



[Summary]

Characteristics of Developing Economics

Subject:	Business Economics
Course:	B. A. (Hons.), 6 th Semester, Undergraduate
Paper No. & Title:	Paper – 641 Elective Paper E2 Economic Growth and Policy
Unit No. & Title:	Unit – 1 Economic Development – Definitions and Concepts
Lecture No. & Title:	Lecture – 4 Characteristics of Developing Economics

Summary

In this lecture we understood the characteristics of developing countries. The difference between developing and developed nations is drawn on the basis of these characteristics. Some of these characteristics are very similar in most developing countries irrespective of the region they fall under. Low production, low incomes, high population, scarcity of capital and high dependence on primary sector, wastage of resources and mismanagement of resources nurture many other aspects which are unfavourable to the growth process. Thus, these countries experience a vicious circle of counteractive tendencies which lessen the pace of development. It requires strong will and effort on part of all national institutions and machinery to break such circles and move towards prosperity.

We further saw the use of Lorenz curve and Gini ratio as measures of income inequality and noted some measures of human development. Though it is difficult to measure human development, experts have given some measures and the Human Development Report uses some of these measures.