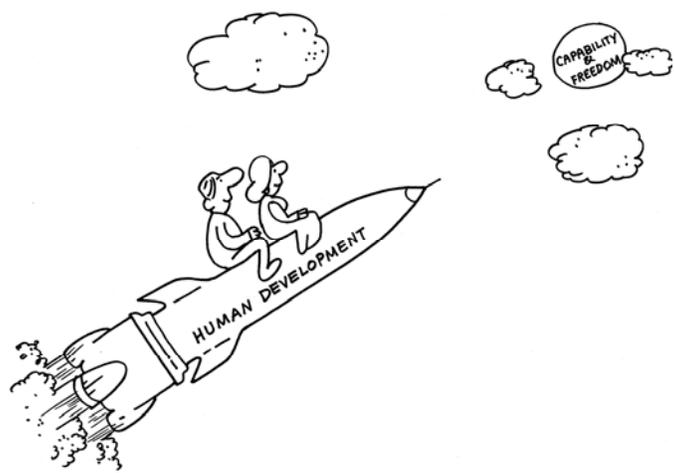


Measuring Human Development

John M. Alexander, Koen Decancq



The much-awaited Human Development Report (HDR) published annually since 1990 by the United Nations Development Programme (UNDP) was the brainchild of the late Pakistani economist Mahbub-ul-Haq. Amartya Sen, however, has right from its birth provided intellectual insights and refinement by thinking of human development as an expansion of human capabilities and human freedoms and by contributing to develop a Human Development Index (HDI) that measures human well-being along three dimensions of life expectancy, educational attainment and command over resources required for a decent living.

Measuring human development, *John M. Alexander, Koen Decancq,*

Frontline, Volume 22 - Issue 04, Feb. 12 - 25, 2005. [C.ELDOC.]

As an alternative to the orthodox approach, the Sen-inspired human development approach focuses on the expansion of people's capabilities and freedoms. It is not that in the human development framework, rising incomes and outputs are underestimated but rather they are seen as the "means" and not the "ends" of development.

So far, poverty has been one of the foremost concerns of HDRs. Just as development cannot be identified exclusively with income expansion, so too, poverty cannot be reduced solely to low income. In the human development perspective, as pointed out in *HDR 1997*, poverty means "the denial of choices and opportunities for a tolerable life". While in less developed countries this is often manifested in the forms of ill health, illiteracy, malnutrition and so on, in developed nations it assumes such forms as social ostracism, insecurity and unemployment.

In a rather unprecedented conceptual shift, *HDR 2004* argues that cultural liberties (such as freedom to speak one's language and practice one's religion and lifestyles) are also an important component of human development. "Cultural liberty is", affirms the report, "a vital part of human development because being able to choose one's identity - who one is - without losing respect for others or being excluded from other choices is important in leading a full life".

The most attractive as well as controversial aspect of the human development approach is the measuring tool, the HDI. It is attractive because the three basic human capabilities (longevity, education and standard of living), which were mostly earlier either overlooked or considered unnecessary to measure, receive a prominent attention in the human development paradigm. The computation of the HDI and ranking of countries on that basis has indeed become a popular and practical way of appraising

governments of their performances as well as reminding them of their public policy priorities and obligations for the future.

The HDI, of course, is not without limitations and controversies. Besides the obvious difficulties of collection, comparability and reliability of empirical data for the construction of a coherent index, there is also the problem of aggregating the components of human life. Besides, the HDI tries to capture only a few of people's choices and leaves out other important ones that people value, the critics point out.