



# INFRASTRUCTURE DEVELOPMENT AND IT'S ECONOMIC EFFECTS

# INFRASTRUCTURE

1. **Infrastructure** refers to structures, systems, and facilities serving the economy of a business, industry, country, city, town, or area, including the services and facilities necessary for its economy to function.
2. It is a multidisciplinary subject which can also be termed as THE UNDERLYING FOUNDATION
3. Not to be confused with superstructure or base structure
4. They are high cost investments
5. They are vital for country's development and prosperity
6. Example :- Roadways, Waterways, Roads

# **ROLE OF INFRASTRUCTURE IN DEVELOPMENT**

**CONTRIBUTE TO NATIONAL INCOME**

**EMPLOYMENT GENERATION**

**ENTREPRENEURSHIP**

**ATTRACT FDI ,PPP INITIATIVES**

**CAPITAL FORMATION**

**RURAL DEVELOPMENT**



INFRASTRUCTURE



METRO RAIL



WIND ENERGY



ROADS & BRIDGES



TRANSMISSION LINES



PORTS

# **TYPES OF INFRASTRUCTURE**

## Transportation Infrastructure

*Eg: Roads, Bridges, Airports, Ports, Waterways*

## Water and Sanitation Infrastructure

*Eg: Water Supply Systems, Sewage treatment systems*

## Energy Infrastructure

*Eg: Dams, power plants, power distribution and transmission facilities, pipelines*

## Telecommunication Infrastructure

*Housing, Facilities and Recreation*

# **EFFECTS OF INFRASTRUCTURE ON** **ECONOMIC GROWTH, POVERTY** **REDUCTION**

	ECONOMIC GROWTH	POVERTY REDUCTION
TRANSPORTATION INFRASTRUCTURE	Faster access to destinations, increase in productivity	More reliable access to markets so that fresher goods can be sold at lower wastage levels
WATER & SANITATION INFRASTRUCTURE	Incentives for construction of facilities, infrastructure and residential infrastructure, which in turn promote economic growth	Improved health, reduction in health related spending, potential increase in income savings
ENERGY INFRASTRUCTURE	Improved access and transfer of data, leading to reduced travel times and increases in productivity	Increased access to information leading to improved ability to make decisions on issues like selling price of produce etc
Telecommunication Infrastructure	Reliable and abundant power enables setting up of industries and residences that create jobs, manufacture products and promote economic growth	24 hours electricity increase the duration of working day, thereby augmenting income, increasing agricultural yield etc.

# PROBLEMS IN INDIAN INFRASTRUCTURE

LAND  
ACQUISITION

FUND  
CONSTRAINTS

POOR  
PLANNING

DELAY IN  
CLEARANCE

POPULATION

# Conclusion

- Infrastructure inadequacies in both rural and urban areas are a major factor constraining India's growth.

India needs a lot more infrastructure to meet its needs.

- The government is focusing on this and has created a set of programs and reforms aimed at addressing this issue.

