Human Development Module
Condensed Version
(Total Time - 2 Hours)

Module Contents

Laying the Stage for Interaction:

A statement followed by four questions presented below are directed to lay the stage for interaction between the facilitator/trainer and the participants/trainees.

The Statement: Free-market approach to economic growth is imperative, and a rapid economic growth guarantees all-round human advancement.

The Four Questions: However, it may be pertinent to ponder over the following questions impinging on the above statement:

The First Question: Is economic growth the only ultimate goal of development? Should we not be simultaneously concerned about the pattern of growth as well?

The Second Question: Left to itself, would the free market take care of the mass poverty, disparities (including gender disparity), and environmental sustainability, or has the State a definite role to play in dealing with these complex and intractable issues?

The Third Question: How valid is the ‘trickle down’ theory in the light of modern-day experiences?

The Fourth Question: Is economic growth a means to an end, or is an end itself; what should be the ultimate objective of the process of growth and development?

Information, Issues, Perspectives:

After the above warming up Exercise, the facilitator may take up with the participants the following Module Contents comprising information inputs, issues for analysis, and perspectives proposed for consideration.

Part I: Human Development Concept and Measurement (Duration: 40 mts.)

Objectives:

1. To acquaint the participants with the richness of human development paradigm and delineate the essentials from a wider connotation of the human choices it propounds.

2. To introduce the participants to the tools for measuring progress/shortfalls in human
development and distinguish between the quantifiable and non-quantifiable aspects of human development.

Contents:

- Defining Human Development and Analysing its Holistic Nature
- Main Human Development Indicators and Composite Indices
  - HDI - Human Development Index
  - HPI - Human Poverty Index
  - GDI - Gender-Related Development Index
  - GEM - Gender Empowerment Measure
- Same Components Different Measurements
- Non-quantifiable Aspects of Human Development

**Defining Human Development and Analysing its Holistic Nature:**

**Backdrop:** Fascinated by economic growth, the post-war industrial countries had hardly ever realized that economic growth was simply a means to human development and not an end in itself. Such has been the sway of Gross National Product (GNP) and associated economic indicators that countries around the world have (almost obsessively) been vying with each other to raise their rates of economic growth - unmindful of its quality, distribution and impact on the lives of citizens. Consequently, despite generation of considerable wealth, human life both in the rich industrial countries and the developing ones has suffered. Poverty amidst plenty and disease and squalor amidst affluence have continued to persist decade after decade of high growth scenarios.

**A Watershed in Development Economics:** Disturbed by prevailing contradictions, some of the leading analysts of development economics like the Nobel laureate, Amartya Sen invited attention on the dynamics of mass-poverty and lop-sided human development outcome of a narrowly conceived view of economic growth. Their contributions during the eighties, and subsequently the publication of annual Human Development Reports since 1990 have considerably broadened the analytical canvas of economic growth and crystallized its interface with human development. In fact, in 1990 when the UNDP, through its first Human Development Report, presented the concept of human development, it was regarded a watershed in economic thought and development economics. Today, the issues of human development not only constitute a central element in the debates on development economics, they form a key concern to be resolved by development planners in formulating national plans and charting paths of economic growth.

**‘Trickle Down’ Concept Ridiculed:** A central point of contention has been: whether economic growth by itself gets translated into human development for a wide-spectrum of people through ‘trickle down’ effect, or does it call for a deliberate and substantive public policy to do so. Despite rejection and ridicule of the ‘trickle down’ theory, to date, there are many adherents to this theory among the planners and policy makers - if not in their stated, in the manifest policy. The belief in the ‘do-all-magic’ of economic growth
in a free-market economy is one of those illusions which is, to say the least, hard to dispel.

**Defining Human Development:**

If it is hard to present a concise definition of human development, unlike for most of the conventional economic terms, it is entirely due to its exceptional richness, vast scope and unusually large range of sub-concepts. The definition provided in the first global Human Development Report (1990) and the one often quoted as the most authoritative one reads as follows: *Human Development is a process of enlarging people’s choices. In principle, these choices can be infinite and change over time.*

Referring to the choices, it states, “… *But at all levels of development, the three essential ones are for people to lead a long and healthy life, to acquire knowledge and to have access to resources needed for a decent standard of living. If these essential choices are not available, many other opportunities remain inaccessible.*”

Articulating the wider connotation of such choices, it is stated: *But human development does not end here. Additional choices, highly valued by many people, range from political, economic and social freedom to opportunities for being creative and productive, and enjoying personal self-respect and guaranteed human rights.*

**Holistic Nature of Human Development Concept:**

By according due priority to economic growth alongside issues of equity, sustainability and participation, the human development paradigm presents a comprehensive and wholesome perspective on development. The human development paradigm signifies a holistic vision that encompasses concerns of the economists without losing sight of the concerns of social scientists, gender activists, environmentalists and other stakeholders in the development process.

The HD paradigm features five formal characteristics worth mentioning:

a. It is a paradigm **under construction**, not a finished theory or a closed system. Given both the newness of HD and the complexity of its subject matter, there are still many specific issues to be tackled, many doubts and blank spaces, much pending work for "normal science"-that is, for filling-in the details of our "map".

b. It is a **multidimensional paradigm**, pluralist and holistic, simultaneously aiming at several values. This feature enriches the paradigm but also renders it more complex.

c. It is a "**critical**" paradigm, in the sense of Nietzsche, Freud, Marx, or Habermas—that is, one that does not seek the detached understanding of the world nor its technical manipulation, but to put reason at the service of liberty and the flourishing of humankind.
d. It is an **interdisciplinary** paradigm that picks up the best of moral and political philosophy, of neoclassical economy—particularly the theories of welfare and social choice—of statistics and its mathematical foundations. Moreover, a paradigm that faces the challenge of integrating political theory, sociology, and the theory of social policy. It is then a paradigm demanding a genuine understanding and simultaneous mastery of several disciplines, which is a difficulty as well as an advantage.

e. It is an **action-oriented** paradigm, as it was coined from the United Nations in interaction with governments, development agencies, and people all over the world. It is practical in seeking to change the conditions of life, to multiply options so that concrete human beings may face better choices.

