Frequently asked questions (FAQs)

2011 Human Development Report

What is the central focus of the 2011 Human Development Report?

The 2011 Report – "Equity and Sustainability: A Better Future for All" – addresses the integral links between long-term environmental protection and greater social equality. The Report concludes that the remarkable human development progress in most low-income countries in recent decades could be slowed or even halted by mid-century unless bold steps are taken to reduce environmental risks and inequality. Yet the Report also identifies many positive national policy models that offer ways for countries and the world community to promote environmental sustainability and equity simultaneously. The main message of the Report is that continuing human development progress must be both sustainable and equitable – or it will be neither.

What is the connection between sustainability and equity? Does the Report show a relationship between environmental degradation, human development and social inequality?

The Report documents how many of the world's most disadvantaged people carry a "double burden" of deprivation. They are disproportionately at risk from such long-term global environmental trends as extreme weather hazards, droughts, and rising sea levels. And they must also deal with threats to their immediate environment from indoor air pollution, dirty water and poor sanitation. Preventable diseases directly linked to contaminated water and polluted air claim the lives of about three million children under five every year, mostly in Africa and South Asia.

Moreover, the rural poor worldwide depend on healthy forests and farmlands and oceans to make their living. As these vital resources diminish in scale and productivity, it will imperil the livelihoods of the people who depend most on those endangered resources. And it could put food prices further out of reach for many, threatening global progress against hunger. Forecasts in the Report suggest that continuing failure to address grave global environmental risks and deepening social inequalities threaten to slow decades of sustained progress by the world's poor majority, and even reverse trends of global convergence in human development. Yet social inequalities prevent poor countries and communities from having appropriate proportional influence on policymaking and environmental practices on both the global and national level.

What is the relevance of gender issues and political participation to sustainability?

The Report contends that great disparities in power affect objective environmental conditions for poorer communities and countries - and they also shape global and national policy debates. At the national level, the Report's analysis shows how power imbalances and gender inequalities are linked to reduced access to improved water and sanitation, land degradation and deaths from indoor and outdoor air pollution, amplifying the effects associated with income disparities. Gender inequalities also interact with, and worsen, environmental outcomes. At the global level, governance arrangements often under-represent developing countries and marginalized groups.

Won't accelerating development in low-income countries harm the environment?

The Report strongly contends that all developing countries have a right to pursue and attain higher levels of human development – and that this can and indeed must be achieved without imperilling the environment. Fossil-fuelled growth is not a prerequisite for a better life, as defined in human development terms. Investments that improve equity—in access to renewable energy, water and sanitation, and reproductive health—can advance both sustainability and human development. Stronger accountability and democratic processes, including through active civil society engagement and independent media, can also improve policy outcomes.

The Report's forecasts say increasing environmental risks could slow or stop development progress in many low-income countries. How and when would this happen?

The Report's computer simulations show that without further accelerating deterioration of the global environment over the next four decades - an admittedly unlikely scenario - the global average HDI would rise 19% higher by 2050 than it is today. The human development gains in this "base case" projection would be greatest in the developing world, with the HDI in sub-Saharan Africa climbing 44%, and in South Asia 36%.

But when likely "environmental challenges" are factored in (such as the impact of global warming on agriculture, water, food, sanitation and pollution) along with growing inequality, the HDI in 2050 is predicted to increase just 11 % above today's levels globally, or 8% less, with even steeper fall-offs of 12% from the baseline rise in South Asia and sub-Saharan Africa. Under an even more adverse "environmental disaster" scenario, with accelerating deforestation and land degradation, plus heightened inequality, the global HDI would be 15 percent below the projected baseline. The decline from the HDI 2050 base case due to "environmental disaster" conditions would be most dramatic in sub-Saharan Africa (24%) and South Asia (22%).

How will the 2011 Report contribute to the June 2012 Conference on Sustainable Development in Rio and other international initiatives on the environment and sustainability?

Beyond the MDGs, the world needs a post-2015 development framework to advance both equity and sustainability. The "Rio+20" conference next year will provide a new opportunity for the world community to reach a shared understanding about how to move forward. The Report advocates for global sustainability policies that take equitability and long-term human development progress fully into account, including through needed legal and political reforms. These would include more systematic consideration of the distributional effects of green economy policies, enforceable rights to a clean and safe environment, and mechanisms to hold decision-makers to account and promote wider public participation in policymaking. Giving poor individuals and countries a greater voice in decision-making at the local, national and global levels is a prerequisite for ensuring that development becomes both more equitable and more sustainable in the decades to come.

