Economic Development in India
(Summer Term 2012)

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Lecture Time: Introductory Meeting: Wednesday, 16.05.2012, 14-16, then fortnightly, Thursday, 10 – 12 and 14-16

Class location: Introductory meeting 16.05. KWZ 0.610, then fortnightly Thursday 10 – 12, ZHG-MZG 1.140 and 14 - 16 Theologicum T 0.133

Course Design:
The purpose of this course is to introduce under-graduate students to some of the basic macro issues related to the economic development of India within the framework of the state policy and initiate a well-informed debate on Indian economy. The course will cover topics related to the nature of the political economy of India and how it has evolved over the years - the important players therein, earlier stagnation in the Indian economy, arguments about the shift in the late 1980s and early 1990s from a state-led, centrally-planned model of development to one that encourages private ownership, free trade, and market logics, and the recent (two decade long) high rates of growth. The later part of the course exposes students to the most challenging issues facing India today – poverty, inequalities across regions, communities, development of rural India, and demographic issues.

Students are given one reading before the course starts. All articles are available on StudIP. Students are required to read the compulsory literature and will be tested.
Course Requirements

Course is rated with 6 credits (for CeMIS students). Note that the details of the final exam will be provided during one of the lecture sessions. The details of the possible seminar paper will also be discussed in the introductory lecture. Based on the feedback from all the students we will decide whether to have a seminar paper for the course.

Video documentaries

Video documentaries on critical socio-economic issues of India will be screened. Students are expected to discuss and debate in groups on some of these issues.

Language

Course lectures and tutorials will be in English
Final exam can be answered in English or in German

Session

One session is equal to 90 minutes

Course Outline:

1. Introductory Session: Introduction – Syllabus review (One Session)

2. Chapter 1: Legacies of the past (Two Sessions)

This chapter will provide background information about India, India’s colonial past, and the legacies of colonialism.

Suggested Readings:


3. Chapter 2: Economic Planning in India (Three Sessions)
This chapter will introduce students to the process of economic planning in India. The specific focus will be on Planning Commission of India and the five-year plans which Indian initiated from 1950-51 to current year. This chapter will also critically evaluate the achievements of five-year planning process in India.

**Suggested Readings:**


This chapter starts with a basic question: why, despite evidently good intentions, did the myriad efforts of India’s political and technocratic elite in the decades after independence fail to deliver the promises of economic growth and socio-economic development? This specific focus of this chapter is on the development policies adopted in different sectors such as agriculture and industry from 1950–1990 allowing students to think about and critically evaluate the merits and limitations of a regulated economy.

**Suggested Readings:**


5. **Chapter 4: The turn to the market: India after 1991 (Four sessions)**

This chapter advance arguments about why, after four decades of pursuing centrally-planed, public sector-led economic policies, India transitioned to a market-oriented development strategy. The chapter will provide the background of the reform policies introduced in India in 1991 and the mechanism through which reform policies were introduced. The chapter will also dwell upon:

a. Industrial Policy Reforms and implications
b. Trade Reforms and implications
c. International Financial Reforms and implications
d. Domestic Financial Reforms and implications  
e. Fiscal Reforms and implications  
f. Public Sector Reforms and implications  
g. Social Sector Reforms and implications

Followed by an overview of reforms in the aforementioned sectors, this chapter will also assess the impact of the reforms carried out in various sectors.

Suggested Readings:


6. Chapter 5: Socio economic development: Poverty, employment, demography, land redistribution. (Two sessions)

The chapter focuses on understanding the various attributes of poverty and comprehends the diverse dimensions relating to the concept of poverty in India. The chapter also critically evaluates the way poverty is estimated and assesses some of the important existing poverty alleviation programs initiated by government of India. The chapter provides understanding of the nature of participation of men and women in various economic activities in various sectors and the nature and extent of unemployment in India. Case studies of the important government flagship program – National Rural Employment Guarantee Scheme (NREGA) will be discussed along with issues related land inequality and land redistribution.

Note that important papers capturing the reforms and impact of reforms in each of the aforementioned sectors for suggested readings will be circulated or shared through Stud-IP before the introductory session.
7. **Chapter 6: Development experience of India and its neighbors and the global consequences of India’s rise. (one session)**

This chapter provides comparative trends in various economic and human development indicators of India and its neighbors and assesses the strategies that these countries have adopted to reach their present state of development. This chapter will also critically evaluate the global consequences of India’s rise. For instance transformation from development aid recipient to an aid donor.

**Suggested Readings:**


Fuchs, Andreas and Krishna Chaitanya Vadlamannati (2012) A Needy Donor? Determinants of India’s Aid Motives, working paper, University of Heidelberg.

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**Suggested Readings:**


8. **Student choice:** *If the students think some relevant topic/issue on India needs attention, they can bring it to my notice and we can have a session on those topics of student interests.*