# HUMAN DEVELOPMENT

## Human development deals with the process of widening people’s choice and the uplifting the level of wellbeing.

## There are three main focuses of human development and they ensure the process of human development.

1. Long and healthy life
2. Higher level of adult literacy and gross enrollment ratio in educational institution
3. Increasing the purchasing power.

Basic education and health facilities contributes to the human development. Human development is estimated by an index called the human development index.

Human development report of 2018, indicated that the increase and achievements of the human development should be both quantitative as well as qualitative, e.g if the school enrollment has increased or the employment has increased, but how are the lives of the students and the working people, whether they are learning, gaining skills and knowledge or is it not contributing to any positive outcomes.

Factors that determine the level of human development:

1. Real per capita income or the purchasing power of the people
2. Life expectancy at birth
3. Healthy life expectancy at birth
4. Access to physicians
5. Access to hospital beds
6. Mean years of schooling
7. Quality of school education
8. Government expenditure on education and health
9. Inequality in the distribution of income among different section of people
10. Inequality and access of proper health and education facilities etc

MEASUREMENT OF HUMAN DEVELOPMENT: HDI

The quality of living standard of average people of any country is measured on the basis of human development index (HDI). The HDI measures the well-being in terms of three variables

1. life expectancy at birth (life index)
2. the adult literacy rate and the gross enrolment ratio of primary, secondary and tertiary education (education index)
3. the GDP per capita (income index)

Dimension Index (DI):

HDI =

Before 2010 the above method was used to calculate the HDI which was later changed from AM to GM after 2010. The old method had problems and it didn’t show the actual situation of the human development that was happening. As for the human development all three variables mattered, but even if one of the indices was 0 the value would still be above 0. There couldn’t be a proper comparison between two country which had indices were different but the averages were the same.

Since 2010 the UNDP adopted a new way of calculating HDI and it was. Based on the following variables:

1. life expectancy at birth. (life index)
2. mean years of schooling (education index)
3. expected years of schooling (education index)
4. per capita income (income index)

The education index is calculated on the average of mean years of schooling and the expected years of schooling. The calculation of the dimension index remains the same.

HDI =

HDI value lies between 0 to 1. Closer the value to 1 implies higher human development and closer the value to 0 means lower human development.

Values for calculating the various dimension indices of the different variable as given by the UNDP

|  |  |  |
| --- | --- | --- |
| Variable | Max value | Min value |
| Average life expectancy at birth | 83.2 | 20 |
| Mean years of schooling | 13.2 | 0 |
| Expected years of schooling | 20.6 | 0 |
| Per capita income ($) | 108211 | 163 |

If we need the calculate the HDI of a country which has the following figures

Average life expectancy at birth: 73.5 years

Mean years of schooling: 7.5 years

Expected years of schooling: 11.4 years

Per capita income ($): 7265

Life index =

 = = .847

Mean years of schooling index = = .568

Expected years of schooling index = = .553

Education index = = .589

Income index = = = .584

HDI = = .663