

# North Asian International Research Journal of Social Science & Humanities

**ISSN:** 2454-9827

Vol. 4, Issue-5

May-2018

Index Copernicus Value: 57.07

UGC Journal No: 48727

## ECONOMIC GROWTH AND HUMAN DEVELOPMENT

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## ABSTRACT

The traditional method of measuring development of a country is in terms of country's economic growth or increase in per capita income. But the problem of this approach is that it overlooks certain facts which are relevant such as people's quality of life and their choices of the way of life. In this approach, the people are considered only as a channel through which the productive progress is brought about rather than considering them as the ultimate aspect for which the production and prosperity is meant for economic growth need not always necessarily lead to human progress. A country with high per capita income may have a population suffering from malnutrition, illiteracy, social exclusion, high mortality rates etc. People having no access to income, or enjoying only limited access will feel their choices being fairly constrained. Economic growth devoid of job opportunities and without people's participation and equity cannot be recognised as development. The concept of human development in such situations becomes relevant. Human development approach focuses on the expansion of people's capabilities and freedoms. In this approach, rise of income is treated only as a path to development. Development must not only be enhancing income but should also be expanding the range of things that a person can choose. The concept of human development discourse as it draws attention to the more direct and important aspects of human life than merely on growth in income.

Key Notes: Human development, GNP, Health, Education, Basic Needs Approach, HDRs, UNDP

## **INTRODUCTION**

The concept of human development has been popularized by UNDP through its annual Human Development Reports since 1990. As stated in the Human Development Report 1990, Human Development is something more than GNP growth and even more than producing commodities and accumulating capital, which facilitates the expansion of people's choices (UNDP, 1990). Mahbub-ul-Haq said, "The objective of development is to create an



enabling environment for people to enjoy long, healthy and creative lives" (UNDP, 2009). The academic and intellectual appeal of the concept is so strong that it has revolutionized the earlier concept of economic development. Before 1990, there were various concepts of economic development in vogue – GNP per capita, redistribution with growth, basic needs approach etc. The powerful concept of human development embraces the essential elements of all these approaches.

### **GNP APPROACH**

The first concept of economic development was defined in terms of gross national product (GNP) of a country. It emerged during late 1940's and early 1950's. It is defined in terms of maximization of growth rate of Gross National Product of a nation. The GNP per capita takes into account the ability of a nation to expand its output at a rate faster than the growth rate of its population. Levels and rates of growth of real per capita GNP (monetary growth of GNP per capita minus the rate of inflation) are normally used to measure the overall economic wellbeing of a population-how much of the real goods and services available to the average citizen for consumption and investment<sup>1</sup>. The primary focus of the world economic studies was always on accelerating the growth rate of national income. The third world development programmes were often assessed by the degree to which their national output and incomes were growing. So GNP per capita was often used a summary index of the relative economic well-being of the people in various nations.

However GNP per capita is not the true indicator of development. A number of developing countries in 1960's and 1970's experienced relatively high rates of growth of per capita income but showed little or no improvement or even an actual decline in employment. Moreover some achievements are not directly discernable from national income figures. For example, better nutrition and health services, greater access to knowledge, more secure livelihoods, better working conditions, security against crime and physical violence, satisfying leisure hours and a sense of participation in the economic, cultural and political activities of their communities. Therefore during 1970's economic development came to be redefined in terms of reduction or elimination of poverty, inequality and unemployment. Within the context of growing economy "Redistribution of growth" became a common slogan.

#### **BASIC NEED APPROACH**



Modern economists relate the concept of development to personal and community welfare. Therefore, now emphasis is laid on eradication of absolute poverty, particularly by meeting the basic human needs. On basic needs the World Bank (1970's) states that "our first concern is to redefine the whole purpose of development. This should not be to develop things but to develop man. Human beings have basic needs- food, clothing, shelter, health and education. Any process of growth that does not lead to their fulfillment or even worse disrupts them- in travesty of the idea of development.

In the 1980s, the goal of reducing absolute poverty came to be expressed as increasing the provision of basic human needs. Streeten et al. (1980) elaborated the concept of basic needs. First, and most important, the basic needs concept is a reminder that the objective of the development effort is to provide all human beings with the opportunity for a full life. The 'opportunity' to achieve a full life presupposed the meeting of basic needs. Basic needs are those, which are the minimum required to sustain life at a decent material level like food, water, health care, shelter and minimum education. Adequacy was defined in a minimum way and measured in terms of observable outcomes rather than in relation to income or consumption of some basic 'goods'. Thus, the most common indicators of achievement of basic needs are life expectancy, infant mortality and literacy.

