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Economics of Development

SEMESTER - I

ECONOMICS

BLOCK 2



KRISHNA KANTA HANDIQUI STATE OPEN UNIVERSITY

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CONTENTS

		Page No:
UNIT 11 :	**Industry and Development** Growth of Indian Industry during the Planning Period; Industrial Policies in India; Problems of Industrial Development in India; Role of Industries in Developing Countries	**179-190**
UNIT 12 :	**Infrastructure and Development** Meaning and Features of Infrastructure; Role and Importance of Infrastructure; Public-Private Partnership: Meaning of Public-Private Partnership in Infrastructure Projects, Advantages of PPPs, Why PPPs have become Attractive to the Governments?, Limitations of PPPs, Models of PPP; Role of Public-Private Partnership in Infrastructure: PPPs in India: Recent Scenario, Government Initiatives to Encourage PPP	**191-207**
UNIT 13 :	**Planning in Development** Rationale for Planning: Market Failure, Resource Mobilisation and Allocation, Psychological Factors, Foreign Aid; Plan Models: Elements of Planning Models, Types of Planning Models; Aggregative and Inter-Sectoral Model: Cost Benefit Analysis, Social Profit, Calculation of Social Profitability, Setting Objectives, Computation of Shadow Prices and Social Discounting Rates, Decision Criteria of Choosing Projects, Planning Models and Plan Consistency; Project Evaluation; Failure of Planning; Planning in a Market Oriented Economy	**208-223**
UNIT 14 :	**Social Sector and Economic Development** Education and Health in Economic Development: Education and Economic Development: Some Empirical Findings, Schultz's Analysis of Expenditure on Education and Income, Consumption Benefits of Education, External Benefits of Education, Education, Inequality and Poverty, Linkage between Health and Economic Development; Morbidity vs Mortality; Assessment of Health Status in Terms of Disability-Adjusted-Life-Years (DALYs); Analysis of Disease Burden; Epidemiological Transition Theory of Development	**224-249**
UNIT 15 :	**Environment and Development** Environment and Economic Development: The Basic Issues; Concept of Sustainability and Environmental Accounting; Growth vs Environment; Impact of Economic Development on Environment; Gender, Environment and Poverty: The GEP-Index of Vulnerability	**250-266**

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BLOCK INTRODUCTION

This is the second block of the course on Economics of Development. In the previous block, we have studied the first 10 units of the course. This block contains the remaining five units of the course, i.e., from unit 11 to 15. Unit 11 is on industry and development. Here, growth of Indian industry during the planning period has been discussed. Further, industrial policies in India, problems of industrial development in India as well as the role played by the industries in the developing countries have also been discussed. Unit 12 has been entitled *Infrastructure and Development*. Here, we have discussed meaning, features, role and importance of infrastructure. Apart from these, the concepts of public-private partnership as well as its role in infrastructure development has been discussed with special reference to India. Unit 13 deliberates on planning in development. Here, the rationale for planning, the concepts of market failure, resource mobilisation and allocation, cost-benefit analysis, social profit, calculation of social profitability as well as the decision criteria of choosing projects, different planning models and the role of planning in a market oriented economy have been discussed. Unit 14 has been entitled *Social Sector and Economic Development*. In this unit, we have discussed the role of education and health in economic development. Some of the important concepts discussed in the unit includes: Schultz's analysis of expenditure on education and income, consumption benefits of education, external benefits of education, linkage between health and economic development as well as morbidity and mortality. Further, the concepts of DALYs, analysis of disease burden and the epidemiological transition theory of development have also been discussed. The last unit of the course, i.e., the fifteenth unit of the course deliberates upon environment and development. Here, the linkage between environment and economic development has been discussed. Apart from that, the concepts of sustainability and environmental accounting, growth vs environment, impact of economic development on environment as well as the relationship between gender, environment and poverty have been discussed with a reference to the GEP-index of vulnerability.

Thus, all the 15 units of the course shall provide you a foundation for the understanding the important theories, issues and debates in the field of Economics of Development.

While going through a unit, you will notice some along-side boxes, which have been included to help you know some of the difficult, unseen terms. Some "ACTIVITY' (s) have been included to help you apply your own thoughts. Again, we have included some relevant concepts in "LET US KNOW" along with the text. And, at the end of each section, you will get "CHECK YOUR PROGRESS" questions. These have been designed to self-check your progress of study. It will be better if you solve the problems put in these boxes immediately after you go through the sections of the units and then match your answers with "ANSWERS TO CHECK YOUR PROGRESS" given at the end of each unit.

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