



# CURRENT STATUS AND TRENDS OF HUMAN DEVELOPMENT

## INTRODUCTION

Human development in Palestine is heavily impeded by factors that adversely influence human security, as well as economic, social, and environmental predictability.

The Israeli occupation is the most significant obstacle to sustainable human development in Palestine. Both the occupation, and the magnitude, quality, and timeliness of external assistance, have largely shaped the path of human development indicators over the years by influencing the broader political and security situation. Such influences, which include periodic outbreaks of violence, the easing and tightening of Israeli-imposed restrictions on movement and access, and access to financial resources, have especially affected economic growth and the accessibility and quality of public services, thereby impacting social and economic development and the overall state of empowerment in the oPt.

Indices such as the Human Development Index (HDI) and Gender-related Development Index (GDI) are useful in that they provide a structure for the measurement and comparison of human progress and the relationship between income and well-being over time both within and across countries. Due to the heavy influence of external factors on human empowerment, and by extension human development in Palestine, however, changes over time in traditional indicator values may not necessarily reflect changes in the status of human development in a

meaningful way. Indeed, previous Human Development Reports on Palestine have criticized development indices as not adequately accounting for the unique circumstances faced by the Palestinian people.

Specifically, in its assessment of key trends in human development over the period 2005-2010, the 2009/10 HDR highlighted the prevalence of a “poverty of disempowerment” across Palestine – in the sense that many Palestinians had been kept in a state of dependency, although basic needs were found to be largely provided for through external aid. The report emphasized a high degree of positive correlation between progress, national autonomy, and youth and women empowerment.

This chapter examines the evolution in the status of human development in the oPt since the 2009/10 HDR, by highlighting key trends over recent years in five key areas: demography, economy and employment, poverty, education, and health. It seeks to assess progress under traditional human development indicators, as well as macroeconomic and other indicators especially relevant to the Palestinian context.

## **HUMAN DEVELOPMENT INDEX (HDI): AN OVERVIEW**

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The HDI is a summary measure that assesses long-term progress in three key dimensions of human development: a long and healthy life, access to knowledge, and a decent standard of living.<sup>16</sup> These dimensions are measured by: life expectancy at birth (health); expected years of schooling for a child of school-entry age<sup>17</sup> and the average number of years of education among the adult population<sup>18</sup> (education); and the per-capita Gross National Income (GNI) (the well-being-income link).<sup>19</sup>

Palestine’s HDI score for 2014 was 0.686. This placed it in the “medium human development” category and at 107th out of 187 countries and territories indexed overall. In fact, Palestine is ranked near the top of the “medium human development” category, with 0.614 as the category average (compared to 0.89 for “very high”, 0.735 for “high”, and 0.493 for “low”). Between 2005

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<sup>16</sup> UNDP (2014) ‘Human Development Report 2014 - Sustaining Human Progress: Reducing Vulnerabilities and Building Resistance’, available at <http://hdr.undp.org/en/2014-report/download>.

<sup>17</sup> The total number of years of schooling a child of school-entry age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child’s life.

<sup>18</sup> The average number of years of education received in a life-time by people aged 25 years and older.

<sup>19</sup> The GNI is the aggregate income of an economy generated by its production and its ownership of factors of production, less the incomes paid for the use of factors of production owned by the rest of the world, converted to international dollars using purchasing parity power rates, divided by mid-year population.

and 2014, the Palestine’s HDI score increased from 0.649 to 0.686, an increase of 5.7% or an average annual increase of about 0.7%.<sup>20</sup>

Of the specific indicators incorporated into the 2014 HDI, life expectancy at birth for Palestinians was 73.2 years, mean years of schooling was 8.9 (with an expected 13.2 years of schooling), and per capita GNI was \$5,168. Palestine scored higher than the calculated average for the Arab country region group<sup>21</sup> in health and education, but it fell significantly below other Arab countries in the “decent standard of living” measure of GNI (average of \$15,817 per capita).<sup>22</sup>

**Figure 7: Human Development Indicators 2014**



Source: UNDP HDR, 2014

<sup>20</sup> It is important to note here that the indicators used to calculate the HDI have changed from year-to-year, and thus the value from 2009 cannot be directly compared with that of 2014, for example (e.g. adult literacy rate is no longer included and has been replaced by mean years of schooling).

