Human development index

Health & Medicine

What is HDI? The Human Development Index (HDI) is a composite statistic used to rank countries by level of " human development", taken as a synonym of the older terms " standard of living" and/or " quality of life", and distinguishing " very high human development", " high human development", " medium human development", and " low human development" countries. HDI was devised and launched by Pakistani economist Mahbub ul Haq, followed by Indian economist Amartya Sen in 1990. The HDI is a comparative measure of life expectancy, literacy, education, and standards of living of a country.

It is a standard means of measuring well-being, especially child welfare. It is also used to distinguish whether the country is a developed, a developing or an underdeveloped country, and also to measure the impact of economic policies on quality of life. There are also HDI for states, cities, villages, etc. by local organizations or companies which have interest in the matter. The HDI formula result is a number from 0 to 1, 1 being the best outcome possible. Components of HDI What does HDI tell us?

The HDI was created to emphasize that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI can also be used to question national policy choices, asking how two countries with the same level of GNI per capita can end up with such different human development outcomes. For example, the Bahamas and New Zealand have similar levels of income per person, but life expectancy and expected years of schooling differ greatly between the two countries, resulting in New Zealand having a much higher HDI value than the Bahamas.

These striking contrasts can stimulate debate about government policy priorities. What are the criteria for a country to be included in the HDI? The Human Development Report Office strives to include as many UN member countries as possible in the HDI. To include a country in the HDI we need recent, reliable and comparable data for all three dimensions of the Index. For a country to be included, statistics should ideally be available from the relevant international data agencies. India’s position in the world

India ranks a low 134 among 187 countries in the list that is headed by Norway and in which the Democratic Republic of Congo is at the very bottom in terms of the human development index (HDI). India's ranking in 2010 was 119 out of 169 countries. According to the " UN Human Development Report 2011: Sustainability and Inequality", India's HDI is 0. 5 compared to 0. 3 in 2010. Comparison of India with few other countries Countries| Per Capita income in US $| Literacy Rate| Life Expectancy in years| HDI Rank| India| 1600| 74%| 67. 1| 134|

US| 48, 147| 99%| 79| 4| Canada| 51, 147| 99%| 80. 7| 6| Germany| 40, 631| 99%| 79. 4| 9| Nepal| 650| 68. 2%| 66. 5| 157| Pakistan| 1250| 70%| 66. 3| 145| Growth Pattern of India Factors responsible for growth of India The then Prime Minister Narasimha Rao, along with hisfinanceminister Manmohan Singh, initiated the economic liberalization of 1991. The reforms did away with the Licence Raj, reduced tariffs and interest rates and ended many public monopolies, allowing automatic approval of foreign direct investment in many sectors.

Since then, the overall thrust of liberalization has remained the same, although no government has tried to take on powerful lobbies such as trade

unions and farmers, on contentious issues such as reforming labour laws and reducing agricultural subsidies. By the turn of the 20th century, India had progressed towards a free-market economy, with a substantial reduction in state control of the economy and increased financial liberalization. This has been accompanied by increases in life expectancy, literacy rates andfoodsecurity, although urban residents have benefited more than agricultural residents.

Also the boom in IT and other industries in services sector helped India to achieve economic strength whereby foreign currency started pouring in into the market. This was supported by the availability of skilled labours, talented brains and large young population. Growth Pattern of Nepal Nepal's economic growth continues to be adversely affected by the political uncertainty. Nevertheless, real GDP growth is estimated to increase to almost 5 percent for 2011/2012. This is a considerable improvement from the 3. 5 percent GDP growth in 2010/2011 and would be the second highest growth rate in the post-conflict era.

Sources of growth include agriculture, construction, financial and other services. The contribution of growth by consumption fueled by remittances has declined since 2010/2011. While remittance growth slowed to 11 percent (in Nepali Rupee terms) in 2010/2011 it has since increased to 37 percent. Remittances are estimated to be equivalent to 25-30 percent of GDP. Inflation has been reduced to a three-year low to 7 percent. The proportion of poor people has declined substantially in recent years. The percentage of people living below the internationalpovertyline (people earning less than US$1. 5 per day) has halved in only seven years. At this measure of poverty

the percentage of poor people declined from 53. 1% in 2003/2004 to 24. 8% in 2010/2011. With a higher poverty line of US$2 dollars per-capita per day, poverty declined by one quarter to 57. 3%. However, the income distribution remains grossly uneven. Growth Pattern of Canada Factors responsible for growth in Canada The Canadian economy improved dramatically after 1896, and from that year until 1914, Canada had the world's fastest growing economy. The west was settled, the population grew quickly.

