

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 86
(For candidates admitted during the academic year 2011–12 & thereafter)

SUBJECT CODE: 11EC/PC/PE24

M. A. DEGREE EXAMINATION, APRIL 2014
BRANCH III – ECONOMICS
SECOND SEMESTER

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

MAX. MARKS: 100

SECTION – A

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

(5 X 8 = 40)

1. What are Private goods? How are they different from Public goods?
2. Explain the factors that determine the taxable capacity of an individual.
3. Discuss the importance of Fiscal Policy in the growth of a developing country like India.
4. Explain the various sources of government borrowing in India.
5. Explain the various types of resource transfers in the Federal set up of Centre-States in India.
6. Examine the Marginal Cost Pricing Policy of Public Enterprises.
7. Describe the different objectives and principles of Debt Management.

SECTION – B

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

(3 x 20 = 60)

8. Explain the inter-generational equity theory of Public Debt.
9. Examine how the Compensatory Fiscal Policy helps to maintain stability and full employment in our country.
10. Explain briefly the Samuelson's Theory of Public Expenditure.
11. Describe the concept of Cost Benefit Analysis and explain its usefulness in the case of Public Investment projects.
12. Explain Arrow's Impossibility Theorem along with its limitations.
