

SYBCOM-ECONOMICS

SEMESTER - III

PAPER NO : 203:ECONOMICS OF GOVERNMENT FINANCES

Unit -1: INTRODUCTION TO PUBLIC FINANCE

Economic systems—concepts—Capitalism, Socialism and Mixed Economy—characteristics. Public and Private Finances: meaning, difference and similarities. Indian Federal Finance: concepts of three layers of government. Market failure and role of government. Characteristics of public and private goods, merits goods. Government budget, its importance. Various concepts of deficit: revenue deficit, budgetary deficit, fiscal deficit, primary deficit, their uses and effects.

Unit - 2 :TAXATION

Direct and indirect taxes: meaning and its characteristics—concepts of progressive, proportional and regressive taxes. Present Indian tax structure: its characteristics and defects. Role of taxation in economic development. Meaning of tax avoidance and tax evasion.

UNIT- 3: INCOME AND PUBLIC EXPENDITURE

Sources of income of local government, state government and central government. Public expenditure: purpose, importance and causes of increase in public expenditure. Meaning of Fiscal Responsibility and Budget Management Act (FRBM Act). Privatization and disinvestment : concept and importance.

UNIT- 4: PUBLIC DEBT

Public debt—meaning and types of public debt. Economic effects of public debt. Difference between taxation and debt. Burden of public debt—Learner's and Buchanan's view point.

References:

- 1) Public finance in Theory & Practice: R.A. Musgrave & P.G. Musgrave
- 2) Introduction to Public Finance: Carl C. Plehn
- 3) The Theory & Working of Union Finance in India: Bhargava R. N.
- 4) D.M.Mithani : Money, Banking, International trade and Public finance
- 5) Public Finance: H.L. Bhatia
- 6) Public Finance: B.P.Tyagi
- 7) Public Finance: R.C. Agrawal
- 8) Modern Public Finance: Jha R.
- 9) Intermediate Public Economics: Jean Hindriks & Gareth D. Myles
- 10) Public Finance: S.K. Singh
- 11) Public Finance : M. Maria John Kennedy