

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted from the academic year 2009 – 10 & thereafter)

SUBJECT CODE: EC/PC/PE24

M. A. DEGREE EXAMINATION, APRIL 2011
BRANCH III – ECONOMICS
SECOND SEMESTER

COURSE : MAJOR - CORE
PAPER : PUBLIC ECONOMICS
TIME : 3 HOURS

MAX. MARKS: 100

SECTION – A

ANSWER ANY FIVE QUESTIONS. EACH ANSWERS NOT TO EXCEED 300 WORDS.

(5 X 8 = 40)

1. Examine the role of public sector enterprises in economic development.
2. Discuss how conflicts towards the provision of public good can be reconciled.
3. Write a note on major objectives of public expenditure in a developing economy.
4. What is the meaning of cost-benefit analysis? What are its merits and limitations?
5. Define fiscal policy. What are its objectives?
6. Explain i) compensatory public spending and ii) pump priming
7. Give an account of Centre-State financial relations under the Constitution.

SECTION – B

ANSWER ANY THREE QUESTIONS. EACH ANSWERS NOT TO EXCEED 1200 WORDS.

(3 X 20 = 60)

8. What are externalities? What are its kinds and characteristics?
9. Discuss Arrow's Impossibility Theorem.
10. Examine the determinants of taxable capacity.
11. Discuss the role of deficit financing in economic development.
12. Give an account of the recommendations of the Twelfth Finance Commission.