The cause of this boom is debated. Whether the settlement of the west was a cause or effect of the boom is one of the most important issues. Globally the economy was improving with the end of the LongDepression. The last semi-humid farmland in the United States was exhausted, leaving Canada with the best unexploited farm land in North America. Technological changes from the steel plow to combine harvesters played an important role, but perhaps the most important development was the practice of dry farming that allowed farmers to profitably grow wheat on the semi-arid southern prairies.

The most noted expansion was in western Canada, but at the same time Central Canada was undergoing a period of significant industrialization. While western and central Canada boomed during the pre-World War I years the economies of the three Maritime Provinces grew far more slowly. Investors from US and UK helped fuel country’s economic growth. Growth pattern of USA Factors responsible for growth in USA In the early years of American history, most political leaders were reluctant to involve the federal government too heavily in the private sector, except in the area of transportation.

In general, they accepted the concept of laissez-faire, a doctrine opposing government interference in the economy except to maintain law and order. This attitude started to change during the latter part of the 19th century, when small business, farm, and labor movements began asking the government to intercede on their behalf. By the turn of the century, a middle class had developed that was leery of both the business elite and the somewhat radical political movements of farmers and laborers in the Midwest and West.

Known as Progressives, these people favored government regulation of business practices to, in their minds, ensure competition and free enterprise. Congress enacted a law regulating railroads in 1887 (the Interstate Commerce Act), and one preventing large firms from controlling a single industry in 1890 (the Sherman Antitrust Act). Many of today's U. S. regulatory agencies were created during these years, including the Interstate Commerce Commission and the Federal Trade Commission. Electrification in the U. S. started in industry ca. 1900 and by 1930 about 80% of power used in industry was electric.

Tractors began being mass-produced. In the 1980s, Japan was accelerating its speed and catching up to the USA. In the face of competition from Japan, Americans did not give up hope, but acted with a great sense of urgency. Ronald Reagan called on the industrial association and think-tanks to discuss countermeasures. Through investigation and analysis, they found that the computer and communications industries were beginning to show vitality and had large market potential. In the future, it was possible that they would develop into the world's largest industries.

Therefore, the Reagan administration declined to adopt a short-term, profit-oriented competition strategy; rather, it adopted methods that allowed universities to work collaboratively with enterprises to co-develop the computer and communications industries. During the Clinton administration, a large investment was made in building up the world’s internet highway. Growth Pattern of Pakistan Growth Pattern of Germany Factors responsible for growth of Germany Germany's economic growth stemmed from a number of causes. One of the main physical reasons behind economic growth was the sophistication of infrastructure.

Between 1845 and 1870 5000 more miles of rail had beenbuilt and in 1850 Germany was building her own locomotives. This increase of rail transport created a huge demand for coal, iron and buildings, therefore industry began on a plant style level. All of this increased the amount of labour needed. The labour need was fuelled by a population growth. From 35 million people in 1840 Germanygrew to 49 million people in 1875 creating a young dynamic workforce, full of innovated ideas for the new industry. Not only was the workforce gained from a population increase, urbanisation also added to the need.

People working in factories grew from 4% to 10%. Banks, particularly investment banks gave a great stimulus to industrialization. It was a combination of commercial enterprise, investment, and investment trusts backed by large central banks. The second industrial revolution was promoted by a number of important factors. Most important of these was probably the scientific-technological developments at the end of the century.

Another factor which propelled German industry forward was the unification of the monetary system, made possible in part by political unification.

Another economic factor was the increased markets, domestic and overseas. Comparison of growth patterns Why HDI of India is low? While we are steadily increasing our investments inhealthand education, we have been let down at the most basic level: female mortality rates. Our maternal mortality figures are 450 deaths per 100, 000, which is the worst in south Asia. Our adolescent fertility rates also let us down, as do figures for female education. Yet, a quick stroll through the HDI figures does show some improvement across sectors in most parts of the country.

