

Semester	I
Paper Number	<b>MECO4104</b>
Paper Title	<b>Development Economics</b>
No. of Credits	6
Theory/Composite	Theory
No. of periods assigned	6 Theory
Course description/objective	To analyse and describe the features of less developed economies and the macroeconomic and microeconomic development challenges they face. To explain and apply key development economic growth theories, international trade development theories, and related economic development theories . To analyse and describe significant policy options available to government and international organisation to address economic development challenges.
Syllabus	<p><b>Module 1 (30 marks)</b>  <b>Roots of development theory</b>  Underdevelopment as a historical process and underdevelopment structures; production, growth and development; capability and functioning and freedom; market and the state, HDI; Gender related issues  <b>Poverty and Inequality:</b>  Conceptual framework and measurement</p> <p><b>Module 2 (20 marks)</b>  <b>Coordination Failure and Big Push:</b>  External Economies and multiple equilibria; Vicious circle of poverty and industrialization. Technological complementarities, coordination failure and recession.</p> <p><b>Module 3 (30 marks)</b>  <b>Dual Economy Models-</b> Ranis Fei, Jorgenson, Cardoso, Rakshit-Taylor Models  <b>Trade and Development-</b> Neo-Ricardian, Neoclassical, Structuralist Models</p>
Readings	<ul style="list-style-type: none"> <li>• Pranab Bardhan: Alternative Approaches to Development Economics in Handbook of Development Economics, Vol.1, Ed by Holis Chenery and T.N. Srinivasan</li> <li>• Amartya Sen(1999) Commodities &amp; Capabilities, Oxford University Press, New Delhi.</li> <li>• Paul Krugman: History versus Expectations  Murphy, K.M., Shelfer, A., and Vishny, R. (1989). Industrialization and the big push. Journal of political economy 97:1003-26  Kaushik Basu: Analytical Development Economics</li> <li>• Russell W. Cooper, <i>Coordination Games – Complementarities and Macroeconomics</i>, Cambridge University Press</li> <li>• Bacha E(1978): An Interpretation of unequal exchange from Prebisch-Singer to Emmanuel, JDE</li> <li>• Mihir Rakshit, The Labour Surplus Economy: A Neo-Keynesian</li> </ul>

	Approach, Macmillan. <ul style="list-style-type: none"> <li>• Mihir Rakshit, Studies in the Macroeconomics of Developing Countries, OUP.</li> <li>• Jorgenson, Dale (1967) Surplus Agricultural Labour &amp; Development of Rural Economy, Oxford University Press 19(3) 288-312.</li> <li>• Rajat Acharyya and Saibal Kar(2014): International Trade &amp; Economic Development</li> <li>• Sarbajit Chaudhuri and Ujjaini Mukhopadhyay(2014): Foreign Direct Investment in Developing Countries</li> </ul>			
Evaluation	Continuous Internal Assessment: 20 marks End- Semester Theory Examination: 80 marks			
Paper Structure for End Sem Theory	Module	No. of Questions to be Answered	No. of Alternatives	Marks
	Module 1	2	3	15 x 2 = 30
	Module 2	2	3	10 x 2 = 20
	Module 3	2	3	15 x 2 = 30
	Total Marks			80