Chapter 4
Human Development

Structure

- Growth and development
- Four pillars of Human Development
- Approaches to human development
- Measuring human development
- International comparison

Growth and Development

- Growth and development refers to changesover a period of time but the difference between growth and development is that growth is quantitative but development is qualitative. **Therefore, development is always positive.**
- Development cannot take place unless there is an increment or addition to the existing conditions, but growth can be positive, negativeor neutral, positive growth does not always led to development.
- Development occurs when there is a positive change in qualities. Earlier economic growth and development of country was seen as onebut now they are studied separately.

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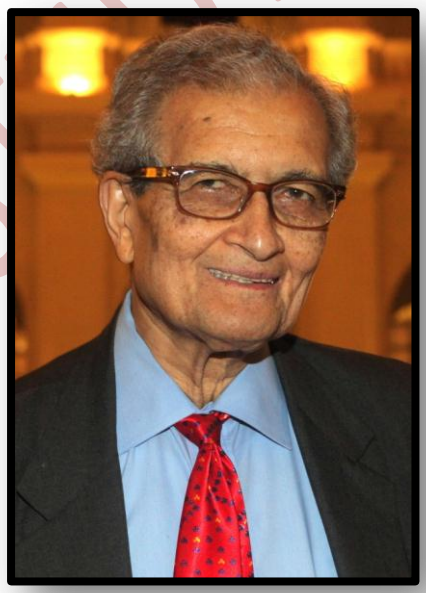
Difference between Growth and development :

Basis of Differentiation	Growth	Development
Quality/quantity	it is the quantitative	qualitative change
Values	And value neutral,	An addition to the present condition,
Positive/ negative	it may be positive, or negative,	Always positive,
Example	Ex. Density of population, total population	Ex. Per-capita income facilities

Human Development

- This concept was introduced by Dr Mahbub-ul-Haq in 1990. Human development is describedas that which enlarges people's choices and improves their lives, thus creating conditions where people can lead meaningful lives.
- This means that people develop talent, participate in society and be free to achieve their goals. According to Prof. Amartya Sen , the main objective of development is an increase infreedom. Freedom to make choices brings development, and social and political institutions play a major role in increasing freedom.
- Building people capabilities in health, education and equal access to resources increases freedom and enlarges choices.

Prof. Amartya Sen



Dr Mahbub-ul-Haq

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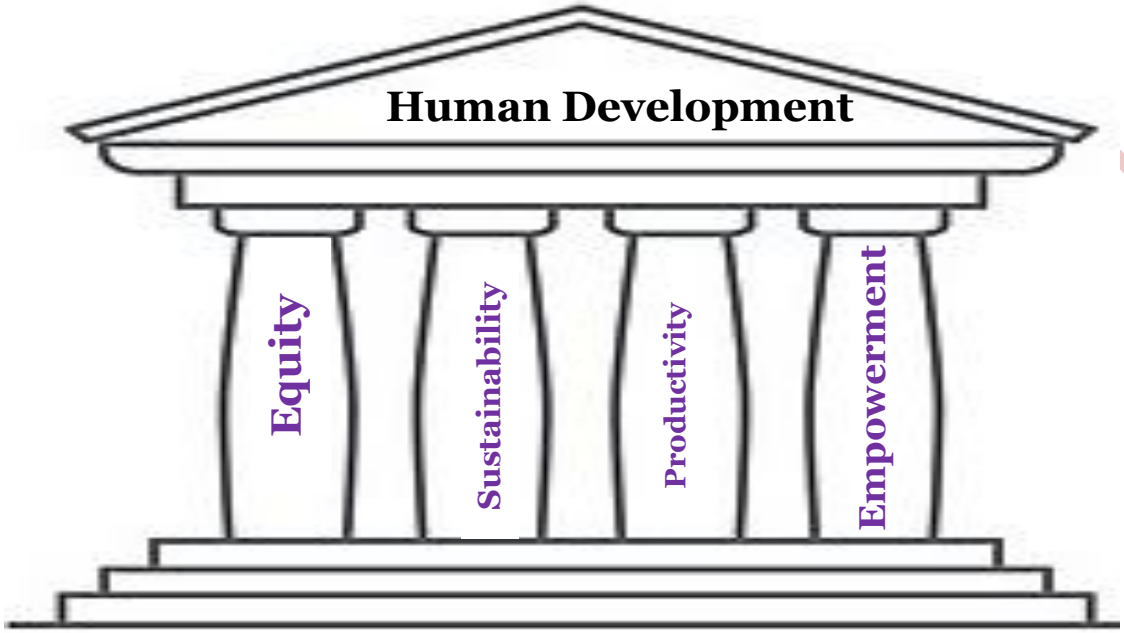
Four Pillars of Human Development



