

Distinction between Economic Development & Economic Growth :-

The terms the economic development and economic growth are used as synonyms. But some economists have drawn a line of differences b/w them.

According to Mrs. Ursula Hicker, "Development should be related to underdeveloped countries, where there is a possibility of developing, while economic growth is related to economically rich and advanced countries. Most of the resources are already known and developed."

→ Difference b/w economic development & economic growth :-

Basics of development	Economic development	Economic growth
• Scope	Wider concept than economic growth	Narrow concept than economic development
• Importance	Economic development is not possible without economic growth	Economic growth is possible without economic development
• Dimension	Economic development is multidimensional phenomena	Single dimensional phenomena
• Significance	Large quantitative significance (JK Mehta)	quantitative significance (JK Mehta)

• character	Eco. devlpt is regulated and controlled in character	Econo. growth is spontaneous in character
• Real NI	The process as well as increasing	Simply the rise in NI and not process
• Kindle-Berger's View	Economic devlpt implies more o/p and changes in technical & institutional arrangement	Economic growth implies more output
• Schumpeter's View	Econo. devlpt is discontinuous and spontaneous change in the stationary state	Economic growth is and study of change in long run
• Mrs. Ursula Hicker's View	Econo. devlpt is related to under developed countries	Economic growth is related to developed countries
• Maddison's View	The rising of income levels is called economic devlpt in poor countries	the rising of income levels is called economic growth in rich countries
• Fried Man's	Eco. devlpt is innovative process leading to the structural transformation	Economic growth is an expansion of the s/m with out a change in structure