It includes, in its fold, all that has been emphasized under the Basic Needs, and Welfare approaches, and to a great extent, under the Human Resource Development approach. But it goes beyond all these—both in respect of its operational field and coverage of target groups. In fact, it is the only model of development which can be universally applicable to all countries whether developing or industrial. Also its futuristic vision and unambiguous advocacy of basic human values and rights qualifies it as a lasting model of development both for the present and future societies.

**Human Development Theory**

Human Development is a theory and a methodology of integrated economic, social, and political development. It encompasses a moral, or philosophical, stand, a rigorous social science analysis, and a specific perspective on practical or policy issues. HD is different from the major prevailing approaches to development, and should not be confused with some parallel concepts. Hence HD is a new "paradigm", or an alternative "lens" to "see" development issues and strategies.

Figures are not ends in themselves and no data - no matter how sophisticated - could ever grasp the whole complexity of human choices. Economics has largely forgotten these truths, so HD introduces indicators of development going beyond per capita income, the time-honored yardstick in the field.

**An Initial Definition**

Let us go back to Kalpistan, the imaginary country with a high per capita income but serious flaws in terms of "true" development. How can that "true" standing be ascertained?

One possibility is to correct or "adjust" the per capita income figure, so that it gets penalized for the extension of poverty, for gender discrimination, for damage to the
environment, and so on. But this approach, though intuitively appealing, has three serious drawbacks:

a. It becomes increasingly difficult to compute and to interpret as new variables, or "true" development dimensions, are brought into the picture.

b. It does not tell why a given variable is to be added, nor why should it be given a certain weight (for instance: is political democracy a dimension of "true" development? Also, how many dollars should be discounted from per capita income if the country discriminates against women?).

Thus, it actually begs the question of what "true development" is.

**Measuring Human Development: Main Indicators and Composite Indices:**

Given the richness and an all-encompassing nature of the human development concept, it is important to devise appropriate instruments to monitor and measure progress in human development. The two challenges that are presented in measuring human development satisfactorily are: 1) to measure the progress objectively and quantitatively - without diminishing salient ethos of the concept; and 2) to devise such indices and indicators that can be universally applicable - to all countries and cultures both of the north and the south.

Not surprisingly, therefore, the processes and methodologies of measuring human development are continually being evolved and refined right since the introduction of HDI – the human development index in the first global Human Development Report by UNDP in 1990.

The HDI and three other composite indices provide the framework around which progress in human development is charted. The emergence of HDI was a landmark event, for until then GNP alone was the prime indicator for monitoring growth and development among countries. GNP by itself not only provided a circumscribed view of the changing reality but also distorted the developmental focus. An over obsession with GNP often obscured the glaring disparities in economic growth and human development and blurred the difference between the means and the end.

**Human Development Index – HDI:**

Being central to the concerns of human development, it is this index which ranks the countries in order of their progress in the annual human development reports. HDI is valuable in bringing forth the correspondence or lack of it between economic growth and human development. The greater the gap in the two rankings, greater is the absence of convergence between two vital indicators of developmental progress. Either way, it is undesirable. If human development lags behind economic growth, it indicates flaws in the pattern of growth and existence of significant distributive imbalances in incomes and assets. The other way too, it is undesirable - as long-term human development cannot be sustained without a reasonable rate of economic growth.
The HDI is indeed a summary measure of human development. It measures the average achievements in a country in three basic dimensions of human development.

The three dimensions of HDI and the indicators to measure each of these dimensions are presented below in a tabular form:

**HDI - Human Development Index**

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Indicator/s (to measure it)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A long and healthy life</td>
<td>- Life expectancy at birth</td>
</tr>
<tr>
<td>• Knowledge</td>
<td>- Adult literacy rate; and</td>
</tr>
<tr>
<td>• A decent standard of living</td>
<td>- Combined primary, secondary and tertiary gross enrolment ratio</td>
</tr>
<tr>
<td></td>
<td>- GDP per capita (PPP US$)</td>
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</tbody>
</table>

**Human Poverty Index (HPI):**

Unlike headcount of income poverty, human poverty index is a far more comprehensive measure to assess the poverty situation. In fact, it measures deprivations in the same three critical dimensions as the HDI i.e. longevity, knowledge and a decent standard of living - in terms of overall economic provisioning i.e. both public and private. An additional dimension – ‘exclusion’ is measured in the case of HPI-II to fit in the poverty index to the requirements of the countries to which it is applicable. And since the HPI measures deprivations rather than achievements, all the indicators used to measure these dimensions are accordingly chosen to project the shortfalls in achievements.

HPI-I and HPI-II are applied to measure the state of human poverty in developing and the selected OECD countries respectively. The indicators used for the two are as follows:

**HPI - Human Poverty Index**

<table>
<thead>
<tr>
<th>HPI Dimension</th>
<th>HPI-1 Indicators to Measure Deprivations</th>
<th>HPI-2 Indicators to Measure Deprivations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Longevity</td>
<td>Probability at birth of not surviving to age 40</td>
<td>Probability at birth of not surviving to age 60</td>
</tr>
<tr>
<td>Knowledge</td>
<td>Adult Illiteracy Rate</td>
<td>Adult Functional Illiteracy Rate</td>
</tr>
<tr>
<td>Overall Economic Provisioning</td>
<td>- Percentage of people without access to health services and not using improved water sources</td>
<td>- Percentage of people living below the income poverty line (with disposable household incomes less than 50% of the median )</td>
</tr>
<tr>
<td></td>
<td>- Percentage of children under five who are underweight</td>
<td></td>
</tr>
<tr>
<td>Exclusion</td>
<td>-</td>
<td>Long-term unemployment rate</td>
</tr>
</tbody>
</table>
Gender-related Development Index - GDI:

The GDI is simply the HDI adjusted downward for gender inequality. Greater the gender disparity in basic human development in a country, the lower would be its GDI compared to HDI. Therefore, the dimensions and indicators used for the GDI are precisely the same as for the HDI. By having gender-disaggregated values it captures inequalities between men and women.

