

DEVELOPMENTAL ECONOMICS

Objectives: This course is intended to provide a review of the main issues in Development and apply the main theories of economic development to appreciate the role of markets and institutions in facilitating development, apply the knowledge and skills acquired to study the main forces sustaining and limiting economic development and Critically analyse and thereby design effective policy interventions

Unit-1 Introduction Economic Growth and Development –

Defining Development and underdevelopment- - Measurement of development: Per Capita income (PCI) Physical Quality of Life Index (PQLI), Human Development Index (HDI), Gender Related Development Index (GDI), Gender Empowerment Measure (GEM), Human Poverty Index(HPI), Sen's Capability Approach, Inequality and Kuznet's inverted 'U'

Unit II Problems of Development Structure and Characteristics of developing nations –

Obstacles to growth and development – Vicious Circle of Poverty, Unemployment, inequality, gender, caste and community, problems related to technology, manpower and resources, problems related to capital formation, foreign capital and foreign aid - problems related to different sectors and their growth.

Unit III Theories of development Classical theories-

Adam smith - Ricardo- Malthus, Marx's theory of economic development; Schumpeter's theory, Harrod Domar Growth model – Approaches to development- low income equilibrium trap - critical minimum effort-thesis - balanced and unbalanced growth, , big push theory, Rostow's stages of Economic Growth , unlimited supply of labour,

Unit IV Development Planning: Indian Experience –

Genesis of planning in India- Planning commission in India ; role and functions- goals and achievements of five year plans in India, Bombay Plan, Gandhian Plan- overview of current five year Plan.

Unit V Domestic Resources for development

Introduction, Nature of Money markets in less developed countries, Money and Economic Growth, Inflation and economic growth, Fiscal Policy and growth, Taxation and domestic resource mobilization

References :

1. Ghatak, Subrata : Introduction to Development Economics ,Third edition, 1998,Routledge,London
2. Misra & Puri : Economics of Development & Planning(Theory and Practice),Sixteenth edition, 2016,Himalaya Publishing House