

Growth and Development

Spring 2024
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Evaluation

Type of Evaluation	Weightage (in %)
Mid Sem Exam	35
End Sem Exam	35
Assignment (Paper + Presentation)	15 + 15

House rules

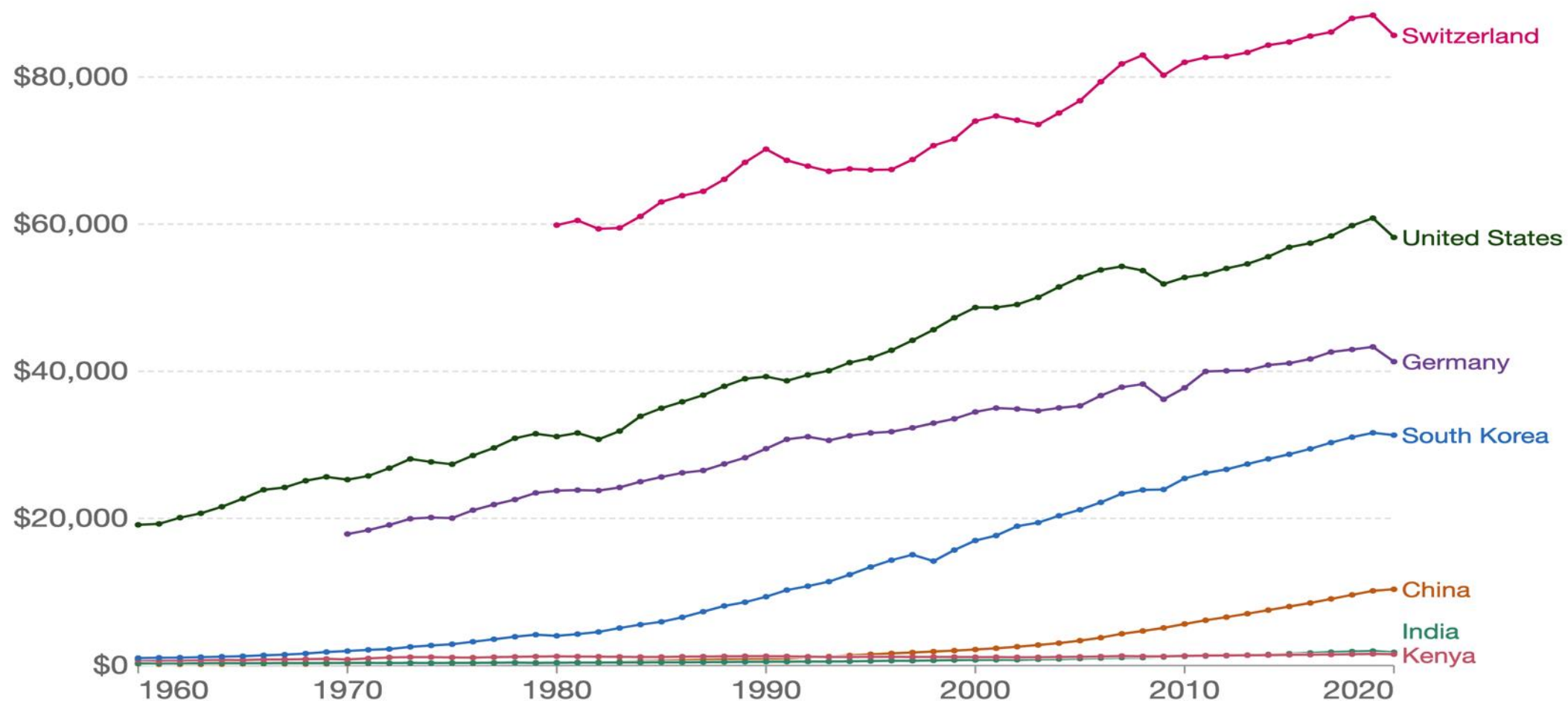
- No disturbing the class including late arrival (5 minute grace)
- Strict plagiarism policy for any written submission
- No attendance will be recorded

Growth of what?

- Economic growth- rate of increase of real per capita aggregate income in an economic unit (country, state, district etc)
- Various measures of aggregate income – gross domestic product (GDP), gross national product(GNP) and many others. Broadly understood as per capita income
- Basic idea is to aggregate the value of goods and services produced in the economic unit in a given year.
- Accumulation is an approximate synonym for growth although the exact understanding is different

GDP per capita

Measured in constant US-\$, which adjusts for inflation.



