

# **Rethinking human development**

Concepts and measurements









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# Rethinking human development Concepts and measurements



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### Introduction

People are the real wealth of a country. The basic objective of development is to create an enabling environment for people to enjoy a long, healthy and creative life. This may appear to be a simple truth, but it is often forgotten in the immediate concern with the accumulation of commodities and financial wealth. For too long, there has been a preoccupation with wealth creation and material opulence. In that pursuit, it is often forgotten that development is all about people. In the preoccupation with economic growth, people have been systematically pushed towards the periphery of development debates and dialogues. Human development is defined as a process of enlarging choices and creating opportunities for everyone (box 1). Every day, human beings make a series of economic, social, political and cultural choices. The ultimate objective of development is not to create more wealth, but to enhance the range of choices for every person. The human development framework shifted the development discourse from pursuing material opulence to enhancing human wellbeing, from maximizing income to expanding capabilities, from optimizing growth to enlarging freedoms. The following five issues are pertinent in this debate.

#### Box 1. Human development: a people-centred approach

Human development is about acquiring more capabilities and enjoying more opportunities to use these capabilities. With more capabilities and opportunities, people have more choices. Expanding choices is at the core of the human development framework, but it is also a process. Anchored in human rights, it is linked to human security. Its ultimate objective is to enlarge human freedoms.

Human development is development of the people by building human resources, for the people by providing benefits in people' lives, and by the people through active participation in the processes that influence and shape their lives. Income is a means to human development, but not an end in itself.

The human development framework set out in the 1990 Human Developed Report introduced a composite index – the Human Development Index (HDI) – for assessing achievements in basic dimensions of human development. It consists of three basic dimensions: to lead a long and healthy life, measured by life expectancy at birth; to acquire knowledge, measured by mean years of schooling and expected years of schooling; and the ability to achieve a decent standard of living, measured by gross national income per capita. The theoretical maximum value of HDI is 1.

To measure human development more comprehensively, the Human Development Report also presents four other composite indices. The Inequality-adjusted HDI discounts HDI according to the extent of inequality. The Gender Development Index compares female and male HDI values. The Gender Inequality Index highlights women's empowerment. The Multidimensional Poverty Index measures non-income dimensions of poverty.

Source: Human Development Report 2016.

Firstly, human choices are enlarged when people acquire more capabilities and enjoy more opportunities to use those capabilities. It [what is 'it'?] reflects a balance between the two. If there is a mismatch between the two, human frustration and missed opportunities may result. Human development, thus defined, represents a simple notion, but with far-reaching implications.

Secondly, according to the concept of human development, economic growth is just a means, albeit an important one, but not the ultimate goal of development. Income makes an important contribution if its benefits are felt in people's lives, but income growth is not an end in itself. The focus of development must be people.

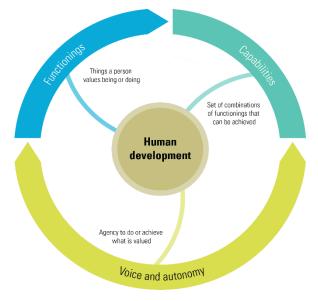
Thirdly, human development is about enlarging freedoms for all, so that all people can pursue choices that they value. Such freedoms have two fundamental dimensions: wellbeing freedom, represented by capabilities; and agency freedom, represented by voice and autonomy (figure 1).<sup>1</sup> Both types of freedoms are absolutely necessary to ensure human development for everyone.

Fourthly, human development is both a process and an outcome. Thus, even though it focuses on the outcome of enhanced choices, human development also represents a process through which choices are enlarged. Processes are as important as outcomes in the human development framework.

Fifthly, human development, by concentrating on choices, implies that people must influence the processes that shape their lives. They must participate in various decision-making processes, and in the implementation and monitoring of resulting decisions. Consequently, human development is development of the people, development for the people, and development by the people. Development of the people refers to building human capabilities through human resource development. Development for the people implies that the benefits of growth must be translated into the lives of people. Development by the people emphasizes that people must participate actively to influence the processes that shape their lives.

There are certain dimensions of life that directly enhance human capabilities. There are also certain dimensions, which by setting the context, indirectly facilitate the enhancement of human capabilities (table below). Thus, dimensions like a long and healthy life and knowledge are direct drivers of human capabilities, while participation and human security create a conducive environment for enhancing people's capabilities.

### Figure 1. Human development—the analytical framework



**Source:** Jahan, Selim. (2016). Human Development for Everyone: Human Development Report 2016. New York.

#### Dimensions of human development

Human development								
Dimensions	Dimensions directly enhancing human capabilities			Contextual dimensions for enhancing human capabilities				
A long and healthy life	Knowledge	Decent standard of living	Participation	Environmental sustainability	Human security	Gender equality		

**Source**: Jahan, Selim (2015) Human Development Report 2015. Work for Human Development. UNDP Human Development Reports.

Direct and indirect dimensions of human development are interlinked and mutually reinforcing. For example, without environmental sustainability, human security is not possible. Similarly, knowledge is a prerequisite for effective participation. Sometimes, however, trade-offs may arise. For instance, pursuing a decent standard of living through working long hours may hamper the goal of a long and healthy life. In other words, some dimensions of human development are basic (a long and healthy life or knowledge); some are supplementary (participation or human security); and some are cross-cutting (gender equality or environmental sustainability).

The human development approach is anchored in the idea of universalism, where all human beings – present and future – can realize their full potential. Human rights are the bedrock of human development. They entitle every person to the opportunity of realizing their full potential.

Human development and human rights are closely linked. The best way to secure human rights is to think in terms of capabilities. The right to bodily integrity, to freedom of association, to political participation, and to all other rights are secured when the relevant human capabilities are present. To secure a right for people is to enable them to be or do something that they have reason to value. However, people may have certain fundamental rights on paper that may not be implemented in practice.<sup>2</sup> For example, women may have the right to vote by law but be threatened with violence if they leave the house. In that case, they lack the capability and, for all practical purposes, are denied the human right of political participation.

The human rights approach offers some useful perspectives for human development analysis, reflected in the idea that people have a duty to facilitate and enhance human development. The Human Development Report 2000 highlights that "to have a particular right is to have a claim on other people or institutions that they should help or collaborate in ensuring access to some freedom".<sup>3</sup> With invoked duties comes the notion of accountability, culpability and responsibility. For example, a human right to free elementary education for all stands is much more than just "a good thing". In asserting this right, it is being claimed that all are entitled to

<sup>2</sup> Nussbaum, 2003.

<sup>3</sup> UNDP, 2000.

free elementary education, and that if some persons avoidably lack access to it, there must be culpability somewhere in the social system.

