

## CHAPTER - 1

# HUMAN DEVELOPMENT REPORT

Originated By - Mahboob-ul-Haq of Pakistan (Mahbub-ul-Haq) Amartya Sen of India.

1st Human Development - 1990 (Published in)

**Definition :** Human Development is the process of enlarging peoples choices and capabilities to enable him to enjoy longevity, literacy and decent standard of living.

In other words, it is a process by which a society or a nation can use its national income to translate it for a better life for its people.

There may be two notions—

- (a) With Higher Capita income (Higher)
- (b) With low capital income.

and yet people with low capita income may have higher value of its Human Development than people with Higher capita income, which would mean that it has been able to use its resources to provide a better life to its people. In India e.g. : Kerala tops in Human Development and yet it does not have higher income / capita.

There may be three types of Human Development.

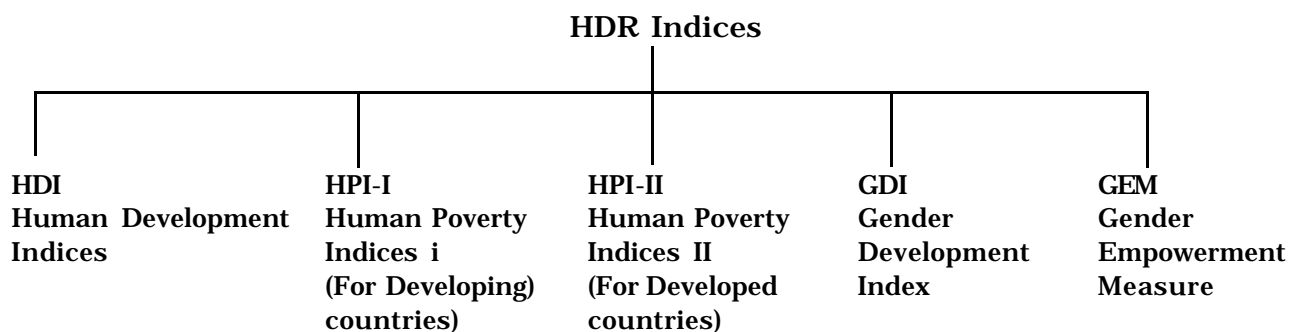
- (i) 0.800 to above — Higher Human Development
- (ii) 0.500 to 0.799 — Medium Human Development
- (iii) Below 0.500 — Low Human Development.

(Latest Report of Human Development is presented in 2006. under “Beyond Scarcity, Power Poverty and Global Water crises”) (Value of Human Development of India — 0.611 / 126th position out of 177 countries.. GDI - 0.592

- Norway is 1st
- Niger is at last position.)
- Norway's HDI value in 2004 was — 0.965, GDI - 0.909.

### HDR Indices

Human Development Report index is a comprehensive measure that could capture the various dimensions of Human development led to definition and formulation of Human Development Index (HDI) by the United Nations Development Programme (UNDP) in its Human Development Report published in 1990).



### Human Development Indices : HDI

With HDI come rises of Longevity, Knowledge and Decent Standard of living.

- (i) Longevity : Measured by Life expectancy at the time of Birth.
- (ii) Knowledge : Measured by
  - (a) Adult literacy (2/3 weight)

- (b) Gross - Primary, Secondary and Territory enrollment Ratio.

- (iii) Decent Standard of living measured by - GDP/ capita adjusted for PPPs & Purchasing Power parity).

(PPP is introduced in 1962 by International comparison programme for best comparison of

currency of two countries and accepted by IMF and World Bank).

(Human Development Report adopted International Goal Post for measuring longevity, literacy and Descent Standard of living).

	Highest value	Lowest value
Longevity	85	25
Literacy	100	0
Descent standard of living	1000	0

All countries except Zambia and Zimbabwe improved their HDI from 1975 to 1985 but their decline back because of effect of HIV / AIDS on life expectancy.

(The rate of progress in Human Development has not been uniform in various countries.) Some countries like Ireland, China, Egypt have made rapid advancement while some other have registered slow progress.

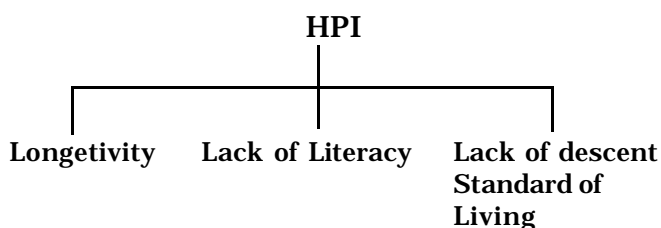
(Countries in Africa saw a reversal in Human Development during period of 1990 due to AIDS).

