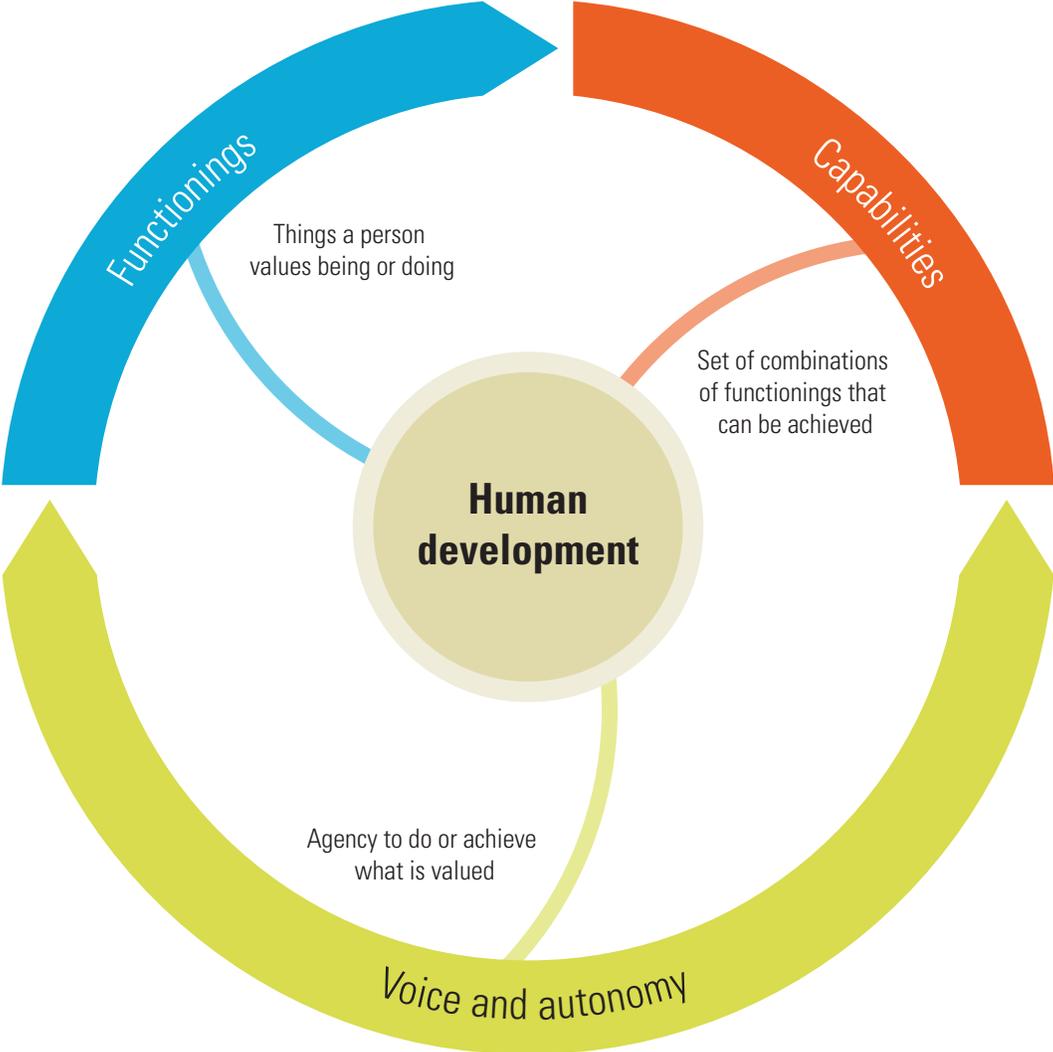


Chapter 3

Reaching everyone—
analytical and
assessment issues

Infographic 3.1 Human development represents freedom of well-being as well as freedom of agency



3.



Reaching everyone— analytical and assessment issues

The human development approach is anchored in the idea of universalism, whereby all people—present and future—can realize their full potential. Two issues stand out. First, practical universalism shows that progress in human development is unbalanced across and within countries, socioeconomic groups, ethnic and racial groups, women and men, and generations and have not always reached the most deprived. Second, the world of today differs from the world of 25 years ago and presents new opportunities and challenges. It is thus necessary to map out those who have been left out of the progress in human development and to understand why. It is equally important—as this chapter outlines—to address analytical and assessment issues that, once resolved, may help the barriers to universal human development be overcome.

The human development approach is based on two fundamental freedoms—the freedom of well-being, including functionings and capabilities, and the freedom of agency, including voice and autonomy. Functionings are the various things that a person may value being and doing, and capabilities are the combinations of functionings that a person can achieve. Agency is related to “what a person is free to do and achieve in pursuit of whatever goals or values he or she regards as important” (see infographic 3.1 on the preceding page).¹

What aspects need to be analysed

Over the years the Human Development Report has emphasized that human development is about expanding choices. This remains true. Choices determine who we are and what we do. Those choices rest on four foundations: the wide range of options that we have to choose from—our capabilities; the social and cognitive constraints and 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 3.1).

Examining these foundations is particularly important to ensuring human development for everyone. The human development approach, grounded in the capability approach, provides

a systematic way to articulate these ideas. It can be especially powerful in illuminating the interplay among factors that can operate to the disadvantage of individuals and groups in different contexts.

This chapter highlights ideas from the human development approach that need to be re-emphasized to ensure that human development reaches everyone. It also presents specific analytical perspectives for examination.

The human development approach has shown continuity but also resilience. It has proven robust but also adaptable to changes in the world over the past quarter-century. The core definitions of the approach have been used in diverse ways. They have been used to describe whether and how much people have a say in matters that concern their lives, a meaningful opportunity to contribute to development and a chance to obtain a fair share of the fruits of development. And they have been simplified by attributing to human development any improvement in the human condition that allows people to live longer and healthier lives. The human development approach is ultimately “simple yet rich, full yet open-ended, flexible yet responsible, normative yet visionary, inspiring yet practical.”²

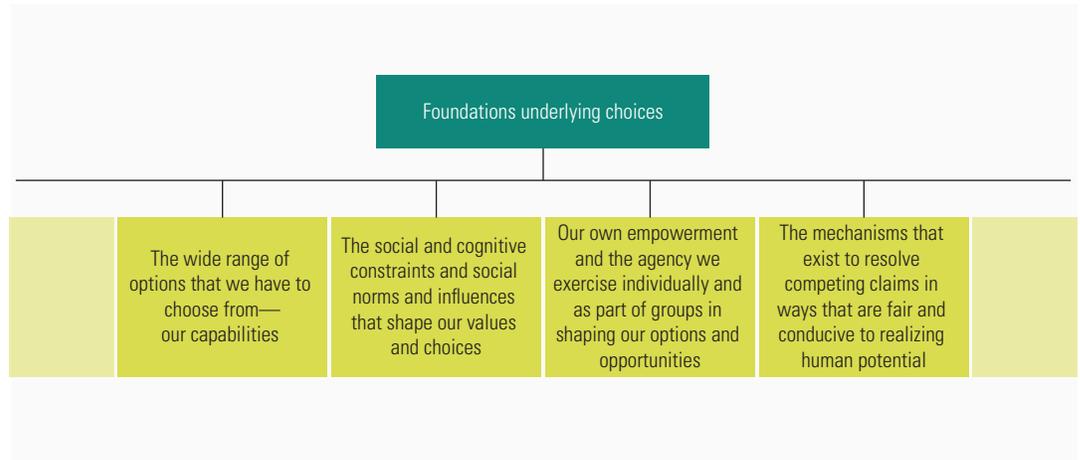
Human rights—the bedrock of the human development approach

The definition of human rights consistently used in the Human Development Report is that of the Universal Declaration of Human Rights of 1948, which considers political and

The human development approach can be especially powerful in illuminating the interplay among factors that can operate to the disadvantage of individuals and groups in different contexts

FIGURE 3.1

Choices rest on four foundations



Source: Human Development Report Office.

