



LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.A. DEGREE EXAMINATION – ECONOMICS

THIRD SEMESTER – NOVEMBER 2014

EC 3809 - PUBLIC ECONOMICS - I

Date : 01/11/2014
Time : 09:00-12:00

Dept. No.

Max. : 100 Marks

Part – A

Answer any FIVE questions in about 75 words each.

(5 x 4 = 20 marks)

1. What is market failure?
2. Why do we need allocation branch?
3. What is voter externality cost?
4. What are the limitations of social discount rate?
5. What is dual pricing? What are its advantages?
6. What is sinking fund? Why it is necessary?
7. What is relative unanimity rule? What are its pros and cons?

Part – B

Answer any FOUR questions in about 300 words each.

(4 x 10 = 40 marks)

8. Review the pricing policy of public sector units in India.
9. Examine the disinvestment policy of government of India.
10. What are the basic steps to be followed in the assessment of cost-benefit analysis?
11. Explain the Voluntary exchange model of public expenditure by Bowen and Lindahl.
12. What are the special features of public good? How are they different from private goods?
13. Explain the salient features of planning programming and budgeting system.
14. Account for the failure of some of the public sector units in India.

Part – C

Answer any TWO questions in about 1200 words each.

(2 x 20 = 40 marks)

15. Critically evaluate Paul Antony Samuelson's model of public expenditure.
16. State and explain Wagner's law. Bring out its limitations.
17. Examine various issues involved in the management of public debt.
18. Assess the contribution of public sector units in Indian economy.
