

**Paper BC 6.4: INDIAN ECONOMY****Duration: 2.5 hrs Total Marks: 60(Term end examination 56 (Marks for Attendance 4)****Lectures: 65**

**Objectives:** *This course seeks to enable the student to grasp the major economic problems in India and their solutions. It also seeks to provide an understanding of modern tools of macro-economic analysis and policy framework.*

**Unit 1: Basic Issues and features of Indian Economy, Policy Regimes**

Concept and Measures of Development and Underdevelopment; Human Development; Composition of national income and occupational structure

- a) The evolution of planning and import substituting industrialization.
- b) Economic Reforms since 1991.
- c) Monetary and Fiscal policies with their implications on economy

**Unit 2: Growth, Development and Structural Change**

- a) The experience of Growth, Development and Structural Change in different phases of growth and policy regimes across sectors and regions.
- b) The Institutional Framework: Patterns of assets ownership in agriculture and industry; Policies for restructuring agrarian relations and for regulating concentration of economic power;
- c) Changes in policy perspectives on the role of institutional framework after 1991.
- d) Growth and Distribution; Unemployment and Poverty; Human Development; Environmental concerns.
- e) Demographic Constraints: Interaction between population change and economic development.

**Unit 3: Sectoral Trends and Issues**

- a) *Agriculture Sector:* Agrarian growth and performance in different phases of policy regimes i.e. pre green revolution and the two phases of green revolution; Factors influencing productivity and growth; the role of technology and institutions; price policy, the public distribution system and food security.
- b) *Industry and Services Sector:* Phases of Industrialisation – the rate and pattern of industrial growth across alternative policy regimes; Public sector – its role, performance and reforms; The small scale sector; Role of Foreign capital.
- c) *Financial Sector:* Structure, Performance and Reforms. Foreign Trade and balance of Payments: Structural Changes and Performance of India's Foreign Trade and Balance of Payments; Trade Policy Debate; Export policies and performance; Macro Economic Stabilisation and Structural Adjustment; India and the WTO, Role of FDI, Capital account convertibility,

**Unit 5: Inflation, Unemployment and Labour market**

Inflation: Causes of rising and falling inflation, inflation and interest rates, social costs of inflation; Unemployment – natural rate of unemployment, frictional and wait unemployment. Labour market and its interaction with production system; Phillips curve, the trade-off between inflation and unemployment, sacrifice ratio, role of expectations adaptive and rational

**Unit V and Unit IV (For Internal Assessment)****Tutorials**

**Analysis of case studies based on syllabi of Unit I to Unit IV/ Assignments based on field survey/subject tours wherever feasible/Quiz programmes/moot courts wherever feasible/class presentations/class room seminars/Group discussions**

**Suggested Readings:**

1. Mishra and Puri, *Indian Economy*, Himalaya Publishing House
2. IC Dhingra, *Indian Economy*, Sultan Chand & Sons
3. Gaurav Dutt and KPM Sundarum, *Indian Economy*, S. Chand & Company.
4. Uma Kapila (ed), "*Indian Economy since Independence*", Relevant articles.
5. Bhagwati, J. and Desai, P. *India: Planning for industrialization*, OUP, Ch 2.
6. Patnaik, Prabhat. *Some Indian Debates on Planning*. T. J. Byres (ed.). *The Indian Economy: Major Debates since Independence*, OUP.
7. Ahluwalia, Montek S. *State-level Performance under Economic Reforms in India* in A. O. Krueger. (ed.). *Economic Policy Reforms and the Indian Economy*, The University of Chicago Press.
8. Mankiw, N. Gregory. *Principles of Macroeconomics*. Cengage Learning
9. Rudiger Dornbusch, Stanley Fischer, and Richard Startz, *Macroeconomics*. McGraw-Hill Education
10. Oliver J. Blanchard, *Macroeconomics*, Pearson Education
11. G. S. Gupta, *Macroeconomics: Theory and Applications*, McGraw-Hill Education
12. Paul A Samuelson, William D Nordhaus, Sudip Chaudhuri, *Macroeconomic*, McGraw-Hill Education.

**Journals:**

1. The Indian Economic Journal: SAGE Journals
2. PRAGATI : Journal of Indian Economy - i-Scholar
3. Indian Economic Review - Springer