MA DEGREE EXAMINATION MAY 2026

(Third Semester)

Branch - **ECONOMICS**

PUBLIC ECONOMICS

Time: Three Hours Maximum: 75 Marks

SECTION-A (10 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	What is public economics? a) The study of economic systems in the private sector b) The study of economic policies and their impact on the public sector c) The study of consumer behavior in the marketplace d) The study of international trade and globalization	K1	CO1
	2	What is a public good? a) A good that is provided by the government and funded through taxes b) A good that is non-excludable and non-rivalrous in consumption c) A good that is produced and sold by private firms d) A good that is available only to a limited number of people	K2	CO2
2	3	According to HC Adams public expenditure has to perform the------ a) Protective Function b) Commercial Function c) Developmental Function d) All of the above	K1	CO1
	4	The First Finance Commission was appointed in the year -------- a) 1949 b) 1950 c) 1951 d) 1952	K2	CO2
3	5	The objective of taxation by the Government are--- a) Raising revenue for the state b) To maintain economic stability c) To remove disparities in the distribution of income d) All of the above	K1	CO1
	6	In India service tax was introduced in-------- a) 1991-1992 b) 1994-1995 c) 1999-2000 d) 2005-2006	K2	CO2
4	7	Who proposed the Zero-based budgeting for the first time------ a) David Ricardo b) Alfred Marshall c) Adam Smith d) Peter Phyrr	K1	CO1
	8	Redemption of public debt means------- a) Repayment of debt b) epayment of FDI c) Additional borrowing d) Deficit financing	K2	CO2
5	9	The principle of judging fiscal measures by the way they work is called------- a) Personal finance b) Public finance c) Functional finance d) Local finance	K1	CO1
	10	Which is the method of financial adjustment between Centre and States? a) Tax sharing b) Grant-in-aid d) Public debt d) Federal finance	K2	CO2

Cont...

Answer **ALL** questions

ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	**Question No.**	**Question**	**K Level**	**CO**
1	11.a.	Examine the provisions of public goods.	K4	CO1
		(OR)		
	11.b.	Classify the functions of public finance.		
2	12.a.	Estimate the structure of public expenditure.	K5	CO4
		(OR)		
	12.b.	Discuss about the Colin Clark's Theory.		
3	13.a.	Identify the problem of Double Taxation.	K3	CO3
		(OR)		
	13.b.	Develop the classification of public revenue.		
4	14.a.	Categorize the effects of public debt.	K4	CO2
		(OR)		
	14.b.	List-out the objectives of fiscal policy.		
5	15.a.	Determine the functions of Revenue.	K5	CO1
		(OR)		
	15.b.	Explain the sources of Local Finance.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	**Question No.**	**Question**	**K Level**	**CO**
1	16	Analyse the Pareto's Optimality conditions.	K4	CO2
2	17	Describe the Wiseman-Peacock Hypothesis.	K5	CO4
3	18	Elaborate the Economic Effects of Taxation.	K6	CO5
4	19	Discuss about the various methods of redemption of public debt.	K6	CO3
5	20	Estimate the Centre-State Financial Relations in India.	K5	CO2

Z-Z-Z END