

# Economic growth and economic development assignment

[Sociology](#)



Economic development can also refer to as being quantitative and qualitative changes in the economy. Such actions might involve multiple areas including development of human capital, critical infrastructure, regional competitiveness, environmental sustainability, social inclusion, health, safety, literacy, and other initiatives. Economic development differs from economic growth. Whereas economic development is a policy intervention endeavourer with aims of economic and social well-being of the people, economic growth is a phenomenon of market productivity and rise in GAP (gross domestic product).

According to Mammary Seen, “ economic Roth is one aspect of the process of economic development. ” Despite the good performance of Bangladesh in terms of many growth indices, it has been lagging behind in building a necessary infrastructure for achieving goals for the country to be treated as a middle-income one. Economic governance embraces all macroeconomic, microeconomic and fiscal policies, public economic agencies, regulatory bodies, company laws and legal institutions connected with economic matters.

Good governance means an efficient, open, accountable and audited public service, which has the bureaucratic competence to help design and implement appropriate public policies and, at the same time, an independent Judicial system to uphold the law. Good governance is a system of governance that is able to unambiguously identify the basic values to society, where values are economic, political and socio- cultural issues including human rights, and pursue these values through an accountable and

honest administration. It is obvious that good governance is a must for the development and growth of a nation.

Good governance generally implies a number of institutions, which regulate the behavior of public bodies, stimulate citizens' participation in government and control public-private relations. Governance is government plus the private and third (not for profit) sectors. In the 1992 report titled "Governance and Development", the World Bank gave its definition of good governance. Good governance is defined as "the manner in which power is exercised in the management of a country's economic and social resources for development".

In an October 1995 policy paper called "Governance: Sound Development Management", the DAB outlined its policy on this topic. Further, in a separate opinion issued by the DAB General Council, it was explained that governance has at least two dimensions: (a) political (e. G. , democracy, human rights); and b) economic (e. G. , efficient management of public resources). The United Nations Development Programmer's (UNDO) definition of good governance is spelled out in a 1997 UNDO policy document titled "Governance for Sustainable Human Development".

The document states that governance can be seen as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. The key elements of good governance as defined by UNDO are listed below: Participation: Participation by both men and women is a key cornerstone of good governance. All men and women should have a voice in decision making either erectly or through legitimate intermediate

institutions that represent their interests. Rule of law: Legal frameworks should be fair and enforced impartially, particularly the laws on human rights.

Transparency: Transparency is built on the free flow of information.

Processes, institutions and information are directly accessible to those concerned through it, and enough information is provided to understand and monitor them. Responsiveness: Good governance requires that institutions and processes try to serve all stakeholders within a reasonable timeshare.

Consensus orientation. There are several actors and as many viewpoints in a given society. Good governance requires mediation of different interests in society to reach a broad consensus on what is in the best interest of the whole community and how this can be achieved.

Equity: All men and women have opportunities to improve or maintain their well-being. Effectiveness and efficiency: Good governance means that processes and institutions produce results that meet the needs of society, while making the best use of resources at their disposal. Strategic vision: Leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities, in which that perspective is grounded.

The rule of law as gauged by the responses to 'efficient functioning of Judiciary' indicates that most low and middle-income countries rate it as a much higher obstacle than their high-income counterparts. The aggregate average of street crime, organized crime, and corruption are all higher in

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these countries than in the developed world. There are many problems that come up as barriers to good governance. To ensure sound local development, action should be taken to work towards achieving good governance. The legal policy regime of a country provides base to the potential Foreign Direct Investment (FED).

Unequivocal, neutral legal framework and better protection of property rights can lead to higher FED. The legal and regulatory environment does matter for financial development. Countries with legal and regulatory systems that give a high priority to creditors receive the full value of their claims on cooperation, have better- functioning financial intermediaries than countries where the legal system provides much weaker support to creditors.

Bangladesh is the seventh largest country in the world in terms of its population and owe it is treated as ' N-1 1 ' after the BRICKS countries.

However, without progress in legal arenas, such as making suitable laws and their appropriate execution, speedy resolution of all corporate and financial disputes, and quick and transparent transfer of properties, some vital sectors of Bangladesh economy may suffer irreparable loses. Like the infrastructural development, improvement of legal mechanism can now be regarded as the most important precondition for sustainable growth, a stronger economy, and pro-people system of governance. The writer is pursuing PhD at the Open University, Malaysia.[email protected]Com