

# MANGALORE UNIVERSITY

## CORRESPONDENCE COURSE

### II YEAR B.A. - ECONOMICS

#### Paper : Money, Banking, International Trade and Public Finance

#### UNIT - A

##### Module: 1 Nature and Functions of Money.

Nature and Functions of Money - Forms of Money - Money and near money assets.

##### Module: 2 Value of Money.

Value of Money - Quantity Theory of Money - Fisher's Equation of Exchange - Cambridge Version of Quantity Theory - Index Numbers, Construction, Uses and Limitations.

#### UNIT - B

##### Module: 3 Commercial Banking.

Functions of Commercial Banks - Balance Sheet of a Bank - Investment Policy - Credit Creation - Modern Banking Instruments - Cheque, Draft, Bills, ATM, Credit Card, Debit Cards, On line Banking.

Module: 4 Central Banking.

Nature and Functions of a Central Bank - Meaning and Objectives of Monetary Policy - Credit Control: Quantitative and Qualitative Methods.

UNIT - C

Module: 5 International Trade.

Features of International Trade - Theories of Trade - Classical Theory of Comparative Cost - H.O. Theory of International Trade.

Module: 6 Commercial Policy.

Free Trade and Protection - Arguments for and against.

Exchange Rate Determination - Purchasing Power Parity and Balance of Payments Theory - WTO - Organisation and Agreements (Agriculture TRIPS, TRIMS, GATS).

UNIT - D

Module: 7 Nature of Public Finance.

Public and Private Finance - Public Revenue, Tax and Non Tax Revenue - Canons of Taxation, Taxable Capacity.

Module: 8 Public Debt and Public Expenditure.

Meaning and Types of Public Debt - Debt Redemption. Public Expenditure: Reasons for Increased Public Expenditure - Principle of Maximum Social Advantage.

## References:

1. Dalton H., Principles of Public Finance.
2. Francis Cherunilam, Foreign Exchange Management.
3. Growther G., An Outline of Money.
4. Gupta S.B. (1994), Monetary Economics, S. Chand & Company, New Delhi.
5. Jha R. (1998), Modern Public Economics, Rout Ledge, London.
6. Jinghan M.L., Monetary Theory.
7. Kulkarni Kishore, Modern Monetary Theory - An Exposition.
8. Kurihara K.K., Modern Theory and Public Policy.
9. Mc. Vaish & Sudam Singh, International Economics.
10. Mithuni D.M. (1998), Modern Public Finance, Himalaya Publishing House, Mumbai.
11. Raghabendra Jha, Modern Theory of Public Finance.
12. Reserve Bank of India, Report on Currency and Finance (Annual), Mumbai.
13. Reserve Bank of India, Report on Trend and Progress of Banking in India.
14. Sayers R.S., Modern Banking, Recent Edition.
15. Seth M.L., Monetary Economics, Recent Edition.
16. Soderstein, International Economics.
17. Sundaram K.P.M., Money, Banking, Trade and Finance.