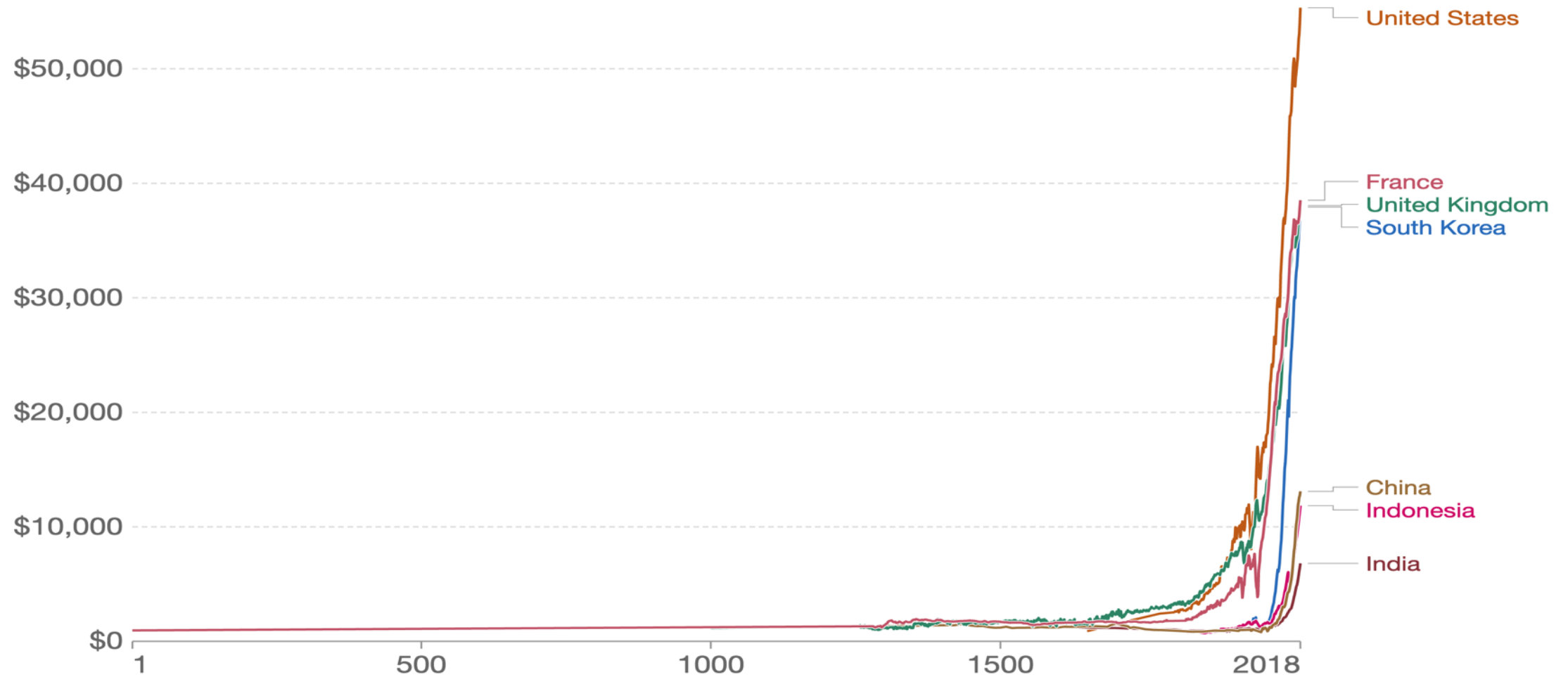
Source: World Bank and OECD

OurWorldInData.org/economic-growth • CC BY

Note: Figures are given in constant US-\$. This means it is adjusted for inflation to allow for comparison over time, but not for price differences between countries.

GDP per capita, 1 to 2018

GDP per capita adjusted for price changes over time (inflation) and price differences between countries – it is measured in international-\$ in 2011 prices.

