

Semester	V
Paper Number	HECCR5121T
Paper Title	DEVELOPMENT ECONOMICS
No. of Credits	6
Theory/Composite	Theory
No. of periods assigned	5 Theory + 1 Tutorial
Course description/objective	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.
Syllabus	<p>Module 1 (40 marks)</p> <p>1. Conceptions of Development Alternative measures of development, documenting the international variation in these measures, comparing development trajectories across nations and within them.</p> <p>2. Growth Models and Empirics The Harrod-Domar model, the Solow model and its variants, endogenous growth models and evidence on the determinants of growth.</p> <p>Number of Classes per week: 2</p> <hr/> <p>Module 2 (40 marks)</p> <p>3. Poverty and Inequality: Definitions, Measures and Mechanisms Inequality axioms; a comparison of commonly used inequality measures; connections between inequality and development; poverty measurement; characteristics of the poor; mechanisms that generate poverty traps and path dependence of growth processes.</p> <p>4. Political Institutions and the Functioning of the State The determinants of democracy; alternative institutional trajectories and their relationship with economic performance; within-country differences in the functioning of state institutions; state ownership and regulation; government failures and corruption.</p> <p>Number of Classes per week: 3</p> <hr/> <p>Tutorial Classes per week: 1</p>
Readings	<p>1. Debraj Ray, <i>Development Economics</i>, Oxford University Press, 2009.</p> <p>2. Partha Dasgupta, <i>Economics, A Very Short Introduction</i>, Oxford University Press, 2007.</p>

	<p>3. Abhijit Banerjee, Roland Benabou and Dilip Mookerjee, <i>Understanding Poverty</i>, Oxford University Press, 2006.</p> <p>4. Kaushik Basu, <i>The Oxford Companion to Economics in India</i>, OUP, 2007.</p> <p>5. Amartya Sen, <i>Development as Freedom</i>, OUP, 2000.</p> <p>6. Daron Acemoglu and James Robinson, <i>Economic Origins of Dictatorship and Democracy</i>, Cambridge University Press, 2006.</p> <p>7. Robert Putnam, <i>Making Democracy Work: Civic Traditions in Modern Italy</i>, Princeton University Press, 1994.</p> <p>8. Kaushik Basu, <i>Analytical Development Economics</i>, OUP.</p> <p>9. Meier & Rauch (ed), <i>Leading Issues in Development Economics</i>, OUP.</p> <p>10. Todaro & Smith, <i>Economic Development</i>, Pearson Education, 2009.</p>			
Evaluation	<p>Continuous Internal Assessment: 20 marks</p> <p>End- Semester Theory Examination: 80 marks</p>			
Paper Structure for End Sem Theory	Module	No. of Questions to be Answered	No. of Alternatives	Marks
	Module 1	2	3	5 x 2 = 10
		2	3	15 x 2 = 30
	Module 2	2	3	5 x 2 = 10
		2	3	15 x 2 = 30
	Total Marks			80