The basic needs are important as their fulfillment contributes to utility. The basic needs approach moves away from the objects people possess and emphasize the end i.e., the opportunity for people to live full lives bringing it closer to the term capabilities in the human development approach. However, Sen's concept of capability goes beyond the basic needs approach. The basic needs approach of analysis of commodities in terms of their characteristics which the consumer's value is narrow. Sen goes beyond the basic needs approach and analyzes the characteristics of the consumers, whether they have the capability to make use of commodities (Streeten, 1994). When the goal of development is the expansion of functioning's and capabilities, then basic needs in the form of commodity requirements are instrumental in importance and not intrinsically important (Sen, 1987).

Sen's (1984) equity considerations call for emphasis on neither 'utility' nor the availability of 'primary goods' or 'basic goods' but on the realization of certain primary powers or basic abilities e.g. the power to fulfill the one's nutritional needs or the necessities of shelter and clothing or the ability to move around. The cripple's entitlement to more income arises neither due to lower utility nor from lower availability of primary goods, but from the deprivation of his ability to move about, unless he happens to have more income or specialized goods (e.g. vehicles for the disabled) at his command. Similarly, the greater needs of a higher work load leads to a greater entitlement not on the basis of utility deprivation but the deprivation of the power to meet the necessary calorie requirements if one had the same intake of food that would meet the calorie requirements of someone working

less. This approach requires that a person whose primary powers or basic abilities are less for the same level of income is entitled to get more income. However, arriving at an index of primary power fulfillment is difficult since different types of powers are involved and because it is difficult to categorize powers as primary or not.

#### Human Development-UNDP Approach

Gross Domestic Product (GDP), which is the standard measure of a nation's economy has been a dominant measure of a country's level of development for a long time. This macro- economic variable, though important, does not capture adequately the multi-dimensionality of development like income inequality, unemployment and disparities in access to public goods and services like health and education. To judge the overall well-being of a country or state, mere estimation of the economic growth or the production of goods and services is not enough. National income figures, though useful, do not reveal the composition of income or the real beneficiaries of economic growth. Other aspects affecting human development such as long and healthy life, literacy and the standard of living of people also must be quantified and included for estimating various dimensions of human development. The human development concept was evolved by a group of economists and thinkers led by Mahbub-ul-Haq and Amartya Sen during the eighties.

"The basic purpose of development is to enlarge people's choices. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures: greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives" (UNDP, 2009). The human development paradigm according to Mahbub-ul-Haq essentially entails the following features.

- i) Development must put people at the centre of its concern.
- ii) The purpose of development is to enlarge all human choices, not just income.
- iii) It is concerned both with building up human capabilities and using the capabilities fully.
- iv) Human development has four essential pillars equality, sustainability, productivity and empowerment.
- v) It defines the ends of development and analyses sensible options for achieving them (UNDP, 2009)

Thus the basic difference between the Gross Domestic Income approach and Human Development approach is that the former focuses exclusively on the expansion of only one choice that is income, where as the latter gives more importance to the expansion of all human choices whether they are economic, social, cultural or political.

The term 'Human Development' connotes an expansion of human capabilities, a widening of choices, and an enhancement of freedom and a fulfilment of human rights (UNDP, 1990). The choices are:

- A healthy and long lasting existence.
- Access to knowledge in its different expressions.
- Material resources for a decent standard of living,
- Free participation in community life and collective affairs

According to UNDP, human development is about putting people at the centre of development. It is about making people to realize their potential by increasing their choices and allowing them to enjoy the freedom to lead their lives as they wish. According to Amartya Sen, "Human Development is an expansion of human capabilities and human freedoms".

Human Development approach is a holistic approach which places human beings at the core of development and emphasizes that people's development is not just a channel for the nation's development but is the most important aim of a country's development itself. The main concern of human development is the participation, especially of the vulnerable sections in the process of change and equity in development gains. As stated in the HDR, 1990, Human Development is about more than GNP growth, more than producing commodities and accumulating capital, which is only a means of enlarging people's choices (UNDP, 1990). Human Development is about people, about expanding their choices to live full, creative lives with freedom and dignity. Economic growth, increase in trade and investment, technological growth – are all very important. The fundamental thing to expand human choices is building human capabilities. The basic objectives of human development are providing a long and healthy life, good education, a decent standard of living and the opportunity to enjoy political and civil freedom to participate in the social life. By putting the people at the centre of development, through emphasizing that development is of the people, for the people and should be carried out by the people, the HDRs have offered ground-breaking analysis on a wide range of issues.

