

# M.A. (FINAL) ECONOMICS

## Compulsory Paper

### Paper-VI

## ECONOMICS OF GROWTH AND DEVELOPMENT

### Unit I

Economic growth and development -Factors affecting economic growth: capital, labour and technology, Measuring development and development gap- per capita income, inequality of income, Human development index and other indices of development and quality of life. Classical theory of development- contribution of Adam Smith, Ricardo, Malthus and James Mill, Karl Marx and development of capitalistic economy- theory of social change, surplus value and profit. Crisis in capitalism- Schumpeter and capitalistic development: innovation-role of credit, profit and degeneration of capitalism.

### Unit II

Growth models- Harrod and Domar, instability of equilibrium : Neo Classical growth models- Solow and Meade. Mrs. Joan Robinson's growth model : Cambridge criticism of Neo-classical analysis of growth. Technological progress- embodied and disembodied technical progress. Golden rule of accumulation. Stability of equilibrium : Money in economic growth, Endogenous growth.

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FOR OFFICE USE ONLY

Unlimited supply of labour, big push, balanced growth, unbalanced growth, critical minimum effort thesis, low-income equilibrium trap : Dualism- technical, behavioural and social : Ranis and Fei model.

### Unit III

Development and underdevelopment – Perpetuation of underdevelopment. Population problems and growth pattern of population- Theory of demographic transition : Population as limit to growth and as ultimate source- population, poverty and environment.

Human Resource Development- Food security, education, health and nutrition.

### Unit IV

Role of agriculture in economic development; Efficiency and productivity in agriculture, New technology and sustainable agriculture; Globalization and agricultural growth; Rationale and pattern of industrialization in developing countries; The choice of techniques and appropriate technology and employment.

Efficiency of small- scale v/s large-scale production; Terms of trade between agriculture and industry, Infrastructure and its importance.

### Unit V

Need for investment criteria in developing countries- present v/s future, Alternative investment criteria :

cost benefit analysis, shadow prices, project evaluation.

External resources - FDI, aid v/s trade, technology inflow; MNCs activity in developing countries; Borrowings - domestic and external; Burden of borrowing . Role of Monetary and fiscal policies in developing countries.

### BASIC READING LIST

- Adelman, I. (1961), Theories of Economic Growth and Development, Stanford University Press, Stanford.
- Behrman, S. and T.N. Srinivasan (1995), Handbook of Development Economics, Vol. 3, Elsevier, Amsterdam.
- Brown, M. (1966), On the Theory and Measurement of Technical Change, Cambridge University Press, Cambridge, Mass.
- Chenery, H.B. et. al. (Eds.) (1974), Redistribution with Growth, Oxford University Press Oxford.
- Chenery, H. and T.N. Srinivasan (Eds.) (1989), Handbook of Development Economics, Vols. 1 & 2, Elsevier, Amsterdam.
- Dasgupta, P. (1993), An Enquiry into Well-being and Destitution, Clarendon Press, Oxford.
- Ghatak, S. (1986), An Introduction to Development Economics, Allen and Unwin, London.

Gillis, M., D.H. Perkins, M. Romer and D.R. Snodgrass (1992), Economics of Development, (3rd Edition), W.W. Norton, New York.

Gimmell, N. (1987), Surveys in Development Economics, Blackwell, Oxford.

Higgins, B. (1959), Economic Development, W.W. Norton, New York.

Hogendorn, J. (1996), Economic Development, Addison, Wesley, New York.

Kahkonon, S. and M. Olson (2000), A New Institutional Approach to Economic Development, Vistaar .

Kindleberger, C.P. (1977), Economic Development, (3rd Edition), McGraw Hill, New York.

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Todaro, M.P. (1996), (6th Edition), Economic Development, Longman, London.

Thirwal, A.P. (1999), (6th Edition), Growth and Development, Macmillan, U.K.

## ADDITIONAL READING LIST

### Unit I & II

- Barrell R., G. Mason and M.O. Mahoney (2000) Productivity, Innovation and Economic Performance, Cambridge University Press, Cambridge
- Barrow, R. and X. Sela-i, Martin, Economic Growth, McGraw Hill, New York.
- Chakravarti, S. (1982). Alternative Approaches to the Theory of Economic Growth, Oxford University Press, New Delhi.
- Hayami. Y. (1997), Development Economics Oxford University Press, New York.
- Meadows. D.H. et. al. (1972), The Limits to Growth, Universe Books, New York.
- Sen, A.K. (Ed.) (1990), Growth Economics Penguin, Harmondsworth.
- Solow. R.M. (2000), Growth Theory : An Exposition, Oxford University Press, Oxford.
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- Therberge, J.D. et. al. (1968), Economics of Trade and Development, John Wiley.

### Unit II & III

- Dasgupta, P. (1993), An-Enquiry into Well-being and Destitution. Clarendon Press, Oxford.

Hirsch. A.O. (1958), The Strategy of Economic Development, Yale University Press, New York.

Lewis, W.A. (1955), The Theory of Economic Growth, George Allen and Unwin, London.

Mehrotra, S. and J. Richard (1998), Development with a Human Face; Oxford University Press, New Delhi.

Meier, G.M. and D. Seers (Eds.) (1987), Pioneers in Development, Oxford University Press, New York.

Myrdal, G. (1957), Economic Theory and Underdeveloped Regions, Duckworth, London.

Schumpeter, J.A. (1949), The Theory of Economic Development, Harvard University Press, Cambridge, Mass.

Todaro, M.P. (1971), Development Planning : Models and Methods, Oxford University Press, Oxford.

United Nations (1994), Human Development Report, United Nations, New York.

Campbell, N. and F. Burton (Eds.) (1994), Japanese Multinationals, Routledge, New York.

Dasgupta, P., A.K. Sen and S. Marglin (1972), Guidelines for Project Evaluation, UNIDO Vienna.

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- Sen, A. (1992), *Inequality Reexamined*, Oxford University Press, Oxford.
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#### Unit IV

- Chakravarti S. (1987), *Development Planning: The Indian Experience*, Clarendon Press, Oxford.
- Bhagwati, J. and P. Desai (1970), *India: Planning for Industrialization*, Oxford University Press, London.
- Grossman, G. and E. Helpman (1991), *Innovation and Growth in the Global Economy*, MIT Press, Cambridge, Mass.
- Nayyar, D. (Ed.) (1994), *Industrial Growth and Stagnation. The Debate in India*, Oxford University Press, New Delhi.

- Todaro. M.P. (1971), *Development Planning: Models and Methods*, Oxford University Press, Oxford.
- Weiss, J. (1988), *Industry in Developing Countries*, Croom Helm, London.
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- Hayami, Y. and M. Akoi (Eds.) (1998), *The Institutional Foundations of East Asian Economic Development*, Macmillan, London.
- Killick, T. (1995), *IMF Programmes in Developing Countries: Design and Impact*, Routledge, London.
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## Unit V

- Brahmananda, P.R. and C.N. Vakil (1956), Planning for an Expanding Economy, Vora and Co., Bombay.
- Chakravarti, S. (1987), Development Planning : The Indian Experience, Clarendon Press Oxford.
- Gupta, S.B. (1988), Monetary Economics: Institutions, Theory and Policy. S. Chand and Co., New Delhi.
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