Gender Empowerment Measure (GEM):

GEM assesses the women’s participation in economic and political decision-making and the extent of their economic independence. The GEM captures gender inequalities in three key areas:

- Political participation and decision-making power as measured by women’s and men’s percentage shares of parliamentary seats.
- Economic participation and decision-making power, as measured by two indicators – women’s and men’s percentage shares of positions as legislators, senior officials and managers, and women’s and men’s percentage shares of professional and technical positions.
- Power over economic resources, as measured by women’s and men’s estimated earned income (PPP US$).

Same Components Different Measurements: Except for the GEM (gender empowerment measure), the rest of the composite indices i.e. GDI, HPI-1 and HPI-2 use components in common with those of the HDI. While in case of the HPI-1 and HPI-2 the indicators measure deprivations (rather than progress), in the case of GDI, the indicators measure progress - as is the case for HDI. The following table illustrates the position:

<table>
<thead>
<tr>
<th>Composite Index</th>
<th>Longevity</th>
<th>Knowledge</th>
<th>Decent Standard of living</th>
<th>Participation or exclusion</th>
</tr>
</thead>
</table>
| HDI             | Life expectancy at birth | 1. Adult literacy rate  
2. Combined enrolment ratio | Adjusted per capita income in PPP$ |                            |
| GDI             | Female & male life expectancy at birth | 1. Female and male adult literacy rate  
2. Female and male combined enrolment ratio | Female and male earned income share |                           |
| HPI-1           | Percentage of people not illiterate | Illiteracy rate | Deprivation | in |
expected to survive to age 40 | economic provisioning, measured by: 1. Percentage of people without access to safe water and health services 2. Percentage of underweight children under five
---|---
HPI-2 | Percentage of people not expected to survive to age 60 | Functional illiteracy rate | Percentage of people living below the income poverty line (50% of median disposable income) | Long-term unemployment rate (12 months or more)

**Non-Quantifiable Aspects of Human Development:**

There is certainly no doubt that freedom, security, participation, democratic governance and such other concerns of human development significantly impact on human life and are valuable in determining an overall sense of well being of the citizens. However, until the time we are able to find universally acceptable and workable instruments to assess these concerns and quantify them, we can put them, at least, for the time being in the category of non-quantifiable aspects of human development. The only way out, as currently it seems, is to present them for a qualitative analysis exclusively or to combine the qualitative dimensions with whatever objective data is forthcoming. In any case, the outcomes would be prone to subjectivity of the analysis and therefore, of selective acceptance, at best.

In the area of political freedom and civil liberties, besides the UNDP, certain other international agencies too collect and process data. Significant among these are: the University of Maryland, Freedom House, Inter Parliamentary Union, the Transparency International, and the World Bank. Most of these assessments are based on subjective, data-based studies carried in different countries and regions of the world.

**Part II: Economic Growth and Human Development – Strengthening Symbiosis** (Duration: 10 mts.)

Objectives:

1. To bring forth the mutually supportive linkages between the economic growth and human development.

2. To enable the participants to appreciate the wide expanse of the human development paradigm in accommodating the basic concerns of the HRD approach – without undermining its own tenets
In the human development concept it is not economic growth versus human development issue; it is rather economic growth with human development or, rather more appropriately human development with economic growth. Both are not only considered as essential ingredients for a long-term growth, but a symbiotic relationship between them is recognised. In fact, given a conducive policy perspective, the two should be reinforcing each other in multifarious ways.

**Balance Required:** Although it is possible to have a reasonable level of human development even with modest levels of economic growth as has been exemplified by several countries; to sustain it, and carry it forward over a period of time is rather difficult without suffering some adverse consequences. Sri Lanka, Jamaica, and Kerala in India are pertinent examples of such a scenario. Among the several unwelcome outcomes of this situation is the prevalence of substantial unemployment among the educated youth. And if healthy and educated people are unable to find satisfying jobs due to slow economic growth, it can be quite frustrating. Besides the process of enrichment and expansion in human development vistas to enable people to lead creative and materially satisfying lives becomes fairly obstructed in the absence of sufficient and sustained growth of the economy.

Similarly, without attaining a reasonable level of human development, it is not possible to achieve and maintain economic growth for any length of time. There are, in fact, numerous links between the two that mutually reinforce each other. A World Bank study of 192 countries has revealed that while physical and natural capitals respectively account for 16 and 20 per cent of the productivity growth, the human and social capital is responsible for 64 percent of this growth – i.e. a large chunk of the growth - far exceeding the growth resulting from physical capital and the natural capital put together.

**Close Linkages Illustrated:** As to how improvements in education, health and nutrition contribute to economic growth can be discerned from the following illustrations:

Let us first take the case of Pakistan and South Korea. In 1960, the two countries had almost the same level of GDP per capita but while Pakistan had 30 per cent school enrolment, Korea’s enrolment figures were of the tune of 94 per cent. Over the next 25 years, the GDP levels in the two countries showed a striking contrast – Pakistan’s GDP was just one-third that of Korea. It is estimated that if Korea had Pakistan’s enrolment ratio in 1960, its GDP would have been 40 per cent lower than what it was now.

A study carried to assess the impact of education on farmers comes from Ghana, Malaysia and Peru. Here one additional year of schooling is associated with a 2-5% increase in farm output after controlling for farm size, inputs, hours worked and other factors. Generally, it has been observed that social and private returns are maximum for the primary education – of the tune of 18-24% and up to 29% respectively. For secondary and higher levels, these decline by 5-10 %. And as noted above, private returns are higher than the social returns. Also higher returns are recorded for general education and at the early stages of development.
To comprehend the link between health and productivity let us view the following data: In a study carried for 8 developing countries, a loss of 3-7% in incomes is attributed to absenteeism caused by illness. Illnesses and nutritional deficiencies incapacitate people and affect their work output. A positive reinforcement on the nutritional front leads to impressive dividends as we can see from the following example: Through improvements in the nutritional status of the farmers in Sierra Leone and that of road construction workers in Kenya, up to 47% increase in labour productivity was recorded.

Numerous other studies conclusively establish an unmistakable link between health, education and nutrition level of the people and the pace of economic growth. Only healthy, nutritionally non-deficient and literate (also skilled and technically-savvy) human beings can provide the requisite force and momentum in sustaining a dynamic and vibrant economy.

