

Reg. No

Name

22P313-S

M. A. DEGREE END SEMESTER EXAMINATION - OCTOBER 2022

SEMESTER 3 : ECONOMICS

COURSE : 16P3ECOT12 : PUBLIC ECONOMICS I

(For Supplementary 2016/2017/2018/2019/2020 Admissions)

Time : Three Hours

Max. Marks: 75

PART A

Answer any 8 (2 marks each)

1. Fiscal politics
2. Differential expenditure incidence
3. Types of Externalities.
4. Cess
5. First Past Post system
6. Tax-GDP ratio
7. Equal absolute sacrifice
8. Moral Hazards.
9. Dead weight losses
10. Prof. Arrow's views on social welfare function
11. Public bads
12. Impure public goods

(2 x 8 = 16)

PART B

Answer any 7 (5 marks each)

13. Do you think voting is best method to reveal the preference of a society? Elaborate your answer.
14. Analyze the role of fiscal policy for economic stabilization.
15. Discuss the voluntary exchange theory of Lindahl
16. How does the competition between the public and private sector enhance the overall welfare of the economy.
17. What are externalities? How do they influence the pricing of public goods?
18. What is shifting of a Tax ? Explain how elasticity of demand affect the incidence of a tax.
19. Distinguish between direct and indirect democracy?
20. Discuss the need to correct distributional inequalities and regional imbalances.
21. Explain the objectives of fiscal policy.
22. Discuss the types and effects of VAT.

(5 x 7 = 35)

PART C

Answer any 2 (12 marks each)

23. Evaluate the important tax reforms in India since 1990.
24. What according to Prof. Arrow, are the five principles which should act as the pillars on which a good social welfare function is built? Is it possible to satisfy all these principles simultaneously? Validate your answer.
25. Discuss the rationale for fiscal policy in a mixed economy where market fails
26. Critically evaluate the partial equilibrium analysis of provision of public good.

(12 x 2 = 24)