A focus on locating accountability for failures within a social system broadens the outlook beyond the minimal claims of human development. This broader perspective can be a powerful tool in seeking remedy, and the analysis of human development can profit from it. Such a perspective brings focus to the strategies and actions of different duty bearers to contribute to fulfilling human rights and advancing the corresponding aspects of human development. It also leads to an analysis of the responsibilities of different actors and institutions when rights go unfulfilled. This analysis and understanding are essential to realizing the objective of human development for everyone.

## Human development analytical framework: 1990 and 2021

The world in 2021 is different to what it was in 1990, when the notion of human development first emerged. Given the socioeconomic realities of the world three decades ago, the notion of human development adopted a people-centred approach, emphasizing that not only the richness of economies matters, but also the richness of people's lives. At that point in time, such an approach was necessary to counter the growth paradigm of the Bretton Woods institutions, and the damage their structural adjustment policies had done to the lives of millions of poor people in Africa, Asia and Latin America. As a result, the notion of human development in 1990 concentrated mostly on basic dimensions of human development. This is also reflected in the way HDI was constructed: in 1990, basic deprivations were significant, deserving the forefront of analysis, measurement and policy response.

In the past three decades, the world has transformed significantly. People's aspirations have changed, and so have their patterns of need satisfaction. The global geopolitical landscape has shifted; the importance of collective approaches, as evidenced in the Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs), has been recognized; and the world has become more complex with emerging and new challenges. For example, during the past 30 years, awareness of environmental issues has increased, conflict and security have become prominent issues, and the recent COVID-19 pandemic has created a new reality for all persons. Lingering deprivations, deepening crises and emerging challenges over the years have hampered the achievement of universal human development, with many people being left behind in the human development journey.

Given the changed scenario, the human development framework is expected to remain relevant and respond to new challenges. Undoubtedly, the human development paradigm has shown both continuity and change. The concept has proven quite robust, but has also adapted to changes in the world over the past quarter century. The core definitions of the approach have been used in guite diverse ways. Sometimes the concept has been used to refer to whether, and to what extent, people have a say in matters that concern their lives, a fair opportunity to contribute to development, and a chance to obtain a fair share of the fruits of development. Sometimes the definition has been made simpler by just branding human development as improving the human condition, so that people live longer and healthier lives.

In this context, the basic notion of human development needs to be revisited to address analytical and assessment issues. Some relevant issues are related to fundamentals of the concept, and some are linked to emerging realities in the world. All these issues can effectively be integrated into the broader perspective of human development, because the human development approach is "simple yet rich, full yet open ended, flexible yet responsible, normative yet visionary and inspiring yet practical".<sup>4</sup>

# 2. Revisiting the analytical framework: issues to consider

Over the years, there have been debates and discourses on several issues linked to the concept of human development, including wellbeing versus agency, individual versus collective choices, and human security concerns. The following sections outline these major issues.

# A. Human security: a precondition for human development

Although the 1994 Human Development Report focused on human security, it did not clearly address the interrelationship between human development and human security. Moreover, even though the notion of human security is critical for human development, as it protects the space where choices can be exercised and people can realize their full potential, subsequent human development reports have not covered the issue comprehensively, Today, in a world with protracted conflict and violence, the issue of human security has assumed new importance.

Millions of people around the world cope with the impact of climate change, natural disasters, economic and health crises, intolerance and violence. With the new realities of today's world, and the aspiration of leaving no one behind, the concept of human security is highly relevant. Human development and human security concepts and frameworks should focus on gaining a deep understanding of prevailing threats, risks and crises.<sup>5</sup> The following two ideas should be underlined:

 Countering the shock-driven response to global threats. Undeniably, there is an inevitable short-term security imperative that requires emergency responses, and is understandable from a human agency perspective. However, looking at the world only through the lens of threats imposes the tyranny of the urgent over the important. Peaks in attention to emergencies fail to address the gradual and complex process that cause vulnerability to build up between shocks. Undoubtedly, the effects of shocks on global attention do have incremental importance in answering who and what are being left behind, since it is precisely the forgotten (or harder to reach) populations that are usually in the most precarious situations. Therefore, the human development and human security frameworks, while remaining sensitive to short-term security imperatives, should align efforts to counter this shock-driven response to global threats. People are also left behind when threats are protracted and require a long-term commitment to crisis management that is difficult to obtain.

- Promoting a culture of prevention. How should prevention be understood and practised as part of the process of development? When seeing the world through the occurrence of threats, as with human security thinking, it is common to hear that crises are opportunities. Nonetheless, going back to business as usual once the peak of an emergency has passed is also a common response. In the crisis management cycle, prevention is the phase that receives the least attention, but the one everybody agrees should be the most important.
- To move from a shocks-driven to a needsdriven response to crisis, strategies for change must be anchored to times of peace that promote human development, and not just to emergencies. Human security emphasizes the centrality of people in the calculations that value some threats over others, and gives attention to the full cycle of relief, recovery and prevention.

# B. Voice, participation and democratic practice: an integral part of human development

The human development framework has two fundamental freedoms: wellbeing, including functionings and capabilities; and agency, including voice and autonomy. For the reasons mentioned earlier, the primary focus of the human development approach and of the human development reports over the past three decades has largely been on wellbeing. However, as wellbeing has been mostly realized, it has become more important to emphasize agency. That freedom has an independent and intrinsic worth of its own, in addition to instrumental value in enhancing wellbeing. The ability to deliberate, participate in public debates, and be agents in shaping their own lives and environments is of fundamental value to people. In the human development framework, there are three main reasons to value voice and participation (box 2).

#### Box 2. Voice and participation: intrinsic, instrumental and constructive

In the human development approach, voice and participation have intrinsic importance and instrumental contributions, and play a constructive role as follows:

- Intrinsic: Voice and participation have high intrinsic value to people as key functionings.
- Instrumental: Voice and participation also enhance democratic political freedoms and thus have instrumental value for expanding capabilities. The functionings of being well fed, being free of disease, or having an adequate education may appear basic. In practice, however, even these are difficult to achieve without being able to participate in society. Being excluded, shut-off and not having a voice are usually the reasons that people and groups lack "basic" capabilities, sometimes generation after generation.
- *Constructive*: Societies and nations must collectively deliberate and decide their common priorities and agendas. Effective participation ensures that all groups have a seat at the table. Broad and truly representative participation in civic dialogue enables societies to move towards realizing their concept of justice, the principles of universalism and sustainability, and other values that they hold collectively.

Source: Human Development Report 2016.