**A Broader and Enlightened Approach to HRD:** HD is often confused with, or reduced to, some more specific notions in the field of development. It should therefore be noted that HD is conceptually related but clearly different from notions such as:

- Human capital
- Human resources
- Social development
- Satisfaction of "basic human needs"
- Poverty eradication programs
- Adjustment with human face
- Human rights

One of the most common misconceptions is to treat human development as being synonymous with human capital and human resource development. Human capital is a term coined by Schultz in 1960s to refer to the stock of skills and productive knowledge embodied in people. Just as physical capital (machines, equipment, assets and so on) make a contribution to the national income, Schultz argued that individuals, through the human capital embodied in them, also make a contribution to national income. Thus, human capital and the human resource development framework that is based on the concept of human capital, consider human beings mainly as a means to the end which is higher national income. The investment made in people in terms of education, health, nutrition is justified in terms of the ‘rate of return’ it yields to the individual as well as to the family and society.
The human development paradigm, on the other hand, regards people as ends in themselves, and not as means to an end. Thus, the education, health, nutrition that are embodied in people are valuable in themselves not because they enable people to contribute to the national income. Investment in individuals is not justified in terms of rates of return logic but because it enhances their capabilities.

Having distinguished between the two concepts, it is necessary to recognize that the two concepts are linked. Human development provides the foundations for human resources to contribute better to national income. For example, the returns to education are higher when the bulk of the population has a minimum level of learning rather than a few individuals acquiring higher levels of learning while the majority is illiterate.

Part III: Salient Concerns of Human Development – An Overview (Duration: 40 mts.)

Objectives:

1. To put four of the major concerns of human development viz., poverty, gender equity, citizen participation and sustainability in perspective, and analyse the challenges and prospects each presents for human development.

2. To outline for consideration a broad policy direction and salient ingredients of an action plan to deal with these complex and seemingly intractable issues.

Contents;

- Poverty Eradication – A Prime Human Development Concern
- Fostering Gender Equality – A Must for Human Development
- Peoples’ Participation and Empowerment – both a Strategy and an Objective of Human Development
- Orienting Growth towards a Sustainable Human Development

Poverty Eradication – A Prime Human Development Concern:

Defining Human Poverty: From a human development perspective, poverty is multi-dimensional. Income is just one dimension – even if a critical one. Human poverty is defined as a state of multiple deprivations resulting in deeply shrunken human choices and a critical lack of opportunities to live a tolerable life. Human poverty also signifies a loss of social security, self-confidence, self-esteem and the respect of others. It is a state in which the individual feels marginalised or excluded from the mainstream society and has little role to play in shaping outcomes of social, economic and political processes. The Human Poverty Index (HPI) though focuses on just three of the most critical dimensions viz., health, education and income, the human poverty as a concept covers a much wider spectrum.
Integrating Three Perspectives: Poverty can be viewed from three different perspectives: the income perspective, the basic needs perspective, and the capabilities perspective. In the human development approach, all three perspectives find a place to formulate a composite and comprehensive view of poverty. While it duly recognises the importance of the first two, it lays a central emphasis on the third i.e. on the development of human capabilities, such as being educated and well-nourished and being able to actively participate in the economic and social life of the community. These capabilities, however, must lead to opportunities to enrich life and expand the range of human choices to lead a long, healthy and creative life.

Indian Rural Scene:

Although eradication of poverty and provision of education and health care for all were recognised early in India’s development planning and are a constitutional obligation, Indian rural scene even today is marred by mass poverty, illiteracy, under-nutrition and ill-health.

Since 70% of India’s population lives in rural areas, the vast majority of 250-300 million poor are the rural inhabitants. (The incidence of poverty as per 1997 figures is reported to be 34%, the most recent figures place it at 26% - but the two figures are not strictly comparable due to a variation in methodological aspects). The incidence of poverty in rural areas is often 3-4 percentage points higher compared to that in urban areas. Moreover, there has been a constant exodus from rural to urban areas in search of greener pastures or simply to escape acute poverty conditions. In fact, a large chunk of the urban poor are the rural migrants inhabiting urban slums and peri-urban shanty towns. This exodus from the rural to urban areas is expected to continue unabated until the rural poverty situation is redeemed and the overall quality of life in rural areas is improved.

Deprivations Accentuated: The disaggregated figures of poverty and related deprivations sharply rise in the case of women, scheduled castes, scheduled tribes and the rural inhabitants. Inter-state differences also accentuate the situation when we consider the data for four of the largest heartland states, viz., Bihar, Madhya Pradesh, U.P., and Rajasthan alongside the North-Eastern state of Orissa. The unsatisfactory and slow-changing state of human development in these four heartland states, in fact, is responsible for the nick name ‘Bimaru’ attributed to them.

India Lags Behind: India’s progress in human development compared to many countries of East and South-East Asia is hardly gratifying. Whether it is education, health, nutrition or infant mortality, India’s progress compared to most of these nations has been far lower during the past several decades. While in the 1960s India’s social indicators were comparable to those of Indonesia, Thailand, China and others but today all of them are far ahead of India. For example, despite some large recent strides in female literacy, only one-half of the Indian women today are literate where as in Indonesia, the female literacy is 80%.
Even Sri Lanka’s performance in education and health has been much better. As per a 1997 UNDP report, with India’s 2.75% growth rate in literacy it is estimated that it will take India another 16 years to reach the current (90%) literacy level of Sri Lanka and still there would be 120 million illiterates left in the country. The same UNDP report also stated that with India’s current pace of development it may be a century before India acquires a position commensurate with that of the developed nations.

**Malnourished Children – Life-long Consequences:** Under-nutrition and ill-health plague the Indian poor. A large number of children (51%) are malnourished and there is a high incidence of under-weight, stunted and wasted children especially in the rural areas. Suffering nutritional deficiency in the early years of life leaves children’s growth process both physical and mental significantly affected often with life-time consequences. Mental development is further affected in the absence of sufficient stimulus in the impoverished educational and social milieu of the rural areas. Even 47% of the adults suffer from chronic energy deficiency. The deficiency of micro-nutrients such as iron has led to a wide prevalence of anemia among pregnant and lactating women in India.

