

Al-Saudia Virtual Academy
Pakistan Online Tuition – Online Tutor Pakistan

M.A PREVIOUS EXTERNAL ANNUAL EXAMINATION 2003

“ECONOMICS”, PAPER- ‘II’

(PUBLIC FINANCE)

Time allowed: Three Hours

Maximum Marks: 100

Instructions: 1) Attempt any FIVE questions.

2) All question carry equal marks.

3) Draw diagrams where necessary.

1. Why do Economics fail to attain a pareto-optimality in the allocation of Economics resources, How does government Intervention help the Economics move towards pareto-Optimality?
2. Distinguish between backward and forward shifting of taxation and explain how?
 - (a) The ability of Sellers to avoid the incidence of a tax depends on the Price Elasticity of demand?
 - (b) The ability of buyers to avoid the incidence of a tax depends on the price Elasticity of demand?
3. What are the Essentials of a good budget? Do you think that Balanced Budget is always Preferable?
4. Discuss the merits and demerits of different methods of Public-Sector Project Evaluation.
5. Compare various approaches to measure “The ability to pay” of an Individual for the purpose of taxation, which one of these approaches is the most suitable in your opinion and why?
6. Write a critical note on the policy of de-regulation and privatization of the Government of Pakistan.
7. How can a particular income tax alter the choice between Leisure and work, Explain?
8. What are the Economic implications of Public debt in the developing countries, Explain?
9. What do you understand by Efficient and in-efficient Tax.
10. Write short notes on any TWO of the following:-
 - (1) Characteristics of a good tax system.
 - (2) Principle of Exclusion and joint consumption.
 - (3) Average tax rate and marginal tax rate.
 - (4) Objectives of Fiscal policy.