From a human development perspective, participation is both a means and an end. Truly functional participatory democracy, which is much broader than just the voting process, leads to a virtuous circle. Political freedoms empower people to demand policies that expand their opportunities to hold Governments accountable. Debate and discussion help communities shape their priorities. A free press, a vibrant civil society, and the political freedoms guaranteed by a strong constitution underpin inclusive institutions and human development. The human development approach views people not just as the beneficiaries of development, but as the architects of their lives.<sup>6</sup>

Related to all these issues is the notion of agency. People who enjoy high levels of agency are engaged in actions congruent with their values. When people are coerced into an action, submissive or desirous to please, or simply passive, they are not exercising agency. Wellbeing and agency, the two fundamental freedoms in the human development framework, are related yet distinct. An agent is someone who acts and brings about change. Agency can advance one's own wellbeing, but it can also further that of others. For example, people volunteer for causes that may not advance their own wellbeing, such as protecting human rights, improving the conditions of vulnerable groups, or conserving certain ecosystems, landmarks or historical monuments. People may put themselves in gruelling and difficult situations, working to advance causes they believe in, at the cost of their own health or security. Here, they are exercising their agency. Human agency thus advances any goals that are important to a person – for themselves, for their community, or for a completely separate entity.

### C. Good governance and institutions

The issue of voice and autonomy is crucially linked to freedom of expression, democratic space and participation. Protecting human rights and creating a democratic space and participation opportunities can be ensured through good governance and efficient and effective institutions.

Good governance and effective institutions are thus a major facilitator of human development. They are needed to ensure better service delivery for enhancing wellbeing, and they are also important instruments for agency. Only good governance and conducive institutions can create and preserve a democratic space to guarantee people's participation, thus enabling them to express their views and participate in debate and dialogue. People should have the means to influence the processes that shape their lives.

Good governance and institutions do not directly represent dimensions of human development, but they are critical means for enhancing human development. In the absence of good governance and effective institutions, neither wellbeing nor agency can be ensured or sustained.

# D. Multiple identities: how they influence agency and wellbeing

An individual's wellbeing (functionings and capabilities) and agency are influenced by multiple identities: citizenship, residence, geographical origin, class, sex, politics, profession, employment, social commitments and so on. Each of these groups gives a person a specific identity. Group affiliations and identities are more fluid than fixed. Each person belongs to a number of groups simultaneously. Some we are born into, such as being a woman, an Asian, or left-handed. Some we can leave, like religion; some we cannot, like ethnicity; and others we can join, like citizenship. No single identity can define an individual throughout their life.

People largely have the liberty of choosing their identities. The freedom to choose identities is one that people have reason to recognize, value and defend. Liberty is important and valuable, as each individual deserves the space to consider the various facets of their identity, the nuances of each identity, and the choices within and among different identities. It is also a precondition for peaceful coexistence in multiethnic and multicultural societies.

Three identity issues have implications for human development for everyone. Firstly, the space for multiple identities is more limited for people who are marginalized, and they may lack the freedom to choose the identity they value. This absence can be a serious deprivation in their lives, as it limits their agency.

Secondly, is the insistence by many on sticking to a single irrefutable identity, and promoting it as superior to other identities, thus denying both reasoning and choice in selecting identities. Much extremism and hatred can be undermined by moving away from a single identity, such as ethnicity, religion or caste. This extreme approach makes other groups or identities rivals or even enemies, and misses all the other identities that may be shared with other groups, such as being human beings, parents or neighbours. Multiple identities are essential for agency, since they provide people with the chance to explore different functionings and capabilities, and they can ensure real autonomy.

Thirdly, different groups interact and compete with each other over limited economic and political resources and power. Groups position themselves to obtain more power, at the cost of other groups. They are often able to entrench themselves in positions of power, and the resulting concentration of economic and political control can be hard to shift. In this process, marginalized people with deprivations, such as indigenous groups, older persons and ethnic minorities, lose out and are pushed further from sharing human development achievements equitably.

Nonetheless, different groups have the space to interact and share their concerns in a participatory democratic system. Through negotiation and discussion, they can reach some common notion of a fair society, with everyone having the freedom to explore different identities and choose their own path. Collective values and aspirations can be set through collective discourse, ensuring that all constituencies have true and effective representation at the table.

# E. Collective capabilities: helping marginalized groups

So far, the human development paradigm has focused mostly on individual capabilities and individual choices. However, human development is not only a matter of promoting the freedoms that individuals have, and have reason to choose and value. It is also a matter of promoting the freedoms that groups or collective entities have. Individuals are not the only unit of moral concern; collective structures of coexistence are also important.<sup>7</sup> Failure to explicitly include them when evaluating states of affairs leads to the loss of key development information. Take the example of a society that makes explicit arrangements for including people with disabilities in the mainstream, allowing them to lead full lives as individuals and members of society. Or a society that is open and accepting towards refugees, allowing them to find work and integrate in the mainstream. Conversely, a community that discourages women from exercising their political rights, significantly limits the fulfilment of their lives. Societies thus vary in the number, functions and effectiveness of social institutions, and thus in the range of social competencies that can promote human freedoms.8

What social institutions – family, community, nongovernmental organizations, neighbourhood or social clubs, and cooperatives – can be or do reflects collective capabilities. Such capabilities enhance human development, particularly of people who are marginalized or deprived and whose freedom cannot be enhanced through individual actions alone.

Collective capabilities through social institutions are essential in many cases. Every individual values freedom from hunger, but few individuals have the capability to achieve it through their own efforts. Society has to organize its resources, technology, know-how, policies and institutions in a way that enables individuals to take action towards such freedom. Similarly, people in forced labour may not escape it without collective capabilities or the capabilities of institutions.

Groups and coalitions are a way of exercising collective agency in manner that is much more powerful than individuals exercising individual agency. Groups that individuals belong to or new groups they can form or join can expand individual capabilities and afford them new freedoms. A leading example is the Grameen Bank experience in Bangladesh, where groups of destitute women helped empower individual woman economically and socially - something that individual efforts might not have achieved. Informal workers in many economies have organized to demand their rights to better conditions. In the case of waste pickers in Buenos Aires, through organization and collective action over a decade beginning in 2002, a hazardous activity with poor technology has been transformed into a cooperative system of urban recycling with decent work conditions, appropriate technology and reduced incidence of child labour.9

# F. Interdependence of freedoms: the inevitability of trade-offs

According to the human development paradigm, everybody should be able to lead the kind of life they have reason to value. However, often one person's or group's freedoms can interfere with those of another person or group. At the local, regional, national and global levels, many groups compete over limited economic resources, political power, prestige and

<sup>7</sup> Deneulin, 2008.

<sup>8</sup> Stewart 2013.

<sup>9</sup> Deneulin, 2016.

privilege. Some groups are better off, while others face gross deprivations.

