

3 MJ 10108

THREE YEAR B.A. (CBCS) DEGREE EXAMINATION, NOVEMBER/DECEMBER 2024

THIRD SEMESTER

Economics (Major)

PUBLIC ECONOMICS

(With effect from 2023-24)

Time : Three hours

Maximum : 75 marks

(No additional sheet will be supplied)

SECTION A — (5 × 5 = 25 marks)

Answer any FIVE of the following.

Each question carries 5 marks.

1. What is the main difference between public finance and private finance?
2. Types of Goods (Public and Private).
3. Explain the Ability to Pay theory of Taxation.
4. What are different types of tax system?
5. What are Two reforms in Public expenditure in India?
6. What is the Peacock-Wiseman theory of public expenditure?
7. Deficit Budget.
8. FRBM Act.
9. Concepts of Vertical and Horizontal Fiscal Imbalances.
10. What is fiscal federalism?

SECTION B — (5 × 10 = 50 marks)

Answer FIVE of the following.

Each question carries 10 marks.

11. (a) Explain the meaning, nature, and scope of Public finance.

Or

- (b) Explain the Principle of Maximum Social Advantage.

12. (a) Describe the sources of Public revenue.

Or

(b) Explain the canons of taxation.

13. (a) Discuss Wagner's Law and its relevance to the growth of Public expenditure in modern Economies.

Or

(b) What are the causes for increasing Public Expenditure?

14. (a) Discuss the effects and burden of Public debt on the Economy.

Or

(b) What is Barro-Ricardo equivalence, and how does it relate to public debt and fiscal policy?

15. (a) What are Objectives and functions of Fiscal Policy?

Or

(b) Discuss the objectives and key recommendations of the most recent Finance Commission in India.