Focusing on accountability for failures within a social system broadens the outlook beyond the minimum claims of human development and can be a powerful tool in seeking remedy

socioeconomic rights as well as civil and cultural rights.³ Human rights thus include the right to life, liberty and security; the freedom of assembly, thought, religion and opinion; the right to work; the right to an adequate standard of living, food, clothing, housing and education; and the right to participate in community life.

Human development and human rights are closely related. The best way to secure human rights may be to consider rights in terms of capabilities. The right to bodily integrity, to associate freely, to political participation and all other rights are secured when the relevant capabilities are available. To secure a right is to enable people to be or do something that they have reason to value. Yet certain fundamental rights may be recognized on paper but not implemented or available in practice.⁴ Women may have the right to vote by law but be threatened with violence if they leave the house. They thus lack the capability to exercise the human right of political participation.

Human rights offer a useful perspective for analysing human development such as “the idea that others have duties to facilitate and enhance human development.”⁵ The 2000 Human Development Report highlighted 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.”⁶ With invoked duties come the notions of accountability, culpability and responsibility. For example, recognizing the human right

to free basic education means much more than merely agreeing that it is a good thing for everyone to have a basic education—or even that everyone should have an education. Rather, asserting this right is claiming that all people are entitled to a free elementary education and that if some lack access to it, there must be accountability somewhere in the social system.

This focus on accountability for failures within a social system broadens the outlook beyond the minimum 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 spotlights the strategies and actions of various 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 actors and institutions when rights go unfulfilled. This analysis and understanding are essential to achieving progress in human development for everyone.

Voice, participation and democratic practice—an integral part of human development

The ability to deliberate, participate in public debates and be agents in shaping their own lives and environments is a fundamental value of most people. There are three main reasons within the human development approach to value voice and participation (box 3.1). Voice

and participation are both a means and an end. Truly functional, participatory democracy, which is much broader than a 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 priorities. A free press, a vibrant civil society and the political freedoms guaranteed by a constitution underpin inclusive institutions and human development. The human development approach views people not only as beneficiaries of development, but also as architects of their own lives.⁷

Related to this 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, are submissive or desirous to please or are simply passive, they are not exercising agency.⁸

Well-being and agency—the two fundamental freedoms in the human development approach—are related yet distinct. An agent is someone who acts and brings about change. Agency can advance one’s own well-being, but it can also further the well-being of others. People may thus volunteer for causes that do not advance their own well-being, such as protecting the rights or improving the conditions of vulnerable groups or conserving ecosystems, landmarks or historical monuments. People may put themselves in gruelling situations, working to promote causes they believe in at

the cost of their own health or security. They are exercising their agency. Human agency thus advances any goals that are important to individuals—for themselves, for their communities or for other entities.

The exponential spread of information and communication technologies, along with rising education and literacy rates, has provided individuals with new tools for participation (box 3.2). Online participation can have a major impact on agency and empowerment. But new forms of participation also face challenges and risks that must be addressed. Equal access to the Internet for all people must be pursued between and within countries. And people must be protected from the risks of misinformation and online violence—such as cyberbullying, online sexual abuse, harassment or hate speech—that target mostly children and women.⁹

The primary focus of the human development approach and of the Human Development Report has largely been on the freedom of well-being. This is reflected in the way the Human Development Index (HDI) has been constructed. This focus may have arisen because basic deprivations were once more widespread, attracting the preponderance of analysis, measurement and policy response. But as well-being was realized, emphasizing freedom of agency has become more important. That freedom has an independent, intrinsic worth, in addition to an instrumental value because it enhances well-being.

Agency can advance one’s own well-being, but it can also further the well-being of others

BOX 3.1

Voice and participation—intrinsic, instrumental and constructive

Voice and participation are intrinsically important, make instrumental contributions and play a constructive role in the human development approach:

- *Intrinsic.* Voice and participation have high intrinsic value to people as key functionalities.
- *Instrumental.* Voice and participation enhance democratic political freedoms and thus have instrumental value in expanding capabilities. The functionalities of being well fed and free of disease or having an adequate education may appear basic. In practice, even these are difficult to achieve without the ability to participate in society. Being excluded and shut

off and not possessing voice are usually the reasons that people and groups lack basic capabilities, sometimes generation after generation.

- *Constructive.* Societies and nations must deliberate and decide, through give and take, their common priorities and agendas. Effective participation ensures that all groups sit at the table. Broad, truly representative participation in civic dialogue is the way to ensure that societies advance towards realizing the concept of justice, the principles of universalism and sustainability, and other values that they hold collectively.

Source: Human Development Report Office.

Facilitating participation through new technologies

The spread of the Internet over the past decades has facilitated the rise of new forms of civil participation. These include e-government, online petitions, mass demonstrations, crowdfunding and blogging. Although petitions, protests, fundraising and political publications have long existed, the Internet has allowed them to achieve unprecedented coverage, bringing people together across physical borders with enormous speed.

Activists can now gather support from millions of people in a few weeks and with limited resources, permitting them to have an impact on public and political life that would have been impossible through traditional means of participation. This has challenged government and party monopolies in politics and effectively broadened civil participation. New technologies have also helped previously excluded groups—such as people with limited mobility, people living in secluded areas and young people—participate in public and political life.

Source: Human Development Report Office.

Human security—a precondition for human development

Looking at the world only through the lens of threats sometimes imposes the tyranny of the urgent over the essential

The concept of human security shifts the attention from interstate conflicts towards people's feelings of insecurity. It encompasses concerns about jobs, income, health, the environment and crime. It also means protection from sudden and harmful disruptions in life. According to the 1994 Human Development Report, "human security is not a concern with weapons—it is a concern with human life and dignity."¹⁰

Millions of people around the world must cope with the impacts of climate change, natural disasters, economic and health crises, and intolerance and violence (see chapter 1). Because of these new realities and the aspiration of leaving no one behind, the concept of human security remains highly relevant. The emphasis should be on achieving a deep understanding of threats, risks and crises and addressing them through joint action based on the crucial concepts and approaches of human development and human security.¹¹ Two ideas are relevant:

- *Countering the shock-driven response to global threats.* There is no denying that an inevitable short-term security imperative exists requiring an emergency response. This is understandable from a human agency perspective. The effect of shocks on global attention nonetheless has significance in responding to questions about who is being left behind and why. This is because precisely these forgotten or difficult to reach populations are usually the most at

risk to shocks. But looking at the world only through the lens of threats sometimes imposes the tyranny of the urgent over the essential. Peaks in attention to emergencies fail to address the gradual and complex process of vulnerability that builds between shocks. The human development and human security approaches, while remaining available to confront short-term security imperatives, should become involved in aligning efforts to shift the emphasis away from shock-driven responses to global threats. People are also left behind when threats are protracted and require a long-term commitment to crisis management.

- *Promoting a culture of prevention.* How should we understand and practise prevention as part of the development process? If one sees the world through the prism of threats, it may appear normal for crises to be considered opportunities. A return to business as usual once the emergency has passed may appear equally normal. Yet, while crisis prevention may receive the least attention in the cycle of crisis management, it is the component that, everybody agrees, should be the most important.

To shift from a shock-driven response to crisis to a needs-driven one, human development strategies must be anchored in the everyday and not rooted in emergencies. Human security emphasizes the centrality of people in the calculations that make us assign importance to some threats over others. This emphasis should also encourage us to pay attention to the full cycle of relief, recovery and prevention in crisis management.