Sometimes, limiting freedom of others may be an unintended consequence of exercising someone's freedom, but in some cases the action may be deliberate to curb others' freedom. Given the political economy of societies, there may be attempts by richer and powerful groups to curtail the freedom of others. This is reflected in the affluence bias of the policy matrix in many economies, the way the legal system is built, and the way institutions work. Elite capture is nothing but the attempt of the rich and the powerful to curb the opportunities of the poor and deprived.

The human development approach recognizes that it is not enough to call for the expansion of capabilities and freedoms. All societies have to make trade-offs, decide between the claims of competing groups on finite resources, and set priorities in the context of unequal distribution of income and wealth, voice and participation, inclusion and diversity, and so on. Following reasoned debate, societies have to determine the principles for settling these issues as they develop, so as to realize a more just society.

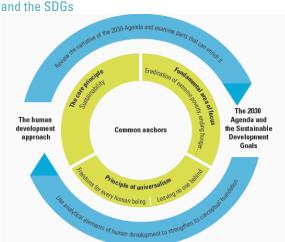
### G. Sustainable development as social justice

Interdependent freedoms and unlimited choices also relate to intergenerational equity: the freedoms of future generations in relation to those of the present one. The 2011 Human Development Report referred to sustainable development as "the preservation, and whenever possible expansion, of the substantive freedoms and capabilities of people today without

compromising the capability of future generations to have similar - or more freedom".<sup>10</sup> This is similar to many conventional ideas on environmental sustainability, but it presents the notion of universalism, which goes deeper. It argues that the life experiences of all individuals within and across generations are equally important. Human development therefore considers sustainability to be a matter of distributional equity, both within and between generations. Since inception, the human development reports have consistently advanced an integrated approach to sustainability.

The human development framework and the SDGs are mutually reinforcing (figure 2 and box 3). Thus, as the global community implements the 2030 Agenda for Sustainable Development to address the wide-ranging challenges that humanity faces, including poverty, inequality, climate change and environmental degradation, the human development approach retains a special significance.

Figure 2. Interlinkages between human development





Source: Jahan, Selim. (2016). Human Development for Everyone: Human Development Report 2016. New York.

#### Box 3. Human development and the SDGs: mutually reinforcing

The SDGs are a set of 17 interlinked Goals that were adopted by the United Nations General Assembly in 2015 as part of the 2030 Agenda. The SDGs aim to keep up the momentum generated by the Millennium Development Goals utilizing a wider framework. The SDGs comprise a total of 169 targets and 232 indicators, used as yardsticks to monitor and measure progress by individual countries.

The SDGs are inextricably linked with the concept of human development, given that the dimensions of human development are deeply rooted in the 2030 Agenda. The SDGs and human development are anchored in universalism and share the common premise of enlarging human capabilities and freedom, excluding no one. Moreover, the SDGs and human development can mutually reinforce each other in three ways: the human development approach can strengthen the conceptual base of the SDG framework; human development indicators can be used along with the SDG indicators to measure progress in achieving the SGDs; and human development reports can serve as a strategic tool for the SDG framework.

**Source:** Human Development Report 2016.

However, despite the linkages between the SDGs and human development, fundamental differences also exist between the two. While the SDGs are a globally agreed tool to measure development progress, the human development approach is a philosophy to assess almost any development issue. In other words, human development can pave the way to achieving the SDGs, which in turn is an important step for all people to realize their full potential, which is also a vital part of the human development framework.

The human development approach can therefore help pave the way to a development destination envisaged by the SDGs. If a country's longstanding emphasis is on achieving broader socioeconomic objectives, the human development approach provides a holistic framework for assessing progress and identifying challenges that assist in moving towards that goal.

The human development framework has reiterated that sustainable development is much broader than the protection of natural resources and the environment; that there are unequal impacts of environmental degradation on the poor, the marginalized and vulnerable; and that climate change affects people and countries who have least contributed to it. Thus, from a human development perspective, sustainable development embodies social justice.

### H. Social values and norms

If human development is all about enhancing human freedoms, social values and norms influence the parameters of such freedoms. Societies can limit the freedoms allowed to some individuals, including women, persons with disabilities, or individuals of a particular race or religion. For example, a society that expects women to perform only unpaid domestic work discourages, explicitly or implicitly, girls from obtaining higher education and fulfilling their full potential.

The norms and values of a society can go against those who are the most disadvantaged. Prejudice against some groups is sometimes deeply ingrained in culture and practice. Women face discrimination in school and working life.<sup>11</sup> Such discrimination is also present in environments that would be expected to objectively reward merit, such as higher education and scientific communities.<sup>12</sup> In advanced countries, groups may face discrimination and a lack of opportunities based on race. Educators' bias against African-American children starts as early as preschool.<sup>13</sup> Bias and prejudice thus play a role in almost all aspects of life. What individuals do, and how they act, is dictated to a large extent by social traditions of privilege and subordination.

Groups are governed by social norms that can govern individuals' behaviours to a large extent, often curtailing individual freedoms, particularly agency. The influence on freedom has been analysed in terms of adaptive preferences, the mechanism for humans to adapt their preferences to their circumstances. The often unconscious adaptation of preferences distorts perceptions of freedoms, so that individuals may not even notice that their freedom of choice is constrained.

The concept of adaptive preferences is especially applicable to the gender debate.<sup>14</sup> Such agency deprivation, stemming from social norms and culture, is commonly linked to early marriage, lack of control over household resources, and attitudes that expose women to increased risk of gender-based violence. In Africa, almost half of all women report agencyrelated deprivation in more than one area of their lives. Women who are educated, and who work or who live in urban areas have more voice and autonomy. In Africa, almost 20 per cent of women living in rural areas with no more than a primary education experience three major deprivations, while for those with higher education living in urban areas the rate falls to 1 per cent.<sup>15</sup>

Social norms, rules and conventions are not created in a vacuum. Norms, indicating what behaviour is expected and accepted, arise over time. The circumstances that may have given rise to particular norms may change over time, but the norms themselves may not respond. Traditions and norms become entrenched in societies, and it is hard for individual actions to change them. Violating a norm can cause psychological discomfort, financial loss, or worse. Many anachronistic, and sometimes perverse, social norms persist for generations. Traditions, including dowry (in South Asia) and child marriage are maintained by families under social pressure.

#### Box 4. Strategies for changing social norms

- Rectifying mistaken beliefs about what others do or think.
- Using the mechanisms of social pressure.
- Changing the symbolic meaning of the social norm in question.
- Creating or exploiting conflicts among different norms.
- Changing the signaling function of norm compliance.
- Changing incentives for key actors.
- Sending a message through the appropriate messengers.
- Highlighting how norms interact with laws.

Source: World Bank, 2014.

- 12 Mandavilli, 2016; Moss-Racusin and others, 2012.
- 13 Gilliam and others, 2016.
- 14 UNDP, 2015.
- 15 World Bank, 2014; UNDP, 2016.

