Figure 1. The Evolution of Development Thought

GOALS OF DEVELOPMENT

- Gross domestic product (GDP)
- Real per capita GDP
- Nonmonetary indicators (Human Development Index)
- Mitigation of poverty
- Entitlements and capabilities
- Freedom
- Sustainable development

MACROECONOMIC GROWTH THEORY

- Harrod-Domar analysis
- Solow sources of growth
- "New growth theory"

CAPITAL ACCUMULATION

- Physical capital
- Human capital
- Knowledge capital
- Social capital

STATE AND MARKET

- Market failures
- Nonmarket failures
- New market failures
- Institutional failures

GOVERNMENT INTERVENTIONS

- Programming and planning
- Minimalist government
- Complementarity of government and market

POLICY REFORM

- "Poor because poor"
- Poor because poor policies "get prices right"
- "Get all policies right"
- "Get institutions right"