

**South Asian University
Faculty of Economics**

Monsoon Semester 2026

South Asian Economic Development

Arup Mitra, Manasi Bera, Soumya Datta

Course Description

This course will deal with a selection of topics that are relevant to an understanding of South Asian economy and its development experience and prospects. For each topic, we will first discuss the component of economic theory that has guided research in that particular area and then concretize it in the South Asian context either with country-specific studies or with South Asian economic data. The following is a tentative list of topics and readings.

Outcome: This course would help students understand the functioning of the South Asian economies and appreciate critically the policy perspective.

Evaluation: Grading will be based on a midterm (40%), end-term (40%) and presentation (20%).

Module I

1. Composition of Growth, Industry-versus-Services-led Growth, Structural Transformation in Value Added and Work Force

Readings

World Bank. (2026). South Asia Economic Update, Working with Industrial Policy, World Bank Group.

International Growth Centre. (2010). Economic Growth and Structural Change in South Asia: Miracle or Mirage?

Maqnas, F., & Shaheen, R. (2025). Services sector led growth hypothesis: A fractionally integrated heterogeneous panel data analysis for G20 countries. *SAGE Open*, 15(4).

NITI Aayog. (2025). *India's services sector: Insights from GVA trends and state-level dynamics*. NITI Aayog, Government of India

NITI Aayog. (2025). *India's services sector: Insights from employment trends and state-level dynamics*. NITI Aayog, Government of India.

Mitra, A. (2013). Technology Import and Industrial Employment: India and Other Developing Countries. In: *Insights into Inclusive Growth, Employment and Wellbeing in India*. Springer, India.

2. Total Factor Productivity Growth, Technical Efficiency and Their Determinants

Readings

Saha, S. K. (2021). Sources of total factor productivity in South Asia. *Review of Market Integration*, 13(2–3), 154–176.

Adnan, Z., Chowdhury, M., & Mallik, G. (2019). Foreign direct investment and total factor productivity in South Asia. *Theoretical and Applied Economics*, 26(2), 105–120.

Mitra, A., Sharma, C., & Véganzonès-Varoudakis, M.-A. (2016). Infrastructure, information & communication technology and firms' productive performance of the Indian manufacturing. *Journal of Policy Modeling*, 38(2), 353–371.

3. Corruption and Development

Readings

Aidt, T. S. (2003). Economic analysis of corruption: A survey. *The Economic Journal*, 113(491), F632–F652.

Bardhan, P. (1997). Corruption and development: A review of issues. *Journal of Economic Literature*, 35(3), 1320–1346.

Sharma, C., & Mitra, A. (2019). Corruption and economic growth: Some new empirical evidence from a global sample. *Journal of International Development*, 31(8), 691–719.

4. Urbanisation Process, Pattern of Urbanisation, and Rural to Urban Migration

Readings

Ellis, P., & Roberts, M. (2016). *Leveraging urbanization in South Asia: Managing spatial transformation for prosperity and livability*. World Bank.

Bhagat, R. B. (2018). *Urbanisation and urban policies in South Asia*.

[<https://www.researchgate.net/profile/R>

Bhagat/publication/335685430_Urbanisation_and_Urban_Policies_in_South_Asia/links].

Zulfiqar, K., Sabir, A. A., Nawaz, A. R., & Farasat, F. (2024). Urbanization in a globalized world: Reviewing environmental sustainability in developing countries. *Population and Economics*, 8(3), 70–85.

Mitra, A. (2020). *Urban headway and upward mobility*. Cambridge University Press.

5. Growth, Inequality, Poverty and Urbanisation

Readings

Kakwani, N., & Pernia, E. M. (2000). What is pro-poor growth? *Asian Development Review*, 18(1), 1–16.

Ravallion, M., & Datt, G. (1996). How important to India's poor is the sectoral composition of economic growth? *The World Bank Economic Review*, 10(1), 1–25.

Mitra, A., & Schmid, J. P. (2008). Growth and poverty in India: Emerging dimensions of the tertiary sector. *The Service Industries Journal*, 28(8), 1055–1076.

Bhanumurthy, N. R., & Mitra, A. (2004). Economic growth, poverty, and inequality in Indian states in the pre-reform and reform periods. *Asian Development Review*, 21(2), 79–99.

6. Labour Market, Occupational Choice and Network, Returns to Education

Readings

Bussolo, M., Peragine, V., & Reutzel, F. (2026). *Inequality of opportunity in South Asia: The puzzle of educational gains without consumption gains* (Policy Research Working Paper No. 11395). World Bank, South Asia Region, Office of the Chief Economist.

Islam, I. (2023). From competition to inclusion: Assessing the nature of the South Asian labour market from the perspective of international core labour standards and the sustainable development goals. *South Asian Journal of Human Resources Management*, 10(2), 224–243.

