ON THE HUMAN DEVELOPMENT CONCEPT



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WHEN AND HOW DID THE HUMAN DEVELOPMENT CONCEPT ORIGINATE?

As is known, the successful progress of the state in many instances depends on the propriety of the long-term development strategy selected by the society. As Sir W. Churchill noted: "Those who are possessed of a definite body of doctrine and of deeply rooted convictions... will be in a much better position to deal with the shifts and surprises of daily affairs than those who are merely taking short views". The Society Development Strategy aims to identify key priorities and sequencing economic and social program implementation, coordinating high levels of power and authority, optimizing resource allocation, etc.

The Economic Growth Concept has been the globally dominating growth agenda for some time. In brief, the core of this Concept is simple and clear: the country with the social and economic model that employs the highest labour efficiency, highest gross domestic product and per capita income will be a success. Due to the simplicity of the concept, it is easily replicable and implemented in most countries, despite variations in political and economic structure. And because of its simplicity and ubiquity, it has had a profound impact and prevailing influence on our human psyches and cultures.

However, by the turn of 21st century the general understanding that economic growth is not an end in itself had become gradually accepted. Society's proceeds – are just the means: they can be oriented towards social programs to provide support for poverty-stricken populations, for armament and military training, for developing education, and for prestigious, even if non-profit oriented, projects as well. Currently, a nation's standard of living may not always coincide with its per capita income level, and gross domestic product may be unevenly distributed. Indeed, the social policy of governments may be active and strong or passive and indifferent. Likewise public priorities under dictatorships and autocracies are absolutely different than those under democracies and open markets. Hence, the rate of growth of the gross domestic product cannot serve as the key criterion to measure a country's progress and success. Understanding of this issue will allow for the formulation of a new approach – the Human Development Concept.

The scientific works of Amartya Kumar Sen, the Indian economist and 1998 Nobel laureate, as well as the activity of Mahbub ul Haq, the outstanding Pakistani economist, have both made significant contributions to the HD concept.



The latter became the initiator and one of the authors of the first Report "On Human Development" prepared by the UNDP in 1990. Since then, the publication has become an annual one. More over, most of the world's nations prepare and publish their own annual Regional and National Reports based on the Human Development Concept. Over 600 global, regional and national reports have been commissioned as a one-time study or as a regular publication, reflecting the human development process in 143 countries. For the Russian versions of these publications one can refer to the site www.undp.org.

Nine Human Development Reports on Uzbekistan have been published since 1995 devoted to the following topics: social policy, economic growth, role of the state in reforming, small and medium business development, state administration decentralization, healthcare and education. To read these documents in Russian or Uzbek one can refer to the site www.undp.uz.

The human development reports do not consist solely of statistical materials but instead reflect the progress of the country strategy in regards to human development, disclosing policy priorities and determining next steps.

Therefore, during a period of less than two decades the Human Development Concept became the internationally recognized paradigm of social progress. In other words, it is not simply a theoretical structure and scientific paper, but an integrated model of society's development as well. At present, achievements accomplished within the human development context are generally recognized as fulfilling the key criterion of Uzbekistan's success strategy. Noteworthy is that at the assembly devoted to the 16th anniversary of the country's Constitution, Uzbek President I. A. Karimov emphasized that at the centre of the country's basic principles and legal foundation supporting and fostering the development of democracy, free market economy, and civic society is the Principal Law that holds "the human being, his/her interests, rights and freedoms as the highest value".



WHAT IS THE ESSENCE OF THE HUMAN DEVELOPMENT CONCEPT?

According to the Human Development Concept, human beings, and not simply economic indicators must be at the core of society's development. Expansion of human possibilities and more qualitative satisfaction of their needs are the ultimate objectives and criteria driving progress. The UNDP documents and reports provide a full and clear definition on what the goals are: "the public policy goal is to enable the extension of human choice". At that, the term "choice" means the natural, nonmaterial and material needs of an individual coinciding with the socially recognized ones, and his/her goals and ambitions for achieving a better quality of life.

These are undisputed claims, dating back to the ancient world, when early philosophers and scientists indicated, that "monetary wealth is obviously not the goal we are trying to achieve; it is simply beneficial and serves as a means to obtain other goals" (Aristotle). Why was has mankind been so slow to understanding that the progress of the human species is the ultimate objective and criterion? The point that Mahbub ul Haq, one of the concept authors noticed, is that "the evident is the very thing which is sometimes more difficult to make out". Moreover, in past societies, mankind was not able to conceive of making individual choice as an objective in practical terms, it could only happen, and did happen when basic needs had been satisfied on a large scale, through the evolution of development, scientific and technological progress, and unprecedented growth in the human creative potential, globalization; these have all contributed to the opening of hitherto unfathomable possibilities of international cooperation and expansion of democracy and the market economy.