The stumbling blocks are Uttar Pradesh, Bihar, Madhya Pradesh, Jharkhand, Chhattisgarh, parts of West Bengal and even Maharashtra. Quite obviously, in our race to get ahead, we have forgotten the basics. It has taken us over 60 years since the Constitution was adopted to pass the Right to Education Act for free and compulsory secondary education to all, even though it has long been a part of our Directive Principles. Our dropout rate is high and the girl child is the first to lose the race to school. More painful is the rich-poor divide.

Our cities may be full of state-of-the-art hospitals, ready to cater to medical tourists, but village after village in India does not even have access to primary health care. We supply doctors all over the world but are unable to service our own needy. It is almost as if we have got so used to being a poor country that we hardly notice it any more. But as the Sensex and the economy show, India is no longer an ultra-poor country in the aggregate. But

we still have a shockingly large proportion of poor people who are being deprived of just about everything.

This HDI report is just one more reminder of how far we have to go. It tells us where our priorities should be. India has made huge strides in the field of education and water supply system but the biggest block in the human development indices for India is in the field of sanitation where 58 per cent of open defecation in the world takes place in India. A mere expenditure of Rs 2000 crore (Rs 20 billion) in the field of sanitation is being made while the budget for water supply was Rs 20, 000 crore (Rs 200 billion). Agriculture

Slow agricultural growth is a concern for policymakers as some two-thirds of India’s people depend on rural employment for a living. Current agricultural practices are neither economically nor environmentally sustainable and India's yields for many agricultural commodities are low. Poorly maintained irrigation systems and almost universal lack of good extension services are among the factors responsible. Farmers' access to markets is hampered by poor roads, rudimentary market infrastructure, and excessive regulation. Agricultural output of India lags far behind its potential.

The low productivity in India is a result of several factors. According to the World Bank, India's large agricultural subsidies are hampering productivity-enhancing investment. While overregulation of agriculture has increased costs, price risks and uncertainty, governmental intervention in labour, land, and credit markets are hurting the market. Infrastructure such as rural roads, electricity, ports, food storage, retail markets and services are inadequate. Further, the average size of land holdings is very small, with 70% of holdings being less than one hectare in size.

The partialfailureof land reforms in many states, exacerbated by poorly maintained or non-existent land records, has resulted in sharecropping with cultivators lacking ownership rights, and consequently low productivity of labour. Adoption of modern agricultural practices and use oftechnologyis inadequate, hampered by ignorance of such practices, high costs, illiteracy, slow progress in implementing land reforms, inadequate or inefficient finance and marketing services for farm produce and impracticality in the case of small land holdings. The allocation of water is inefficient, unsustainable and inequitable.

The irrigation infrastructure is deteriorating. Irrigation facilities are inadequate, as revealed by the fact that only 39% of the total cultivable land was irrigated as of 2010, resulting in farmers still being dependent on rainfall, specifically the monsoon season, which is often inconsistent and unevenly distributed across the country. Corruption Corruption has been one of the pervasive problems affecting India. A 2005 study by Transparency International (TI) found that more than half of those surveyed had firsthand experience of paying bribe or peddling influence to get a job done in a public office in the previous year.

A follow-on 2008 TI study found this rate to be 40 percent. In 2011, Transparency International ranked India at 95th place amongst 183 countries in perceived levels of public sector corruption. In 1996, red tape, bureaucracy and the Licence Raj were suggested as a cause for the institutionalised corruption and inefficiency. More recent reports suggest the causes of corruption in India include excessive regulations and approval requirements, mandated spending programs, monopoly of certain goods and

service providers by government controlled institutions, bureaucracy with discretionary powers, and lack of transparent laws and processes.

The Right to Information Act (2005) which requires government officials to furnish information requested by citizens or face punitive action, computerisation of services, and various central and state government acts that established vigilance commissions, have considerably reduced corruption and opened up avenues to redress grievances. The number of people employed in non-agricultural occupations in the public and private sectors. Totals are rounded. Private sector data relates to non-agriculture establishments with 10 or more employees. The current government has concluded that most spending fails to reach its intended recipients.

A large, cumbersome and tumor-like bureaucracy sponges up or siphons off spending budgets. India's absence rates are one of the worst in the world; one study found that 25% of public sector teachers and 40% of public sector medical workers could not be found at the workplace. The Indian economy has an underground economy, with an alleged 2006 report by the Swiss Bankers Association suggesting India topped the worldwide list for blackmoneywith almost $1, 456 billion stashed in Swiss banks. This amounts to 13 times the country's total external debt. Education

India has made huge progress in terms of increasing primary education attendance rate and expanding literacy to approximately three-fourth of the population. India's literacy rate had grown from 52. 2% in 1991 to 74. 04% in 2011. The right to education at elementary level has been made one of the fundamental rights under the eighty-sixth Amendment of 2002, and legislation has been enacted to further the objective of providing free

education to all children. However, the literacy rate of 74% is still lower than the worldwide average and the country suffers from a high dropout rate.

