



[Glossary]
[Economics Growth (Part III)]

Subject:	Business Economics
Course:	B.A., 4 th Semester, Undergraduate
Paper No. & Title:	Paper – 401 Macroeconomics-II
Unit No. & Title:	Unit - 4 Economics Growth
Lecture No. & Title:	3: Economics Growth (Part III)

Glossary:

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- **Endogenous Growth:** Endogenous growth can be defined as the notion that policies, internal processes and investment capital, rather than external factors, are chiefly responsible for economic growth.
- **Exogenous Growth:** Exogenous growth is the belief that economic growth arises due to influences outside the economy or company of interest. Exogenous growth assumes that economic prosperity is primarily determined by external rather than internal factors.
- **Balanced growth:** It is balancing growth between rural and urban, rich and poor, and eradicating imbalances between all the sectors of economy. It plans the policies in such a way that there is balance between the sectors and within the sectors too.
- **Capital Stock:** Growth in physical capital stock i.e. investment in equipment, tools or machines etc. leading to a rise in capital per employee. It is also known as capital deepening.
- **Labour Force:** With the improvement in education level there is growth in the size of the active labour force available for production. The growth in the quality of labour can also attributed to skills, if the available human resources are educated with the required skills the quality of labour increases.

