

HUMAN DEVELOPMENT

GROWTH AND DEVELOPMENT

- Both growth and development refer to changes over a period of time.
- growth is quantitative and value neutral. It may have a positive or a negative sign.
- Development means a qualitative change which is always value positive. This means that development cannot take place unless there is an increment or addition to the existing conditions.
- Development occurs when there is a positive change in quality.
- For example, if the population of a city grows from one lakh to two lakhs over a period of time, we say the city has grown. However, if a facilities like housing, provision of basic services and other characteristics remain the same, then this growth has not been accompanied by development.

- The quality of life people enjoy in a country, the opportunities they have and freedoms they enjoy, are important aspects of development.
- The concept of human development was introduced by Dr Mahbub-ul-Haq.
- Dr Haq has described human development as development that enlarges people's choices and improves their lives.
- People are central to all development under this concept.
- The basic goal of development is to create conditions where people can live meaningful lives.
- This means that people must be healthy, be able to develop their talents, participate in society and be free to achieve their goals.

- Pakistani economist Dr Mahbub-ul-Haq created the Human Development Index in 1990. According to him, development is all about enlarging people's choices in order to lead long, healthy lives with dignity. The United Nations Development Programme has used his concept of human development to publish the Human Development Report annually since 1990.
- Nobel Laureate Prof Amartya Sen saw an increase in freedom (or decrease in unfreedom) as the main objective of development. Interestingly, increasing freedoms is also one of the most effective ways of bringing about development. His work explores the role of social and political institutions and processes in increasing freedom.
- Leading a long and healthy life, being able to gain knowledge and having enough means to be able to live a decent life are the most important aspects of human development.
- Access to resources, health and education are the key areas in human development.

PILLERS OF HUMAN DEVELOPMENT

- Equity, sustainability, productivity and empowerment.
- Equity refers to making equal access to opportunities available to everybody. The opportunities available to people must be equal irrespective of their gender, race, income and in the Indian case, caste.
- Sustainability means continuity in the availability of opportunities. To have sustainable human development, each generation must have the same opportunities. All environmental, financial and human resources must be used keeping in mind the future.
- Productivity means human labour productivity or productivity in terms of human work. Such productivity must be constantly enriched by building capabilities in people. Efforts to increase their knowledge, or provide better health facilities ultimately leads to better work efficiency.
- Empowerment means to have the power to make choices. Such power comes from increasing freedom and capability. Good governance and people-oriented policies are required to empower people.

APPROACHES TO HUMAN DEVELOPMENT

- ***Income Approach***- the level of income reflects the level of freedom an individual enjoys. Higher the level of income, the higher is the level of human development.
- ***Welfare Approach***- The approach argues for higher government expenditure on education, health, social welfare and basic amenities.
- ***Basic Needs Approach***- proposed by the International Labour Organisation (ILO). Six basic needs i.e.: health, education, food, water supply, sanitation, and housing were identified.
- ***Capability Approach***- Prof. Amartya Sen. Building human capabilities in the areas of health, education and access to resources is the key to increasing human development.

MEASURING HUMAN DEVELOPMENT

- The human development index (HDI) ranks the countries based on their performance in the key areas of health, education and access to resources. These rankings are based on a score between 0 to 1 that a country earns from its record in the key areas of human development.
- The indicator chosen to assess health is the life expectancy at birth. A higher life expectancy means that people have a greater chance of living longer and healthier lives.
- The adult literacy rate and the gross enrolment ratio represent access to knowledge.
- Access to resources is measured in terms of purchasing power (in U.S. dollars).
- Each of these dimensions is given a weightage of $\frac{1}{3}$. The human development index is a sum total of the weights assigned to all these dimensions.
- The human poverty index is related to the human development index. This index measures the **shortfall in human development**. It is a non-income measure.

- The probability of not surviving till the age of 40, the adult illiteracy rate, the number of people who do not have access to clean water, and the number of small children who are underweight are all taken into account to show the shortfall in human development in any region.
- Often the human poverty index is more revealing than the human development index.
- Together they give an accurate picture of the human development situation in a country.
- Gross national happiness- Bhutan is the only country in the world to officially proclaim the Gross National Happiness (GNH) as the measure of the country's progress.
- GNH encourages us to think of the spiritual, non-material and qualitative aspects of development.

COMPARISONS OF HDI

- Size of the territory and per capita income are not directly related to human development.
- Often smaller countries have done better than larger ones in human development.
- Sri Lanka, Trinidad and Tobago have a higher rank than India in the human development index despite having smaller economies.
- Countries can be classified into three groups on the basis of the human development scores earned by them.
- **Countries with High Index Value-** Countries with high human development index are those which have a score of over 0.8. This group includes 57 countries. Norway, Iceland, Australia, Luxembourg and Canada are the top five countries.

- In these countries, lot of investment in the social sector has taken place. Altogether, a higher investment in people and good governance has set this group of countries apart from the others.
- **Countries with Medium Index Value-** form the largest group. total of 88 countries in this group.
- Many of these countries have been rapidly improving their human development score by adopting more people-oriented policies and reducing social discrimination. They have a much higher social diversity.
- Many in this group have faced political instability and social uprisings at some point of time in their recent history.
- **Countries with Low Index Value-** 32 countries record low levels of human development. A large proportion of these are small countries which have been going through political turmoil and social instability in the form of civil war, famine or a high incidence of diseases.

- Countries with high levels of human development invest more in the social sectors and are generally free from political turmoil and instability. Distribution of the country's resources is also far more equitable.