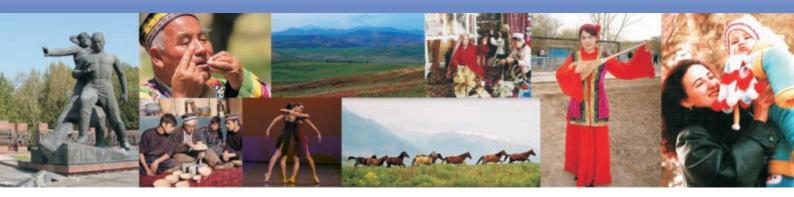
WHAT ARE THE EVALUATION PARAMETERS OF HUMAN DEVELOPMENT LEVEL?

The benefit for standard analysis of economic growth rates is that they are simple and straightforward: statistical indicators are objective and consistent. But how can one measure "the expansion of human choice"?

The world is made up of different societies, nations and people having different mentalities, cultures, and value systems, nevertheless, the understanding of the concept of a "higher standard of living" is universal. It includes family well being, health, longevity, material wealth, education, work providing not only the security of income but self-esteem and self-worth as well, general respect and value in society, safety, and the pursuit of interests and leisure. People have always appreciated the right to self-expression on a personal or political level, civic involvement, respect of individual rights, freedoms and opinions. Given this fact, it has been recognized, that the human development assessment has to be based upon the following principles and four components:



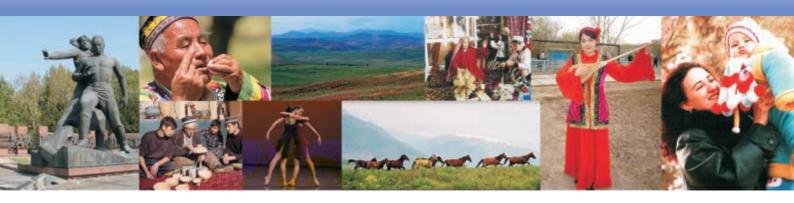
- 1. Human development (HD) is not limited to the social policy field. Without economic growth, there can be no overall improvement to the general economic wealth of society, and therefore there cannot be a satisfaction of human needs, nor can there be the expansion of human potential. HD should not be analyzed only through social indicators and statistics that measure education, healthcare, gender development, and poverty. Without further information on accumulation and investment, production and consumption, trade and technologies, statistical information cannot provide the full picture of the human development. Ultimately, society's development can be and should be measured according to the extent of its efficiency, i.e. optimal resource utilization for satisfaction of material and nonmaterial human needs. Therefore, an increase in efficiency and economic growth are one of four key components of human development. It should be appreciated that the ideology of economic growth focuses on different successes within the HDC context. In the HDC model, economic growth focuses not on achievement of the gross, financial, and economic indicators, but as it applies to the success and achievement of other principals and components of human development.
- 2. The level of society's development is intrinsically linked to the level of equality achieved within a society, i.e. the fairness of allocation of freedoms and civil rights among the different individuals and population groups in the given society. The concept of equality is not an abstract category, but is a specific concept embedded in laws and economics, is therefore easily monitored and evaluated Its essence is that the society should not practice any legal or economic discrimination on any grounds, regardless of gender, ethnicity, or economic status. Systematic assistance to disabled people requires specific attention, as do any disadvantaged groups. Equality is reflected in political and economic rights and freedoms, access to education and healthcare, other means of support for socially vulnerable populations, and stimulation of economic activity among the low-income segments through innovative mechanisms such as micro-financing, etc. envisaged in the laws and implemented in practice. Therefore, a society's capacity for equality is the second recognized component of human development.
- 3. The human development concept, unlike economic growth theory, considers society's progress as a long-term and long-lasting process. The current business-as-usual economic and administrative regimes have proven to be unsustainable, leading to the ecological catastrophe of the Aral Sea and region, dramatically demonstrating how unchecked exploitation of our natural resources can result in the destruction of those resources upon which we depend. Society's goal is to ensure the continuity of development and its sustainable nature. The sustainable development principles had already been formulated in the 1980report, "Our common future" developed by the International Commission on Environment and Development. The report indicates that sustainable development means "development meets the present needs, but not at the expense of future generations being able to satisfy their needs". This principle is the third component of the Human



Development Concept and anticipates that the nature and environment supporting human beings is not only important for human existence but for our economies and development as well. Most of the time our resources are non-renewable or are limited. Therefore, similar to any factor of social reproduction, sustaining our resources requires investments for adequate development in economic growth and expansion of human needs.

4. According to the Human Development Concept, development is viewed through the lens of expanding the capacity for satisfying human nonmaterial and material needs. At the same time, human development is measured within the context of the human involvement in the development issues being addressed. Human beings are not only the development objects, but the subjects as well, not only the means and factor of the growth, but its goal and motivation. Therefore, expansion of individual opportunities means that social progress is being achieved not only in the interest of the individuals in need of progress, but progress is achieved by those very people themselves,, formulating he fourth component of human development. On the one hand, it means the necessity of human involvement in the process of decision-making, increases people's political activity and role. On the other hand, expansion of opportunities means the improvement of the human factor potential, human knowledge and skills, and physical and mental abilities. Currently it is recognized, that the human capital and knowledge-based economy are increasingly becoming sources of economic growth. Investments in human capital turned out to be the most profitable. It is notable, that in the Millennium Declaration adopted at the Millennium Summit in September 2000, the heads of all UN member states identified the very issues directly associated with expansion of human opportunities as the key objectives of the international community. They include reducing by half the number of people in the world living on less than one USD a day by 2015; reducing by half the number of people without access to safe potable water; reducing maternal mortality by three quarters and child mortality by two thirds; expanding opportunities for education; encouraging gender equality; putting an end to the spread of HIV/AIDS, malaria, and the other diseases; and lastly improving the environment.

