

# Syllabus: ECO 241 MN - Public Economics [2T]

**Class:** S.Y.B.A. Economics

**Semester:** III

**Course Type:** Minor

**Course Code:** ECO 241 MN

**Course Name:** Public Economics

**No. of Credits:** 02 [Theory]

**No. of Hours:** 30 Hours

**Total Marks:** 50 Marks

## Preamble –

Public economics is the branch of economics that studies how governments raise revenue, allocate resources, and distribute income to improve the overall well-being of society. It explores the role of the government in the economy, focusing on taxation, public expenditure, and the design of policies that address market failures, inequality, and public goods. The goal of public economics is to understand how government intervention can promote economic efficiency, equity, and social welfare while maintaining fiscal responsibility.

## Course Outcomes:

After completing this course, the students will be able to:

**CO1:** Understand the role of the state (government) in the economy.

**CO2:** Understand the relationships between an individual, society and the state.

**CO3:** Analyze how taxation and public expenditure influence economic efficiency, equity sustainability.

**CO4:** Assess fiscal policy tools in the context of growth, development, and contemporary challenges.

**CO5:** Develop analytical skills for evaluating real-world fiscal policies, budgets, and crisis responses.

## UNITS AND CONTENTS

Unit No.	Unit Title & Contents	Hours
1	<b>1. Introduction to Public Economics</b>	15
	1.1 - Nature and Scope of public economics	
	1.2 - Market failure and the rationale for state intervention	

	1.3 - Public goods vs. Private goods, Merit goods	
	1.4 - Externalities and government intervention	
	1.5 - Relationship between an Individual, Society and a State	
	1.6 - Centre-State Financial Relations in India- Role of Finance Commission	
<b>2</b>	<b>2. Public Revenue and Expenditure</b>	<b>15</b>
	2.1 - Public Revenue & Expenditure – Meaning	
	2.2 - Overview of the Indian tax system	
	2.3 - Trends and Composition of public expenditure in India	
	2.4 - Public Debt- Types and Sources, and Public Deficit- macroeconomic implications and fiscal sustainability	
	2.5 - Government budgeting: Types and process	
	2.6 - Fiscal Policy in India	

### References –

1. Buchanan, J.M., (1960), 'The Public Finances',
2. H.L. Bhatia, (2018), 'Public Finance', Vikas Publishing House, Noida.
3. M. Govinda Rao, (2001), 'Fiscal Decentralization in India', The Institute for Social and Economic Change, Bangalore.
4. Musgrave, R.A. & Musgrave, P.B., (2017), 'Public Finance in Theory and Practice', McGraw Hill Education, 5<sup>th</sup> edition.
5. Myles, G.D., (1995), 'Public Economics', Cambridge University Press
6. Rosen, H.S. & Gayer T., (2013), 'Public Finance', McGraw Hill Higher Education, 10<sup>th</sup> edition.
7. Stiglitz, J. E., & Rosengard J. K. (2015), 'Economics of the Public Sector', W W Norton & Co Inc, 4<sup>th</sup> edition.
8. Union Budget documents
9. Indian Economic Survey (latest)
10. Dhamdhare S.V. (2019), 'Sarvajanik Ayvay' (Marathi Edition), Dimond Publication, Pune.
11. Ugale S. P., Gaikwad A. A. & other, (2024) 'Sarvajanik Ayvay – I & II' (Marathi Edition), Nirali Prakashan, Pune.
12. Bhadane Jaywant R, (2020) GST Smart Taxation System, International Publication