### HPI - I Human Poverty Index I-1

Human Poverty index tells us the extent of Deprivation in society in terms of longevity, literacy and descent standard of living.

HPI-I expressed in terms of %

India HPI — 31.3%



#### (1) Lack of Longevity

Measured in %

% of population having probability not surviving upto age of 40 years.

#### (2) Lack of Literacy:

1st indicator is adult % of adult illiteracy.

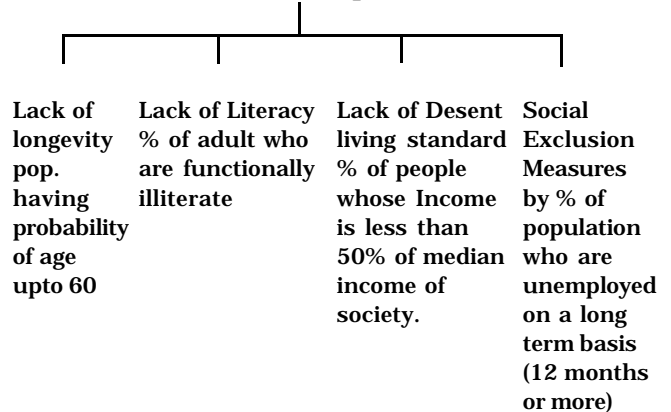
#### (3) Lack of Standard of Living.

(a) % of population not having access to improved source of water supply.

(b) % of children who are undernourished and under weight under age of 5.

Public Provision - state responsibility in respect of deprivation for clean water for children of 5 years.

### HPI-2 — Developed countries



### GDI - Gender Development Indices

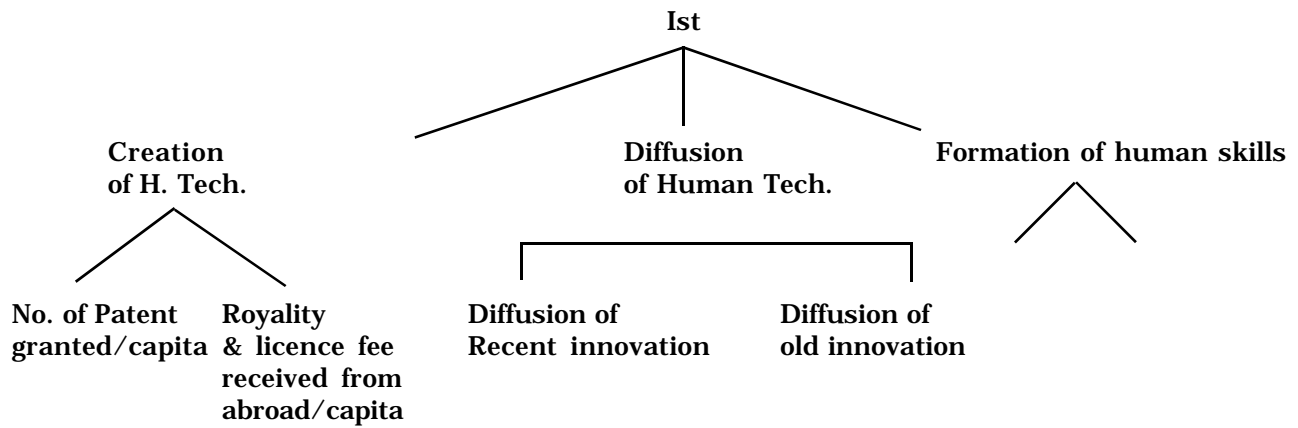
Gender Development Index is the same as Human Development index HDI but adjusted for reflecting inequalities b/w men and women in other words while HDI tells us about average achievement of society in terms of longevity, literacy and Descent standard of living, GDI adjust these achievement to reflect inequalities b/w men and women.

