

Chapter Two: Development – Principles and General Concepts

2- Economic Development Goals

Every country seeks to improve the standard of living for its population, and there is no doubt that development goals vary from one country to another due to their social, economic, and even political conditions. However, there are fundamental goals that developing countries aim to achieve in their development plans. The most important of these goals can be summarized as follows:

2-1- Increasing National Income

Developing countries prioritize increasing real national income, as it is the most important goal overall. The main purpose driving these countries to pursue economic development is to alleviate poverty, improve the living standards of their people, and accommodate population growth. This can only be achieved through an increase in real national income, especially if this increase is accompanied by profound and structural changes in the economic infrastructure.

Increasing real national income in any country is influenced by factors such as population growth rate and the material, technical, and technological capabilities available to that country. The higher the population growth rate, the more the country is compelled to work towards a higher percentage of increase in real income to meet the basic needs of population growth. However, this income increase is also linked to the material and technical capabilities of the country. The more capital and human resources are available in the country, the higher the percentage of increase in real national income can be achieved. It is important to note that the population itself is an important source of increased output if employed efficiently through training, which would enhance productivity.

2-2- Improving the Standard of Living

Achieving a high standard of living is among the important goals pursued by economic development in developing countries. It is difficult to meet the material necessities of life, such as food, clothing, and housing, and achieve a suitable level of health and

education unless the living standards of the population in these areas are raised to a sufficient degree. This can only be achieved through an increase in national income accompanied by a change in the standard of living. This occurs when national income increases at a higher rate than the population growth rate, resulting in an increase in the average income per capita.

2-3- Reducing Disparities in Income and Wealth Distribution

Most developing countries suffer from low national income and a low average income per capita. They also face imbalances in income and wealth distribution, where a small fraction of society controls a large portion of wealth, while the majority of the population suffers from poverty and low income levels. This situation leads to deterioration in health, education, and living standards. This phenomenon worsens as the population increases, regions expand, and disparities widen. This trend leads to the waste of money in non-productive activities or hoarding, and most countries suffer from the inability of their production systems to meet basic needs. As a result, the state is forced to import from abroad, which affects the balance of payments. Therefore, increasing productive capacity resulting from the development process requires creating demand for it, and one way to create demand is to redistribute income in favor of wider segments of society.

2-4- Expanding the Production Structure or Modifying the Relative Composition of the National Economy

Economic development should aim to expand the base of the production structure because it is not limited to simply increasing national income and the average income per capita. It also involves expanding certain economically and technically important sectors.

The backwardness of the production base, weak interconnection between sectors, dominance of a single sector, reliance on external exports, and its control over determining the level of activity and generating government income are among the most important problems faced by developing countries. Economic development seeks to improve these conditions. Under these circumstances, it is impossible to build a strategy that achieves the goals of these countries satisfactorily unless the desired change occurs in the structure and economic framework of these countries.

2-5- Other Development Goals Also known as the Millennium Development Goals (MDGs), they consist of eight objectives or goals, which are:

- Eradicate extreme poverty and hunger.
- Achieve universal primary education.
- Promote gender equality and empower women.
- Reduce child mortality.
- Improve maternal health.
- Combat HIV/AIDS, malaria, and other diseases.
- Ensure environmental sustainability.
- Develop a global partnership for development