Mitra, A., Shrivastav, P. K., & Singh, G. P. (2022). Livelihood volatility in the urban labour market: Reflections from the quarterly panel data (PLFS, 2017–18). *Economic & Political Weekly*, 57(35), 62–70.

7. Gender Inequality in the Labour Market

Readings

Bandiera, O., & Petrongolo, B. (2025). Labour markets and gender inequality. In T. Besley, I. Bucelli, & A. Velasco (Eds.), *The London consensus: Economic principles for the 21st century* (pp. 281–309). LSE Press.

Kumari, Y. (2026). *Gender inequality and labor market outcomes in South Asia: A comparative data-driven analysis of Pakistan, India, and Bangladesh (1990–2022)* (SSRN Working Paper No. 6631578). SSRN. <https://doi.org/10.2139/ssrn.6631578>

Gupta, P., & Kothe, S. (2024). Gender discrimination and the biased Indian labour market: Evidence from the National Sample Survey. *World Development Perspectives*, 35, 100621.

8. Issues in Health, Growth and Poverty

Readings

O'Donnell, O. (2024). Health and health system effects on poverty: A narrative review of global evidence. *Health Policy*, 142, 105018.

Khumalo, M. L., & Dunn, N. (2025). The impact of poverty on human health and well-being: A qualitative exploratory study. *Journal of Current Social and Political Issues*, 3(2), 72–84.

Fikree, F. F., & Pasha, O. (2004). Role of gender in health disparity: The South Asian context. *BMJ*, 328(7443), 823–826.

9. Climate Change and Livelihood Diversification

Readings

Islam, A. K. M. N., Sultan, S., & Afroz. (2009). *Climate change and South Asia: What makes the region most vulnerable?* (MPRA Paper No. 21875). Munich Personal RePEc Archive, University Library of Munich.

Baig, F., Kassem, A., Akhter, M. Z., Kabeer, S., Faiz, M. A., Baig, M. F., & Sherif, M. (2025). Synergies and struggles: Water security and climate action in South Asia's quest for SDG 6 and SDG 13. *Gondwana Research*, 148, 393–414.

Mitra, A., Mishra, A., & Nayak, P. (2024). *Climate change, livelihood diversification, and well-being: The case of rural Odisha*. Springer. (*SpringerBriefs in Economics*).

Module II

10. Digital Transformation and Inclusive Development in South Asia

Readings

Heeks, R. (2020). ICT4D 3.0? Part 2—The patterns of an emerging "digital-for-development" paradigm. *Electronic Journal of Information Systems in Developing Countries*, 86(3), e12123.

Jensen, R. (2007). The digital provide: Information (technology), market performance, and welfare in the South Indian fisheries sector. *Quarterly Journal of Economics*, 122(3), 879–924.

World Bank. (2022). *South Asia's Digital Opportunity: Accelerating Growth, Transforming Lives*. (Selected sections)

Chen, Y. (2026). Digitalization as a Double-Edged Sword: Winning Services and Losing Manufacturing in India. *Journal of Development Economics*, 179, 103618.

Matsuura-Kannari, M., Islam, A. H. M. S., & Tauseef, S. (2024). Mobile phones, income diversification, and poverty reduction in rural Bangladesh. *Review of Development Economics*, 28(4), 1475–1493.

Barboni, G., Bhattacharya, A., Field, E., Pande, R., Rigol, N., Schaner, S., Shukla, A., & Moore, C. T. (2024). *Hold the phone: The short- and long-run impacts of connecting Indian women to digital technology*. Yale Economic Growth Center Discussion Paper No. 1109.

Additional Readings

Kumar, A., Mallick, S., & Sinha, A. (2026). Digital Financial Inclusion and Transitory Consumption: Household-Level Evidence from India. *World Development*, 204, 107377.

Hossain, M., & Samad, H. (2021). Mobile phones, household welfare, and women's empowerment: Evidence from rural off-grid regions of Bangladesh. *Information Technology for Development*, 27(2), 191–207.

Goldfarb, A., & Tucker, C. (2019). Digital economics. *Journal of Economic Literature*, 57(1), 3–43.

11. Women's Land Rights, Institutions and Economic Development in South Asia

Readings

Agarwal, B. (1994). *A Field of One's Own: Gender and Land Rights in South Asia*. Cambridge University Press. Ch 1, 5, 8

Allendorf, K. (2007). *Do Women's Land Rights Promote Empowerment and Child Health in Nepal?* *World Development*, 35(11), 1975–1988.

Deininger, K., Goyal, A., & Nagarajan, H. (2013). *Women's Inheritance Rights and Intergenerational Transmission of Resources in India*. *Journal of Human Resources*, 48(1), 114–141.