The publishing of the first report on human development (HDR) led to a new perspective on development. It explicitly recognized the expansion of people's choices and freedom as the basic purpose of development. Since then, the UNDP brought out 26 HDRs on different themes.



**1990, Concept and Measurement of Human Development:** The Human Development Report was first launched in 1990 with the single goal of putting people at the centre of the development process in terms of economic debate, policy and advocacy. The goal was both massive and simple, with far-reaching implications-going beyond income to assess the level of people's and for the people, and emphasizing that the goals of development are choices and freedom.

The Report addresses, as its main issue, the question of how economic growth translates or fails to translate in to human development. The focus is on the people and how development enlarges their choices. The report discusses the meaning and measurement of human development, proposing a new composite index- the HDI. But its overall orientation is practical and pragmatic.

**1991, Financing Human Development:** The lack of political commitment, not of financial resources is often the real cause of human neglect. This is the main conclusion of human development report 1991; the second in the series of annual reports on the subject. The report points to an enormous potential for restructuring of both national budgets and international aid allocations in favour of human development.

But the plea for greater a locative efficiency and more effective spending does not mean indifference to the need for economic growth, or for increased resource mobilization. On the contrary, the report's position is that a more efficient and effective public sector will help strengthen the private role in human development. And the best argument for additional resources is that the existing funds are well spent.

Just as economic growth is necessary for human development, human development is critical to economic growth. The two way link must be at the heart of any enlightened policy action.

The Report suggests that:

- High levels of human development tend to be achieved with the framework of high levels of human freedom;
- The main task is to invest in people, liberating their initiatives; and
- The human experience ratio should become one of the principle guides public spending policy.

**1992, Global Dimensions of Human Development**: The richest 20% of the population now receive 150 times the income of the poorest 20%. The report suggests a two-pronged strategy to break away from this situation. First, making massive investments in their people and strengthening national technological capacity can enable

some developing countries to acquire a strong competitive edge in international markets (Witness the East Asian industrializing tigers). Second, there should be basic international reforms, including restructuring the Bretton Woods institutions and setting up a development security council within the United Nations.

The Report suggests that:

- Markets are the means, human development is the end;
- The issue is not only how much growth, but what kind of growth; and
- It is essential to combine global efficiency with global equity.

**1993, People's Participation:** The report examines how and how much people participate in the events and processes that shape their lives. The democratic transition in many developing countries, the collapse of many socialist regimes, and the worldwide emergence of people's organizations- these are all part of a historic change, not just isolated events. People's participation is becoming the central issue of our time.

The report looks at three major means of people's participation: people friendly markets, decentralized governance and community organizations, especially non-governmental organizations (NGO's) and suggests concrete policy measures to address the growing problems of jobless growth.

The Report concludes that five pillars of people centered world order must be built:

- New concept of human security;
- New strategies for sustainable human development;
- New partnership between state and markets;
- New patterns of national and global governance; and
- New forms of international cooperation.

**1994, New Dimensions of Human Security:** The report introduces a new concept of human security, which equates security with people rather than territories, with development rather than arms. It examines both the national and the global concerns of human security.

The report seeks to deal with these concerns through a new paradigm of sustainable development, capturing the potential dividend, a new form of development co-operation and restructured system of global institutions.

It proposes that the world summit for social development approve a world social charter, endorse a sustainable human development paradigm, create a global security fund by capturing the future peace dividend, approve a 20:20 compact for human priority concerns, recommend global taxes for resource mobilization and establish an economic security council.

Increasing human security entails:

- Investing in human development, not in arms;
- Engaging policy makers to address the emerging peace dividend; and
- Establishing an Economic Security Council.

**1995, Gender and Human Development:** Human development, if not engendered, is endangered. That is the simple but far- reaching message of Human development Report 1995.

