

11/2 Essay: Since this is a course on human development, I think you should be aware there exists a "Human Development Index (HDI)". This index attempts to quantify the level of human development of a country. It was developed by Pakistani economist Mahbub ul Haq and Indian Nobel laureate Amartya Sen. The United Nations Development Programme (UNDP) compiles the HDI of 189 countries in their annual Human Development Report. You can see the latest rankings [here](#). It attempts to place people at the center of the development process in terms of economic debate, policy, and advocacy, and is framed in terms of whether people are able to "be" and "do" desirable things in life. The indicators used in the 2020 report were life expectancy at birth, expected years of schooling for children, mean years of schooling for adults, and gross national income per capita. These indicators are used to create a health index, an education index, and an income index, each with a value between 0 and 1. Read [this](#) for an overview. Do you think additional information or data could be added to the HDI calculation to possibly improve it or make it a more accurate measurement of human development? If yes, what things? If no, why no? Keep in mind the conversation with Tyler Cowen. You have until 10:05.

After reading this article and taking some time to process my thoughts, I do believe additional information could be added to the HDI calculation to potentially make it a more accurate measurement. The article states "some scholars have criticized how the factors are weighed, in particular how an additional year of life expectancy is valued differently between countries; and the limited factors it considers, noting the omission of factors such as the levels of distributional and gender inequality." Not only does the HDI vary among selected nations, but it fails to consider important factors like gender inequality. This is a very important factor that tends to be a bigger concern in more developing nations.

The HDI scale also fails to take into account other forms of inequality and also of importance, poverty. A country with a high HDI would indicate a developed country, but what if that HDI is reached by marginalizing certain genders or ethnic classes? Likewise, what if that HDI is achieved by a small percentage of the population that is wealthy and ignores the poor? This could be a major issue within a specific nation.

In addition, the income component of HDI, in my opinion, is underjustified. Average income does not tell us very much about well-being. There are a number of countries with relatively low income that nonetheless have high levels of human well-being. Costa Rica, for example, has a higher life expectancy than the US and happiness indicators that rival those of Scandinavian nations. But its average income is only \$11,000, less than one-fifth that of the US. This is an interesting idea to take into consideration, potentially showing a flaw of the HDI system.

Most importantly, to summarize, the HDI system does not take into account a number of important aspects of human development, some numbers which are hard to quantify. For example, a given country may suffer from a higher level of natural disasters or meteorological events when compared to other nations, something that is beyond their control. The HDI system does not take this into account, and these events could potentially skew the overall HDI number.