

Semester V
B.A. (Honours) Economics
C 12: DEVELOPMENT ECONOMICS-I (6 Credits)
Full marks: 100 (Mid Term-20 + End Term-80)

Course Description

This is the first part of a two-part course on economic development. The course begins with a discussion of alternative conceptions of development and their justification. It then proceeds to aggregate models of growth and cross-national comparisons of the growth experience that can help evaluate these models. The axiomatic basis for inequality measurement is used to develop measures of inequality and connections between growth and inequality are explored. The course ends by linking political institutions to growth and inequality by discussing the role of the state in economic development and the informational and incentive problems that affect state governance.

Units		No of Lecture Hours	No of Tutorial Hours	Marks
1	Concepts of Development: Evolution of Development Economics; Economic growth and development, Characteristics of underdeveloped economies, Measures of development- GNP, PQLI, HDI, GDI, GEM ;	15	3	16
2	Strategies of Development: Stages of Economic growth- Rostow ; low level equilibrium trap , the critical minimum effort hypothesis; big push theory, balanced vs. unbalanced growth; Choice of Technique	15	3	16
3	Growth Models : Classical growth model; Harrod-Domar model ; Kaldor's Model, Solow model and its variants, Meade Model, Endogenous growth model- Romer.	15	3	16
4	Poverty and Inequality: Definitions, Measures of poverty- Head count ratio, Sen's Index, HPI, MPI. inequality measures- Gini Coefficient and Lorenz Curve; connections between inequality and development; Mechanisms that generate poverty traps and path dependence of growth processes	15	3	16
5	Political Institutions and the Functioning of the State Alternative institutional trajectories and their relationship with economic performance, Relationship between democracy and	15	3	16

	economic development, within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.			
Total		75	15	80

Reading List:

1. Debraj Ray, Development Economics, Oxford University Press, 2009.
2. Partha Dasgupta, Economics, A VeryShort Introduction, Oxford University Press, 2007.
3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, Understanding Poverty, Oxford University Press, 2006.
4. Kaushik Basu, The Oxford Companion to Economics in India, OUP, 2007.
5. Amartya Sen, Development as Freedom, OUP, 2000.
6. Daron Acemoglu and James Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press, 2006.
7. Robert Putnam, Making Democracy Work: Civic Traditions in Modern Italy, Princeton University Press, 1994
8. A. P. Thirlwall : Economics of Development, Palgrave Macmillan, 2011
9. Yujiro Hayami and Yoshihisa Godo : Development Economics, Oxford Publication, 2009
10. Gerald M. Meier and James E. Rauch : Leading Issues in Economic Development, Oxford Publication, 2006
11. Hall and Papell : Macro Economics: Economic growth ,Fluctuations and Policy, 6th edition, Norton Books