Human decisionmaking—to be examined more closely

The functionings that individuals realize through their capabilities flow from a confluence of conscious or subconscious choices. In making choices, people often fail to take into account the spillovers and long-term consequences. They may follow the herd or fail to correct for cognitive bias. They may simply be overwhelmed and unable to process all the available information—with important implications for human development. Examples include the failure to save for retirement or taking on bad loans although better options are available. Such mistakes are well documented in the literature on behavioural and cognitive science.¹²

People face many decisions, ranging from the trivial to the consequential. They face multiple options and have to make choices, sometimes as part of a group. Development economists and practitioners use standard models to assess how people make choices. Psychologists and experimental and behavioural economists, meanwhile, have been documenting the mistakes in how people make choices.¹³ People's decisions seem to be swayed by considerations that should not matter—the default option, the order in which options are presented and sometimes seemingly irrelevant options. Some researchers say that people are irrational or that they make (predictably) irrational choices.¹⁴ Dan Ariely, James B. Duke Professor at Duke University and a leading authority on behavioural economics, shares his thoughts on how to advance human development in a less than rational world (see special contribution).

What seems like irrational behaviour by a group, such as poor people, may at times 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. But it may simply be that these people lack access to basic services such as savings accounts. In the Philippines about 30 percent of people who were offered a savings account with no option to make a withdrawal for six months accepted. Individuals who used the accounts increased their savings 82 percent more than the control group did.¹⁵

Some choices seem to irrationally depend on considerations that should not matter—how healthy and unhealthy foods are arranged in the supermarket or whether a company signs up employees automatically for a retirement savings plan. In all walks of life, how the options are presented and experienced can have an effect on the choices made.¹⁶

In some cases understanding how and under what conditions choices are made may suggest straightforward policy fixes.¹⁷ In many other cases there may be no easy policy fixes. So being aware of the vagaries of human behaviour is essential. Only by being aware of how people make choices can planners design programmes and policies to support decisionmaking appropriately among people who may otherwise be especially prone to mistakes. Policy design involves judgements about default options, how much information to introduce and how the information is framed, presented and disseminated. Understanding how people make choices can enhance the process.¹⁸ Some of these insights are integrated into policymaking. Others are novel, and a large number of researchers around the world are working on uncovering them.¹⁹

Collective capabilities—helping marginalized groups

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 of groups or collective entities. Individuals are not the only unit of moral concern; structures of living together are, too.²⁰ The failure to explicitly include them in evaluating the state of affairs leads to the loss of important information.

Take the example of a society that makes explicit arrangements to include persons with disabilities in the mainstream, allowing them to lead full lives as individuals and members of society. Or a society that is open towards and accepting of refugees, allowing them to find work and integrate in the mainstream. Conversely, a community that discourages lesbian, gay, bisexual, transgender or intersex individuals from marrying or having children limits the fulfilment of these people's lives. Societies vary in the number, functions and effectiveness

Human development is also a matter of promoting the freedoms of groups or collective entities



Predictably irrational—helping advance human development in a less than rational world

How did you get into studying how individuals make decisions or choices? Was this a rational decision?

I got into this following my experience of being in hospital for a very long time. I was badly injured when young. While in hospital, there were a number of things that I thought were very wrong, and I didn't like. One was how the bandages were replaced for burn patients. What is the right approach for doing this—ripping them fast, or taking them out slowly? What is the best way to minimize the pain? The nurses said they knew the best approach, which was to rip them off fast. They followed their intuition. I didn't agree that this was the right way. Despite good intentions, the nurses were wrong about this.

After leaving the hospital, I thought about doing experiments to understand how we sometimes have bad intuitions. Where do these fail us the most? What is the right model of human behaviour? I wanted to understand how people behave, how we make mistakes and also how we can do better.

This was not a "rational" decision. I did not consider all my options and think about them. I found something I liked to do and felt passionate about. I jumped right into it without thinking too much and without thinking for too long.

What have we learned from behavioural economics about how individuals and groups make decisions? How has this changed how economists think about decisionmaking? What are the implications in terms of policies for health, education and well-being?

People, in general, don't make very thoughtful, rational decisions. For example, take texting and driving and our general addiction to cellphones. This is quite irrational. Most of the messages and emails we get do not need immediate attention.

There is the concept of random reinforcement. A rat gets food every 100th time he presses a lever. If the food is given on any random press between 1 and 200, the rat will go on pressing for much longer in hope of a reward. This is why we are addicted to our phones. From time to time we get an email or message that is very exciting, and hence we are hooked. We check our phones way too often, including when we are driving.

Take overeating, underexercising, financial decisionmaking, and there are millions of other places where we fail. In terms of relevant policies, this is not always an information problem. With smoking, for example, the barrier is not lack of good information.

A policy is a tool to get people to behave in a different way. If the model that the policy is based on is wrong, the policy will fail. There are some assumptions in standard models that have to be questioned. For example, people do not usually think long term.

And then, with banking regulation there is a need to understand the model. Bankers are not bad people, but there are conflicts of interest. Policies are introduced, for example, to increase transparency, but they do

not achieve much. What is needed is a better theory of how people behave, what the conflicts of interest are and what can be done to bring down these conflicts of interest.

Being able to lead a long and healthy life, being well informed and being able to participate and make decisions are the foundations of well-being in the human development approach. This view holds that the expansion of individuals' choices should be the goal of development. Given what we know from behavioural economics, would you say this view can be qualified, or nuanced, in some way?

This is a beautiful but naïve perspective. Choices are all good when they have no cost. Having choices can lead to what has been called the burden of choice.

We have to ask ourselves: Are we helping people by giving choices? Is it fair? Do you want to choose when to end your parent's life, when to pull life support?

There are tiny choices—where to drink coffee, eat. People have no time to think about those choices. People take what is easily available. They don't make these choices with full agency. There are the middle-range choices, for example, which camera or stereo system to buy. These are the decisions where people can make the right choice—given the right information, if they have the time and they think about it.

Then there are the really huge choices, involving marriage, house, savings, etc. When people get bad news, say about a health condition, they "shut down." Studies show that with people who have prostate cancer, the course of treatment depends on which doctor they see first. If they see a surgeon, they have surgery. If they see a different doctor, they have a different treatment plan, not surgery.

It is with the very small and the very big choices that we have to help people.

We want to explore how individuals act as part of groups. How much are individual decisions impacted by social norms, values, stereotypes and prejudices? How do norms such as those of fairness, cooperation and honesty come to be, and how are they sustained?

With honesty, we have to think about rationalization. There are different aspects of honesty. People ask, how dishonest can I be and yet feel good about myself? This has to do with social norms. In some countries, bribery is ok. People ask themselves, what is acceptable here? They end up saying, ok, this is acceptable. If you live in a country where giving a bribe to a public official is common practice, you tell yourself that this is perfectly acceptable.

In the United States everyone gets away with illegal downloads. This is corruption! There is a big social element to it. People know it is illegal. Because everyone does it, this empties the moral content of it.

How important is self-image, or how we view ourselves, in making decisions? What are some applications of this and some implications for policy design?

Experiments show that people are not completely dishonest. People cheat less than what the theory of rational individuals would suggest. People ask themselves what they will be comfortable with (not what they can get away with). There is a range of goodness. People have a self-image, an internal standard for good behaviour, which is very much a social construct.

Policies that take advantage of the impact of social norms can be very effective. They had this problem in Bogotá, where people would not stop at red lights. The city hired mimes (clowns) to stand at intersections and to make fun of people who wouldn't stop at traffic signals. People started behaving better. If you think about it, it was a beautiful intervention. This underlines the importance of understanding social constructs, changing the words and terms that people use and to get people to start thinking of themselves in different ways.