The Report advocates a global "Energy for All" plan. What is it, and can we afford it?

The Report also makes a compelling case for the human development benefits and economic feasibility of the UN's newly announced "Energy for All" initiative. The proposal is ambitious: To give electricity service to the one and a half billion people who now live off the power grid. This would have immediate household benefits, including the simple ability to boil water without gathering and burning firewood. Cooking fires can pose grave health risks; the Report estimates that two million people die yearly from household smoke inhalation, most of them in Africa and South Asia. They also harm the global environment, contributing to carbon emissions and deforestation; as much as 70 percent of the wood taken from forests in Asia and 90 percent in Africa is used for cooking and heating. It is also affordable. The Report calculates that electricity could be provided to those 1.5 billion people for about one-eighth of what is already spent every year on fossil fuel subsidies worldwide – and it could be done with existing clean technology, without causing even a one-percent rise in global carbon emissions.

The Report identifies other major needs for financing a global transition to more sustainable development, especially in lower-income countries. Where will the money come from?

The financing required for continuing human development—including environmental and social protection—will be many times greater in coming decades than current levels of official development assistance. Spending on low-carbon energy, for example, is only 1.6 percent of even the lowest estimate of needs, while spending on climate change adaptation and mitigation is around 11 percent of estimated needs. Private sector funding is critical, but needs to be supported and leveraged by public investment. Closing the financing gap will require innovative methods.

One possible new source of funding proposed by the Report is a currency transaction tax. The technical infrastructure required for collection of such a tax is now in place in the international financial system, following the 2008 global financial crisis. Even small levies could generate substantial revenues. The Report estimates that a minimalist assessment of just 0.005 percent on international commercial currency trading could yield some \$40 billion yearly, a major addition to the \$130 billion in development aid flowing annually from OECD countries. Adoption of a universal currency transaction tax is advocated by a growing number of governments in developed and developing countries alike, as well as by many leading economists. Civil society proponents refer to it as a "Robin Hood Tax," contending it would have minimal effect on international foreign-exchange markets but would provide significant needed resources to low-income countries and communities in the years and decades ahead.

The Report identifies other possible sources of increased financial resources, including existing mechanisms, such as the Clean Technology Fund and the Strategic Climate Fund, which have already raised \$3.7 billion for environmental assistance and could leverage substantially more.

Aside from calling for new funding to address environmental threats and other development needs, the Report advocates reforms in global governance to promote "greater equity and voice." Financing should be channelled toward the critical challenges of unsustainability and inequity, without exacerbating existing disparities, the Report says. This would in turn require better mechanisms to provide finance for promoting safe, clean energy for all; climate change

mitigation; technological innovation and adaptation; access to potable water and basic sanitation; and social protection guarantees for poor people and communities.

The Human Development Report – Origins and Purpose

What is the origin and purpose of the Human Development Report?

The Human Development Reports have been commissioned and published by UNDP annually since 1990 as an intellectually independent, empirically grounded analysis of development issues, trends, progress and policies. The Report's ultimate goal is to help advance human development. This means placing as much emphasis on health, education, and the expansion human freedoms and abilities as economic growth. As the first *Human Development Report* in 1990 asserted in its opening sentence, "The real wealth of a nation is its people." This year's Report continues that tradition by addressing the interlinked challenges of equity and sustainability from a human development perspective. The annual Reports and related background resources are available at hdr.undp.org, including full texts or summaries in ten languages; eBooks; Human Development Research Papers; plus newly updated statistical indicators; data visualization tools; interactive maps; and data profiles of all UN member states.

What is the human development philosophy and how does it guide the reports?

The human development approach is anchored in a vision of development that was pioneered by Mahbub ul Haq, the lead author of the first Human Development Reports, and Amartya Sen, the Nobel Laureate economist who advised and assisted Haq in developing the report's overall philosophical approach and its trademark Human Development Index. The 1990 Report said the goal of human development is "enlarging people's choices," including the ability to be healthy, to be educated, and to enjoy a decent standard of living. But the first Reports also stressed that human development and well-being went far beyond these dimensions to encompass a much broader range of capabilities, including political freedoms and human rights. Its enthusiastic reception by governments, civil society, researchers and the media demonstrated the deep resonance of this innovative approach in the development community and beyond.

