

School of Development Studies

Ambedkar University Delhi

Course Outline

Course Code:

Title: Economic Policies and Sectoral Development

Type of Course: Core

Programme Title: MA in Development Studies

No. of Credits: Four

Semester and Year Offered: Semester Two; Year One of MA Degree

Course Coordinator and Team: Dr.Deepita Chakravarty

Team Dr Deepita Chakravarty&Prof. Babu P Ramesh

Email of course coordinator: deepita@aud.ac.in

Pre-requisites:

Aim:

This course will introduce students to the main themes in economic policy and development experience in the Indian context and how this has evolved since independence focusing of the major sectors of the economy. A central focus will be on growth and development experience of the economy during the last six decades. Overall, the course hopes to equip students with a nuanced understanding of the Indian development experience, primarily from a political-economy perspective. The narrative will proceed at a general level and more specifically with reference to certain sectoral policies.

The units are built by way of providing the students with a sweeping analysis of Indian development experience. To begin with, a quick stock-taking of the state of Indian economy at the time of independence is provided in each unit. This historical background is essential to contextualise India's subsequent policy choices and outcomes. The mid-twentieth century was characterised by state conceptualised/led/regulated development across the developed and developing world. There was a consensus across the political regimes of the newly independent third world that state and planning would successfully deliver capitalist industrialisation and growth. As such, national development, as prioritised and undertaken by the Indian state in the period 1950s-70s will be discussed. The 1980s marked a disjuncture in the Indian development discourse which culminated in the consolidation of social and economic policies associated with neoliberal capitalist globalisation.

Key Learning Objectives

- To discuss the political economy of policy-making affecting the major sectors of the economy

- To discuss and analyse the implications of the economic policies in determining the outcomes

Brief description of key modules:

Module 1: Late colonial policies and the development experience of Indian Industry and agriculture

This module discusses the deindustrialization debate, commercialisation of agriculture and the implications; The emergence of modern industry in India and the making of the Indian working class.

Module 2: Industry as modernity: the policy debate of the early post Independent India- Nehru Mahalanobis model and Indian Industry, Was agriculture neglected? Was trade neglected?

The policy of land reform issue- justification efficiency vs. equity in a backward agrarian set up, implementation?

Module 3: Green revolution and Industrial deceleration of the mid 1960s

Food scarcity leading to technological innovation in agriculture during the late 1960s- some irreversible changes in agrarian economy of India, issues related to distribution; agrarian technology as one more factor to tackle famine? Agricultural price policy since the mid 1960s

MRTPL, FERA, industrial licensing and Industrial deceleration of the mid 1960s onwards- different interpretation and the terms of trade argument. Bardhan's argument of cleftist polity in this context

Module 4: a. The liberalization debate and the Indian industry

b. Liberalization as such and its impact on Indian industry and agriculture

This module deals with the details of the liberalization policies and argues that it was actually the services sector growth that facilitated as a result of macro economic liberalization actually focussed on the manufacturing sector. Analysis of the lacklustre performance of the manufacturing sector, the issue of organized manufacturing sector labour market reform and its outcomes. What happened to agriculture during liberalization and beyond? The poor and the safety nets- NREGA.

Module 5: Service Sector, Informalisation and Policy

This module will focus on the growing prominence of service sector in India, discussing the changes in sector's share in GDP and employment. It will also explain the ongoing process of informalisation of work in the service sector, with the help of select case studies. The unique labour relations and labour management strategies in new service economy will be explained, in the context of changing forms of production and work organisation such as: outsourcing,

off-shoring and global production systems. A critical analysis of the extant policy framework and desirable interventions in the service sector is also part of the module.

Assessment Details with weights: One short note cum presentation 40 per cent, One written test 40 percent, one preparation of a review paper, on an identified research/case study pertaining to service sector 20 per cent..

Reading List: (See below for indicative readings, a detailed reading list will be provided in class):

Chakravarty, S (1987), '*Development Planning: The Indian Experience*', Clarendon, Oxford University Press, Chapters, 1, 2, 3 and the conclusion.