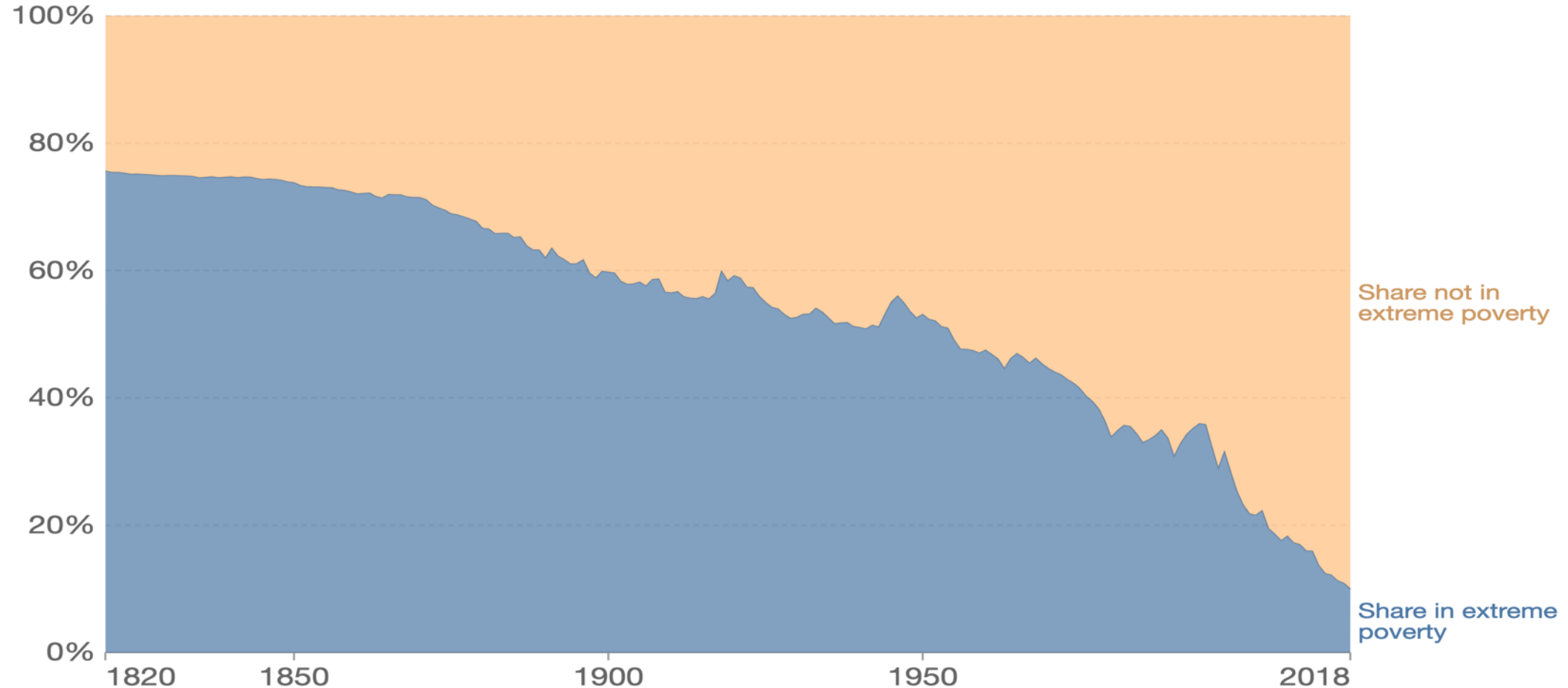


Source: Maddison Project Database 2020 (Bolt and van Zanden, 2020)