<sup>11</sup> United Nations, 2016.

A norm, once established, can be hard to dislodge. Societies can be stuck in bad equilibria. In these cases, the focus should be on how norms can influence the effects of policies. It is also important to identify ways social norms can be changed (box 4).

## I. Gender equality and women's empowerment: vital markers

If human development has to reach everyone, gender equality and women's empowerment need to be front and centre. Women are empowered when they are allowed to work in a profession of their choice, when they have access to financial services, and when they are protected by law from domestic violence. The more command women have over household income, the more they participate in the economy, the more girls are enrolled in secondary school, the larger the benefits for their children, communities and countries.

Gender equality and women's empowerment need to be addressed in a mainstreamed and integrated way. For example, SDG 5 is on achieving gender equality and empowering all women and girls, measured through targets and indicators. However, gender equality and women's empowerment should not be limited to a single goal. In the SDGs, gender-focused targets are also covered by Goal 3 (good health and wellbeing) and Goal 4 (quality education). These Goals and targets have catalysing effects on achieving the other SDGs.

Quite often, gender parity is mistaken for gender equality. Gender parity is a mere equality of numbers. Gender equality, by contrast, refers to the social relationship between men and women, and has deeper dimensions. Take the example of women's participation in peacebuilding efforts to end conflict. At times, female representatives are invited to the table just to meet a formal requirement for equal participation. However, when women are empowered to be effective participants, they can have the most impact. There are many recent examples of the path-breaking work of women leaders in peacebuilding agreements across the world.<sup>16</sup>

## J. Human decision-making: to be looked at more closely

Eventually, the functionings that individuals realize from their capabilities stem from a confluence of conscious (or subconscious) choices. Often, while making choices, people fail to take into account spillovers or long-term consequences. They may follow the herd or fail to correct for common cognitive biases. They may simply be overwhelmed and unable to process all the available information, with important implications for human development.

At times, what seems like irrational behaviour by a group, such as the poor, may simply reflect a lack of access to services that everyone else takes for granted. People with stable incomes may fail to save and ensure future financial security. This may appear to be irrational behaviour. It could, however, simply be that they lack access to basic services like savings accounts. In all walks of life, how choices are presented and experienced can affect the choices made.<sup>17</sup>

16 Stone, 2015.

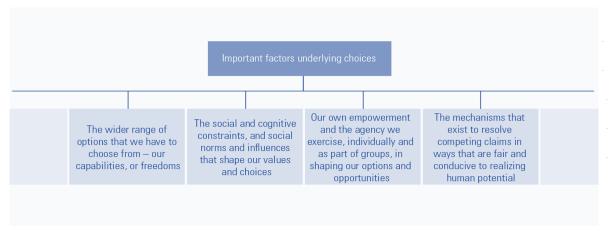
<sup>17</sup> Ariely, 2008; Diamond and Vartiainen, 2007.

In some cases, understanding how and under what conditions choices are made may provide straightforward policy fixes.<sup>18</sup> In others, there may be no easy policy fix. Therefore, being aware of the regularities of human behaviour is essential. Only by being aware of how people make choices can programmes and policies be designed appropriately. The realities of how choices are made can help design policy, so as to support decisions that may be especially prone to missteps. Policy design itself involves making judgments, such as the default option, how much information is presented, and how the information is framed, presented and disseminated. Understanding how people make choices can make this process better.<sup>19</sup> Some of these insights are well understood and integrated in policymaking. Others are novel, and a large number of researchers worldwide are working on uncovering them.<sup>20</sup>

Human development reports over the years have emphasized that human development is

about expanding choices. This remains true. Choices determine who we are and what we do. At least four important factors underlie them: the wide range of options that we have to choose from (our capabilities); the social and cognitive constraints, social norms and influences that shape our values and choices; our own empowerment and the agency we exercise, individually and as part of groups, in shaping our options and opportunities; and the mechanisms that exist to resolve competing claims in ways that are fair and conducive to realizing human potential (figure 3).

Examining these foundational concepts is particularly important in ensuring human development for all. The human development framework, grounded in the capability approach, provides a systematic articulation of these ideas. It can be especially powerful in illuminating the interplay between the factors that can work to disadvantage individuals and groups in different contexts.



#### Figure 3. Four factors underlying choices

**Source:** Jahan, Selim (2015) Human Development Report 2015. Work for Human Development. UNDP Human Development Reports.

18 Banerjee and Duflo, 2011; Karlan and Appel, 2011.

- 19 Thaler and Sunstein, 2008.
- 20 Thaler and Sunstein 2008; World Bank, 2015.

# 3. Broadening the human development context to the Arab region

The Arab region, like any other region globally, has its own specificities, defined by its history, heritage, norms, values, culture and context. Therefore, while taking a human development approach from an Arab perspective, it is necessary to adapt the approach to the regional situation. The idea is to tailor the framework to Arab specificities, while retaining its basic fundamental traits.

This is precisely why when the first Arab Human Development Report (AHDR) was published in 2002, it stressed the importance of broadening the context of human development for the Arab region. The report identified three frontiers for this extension: human freedom, knowledge acquisition, and institutional context.

Human freedom is at the core of human development. Human development emphasizes enhancement of human capabilities, which reflects the freedom to achieve different things that people value. In this sense, human development is freedom. Nonetheless, these enhanced capabilities cannot be used if relevant opportunities do not exist. Human rights ensure such opportunities through key institutions – the community, the society and the State – which must support and secure such rights. Human development and human rights are thus mutually reinforcing, and they have a common denominator: human freedom.

 In the context of this broader approach, the following five types of instrumental freedom have been identified as being of special importance:

- Political freedoms: opportunities that people have to determine who should govern and on what principles. They also include the possibility to scrutinize and criticize authorities, and to have freedom of political expression and an uncensored press.
- Economic facilities: the ways in which economies function to generate income opportunities and promote the distribution of wealth.
- Social opportunities: arrangements that society makes for education and health care, both of which influence individuals' substantive freedom to live better.
- Transparency guarantees: safeguarding social interactions between individuals, what they are being offered, and what they expect to get.
- Protective security: the provision of relevant social safety nets for vulnerable groups in society.

All these types of instrumental freedom have specific importance in the context of the Arab region, not only in their own right but also as important choices that are crucial for human development.

Acquisition of knowledge has intrinsic value by itself but, more importantly, it is a key dimension of human development because it is a critical means of building human capability. There is an important synergy between knowledge acquisition and the productive power of society. This synergy is especially strong in high value-added productive activities, based on intensive knowledge. These activities are increasingly the bulwark of international competitiveness.