Dan Ariely

James B. Duke Professor of Psychology and Behavioral Economics at Duke University

of social institutions and thus in the range of social competencies that can promote human freedoms.²¹

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 among people who are marginalized or deprived and whose freedom cannot be enhanced through the actions of individuals alone.

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

Groups and coalitions are a means of exercising collective agency, which is much more powerful than people exercising individual agency. Groups to which individuals belong, including groups that individuals may establish, can expand individual capabilities and afford individuals new freedoms. A leading example is the Grameen Bank experience in Bangladesh, where groups of destitute women helped empower individual woman economically and socially, which individual efforts might not have achieved. Informal workers in many economies have organized to demand their rights to better conditions. Through organization and collective action since 2002, waste pickers in Buenos

Aires transformed a hazardous activity based on poor technology into a cooperative system of urban recycling based on decent work conditions, appropriate technology and reduced incidence of child labour.²²

Social values and norms—key impacts on universalism

Social values and norms influence the parameters of the freedoms that are enhanced through human development. Societies may limit the freedoms that are recognized among individuals who are, say, women, gay, transgender, with disabilities or of a particular race or religion (see chapter 2). For example, a society that expects women to perform only unpaid care work explicitly or implicitly discourages girls from attaining higher education and fulfilling their full potential.

The norms and values of a society may not support the most disadvantaged. Prejudice against some groups is sometimes deeply ingrained in culture and practice. Women face explicit and implicit discrimination in school and working life.²³ This discrimination is found even in environments that would be expected to reward merit objectively, such as higher education and the scientific community.²⁴ In advanced countries groups may face discrimination and lack of opportunities based on race. In the United States the bias of educators against African American children has an impact as early as preschool.²⁵ Bias and prejudice thus play a role in almost all important aspects of life. What individuals do and how they act are dictated largely by social traditions of privilege and subordination.

Society must organize resources, technology, expertise, policies and institutions in a way that enables individuals to take action to achieve human freedom

People should have the liberty of choosing their identities

Groups are governed by social norms that also influence the behaviour of individuals and often shape the freedoms individuals articulate, particularly agency. The effect on freedom has been analysed in terms of adaptive preferences, the mechanism people use to adjust their preferences according to their circumstances. The frequently unconscious adaptation of preferences distorts perceptions of freedom so that individuals may not notice that their freedom of choice has been constrained.

The concept of adaptive preferences is especially applicable to the gender debate.²⁶ The deprivation in agency associated with social norms and culture is evident in the practice of early marriage, the lack of women's control over household resources and the attitudes that expose women to the risk of gender-based violence. Almost half the women surveyed in Africa report agency-related deprivation in more than one area of their lives. Women who are educated, who work or who live in urban areas have more voice and autonomy. In Africa almost 20 percent of women who live in rural areas and have no more than a primary education experience three major deprivations, compared with 1 percent of women who live in urban areas and have higher education.²⁷

Social norms, rules and conventions are not created in a vacuum. Norms and expected and accepted behaviour evolve. The circumstances that may have given rise to particular norms may change, but the norms themselves may not. Traditions and norms tend to become entrenched. Once established, a norm can be difficult to dislodge. Many anachronistic and sometimes perverse social norms persist for generations. Traditions, including dowry from the families of brides and child marriage, are

maintained by households under social pressure. Violating a norm can cause psychological discomfort, financial loss or worse. In these cases the focus should be how the norms can influence the effects of healthy policies and the identification of ways to alter the norms (box 3.3).

Multiple identities—how they influence agency and well-being

Multiple identities influence an individual's agency and well-being (functionings and capabilities): citizenship, residence, geographic origin, class, gender, politics, profession, employment, social commitments and so on. Each of these groups is associated with a specific aspect of an individual's identity. Group affiliations and identities are more fluid than fixed. Each person belongs to a number of groups at one time. People are born into some groups—a woman, an Asian, lefthandedness. Other groups may be abandoned, such as religion. Still others may be joined, such as citizenship. No single identity can completely define an individual throughout her or his life.

People have the liberty of choosing their identities. Individuals have reason to recognize, value and defend the freedom to choose identities. Liberty is important and valuable because all individuals deserve the space to consider the various facets, nuances and choices associated with their identity. Liberty is also a precondition for peaceful coexistence in multiethnic and multicultural societies.

Three identity issues have implications for human development. First, the space for multiple identities is more limited among people who are marginalized, and those people may lack the freedom to choose the identity they

BOX 3.3

Strategies for changing social norms

- Rectify mistaken beliefs about what others do or think.
- Use the mechanisms of social pressure.
- Change the symbolic meaning of a social norm.
- Create or exploit conflicts among different norms.
- Change the signalling function of norm compliance.
- Change the incentives for supporting norms among key actors.
- Send countermessages through appropriate messengers.
- Adjust how norms interact with laws.

Source: World Bank 2014.

value. This absence can be a serious deprivation in their lives because it limits their agency.

Second, many people favour a single identity to the disadvantage of all others and deny reasoning and choice in selecting identities. Much extremism and hatred can be undermined by promoting the acceptance of multiple identities over a single identity, such as ethnicity, religion or caste. Embracing single identities may make other groups or identities appear as rivals or even enemies. It misses all the multiple identities that may be shared, such as humanity, parents or neighbours. Multiple identities are essential to the freedom of agency because they provide people with the chance to explore different functionings and capabilities, and they can ensure autonomy.

Third, identity groups interact and compete with each other over limited economic and political resources and power. Groups often seek to obtain more power at the cost of other groups. They are often able to become entrenched in positions of power. The resulting concentration of economic and political control within a single group can be difficult to unravel (see chapter 2). In this process, marginalized groups experiencing deprivations—such as indigenous groups, older people and ethnic minorities—lose out and may become excluded from progress in human development.

Yet groups have the space to interact and share their concerns in a participatory democratic system. They should seek a common understanding of a fair society through negotiation and discussion so all people possess the freedom to explore different identities and choose their own path. Collective values and collective aspirations can be fostered through a collective discourse in which all constituencies truly and effectively participate.

The interdependence of freedoms— the inevitability of tradeoffs

According to the human development approach, all people should be able to lead the kind of life that they have reason to value. But the freedom of one person or group may interfere with the freedom of another person or group. This can be an unintended outcome or a deliberate goal. Given the political economy of societies, there may be attempts by richer and

more powerful groups to restrict the freedom of others. This is reflected in the affluence bias of the policy matrix, the way the legal system functions and the way institutions operate in many economies. This elite capture represents an attempt of the rich and the powerful to curb the opportunities of poor and deprived people.

The human development approach recognizes that more must be done than merely calling for the expansion of capabilities and freedoms. All societies need to make tradeoffs, decide among the claims of competing groups on finite resources and establish priorities in a context of unequal distribution of income and wealth, voice and participation, inclusion and diversity, and so on. Following reasoned debate, societies need to determine the principles for settling these issues to realize a more just society.

Sustainable development as social justice

Interdependent freedoms and choices are also characteristic of intergenerational equity—the freedoms of future generations in relation to the freedoms of the present generation. The 2011 Human Development Report defines sustainable human development as “the expansion of the substantive freedoms of people today while making reasonable efforts to avoid seriously compromising those of future generations.”²⁸

This is similar to many conventional notions of environmental sustainability. But it also reflects the concept of universalism, which goes deeper. Universalism argues that the life experiences of all individuals within and across generations are equally important. The human development approach therefore considers sustainability as a matter of distributional equity both within and across generations. Human Development Reports have consistently advanced this integrated approach to sustainability.

