



SYMBIOSIS COLLEGE OF ARTS & COMMERCE
An Autonomous College | Under Savitribai Phule Pune University
Reaccredited 'A+' with 3.51 CGPA For Third Cycle By NAAC | College with Potential for Excellence

COURSE TITLE	Public Finance and Public Policy	
<p>Course Learning Outcomes: On successful completion of the module students will be able to:</p> <ul style="list-style-type: none"> • Develop comprehensive understanding of theories of public expenditure and their application. • Thoroughly comprehend concepts and theories related to Public policy and rational choice. • Identify differences in processes, revenue sources, and budgetary challenges that exist between different levels of government. 		
Gist of this course in maximum 3 to 4 lines	<p>The course enables students to understand the intricacies of public finance and public policy. It provides a thorough understanding of rationale for public policy along with fiscal federalism. The provides comprehensive understanding of theories of public expenditure and principles of taxation.</p>	
Detailed syllabus		
Unit	CONTENTS OF THE COURSE	No. of Lectures
1.	<p><u>Title of the Topic:</u> Need for Public Finance: 1.1 Role of Government and Changing Perspective in a Mixed Economy, Capitalist and Socialist Economy 1.2 Government as an agent for operationalizing the planning process; public goods, private goods and merit goods; Principle of Maximum Social Advantage Dalton, Musgrave and Hicks Optima 1.3 Market Failures- Imperfections, Externalities</p>	10
2.	<p><u>Title of the Topic:</u> Rationale for Public Policy: 2.1 Impossibility of Decentralized provision of public goods- contributions of Samuelson and Musgrave 2.2 Revealing Social References through Majority Voting—Arrow’s Impossibility Theorem 2.3 Tiebout Model-Theory of Club Goods-Stabilization Policy- Keynesian case</p>	12
3.	<p><u>Title of the Topic:</u> Public Expenditure 3.1 Budget - Structure and concept of budgetary deficits 3.1.1 Stimulus packages and other policy measures introduced in wake of the pandemic. 3.2 Wagner’s law of increasing state activities- Wiseman-Peacock Hypothesis- Pure theory of public expenditure-structure and growth of public expenditure- 3.3 Criteria for public investment –social cost- benefit analysis- Project Evaluation-Estimation of costs- Discount rate- Reforms in expenditure budgeting- programme budgeting and zero-based budgeting 3.4 Measures and Policy responses to Covid 19 – fiscal and monetary</p>	14

4.	Title of the Topic: Taxation and Public Debt: 4.1 Trends in Public Debt 4.2 Sources and Burden of Public Debt 4.3 Indian Tax System 4.4 Intro to GST	12
5.	5. Title of the Topic: Fiscal Federalism in India 5.1 Financial issues in a Federal Set up 5.2 Centre-State Financial relations 5.3 Vertical and horizontal devolution –issues and approaches 5.4 Concept of Fiscal Consolidation, Fiscal Responsibility and Budget Management (FRBM), Fiscal Deficit in India 5.5 14 th and 15 th Finance Commission	12
	Total Number of Lectures	60
Teaching Methodology:	1. Technology Enabled Learning 2. Class Discussions 3. Analytical Thinking	
Suggested Reference Books: <ul style="list-style-type: none"> • Musgrave and Musgrave, (2017) Public Finance in Theory and Practice Mc Graw- Hill International Edition • Atkinson A.B. and J.E. Siglitz (2015). Lectures on Public Economics, Tata McGraw Hill Delhi • J.E. Siglitz (2000). Economics of the Public Sector(third Edition) • Buchaman J.M. (1970), The Public Finances, Richard D.Irwin, Homewood. • Chand, S.N.(2008), Public Finance, Atlantic Publishers • Varian, H. (2010). Intermediate microeconomics: A modern approach, 8th ed. W. W. Norton. • Singh,S.K(2008), S. Public Finance: Theory and Practice, Chand Publishing • Tyagi B.P. (2016), Public Finance, Jai Prakash Nath Co. Meerat, U.P. Recommended Readings: <ul style="list-style-type: none"> • Srivastava, D.K., (Ed) (2000) Fiscal Federalism in India, Har-Anand Publication, Ltd. New Delhi • Bhatia H.L. (2012) Public Finance (27th Edition) Vikas Publishing House Pvt.Ltd. New Delhi • Jha R. (2010), Modern Theory of Public Finance. New Age International Publishers • Chelliah, R.J. (1971) Trends in Taxation in Developing Countries. IMF Staff Papers, 18, 254-325. • https://doi.org/10.2307/3866272 • Hemlata Rao (2006) Fiscal Federalism –Issues and Policies, New Country Publications, New Delhi. • MithaniD.M. (2017). Modern Public Finance: Theory and Policy, Himalaya Publishing House, New Delhi 		
Suggested Journals: <ul style="list-style-type: none"> • Economic Survey:Various Issues • Journals,World Development Reports,GOI Publications • CMIE DATABASE Websites <ul style="list-style-type: none"> • https://dea.gov.in/indian-public-finance-statistics • https://finmin.nic.in/ 		