



Department of Education, Sabaragamuwa/weekly school

week- February 2

Subject-Economics

Grade-13

Prepared by -  
Zonal Education Office, Rathnapura.

1. Explain the characteristics of the following.
  - (a) Merit good
  - (b) Demerit good
  - (c) Public good and public resources
2. When producing goods or service external benefits will occur why market output is less than the social output?  
Explain the appropriate diagram.
3. What are functions of government to eliminate market inefficiency?
4. Explain the legal tax compliance and economic tax compliance with examples.
5. The following table is related to budget of an economy.

Item	Amount (Rs.Million)
1. Tax revenue	1600
2. Expenditure on goods and services	2200
3. Capital expenditure	1000
4. Non tax revenue	500
5. Current transfers	800
6. Current account balance	-1200
7. Donation	500
8. Net Lending	200

Calculate the following.

1. What is the value of Interest payment?
2. What is the value of overall balance?