The human development approach reiterates that sustainable development is much broader than the protection of natural resources and the environment; that environmental degradation exerts larger, unequal impacts on poor, marginalized and vulnerable people; and that climate change affects the people and countries the most that have least contributed to it. From

Interdependent freedoms and choices are also characteristic of intergenerational equity

a human development perspective, sustainable development thus embodies social justice.

Gender equality and women's empowerment—vital markers

If human development must reach everyone, gender equality and women's empowerment need to be central. When women 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, they are able to lead lives to their full potential. The more command women have over household income, the more they participate in the economy, the more girls are enrolled in secondary school and the larger the benefits for their families, their communities and their countries.

Gender equality and women's empowerment need to be addressed in a mainstreamed and integrated way. Sustainable Development Goal 5 covers gender equality and the empowerment of all women and girls, and it proposes relevant targets and indicators. But gender equality and women's empowerment should not be limited to a single goal. Gender-focused targets are also covered by Sustainable Development Goal 3 (good health and well-being) and Goal 4 (quality education). These goals and targets have catalysing effects on achieving the other Sustainable Development Goals.

Gender parity is often mistaken for gender equality. Gender parity is an 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 conflicts. At times, female representatives are invited to negotiations in order to meet a formal requirement for equal participation. However, when women are empowered to be effective participants, they can have a great impact.²⁹ In the recently completed Colombia peace process, one-third of participants in the negotiations were women. Their lobbying ensured that those who committed sexual violence in the conflict would not be eligible for pardons. The women also advocated for economic support for women in rural areas for new development activities.³⁰ When women are included in the peace process, there

is a 20 percent increase in the probability of an agreement lasting at least 2 years and a 35 percent increase in the probability of an agreement lasting at least 15 years.³¹

Checking whether progress in human development reaches everyone—assessment requirements

Averages are not adequate for determining whether everyone benefits from progress in human development; a disaggregated approach is needed. Nor will a purely quantitative assessment succeed; qualitative aspects are needed, too. Data on freedom of agency also need to be reviewed, particularly on voice and accountability. Other indicators of human well-being can provide insights, such as the social progress index.³² Finally, good generation and dissemination of data are important and require additional in-depth research, experimentation, consultations and alliance-building among stakeholders.

The disaggregated perspective

An assessment of whether progress in human development is reaching everyone requires disaggregated data by region, gender, rural–urban location, socioeconomic status, race, ethnicity and so on. Disaggregated data unmask the averages and show who has been bypassed, where they are and why.

Development barriers often fall along group lines. People with certain characteristics, in certain locations and with certain identities are more likely to lack access to essential services and opportunities and are more prone to be victims of discrimination and other forms of social exclusion.

To include everyone in progress in human development, the excluded and marginalized, as well as the depth of their deprivations, need to be identified, often through data disaggregated in National Human Development Reports. For example, Ethiopia's 2014 National Human Development Report presented HDI values disaggregated by region, Mexico's 2010 National Human Development Report presented HDI values disaggregated by indigenous group and

The more command women have over household income, the more they participate in the economy, the more girls are enrolled in secondary school and the larger the benefits for their families, their communities and their countries

Somalia’s 2012 National Human Development Report presented Multidimensional Poverty Index values disaggregated by area (nomadic, rural, urban and the like).³³ The 2030 Agenda stipulates that progress towards achieving the Sustainable Development Goals will depend on high-quality, accessible, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migration status, disability, geographic location and other characteristics relevant in national contexts.³⁴

While there is agreement in principle that enabling all people to benefit from progress in human development demands disaggregated data, there is less clarity about how to ensure data availability. Which survey instruments are the most accurate and cost-effective for collecting these data? And there are questions about how to gather data that may be culturally or politically sensitive but extremely important. Many groups may remain largely invisible in data because of such sensitivities—for example, the lesbian, gay, bisexual, transgender and intersex community. Any group that suffers extreme discrimination or criminalization may hide their identity, making the collection of accurate data nearly impossible. Likewise, data disaggregated by indigenous population or ethnic group may be discouraged. Overcoming these cultural and political barriers to open self-identification

is a great challenge in reaching the most excluded and marginalized groups.

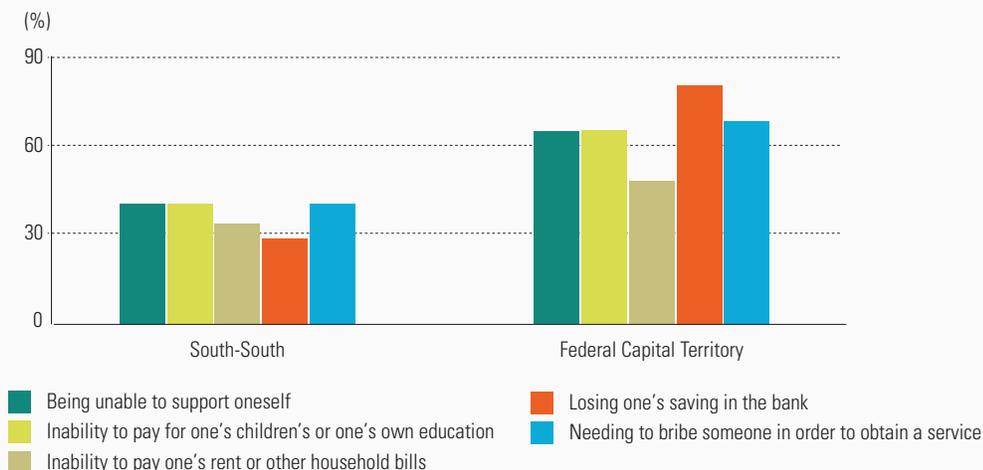
Data on health, education and other aspects of well-being are already available in disaggregated form by gender, age, location and income decile through household surveys, including Demographic and Health Surveys, Multiple Indicator Cluster Surveys and the Living Standards Measurement Study.³⁵ More can be done to increase the frequency of these surveys and improve their comparability, but using the disaggregated data that already exist is a start towards understanding patterns of exclusion. Investments in national statistical capacities, more financing to support longer and more detailed surveys that target the individual rather than the household and greater use of big data will be needed to strengthen and extend survey coverage.

Disaggregated data can also be mobilized through perception surveys. A 2015 field survey in Nigeria revealed that people’s perceptions of threats to security in such areas as ability to support oneself or losing one’s bank savings were much more intense in the Federal Capital Territory than in the South-South region (figure 3.2). Such information alerts policymakers to the barriers to a sense of security in the Federal Capital Territory and to the need to undertake remedial action.³⁶

Investments in national statistical capacities, more financing to support longer and more detailed surveys that target the individual rather than the household and greater use of big data will be needed to strengthen and extend survey coverage

FIGURE 3.2

People’s perceptions of threats to security were much more intense in Nigeria’s Federal Capital Territory than in the South-South region



Source: UNDP 2015b.

Disparities in one area may reinforce disparities in other areas and create a dynamic whereby people are left further and further behind in human development

Determining the types of disaggregation needed to reveal inequalities along particular dimensions can be difficult without understanding the processes of exclusion and marginalization in a society. It is thus important that decisions about data collection be rooted in qualitative and historical research on these processes in each context. For example, in Mongolia, data have been disaggregated by disability. In 2010 the share of people ages 10 or older with no education was three times higher among persons with disabilities than among the rest of the population, and persons with disabilities were also less likely to obtain higher education (8 percent versus 18 percent of the rest of the population).³⁷

Disparities in one area may reinforce disparities in other areas and create a dynamic whereby people are left further and further behind in human development. For example, women are generally disadvantaged relative to men in obtaining the benefits of human development. If such women are living in ecologically fragile areas, they are doubly deprived: because of their gender and because of their location. The deprivations may pile up if these women are also poor. The assessment perspective should thus address these dynamics and focus first on those who are furthest behind.

