

ECONOMIC GROWTH AND HUMAN DEVELOPMENT

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ABSTRACT

The traditional method of measuring development of a country is in terms of country's economic growth or increase in per capita income. But the problem of this approach is that it overlooks certain facts which are relevant such as people's quality of life and their choices of the way of life. In this approach, the people are considered only as a channel through which the productive progress is brought about rather than considering them as the ultimate aspect for which the production and prosperity is meant for economic growth need not always necessarily lead to human progress. A country with high per capita income may have a population suffering from malnutrition, illiteracy, social exclusion, high mortality rates etc. People having no access to income, or enjoying only limited access will feel their choices being fairly constrained. Economic growth devoid of job opportunities and without people's participation and equity cannot be recognised as development. The concept of human development in such situations becomes relevant. Human development approach focuses on the expansion of people's capabilities and freedoms. In this approach, rise of income is treated only as a path to development. Development must not only be enhancing income but should also be expanding the range of things that a person can choose. The concept of human development is a 'paradigm shift' in development discourse as it draws attention to the more direct and important aspects of human life than merely on growth in income.

Key Notes: Human development, GNP, Health, Education, Basic Needs Approach, HDRs, UNDP