How is the Human Development Report "independent" from UNDP and the United Nations when it is endorsed by UNDP's Administrator and launched by UN offices around the world?

Since its inception in 1990, the Report has been intellectually and editorially independent, and often provocative, though always with firm grounding in empirical research. The *Human Development Report* is commissioned by UNDP but does not represent UN policy, nor the official views of UNDP's executive board or management. The Report depends on statistics from a wide array of UN and other multilateral agencies, but its analysis and conclusions are the product and responsibility of the Report's authors alone. Its editorial autonomy is protected by a special resolution of the General Assembly (<u>A/RES/57/264</u>), which recognizes the *Human Development Report* as "an independent intellectual exercise" and "an important tool for raising awareness about human development around the world."

How have the Human Development Reports contributed to development progress?

With its wealth of empirical data and innovative approach to measuring development, the Human Development Reports have had a deep impact on development thinking around the world. The Reports have prompted and informed discussions and debates, and have pioneered ideas that have since become widely accepted. For example, the concept of the Millennium Development Goals (MDGs) can be traced in part back to the 1991 Report on financing development. The concept of human security, the theme of the 1994 Report, has also strongly influenced subsequent development debates. The Human Development Reports have also long stressed the importance of sustainability. The first Report, in 1990, warned presciently about ozone damage and urban pollution and other environmental hazards. The 1994 Report emphasized the centrality of sustainable development to the human development approach of putting people first, not economic growth as an end in itself. And the 2007/8 Report addressed the consequences of climate change for the world's poor. The 2011 Report, building on that legacy, identifies policies that can advance sustainability and equality simultaneously, locally as well as globally.

What is the relation between the annual Human Development Report and the many national and regional Human Development Reports, such as the Arab Human Development Reports?

More than 40 editorially autonomous Human Development Reports with a regional focus have been produced in the past two decades with support from UNDP's regional bureaus. With often provocative analyses and policy advocacy, these Reports have examined such critical issues as civil liberties and the empowerment of women in the Arab states, corruption in the Asia-Pacific region, treatment of the Roma and other minorities in Central Europe, and the inequitable distribution of wealth in Latin America. These regional Reports reflect the global report's traditions of intellectual autonomy and a human development perspective, putting people first.

In addition, many national Reports - more than 650 in 140 countries to date- have been produced by local editorial teams with UNDP support. These reports bring a human development perspective to national policy concerns through locally managed consultations and research. National Reports often focus on issues of gender, ethnicity, or rural/urban divides to help identify inequality, measure progress, and identify early warning signs of potential conflict. Because these reports are grounded in national needs and perspectives, many have had significant influence on national polices, including strategies for achieving the Millennium Development Goals and other human development priorities. For more information on national and regional Human Development Reports, see https://doi.org/en/nhdr/.

Human Development Report Indexes and Data

What is the Human Development Index (HDI)?

The <u>Human Development Index</u> (HDI) is a summary measure of human development. It measures the average achievements in a country in three basic dimensions of human development: a long and healthy life (health), access to knowledge (education) and a decent

standard of living (income). Data availability determines HDI country coverage. To enable cross-country comparisons, the HDI is, to the extent possible, calculated based on data from leading international data agencies and other credible data sources available at the time of writing.

The 2011 HDI covers many more countries than the 2010 HDI – why?

The 2011 HDI covers a record 187 countries and territories, 18 more than the 169 included in the 2010 HDI. This major expansion of HDI coverage is the result of intensified efforts by the Human Development Report office to work with international data providers and national statistical agencies to obtain required development indicators for the HDI which had been unavailable for some countries in previous years. (For a full explanation of the results and methodology of the 2011 HDI and other indexes in the 2011 Human Development Report, please see the accompanying FAQs sheets on the 2011 HDI, IHDI, GII, and MPI.)

What is the Inequality-adjusted HDI (IHDI)?

The <u>Inequality-adjusted Human Development Index</u> (IHDI) adjusts the Human Development Index (HDI) for inequality in distribution of each dimension across the population. The IHDI accounts for inequalities in HDI dimensions by "discounting" each dimension's average value according to its level of inequality. The IHDI equals the HDI when there is no inequality across people but is less than the HDI as inequality rises. In this sense, the IHDI is the actual level of human development (accounting for this inequality), while the HDI can be viewed as an index of "potential" human development (or the maximum level of HDI) that could be achieved if there was no inequality. The "loss" in potential human development due to inequality is given by the difference between the HDI and the IHDI and can be expressed as a percentage.