The report analysis the progress made in reducing gender disparities in the past few decades and highlights the wide and persistent gap between women's expanding capabilities and limited opportunities. Two new measures are introduced for ranking countries on a global scale by their performance in gender equality (GEM) and (GDI), and there follows an analysis of the under-valuation and non-recognition of the work of women. In conclusion, the report offers a five-point strategy for equalizing gender opportunities in the decade ahead.

- National and International efforts must mobilize to win legal equality of the sexes within a defined period;
- Many economic and institutional arrangements need revamping to extend more choices to women and men in the work place;
- A critical 30% threshold is regarded as a minimum share of decision- making positions held by women at the national level;
- Key programmes should embrace universal female education, improved reproductive health and more credit for women; and
- National and International efforts should target programmes that enable people, particularly women, to gain greater access to economic and political opportunities.

**1996, Economic Growth and Human Development:** The report opens with a fundamental statement: "Human Development is the end- Economic growth a means". The report argues that economic growth, if not properly managed, can be jobless, voiceless, ruthless, rootless, and futureless, and thus detrimental to

human development. The quality of growth is therefore as important as its quantity for poverty reduction, human development and sustainability.

The report concludes that the links between economic growth and human development must be deliberately forged and regularly fortified by skillful and intelligent policy management. It identifies employment as critical for translating the benefits of economic growth into the lives of people. But for this to happen, new patterns of growth will need to be developed and sustained well into the 21st century- and new mechanisms must be developed to integrate the weak and the vulnerable into the expanding global economy.

- To support economic growth as a means to enrich people's lives, the report demonstrates that:
- Progress in human development has mostly continued- but too unevenly;
- New approaches are needed to expand and improve employment opportunities, so that people can participate in growth- and benefit from it; and
- Economic growth is not sustainable without human development.

**1997, Human Development to Eradicate Poverty:** Eradicating poverty everywhere is more than a normal imperative; it is rather a practical possibility. That is the most important message of the Human development report, 1997. The world has the resources and the know-how to eradicate poverty –free world in less than a generation.

The report focuses not just on poverty of incomes but on poverty from human development perspective- poverty as a denial of choices and opportunities for living a tolerable life. The strategies proposed in the report go beyond income redistribution-encompassing action in the critical areas of gender equality, pro-poor growth, globalization and the democratic governance of development.

Eradicating poverty entails:

- Building assets for the poor;
- Empowering men and women to ensure their participation in decisions that affect their lives;
- Investing in human development- health and education; and
- Affirming that the eradication of absolute poverty in the first decades of the 21<sup>st</sup> century is feasible, affordable and a moral imperative.

**1998, Consumption for Human Development:** The report investigates the 20<sup>th</sup> century's growth in consumption, unprecedented in its scale and diversity. The benefits of this consumption have spread far and wide. More people are better fed and housed than ever before. Living standards have risen to enable hundreds of millions to enjoy housing with hot water and cold, warmth and electricity, transport to and from work-with time for leisure and sports, vacations and other activities beyond anything imagined at the start of this century. Yet the report states that the benefits of this consumption have been badly distributed, leaving a backlog of shortfalls and gaping inequalities.

Furthermore, ever-expanding consumption puts strains on the environment-emission and wastes that pollute the earth and destroy ecosystem, and growing depletion and degradation of renewable resources that undermines livelihoods. The world's dominant consumers are overwhelmingly concentrated among the well-off - but the environmental damage from the world's consumption falls most severely on the poor.

The Report demonstrated that:

- Rising pressures for conspicuous consumption can turn destructive, reinforcing exclusion, poverty and inequality;
- Globalization is integrating consumer markets around the world and opening opportunities. But it is also creating new inequalities and new challenges for protecting consumer rights; and
- There is a need for the development and application of technologies and methods that are environmentally sustainable for both poor and affluent consumers.

**1999, Globalization with a Human Face:** Global markets, global technology, global ideas and global solidarity can enrich the lives of people everywhere. The challenge is to ensure that the benefits are shared equitably and that this increasing interdependence works for people- not just for profits.

The report argues that globalization is not new, but that the present era of globalization, driven by competitive global markets, is out pacing the governance of markets and the repercussion on people. Characterized by "shrinking space, shrinking time and disappearing borders", globalization has swung open the door to opportunities.

