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UNDP "Human Development Report, 1991" New York, Oxford University Press, 1991

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UNDP "HUMAN DEVELOPMENT REPORT, 1991" NEW YORK, OXFORD UNIVERSITY PRESS, 1991

The basic theme of the 1991 UNDP's Human Development Report is "Financing Human Development". The report focusses on the need to enlarge the range of policy choices for a meaningful development of human resources. These choices include access to income and employment opportunities; education and health care services and clean and safe physical environment. The choice of the theme is attributed mainly to two conclusions of the 1990 report; viz:

- (i) that lack of political commitment and not of financial services, is responsible for human deprivation;
- (ii) that abundant resources exist in developing countries that could be harnessed to meet their developmental needs.

The 1991 report incorporates modifications of the Human Development Index (HDI), which measures the standard of living by educational attainments and life expectancy as well as per capita income. New definitions are given to the basic components of the measurement, such as national income, educational attainment and life expectancy. Educational attainment is defined by a combination of adult literacy and mean years of schooling. The effects of gender-disparities and human freedom on human development are incorporated by the use of Gender-sensitive HDI and Human Freedom Index (HFI).

The report explores the opportunities for public financing of human development. Four ratios are suggested for the designing and monitoring of public spending on human development as follows:

- (i) public expenditure ratio (PER) - percentage of national income that goes into public expenditure;
- (ii) social allocation ratio (SAR) - percentage of public expenditure earmarked for social services;
- (iii) social priority ratio (SPR) - percentage of social expenditure devoted to human priority areas;
- (iv) human expenditure ratio (HER) - percentage of national income devoted to Human priority concerns. This fourth ratio is a combination of the first three ratios as it includes private expenditure on human development. It is a powerful operational tool that allows for human development adjustments. However, to ensure that public expenditure benefits the people, tolerable percentage levels are prescribed for countries involved in Human Development. The levels are as follows:
 - PER not less than 25%
 - SAR not less than 40%
 - SPR greater than 50%
 - HER not less than 5%

The report also emphasizes the role of international aid and grants as an effective instrument of financing human development in poor countries. The following three ratios are suggested for designing and monitoring aid and grants:

- (i) aid expenditure ratio as percentage of a donor's GNP going to development aid;
- (ii) aid social allocation ratio as percentage of aid committed to the social sector;
- (iii) aid social priority ratio as percentage of social sector aid committed to human priority areas such as primary education and health care.

Strategies that will ensure that costs of social services are reduced without compromising quality or reducing access are also suggested. Such measures include the recovery of costs through user charges and reducing costs by adopting simple reforms such as reduction in class repetition, more use of community resources, multiple shifts, selective increases in class size and the selections of more appropriate essential drugs that will ensure substantial savings from the education and health sectors.

The major conclusions of the report are:

- (i) some 170 million children, one in every three suffer from serious malnutrition;
- (ii) one and half billion people are deprived of primary healthcare and three million children die each year from immunizable diseases and about one and half million women die each year from causes related to pregnancy and child birth;
- (iii) about a billion adults in the world can not read / write and over 100 million children of primary school age are not in school;
- (iv) gender-disparities between men and women remain wide, with female literacy still only 2/3 that of males;
- (v) that the level of poverty has increased to 1.2 billion people in developing countries and is expected to rise to 1.3 billion by the year 2,000 and probably 1.5 billion by 2,025;
- (vi) that poverty in Africa consists of 30 per cent of world poverty today and will increase to 40 per cent by 2,000, thus over-taking Asia;
- (vii) while mortality rates in other continents are low, it remains high in the African continent, at 178 deaths for every 1,000 live births when compared with 57 for South-East Asia and 72 for Latin America and the Caribbean;
- (viii) that human deprivation is still feasible in most industrial nations that have achieved a high degree of human progress. Such cases of human deprivation include Gender-disparities, unemployment and changing social attitude (reductions in family role, increased drug crimes and HIV / AIDS); and

- (ix) that a new world order with global peace should be established which in turn ensures human progress in the near future.

One interesting feature of the report is the international classification of the state of Human Development, using the HDI rather than GNP per capita. Many Nigerians have expressed reservations about the World Development Report, 1991, published by the World Bank, which ranked Nigeria as the thirteenth poorest nation, using the GNP per capita. However, the 1991 Human Development Report of the UNDP, using HDI places Nigeria in the 32nd position, from the bottom amongst 160 countries in terms of Human Development. In other words, Nigeria is ranked as one of the poorest 32 nations of the world. However, this differs greatly from the World Development Report ranking Nigeria amongst the 13 poorest nations.

With the HDI, Nigeria's position improves relatively, when compared to countries like Togo, Liberia, Luanda, Uganda and Republic of Benin, which are rated higher when GNP per capita is used. Thus, the difference in the two rankings lies mainly in the large population of Nigeria. Nigeria as a developing nation with a large population, is most likely to have a very small GNP per capita relative to other countries with small populations. For instance, the GNP per capita in Nigeria is US \$250 with a population of 113.8 million, while that of Niger is US \$290 with a population of 7.4 million. This confirms why Nigeria is classified as poor. But the HDI takes into account three key social indicators, namely, educational attainment, health facilities and GNP. The three components are given equal weights. The new variables permit countries with low GNP per capita but with outstanding performance in education and health services to improve their relative position in international comparisons and is therefore a more acceptable index of measurement.

The Human Development Index, has shown that GNP per capita tends to conceal the problems of human deprivation, which is a critical issue in development. Hence policy makers must accept the fact that people are the "centre of development". Development plans must take the well-being of the population as most important. This must involve the development and expansion of social services in all their ramifications.

The strategies of achieving desired state of Human Development in Africa in general and Nigeria, in particular, includes conceiving policies and projects that are most responsive to people's needs and recruiting the support of influential groups of people e.g. doctors and teachers to support social development policies. The public spending on social services should be increased in absolute and relative terms. Special programmes targeted at the poor and vulnerable groups should be implemented. Such programmes include income support schemes, food subsidies, primary health care, low cost housing schemes and other social welfare programmes. Efforts must be geared towards tackling the problems of regional and rural-urban disparities.

On the other hand, the developed nations should have a second thought on their aid and consider giving more assistance to the social sector. The international community must evolve the "Human Development Assistance" for nations involved in Human Development Adjustment, as the case with Structural Adjustment Programme (SAP). This is necessary because human deprivations in the poor countries could cause public disorder and further disrupt international trade. The problem of Human Development could be further aggravated in most countries of Africa by "brain drain". The lack of job opportunities at home has led many of the educated population to emigrate to industrial nations. Nigeria, too, has lost hundreds of highly specialised medical and academic personnel. This problem undermines the very basis for

development.

However, despite the acceptability of the HDI, it should be noted that its use for cross-country and cross-time comparisons may be subject to error, as most social and demographic data from national sources are drawn from regular administrative files that are likely to be faulty. In some cases, the data are not comprehensive and may be subject to conceptual and computational errors.

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