A limited knowledge stock, especially if combined with poor or non-existent knowledge acquisition, pushes a country to lower productivity and poor development prospects. In today's world, the knowledge gap rather than the income gap is likely to be the most critical determinant of the fortunes of countries worldwide. In the third millennium, knowledge constitutes the road to development and liberation, especially in a world of intensive globalization.

With respect to knowledge acquisition, the standard usage of the term "human capital" denotes attitudes, knowledge and capabilities acquired by individuals, primarily through education, training and experience. However, the concept of capital that is consistent with the concept of human development relevant to the Arab region is far broader than conventional human capital on the individual level, and far more sophisticated on the societal level. It is perhaps more precise in the Arab region to adopt the term social capital to integrate the concepts of social, intellectual and cultural capital into a notion of capital formed by systems that organize people in institutions. An amalgam of conventional human capital and social capital would then constitute the notion of human capital commensurate with human development in the Arab region.

Institutional context critically influences the process of addressing and ensuring human rights, human freedoms, and dynamic knowledge acquisition. Since issues of human freedom and knowledge acquisition are of prime importance for human development in the Arab region, recognition of the necessary institutional context and choice of an appropriate institutional framework are also crucial.

With regard to human freedoms, individual agency is central, but it is also inescapably qualified (enhanced or constrained) by available social, political and economic opportunities. This is true in the Arab region and worldwide. In the Arab world, there is a deep complementarity between individual agency and social arrangements, and individual freedom is a result of a social commitment.

Moreover, the five types of instrumental freedom mentioned above depend, each in its own way, on the effectiveness of the various institutions that Arab society provides to enable individuals to pursue the lives that they have reason to value. Respect for human rights and effective participation of people in social and political activities must be fundamental ingredients of the institutional context of human development in the Arab region.

In this broadened context of human development in the Arab region, the following three human development deficits were identified by AHDR 2002:

- The freedom deficit.
- The women's empowerment deficit.
- The knowledge deficit.

Even though human freedom encompasses much more than political freedom, AHDR 2002 highlighted civil and political freedoms since they are considered among the most important instrumental freedoms. The report pointed to the low level of freedom in the Arab region in terms of voice and accountability. AHDR 2002 argued that all measures of women's empowerment revealed that the Arab region suffered from a glaring deficit in women's empowerment. Arab countries had scored important success in girls' education in general, but their attendance at the higher education level was guite low. Moreover, women's participation in political organizations was limited. The report also stressed the knowledge deficit in the Arab region. The persistent high illiteracy rate, lower education enrolment rate, and lower Internet connectivity were reflective of a knowledge deficit. The report claimed that in an age of knowledge intensity, poor knowledge acquisition, let alone its production, was a serious shortfall.

### A. Looking forward: lingering, deepening and emerging human development deficits

Almost 20 years have passed since the publication of the first AHDR in 2002. The Arab region of 2021 is different from that of 2002. The geopolitical scenario of the region has changed, and so has its socioeconomic perspective. Over the years, Arab countries have also changed in terms of their economies, their politics and their people. In the aftermath of the 2011 Arab uprisings, social and political perspectives in the Arab world have shifted. It is therefore important to examine what realities in the region should be reflected in the broadened analytical context of human development. If the analysis is conducted in terms of human development deficits, today the Arab region faces lingering deficits, deepening deficits, and emerging deficits.

### **B.** Lingering deficits

The three human development deficits identified in AHDR 2002 linger in the Arab region.<sup>21</sup> For example, in terms of freedoms, the region scores poorly, with restricted freedom, limited autonomy, limited political participation, and low levels of voice and autonomy. Following the Arab uprisings, the region, with the exception of Tunisia, did not record the aspired progress in human rights, political rights or institutions.<sup>22</sup> These low levels of personal autonomy and selfexpression are intrinsic to the rentier State pervasive in the region, which entails exchanging high rents for low political participation, transparency, accountability and regime legitimacy.

In the Arab region, education systems have largely failed to provide an enabling-learning environment, especially given their use as an indoctrination tool to ensure obedience and maintain conservative values, rather than nurture critical thinking. Hence, deficits in the quality of education and knowledge have also persisted. This has also played a role in widening the skills and knowledge gaps between education and labour market demands. Therefore, assessing the quality of education, rather than education access, is compelling, especially in the light of the Fourth Industrial Revolution and evolving labour market needs.

21 The discussion on lingering deficits draws on ESCWA, 2021.

<sup>22</sup> Economic and Social Commission for Western Asia, 2018.

Deficits in women's empowerment and gender equality also remain prevalent in various social, economic and political dimensions, notwithstanding the considerable progress made over the past decades. Arab women have become increasingly on par with men in terms of education; nonetheless, these gains have not yet been translated into commensurate labour market gains. Arab women also remain largely underrepresented in decision-making positions, and in political arenas. The deeply-rooted patriarchal system remains a key factor behind low autonomy levels, particularly among young people and women.

In short, the three deficits identified by the first AHDR continue to persist region wide, subject to subregional variations, such as conflict versus non-conflict countries. As such, freedom, knowledge and women's empowerment deficits linger.

### C. Deepening deficits

Some of the development challenges in the Arab region have deepened over the years. For example, the region has changed dramatically since 2002, and especially since 2010 with the rapid escalation in political instability and conflict. This has had cataclysmic repercussions for all socioeconomic and developmental fronts, including health, education and living standards. It has exacerbated macroeconomic imbalances and youth unemployment, and aggravated polarization, intolerance, inequality and human suffering. It has also engendered new challenges, such as migration flows and increased poverty, and has accentuated emerging environmental challenges. Nonetheless, the potential impact of conflict on human development is more severe than its damage to growth and physical assets. Conflicts have contributed to extreme degradation in living standards in war-affected countries.<sup>23</sup> Extreme poverty in the Arab region has been on the rise since 2013, and can be largely attributed to increasing conflict in the region.<sup>24</sup> Consequently, the peace deficit in the Arab region has been deepening.

Institutional weaknesses in the Arab region remain a human development challenge. Improving economic governance, including development management, is a primary concern for Arab countries. The quality of public administration is low, as reflected in poor costeffectiveness and heavy regulatory burdens. The capacity of the State has fallen short of the requirements of growth and human development. Inadequacy in good governance is evident in the lack of accountability, transparency and integrity, in addition to ineffectiveness to the demands of the people and of development.

The linkages between good governance and human development in the Arab context must adequately account for nuances and practical problems in the region. Given the conflicts in the Arab region, the issue of human security must be brought into the nexus of governance and human development. This is particularly important for a better understanding of development trajectories within poorly governed and conflict-affected

<sup>23</sup> United Nations Office of Coordination of Humanitarian Assistance, 2018.

<sup>24</sup> Abu-Ismail and Al-Kiswani, 2018.

countries. Governance deficits thus remain a lingering deficit.

