

M.A. Economics (Previous) 2019-20

Public Economics

Objective: The course intends to provide basic information to students on the scope of Public Economics, significance of government and its functions, governmental finance and its impacts on economic development.

Unit I

Introduction

Role of Government in organized society; Private Goods, Public Goods and Merit Goods; Market Failure: Market efficiency, Reasons for Market failure, Public goods and Externalities. Public finance: Meaning and Scope, distinction between Private and Public finance. The Principle of maximum social advantage.

Unit II

Public Revenue

Sources, Classification- Tax and Non-tax revenue. Taxation-Objectives, Classification, Canons and Effects of Taxation. Tax Elasticity and Buoyancy, Impact and Incidence of Taxation; Theories of Taxation-Benefit Theory, Ability to Pay Theory, Principle of Maximum Social Advantage. Characteristics of Good Taxation System.

Indian Tax System: Features, Trends in Revenue- Direct Vs. Indirect Tax, Ratio of Tax Revenue to GDP in India, Taxable Capacity in India, Tax Evasion- Problem and Measures to Check, GST and other Tax Reforms in India.

Unit III

Public Expenditure and Public Debt

Public Expenditure: Meaning , Classifications, Canons and Effects of Public Expenditure, Comparison between private and public expenditure, Wagner's Law of increasing state activity, Wiseman-Peacock hypothesis, The Critical Limit Hypothesis, Pure theory of Public Expenditure.

Public Debt: Sources and Effects, Public debt Vs Alternative Sources of Resource Mobilization.

Public Expenditure and Debt in India: Public Expenditure –Need, Trends, Expenditure Policy and Expenditure Control Measures in India. Public Debt - Debt Obligations of Central and State Government of India: Trends, Issues and Debt Management.

Unit IV

Public Budgeting

Public Budgets-Concept, Kinds of Budgets- Balanced and Unbalanced Budgets and Defecit Financing, Performance and Programming Budgeting, Incremental Budgeting, Zero-Base Budgeting, Gender Budgeting.

Budgeting in India: Budget Formulation Process and Structure of Budget in India, Features of Indian Budget, , Deficit Financing- Causes and Measures/Types, Impact of Fiscal Deficit on Economy, Need to Control Fiscal Deficits, Trends in Fiscal and Revenue Deficit. Zero-base budgeting in India, Analysis of Latest Union Budget.

Unit V

Fiscal Policy and Fiscal Federalism

Fiscal Policy -Objectives, Functions: Allocation, Distribution and Stabilization, Instruments of Fiscal Policy: Budgetary and Compensatory, Functional Finance, Crowding Out and Fiscal Policy, Balanced Budget Multiplier. Fiscal Policy in India.

Fiscal Federalism in India- Financial Issues in a Federal Set Up, Principles for Effective Division of Financial Resources between Governments, The Problem of Financial Imbalance: Vertical and Horizontal Imbalance, Centre – State Financial relations in India, Federal Financial Adjustments, Role of Finance Commission, Report of latest Financial Commission.

Reading List:

1. Agarwal, R.C (2007): Public Finance Theory and Practice, Laksmi Narayan Agarwal, Agra,India.
2. Andley and Sundaram (2006): Public Economics and Public Finance, Ratan Prakash, Agra.
3. Bhatia,H.L.(1994): Public Finance, Vikas Publishing House, New Delhi (Hindi and English Version).
4. Hajela, T N (2010): Public Finance, 3rd ed, Ann’s Books, New Delhi.

5. Lekhi, R. K. (2003): Public Finance, Kalyani Publications, New Delhi (Hindi and English Version).
6. Lekhi R.K. and J. Singh (2010) Public Finance, Kalyani Publications, New Delhi (Hindi and English Version).
7. Mithani, D M (1998): Modern Public Finance, 1st ed, Himalaya Publishing House, New Delhi.
8. Pant J.C., Public Finance, Laksmi Narayan Agarwal, Agra, India (Hindi Version).
9. Singh, S. K (2010): Public finance-Theory and Practice, 6th ed, S Chand, New Delhi Hindi and English Version).
10. Varshney J.C., Public Finance, Sahitya Bhawan Publications, Agra, India (Hindi Version).
11. सिंह, एस. के. – लोक वित्त, एस. चन्द एण्ड कम्पनी, नई दिल्ली।
12. पन्त, जे. सी. – राजस्व, लक्ष्मीनारायण अग्रवाल, आगरा।
13. वाष्णीय, जे. सी. – राजस्व, साहित्य भवन पब्लिकेशन, आगरा।