**Work Plan (Odd Semester 2024-25) Teacher Name: Phunchok Dolker**

**Paper name: Theory of Public Finance**

**Sem- V (3rd year)**

**Class type: Generic for B.A(H), Economics Paper**

**Paper shared with: Dr. Bhairo Nath Jaiswal**

| **Unit to be taken** | **Month wise schedule to be followed** | **Tests/Assignments/ Revision/Presentations etc** |
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| **UNIT I: Theories of Public Sector and Market Mechanism (12 lectures)**  Overview of Fiscal Functions, Tools of Normative Analysis, Pareto Efficiency,  General Equilibrium Framework and the Social Welfare  • R.A. Musgrave and P.B. Musgrave, Public Finance in Theory and Practice, 5th Edition,  Chapter 1  • Stiglitz, J E & Rosengard J K (2015), Economics of the Public Sector, 4th ed, W.W.  Norton, Chapter 3 (Market Efficiency). | September (1st week) - (2 - week) October | (2 lectures + 1 tut) per week  1. Internal Assessment (IA): 30 marks  i) Two class test (12 marks each), (Best of 3)   * + - 1st test - 23th Oct     - 2nd test- 2nd week of november     - 3rd test - last week of november   iii) class attendance (6 marks)  2. Continuous Assessment (CA): 40 marks  i) attendance (6 marks)  ii) Projects, presentations, literature review, group discussions (35 marks)  3. End-semester (Final) Exam: 90 marks  i) 5 questions out of 7 have to be answered. All questions will carry equal marks.  ii) There should be at least one question from every unit.  Mid semester break - 27th Oct - 3rd Nov  - Revision and preparation Break -28th November  - Examination- 11th December |
| **UNIT II: Market Failure (12 lectures)**  Sources of Market Failure; Public Goods; and Externalities.  • Stiglitz, J E & Rosengard J K (2015), Economics of the Public Sector, 4th ed, W.W.  Norton, Chapter 4 (Market Failure), Chapter 5 (Public Goods and Publicly Provided  Private Goods) and Chapter 6 (Externalities and the Environment). | October (2nd week) - (2nd week) November |
| **UNIT IV: Working of Fiscal and Monetary Policies (9 lectures)**  Fiscal Policy; Banking System and Creation of Money; Monetary Instruments and Policies; Fiscal and Monetary Management In Indian Context  Case and Fair, Principles of Economics, 10th Edition, Chapter 24 (pp. 478-486, 492-494),  Chapter 25 (pp. 501-502, 505-510,515-519)  Economic Survey 2020-21, Ch 4. Monetary Management and Financial Intermediation (Pg.  123-137), Vol 2. | ( 2nd week) november - (4th Week) November |

Recommended readings

R.A. Musgrave and P.B. Musgrave, Public Finance in Theory and Practice, 5th Edition.

Stiglitz, J E & Rosengard J K (2015), Economics of the Public Sector, 4th ed, W.W.

Norton.

Case and Fair, Principles of Economics, 10th Edition, Chapter 24 (pp. 478-486, 492-494),

Chapter 25 (pp. 501-502, 505-510,515-519)

Relevant Economic Surveys - for topics related to the Indian context.