

DEVELOPMENT

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MEANING OF DEVELOPMENT

- DEVELOPMENT IS THE PROCESS IN WHICH SOMETHING GROWS , BECOMES MORE MATURE AND ADVANCE.
- A BRANCH OF ECONOMICS THAT FOCUSES ON IMPROVING THE ECONOMIES OF DEVELOPING COUNTRIES. DEVELOPMENT ECONOMICS CONSIDERS HOW TO PROMOTE ECONOMIC GROWTH IN SUCH COUNTRIES BY IMPROVING FACTORS LIKE HEALTH, EDUCATION, WORKING CONDITIONS, DOMESTIC AND INTERNATIONAL POLICIES AND MARKET CONDITIONS. IT EXAMINES BOTH MACROECONOMIC AND MICROECONOMIC FACTORS RELATING TO THE STRUCTURE OF A DEVELOPING ECONOMY AND HOW THAT ECONOMY CAN CREATE EFFECTIVE DOMESTIC AND INTERNATIONAL GROWTH.

DIFFERENT PEOPLE, DIFFERENT GOALS

- *DIFFERENT PEOPLE CAN HAVE DIFFERENT DEVELOPMENT GOALS.*
- *WHAT MAY BE DEVELOPMENT FOR ONE MAY NOT BE DEVELOPMENT FOR OTHERS. IT MAY BE DESTRUCTIVE FOR OTHERS.*



NATIONAL DEVELOPMENT

- DIFFERENT PERSON COULD HAVE DIFFERENT AS WELL AS CONFLICTING NOTIONS OF A COUNTRY'S DEVELOPMENT.
- IN THE PROCESS OF NATIONAL DEVELOPMENT, A HEAVY INDUSTRY IS SET UP
- OR WE CAN SAY THAT IT'S A ALL ROUND DEVELOPMENT OF NATION
- LIKE – EDUCATION, HEALTH, AND NATIONAL INCOME



WORLD DEVELOPMENT REPORT

WORLD DEVELOPMENT REPORT 2006 BROUGHT OUT BY **WORLD BANK.**

WORLD BANK HAS USED THE CRITERION OF PER CAPITA INCOME FOR CLASSIFYING INTO HIGH INCOME AND LOW INCOME COUNTRIES.

ACORDING TO THE 2006 WORLD DEVELOPMENT REPORT:-

- a) Countries with per capita income US\$ 12616 per annum or above in 2012, are called rich countries.
 - b) Countries with per capita income of US\$ 1035 or less are called low-income countries.
- India comes in category of low-income countries because its per capita income in 2004 was just US\$ 1530 per annum.

LIMITATION OF PCI COMPARISON OF TWO COUNTRIES

Country Monthly Income of citizen In 2007 (in Rupees)

| | I | II | III | IV | V | PCI |
|-----------|------|------|------|------|-------|------|
| Country X | 8500 | 9500 | 8800 | 9000 | 9200 | 9000 |
| Country Y | 500 | 500 | 500 | 500 | 43000 | 9000 |

Let us consider two countries, A and B. We have assumed that they have only 5 citizens. Both the countries have identical average income. But country A has more equitable income distribution. People are neither very rich nor extremely poor. In country B, the most citizens are poor and one person is extremely rich. Hence, while average income is useful for comparison, it does not tell us how this income is distributed among people.

INCOME AND HUMAN DEVELOPMENT

DR published by UNDP compares countries based on educational level of the people their health status and PCI.

Human development indicators

Infant mortality rate: - it indicates the number of children that die before the age of one year as a proportion of 1000 lives

Literacy rate: - it measures the proportion of literate population in the 7 and above age group.

Net Attendance ratio: - it is the total number of children of age group 6-10 attending school as a percentage of total number of children in the same age group.

Sex ratio: - it is the total number of female per thousand of males.

•Life expectancy: The minimum age upto which an adult lives is the life expectancy rate. This also shows the overall quality of life in a country. As per 2011 census, the life expectancy in India for males is 67 years and for females it is 72 years.

I. Life expectancy of India is 68 years acc. To year 2014.

•Per Capita Income is calculated in dollars for all countries so that it can be compared. It is also done in a way so that every dollar would buy the same amount of goods and services in any country.

COMPARISON OF INDIA WITH ITS NEIGHBOURS AND ONE DEVELOPMENT ON THE BASIS OF INCOME AND OTHER CRITERIA

| Country | PCI IN US \$ | Life Expectancy at birth | Literacy rate | Gross enrolment ratio for all level | HDI Rank |
|-----------|--------------|--------------------------|---------------|-------------------------------------|----------|
| Norway | 38550 | 80 | ----- | 97 | 1 |
| China | 5530 | 71 | 91 | 73 | 81 |
| Sri Lanka | 4390 | 74 | 91 | 69 | 93 |
| India | 3139 | 64 | 61 | 60 | 126 |
| Pakistan | 2225 | 63 | 50 | 35 | 134 |

stands for Human Development Index. HDI ranks in above table are out of 177 countries

MEASURING DEVELOPMENT

- **GROSS NATIONAL PRODUCT (GNP)** MEASURE OF THE TOTAL VALUE OF THE OFFICIALLY RECORDED GOODS AND SERVICES PRODUCED BY THE CITIZENS AND CORPORATIONS OF A COUNTRY IN A GIVEN YEAR. INCLUDES THINGS PRODUCED INSIDE AND OUTSIDE A COUNTRY'S TERRITORY.
- **GROSS DOMESTIC PRODUCT (GDP)** MEASURE OF THE TOTAL VALUE OF THE OFFICIALLY RECORDED GOODS AND SERVICES PRODUCED BY CITIZENS AND CORPORATIONS OF A COUNTRY IN A GIVEN YEAR.
- **GROSS NATIONAL INCOME (GNI)** MEASURE OF THE MONETARY WORTH OF WHAT IS PRODUCED WITHIN A COUNTRY PLUS INCOME RECEIVED FROM INVESTMENTS OUTSIDE THE COUNTRY. ** MOST COMMON MEASUREMENT USED TODAY.



The global challenges
of tomorrow drive our work
today. We shape sustainable
development worldwide.

SUSTAINABLE DEVELOPMENT

MEANING – THE WORD SUSTAINABLE MEANS SOMETHING WHICH IS NOT SHORT LIVED BUT CAN CONTINUE IN FUTURE ALSO.

ACCORD TO ROBERT REPETTO, "SUSTAINABLE DEVELOPMENT IS A DEVELOPMENT STRATEGY THAT MANAGES ALL NATURAL RESOURCES AND HUMAN RESOURCES AS WELL AS FINANCIAL AND PHYSICAL ASSETS FOR INCREASING LONG TERM WEALTH AND WELL BEING."

OBJECTIVE OR FEATURES OF SUSTAINABLE DEVELOPMENT

- SUSTAINED RISE IN THE REAL PCI AND QUALITY OF LIFE
- REDUCTION IN POLLUTION
- RATIONAL USE OF NATURAL RESOURCES
- TO FULFILS THE REQUIREMENTS OF FUTURE GENERATIONS

THANK YOU