

Paper Code:1332

B.A. HONOURS IN ECONOMICS
FIRST YEAR HONOURS
Paper –II
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

Nature and Scope of Public Finance, Market Failure: Market efficiency, Reasons for Market failure, Public goods and Externalities,

UNIT-II

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

UNIT-III

Public Debt: Sources and Effects, Public debt Vs Alternative Sources of Resource Mobilization, Public Expenditure- Classifications, Canons and Effects of Public Expenditure, Wagner Law and Wiseman-Peacock Hypothesis.

UNIT-IV

Functions of Fiscal Policy- Allocation, Distribution and Stabilization. Fiscal policy in India. Public Expenditure in India- need for government spending, areas of government spending in India, Pattern and Trends in Central Governments Expenditure; Capital and Revenue Expenditure, Plan and Non-plan Expenditure of central government. Capital Receipts, Revenue Receipts; Tax and Non-tax revenue; Direct and Indirect Taxes. Steps taken to increase Revenue- Tax Simplification, Improvement in Tax Administration, Expansion of Tax Net. Need to Rationalize Tax Structure. Goods and Services Tax (GST) in India.

UNIT-V

Deficits- Concept and Types - Fiscal, Primary, Revenue. Impact of Fiscal Deficit on Economy, Need to Control Fiscal Deficits, Trends in Fiscal and Revenue Deficit. Zero-Base Budgeting and Gender Budgeting. Fiscal Devolution and Centre-State Financial Relations in India, Role of Finance Commission.

Reading List:

1. Agarwal, R.C (2007): Public Finance Theory and Practice, Leksmi 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.
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.
6. Mithani, D M(1998): Modern Public Finance, 1st ed, Himalaya Publishing House, New Delhi.
7. Singh, S. K (2010): Public finance-Theory and Practice, 6th ed, S Chand, New Delhi
8. सिंह, एस. के. – लोक वित्त, एस. चन्द एण्ड कम्पनी, नई दिल्ली।
9. पन्त, जे. सी. – राजस्व, लक्ष्मीनारायण अग्रवाल, आगरा।
10. वार्ष्णेय, जे. सी. – राजस्व, साहित्य भवन पब्लिकेशन, आगरा।