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THEORY OF ECONOMIC DEVELOPMENT

Pyramid of Development

BY

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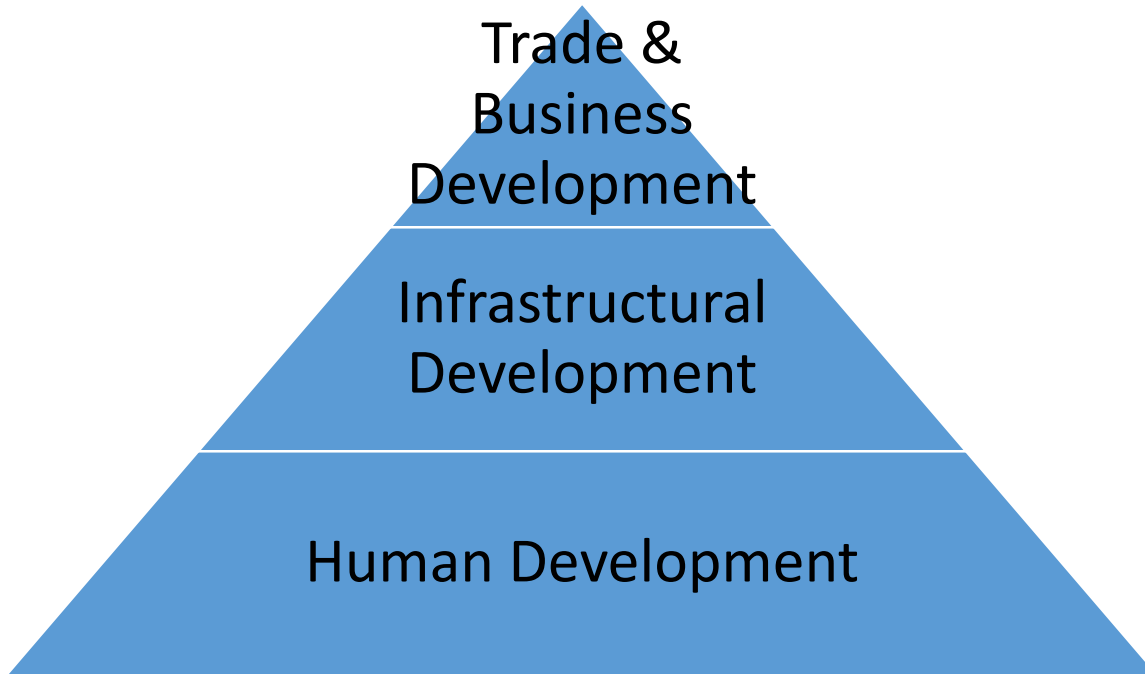
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INTRODUCTION

The theory we have designed the idea of economic development which remain associated with main elements that consists of two main development area, firstly is Health and secondly, Education development. The main factor of this idea to provide Human development that enormously influence on economic development which resulted from different perspectives. Many researches explained by analysis of focus variables of economic growth which have relationship to lead the economic development. In addition, there are further economic factors are playing crucially related with economic growth. in this study, the hypothesis concern to seriously influence on private investments in economic factors which are, therefore mainly discussed in researches, human development, awareness of education, infrastructure of economic reforms, Trade and industrial expansions. The theory surrounds human development to economic development will be resulted to economic growth. The education means to provide each and every facility of education and enrich learning with knowledge of living standards and society norms. The factor of economic development is health which means to provide complete legal material, therefore, health of nation would be controlled and maintained.

In this theory the essentials of accelerate the economy by productivity of industrial scale and infrastructural development. It consists of basic necessities of living. Infrastructural development contain water & electric, train and road facility, advance agriculture plans, industrial plan and entertainment and sports development.

Pyramid of Development Theory



Purpose of the Study

The purpose of the research study is explained about the facts of economic measures of human development which are enormously related with each other. Likewise, due to this theory, we will come to the point of understanding notion of new development theory of economy and cover all aspects of economic growth.

Objective

- To know the human development factors which are independently effects on economic development.
- To find out the infrastructure and build-up of economic reform which helps to increase in economic growth.
- To investigate the human development through education, health and learning prospective practices.

- To determine the trade and development methods which increases economic trading facilities with other countries according to demand and supply.
- To know the long-term strategies which helps to providing private and public investment in industries.

Literature Review

The research study investigated the relationship between private and public investment for economic development in Pakistan, therefore, it is merely discussed in studies that private investment is overfilled by public investment. It is more explained that private investment could be heightened by public investment which ease to grow infrastructure. (Abdul, 2006) Another study suggested that private investment is induced by public investment to create the expansion level to increase economic growth, now further analyzed the data which showed private investment played positive trend in human development. The huge government investment mainly shifted to energy sector from manufacturing industry. It is to be seen that a lot of stakeholders are attracted to private investment for diversification in industrial sectors. (Looney, 1997)

“The empirical study is analyzed the determinants of private investment in Senegal. He found a significant relationship between private investment and its explanatory variables. Public infrastructural investment was found positively related with private investment, GDP. Credit to private sector and a term of trade have a significant negative impact on private investment.” (Bazoumana.O, 2004)

The data have been analyzed by (M & C, 1990) and discussed the factors of approaching private investment performance into developing countries create mitigate economic risk and low living standards. Particularly, it is noted that public and private investment could not compete instead complement each other. An economic growth had larger impact of private investment than public investment. The research study suggested to evaluate more determinants of public and private investment for education sector which differs negative association among private investment and inflation. The quantitative discussed that if one unit increase in inflation reflects decrease in investment respectively. (Abbas V, 2004) During the 1970 the study found that domestic investment analyzed in eight African countries relatively. Private investment had been negative impact by non-infrastructural investment then infrastructural investment is vice versa. (W.Oshikoyo, 1994)

Conclusion

In an under developed country like Pakistan there are several factors which are common to other under developed country but there are few which are unique and quite complicated. We have found few policy and social programs which are very interesting in many ways but very discouraging for any developed society to accept.

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