

- Balanced budget, surplus budget, and deficit budget: meaning and implications
- Revenue deficit, fiscal deficit, and primary deficit: meaning and implications; measures to contain different deficits.

Unit VII: Balance of Payments

- Foreign exchange rate – meaning (fixed and flexible), merits and demerits; determination through demand and supply
- Balance of payments accounts – meaning and components
- A brief analysis of recent exchange rate issues

INDIAN ECONOMIC DEVELOPMENT

Unit VIII: Development Experience (1947-90) and Economic Reforms since 1991

A brief introduction of the state of the Indian economy on the eve of independence. Indian economic system and common goals of Five year Plans.

Main features, problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade.

Unit IX: Current challenges facing the Indian Economy

Poverty – absolute and relative; Main programmes for poverty alleviation: A critical assessment;

Human Capital Formation – How many people become resource; Role of human capital in economic development;

Rural development: Key issues – credit and marketing – role of cooperatives; agricultural diversification;

Employment: Growth and changes in work force, participation rate in formal and informal sectors; problems and policies

Infrastructure: Meaning and Types: Cases Studies: Health: Problems and Policies – A critical assessment;

Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming

Unit X: Development Experience of India

- A comparison with neighbours
- India and Pakistan
- India and China
- Issues: economic growth, population, sectoral development and other Human Development Indicators