<sup>21</sup> Other countries included in the Arab regional category are Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, State of Palestine, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syrian Arab Republic, Tunisia, United Arab Emirates, Yemen.

<sup>22</sup> It should be noted that the GNI for the Arab states was the highest in the world, and 15% higher than the world average.

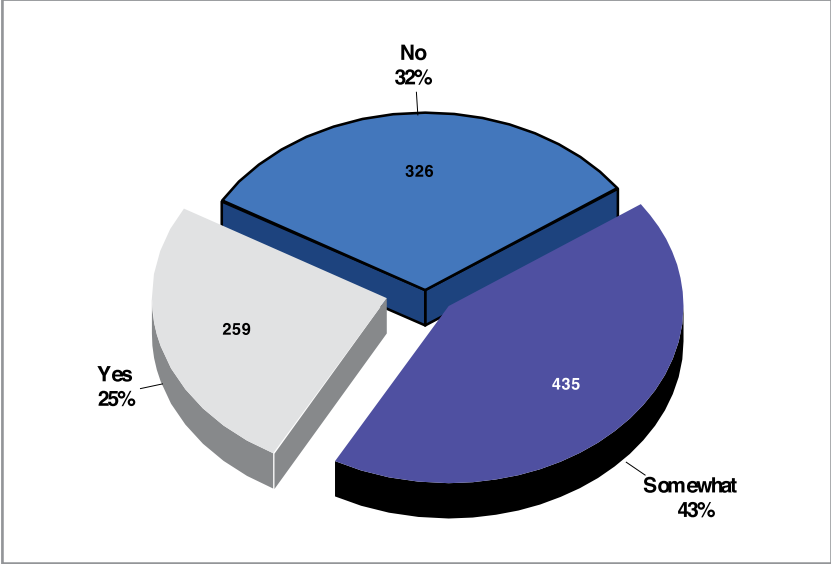
A cornerstone of human development is gender equality: women empowerment is an indispensable tool for advancing development and reducing poverty. The Gender-related Development Index (GDI) measures the gender gap in the human development achievements in the three dimensions discussed above: health, education and income. On the 2014 GDI, Palestine scored a female-to-male ratio of 0.974, placing it 41st out of 187 in this measure of how human development compares between genders. Life expectancy at birth was found to be higher in Palestinian women compared to men, but women have fewer numbers of mean years of schooling and fall significantly below men in the income category (with an estimated per capita GNI of \$1,651 compared to \$8,580 for men). Palestine showed a significantly higher GDI than the overall average for the Arab region group, suggesting greater gender equality. This is not to say that the gender gap in Palestine does not need to be urgently addressed. Indeed, the development of women recurs as a key theme engrained throughout this report.

**Figure 8: Gender-related Development Index – 2014 Indicators for Palestine**



Source: UNDP HDR, 2014

**Figure 9: Public perception survey – “Do you think that women have sufficient equity in the Palestinian society?”**



Palestine was not included in the 2014 Gender Inequality Index (GII), a composite measure reflecting inequality in achievement between women and men in three dimensions: reproductive health, empowerment, and the labour market (more on gender equality in these indicators is discussed throughout this chapter). Nor was Palestine included in the 2014 Multidimensional Poverty Index (MPI). It is generally useful to have both the HDI and MPI values, in order to round-out the development picture and identify the nature of a country’s development trends: a low HDI value, for example, combined with a high MPI score (i.e. high per-capita income) would suggest that growth is not being adequately transformed into human development achievements; alternatively, high scores on both the HDI and MPI (i.e. high incidence and intensity of poverty) would suggest that development achievements are not being shared by the poorest.

Critical indicators such as income inequality or respect for human rights and political freedoms are not considered in the HDI. These indicators and others with particularly significant impact on the Palestinian people residing in the Gaza Strip and the West Bank, including East Jerusalem, will be discussed in sections of the report.<sup>23</sup>

<sup>23</sup> Statistics provided by the Palestinian Central Bureau of Statistics (PCBS) will be used in this report unless otherwise stated.