One key dimension of data disaggregation is gender, yet this dimension is missing or opaque in most development indicators. The 2030 Agenda, particularly Sustainable Development Goal 5, focuses on targets that will require gender-disaggregated data, including:³⁸

- Ending all forms of discrimination against all women and girls everywhere.
- Eliminating all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.
- Eliminating all harmful practices, such as child, early and forced marriage and female genital mutilation.
- Recognizing and valuing unpaid care and domestic work through the provision of public services.
- Ensuring women's full and effective participation and equal opportunities for leadership at all levels of decisionmaking in political, economic and public life.
- Ensuring universal access to sexual and reproductive health and reproductive rights as

agreed in accordance with the Programme of Action of the International Conference on Population and Development (1994) and the Beijing Platform for Action (1995) and the outcome documents of their review conferences.

Qualitative assessment

Progress in human development has often been widespread and impressive quantitatively but is less impressive when the quality of outcomes is factored in. The differences in quality across groups can also be stark. In terms of people and their lives, low quality implies a lack of the tools necessary to reach one's full potential and express all one's capabilities.

More children are enrolled in and attending school than ever. But 250 million children worldwide do not learn basic skills, even though half of them have spent at least four years in school.³⁹ In most countries class size, the number of qualified teachers and the availability of improved facilities are more desirable in better-off neighbourhoods than in poorer neighbourhoods, leading to wide differences in learning.

International testing has been conducted since the 1950s to compare cognitive achievement at various levels of schooling across countries and to identify the causes of measured differences (box 3.4). Most of these attempts to assess the quality of education reflect the principle that cognitive development is the main objective of education and thus measure the success of education systems based on this concept. Scholastic test scores provide a gauge of how well the curriculum is learned and of students' learning achievements at the main exit points of school systems.

Global health is also improving. People are living longer. Global life expectancy at birth was 4.9 years longer in 2015 than in 2000, though there were wide variations across regions and countries. The increase in life expectancy at birth from 2000 to 2015 was greatest in Sub-Saharan Africa (8.8 years), followed by South Asia (5.5 years) and Latin America and the Caribbean (3.8 years).⁴⁰ But are the added years of life expectancy healthy years or years characterized by illness and disability? The notion of healthy life expectancy helps answer this question (see chapter 2). The increase in

BOX 3.4

Test score methods for assessing the quality of education

More than 60 countries and other education systems participate in the Trends in International Mathematics and Science Study, which covers mathematics and science, and 55 education systems took part in the 2011 round of the Progress in International Reading Literacy Study.¹ In 2015 the Organisation for Economic Co-operation and Development's Programme for International Student Assessment (PISA) was conducted in 72 countries and economies, mainly industrialized and middle-income countries. Other initiatives include the 16 country Southern and Eastern African Consortium for Monitoring Educational Quality and the 15 country

Latin American Laboratory for the Assessment of Quality in Education.

The question is whether these international tests provide a useful assessment of the quality of education outcomes in a country or remain mainly a measure of how well students have learned a curriculum. PISA is the only one that uses tests not directly linked to curricula. National PISA scores are averages and so conceal variations within a country. PISA and the Latin American Laboratory assessment provide more detail on distribution, such as quartiles, and on standard deviations and scores by parent income quintile.

Note

1. U.S. Department of Education's Trends in International Mathematics and Science Study website (<https://nces.ed.gov/timss/>) and Progress in International Reading Literacy Study website (<https://nces.ed.gov/surveys/pirls/>).

Source: Human Development Report Office.

healthy life expectancy has not been as dramatic as the increase in life expectancy, so people are generally living more years, but those years are not free from illness and disability.⁴¹

Urban-based health facilities provide better health services than do rural health centres. The upshot is that not everyone or every group enjoys high-quality human development; there are differences in the quality of the capabilities achieved and the opportunities available.

Data on freedom of agency

Even though freedom of agency has always been an integral component of the concept of human development, the Human Development Report has usually been much more concerned with well-being than with agency. This is true of the HDI, which does not accord intrinsic value—as distinct from instrumental value—to freedom of agency. The omission is mitigated to some extent by the Gender Empowerment Index and related measures, but agency is not only a gender issue.

One of the problems in assessing freedom of agency is that it is inherently much more difficult than well-being to measure. However, a good deal can be learned about the progress in achieving freedom of agency (or not) around the world without precise measurements. This is particularly relevant to examining who is being left behind and why and who is likely

to be left behind as a result of ongoing trends. Groups that suffer absolute and relative deprivations in outcomes are often also deprived in voice, participation and process freedoms.

The extent of agency and participation enjoyed by different groups may change. Advances in technology, government regimes, economic structures and legal frameworks may affect freedom of agency.

There is generally a positive relationship between well-being (measured by the HDI) and agency and participation (as measured by the World Bank's voice and accountability indicator; box 3.5). But it is possible for a country to have a high HDI value and a low score on the voice and accountability index (figure 3.3). This supports the notion that the two measures, if not perfectly correlated, are complementary. In other words, societies may achieve high average freedom of well-being but not freedom of agency. If human development is to reach everyone in its various aspects, freedom of agency must be enhanced. An assessment that combines well-being with agency and participation at the political level may be a more complete assessment of human development.

One aspect of freedom of agency is the extent of women's agency and the extent to which women are able to shape decisions that affect their lives. This is extremely important from a human development perspective but difficult to capture quantitatively in all its

An assessment that combines well-being with agency and participation at the political level may be a more complete assessment of human development

BOX 3.5

Voice and accountability indicator—the World Bank’s approach

The voice and accountability indicator is one of six aggregate governance indicators constructed by the World Bank to capture the dimensions of governance in a country—voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law and control of corruption. Each indicator is based on information from several data sources, ranging from household and firm surveys to the subjective assessments of multilateral organizations, nongovernmental organizations and providers of commercial business information. The voice and accountability indicator aggregates data from surveys to capture perceptions of “the extent to

which a country’s citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association and a free media.”¹

The individual variables from the various data sources are rescaled to run from zero to one, with higher values indicating better outcomes, and the rescaled values are then used to construct estimates of voice and accountability. Estimates are available for 214 countries and territories from 1996 to 2015 in units of a standard normal distribution ranging from approximately –2.5 to 2.5. Updated annually, the indicator was first used by the Human Development Report Office in the 2002 Human Development Report.²

