

- 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 workforce participation rate in formal and informal sectors; problems and policies

Infrastructure: Meaning and Types: Case 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 in India

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