

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MA DEGREE EXAMINATION DECEMBER 2023
(Third Semester)

Branch – ECONOMICS

PUBLIC ECONOMICS

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 Education is an
(i) Public good (ii) Merit good
(iii) Private good (iv) None of these
- 2 Who is the exponent of the law of increasing state activities?
(i) Dalton (ii) Wagner
(iii) Seligman (iv) Musgrave
- 3 Income tax is based on the principle of
(i) Ability to pay (ii) willingness to pay
(iii) Benefits received (iv) None of these
- 4 Budget is an instrument of
(i) fiscal policy (ii) monetary policy
(iii) economic policy (iv) export policy
- 5 Fiscal deficit implies
(i) Total receipts - expenditure
(ii) Total receipts – interest payments on external debt
(iii) Revenue receipts – defense expenditure
(iv) Revenue receipts – expenditure

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a. State the concepts of Public Finance.
OR
b. Describe the Market failure.
- 7 a. Determine the reason for the growth of Public Expenditure in India.
OR
b. Analyse the pure theory of public Expenditure.
- 8 a. Classify the “public revenue”.
OR
b. Analyse the excess burden of Taxes.
- 9 a. Explain the burden of Public Debt.
OR
b. Show the principles of Public Debt Management.
- 10 a. Elucidate the fiscal federalism.
OR
b. Highlight the local finance.

Cont...

SECTION -C (30 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** Marks

(5 x 6 = 30)

- 11 a. Explain the Pareto Optimality Conditions.
OR
b. Analyse the theory of second best.
- 12 a. Describe the Wagner's law of increasing state activities.
OR
b. Examine the social cost Benefit Analysis.
- 13 a. Outline the theories of Taxation.
OR
b. Highlight the Structure GST.
- 14 a. Enumerate the redemption of Public debt.
OR
b. Identify the objectives of fiscal policy in India.
- 15 a. Examine the role of Finance Commission in India.
OR
b. Construct the Centre-State financial relations in India.

Z-Z-Z

END