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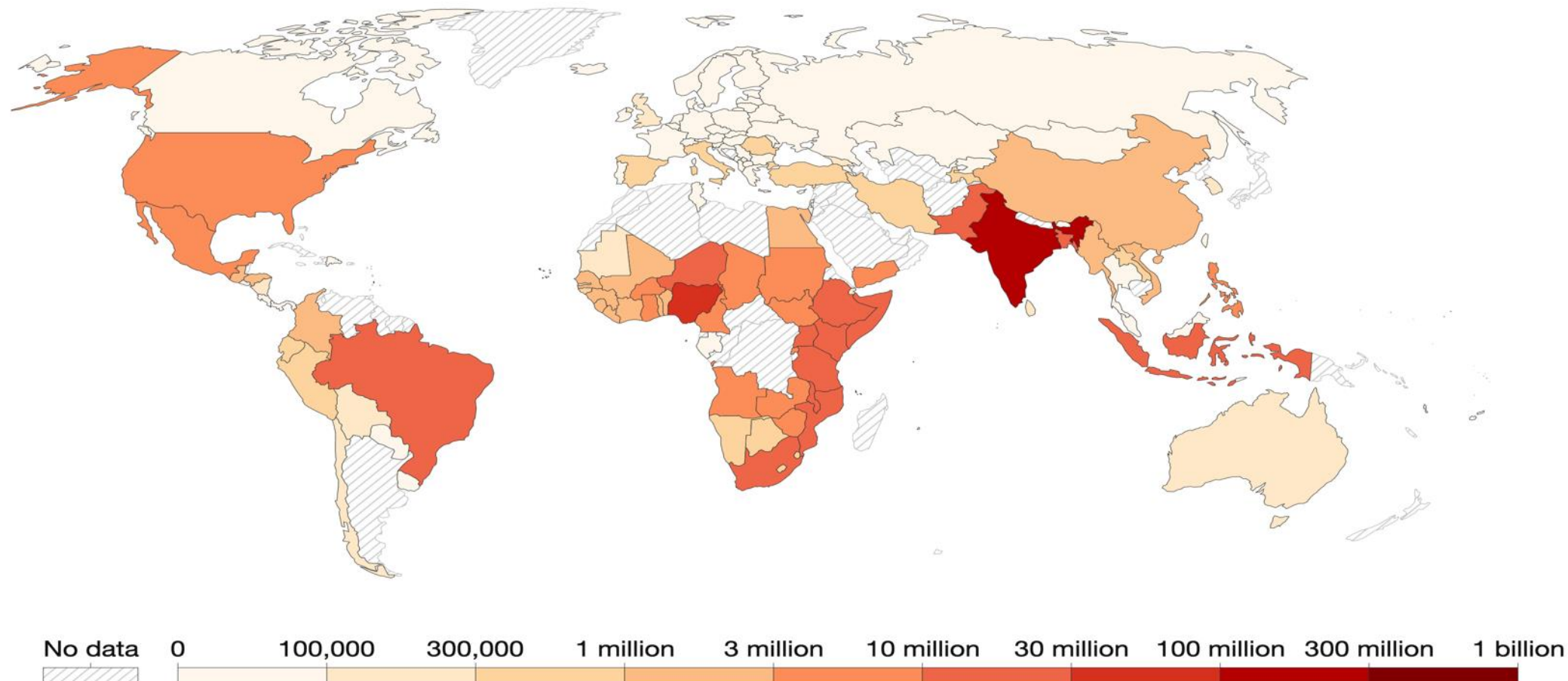
Share of population living in extreme poverty, World, 1820 to 2018

This is calculated based on a 'cost of basic needs'-approach. It represents the share of the population that was unable to meet basic needs (including minimal nutrition and adequately heated shelter) according to prices of locally-available goods and services at the time.



Number of people living in extreme poverty, 2019

Extreme poverty is defined as living below the International Poverty Line of \$2.15 per day. This data is adjusted for inflation and for differences in the cost of living between countries.



