

Yogoda Satsanga Mahavidyalaya
Department of Commerce
Semester I

Subject: Introductory Economics

Topic: Concept of Growth and Development in Economics

ECONOMIC GROWTH

Meaning

Economic Growth refers to the **increase in the production of goods and services** in an economy over a period of time.

It is measured by:

- Increase in **Real GDP**
- Increase in **National Income**
- Increase in **Per Capita Income**

It helps us understand whether the economy is producing more than before.

Meaning

आर्थिक वृद्धि (Economic Growth) का अर्थ है किसी देश में वस्तुओं और सेवाओं के उत्पादन में समय के साथ वृद्धि होना।

इसे मापा जाता है:

- वास्तविक सकल घरेलू उत्पाद (Real GDP)
- राष्ट्रीय आय (National Income)
- प्रति व्यक्ति आय (Per Capita Income)

यह बताता है कि देश की उत्पादन क्षमता बढ़ रही है या नहीं।

Features of Economic Growth

1. Quantitative concept (संख्यात्मक अवधारणा)
2. Measurable in numbers
3. Short-term and long-term changes
4. Focuses mainly on income and output

Example

If India's GDP increases from 3 trillion dollars to 3.3 trillion dollars — that is economic growth.

ECONOMIC DEVELOPMENT

Meaning

Economic Development refers to the **overall improvement in the quality of life and well-being of people**, along with growth in income.

It includes:

- Reduction in poverty
- Improvement in education
- Better healthcare
- Reduction in inequality
- Structural changes in economy

Development is broader than growth.

Meaning

आर्थिक विकास (Economic Development) का अर्थ है केवल आय में वृद्धि ही नहीं, बल्कि लोगों के जीवन स्तर में सुधार होना।

इसमें शामिल है:

- गरीबी में कमी
- शिक्षा में सुधार
- स्वास्थ्य सुविधाओं में वृद्धि
- असमानता में कमी
- अर्थव्यवस्था की संरचना में परिवर्तन

विकास, वृद्धि से व्यापक अवधारणा है।

Features of Economic Development

1. Qualitative + Quantitative concept
2. Long-term process

3. Focus on human welfare
4. Includes social and institutional changes

Example

If GDP increases AND poverty reduces AND literacy rate improves — that is economic development.

Difference Between Economic Growth and Economic Development

Basis	Economic Growth	Economic Development
Meaning	Increase in output and income	Increase in income + improvement in living standard
Nature	Quantitative	Quantitative + Qualitative
Scope	Narrow concept	Broad concept
Focus	Only economic factors	Economic + social factors
Measurement	GDP, National Income	HDI, Literacy, Life Expectancy, Poverty rate
Time Period	Short-term possible	Long-term process
Example	Rise in GDP	Rise in GDP + Reduction in poverty

आधार	आर्थिक वृद्धि	आर्थिक विकास
अर्थ	उत्पादन और आय में वृद्धि	आय के साथ जीवन स्तर में सुधार
प्रकृति	संख्यात्मक	संख्यात्मक + गुणात्मक
क्षेत्र	सीमित	व्यापक
ध्यान	केवल आर्थिक पक्ष	आर्थिक + सामाजिक पक्ष
मापन	GDP, राष्ट्रीय आय	HDI, साक्षरता, जीवन प्रत्याशा
अवधि	अल्पकालीन भी हो सकती है	दीर्घकालीन प्रक्रिया

“Economic growth is a part of economic development, but economic development is not limited to economic growth.”

“Growth shows how much the economy produces; development shows how well people live.”

“Without development, growth may increase inequality.”

Indicators of Development

1. Human Development Index (HDI)
2. Per Capita Income
3. Literacy Rate
4. Life Expectancy
5. Infant Mortality Rate
6. Employment Level
7. Gender Equality