



Department of Education, Sabaragamuwa/weekly school

week- June 4

Subject-Economics

Grade-13

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1. Distinguish between 'pure public goods' and 'merit goods'.
2. Explain, using an appropriate diagram, how the market system fails to allocate resources efficiently when the production of goods entails external costs.
3. Define proportional tax, progressive tax and regressive tax.
4. What is meant by 'excess burden of taxation'? Show graphically the 'excess burden' when a unit tax is imposed on producers of a good.
5. "Sri Lanka's public debt appears even more worrisome when compared to the government revenue". Explain this statement.