Source: World Bank Poverty and Inequality Platform

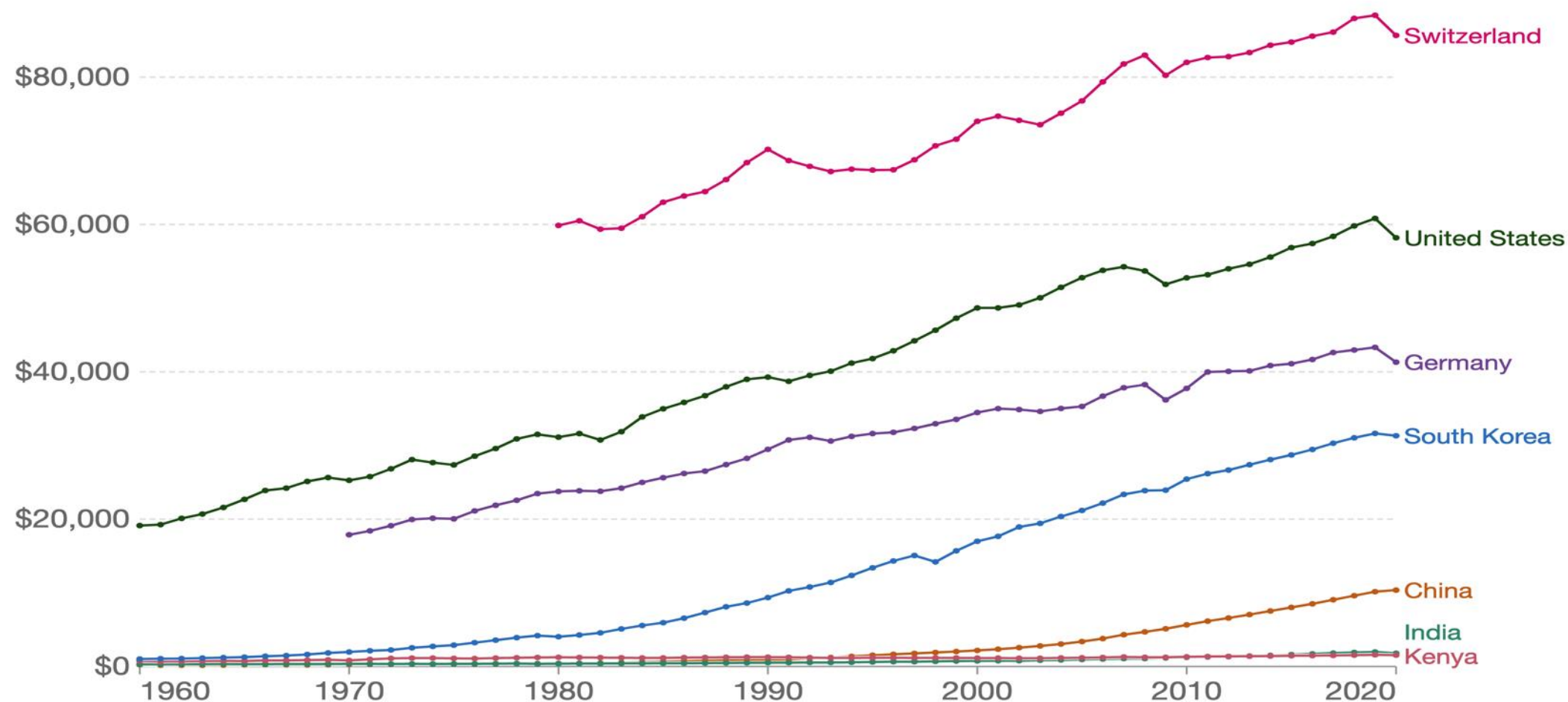
OurWorldInData.org/poverty • CC BY

Note: This data is measured in international-\$ at 2017 prices. It relates to either disposable income or expenditure per capita (exact definitions vary).

GDP per capita

Measured in constant US-\$, which adjusts for inflation.