All this appears to be highly paradoxical when one considers the plethora of national and state-level education, health and other social development programmes and the extensive infrastructure created with sizeable public provisioning of funds. In addition, since 1978-79, a number of anti-poverty schemes have been carried in the country targeting the poor, chiefly rural poor.

**Failed Human Development Entrenches Poverty:** The state of human development in rural India is a matter of deep concern. It presents the most formidable obstacle in the way of eradicating poverty. Besides low enrolments, a large number of children drop-out. As per 1999-2000 figures, 79 million children in the 6-14 age group either never enrolled (44 million) or dropped out (35 million). When we consider disaggregated figures, the situation sharply deteriorates in case of the poor and even more in the case of girls from the poor households. The drop-out rate for the 20% lowest income groups is four times as high as that of the children from the highest income brackets. The average years of schooling for the rural children from poor households is 2 and it deteriorates to 0.9 years in case of girls from such households.

As to the quality of services provided one can gauge from the following: There are 38,657 primary schools without buildings. There is a shortage of 1 million class rooms and 0.6 million teachers. Also a major part of the allocations both for health and education cover chiefly the salaries of the staff. In the area of health, the situation is very similar to that of education. There is an acute shortage of not only material and equipment but even that of the community health centres – the first level referral hospitals. Poor people are forced to spend from 12-19% of their meagre earnings on medical care. The private services being unregulated provide low quality and dubious service at costs totally unaffordable to the poor.

Thus the poor are unable to reach a reasonable level of human development to even try and contemplate an escape from poverty’s vicious cycle – poor health-poor education-
low-paid work. They remain perpetually marginalised, disempowered and exploited with no end in sight. Despite some lowering of proportion of people below the Poverty Line, their numbers remain undiminished in the country.

**Approach to Poverty Alleviation:** Investment in health, education and income (income-generating projects for the poor) - the three constituents of the HDI is critical to the alleviation of poverty. All three are closely linked and complement each other rather strongly. For the success of any poverty alleviation strategy a concurrent and coordinated investment in these three critical areas is imperative. Also the investments should be quantitatively adequate and qualitatively satisfactory in order to be meaningful. Subcritical investments not only fail to achieve the objective but lead to draining of resources besides creating disillusionment both among the recipients and the service providers. A weak and thinly spread out investment may lead to an apparently large social infrastructure but it would be the one that is without any real force and momentum.

However, with competing demands for the generally scarce national resources in the developing economies, the human development sectors often suffer precisely from this malady i.e. of low level investments. The consequences of this range from low-salaried unmotivated managers and workers, disproportionately small and ineffective provisions for materials and equipment (partly in view of salaries taking up a large chunk of the limited allocations), corruption and leakages by dissatisfied staff and so on. The overall result is an human development engine on low steam that is unable to pull through the stipulated load and carry forward on its journey meaningfully and with the required pace.

**Policy Promoting Redistributive Ethos Required:** Therefore, apart from optimizing the benefits on each unit of investment through higher levels of efficiency and prevention of leakages, the policy makers need to allocate resources for human development keeping in view the required levels of investments. This, of course, only can happen when the policy makers realize the critical importance of human development both for growth and poverty alleviation and recognize the inter-linkage in a long-term view of development.

However, as long as poverty alleviation is regarded as an additional objective and is superimposed on the economic policy as an after thought, it is extremely unlikely that poverty alleviation efforts will succeed. Poverty alleviation must be accorded the highest priority on par with economic growth. In fact, it has to be a single integrated policy with twin objectives. For this to happen, it is necessary that the policy makers accept the principle of equity in basic opportunity as a salient aspect of national policy making. From this it also implies that a redistributive national ethos has to take roots in the development of socio-economic policy of the country to correct the past imbalances and to guide the future course of resource investments.

**Fostering Gender Equality – A Must for Human Development**

**Equality, Sustainability and Empowerment** are the three pillars on which the concept of human development rests. And equality across genders assumes the highest priority as this impacts the life of half the world’s population. The human development approach
lays a central emphasis on the development of all people irrespective of their habitation, sex, racial and ethnic identity. Freedom of choice to lead a life of one’s own choosing and equitable opportunities to participate in the cultural, economic and political life of the society in ways that are empowering and protective of human rights are indispensable to the notion of human development. It would therefore be rather unthinkable to attain human development without unreserved acceptance of gender equality both in principle and in practice.

**Equal Access to Basic Social Services:** The notion of equality encompasses several dimensions. The most basic to ensuring equality across genders pertains to access to basic social services. In the context of women this would include besides basic education, health care and nutrition, reproductive health support and family planning assistance.

**Equitable Opportunities:** Corresponding to the development of capabilities acquired through access to basic needs, it is imperative that a just share of opportunities is ensured for women to participate in the economic, social, political and cultural life of the community as equal partners.

**Equal Reward:** Women have been widely discriminated against in the matter of rewards to their contributions to the community. Women around the world are waging a battle for equality in wage-structures on par with men. Norway was one of the first countries in the 1970s to pass a legislation on equal wages for women. This, however, was achieved after a long and hard struggle carried by women’s national movement supported by their caucus in the ruling labour party. But even to this day women in many countries are not given equal pay for equal work.

**Ending Discrimination in the Public and Private Domain:** Besides the above, women are discriminated against in a whole range of areas in the public as well as in the private domains. Both at work place and at home they bear the brunt of unequal treatment meted out to them. In the work place and in the political arena they have to work far harder to attain what is due to them and still face the ‘glass ceiling’ which prevents their passage to the decision making higher echelons of economic and political power. At home, irrespective of their economic contribution, they are required to carry out bulk of the home management and child caring responsibilities while having a lesser say in the decision-making process.

**Equal Protection Under the Law and Ending of Violence:** Women’s struggle for attaining equal protection under the law and ending of widespread violence, harassment and exploitation is continuing and there still is a large unfinished agenda on this account. Both in peacetime and during war women are subjected to maltreatment and totally unjust violence including such heinous acts as forced prostitution and rape. It is estimated that over a million young girls in Asia are driven to prostitution every year. And another 100 million suffer genital mutilation.