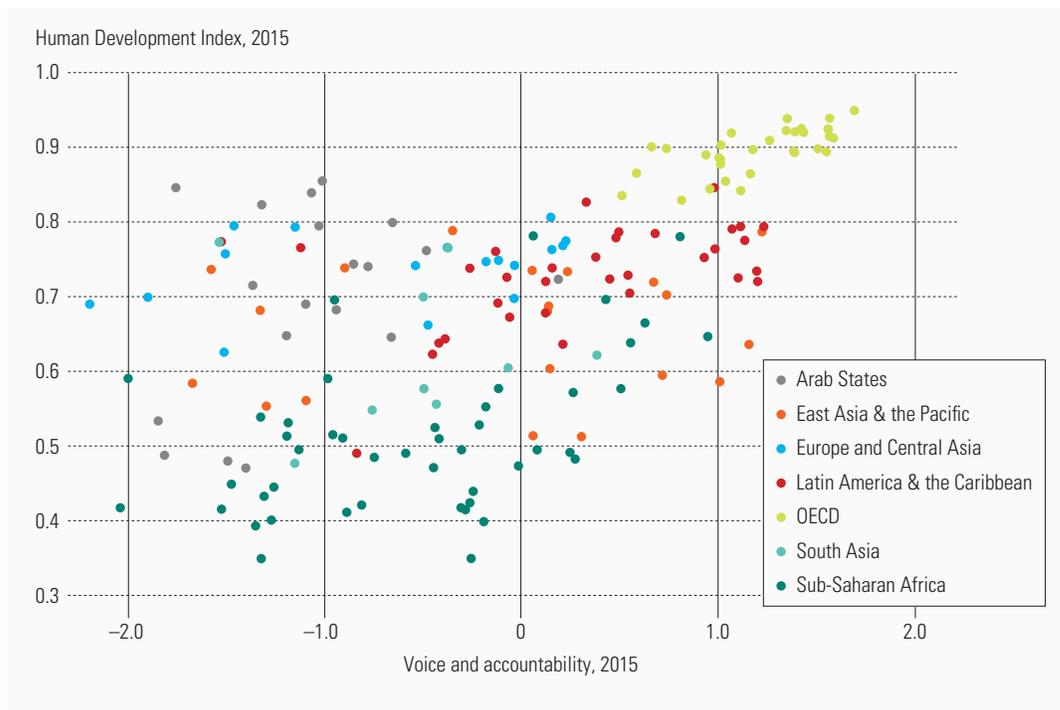
Notes

1. World Bank 2007, p. 262. 2. UNDP 2002.

Source: Human Development Report Office.

FIGURE 3.3

It is possible for a country to have a high Human Development Index value and a low score on the voice and accountability index



Source: The World Bank’s Worldwide Governance Indicators website (www.govindicators.org); Human Development Report Office.

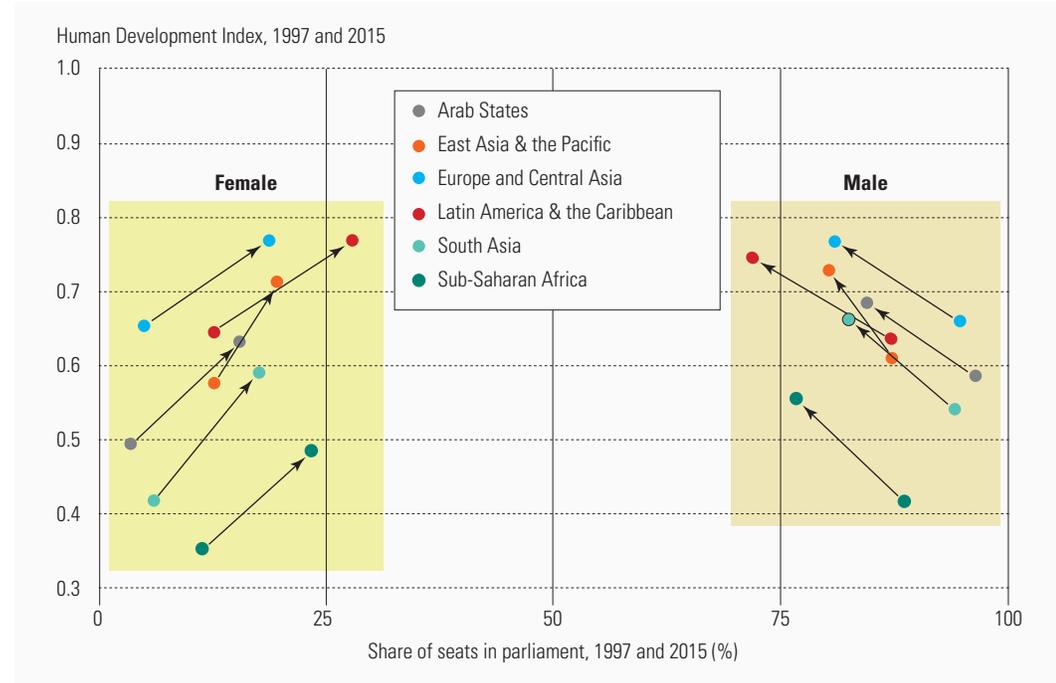
One dimension that lends itself to measurement is women’s participation in national political life and decisionmaking

dimensions. One dimension that lends itself to measurement is women’s participation in national political life and decisionmaking, which is measured using women’s share of seats in the national parliament. (This indicator is

included in the Gender Inequality Index.) By shedding light on a key dimension of women’s agency, this indicator complements the HDI and provides a more complete picture of a nation’s progress.

FIGURE 3.4

The trend in nonincome Human Development Index values and in women’s and men’s shares of seats in parliament is moving in the desired direction in every region



Source: Human Development Report Office.

HDI values can be estimated separately for women and men by estimating education, health and income outcomes among women and men separately. The gender-based differences in well-being outcomes tend to be more pronounced in the education and health outcomes. They are also measured more clearly, are better understood and reflect more robust data. So estimates of nonincome HDI values among women and men are used—that is, HDI values constructed from the education and health dimensions alone.

The trend in nonincome HDI values and in women’s and men’s shares of seats in parliament is moving in the desired direction in every region, even if initial points and changes over time vary (figure 3.4). Yet all regions have made progress in closing the gap in representation in parliament between women and men. Latin America and the Caribbean has one of the strongest performances, while East Asia and the Pacific has made little progress.

Other measures of well-being

Various measures of human well-being have been proposed and constructed over the years. In the context of human development reaching everyone, this section examines whether some of these measures can provide an assessment framework for capturing universal well-being.

Social progress index

The social progress index ranks countries by social progress—how societies improve in social, political and economic structures so that everyone benefits.⁴² Gains may derive from direct human action, such as through social enterprise or social activism, or as a natural progression in sociocultural evolution. The index measures the extent to which countries provide for the social and environmental needs of their citizens. Fifty-three indicators on basic human needs, the foundations of well-being and opportunity to progress show the relative performance of nations.

All regions have made progress in closing the gap in representation in parliament between women and men

Various measures of human well-being have been proposed and constructed over the years

World happiness index

The world happiness index annually surveys numerous people in various countries around the world to identify the country with the happiest population.⁴³ Rankings are based on responses to a life evaluation questionnaire that is based on Cantril's ladder. It asks respondents to think of a ladder on which their best possible life would be step 10, while their worst possible life would be step 0. Respondents are then asked to rate their lives at the present moment as a step on the ladder. The researchers identify the result as the perception respondents have of their own happiness. The responses are weighted based on six other factors: level of gross domestic product (GDP), life expectancy, generosity, social support, freedom and corruption.

Better life index

The better life index is a composite index computed for the 35 Organisation for Economic Co-operation and Development countries plus Brazil, the Russian Federation and South Africa. It measures well-being according to 11 themes in living conditions (housing, income and jobs) and quality of life (community, education, environment, civic engagement, health, life satisfaction, safety and work–life balance).⁴⁴

It involves citizens in constructing the index, so people have a say in its value.

Subjective measures of well-being

Some countries support subjective measures of well-being or happiness. For example, Bhutan has a gross national happiness index.⁴⁵ The United Kingdom, through the Office for National Statistics, is one of the first countries to officially embrace the measurement of life satisfaction and happiness, with measures of national well-being.⁴⁶ Proponents note that a single measure of happiness, which arguably summarizes people's feelings about many aspects of well-being, avoids the need to weight components. Others note that an individual's happiness may also be related to his or her relative—rather than absolute—level of well-being in a society, which may hinder cross-country comparisons. Many people, including young people, are thinking of a long-term vision of the future in terms of achieving a life that can be graded “good” (box 3.6).

Human development indicators and Sustainable Development Goal indicators

Human development indicators and Sustainable Development Goal indicators may support each other (figure 3.5). For example,

BOX 3.6

A long-term vision of the future—the Liemers List

In 1967 Martin Luther King, Jr., called for a world perspective. The young people of HOPE XXL are trying to answer that call. HOPE XXL wants to ensure that all people can achieve a life they grade as “good” (at least a 8 on a scale of 0 to 10).