Our World
in Data



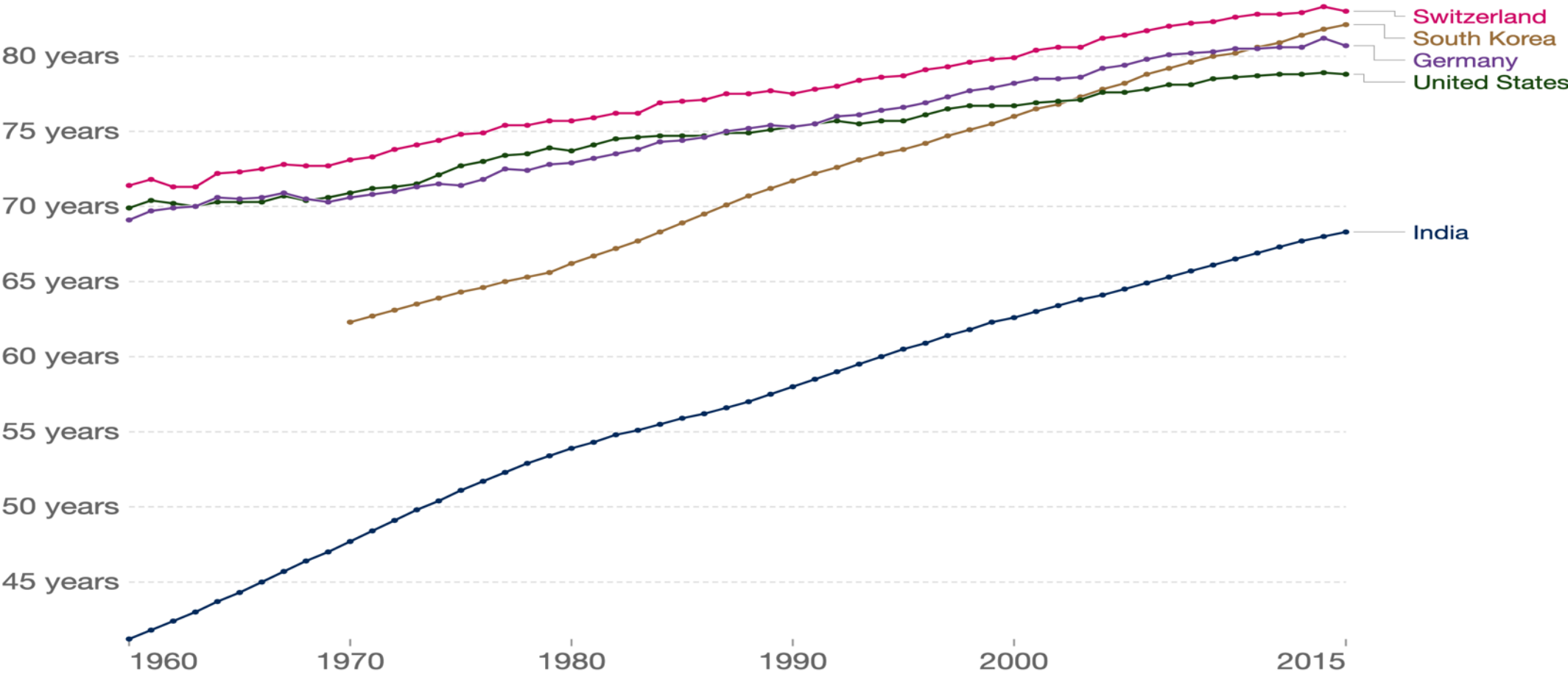
Source: World Bank and OECD

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Note: Figures are given in constant US-\$. This means it is adjusted for inflation to allow for comparison over time, but not for price differences between countries.

Life expectancy at birth, 1960 to 2015

Life expectancy at birth in years, measured across both sexes.

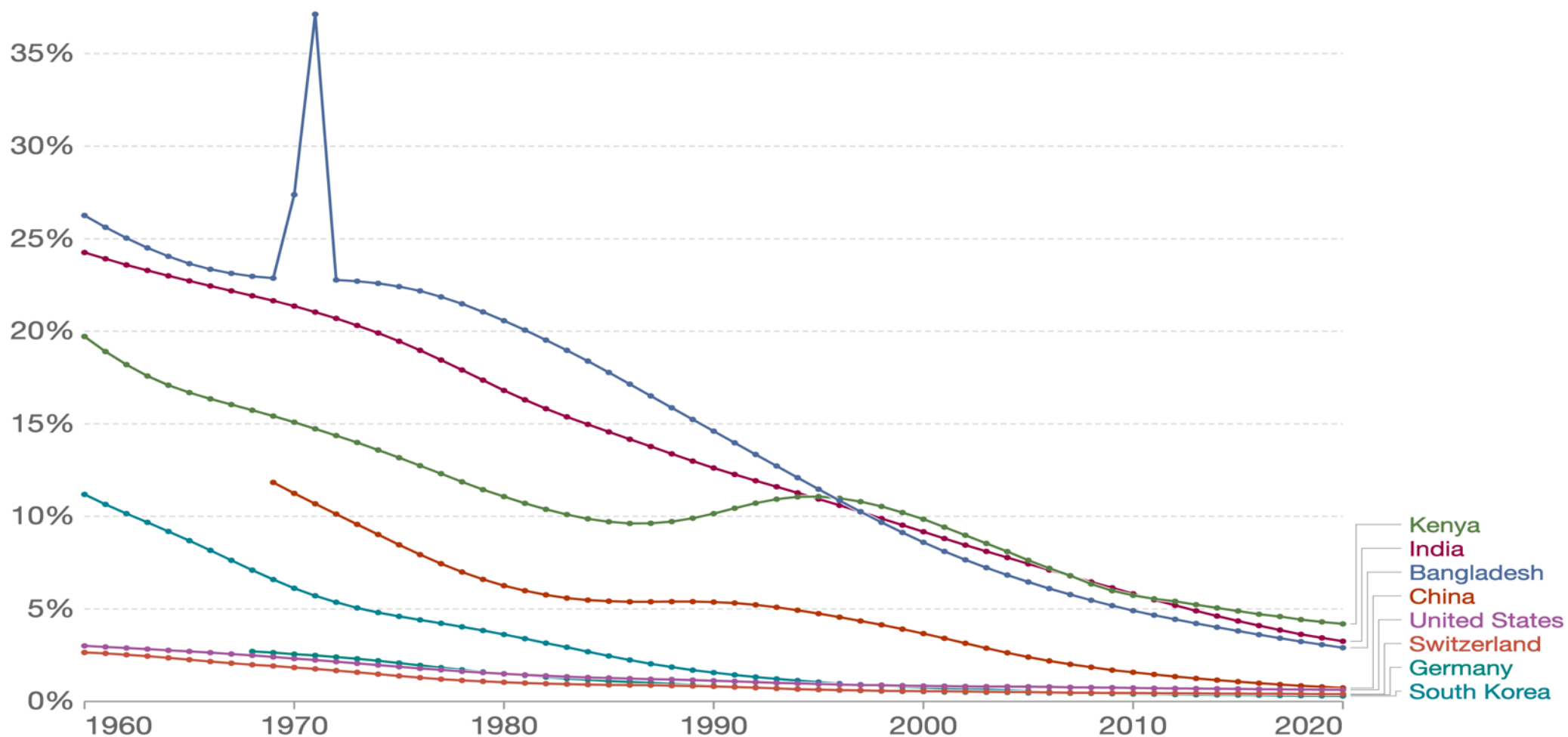


Source: OECD (2018)

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Child mortality by income level of country, 1960 to 2020

The child mortality rate measures the share of children that die before reaching the age of 5.

