

Economic Growth

(i) Quantitative Concept:

Economic growth is merely a quantitative concept. It is concerned with rate of production or rate of increase in national income.

(ii) Ignores Distribution of Income:

Distribution of income is ignored in case of economic growth. In spite of increase in income, number of poor people may rise if the distribution of income becomes further unequal.

(iii) Independent of Structural, Institutional and Technical Changes:

Economic growth may occur independent of any structural, institutional and technical changes in the economy.

(i) Qualitative as well as quantitative concept.

Concept of economic development is both quantitative and qualitative in nature. It is concerned with quality of life (a qualitative aspect) along with increase in per capita income (a quantitative concept).

(ii) Consider distribution of income

In case of economic development, distribution of income is given due consideration. Reduction in inequality is one of the principal targets of economic development. Inequality of income and wealth must be reduced.

viii) Associated with structural, Institutional & technical change: -

Economic development is invariably associated with significant structural, institutional & technical changes in the economy.

A SUSTAINABLE DEVELOPMENT

It is a process that maximises for present & future generations long term net gains resulting from economic development. It is that process of development which meets the needs of the present generation without reducing the ability of the future generation to meet their needs.

* It is a development strategy that manages all natural resources & human resources as well as financial resources & physical assets for increasing long term wealth & well being.

Features of Sustainable Development

- (i) Sustained Rise in Real Per Capita Income & Economic Welfare
- (ii) Rise in welfare of future generation
- (iii) Rational Use of Natural Resources
- (iv) No Reduction in the Ability of future generations to meet their own needs.
- (v) No increase in pollution.