HOPE XXL started in 2009 in The Netherlands. Ten young people from the Liemers region developed the first version of the Liemers List: a long-term vision of the future. HOPE XXL has since grown into an international movement with thousands of young people joining and sharing their ideas. During a series of international events, including the 2012 European conference with Kofi Annan, the Liemers List was developed further. The Liemers List was finalized by young people from all over the world at the HOPE XXL Global Summit in Costa Rica in January 2015

and presented to the United Nations in February 2015. HOPE XXL challenges everyone to contribute.

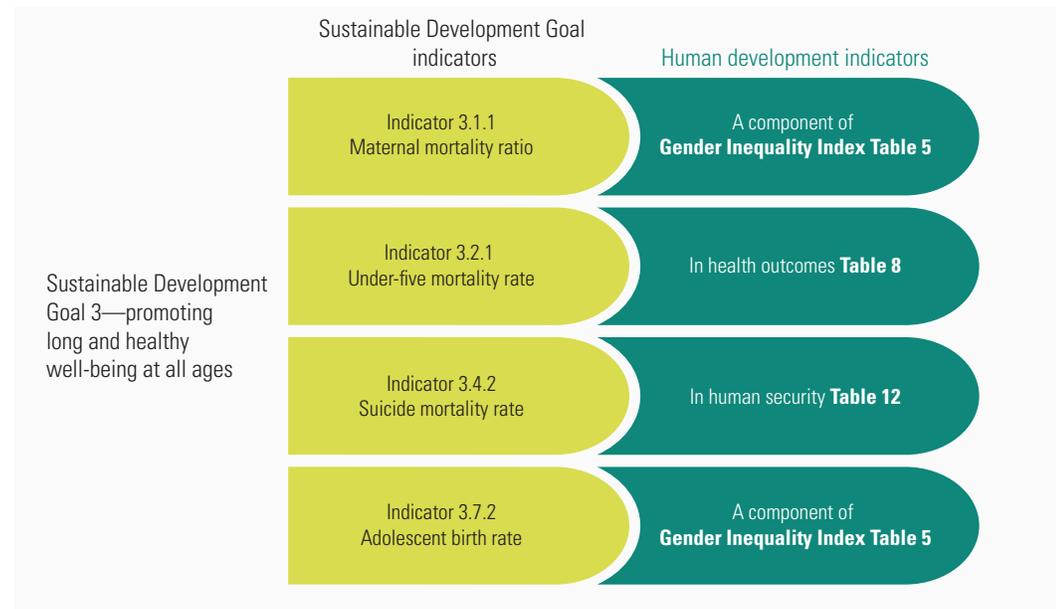
To implement the Liemers List, HOPE XXL has proposed a new approach to international cooperation called the People's Partnership. It is an essential element in the young people's vision of the future and a new approach to international cooperation. In the People's Partnership all countries are paired together to realize the goal of all persons grading their lives as good. HOPE XXL believes that the number 8 encompasses the greater goal of the UN Global Goals and is therefore the perfect symbol to communicate to reach a wider audience.

The first partnership is between Bangladesh and The Netherlands, and HOPE XXL is focusing on strengthening the relationship between the two countries.

Source: HOPE XXL 2015.

FIGURE 3.5

Human development indicators and Sustainable Development Goal indicators may support each other—an example in health



Source: Human Development Report Office.

Sustainable Development Goal indicator 3.2.1 on the under-five mortality rate can draw on data in the Human Development Report (see *Statistical table 8*) and be used to track progress. Similar examples can be drawn from such areas as poverty and inequality, education and gender equality. Human development indicators in the Human Development Report may also identify and integrate Sustainable Development Goal indicators in the Human Development Report statistical tables, particularly those on sustainability, urbanization and governance.

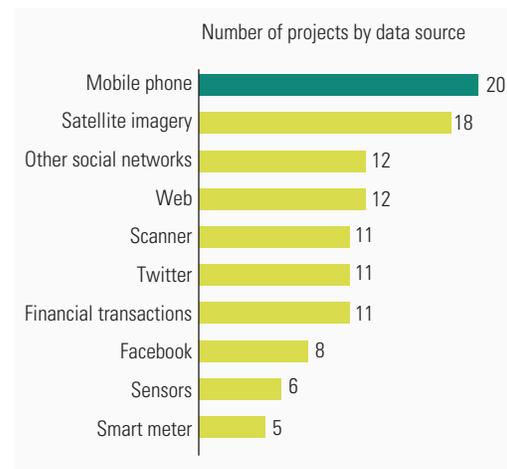
New ways to generate and disseminate data

Data need to be generated and disseminated on the basis of innovative perspectives—to encourage the participation of more people, use of new technologies and reliance on more aspects of people’s perceptions. In a survey of existing projects that use new sources of data and their suitability for measurement of the Sustainable Development Goals, the most common sources of new data were mobile phones, satellite imagery and social media (figure 3.6).⁴⁷

Data need to be generated and disseminated on the basis of innovative perspectives to encourage the participation of more people, use of new technologies and reliance on more aspects of people’s perceptions

FIGURE 3.6

New data sources for Sustainable Development Goals



Source: Ballivian 2015.

One issue in the data generation and the dissemination process is Big Data. Big Data is about data characterized by high volume, high velocity, great variety and often also significant veracity.⁴⁸ It is as much associated with how, where and why it is generated, whether collected purposely by official or private entities or as byproducts of data generated for other

purposes. Granularity—detail—is a particular strength, enabling deeper, more nuanced analysis and tracking, but it is also associated with elements of risk, particularly pertaining to the protection of individuals or groups who may not be aware that they are being monitored. The World Economic Forum obtained data from LinkedIn to add granularity to analysis of tertiary education for its 2016 Human Capital Report.⁴⁹ In the international context Big Data has wide application in humanitarian situations and for data on community behaviour as part of programme and project implementation.

The UN Secretary-General's High-Level Panel on Sustainable Development called for a data revolution for sustainable development in 2013 through a new international initiative to improve the quality of statistics and information available to citizens.⁵⁰ It asked stakeholders to take advantage of new technology, crowdsourcing and improved connectivity to empower people with information on the progress towards the Sustainable Development Goal targets. It maintained that better data and statistics would help governments track progress and ensure that decisions were based on evidence. These enhanced data and statistics can also strengthen accountability. A true data revolution would draw on existing and new sources of data to integrate statistics into decisionmaking, promote open access to and use of data and ensure increased support for statistical systems.

Particularly important in the call for a data revolution is the focus on empowering citizens through information, including through the transparency and openness of official statistics

and through government accountability. The call was also recognition that the trajectory of progress in internationally available official statistics was inadequate and needed new momentum, despite the efforts of the Partnership in Statistics for Development in the 21st Century and other bilateral, regional and global initiatives.

A dashboard approach has become a common approach for measuring development outcomes. It provides colour-coded tables that show the levels and progress of humanity on various development indicators. Such an approach can be effective in presenting data on well-being. This edition of the Human Development Report experiments with two dashboards, one on the environmental, economic and social aspects of sustainable development and one on gender equality and women's empowerment (see the statistical annex). A dashboard does not convey a definitive conclusion on country achievements, merely an indication. But if useful, dashboards could be extended to other areas of human development.

* * *

The human development approach recognizes that the choices people make are the ways in which they realize their aspirations, though the claims of individuals are interdependent and can compete with one another. A practical realization of universal outcomes thus requires considering not only the ways choices are made, but also the ways those choices can be enhanced not for a few, not for the most, but for everyone. And that is where policies become important—a theme taken up in chapter 4.

A true data revolution
would draw on
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into decisionmaking