Breakthroughs in communication technologies and biotechnology, if directed for the needs of people, can bring advances for all of humankind. But markets can go too far and squeeze the non-market activities so vital for human development. Fiscal squeeze are constraining the provision of social services. A time squeeze is reducing

the supply and quality of caring labour. And an incentive squeeze in harming the environment, globalization is also increasing human insecurity as the spread of global crime, disease and financial volatility outpaces actions to tackle them.

The Report argues that, globalization requires leadership because:

- People everywhere are becoming connected- affected by events in far corners of the world;
- Poor people and poor countries risk being pushed to the margin in this proprietary regime controlling the world knowledge; and
- Narrowing the gaps between rich and poor and the extremes between countries should become explicit global goals.

**2000, Hunan Rights and Human Development:** Human rights and human Development share a common vision and a common purpose to secure, for every human beings, freedom, well-being and dignity. Divided by the cold war, the rights agenda and development agenda followed parallel tracks. Now converging, their distinct strategies and traditions can bring new strength to the struggle for human freedom. Human Development Report, 2000 looks at human rights as an intrinsic part of development and at development as a means to realizing human rights. It shows how human rights bring principles of accountability and social justice to the process of human development.

Achieving rights for all people in all countries will require action and commitment from the major players in the society. Tracing the struggle for human rights as common to all people, the Report concludes that the advances in the 21<sup>st</sup> century will be won by confronting entrenched economic and political interests.

The research and critical positioning of this Report shows that:

- Human freedom is the common purpose and common motivation of human rights and human development;
- The 20<sup>th</sup> century's advances in human rights and human development were unprecedented-but there is a long unfinished agenda; and
- The 21<sup>st</sup> century opens with new threats to human freedoms.

**2001, Making New Technologies Work for Human Development:** The report 2001, like all Human Development Reports, is about people. It is about how people can create and use technology to improve their

lives. It is all about forgoing new public policies to lead the revolutions in information and communications technology and biotechnology in the direction of human development.

Technology networks are transforming the traditional map of development, expanding people's horizons and creating the potential to realize in a decade, the progress that required generations in the past. The technology divide does not have to follow the income divide. Throughout history, technology has been a powerful tool for human development and poverty reduction.

The Report demonstrates that:

- People all over the world have high hopes that new technologies will lead to healthier lives, greater social freedom, increased knowledge and more productive livelihood;
- In the network age, every country needs the capacity to understand and adapt global technologies for local needs; and
- Policy not charity, will determine whether new technologies become a tool for human development everywhere.

**2002, Deepening Democracy in a Fragmented World:** Politics matter for human development. Reducing poverty depends as much on whether poor people have a political power as on their opportunities for economic progress. Democracy has proven to be the system of governance most capable of mediating and preventing conflict and of securing and sustaining well-being. By expanding people's choices about how and by whom they are governed, democracy brings principles of participation and accountability to the process of human development.

This Report is about politics and human development. It is about how political power and institutions- formal and informal, national and international-shape human progress. And it is about what it will take for countries to establish democratic governance systems that advance the human development of all people- in a world where so many are left behind.

The Report argues that:

• For politics and political institutions to promote human development and safeguard the freedom and dignity of all people, democracy must widen and deepen;

- Just as human development requires much more than raising incomes, governance for human development requires much more than having effective public institutions; and
- International efforts to promote change do not work if national actors feel excluded.

**2003, Millennium Development Goals; A Compact among Nations to End Human Poverty:** The new century opened with an unprecedented declaration of solidarity and determination to get rid the world of poverty. In 2000 the UN Millennium Declaration, adopted at the largest-ever gathering of heads of states, committed countries - rich and poor-to doing all they can to eradicate poverty, promote human dignity and equality and achieve peace, democracy and environmental sustainability.

Emanating from the Millennium Declaration, the Millennium Development Goals behind countries to do more in the attack on inadequate incomes, widespread hunger, gender inequality, environmental deterioration, health care and clean water. They also include actions to reduce debt and increase aid, trade and technology transfers to poor countries.

This Report adds to the understanding of poverty by analyzing the root cause of failed development. It demonstrates that the range of human development in the world is vast and uneven, with astounding progress in some areas amidst stagnation and dismal decline in others. Balance and stability in the world will require the commitment of all nations, rich and poor, and a global development compact to extend the wealth of possibilities to all people.

This Report explores constraints that are crucial for sustainable human development:

- The need for economic reforms to establish macroeconomic stability;
- The need for strong institutions and governance- to enforce the rule of law and control corruption; and
- The structural constraints that impede economic growth and human development.

