

TB213270V

Reg. No : .....

Name : .....

**B. A. DEGREE (C.B.C.S) EXAMINATION, NOVEMBER 2022**

(2021 Admissions Regular, 2020 Admissions Supplementary/Improvement, 2019 & 2018 Admissions Supplementary)

**SEMESTER III - CORE COURSE (ECONOMICS)**

**EC3B04B18 - PUBLIC ECONOMICS**

**Time : 3 Hours**

**Maximum Marks : 80**

**Part A**

**I. Answer any Ten questions. Each question carries 2 marks**

**(10x2=20)**

1. Explain the functions of modern state.
2. In what way public finance and private finance are dissimilar?
3. Distinguish between public good and private good.
4. Explain allocation function of government.
5. How is VAT different from GST?
6. Discuss the benefit principle of taxation.
7. What do you mean by taxable capacity?
8. Define the term vote on account.
9. Explain Wagner's hypothesis.
10. Discuss Peacock-Wiseman hypothesis.
11. Distinguish between the Displacement effect and the Inspection effect in the PW Hypothesis.
12. Discuss the rationale for local bodies.

**Part B**

**II. Answer any Six questions. Each question carries 5 marks**

**(6x5=30)**

13. Compare and contrast the terms non-rivalry and non-excludability.
14. Explain in detail on free-rider problem.
15. Examine the subject matter of public finance. Do you think the scope of public finance is widening?
16. Discuss the concept of burden of taxation.
17. Discuss different sources of administrative revenue of government.
18. Elucidate the reasons for the growth of public expenditure in a modern state.
19. List the production and distribution effects of public expenditure.
20. Give details of Colin Clark's Critical Limit Hypothesis.
21. Analyse vertical and horizontal equity in fiscal federalism.

**Part C**

**III. Answer any Two questions. Each question carries 15 marks**

**(2x15=30)**

22. Give a detailed account of Specific tax, Ad valorem duty, VAT and GST.
23. How do you explain deficit financing? Do you think deficit financing is beneficial for India?
24. Discuss in detail the different theories of public expenditure.
25. Give an account of Union financial transfers in India. Discuss the nature of allocation of funds between union and state governments.