What is the Gender Inequality Index (GII)?

The <u>Gender Inequality Index</u> (GII) reflects women's disadvantage in three dimensions—reproductive health, empowerment and the labour market—for as many countries as data of reasonable quality allow. The index shows the loss in human development due to inequality between female and male achievements in these dimensions. It ranges from 0, which indicates that women and men fare equally, to 1, which indicates that women fare as poorly as possible in all measured dimensions.

What is the Multidimensional Poverty Index (MPI)?

The <u>Multidimensional Poverty Index</u> (MPI) identifies multiple deprivations at the individual level in health, education and standard of living. It uses micro data from household surveys, and—unlike the Inequality-adjusted Human Development Index—all the indicators needed to construct the measure must come from the same survey. Each person in a given household is classified as poor or nonpoor depending on the number of deprivations his or her household experiences. These data are then aggregated into the national measure of poverty.

What kind of statistics is used in the Human Development Report?

The Human Development Report presents two types of statistical information: statistics in its indexes and associated <u>Statistical Tables</u>, which provide a global assessment of country achievements in different areas of human development, and statistical evidence in the thematic analysis in the <u>chapters</u>, which may be based on international, national or sub-national data. The online database from the 2011 Report contains a full-time series data set for all indicators included in the printed edition of the Report. See our website section of statistical tools.

Where are the sources of the data in the Statistical Tables of the Report?

The Human Development Report Office is primarily a user, not a producer, of statistics. To allow comparisons across countries and over time in the Report, it relies on <u>international data agencies</u> with the mandate, resources and expertise to collect and compile data on specific indicators. For more information see the <u>contact information</u> of major data agencies. Sources for all data used in the indicator tables are given in short citations at the end of each <u>table</u>. When an agency provides data it has collected from another source, both sources are credited in the table notes. When an agency has drawn from other data contributors, only the ultimate source is provided. The Report provides the original data components used by the Human Development Report Office to ensure that its calculations can be easily replicated.

What are the data sources used elsewhere in the 2011 Human Development Report?

The statistical evidence used in the thematic analysis in the Report is often drawn from the Statistical Tables. But other sources include commissioned papers, government documents, national human development reports, reports of non-governmental organizations, journal articles and other scholarly publications. Official statistics usually receive priority. But because of the cutting-edge nature of the issues discussed, relevant official statistics may not exist, so that non-official sources of information must be used. Nevertheless, the Human Development Report Office is committed to relying on data compiled through scholarly and scientific research and to ensuring impartiality in the sources of information and in its use in the analysis.

Where information from sources other than the Report's indicator tables is used in boxes or tables in the text, the source is shown and the full citation is given in the bibliography. In addition, for each chapter a summary note outlines the major sources for the chapter, and endnotes specify the sources of statistical information not drawn from the indicator tables.

How are the Report's regional and other country classifications determined?

The 2011 Report divides countries into four groups according to country HDI rankings: Very High, High, Medium and Low Human Development. The groups each represent one quartile of the annual HDI grouping, which in 2011 comprises 187 countries and territories. Developing countries are further classified by the Report into Arab States, Asia and the Pacific, Europe and Central Asia, Latin America and the Caribbean, and Sub-Saharan Africa, following UNDP Regional Bureau classifications. (For statistical purposes, the Asia-Pacific region is subdivided into South Asia and East Asia & the Pacific.)

Does the Report include data on the Millennium Development Goals?

The Millennium Development Goals (MDGs) are a set of quantifiable, time-bound goals adapted from the Millennium Declaration, which was endorsed in March 2002 by the UN member states. The Human Development Report incorporates some indicators used in Millennium Development Goals in its annual Statistical Tables, but does not report on the achievement of the MDGs as United Nations Statistics Division's Millennium Indicators (http://mdgs.un.org) is the chief UN source of data on the MDGs, providing updated statistics for the Secretary-General's yearly report on progress towards the Millennium Development Goals, as for other annual reports, including the Human Development Report and the World Bank's World Development Indicators. The UNSD, the World Bank and other international data providers - such as the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Educational, Scientific and Cultural Organization Institute for Statistics (UIS), the United Nations Children's Fund (UNICEF), and the World Health Organization (WHO) - enable the Report to include the most recent available MDGs figures. MDGs data can be found in:

- MDG Monitor: Tracking the Millennium Development Goals
- Global and national efforts
- UNSD Millennium Indicators Database