**2004, Cultural Liberty in Today's Diverse World**: Accommodating people's growing demands for their inclusion in society, for respect of their ethnicity, religion and language, takes more than democracy and equitable growth. Also needed are multicultural policies that recognize differences, champion diversity and promote cultural freedoms, so that all people can choose to speak their language, practice their religion, and participate in shaping their culture so that all people can choose to be who they are.

The Report builds on that analysis, by carefully examining and rejecting claims that cultural differences necessarily lead to social, economic and political conflict or that inherent cultural rights should supersede political and economic ones. Instead, it provides a powerful argument for finding ways to "delight in our differences", as Archbishop Desmond Tutu has put it. It also offers some concrete ideas on what it means in practice to build and manage the politics of identity and culture in a manner consistent with the bedrock principle of human development.

The Report makes a case for respecting diversity and building more inclusive societies by adopting policies that explicitly recognize cultural differences-multicultural policies:

- Cultural liberty is a vital part because of being able to choose one's identity is important in dealing a full life;
- Cultural liberty allows people to live the lives they value without being excluded from other choices important to them such as education, health and job opportunities; and
- Power sharing arrangements have broadly proven to be crucial in resolving tensions.

**2005, International cooperation at a crossroads: Aid, Trade and Security in an unequal world:** This report takes stock of human development, including progress towards the Millennium Development Goals (MDG's). Looking beyond statistics; it highlights the human costs of missed targets and broken promises. Extreme inequality between countries and within countries is identified as one of the main barriers to human development—and as a powerful brake on accelerated progress towards the MDG's.

The report suggests that the world's governments are faced with a choice. They can start a decade for development with the financial resources, technology and capacity to end poverty or we could have a human development failure. "Business as usual" will not allow fulfilling the promises and the commitments made in 2000. The cost of this failure will be measured in human lives, increased inequalities, violations of human rights and threats to peace.

International aid, one of the most effective weapons in the war against poverty, needs to be renovated and reshaped. It should be thought as an investment as well as a moral imperative. In this respect, three conditions for effective aid are:

• Sufficient quantity;

- Better quality; and
- Country ownership.

**2006, Beyond scarcity: Power, Poverty and the Global Water Crisis:** Throughout history water has confronted humanity with some of its greatest challenges. Water is a source of life and a natural resource that sustains our environments and supports livelihoods – but it is also a source of risk and vulnerability. In the early 21st Century, prospects for human development are threatened by a deepening global water crisis. Debunking the myth that the crisis is the result of scarcity, this report argues poverty, power and inequality are at the heart of the problem.

In a world of unprecedented wealth, almost 2 million children die each year for want of a glass of clean water and adequate sanitation. Millions of women and young girls are forced to spend hours collecting and carrying water, restricting their opportunities and their choices. And water-borne infectious diseases are holding back poverty reduction and economic growth in some of the world's poorest countries.

Beyond the household, competition for water as a productive resource is intensifying. Symptoms of that competition include the collapse of water based ecological systems, declining river flows and large scale ground water depletion. Conflicts over water are intensifying within countries, with the rural poor losing out. The potential for tensions between countries is also growing, though there are large potential human development gains from increased cooperation.

The Human Development Report continues to frame debates on some of the most pressing challenges facing humanity:

- Investigates the underlying cause and consequences of a crises that leaves 1.2 billion people without access to safe drinking water and 2.6 billion without access to sanitation;
- Argues for a concerted drive to achieve water and sanitation for all through national strategies and a global plan of action; and
- Examines the social and economic forces that are driving water shortages and marginalizing the poor in agriculture.

**2007/2008, Fighting climate change: Human solidarity in a divided world:** Climate change is the defining human development challenge of the 21st Century. Failure to respond to that challenge will stall and then reverse international efforts to reduce poverty. The poorest countries and most vulnerable citizens will suffer the earliest

and most damaging setbacks, even though they have contributed least to the problem. Looking to the future, no country-however wealthy or powerful-will be immune to the impact of global warming.

The Human Development Report 2007/2008 shows that climate change is not just a future scenario. Increased exposure to droughts, floods and storms is already destroying opportunity and reinforcing inequality. Meanwhile, there is now overwhelming scientific evidence that the world is moving towards the point at which irreversible ecological catastrophe becomes unavoidable. Business - as - usual climate change points in a clear direction: unprecedented reversal in human development in our lifetime and acute risks for our children and their grandchildren.