In summary, it is possible to say that the Human Development Concept means ensuring efficient and sustainable economic growth as well as its gradual evolution towards the logical outcome – expansion of human choice, implementation of individuals' economic and political rights and freedoms, and satisfaction of the nonmaterial and material needs of the present and future generations of population.



HOW TO MEASURE THE LEVEL OF HUMAN DEVELOPMENT?

Given these provisions, it is clear that analyzing human development is complicated work, requiring collecting and weighing data using several categories, within which are more indicator systems. While the topic is immense, this introductory report cannot provide the space or basis in which to delve into the subject of human development in its entirety and all of its concepts that have taken years to develop. Moreover, new means to analyze and assess human development measures are always improving the system. However, it is believed that it would be useful to give an overview of the HDC key categories and some of their components.

Economy	Demography	Population income
GDP level and growth rates	The population growth and structure	Actual population incomes
GDP per capita	Birth and mortality rates	Income structure
GDP per parity rate of the purchasing capacity	Family size	Income per capita
GDP industry structure	Dependent load factor	Income allocation within society
State budget structure	Number of marriages and divorces	Household expenses
Inflation level and rate	Migration processes	Labour force and employment

Poverty	Health	Nutrition
Consumer category	State and private sector expenses for healthcare	Consumption structure (in-kind indicators)
Absolute poverty boundary	Medical infrastructure availability	Consumption structure (indicators by calories)
Percentage and status of population below the poverty boundary	Immunization and vaccination; contraception and pre-delivery care	Baby food; percentage of under weight children
	Average lifespan; maternal and infant mortality	Extent of Anaemia



Housing and utilities	Education and culture	Crime
Housing, its technical condition	Costs of education and culture	Crime dynamics
New housing construction	Costs per student	Drug related crimes
Housing cost	Literacy rate	Corruption
Utilities availability and cost	Coverage of different types of education	Property crimes
Long-term availability	Teacher salaries; coefficient teacher/student relations	Juvenile crimes

Environment conditions	Improvement of the state and development of democracy and civic institutions
Energy consumption by economy and society	Administrative reform and state government decentralization
Fertilizers and pesticides in agricultural production	Political institutes maturity
Concentration of the air pollutants	Efficiency, transparency and reporting in their operations
Water pollution level	Legal and institutional enforceability of civil and political rights of the population
Soil condition; biodiversity loss	Freedom of religion

Attempts have been made throughout the entire process of the Human Development Concept introduction to develop single integrated indicators characterizing the level and dynamics of human development in an individual country and to compare them to the situation in the other states. Ultimately, the Human Development Index was recognized as the indicator accumulating the principal trends in the key HDC categories. Its components are mainly presented with the above indicators in such Human Development Concept categories as "economy", "healthcare", and "education".



WHY IS IT IMPORTANT FOR THE PARLIAMENTARIANS TO BE AWARE OF THE HUMAN DEVELOPMENT CONCEPT?

Currently, the Human Development Concept is the most integral model of society's development. It deals with all progress issues – economic growth, social investments, expansion of human potential, key needs regarding satisfaction and arrangement of social protection systems, political and cultural freedoms; and it includes not only the issues of production and distribution, but the issues of expansion and utilization of human abilities as well.

Most importantly, the Human Development Concept is an action concept, meaning that part of the concept is based in improvement and self-reliance, and it puts into action that which it studies.

It not only supports and is supported by the relevant UNDP program, but this is the case for specific member country strategies as well, including Uzbekistan. The current global financial crisis has again demonstrated that governments of all states — both those of transit economies and developed open-market economies — cannot afford to maintain a distance from social and economic processes. It is not possible to rely on the "invisible hand of the market" which regulates itself as the optimal development mechanism. As Mahbub ul Haq noted, "we need conscious state policy to focus the economic growth on the benefit of people". He believed that the following measures are required to do that: land reform, a progressive tax system, a credit facility to support the poor, an increase of social services for vulnerable populations, removal of obstacles for implementation of the political and economic rights, etc.

The responsibility of Parliamentarians at all levels is to link economic growth to sustainable human development and to ensure their interrelation. It requires improvement of the laws and regulations at all levels, clear monitoring or their implementation and control over implementation of international legal acts. Representative bodies are called for the implementation of the parliamentary control over the institutions' operation. And the very course of implementation of the Human Development Concept has to become a subject of their analysis. Moreover, the broad involvement of the population in decision-making, and whether there is an increase in their role in society's development issues depends on the very activity of the local Kengashes of the members of Parliament. Ultimately, the growth of social, political, and economic activity of the local population is the determinant of sustainability of economic and, hence, human development.

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