**Progress? Yes. But a Long Way to Go:**
The last century and particularly the past three decades have been extremely significant in reducing the gender disparities across the globe. There is not one country which has remained unaffected by this massive wave of progress. The overall gaps between men and women in the sphere of health, education and participation in the labour force have been significantly reduced worldwide. At the same time there is still no country which can claim perfect equality between men and women. Indeed there is hope and there is confidence that the ongoing struggle for gender equality – being spearheaded by women’s movements – national and international, would eventually succeed.

**Some Policy Directions to Fight Gender Inequality:**

**Universal Education:** Considering the multiple benefits of education and the stimulus it provides to improvements in related fields, universal education of women and special attention to the education of girl child should indeed be a priority aspect of gender policy. This should include special efforts to promote enrolments at the primary and secondary stages in particular. It has been reported that there has been a greater increase in the enrolment ratios of women at the tertiary levels in many countries compared to that at the primary and secondary levels.

However, apart from much increased outlays for education of the girl child, policy needs to be framed to enthuse and reorient the local communities towards the achievement of this objective.

**Improved Reproductive Health:** How important is reproductive health for women can be gauged from the fact that 36.6% of the women’s burden of disease in the 14-44 age group relates to reproductive health. This is three times more then that of men. A comprehensive strategy that involves both curative and preventive services including health education and counseling would be required to bring about tangible improvements in this area.

Counseling and other efforts should also be directed at fostering healthier two-way relationships of women with other significant individuals within and outside the family; as also to strengthen women’s rights to make choices on issues directly affecting their lives. The reproductive rights must include women’s ability to make decisions without coercion by government or by individuals. And for this to happen access to information/education and equitable gender relations are essential. The challenge therefore is not merely to provide services but to ensure that the policies and approaches adopted enable women to make voluntary decisions.

But even on the services front despite large strides in the improvement of reproductive health inputs there is still considerable unfinished agenda. What has been achieved and what can be achieved can be broadly understood by comparing for instance the maternal mortality rate of the least developed and the developed nations. In one of the extreme cases, the difference in maternal mortality between two countries is a thousand times. Mali, one of the poorest countries has the maternal mortality rate of 2000 per 100,000 live births and Ireland’s maternal mortality rate is just 2 per 100,000 live births.
Entrepreneurial Skills and Credit for Women: Access to financial resources by low-income women is a key factor in human development. And making progress in this third dimension of human development is far more difficult than in education and health. Yet it is a crucial dimension because poverty becomes a stumbling block in the way of human progress and the motivation for it. But a formidable challenge is presented when we consider that out of over 300 million low-income women – largely self-employed or running small businesses – only about 5 million have access to credit from sources other than the money-lenders.

During the past two decades or so, a number of national and international initiatives have been taken to promote women’s access to credit. Among the national level programmes, Bangladesh’s Grameen Bank presents an effective and widely replicable model. Indonesia’s BRI is the largest of national level programmes with over 1.6 million beneficiaries. India’s SEWA – Self Employed Women’s association is an extension activity of a Trade Union organization providing a forum for rendering banking services to self-employed women otherwise unable to draw from the general banking system.

Comprehensive Policy and Affirmative Action: Granting of equal human rights to women needs to be accepted by all nations as a fundamental principle in accordance with the Vienna Declaration of 1993. In Vienna at the World Conference of Human Rights, 171 states participated to reaffirm equal human rights for women. What of course needs to be done now is to formulate comprehensive policy reforms supported by affirmative action strategy to provide a major fillip to this ongoing struggle for human equality – a fundamental notion of human development.

People’s Participation and Empowerment – Both a Strategy and an Objective of Human Development

While some development concepts view people as a resource/human capital and some treat them as beneficiaries of the development process, but none other than the human development concept treats them as both the object of development and as the prime instruments of development. In fact, without placing people at the centre of development process, the human development concept can not even be visualized. People’s participation and their empowerment is the human development paradigm’s essential ingredient and its most potent strategy for a fulsome and equitable growth.

Participation: Apart from its immense intrinsic value, people’s participation in the development process and decision-making provides the greatest guarantee against the development process going astray. It injects the regulatory levers in the policy formation as well as in the governance machinery. In most developing countries it is not the absolute lack of resource or even the technological know-how or the insufficient managerial capacity that comes in the way of registering desirable pace in the national growth but it is the distortion in policies, inept and corrupt administration and lackadaisical delivery of planned inputs.
People’s participation is the best remedy to rid the large and often unwieldy public sector bodies of the unwanted flab and needless inefficiencies. Today, there are numerous success stories around the world corroborating the transformations achieved through people’s participation. The Madhya Pradesh Government’s Education Guarantee Scheme is one splendid example of the same.

Peoples’ participation and empowerment of the marginalised are the true indicators of democratic functioning. A vibrant democracy facilitates citizen participation and consciously works to integrate the groups excluded from the national mainstream through a well-defined public policy involving investment decisions, governance patterns and so on. Participation to be meaningful must lead to empowerment of the people and restoration of equitable social, political and economic power equations.

**Empowerment Steps:** But empowerment calls for interventions much beyond granting representative presence to the marginalised in the political institutions. It requires specific and sustained action, in the first instance, to ensure the effective and adequate access to education, health and income resources for the disempowered – the three essentials of human development. The capabilities and capacities thus developed are then to be matched with the opportunities to put those capabilities into a meaningful use. For instance, the education and skills developed in the people must lead to better employment or income opportunities for them in order that they are out of an endless struggle for mere survival.

Two of the most urgent causes, viz. poverty eradication and attaining gender equity, in fact, can be dealt with through an empowerment-centered approach and not otherwise. As we have seen in our own country, despite a plethora of public sector schemes to alleviate and eradicate poverty during the past several decades, the outcome has been, to say the least, dismal. The poor and especially the poorest in the country are so completely disempowered that the benefits of the schemes designed to help them are cornered by the more powerful. The poorly motivated administrative machinery - itself prone to nepotism and corruption, succeeds only in adding to the existing mess.