As the Human Development Report 2007/2008 argues, climate change poses challenges at many levels. In a divided but ecologically interdependent world, it challenges all people to reflect upon how we manage the environment of the one thing that we share in common: planet earth. It challenges us to reflect on social justice and human rights across countries and generations. It challenges political leaders and people in rich nation to acknowledge their historic responsibility for the problem, and to initiate deep and early cuts in greenhouse gas emissions. Above all it challenges the entire human community to undertake prompt and strong collective action based on shared values and a shared vision.

**2009, Overcoming barriers: Human mobility and development:** Human Development is about putting people at the centre of development. It is about people realizing their potential, increasing their choices and enjoying the freedom to lead lives they value. Since 1990, annual Human Development Reports have explored challenges including poverty, gender, human rights, democracy, cultural liberty, globalization, water scarcity and climate change.

Migration, both within and beyond borders, has become an increasingly prominent theme in domestic and international debates, and is the topic of the 2009 Human Development Report (HDR-09). The starting point is that the global distribution of capabilities is extraordinarily unequal, and that this is a major driver for movement of people. Migration can expand their choices– in terms of incomes, accessing services and participation, for example -- but the opportunities open to people vary from those who are best endowed to those with limited skills and assets. These underlying inequalities, which can be compounded by policy distortions, will be a theme of the report.

The report investigates migration in the context of demographic changes and trends in both growth and inequality. It also presents more detailed and nuanced individual, family and village experiences and explores less visible movements typically pursued by disadvantaged groups such as short term and seasonal migration.

National and local policies play a critical role in enabling better human development outcomes for both those who choose to move in order to improve their circumstances, and those forced to relocate due to conflict, environmental degradation, or other reasons. Host country restrictions can raise both the costs and the risks of migration. Similarly, negative outcomes can arise at the country levels where basic rights, like voting, schooling and health care are denied to those who have moved across provincial lines to work and live. HDR 2009 shows how a human development approach can be a means to redress some of the underlying issues that erode the potential benefits of mobility and /or force migration.

**2010, The Real Wealth of Nations: Pathways to Human Development:** The first Human Development Report in 1990 opened with the simply stated premise that has guided all subsequent Reports: "People are the real wealth of a nation." By backing up this assertion with an abundance of empirical data and a new way of thinking about and measuring development, the Human Development Report has had a profound impact on development policies around the world.

The Report continues the tradition of pushing the frontiers of development thinking. For the first time since 1990, the Report looks back rigorously at the past several decades and identifies often surprising trends and patterns with important lessons for the future. These varied pathways to human development show that there is no single formula for sustainable progress—and that impressive long-term gains can and have been achieved even without consistent economic growth.

Looking beyond 2010, this Report surveys critical aspects of human development, from political freedoms and empowerment to sustainability and human security, and outlines a broader agenda for research and policies to respond to these challenges.

As Amartya Sen writes: "Twenty years after the appearance of the first Human Development Report, there is much to celebrate in what has been achieved. But we also have to be alive to ways of improving the assessment of old adversities and of recognizing—and responding to—new threats that endanger human well-being and freedom.

**2011, Sustainability and Equity: A Better Future for All:** The 2011 Human Development Report argues that the urgent global challenges of sustainability and equity must be addressed together – and identifies policies on the national and global level that could spur mutually reinforcing progress towards these interlinked goals. Bold action is needed on both fronts, the Report contends, if the recent human development progress for most of the world's poor majority is to be sustained, for the benefit of future generations as well as for those living today. Past Reports have shown that living standards in most countries have been rising - and converging - for several decades now. Yet the Report projects a disturbing reversal of those trends if environmental deterioration and social inequalities continue to intensify, with the least developed countries diverging downwards from global patterns of progress by 2050.

The Report shows further how the world's most disadvantaged people suffer the most from environmental degradation, including in their immediate personal environment, and disproportionately lack political power, making it all the harder for the world community to reach agreement on needed global policy changes. The Report also outlines great potential for positive synergies in the quest for greater equality and sustainability, especially at the national level. The Report further emphasizes the human right to a healthy environment, the importance of integrating social equity into environmental policies, and the critical importance of public participation and official accountability. The 2011 Report concludes with a call for bold new approaches to global development financing and environmental controls, arguing that these measures are both essential and feasible.

