Reg. No. : ....

Name : ....

Third Semester M.A. Degree Examination, February 2024

Economics

EC 233 : PUBLIC ECONOMICS

(2018 Admission onwards)

Time : 3 Hours

Max. Marks : 75

PART – I

I. Answer **all** questions. Explain in a sentence or two.

1. Market failure

2. Built in stabilizers

3. Balanced budget multiplier

4. Critical Limit Hypothesis

5. NPA and IRR

6. Functional finance

7. Disinvestment

8. Buoyancy of taxation

9. Repudiation of debt

10. Contingency fluid

(10 × 1 = 10 Marks)

PART – II

II. Answer **any seven** questions. Each answer should not exceed **500** words.

11. Evaluate the major fiscal functions of the public sector.

12. Define public goods. Give its relationship with efficiency and market failure.

13. Examine the control and accountability of public expenditure.

14. Explain the trade-off between efficiency and equity.

15. Discuss Tiebout hypothesis.

16. Account for the effect of public debt in a growing economy.

17. Distinguish between horizontal and vertical fiscal imbalance.

18. What is project evaluation? Give its necessity.

19. What are the features of Panchayati Raj and explain its role in rural development?

20. Discuss the effectiveness of compensatory fiscal policy.

(7 × 5 = 35 Marks)

PART – III

III. Answer any **three** of the following. Each answer should not exceed **1200** words.

21. Explain in detail the theoretical explanation of the growth of public sector.

22. Discuss public choice theory.

23. What are the effects of public expenditure on production and distribution? Examine.

24. Write down the ability to pay theory of taxation. Discuss various methods of its measurement.

25. Discuss the issues in India's Centre- State financial relations. Suggest remedies.

(3 × 10 = 30 Marks)

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