Balakrishnan, P (2010), '*Economic Growth in India: History and Prospect*', New Delhi, Oxford University Press, Relevant Chapters.

Guha Ramchandra (2008): *India after Gandhi: The History of the World's Largest Democracy*, Picador an imprint of Pan Macmillan: Part Two: Nehru's India

Bardhan, P (1984), 'The Political Economy of Development in India', Oxford University Press.

Patnaik, Prabhat: 'Some Indian Debates on Planning' in Byres, T.J (Ed.) (1998), '*The Indian Economy: Major Debates Since Independence*', Oxford University Press.

Chaudhuri, S: 'Debates on Industrialization' in T. J Byres (ed.): *The Indian Economy Major Debates since Independence*, 1998, New Delhi, Oxford University Press

Chibber, V (2003), '*Locked In Place: State-Building and Late Industrialisation in India*', Princeton University Press, Chapters 1, 2, 4 and 6.

Corbridge, S and J.Harriss (2000), '*Reinventing India: Liberalisation, Hindu Nationalism and Popular Democracy*', Polity Press, Relevant chapters.

Gerchenkron, A (1962): *Economic Backwardness in Historical Perspective*, Cambridge MA, Harvard University Press

Mukherjee, D (1995) (ed.): *Indian Industry: Policies and Performance*, Delhi, Oxford University Press, 'Introduction'

Nayyar, Deepak. *Industrial growth and stagnation: the debate in India*. Oxford University Press, USA, 1994.

Pack, Howard (1988): 'Industrialization and Trade', in *Handbook of Development Economics*, vol. 1, Hollis Chnerly and T.N Srinivasan (ed.), Amsterdam: North Holland.

Panagariya, A (2008), '*India: The Emerging Giant*', Oxford University Press, Chapters 1, 2, 6.

Thorner, D: 'De-industrialization in India 1881-1931' in D. Thorner and Alice Thorner (eds.), *Land and Labour in India*, Bombay, Asia Publishing House.

Bose Sugata and Ayesha Jalal (2011): *Modern South Asia: History, Culture, Political Economy*, Routledge, London, New York: third edition: chapters: 10 to 15.

Bagchi, A. K (1972): *Private Investment in India, 1900-1939*, Cambridge, Cambridge University Press.

- Alhuwalia, I (1991), *Productivity and Growth in Indian Manufacturing*, Delhi, Oxford University Press.
- Chandrasekhar, C.P (1988), 'Aspects of Growth and Structural Change in Indian Industry', *EPW*, Special Number November. This has been reprinted in Nayyar (1994), see the full reference below.
- Kohli, A (2006 a & b), 'Politics of Economic Growth in India, 1980-2005, Part I: The 1980s', *Economic and Political Weekly*, April 1st, p1251-1259.
- Kohli, A (2012): *Poverty Amid Plenty in the New India*, Cambridge University Press, New York
- Khan M (2012): 'India's Political Settlement and Economic Growth Since the 1980s', SOAS Working Paper.
- Rodrik, D and A. Subramanian (2004). 'Why India can grow at 7 per cent a year or more: Projections and Reflections', *Economic and Political Weekly* April 17 2004.
- Balakrishnan, P (2010), '*Economic Growth in India: History and Prospect*', New Delhi, Oxford University Press, Chapter 3 and 4.
- Chandrasekhar, C.P and J.Ghosh (2002), '*The Market that Failed: Neoliberal Economic Reforms in India*', Leftword, Chapter 2.
- Corbridge, S and J.Harriss (2000), '*Reinventing India: Liberalisation, Hindu Nationalism and Popular Democracy*', Polity Press, Relevant chapters.
- DeLong, B, (2003): 'India Since Independence: An Analytic Growth Narrative' in D. Rodrik (ed.), *In Search of Prosperity, Analytic Narratives on Economic Growth*, Princeton, Princeton University Press.
- Joshi, V and I.M.D.Little (1994), '*India: Macroeconomics and Political Economy, 1964 – 1991*', Oxford University Press, Chapters 6-7.
- Panagariya, A (2008), '*India: The Emerging Giant*', Oxford University Press, relevant chapters.
- Kotwal, Ashok, Bharat Ramaswami, and Wilima Wadhwa. "Economic liberalization and Indian economic growth: What's the evidence?." *Journal of Economic Literature* 49.4 (2011): 1152- 1199.
- Nagaraj, R. "Organised manufacturing employment." *Economic and Political Weekly* (2000): 3445-3448.
- Nagaraj, R. "What has happened since 1991? Assessment of India's Economic Reforms." *Economic and political Weekly* (1997): 2869-2879.
- Sundaram, K. (2007), "Employment and poverty in India, 2000-2005', *Economic and Political Weekly* 42: 3121-3131.

