

**BA FIRST YEAR**  
**1107**  
**Economics**  
**Paper II- Public Finance**

**Objective:** This paper explains the basic concept of Public Finance. It deals with its components i.e. Public Revenue, Expenditure and Debt. It also gives an exposure to public budget and fiscal policy.

**Unit I**

**Introduction**

Public Finance -Meaning, Scope and Significance of Public Finance, Distinction between Private and Public Finance, Public Goods v/s Private Goods, Principle of Maximum Social Advantage.

**Unit II**

**Public Revenue**

Concept, Classification: Revenue Receipts and Capital Receipts, Tax and Non-tax revenue. Tax: Meaning, Types, Canons of Taxation, Incidence and Shifting of Taxation, Ability to Pay Theory. Characteristics of Indian Tax System.

**Unit III**

**Public Expenditure**

Meaning and nature, Comparison between private and public expenditure, Kinds of Public Expenditure, Canons of Public Expenditure, Effects of Public Expenditure.

**Unit IV**

**Public Debt**

Meaning, Public and Private Debt, Sources of Public Debt, Burden of Public, Debt Public Debt V/s Taxation, Public Debt and Economic Growth, Principles of Debt Management.

**Unit V**

**Budget and Fiscal Policy**

Public Budget-Concept, Balanced and Unbalanced Budgets, Deficit Financing Zero-Base Budgeting and Gender Budgeting, Budgeting in India.

Objectives and Instruments of Fiscal Policy, Monetary Policy Vs. Fiscal Policy, Federal Financial System in India.

### Basic Reading Lists:

1. Agarwal, R.C (2007): Public Finance Theory and Practice, Leksmi Narayan Agarwal, Agra,India.
2. Andley, K.K. and K.P.M. Sundharam – Public Finance: Theory and Practice, S. Chand and Company, New Delhi.
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4. Hajela, T N(2010): Public Finance, 3rd ed, Ann’s Books, New Delhi.
5. Hindriks, G. Myles: *Intermediate Public Economics*, MIT Press , 2006
6. Jha, R. (1998) – Modern Public Economics, Routledge, London
7. Lekhi, R K (2003): Public Finance, Kalyani Publications, New Delhi.
8. Musgrave, R. A. and P. B. Musgrave (1976) – Public Finance in Theory and Practice, McGraw Hill, Kogakusha, Tokyo.
9. Rosen, H. and T. Gayer: *Public Finance*, 9th ed., McGraw-Hill/Irwin , 2009.
10. Seth M. L. -Money Banking and Public Finance, Laxmi Narayan Agrawal, Agra (Hindi and English Version).
11. Singh, S. K (2010): Public finance-Theory and Practice, 6th ed, S Chand, New Delhi
12. Stiglitz, J.: *Economics of the Public Sector*, 3rd. ed., W. W. Norton and Co.,2000
13. Tyagi, B.P - Public Finance (Hindi and English Version).
14. पन्त, जे. सी. – राजस्व, लक्ष्मीनारायण अग्रवाल, आगरा।
15. वार्ष्णेय, जे. सी. – राजस्व, साहित्य भवन पब्लिकेशन, आगरा।