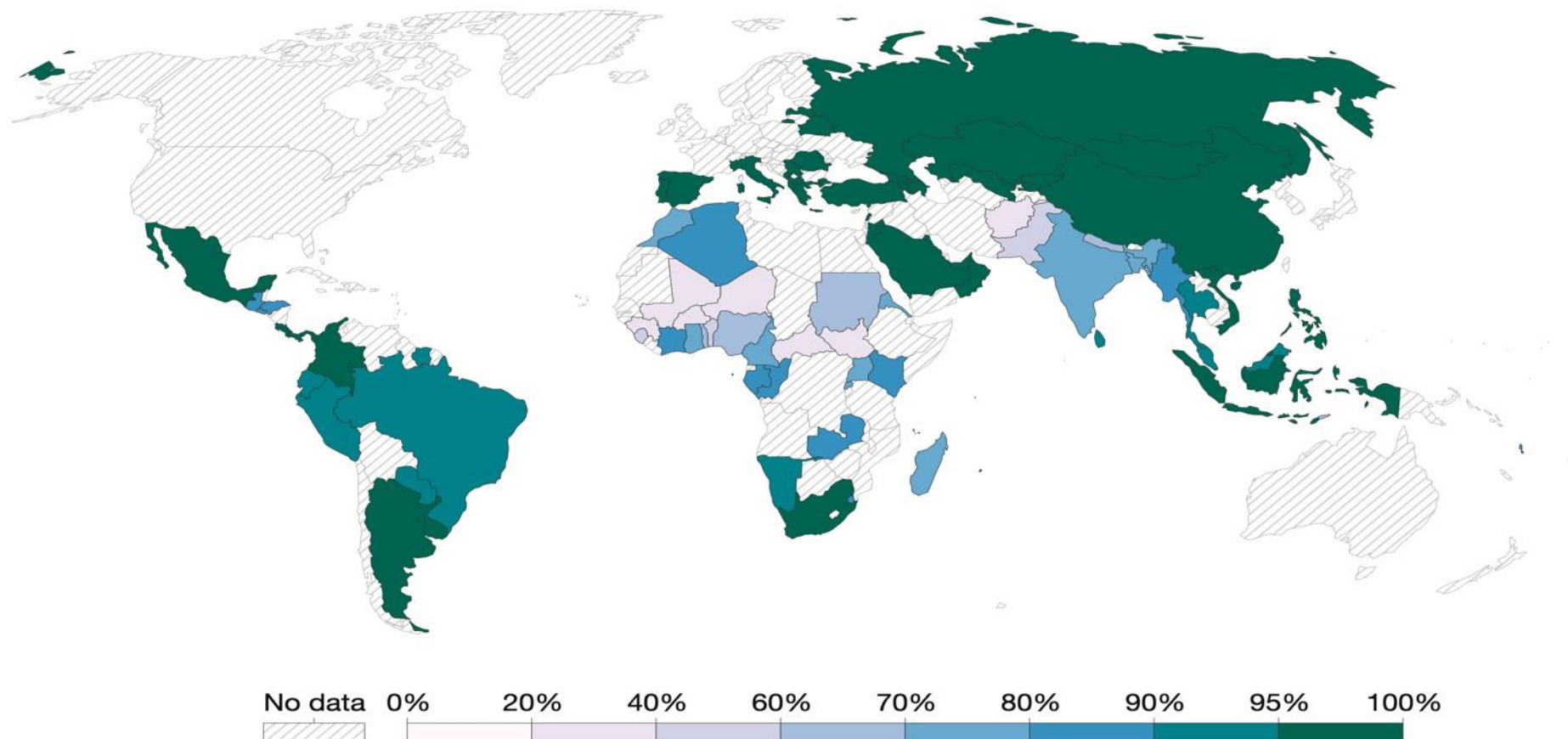


Source: UN Inter-agency Group for Child Mortality Estimation (via World Bank)

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Adult literacy rate, 2021

The share of adults aged 15 and older who can both read and write.