**2013, The Rise of the South: Human Progress in a Diverse World:** The 21st century is witnessing a profound shift in global dynamics, driven by the fast-rising new powers of the developing world. China has overtaken Japan as the world's second biggest economy, lifting hundreds of millions of people out of poverty in the process. India is reshaping its future with new entrepreneurial creativity and social policy innovation. Brazil is raising its living standards by expanding international relationships and antipoverty programmes that are emulated worldwide. But the "Rise of the South" is a much larger phenomenon. Indonesia, Mexico, South Africa, Thailand, Turkey and other developing countries are becoming leading actors on the world stage. The 2013 Human Development Report identifies more than 40 developing countries that have done better than expected in human development in recent decades, with their progress accelerating markedly over the past 10 years.

**2014.** Sustaining Human Progress: Reducing Vulnerabilities and Building Resilience: The Human Development Report Office (HDRO) is pleased to inform that the 2014 Human Development Report 'Sustaining Human Progress: Reducing Vulnerability and Building Resilience' was launched in Tokyo, on 24 July 2014. The 2014 Report highlights the need for both promoting people's choices and protecting human development

achievements. It takes the view that vulnerability threatens human development, and unless it is systematically addressed, by changing policies and social norms, progress will be neither equitable nor sustainable.

**2015: Work for Human Development:** From a human development perspective, the notion of work is broader and deeper than that of jobs or employment alone. The jobs framework fails to capture many kinds of work that have important human development implications —as with care work, voluntary work and such creative expression as writing or painting.

The links between work and human development are synergistic. Work enhances human development by providing incomes and livelihoods, by reducing poverty, and by ensuring equitable growth. It also allows people to participate fully in society while affording them a sense of dignity and worth. And work that involves caring for others builds social cohesion and strengthens bonds within families and communities.

But there is no automatic link between work and human development and that some work, such as forced labour, can damage human development by violating human rights, shattering human dignity, and sacrificing freedom and autonomy. Some work, such as work in hazardous industries, also puts people at risk. And without proper policies, work's unequal opportunities and rewards can be divisive, perpetuating inequities in society.

The fast changing world of work, driven by globalization of work and the digital revolution, presents opportunities, but at the same time poses risks. The benefits of this evolving new world of work are not equally distributed and there are winners and losers. Addressing imbalances in paid and unpaid work will be a challenge, particularly for women, who are disadvantaged on both fronts. Creating work opportunities for both present and future generations would require moving towards sustainable work.

Work can enhance human development when policies expand productive, remunerative, satisfying and quality work opportunities — enhance workers' skills and potential — ensure their right s, safety, and well-being — and specific strategies are targeted to particular issues and groups of people. But it would also require pursuing an action agenda for a New Social Contract, a Global Deal and Decent Work.

**2016: Human Development for Everyone:** The 2016 Human Development Report is the latest in the series of global Human Development Reports published by the United Nations Development Programme (UNDP) since 1990 as independent, analytically and empirically grounded discussions of major development issues, trends and policies.

The report reflects the basic message that human development is for everyone—in the human development journey no one can be left out. Using an abstract approach, the cover conveys three fundamental points. First, the upward moving waves in blue and whites represent the road ahead that humanity has to cover to ensure universal human development. The different curvature of the waves alerts us that some paths will be more difficult and sailing along those paths will not be easy, but multiple options are open. Second, in this journey some people will be ahead, but some will be lagging behind. Those lagging behind will need helping hands from those who are ahead. The gestures of the two hands reflect that spirit of human solidarity. Third, the two colours— green and blue—and the hands at the top—convey that universal human development requires a balance among planet, peace and people.

This analysis does not suggest that economic growth is unnecessary for human development. No sustained improvement in human well being is possible without economic growth. But it is also wrong to suggest that the high economic growth rates will automatically translate into high level of human development (UNDP, 2009). Gustav Ranis and Frances Stewart by using economic growth (EG) vs. human development (HD) grid have classified countries into four categories.

- HD Lopsided Countries that have more than average attainment in HD but low level of economic growth.
- ▶ Vicious Countries that have low economic growth and low HD.
- EG Lopsided Countries that have a high growth rate but a low capacity to convert growth into improvements in human conditions.
- Virtuous Countries that have a high growth rate leading to high HD and HD favourably impacting growth.

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