

Panjab University, Chandigarh

Economics of Development

B.A.–III, Semester–V

Time Allowed: 3 Hours

Maximum Marks: 100

[External Assessment: 90 Marks

Internal Assessment: 10 Marks]

Course Objective: The primary course objective is to introduce the students to the basic features, determinants, and theories and strategies of development of underdeveloped economies. It also introduces students to the theory of how control and direction of economic activity by a central public authority can be used as an alternative to market by the underdeveloped economies.

INSTRUCTIONS FOR THE PAPER-SETTER AND CANDIDATES:

The syllabus has been divided into four units.

- (i) There shall be 9 questions in all. The first question is compulsory and shall be short answer type containing 12 short questions spread over the whole syllabus to be answered in about 25 to 30 words each. The candidates are required to attempt any 9 short answer type questions. It shall carry 18 marks i.e. 2 marks of each. Rest of the paper shall contain 4 units. Each unit shall have two questions and the candidates shall be given internal choice of attempting one question from each Unit – 4 in all. Each question will carry 18 marks.
- (ii) For private candidates, who have not been assessed earlier for internal assessment, the marks secured by them in theory paper will proportionately be increased to maximum marks of the paper in lieu of internal assessment.

The paper setter must put note (ii) in the question paper.

Unit-I ✓

Economic Growth and Development: Concept and Measurement. Main Features of an Underdeveloped Economy. Determinants of Economic Development. Capital Formation: Its Source, Nurkse's Thesis of Disguised Unemployment. Lewis Theory of Unlimited Supply of Labour.

Unit-II

Classical Model of Growth; Harrod Domar Model of Economic Growth; One Sector Neo-classical Model of Growth. Solow Model of Growth. Dualism: Social and Technological.

Unit-III ✓

Theory of Big Push. Leibenstein's Critical Minimum Effect Thesis. Strategies of Economic Development: Balanced Vs. Unbalanced Growth. Rostow's Theory of Stages of Growth.

Unit-IV

Theory of Planning in Developing Countries: Need, Objectives, Strategies and Problems of Planning. Price Mechanism and Planning. Investment Criteria. Choice of Technique. Emerging Strategies: Export Promotion and Import Substitution Strategy.