### D. Emerging deficits

In recent times, institutional weaknesses are assuming new dimensions with the ongoing descent of Arab countries into crisis and armed conflict, which are mostly due to poor governance models and ineffective and unaccountable institutions. Moreover, the advent of COVID-19 has created new institutional challenges for Arab countries. The ineffectiveness of Arab Governments was revealed in the handling of the pandemic, and institutional inefficiency will also become evident if COVID-19 vaccination is not handled properly. All this points to a chronic lack of good governance, which may negatively affect the achievement of inclusive and sustainable development. Therefore, a new form of governance deficit seems to be emerging in the Arab world.

Similarly, environmental challenges have been on the rise, including water scarcity, land degradation and loss of biodiversity, which has negatively affected food security in the region. Accessibility to clean water is imperilled by freshwater scarcity, a primary ecological threat in the Arab region, exacerbated by increasing groundwater extraction, freshwater ecosystem degradation, deteriorating water quality, limited renewable water resources, and pressures from transboundary basins. Arab least developed countries (LDCs) show high vulnerability owing to climate-change related sectoral impacts due to low levels of adaptive capacity, despite increasing precipitation and moderate increases in temperature relative to other areas in the region.<sup>25</sup>

Unsustainable energy use patterns, including energy access based on poor quality fuels and inefficient appliances, and inefficient energyconsumption patterns, affect the health, education and socioeconomic prospects of millions in the Arab region. This is especially so for vulnerable people facing gender inequality or conflict and those in remote locations, who could benefit from sustainable energy transition resulting in higher levels of equality and wellbeing. Rapid urbanization, climate change and rising sea levels are expected to exacerbate disaster risk in the Arab region and beyond.<sup>26</sup> The sustainability deficit in the Arab region is therefore also emerging.

#### 25 ESCWA 2018.

26 El-Kholei, 2019.

# 4. Basic framework for assessing human development

A concept is always broader than any of its proposed measures. Any suggested measure for any concept cannot fully capture the richness and breadth of the concept. This is also true of the notion of human development. In principle, human choices can be infinite and change over time. However, at all levels of development, the three essential choices are for people to lead a long and healthy life, to acquire knowledge, and to have access to resources needed for a decent standard of living. If these essential choices are not available, many other opportunities remain inaccessible.

### A. Human Development Index

The 1990 Human Development Report constructed a composite index, namely HDI, on the basis of these three basic dimensions of human development. HDI comprises four variables: life expectancy at birth that represents the dimension of a long and healthy life; adult literacy rate and combined enrolment ratio at primary, secondary and tertiary levels that represent the knowledge dimension; and real GDP per capita (PPP\$) to serve as a proxy for resources needed for a decent standard of living.

The following five observations on HDI are pertinent:

 HDI is not a comprehensive measure of human development. It only focuses on the basic dimensions of human development, and does not take into account a number of other important dimensions of human development.

- HDI is composed of long-term human development outcomes, so it does not reflect input efforts in terms of policies nor can it measure short-term human development achievements.
- HDI is an average measure and thus masks a series of disparities and inequalities within countries. Disaggregation of HDI in terms of gender, regions, races and ethnic groups can unmask HDI.
- Income enters into HDI not in its own right, but as a proxy for resources needed to have a decent standard of living.
- HDI focuses on the quantitative aspect of human development, rather than the qualitative aspect.

All the quantitative information about human development and its various indicators constitutes what may be termed as human development accounting. This accounting has a "focus" dimension and a "breadth" dimension. HDI, concentrating only on the basic dimensions of human development, represents the focus aspect of this accounting. All the data and quantitative information on various human development indicators represent the breadth dimension of this accounting. If human development accounting represents a house, HDI is a door to the house. The house should not be mistaken for the door, and one should not stop at the door, rather enter the house. Consequently, HDI has limited scope. It cannot provide a complete picture of human development in any situation. It has to be supplemented with other useful indicators to get a comprehensive view. Thus, it is human development accounting, not HDI, which can reveal the complete picture. Yet, HDI has its strengths. It is as vulgar as GNP per capita, but not as blind as GNP per capita to broader issues of human wellbeing.

## B. Other composite measures of human development

In addition to HDR, the human development framework has some four other composite indices to measure human development more comprehensively: the Inequality-adjusted HDI (IHDI), the Gender Development Index (GDI), the Gender Inequality Index (GII) and the Multidimensional Poverty Index (MPI).

IHDI discounts HDI according to the extent of inequality. GDI compares female and male HDI values. GII highlights women's empowerment, and MPI measures non-income dimensions of poverty.

# C. Measuring human development: quantity versus quality

The human development measures, including HDI, traditionally have focused only on quantitative achievements. For example, in HDI, the knowledge dimension is represented by mean years of schooling and expected years of schooling, both measuring quantitative achievements in education. The same is true of life expectancy at birth, reflecting a long and healthy life; and per capita income, reflecting a decent standard of living.

In earlier years, the focus on quantitative achievements was justified. This is because the quantitative shortfalls in human development were so profound. However, as countries filled in these deficits, the quality of human development increasingly became more important. In other words, once the basics are fulfilled, quality become more meaningful vis-avis quantity. Thus, as countries moved up the ladder of human development, it is not only the quantity of education but also the quality of education that became more relevant.

Moreover, the quality of human development is important from an equity perspective. Sometimes, quantitative achievements of human development result in better quality services for the rich, while the poor and marginalized have access to only substandard services, thus enhancing the human development disparities between the poor and the rich.

It is therefore imperative that human development measures are not limited to quantitative achievements, but that they also assess the quality of human development progress. The time has come to pursue a qualitative approach to human development.

### 5. A quality-focused extended HDI

It is clear that the traditional HDI does not reflect the realities of today's world, including the Arab region, nor does it represent an appropriate human development assessment. It is thus imperative that a quality-focused extended HDI (QEHDI) – extended more than the traditional HDI and focused on the quality of human development – should be constructed, keeping in mind the realities of the Arab region. Such a quality-focused extended HDI would be useful for assessing human development in today's world including in the Arab region.

The construction of QEHDI is a two-step approach. Firstly, the focus should be on identifying the dimensions and indicators of QEHDI. Secondly, once those indicators are determined, it is necessary to see how can they be qualified, reflecting the quality aspect. To address the broader context of human development, a broadened measure of human development would be needed. From the preceding discussion on the rethinking of the broader context of human development, the following three issues present themselves as the relevant dimensions to be included in the broadened measure of human development: wellbeing freedom deficits (as measured by the traditional HDI), sustainability deficits, and governance deficits. With these dimensions, QEHDI can be constructed.

