E-Governance Of Higher Education In Economic Growth V/S Economic Development

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Abstract

“Economic development” is much more than just economic growth, while economic growth is an essential component of development; it is not the only one. This is because development is not purely an economic phenomenon. Development is a multi-dimensional process involving the reorganization and reorientation of the entire economic and social system. In addition to improvement in incomes and output, it typically involves radical changes in institutional, social and administrative structures, popular attitudes, and sometimes even customs and beliefs, as well as the reduction of inequality and eradication of absolute poverty, development represents the entire gamut of change by which the entire socio-economic system tuned to the diverse basic needs and desires of individual and social groups moves from unsatisfactory level towards materially and spiritually better condition.

INTRODUCTION

Progress of modern society is identified on the basis of economic growth and economic progress. In general the terms “Economic Growth” and “Economic Development” are used interchangeably. However, there is a fundamental difference between the two terms “Economic growth” is a steady process by which the productive capacity of the economy is increased over time to bring about rising levels of national income. It is
a uni-directional phenomenon which includes high rates of growth of per capita output and population, high rates of total factor productivity especially labour productivity, structure transformation of the economy, and the international spread of the growth benefits society as it increases the range of human choice.

**Economic Growth V/s Economic Development**

“Economic development” is much more than just economic growth, while economic growth is an essential component of development, it is not the only one. This is because development is not purely an economic phenomenon. It encompasses more than the material and financial sides of peoples live. Development is a multi-dimensional process involving the reorganisation and reorientation of the entire economic and social system. In addition to improvement in incomes and output, it typically involves radical changes in institutional, social and administrative structures, popular attitudes, and sometimes even customs and beliefs, as well as the reduction of inequality and eradication of absolute poverty, development represents the entire gamut of change by which the entire socio-economic system tuned to the diverse basic needs and desires of individual and social groups moves from unsatisfactory level towards materially and spiritually better condition. Economic development is a continuous process promoting constant improvement in the health and prosperity of the people.

Economic growth and economic development go together. Let, the following differences are noted between the two:

1. Growth indicates a quantitative change, while development involves both quantitative as well as qualitative changes.
2. Growth is essential for development, but it is not adequate.
3. Growth does not fulfill the objective of essentially desired development.

4. In development quantitative and qualitative changes occur continuously or in specific elements and variables.

5. There is no minimum base for economic growth, while for development a minimum threshold must be achieved or crossed.

In the context of an economic system, industrial revolution, technological revolution, transportation revolution, communication revolution, etc. are successive phases of development. Structural changes in economy have taken place accordingly. Population engaged more in secondary or tertiary of quaternary occupation than national income coming from these sectors than from the primary sector indicates economic development. More production quantitatively or value-wise means intense economic growth while employment generation in higher groups than the primary sector indicates economic development: improvement in the standard of living of the people arising due to economic development and a qualitative change there in means human development which is the ultimate object of any type of development.

Conclusion

In classical theories an increase in the gross national income was considered the role objective of development, even if its distribution
does not reach all the sections of society. Growth was considered the cumulative result of factors of production and, labour capital and enterprise. The theory was propounded by Adam Smith (1976) who considered accumulation of capital and division of labour as an essential condition for economic growth. Growth depends on the saving of the people at large, which are invested. Investments and land rent create capital, hence capitalists and landlords only can make saving. The labour class is unable to save money.

Ricardo believed that land resources, besides directing process of development, also limit this process as these determine the food materials and their prices and ultimately labour supply is also affected by then. Thus, Recardo gives importance to accumulation of resources or capital formation which is guided by the sole aim of learning profit increases wages; Increase in wages affects consumer goods, mainly food stuffs, which in turn affect land resources. Thus, whole chain emerges as a developing one. However, this model does not give importance to the role technology in the process of production. Hence its credibility remains doubtful.

- Monetary regulation.
- Readjustment of priorities of public expenditure.
- Taxation modification
- Liberalisation of rate of interest.
- Competitive exchange rate
- Liberalization in foreign direct investment.
- Privatisation
- Modification in corporate governance.
- Movement for eradicating corruption.
• Observance of rules of the WTO.
• Creation for eradicating poverty.

The overall objective of proposing the above points was to maintain price stability.

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Location of new industry

Expansion of service industries and other serving local market

Expansion of general wealth of community