In instances where people’s participation has been ensured and they have been assisted to organise themselves and believe in their own ability, the results have been impressive to outright spectacular. SEWA in India and the Grameen Bank in Bangladesh can be cited as the cases in point. In the matter of fight against gender inequities, an added dimension would be to counter the age-old prejudices, unjust customs and cultural practices through social and legal movements to create a favourable climate for eventual attainment of total gender equity. But firstly, the three essentials of human development namely, education, health and income must be taken care of on a high priority basis to unshackle the deprived women from a state of sheer helplessness.

**Forms of Participation:** Citizen participation must span the entire spectrum of national life. It is certainly not enough to have some high profile NGOs at the national level or a few in every state hobnobbing with the big and the powerful and succumbing at times to the same bureaucratic trappings they had often looked askance at. The national level
NGOs and their international cousins with access to large resource pools, of course, do have a role to play, but the most meaningful participation is achieved when they are supplemented by a nation-wide network of community-based organisations both in the countryside and in the urban neighbourhoods.

Working independently or in liaison with the public sector bodies, people’s organisations can play a crucial role in promoting human development and in enhancing the pace and direction for social change. The civil society organisations and people’s movements at times can usher in new possibilities through sheer commitment to the cause, hard work and perseverance. Among the most powerful influences behind the passing of Right to Information Act in the country has been the MKSS of Rajasthan.

**Orienting Growth Towards a Sustainable Human Development**

Economic growth, moderation in consumption levels and the conservation of natural resources ought to go hand in hand if human development has to be sustainable. But the story of the past some decades is not all that comforting. The overall consumption levels have steeply risen putting enormous strain on the environmental resources. The global private and public consumption reached a staggering $24 trillion by 1998 from just $4 trillion in 1950 and $12 trillion in 1975. And a rather troubling paradox is that the consumption is grossly unequal – over a billion people still live in poverty at subsistence levels. The 20% of world’s people in the highest income countries account for 86% of the total private consumption while the poorest 20% a miniscule 1.3%. The concurrent existence of high unsustainable consumption with substantial poverty and rising disparities both among the people and between nations indeed presents a formidable challenge in the way of human development.

Both extravagant consumption and mass poverty threaten sustainability and undermine human development. While the poor, to meet their sheer survival needs, are forced to exploit fragile ecosystems and marginal lands, the insatiable and continuously rising consumption level of the rich is laying the forests waste, polluting rivers and oceans, over-stretching the renewable and non-renewable resources to the limits, and endangering bio-diversity and wild life besides emitting gases contributory to global warming.

The 1998 global human development report states:

- The carbon dioxide emissions in the world have quadrupled over the past 50 years, the threat to global warming has shown no signs of receding.

- In industrial countries per capita waste generation has increased almost threefold in the past 20 years.

- A sixth of the world’s land area – nearly 2 billion hectares – is now degraded as a result of overgrazing and poor farming practices.
The world’s forests are shrinking; since 1970 the wooded area per 100,000 inhabitants has fallen from 11.4 square kilometers to 7.3.

Fish stocks are declining, with about a quarter currently depleted and another 44% being fished at their biological limit.

Wild species are becoming extinct 50-100 times faster than they would naturally, threatening to tear great holes in the web of life.

It would therefore be prudent for the global society to reorient growth patterns to harmonise with the demands of sustainable human development. While there is great urgency to upgrade the consumption levels of the poor to render their lives tolerable, the rich especially in the industrial countries need to have a fresh look at their life styles and consumption patterns to fit in with the environmental demands. All other steps including exploration of new energy resources, afforestation, soil conservation, technological improvements, pollution control measures and so on would only be meaningful if the needless extravagance and imbalance in consumption is taken care of.

The planet has only a finite sink and regenerative capacity. Economic growth, therefore, would be meaningful as long as it is compatible with the requirements of sustainability and is contributory to the overall human development for all on the planet.

**Part IV: Tracking Human Development – Human Development Reports (Duration 25-30 mts.)**

Objectives:

1. To familiarise the participants with the human development reports being brought out at the global, national and sub-national levels, their patterns, approach and periodicity, etc.

2. To elucidate the immensely important role the HDRs are playing in promoting human development and their strategic importance in shaping policies for the future.

Contents:

- Global, National and Sub-National Human Development Reports – Role and Strategic Importance
- India and the World – A Few Illustrative Ranking for HDI, HPI, GDI, and GEM as per global Human Development Report – 2002

Global, National and Sub-National Human Development Reports – Role and Strategic Importance
**A Landmark Event:** Publication of the first Human Development Report by UNDP in 1990 was a landmark event. Countries of the world were ranked for the first time in accordance with their performance in human development and not by their GNP. The publication of a global human development report (HDR) is now an annual feature. Covering information and data from over 170 countries world-wide, the HDRs provide the most comprehensive and authoritative data on numerous aspects of human development. This ranges from poverty, illiteracy, enrolments, health care, gender inequities, life expectancy, labour force participation to GDP and per capita income, etc. The human development index (HDI), along with poverty and gender indices provide year after year a comparative account of the progress (or lack of it, in some cases) different countries are making with regard to human development.

**Editorial Freedom** The thirteen HDRs published by UNDP from 1990 to 2002 together provide a wealth of information on the state of human development in the world – country by country and region by region. Authored by senior UNDP staff and an international team of researchers, experts and academics drawn from various countries, the HDRs make a bold attempt to present independent analysis and fresh viewpoint in the wake of editorial freedom accorded to the team. Mahbub ul Haq, a renowned economist from Pakistan, played a pioneering role and was the chief coordinator for the production of HDRs for a number of years.

**HDR Themes:** A special feature of the HDRs has been that each year a fresh theme is chosen to provide an in-depth analysis besides presenting the annual up date on the usual set of human development indicators and composite indices. While the inaugural report focused on the concept and measurement of human development, the 1993 report was devoted to people’s participation. The 1995 report analysed the gender issues, and the 1997 report examined the poverty eradication strategies. Similarly, while the 1998 HDR focused on consumption and sustainability, the 2002 report was devoted to democratic governance.

**National HDRs:** An equally important development was the commencement of the era of national level HDRs soon after the advent of global reports. Though it was only a natural corollary and somewhat inevitable, it surely was a development of enormous significance. Started initially by a small number of countries, by the latest count (2002), over 140 countries have joined the bandwagon of NHDR producers.

