions to Private candidates only: This question paper contains two sections. Answer **SECTION I** questions in the answer-book provided. **SECTION II**, Internal examination questions must be answered in the question paper itself. Follow the detailed instructions given under*

SECTION II

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. What are the major areas covered under public finance?
2. Explain the nature and scope of public economics.
3. Social goods.
4. State the difference between tax and price.
5. Regressive tax.
6. Cost of service theory of taxation.
7. What is non-developmental expenditure ?
8. Define inspection effect?
9. Distinguish between funded and unfunded debt.
10. What is the principle of independence and responsibility in relation with federal finance ?
11. What is Finance Commission?
12. Resource transfer.

(10×2=20)



Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. Why modern state is called a welfare state?
14. Explain the ability to pay principle.
15. Distinguish between balanced and unbalanced budget.
16. Briefly explain deficit financing.
17. Explain the canons of public expenditure.
18. Explain critical minimum effort thesis.
19. Explain the effect of public expenditure on consumption.
20. List the difference between Vertical and Horizontal equity in Fiscal Federalism.
21. What are the core features of Fiscal Federalism of India?

(6×5=30)

Part C

*Answer any **two** questions.*

*Each question carries **15** marks.*

22. What is market failure ? What is the role of the state in a market economy?
23. Discuss the effects of taxation.
24. Explain the trends and pattern of public debt in India.
25. What is the need for the transfer of resources from centre to state and explain the different criteria and formulas for the transfer of resources?

(2×15=30)