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ECONOMICS OF DEVELOPMENT

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SYLLABUS

Title : Development Economics

Course No. ECO-104

Maximum Marks : 100

Credits : 4

a) Semester Examination : 80

Duration of Examination : 3:00 hrs.

b) Sessional Assessment : 20

DEVELOPMENT ECONOMICS

**Syllabus for the Examination to be held in December 2018
to December 2020**

PREAMBLE : The study of economic development has gained importance because of sustained interest of the developing countries in uplifting their economic conditions by restructuring their economies to acquire greater diversify, efficiency and equity in consonance with their priorities. While few success stories can be counted, many have grappled with chronic problems of narrow economic base, inefficiency and low standard of living. For this and other reasons, there have been many approaches to economic development. In recent times, besides hardcore economic prescriptions to development, concerns hitherto relegated to background like education, health sanitation and infrastructural development, have found a place of pride in explaining the preferences of various economies. Topics incorporated in this paper are devoted to the theories of growth and development and problems of measurement, social and institutional aspects of development, importance of agriculture, and the reationals and pattern of industrialization in developing countries. The other important issues in the context of development such as infrastructure-linkages, role of international trade, importance of domestic macroeconomic policies, investment criteria, and relevance of planning have been included in this course.

Unit -I : Social and Institutional aspects of Development

Development and underdevelopment - perpetuation of underdevelopment;
Sustainable Development, Poverty - Absolute and relative - measures of poverty

and their merits and demerits; Measuring development and development gap, Human development index and other indices of development, Inequality - Measures of Inequality - Effects of Inequality; Human resource development : Population problems - Theory of demographic transition; Population as limits to growth and as ultimate source- Population, Poverty and Environment: Economic Development and Institutions - Markets and Market failure, State and State failure, Issues of good governance.

Unit-II : Theories of Development

Classical theory of development : Growth and stagnation, Marxian Model of Growth and Collapse and Schumpeter theory of Economic Development, Partial theories of growth and development -- vicious circle of poverty, circular causation, Dualism -- technical and social; Lewis Model, Rains and Fei model, Dependency theory of development, Strategies of Development --- Big push, Balanced growth, Unbalanced growth, Critical minimum effort thesis, Low Level Equilibrium trap.

Unit-III : Sectoral Aspects of Development and the Role of International Trade

Role of agriculture in economic development; Transformation of agriculture and rural development, Complementarity between agriculture and industry, Rationale and pattern of industrialization in developing countries, Labour markets in developing countries, Choice of techniques and appropriate technology, International trade as an engine of growth, Static and dynamic gains of trade, Prebisch-Singer versus free trade, Import substitution versus Export promotion, Dual Gap analysis, WTO and developing countries.

Unit-IV : Macro Economic Policies, Planning and Development

Role of monetary and Fiscal Policies in developing countries, Inflation and Economic growth: Empirical Evidence, Aid versus Trade, technology Inflow, MNCs activity in developing countries, Burden of borrowing – IMF and World bank Policies in developing countries; Need for investment criteria – Present versus Future, Alternative investment criteria, Cost - Benefit analysis, Shadow

prices, Project Evaluation and UNIDO guidelines; Need for planning - Democratic, Decentralized and Indicative planning and Micro Level Planning; Review of Indian Plan models and planning.

NOTE FOR PAPER SETTING

There shall be two types of questions in each unit-four short answer type (each of 250 words) and two medium answer type (each of 500 words). The candidate will have to attempt two short answer type questions and one medium answer type question from each unit. Each short answer type question shall carry 4 marks and each medium answer type question shall carry 12 marks.

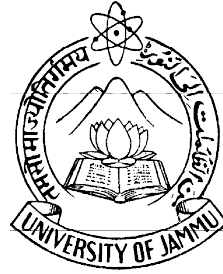
Basic Reading List

1. Adelman, I. (1961), Theories of Economic Growth and Development, Stanford University press, Stanford.
2. Behrman, S. and T.N. Srinivasan (1995), Handbook of Development Economics, Vol. 3, Elsevier, Amsterdam.
3. Ghatak, S. (1986), An Introduction to Development Economics, Allen and Unwin, London.
4. Hayami, Y. (1997), Development Economics, Oxford University Press, New York.
5. Higgins, B. (1959), Leading Issues in Economic Development (6th Edition). Oxford University Press, New York.
6. Meir, G.M. (1995), Leading Issues in Economic Development (6th Edition). Oxford University Press, New Delhi.
7. Ray, Dehraj (2011), Development Economics, Oxford University Press, Delhi.
8. Thirwall, A.P. (2011), Growth and Development, (9th Edition) Macmillan, U.K.
9. Todaro, M.P. (2011), Economic Development, (9th Edition), Longman London.

10. Chakarvorti. S. (1987), *Developing Planning: The Indian Experience*, Clarendon Press, Oxford.
11. Dasgupta, P., A.K. Sen and S. Maglini (1972), *Guidelines for Project Evaluation*, UNIDO, Vienna.
12. Mishan, E.J. (1975), *Cost Benefit Analysis (2nd Edition)* Allen and Unwin, London.
13. Sen, A.K. (Ed.) (1990), *Growth Economics*, Penguin, Harmondsworth.

Directorate of Distance Education

**UNIVERSITY OF JAMMU
JAMMU**



SELF LEARNING MATERIAL

1st Semester

**M.A. ECONOMICS
Course No. : ECO-104**

**Unit I to IV
Lesson No. 1-18**

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**Printed and Published on behalf of the Directorate of Distance Education,
University of Jammu, Jammu by the Director, DDE, University of Jammu,
Jammu.**

M.A. ECONOMICS IST SEMESTER

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