Further, there exists a severe disparity in literacy rates and educational opportunities between males and females, urban and rural areas, and among different social groups. Infrastructure In the past, development of infrastructure was completely in the hands of the public sector and was plagued by slow progress, poor quality and inefficiency. India's low spending on power, construction, transportation, telecommunications and real estate, at $31 billion or 6% of GDP in 2002 had prevented India from sustaining higher growth rates.

This has prompted the government to partially open up infrastructure to the private sector allowing foreign investment, and most public infrastructure, barring railways, is today constructed and maintained by private contractors, in exchange for tax and other concessions from the government. While 80% of Indian villages have at least an electricity line, just 44% of rural households have access to electricity. Some half of the electricity is stolen, compared with 3% in China. The stolen electricity amounts to 1. 5% of GDP.

Transmission and distribution losses amount to around 20%, as a result of an inefficient distribution system, handled mostly by cash-strapped state-run enterprises. Almost all of the electricity in India is produced by the public sector. Power outages are common, and many buy their own power generators to ensure electricity supply. 6] Substantial improvements in water supply infrastructure, both in urban and rural areas, have taken place over the past decade, with the proportion of the population having access to

safe drinking water rising from 66% in 1991 to 92% in 2001 in rural areas, and from 82% to 98% in urban areas.

However, quality and availability of water supply remains a major problem even in urban India, with most cities getting water for only a few hours during the day. Economic disparities A critical problem facing India's economy is the sharp and growing regional variations among India's different states and territories in terms of poverty, availability of infrastructure and socio-economic development. Six low-income states – Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa and Uttar Pradesh – are home to more than one third of India's population.

Severe disparities exist among states in terms of income, literacy rates, life expectancy and living conditions. The five-year plans, especially in the pre-liberalization era, attempted to reduce regional disparities by encouraging industrial development in the interior regions and distributing industries across states, but the results have not been very encouraging since these measures in fact increased inefficiency and hampered effective industrial growth.

After liberalization, the more advanced states have been better placed to benefit from them, with well-developed infrastructure and an educated and skilled workforce, which attract the manufacturing and service sectors. The governments of backward regions are trying to reduce disparities by offering tax holidays and cheap land, and focusing more on sectors like tourism which, although being geographically and historically determined, can become a source of growth and develops faster than other sectors.

In fact, the economists fail to realize that ultimately the problem of equitable growth or inclusive growth is intricately related to the problems of good governance and transparency. HDI for Indian states State| HDI| Rank| Maharashtra| 0. 689| 12| Madhya Pradesh| 0. 375| 33| Kerala| 0. 921| 1| Reasons for low HDI in Madhya Pradesh and Maharashtra as compared to Kerala: Life Expectancy: The life expectancy in MP is 56. 5 years for male and 56. 2 years for females averaging around 56. 4. The life expectancy in Maharashtra is 64. 5 for males and 67 for females averaging to 65. 8 years for the total population.

The life expectancy in Kerala is 73. 5 years. As an important component of HDI life expectancy should be higher, but here it is low as compared to Kerala. Literacy rate: The literacy rate in MP is only 64. 11% which is very low. More than that literacy rate of women is very low. The literacy rate in Maharashtra is 77. 21 % whereas in Kerala it is 90. 92 %. Literacy is reasonably a good indicator of development in a society. Spread and diffusion f literacy is generally associated with essential trait of today’s civilization such as urbanization, modernization, industrialization, communicationand commerce.

Standard of living: The main factors influencing standard of living are poverty, physical infrastructure, regional imbalance. Poverty is very high in MP. Also the physical infrastructure is very poor. Poverty is high I Maharashtra because of high population. The physical infrastructure varies from region to region. In cities like Mumbai and Pune the infrastructure is world class, but in other regions of the state the infrastructure is not so good

which shows regional imbalance Poverty in Kerala is very low. All over Kerala the physical infrastructure is good, there is no regional imbalance.