The wellbeing freedom is still relevant for human development. While extreme poverty is quite low in the Arab region, multidimensional

poverty is significant, particularly in Arab LDCs and in conflict countries: 52 per cent in the Sudan and 48 per cent in Yemen.<sup>27</sup> Poor or unavailable health care or opportunities for a quality education, in a degraded habitat (whether a polluted urban slum or a rural livelihood eked out on exhausted soil) without social safety nets: these situations form part of the multidimensional poverty nexus and are widely prevalent in Arab countries. Knowledge deficits persist and the vulnerabilities of the health services in many Arab countries have been revealed by the COVID-19 pandemic. Inequalities of capabilities and of opportunities are actually more prevalent than income poverty and economic inequalities. Therefore, three components of HDI – a long and healthy life represented by life expectancy at birth; knowledge represented by mean years of schooling and expected years of schooling; and standard of living measured by per capita income - should be included in QEHDI.

Addressing the issue of environmental sustainability, the 2020 Human Development Report adjusted HDI by taking into account indicators of greenhouse gas emissions and material footprint. The adjustment is made by multiplying HDI by an adjustment factor that accounts for planetary pressures. This adjustment factor is calculated as the arithmetic mean of indices measuring carbon dioxide emissions per capita, which speaks to the challenge of shifting away from fossil fuels for energy; and the material footprint per capita, which relates to the challenge of closing material cycles. This planetary pressures– adjusted HDI provides a sense of the possibilities for achieving high HDI values with lower emissions and resource use.

The issue of environmental deficit has to be looked at from the following three perspectives: global dimensions of environmental sustainability, sustaining global life support systems indefinitely by ensuring natural resources adequately meet human life requirements; the SDGs to achieve global sustainable development at the national level; and selected environmental sustainability pillars relevant to the Arab region. In each of these broader perspectives, relevant indicators can be selected. For example, under the global dimensions, the following six interlinked aspects can be considered: energy systems; human settlements and habitats: climate systems; carbon and nitrogen cycles; aquatic systems; and terrestrial systems. Similar exercises can be done for the SDGs and environmental sustainability pillars for the Arab region.

The governance deficit can be addressed by taking into account the following three pillars: rule of law and access to justice; institutional accountability and effectiveness; and participation. The first pillar ensures that there is equality under the law and there is transparency of the law, which is also linked to SDG 16. An independent judicial system is more likely to deter acts of corruption, non-transparency and unaccountability.

The second pillar of governance looks at institutional accountability and effectiveness. This pillar ensures that if anyone who attempts to break or circumvent the rule of law is held to account. Institutional accountability also implies that public officials are sanctioned for abuse of power and improper conduct. Another key feature of good governance is effective administrative institutions that abide by the law. Public administration should be professional, well-trained, ethical and committed to properly implementing policies and ensuring effective service delivery. Participation is an important aspect of good governance, because people should not be mere recipients of the development benefits. They should also be active participants that inform, influence and shape their lives. Participation is critical to providing voice and autonomy to the people, and to create a democratic space.

Considering all these factors, QEHDI would have the following nine dimensions:

- A long and healthy life.
- Knowledge.
- A decent standard of living.
- Global dimensions of environmental sustainability.
- Selected SDGs.
- Selected environmental sustainability pillars linked to the Arab world.
- Rule of law and access to justice.
- Institutional accountability and effectiveness.
- Participation.

In the above list, the first three dimensions relate to the traditional HDI, the next three to sustainability deficits, and the last three to governance deficits. The focus now is on how these dimensions can be adjusted for quality. For both a long and healthy life and knowledge, there are well-defined and well-accepted indicators, such as health-adjusted life expectancy.

Although appropriate quality adjustments of health and knowledge indicators are in the

literature, the same is not true of the income component, which reflects a decent standard of living. What is a quality income: how income is generated, how income is used, or both? Is income earned though "decent work" quality income, irrespective of how it is used? Is income used on human priorities, such as health and education, considered quality income irrespective of its sources? There may be a simple but defensible approach to overcome this problem. One may assume rightfully that a more equitably distributed income is a betterquality income than a less equitably distributed income. In that case, an income can be adjusted for distribution if it is multiplied by an income Gini-coefficient or an income distribution factor, such as the ratio of income of the top 20 per cent and bottom 20 per cent.

For environmental sustainability, appropriate quality indicators are available. For example, renewable energy and efficiency in resource use can be good quality indicators for environmental sustainability. Similarly, executive oversight, judicial accountability, and provision of quality public services may be a proxy for governance effectiveness. Participation of people at the local level and civil society environment may be good quality indicators for people's participation.

Given the above framework for QEHDI, the choice of indicators under each dimension, the choice of weights, and the computing formula will be analysed and detailed in another paper. However, the following five guiding criteria may be useful in constructing the QEHDI:

 It should not be overburdened with indicators. Too many indicators in a composite measure weakens its robustness and reduces its predictive power.

- In the choice of indicators, it is necessary to ensure that the chosen indicators make sense – they must be meaningful and relevant. The indicators are pre-chosen or the first three dimensions (components of the traditional HDI), but different options need to be considered for the remaining six dimensions.
- The chosen indicators should be theoretically sound and must reflect human development concerns. This is particularly true of the sustainability deficit dimension.
- While choosing the indicators, data availability must be taken into account. There should be a match between aspiration and reality.
- In QEHDI, the weights should be equal and the computing formula should be additive in terms of various indicators.

In the construction of QEHDI, the following three other measures that are complementary to it, but not included in the composite measure, may be considered:

- The issue of conflict is important for human development as a human security issue. However, it is not included as a component of QEHDI because by keeping it outside, QEHDI is not overburdened and the impact of conflicts on human development can directly be assessed. Two indicators can achieve this: loss in HDI value due to conflict, and number of people displaced due to conflict.
- Some other composite indices like the Economic Vulnerability Index and indicators like technological advancement, e-governance indices and Internet usage may also be presented.
- There may be two dashboards on inequalities: inequalities in *opportunities* (e.g., access to health services), and

inequalities in outcomes (e.g., income). Such dashboards will provide some distributional features that are not captured in QEHDI, as it is based on average values. Similarly, a dashboard on life-cycle of women's capabilities and opportunities may be helpful in understanding gender inequality and women's empowerment.

QEHDI may not be perfect, but perfection should not be the enemy of good. It will contribute to the global discourse on human development, and its measures will be helpful in assessing human development in the Arab region. However, the following three observations are pertinent. Firstly, various statistical runs with QEHDI with different indictors and the resultant values for different countries would help in choosing the final form of QEHDI. Secondly, the proposed QEHDI is just the beginning, which would lead to further research on the issue of a broadened measure of human development. Thirdly, it would be extremely useful to do further research on some of the analytical issues raised (e.g., individual versus collective choice) in the context of rethinking human development. This is necessary to extend the frontiers of knowledge on human development.

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