The idea of human development is supported by the concepts of the following four pillars of development:

- **Equity** It refers to equal access to opportunities available to everybody irrespective to their gender, race, income and caste.
- **Sustainability** It means continuity in the availability of opportunities so that future generations can even use the present resources.
- **Productivity** It means human labour which mustbe enriched by building capabilities in people.
- **Empowerment** It means having the power to make choices which is possible by increasing freedom and capability

Approaches to human development

Important approaches are-

- **Income approach**- This is one of the oldest approaches to human development It is Linkedto income The idea is that 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**- This approach looks at human beings as beneficiaries or targets of all development activities The approach argues forhigher government expenditure on education, health, social secondary and amenities

- **Minimum needs approach**- This approach wasinitially proposed by the International Labour Organisation (ILO) Six basic needs I e : health, education, food, water supply, sanitation, andhousing were identified.

- **Capabilities approach-** This approach is associated with Prof Amartya Sen Building human capabilities in the areas of health,education and access to resources is the key to increasing human development

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Measuring Human Development

- Human development index (HDI) based on their performance in the area of health, educationand access to resources
- Rankings are based on a score between 0-1 thata country earns in the field of human development

Important indicator of human developmentindex are

(I) **Access to health** is the life expectancy at birth Higher life expectancy means people have a greaterchance of living longer and healthy life

(II) **Access to Knowledge**- The adult literacy rate and the gross enrolment ratio The number of adults who are able to read and write and the number of children enrolled in school

(III) **Access to resources**- It is measured in terms of purchasing power (in U S dollars)

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HDI is a sum total of the weight assigned to all these dimensions which give aweightage of 1/3

(a) Score 1 means greater level of human development
(b) Score of 0 - 985 means very high level ofhuman development
(c) Score of 0- 268 means very low level ofhuman development

HDI measures attainments in human development**Human poverty index** is **related to the HDI**

It measures the **shortfall** in human development

Shortfall **in human development** in any region is measured **on the basis** of

- Adult illiteracy rate
- Unable to access clean water
- Number of children who are underweight
- Low life expectancy (till 40 age

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Important indexes

Human Development Index

- Human development is measured through Human Development Index (HDI)which ranks the countries between 0 to 1based on their performance in the key areas of health, education and access to resources.
- It is the sum total of the weights assigned to health, education and access to resources. Indicator to access health is lifeexpectancy at birth, to access knowledge it is adult literacy rate and gross enrollment ratio and resources are measured in terms of purchasing power

Human Poverty Index

- This index measures the shortfall in human development.
- The index is based on the probabilityof not surviving till 40, adult literacy rate, people not having access to clean drinking water and number of underweight children.

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United Nations Development Programme

- The United Nations Development Programme (UNDP) since 1990, publishes the Human Development Report by measuring the Human Development Index and Human Poverty Index.

Gross National Happiness

- This is Gross National Happiness (GNH) which is another measure of accessing human developmentand Bhutan is the only country in the world to measure the country's progress through GNH.
- The GNH encourages the qualitative aspect of development.

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International Comparisons

Size of the country and per-capita income are not directly related to human development. Like SRILANKA AND TRINIDAD HAVE HIGHER HDI THANINDIA

THEY ARE DIVIDED INTO four GROUPS

Level of Human Development	Score in Development Index	Number of Countries
Very High	above 0.800	59
High	between 0.701 up to 0.799	53
Medium	between 0.550 up to 0.700	39
Low	below 0.549	38

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Very High Level of Human Development

- The countries scoring above 0.802 are categorized under it.
- There are 49 countries in this group.
- Top ten countries with very high value index are Norway, Australia, Netherlands, United States, New Zealand, Canada, Ireland, Liechtenstein, Germany and Sweden.

- **Reason** :- The countries in this group provide education and healthcare which is an important government priority as well as invest a lot in thesocial sector.

High Level of Human Development

- Countries scoring between 0.702 and 0.801 are grouped under it.
- They are 56 in number.

- **Reason** :- Good governance and lot of investment in social sector has led to high levelof human development in these countries.

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Medium Level of Human Development

- Countries scoring between 0.555 and 0.701 are grouped under it
- and there are 39 countries in this group.

- **Reason**:- Many of these countries were former colonies and are facing political instability as well as high social diversity.

Low Level of Human Development

- Countries scoring below 0.554 are grouped under it.
- there are 44 countries in it.

- **Reason** :- These countries are going through political turmoil, social instability, civil war, famine or high incidence of diseases.

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➢ Internal comparisons reveal that the culture, religion or community are non-determinants of human development. Rather, pattern of government expenditure on the social sector, political environment, amount of freedom peoplehave and the distribution of resources play a decisive role in the level of human development.

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