**Economic Growth**

**Consumption per capita**
Consumption per capita is the market value of all goods and services purchased by households. This includes durable products and payments and fees to governments to obtain permits and licenses. It excludes purchases of dwellings but incorporates imputed rent for owner-occupied dwellings. It also takes into account expenditures of nonprofit institutions serving households, even when reported separately by the country.

**GDP per capita**
GDP per capita is gross domestic product divided by midyear population. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.

**GNI per capita**
GNI per capita is the gross national income, converted to U.S. dollars using the World Bank Atlas method, divided by midyear population. GNI is the sum of value added by all resident producers plus any product taxes (minus subsidies) not included in the valuation of output plus net receipts of primary income (compensation of employees and property income) from abroad. To smooth fluctuations in prices and exchange rates, a special Atlas method of conversion is used by the World Bank. This applies a conversion factor that averages the exchange rate for a given year and the two preceding years, adjusted for differences in rates of inflation between the country and: the Euro area, Japan, the United Kingdom, and the United States.

**Growth Incidence Curve (GIC)**
Growth Incidence Curve is a conceptually useful tool to analyze the impact of aggregate economic growth over a wide range of the distribution (Ravallion and Chen, 2003). The GIC indicates the growth rate in income or consumption between two points in time at each percentile of the distribution. More specifically, comparing two dates, t-1 and t, the growth rate in income of the p'th quantile is:

\[ gt(p) = \left[ \frac{y_t(p)}{y_{t-1}(p)} \right] - 1 \]

Letting p vary from zero to one, \( gt(p) \) traces out the GIC.

For a more detailed explanation, click here