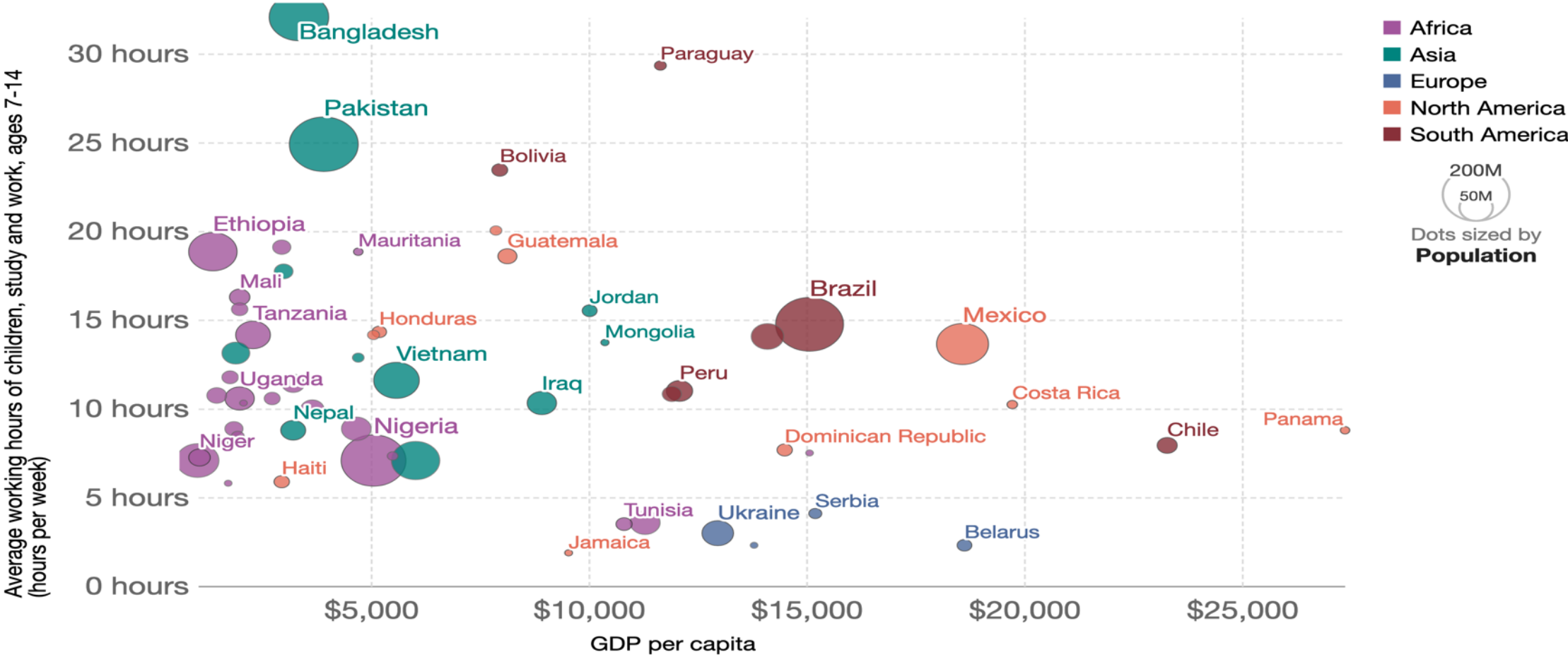
Source: UNESCO (via World Bank)

OurWorldInData.org/literacy • CC BY

Note: Under the UNESCO metric, someone who is literate can, with understanding, read and write a short, simple statement on their everyday life. However, definitions and criteria of literacy can vary by country. You can find further discussion on 'How is literacy measured?' in our post here: <https://ourworldindata.org/how-is-literacy-measured>. Literacy data collected for North America and Western Europe involves more detailed assessments and is not internationally comparable.

Weekly hours worked by children (7-14) vs GDP per capita (PPP), 2016

The vertical axis shows average weekly working hours for children ages 7-14 who are involved in an economic activity for at least one hour in the reference week of the corresponding survey (irrespective of school attendance). The horizontal axis shows GDP per capita after adjusting for differences in prices across countries and inflation (constant international dollars).



Source: Data compiled from multiple sources by World Bank

Plan for the course

- Centrality of growth in enhancing economic well-being
- Different growth theories
- How is development different: Growth vs. Development
- Growth as necessary for development
- Development beyond growth
- Development without growth