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### **Poverty and Inequality Measurement**

Importance of measurement in policy, Income poverty and inequality, Standard Human Development Indices, measuring multi-dimensional poverty, why concepts matter in measurement, Measuring freedom Qualitative poverty assessments.

### **Education**

Conventional approaches to education Human Capital (instrumental role of education)

Capability approach to education (both instrumental as well as intrinsic roles of education)

Capability and functioning in education, Case Study: *Two descriptions of education in Bihar, India*

### **Health and Nutrition**

What is health? Conventional approaches to health. Human capital or health as input. Health as output. Health within the human development and capability approach. Resource inputs and conversion factors. Capabilities and functioning. Health at the heart of inter-locking deprivations. Case study from Pakistan

### **Human Development Policy Analysis**

Main areas of public policy. Areas of economic and social policy. Framework and macro policies. Resource, manufacturing and services sector policy. Economic and social services. Policy in the private, non-profit and international donors sector, Policy, politics and power, Tools for policy analysis. A human development approach to policy analysis

### **Policy Case Studies**

Key questions to bear in mind while analyzing policy from human development perspective. What is the problem to be addressed? What is the data needed to highlight the problem? What is being done to address the problem? Does the existing policy respect the four principles of human development; equity, empowerment, sustainability, and efficiency? In what ways the current policy can be reformed to effectively promote valuable human freedoms?

### **Recommended Books:**

- Alkire, S. and Deneulin, S. (2009). The Human Development and Capability Approach, in: Deneulin, S. and Shahani, L. (Eds.). *An Introduction to the Human Development and Capability Approach: Freedom and Agency*. London: Earthscan.
- Alkire, Sabina (2002). Dimensions of Human Development. *World Development*, 30(2), 181-205.
- Layard, Richard (2005). *Happiness: Lessons from a New Science*, London.
- Nussbaum, Martha (2000). *Women and Human Development*, Cambridge University Press
- 6. Robeyns, Ingrid (2005). The Capability Approach – A Theoretical Survey. *Journal of Human Development*, 6(1), 93-114.

**Code: ECON-409**

**Title: Project Appraisal and Investment Analysis**

**Credit Hours: 03**

(67)

**Prerequisite: Public Sector Economics**

**Course Contents**

**Introduction**

Meaning of Project Appraisal, usefulness and significance, Aspect of project appraisal with a special focus on economic versus financial analysis, Contours and Dimensions of a project and its essential ingredients, Project Vs. Plans. Project Cycle.

**Identify Project Benefits and Costs**

Objectives of Costs and Benefits, The Incremental / Net Benefits and "With" and "Without" Comparisons. Categories of Costs and Benefits.

**Pricing Project Costs and Benefits**

Prices reflecting values, Market price and financial analysis, finding market prices and related problems, Change in relative prices and inflation: Shadow Prices and economic analysis, Removal of market price distortions in traded and non-traded goods. Premium on foreign exchange through use of Shadow exchange rate and conversion factor approach

**Comparing Project Costs and Benefits (Measuring of a Project Worth)**

Undiscounted measures of project worth, Discounted measures of NPW, IRR, BCR, Net benefit – Investment Ratio, Comparative assessment of discounted measures. Social vs. Economic benefits and selection of projects

**Applying Discounted Measures of Project Worth**

Sensitivity analysis, switching value, Choice among mutually exclusive alternatives, Domestic resource cost of foreign exchange earning / saving.

**Cost Effectiveness Analysis**

Areas and elements of analysis, Methods of analysis: Constant Effect Method, Constant Cost Method, Measuring of cost effectiveness, Present Worth, Annual Worth, Cross over discount rate, Limitation of analysis.

**Financial (Investment) Analysis**

Theoretical and empirical examination and saving and investment, Concept of capitalization types of securities, non-banking financial institution. Development financing, Asset Structure, Stock Prices, Money Market, Portfolio Theory and Investment Analysis. Financing the industrial sector; Large scale and small scale, Interest rate. Bond market, Real and financial investment. Financial intermediaries; Speculation and Inter – relationship of financial and real variables in the economy.

**Recommended Books:**

- Hughes, A., & D.J. Storey. (1994). Finance and The Small Firm" (Ed) Routledge, London.
- Bruno Solmik. (1996). International Investment, Addison Wesley.
- Burno Solnik. (1996). International Investments" 3rd Ed. Addison, Wesley publishing Co.
- Donald, E., Fischer, Arnold, J. (1997). Security Analysis and Portfolio Management. Prentice Hall, Delhi.