GEM : Gender Empowerment Measure - It tells us the opportunities available to women in society in terms of -

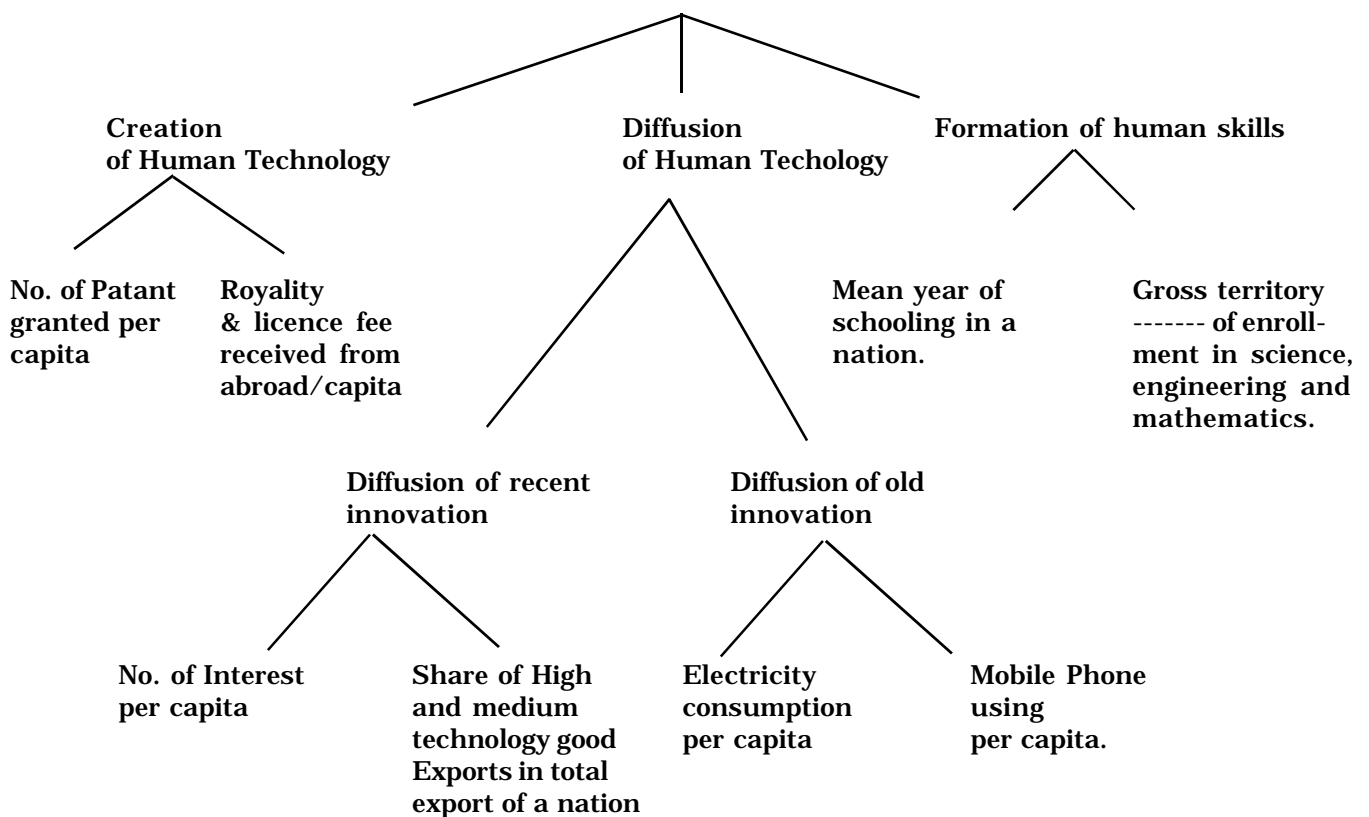
- (1) Political participation and Decision making Power - (No. of female members in parliament).
- (2) Their Economic participation and Decision making power.
  - (a) Women occupying top posts as C.E.O. Manager and Bureaucrats.
  - (b) Women occupying top posts as technical, scientists.
- (3) Command over resources as measured by Share of income earned by women against men.)

TAI - Technology Achievement Index : This is an index which establishes relationship b/w technology & Human development. (It indicates the capacity of a nation to create and diffuse technology and formation of human skills base and thereby, how best a nation uses its technology to further Human Development.)

TAI is constructed as follows:—



**TAI**  
(Technology Achievement Index)



(TAI on the basis of TAI countries are classified as leader, potential leaders, Dynamic adopters and marginalise (India is a dynamic adopter).)

(PQLI Physical Quality of Life Index was one the 1st attempt at measuring human welfare.) (This index was originally conceived by Jan tinberger and subsequently developed by few other economist - Maras and Demons)

(The index is based on 3 indicators viz —

- (1) Infant mortality
- (2) Life expentancy
- (3) Literacy

and each of these is measured on a value of 1-100.)

Generally, countries having high / capita income have very high value of the index mostly above 90 whereas developing countries in an average have index value close to 40. There are however few countries having low per capita income but index value as high as above 80, suggesting that they have used their resources for a better life for their people.)