Sultana, T., Mahmud, K. T., Moniruzzaman, M., & Tareque, M. (2024). Impact of access to land on women's economic well-being: An empirical evidence from rural Bangladesh. *SAGE Open*, 14(1).

Scalise, E. (2009). *Women's Inheritance Rights to Land and Property in South Asia: A Study of Afghanistan, Bangladesh, India, Nepal, Pakistan and Sri Lanka*. Rural Development Institute (RDI), prepared for the World Justice Project.

Additional Readings

Agarwal, B., Anthwal, P., & Mahesh, M. (2021). *How Many and Which Women Own Land in India? Inter-Gender and Intra-Gender Gaps*. *Journal of Development Studies*, 57(11), 1807–1829.

Yan, H. X., Desai, S., & Barik, D. (2024). Gender and Generation: Landownership and Older Indians' Autonomy. *Feminist Economics*, 30(1).

Jain, C., Saxena, D., Sen, S., & Sanan, D. (2023). Women's Land Ownership in India: Evidence from Digital Land Records. *Land Use Policy*, 133, 106835

12. Labour Mobility and Development in South Asia

Readings

Stark, O., & Bloom, D. E. (1985). The new economics of labor migration. *American Economic Review*, 75(2), 173–178.

de Haas, H. (2010). Migration and development: A theoretical perspective. *International Migration Review*, 44(1), 227–264.

Bryan, G., Chowdhury, S., & Mobarak, A. M. (2014). Underinvestment in a profitable technology: The case of seasonal migration in Bangladesh. *Econometrica*, 82(5), 1671–1748.

Chandrasekhar, S., & Sahoo, S. (2019). *Land-holding, participation in agriculture and short-term migration in rural India*. Asian Population Studies, 15(2), 209–227.

Sreekumar, G., & Mandal, S. K. (2023). Do the farm households spend their remittances for agricultural investment? Empirical evidence from India. *Journal of International Development*, 35(7), 1430–1455.

Lim, S., & Basnet, H. C. (2017). International migration, workers' remittances and permanent income hypothesis. *World Development*, 96, 438–450.

Additional Readings

Lokshin, M., Bontch-Osmolovski, M., & Glinskaya, E. (2010). Work-related migration and poverty reduction in Nepal. *Review of Development Economics*, 14(2), 323–332.

Rajan, S. I. (Ed.). (2023). *Migration in South Asia: IMISCOE Regional Reader*. Springer. (Selected chapters)

Dorji, R., & Hosoe, N. (2025). Brain drain in Bhutan: Its impacts and countermeasures. *Comparative Migration Studies*, 13, 19.

Module III

13. Growth, convergence and developmental aspirations: human capital, social mobility and distributive conflict in South Asia

14. External financial vulnerability and crises of political legitimacy: capital-flow reversals, policy responses and democratic erosion in South Asia.

Readings

Mankiw, N. Gregory, David Romer, and David N. Weil (1992), “A Contribution to the Empirics of Economic Growth,” *The Quarterly Journal of Economics*, 107(2), 407–437. DOI: 10.2307/2118477.

Hirschman, Albert O., and Michael Rothschild (1973), “The Changing Tolerance for Income Inequality in the Course of Economic Development: With a Mathematical Appendix,” *The Quarterly Journal of Economics*, 87(4), 544–566. DOI: 10.2307/1882024.

Genicot, Garance, and Debraj Ray (2017), “Aspirations and Inequality,” *Econometrica*, 85(2), 489–519. DOI: 10.3982/ECTA13865.

Calvo, Guillermo A. (1998), “Capital Flows and Capital-Market Crises: The Simple Economics of Sudden Stops,” *Journal of Applied Economics*, 1(1), 35–54. DOI: 10.1080/15140326.1998.12040516.

Seoane, Hernán D., and Emircan Yurdagul (2019), “Trend Shocks and Sudden Stops,” *Journal of International Economics*, 121, Article 103252. DOI: 10.1016/j.jinteco.2019.103252.

Chang, Roberto (2007), “Financial Crises and Political Crises,” *Journal of Monetary Economics*, 54(8), 2409–2420. DOI: 10.1016/j.jmoneco.2007.03.001.

Grillo, Edoardo, Zhaotian Luo, Monika Nalepa, and Carlo Prato (2024), “Theories of Democratic Backsliding,” *Annual Review of Political Science*, 27, 381–400. DOI: 10.1146/annurev-polisci-041322-025352.

Gratton, Gabriele, and Barton E. Lee (2024), “Liberty, Security, and Accountability: The Rise and Fall of Illiberal Democracies,” *The Review of Economic Studies*, 91(1), 340–371. DOI: 10.1093/restud/rdad030.

Selected country studies and policy materials relating to specific South Asian economies will be provided during the course.