The national human development reports are brought out annually, biannually or with a less regular frequency depending upon the capacity and resources of the HDR teams and their sponsors. Though following the broad pattern of global reports, each national report is a creative enterprise with a personality and flavour of its own. Most NHDRs are produced by a joint team of academics, researchers, government officials, NGO representatives, etc. with UNDP participation/support. But there are no norms, and variations in team composition are rather common. But more often than not the HDR teams enjoy a marked degree of editorial independence. This not only adds enormous value to the work by enhancing its acceptance and credibility, it builds a sense of national ownership and pride as well.
Sub-National HDRs: The larger and the more enterprising countries have taken the further step of bringing out the sub-national human development reports. This is extremely useful in countries like India with marked regional and inter-state differences. With the initiative shown by the Planning Commission and the support extended by UNDP’s Human Development Resource Centre at New Delhi, India has made remarkable progress in this respect in recent years. By now, most of the Indian states have either brought out their first human development report or are in the process of doing so. Madhya Pradesh produced the first state level HDR in 1995. Rajasthan and Karnataka were the others who took lead in this matter.

Role and Strategic Importance of HDRs:

Considering that many of the countries especially of the developing world are still overwhelmingly preoccupied with the rates of economic growth and not its pattern or distribution, the publication of human development reports becomes a dire necessity. Not only that they serve as the best reminders and a pressure point in themselves for adoption of a more balanced approach on development, the HDRs provide the most potent tool of advocacy for all the stakeholders. The agencies and groups working for poverty alleviation, gender equity, environmental protection, democratic governance and empowerment of the marginalised sections of society find in the HDRs their greatest ally. Being a compendium of diverse range of credible data on human development issues duly enriched by expert analysis, the HDRs are handy instruments for substantiating the arguments and energising the debate.

With many national governments now playing a lead role in the production, publication and dissemination of national human development reports and the national ownership of HDRs becoming more assertive, the HDRs are serving as the biggest internal force for reshaping the national growth and development strategies. In India, with the Planning Commission playing a key role along side UNDP for the production of national and more particularly state level reports, the stage seems set for ushering an era of human development inspired policies and programmes in the country. Also equally importantly, the initiative and zestful response of many a state government in India to produce state HDRs indeed augurs well for the country.

Being the barometers of progress on the human development front, the HDRs serve as a valuable reference material and a sort of ready reckoner to assess both the progress made and the shortfalls that continue to exist in each of the vital areas of human development. The formulation of policies and plans and allocation of national resources, therefore, can be meaningfully and effectively guided by the data and analysis presented in the human development reports.

Internationally too the development aid agencies and the donor nations can base their assessment of the countries on global, regional and national human development reports for working out the allocations and assistance packages. The human development reports whether global, national and sub-national have an immensely important role to play and
have a great strategic importance in shaping the course of human development and remoulding development economics to meet the challenges of the 21st century.

India and the World – A Few illustrative Rankings for HDI, HPI and GDI as per Global Human Development Report 2002

**HDI Rankings:** Human Development Index (HDI) a composite index of life expectancy, education and per capita GDP indices is used in the global human development reports to rank the countries for their overall achievement in human development. The 2002 HDR ranks a total of 173 countries. The countries at the top of the order are Norway, Sweden and Canada and at the rock bottom are Burundi, Niger and Sierra Leone. The HDI value ranges from 0.942 for Norway to the lowest 0.275 for Sierra Leone. (The highest achievable HDI value being 1.00.) The life expectancy in Norway is 78.5 years while in Sierra Leone it is 38.9. The highest life expectancy of 79.9 years is in Sweden. The GDP per capita (PPP US$) ranges from Norway’s 29,918 to Sierra Leone’s 490. The United States, of course, has the higher GDP per capita of $34,142.

India stands somewhere in the middle between the highest and the lowest in index values but has a rather low ranking status with 124th position among the 173 countries (for which data has been included in the HDR). With life expectancy of 63.3 years (in the year 2000) and GDP per capita of 2,358 (PPP US$), India’s HDI value is 0.577. India is placed in the ‘Medium Human Development Countries’ category in which the HDI value ranges from 0.500 to below 0.800.

**HPI Rankings:** India’s position is 55th among the 88 countries ranked for Human Poverty Index. The top performers here are Uruguay, Costa Rica and Chile. All three of them come under the ‘high human development countries’ category in the HDI rankings.

**GDI Rankings:** In the Gender related Development Index, India is placed at 105th position among the 146 countries for which data has been provided. Niger occupies the 146th position.

**National Human Development Report 2001 – HDI Rankings Across Indian States at a Glance**

The human development rankings of different states as brought out in India’s National Human Development Report for 2001 reveal the wide inter-state variations. The HDI value ranges from 0.308 for Bihar to 0.674 for Chandigarh. The so called ‘Bimaru’ states continue to be among the lowest performers despite some successful initiatives to improve the human development scenarios in some of these states. Generally, among the top rankers are the Union Territories with predominantly urban population - which indeed is not surprising at all.

Among the states, the outstanding position is that of Kerala. With a 0.591 HDI value, it occupies the 3rd place among all Indian States and Union Territories put together. Among other states with sizeable population, Punjab, Himachal Pradesh, Tamil Nadu,
Maharashtra, Haryana and Gujarat present an overall better human development profile. They are placed chronologically from the 12th (Punjab) to the 17th (Gujarat) spot in the human development index-based rankings. Since the HDI includes per capita income, besides achievements in education and health, the areas of strength between Kerala and Punjab may be quite different. But a more balanced achievement may be seen in states like Maharashtra, Tamil Nadu and Gujarat.

At the lowest rung of the ladder are the states of Rajasthan (ranked 27th) followed by Orissa (ranked 28th), Arunachal Pradesh (ranked 29th), Madhya Pradesh (ranked 30th), Uttar Pradesh (ranked 31st) and Bihar (ranked 32nd).

The twofold conclusion that one can draw from the foregoing HDI values and rankings is that India as a whole needs to travel a long-way to reach the high human development stage (signified by an HDI value of 0.80 and above); and that there is a great urgency to bridge the yawning inter-state gaps in order to ameliorate the situation of the least fortunate citizens of this country.