

Economic Growth and Economic Well-Being

The terms economic growth and economic development are often confused and misused in our day to day lives. In the context of macroeconomics, economic growth is the quantitative measurement of a country's well-being and refers to an increase in the production of economic goods and services over a certain period of time such as a financial quarter or financial year compared to the previous interval. Alternatively, economic development is more of a qualitative measurement, that involves improvement in fiscal, economic and social conditions such as health care, education, work conditions and basic human rights. It is inconclusive to evaluate a country based on solely one of the two standards listed above, which is why many economists argue that the Gross Domestic Product (GDP) cannot sufficiently define a nation's living conditions.

The picture that we have created demonstrates an Utopian future with sustainable economic growth as well as real economic development. As can be seen on the left part of the image, there is a schooling complex as well as a hospital building. Through the provision of merit goods, such as education and free healthcare services, the life expectancy and the average number of years of received education will drastically increase, which will eventually contribute to a higher human development. Furthermore, education has been known to be the catalyst to breaking the poverty cycle and help families become less dependent on government benefits. Having widely accessible healthcare nationwide will also decrease the number of death by treatable illnesses and improve the overall life expectancy. Nations with a healthy and educated workforce will undoubtedly be more productive than one that does not. The bank that is situated behind the hospital building also plays an important role by boosting economic growth. They are leading taxpayers within the country, provide jobs to hundreds of thousands of jobs nationwide, and purchase large amounts of goods and services from suppliers within the country. Furthermore, banks also provide smaller businesses with products and services such as financing, lines of credit, term loans and mortgages, which allows capital ventures to have a higher rate of success that lead to a healthy and competitive economy. Another building within the city would be the factory behind the school. The manufacturing plant

shows the diversification of the country's industries and shifts the country away from a dual economy and towards a more manufacturing and service oriented economy. As a result of economic growth, the country will move into the high tech and financial sector, which is seen by the buildings besides the manufacturing factory. The skyscrapers can be seen as the Silicon valley or Wall Street of Kenya. As the number of skilled works within the country increase from the improvement in the education system, the