Chakravarty, Deepita, and Indranil Bose. "Industry, Labour and the State Emerging Relations in the Indian State of West Bengal." *Journal of South Asian Development* 6.2 (2011): 169-194.

Balakrishnan, P (2010), 'Economic Growth in India: History and Prospect', New Delhi, Oxford University Press, Relevant Chapters.

Bhattacharya, B. B., and Arup Mitra. "Excess growth of tertiary sector in Indian economy: Issues and implications." *Economic and Political Weekly* (1990): 2445-2450.

Bolton, Sharon & Houlihan, Maeve (2009): *Work Matters: Critical Reflections on Contemporary Work (Critical Perspectives on Work and Employment)*, Palgrave, London

Breverman, Harry (1998) *Labor and Monopoly Capitalism: The Degradation of Work in the Twentieth Century*, New York: Monthly Review Press

Chakravarty, Deepita. "Growing services in India: an inter-sectoral analysis based on state-level data." *Economic and Political Weekly* (2006): 3061-3067.

Ernesto, Noronha and Premilla D'Cruz (Ed.) 2017: : *Critical Perspectives of Work and Employment in India*, Springer, New Delhi.

Hochschild, Arlie Russell (1983): *The Managed Heart: Commercialization of Human Feeling*, The University of California Press, Berkely

Kannan, K. P. (2014): *Interrogating Inclusive Growth: Poverty and Inequality in India*, Routledge, New Delhi

NCEUS (2009) *The Challenge of Employment in India An Informal Economy Perspective*, Vol.1 & 2, National Commission for Enterprises in the Unorganised Sector, New Delhi.

Neetha N. (2009): *Contours of Domestic Service: Characteristics, Work Relations and Regulations*, *Indian Journal of Labour Economics*, Vol.52, No. 3, 2009

Pais, Jesim (2014): *Growth and Structure of Service Sector in India*, Working Paper 160, Institute for Studies in Industrial Development, New Delhi

Palriwala, R. and Neetha N. (2010) *Care arrangements and bargains: Anganwadi and paid domestic workers in India*, *International Labour Review*, Vol.149, Issue.4

Papola, T.S. & Sahu, Partha Pratim (2012): *Growth and Structure of Employment in India: Long-Term and Post-Reform Performance and the Emerging Challenge*, Research Report, Institute for Studies in Industrial Development, New Delhi

Remesh, Babu P. (2004): 'Cyber Coolies in BPO: Insecurities and Vulnerabilities of Non-Standard Work', *Economic and Political Weekly*, Vol.39, No. 5.

Remesh, Babu P. (2010): *Changing Profiles of Work Organisation, Terms of Work and Labour in India's Service Sector: A Case Study of Domestic Call Centres*, *Labour and Development*, Vol.17.

Remesh, Babu P. (2017): 'Informalization of Work in the Formal Sector: Conceptualizing the Changing Role of State in India' in Ernesto Noronha and Premilla D'Cruz (Ed.), 'Critical Perspectives of Work and Employment in India', Springer, New Delhi.

UNDP (2015): *2015 Human Development Report – Rethinking Work for Human Development*, United Nations Development Programme, New York.