



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.A. DEGREE EXAMINATION – ECONOMICS

THIRD SEMESTER – NOVEMBER 2017

16PEC3MC04 – PUBLIC FINANCE -I

Date: 08-11-2017
Time: 09:00-12:00

Dept. No.

Max. : 100 Marks

PART – A

Answer any FIVE questions in about 75 words each.

(5X4=20 marks)

1. What are the characteristic features of public goods?
2. State the meaning of market failure.
3. What is displacement effect?
4. What is voter externality cost?
5. Write a short note on net present value criterion.
6. What is shadow price?
7. Distinguish between redeemable and irredeemable debts.

PART – B

Answer any FOUR questions in about 300 words each.

(4X10=40 marks)

8. Diagrammatically explain the efficient provision of private goods.
9. Explain the Wicksell's approach of absolute and relative unanimity rules.
10. Briefly explain the K.J. Arrow's Impossibility Theorem.
11. Write a summary on crude investment criterion.
12. Highlight the criteria for cost-benefit analysis.
13. What are the various methods of pricing policies followed by public enterprises?
14. Bring out the major principles of public debt management in India.

PART – C

Answer any TWO questions in about 1200 words each.

(2X20=40 marks)

15. Discuss the major functions of public finance.
16. Examine the Wagner's hypothesis of increasing governmental activity.
17. Describe the role of public enterprises in India.
18. Analyze the various effects of public debt on the economy
