

**ECONOMICS**  
**COURSE NO: ECO-502**  
**ECONOMICS OF GROWTH AND DEVELOPMENT**

**Unit I – Economics of Growth and Development**

1. Development and Underdevelopment
  - a) Characteristics of Underdevelopment
  - b) Perpetuation of Underdevelopment
  - c) Difference between development and Underdevelopment
  - d) Various measurement of economic development
2. Factors effecting economic growth
  - a) Economic factor
  - b) Non – economic Factor
3. Importance of Agriculture, Industry and infrastructure
  - a) Role of Agriculture
  - b) Role of Industry
  - c) Role of Infrastructure

**Unit II – Theories of Economic Development (Classical Theories)**

1. Adam Smith
  - a) Theory
  - b) Critical Appraisal
  - c) Its applicability to UDC's
2. David Ricardo
  - a) Theory
  - b) Critical Appraisal
  - c) Underdeveloped countries and Ricardo theory
3. Malthus
  - a) Theory
  - b) Critical Appraisal
  - c) Its applicability to underdeveloped countries
4. J.S Mills
  - a) Theory
  - b) Critical Appraisal
  - c) Its applicability to underdeveloped countries
5. Karl Marx
  - a) Theory
  - b) Critical Appraisal
  - c) The Marxian theory and underdeveloped countries
6. Joseph Schumpeter
  - a) Theory
  - b) Criticism
  - c) Schumpeter analysis and underdeveloped countries

**Unit III – Theories of Economic Growth**

1. Harrod and Domar Models
  - a) Harrod Model
  - b) Domar Model
  - c) Application in Underdeveloped Countries
  - d) Limitation of the model
2. R.M Solow model
  - a) Assumptions
  - b) The Model
  - c) Critical Appraisal
3. John Robinson

- a) The model
  - b) Critical appraisal
  - c) Its Applicability to UDC's
4. Kaldor Model
- a) Assumption
  - b) The Model
  - c) A critical Appraisal
5. New Growth theory (Paul Romer)
- a) Assumption
  - b) Criticism
  - c) Policy implication

#### **Unit IV – Partial theories of Growth and Development**

1. Circular carnation
- a) Myrdal thesis
  - b) Regional and international inequalities
  - c) Critical Appraisal
2. Ruston's stages of growth
- a) Five stages of growth
  - b) Criticism of the stages of economic growth
  - c) Importance and limitation of the take – off for UDC's
  - d) Take off and India.
3. Big Push theory
- a) Rorentun and Rodan thesis
  - b) Critical Appraisal.
4. Balanced Vs unbalanced growth.
- a) Meaning
  - b) Explanation
  - c) Critical Appraisal
  - d) Limitations

#### **Unit V – Investment and Planning**

1. Investment.
- a) Meaning
  - b) Types
  - c) Needs
2. Investment Criterion.
- a) Capital turn – over Criterion
  - b) Social Marginal productivity
  - c) Reinvestment Criterion
  - d) Time Series Criterion.
3. Cost – Benefit Analysis
- a) Criteria of Cost – benefits
  - b) Limitation.
  - c) Uses of Cost – benefit
4. Choice of Technique.
- a) Labour intensive technique
  - b) Capital intensive technique