

**Economic development** is the process by which emerging economies become advanced economies. In other words, the process by which countries with low living standards become nations with high living standards. Economic development also refers to the process by which the overall health, well-being, and academic level of the general population improves.

During the development, there is a population shift from agriculture to industry, and then to services.

A longer average life expectancy, for example, is one of the results of economic development. Improved productivity, higher literacy rates, and better public education, are also consequences.

Put simply; economic development is all about improving living standards. 'Improved living standards' refers to higher levels of education and literacy, workers' income, health, and lifespans.

The *Cambridge Dictionary* has the following definition of the term:

"The process in which an economy grows or changes and becomes more advanced, especially when both economic and social conditions are improved."

**Development economics** is a field of economics that examines economic development.

backward regions is one of the priorities of five year plans to achieve regional equality.

### **7. Comprehensive Development:**

All round development of the economy is another objective of the five year plans. Development of all economic activities viz. agriculture, industry, transport, power etc. is sought to be simultaneously achieved. First Plan laid emphasis on the development of agriculture. Second plan gave priority to the development of heavy industries. In the Eighth Plan maximum stress was on the development of human resources.

### **8. To Reduce Economic Inequalities:**

Every Plan has aimed at reducing economic inequalities. Economic inequalities are indicative of exploitation and injustice in the country. It results in making the rich richer and the poor poorer. Several measures have been taken in the plans to achieve the objectives of economic equality specially by way of progressive taxation and reservation of jobs for the economically backward classes. The goal of socialistic pattern of society was set in the second plan mainly to achieve this objective.

### **9. Social Justice:**

Another objective of every plan has been to promote social justice. It is possible in two ways, one is to reduce the poverty of the poorest section of the society and the other is to reduce the inequalities of wealth and income. According to Eighth Plan, a person is poor if he spends on consumption less than Rs. 328 per month in rural area and Rs. 454 per month in urban area at 1999-2000 prices.

About 26 percent of Indian population lives below poverty line. The tenth plan aims to reduce this to 21%.

**10. Increase in Standard of Living:**

The other objective of the plan is to increase the standard of living of the people. Standard of living depends on many factors such as per capita increase in income, price stability, equal distribution of income etc. During the period of Plans, the per capita income at current prices has reached only up to Rs. 20988.