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# Why the Human Development Index does not measure up to ancient Indian standards

**Abstract**
Extract:
Now that the Nobel prize euphoria in India has long subsided, it is time for Indian social scientists and their colleagues abroad to reflect and scrutinize closely the sanctity assigned to the concept of a Human Development Index. The original concept of the HDI, no doubt, sprang from authentic humanitarian motivations and has done a remarkable job to point out the severity of human deprivations all over the world and to attempt to quantify them. The problem arises when the 'eradication of human deprivations' becomes synonymous with 'human development'.

**Keywords**
India, Human Development Index, development, nobler

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## *VIEWPOINTS:*

# Why the Human Development Index Does not Measure up to Ancient Indian Standards

*by Ratan Lal Basu*(1)

The Human Development Index as constructed and regularly published by the United Nations Development Program (UNDP) since 1990, in its annual *Human Development Report,*(2) uses life expectancy, literacy, average number of years of education, and income to evaluate a country's ability to provide for its citizen's wellbeing. HDI contrasts with the more conventional per capita GNP that is used to rank nations. HDI is considered more comprehensive and focuses on needs rather than material possessions. According to the HDI index, countries are ranked from 0 to 1, with countries like Norway and Sweden regularly ranking near 1 and poorer countries like Sierra Leone and Tanzania ranking at the lower end of 0.2 to 0.4. The objective is to encourage poor performers to improve.

HDI has, at its root, Professor Amartya Sen's writings on human deprivation, particularly in Less Developed Countries (LDCs) like his own country, India. These humanitarian books and articles of Amartya Sen,(3) in the jungle of economic literature focused on ways and means to generate more and more wealth, give Prof. Sen a special place among modern economists and clearly bring to the fore his deep feelings for suffering humanity. For this much he deserves due regard from us all. Indeed, since he won the 1998 Nobel laureate in economics for his contributions to welfare economics, there has been a spate of articles among Indian academics in particular mining this area of investigation, often unfortunately with a view to exploiting interest in the subject for career advancement rather than any real grasp of its intricacies and implications. It is these intricacies that reveal the limitation of HDI, for just as the HDI is more complex than crude per capita GDP indicators, so too – as I will argue below – is the ancient Indian view on human development more complex than HDI.

Before examining the way the HDI is constructed by the UNDP, a bird's eye view of the widespread human deprivations prevailing in the modern world is required. Human deprivations may be classified into three major groups:

- those caused by uncontrollable natural calamities like earthquakes and cyclones
- those caused by the internal vices or *ripus* (4) of the sufferer, e.g., a greedy rich man may always feel deprived of wealth; a jealous person may spend sleepless nights by observing a neighbour's prosperity
- those caused by bad governance, social injustice, and economic exploitation of the majority by the well-to-do minority.

The third category may be considered as deriving from politico-economic policies that have nothing to do with the first two categories. This article is also confined to deprivations assuming social dimensions. Personal level deprivations (e.g., deprivation caused by infidelity) are not considered here.

In our day-to-day life we require various amenities for the sustenance of our biological existence – most particularly, food, fuel, clothing, shelter, safe drinking water, medical care, and education. But most of the people in the LDCs are deprived of these basic amenities. If these deprivations could be

statistically verified, measured and brought under some common index, suitable state policies for eradicating them may be suggested. Here the basic problem is that many deprivations are purely qualitative in nature and could hardly be expressed in quantitative terms. So one may start with only those deprivations which are quantifiable.

The Pakistani economist, the late Mahbub Ul Haq, made painstaking efforts to bring the quantifiable elements of human deprivations under the fold of one common index called HDI. Earlier, Amartya Sen endeavoured to point out the forms which human deprivations assume, and with his insight and ingenuity, he unraveled the causes of those deprivations. In an exchange-based economy, a person collects his or her basic amenities through his or her basic entitlement, i.e., income ('Exchange Entitlement' according to Prof. Sen). The basis of this 'Exchange Entitlement', given his or her labour power and other earning assets, depends according to Prof. Sen on:

- employment possibility, duration of employment and wages if employed
- purchasing power of his or her non-labour assets
- cost of buying whatever he or she wishes to buy
- production capability of his or her own labour power and resources [or resource services] he or she can buy and manage
- the cost of purchasing resources (or resource services), and the value of the products he or she can sell; and
- the social security benefits he or she is entitled to and the taxes that must be paid.(5)

Mahbub Ul Haq extended Sen's economic viewpoint and constructed the deprivation indices as:

- the index of deprivation in health
- the index of deprivation in education
- the index of deprivation in economic capability (i.e., income).(6)

On the basis of Haq's ideas UNDP has been publishing deprivation indices of the following categories: female illiteracy; existence of underweight children caused by malnutrition; and deprivation of households from having access to safe drinking water. The most popular aspect of the *Human Development Report* of the UNDP is, however, the combined index called HDI, which is a simple average of the following three indices:

- the index of life expectancy
- the index of educational attainment
- the index of per capita income.(7)

No doubt, a comparison of different countries (8) on the basis of the indices discussed above gives a vivid picture of human deprivation. But assignment of the nomenclature "Human Development Index" to the index indicating level of material provisions (i.e. degree of absence of deprivation) and ranking countries accordingly is, in my view, a blasphemy for the entire human race. It has caused the so-called 'human development efforts' to resemble development of the quality of animals in dairy farms. It is a sorry state indeed that the provision of material amenities for decent living conditions of people is propagated as 'human development'.

## HDI and Dairy Farm Economics

In dairy farms, better fodder, shelter and veterinary checks for milk herds, as well as some education for other farm animals (e.g. the training of dogs or horses) is sufficient for animal development. As to animal-character or animal-ethics, these are imposed on them by Nature as inviolable instincts. Nature automatically (without any conscious effort on the part of the animal concerned) makes a cow a cow, a horse a horse, a dog a dog. They have neither any capability nor any instinct to go, by their conscious efforts, beyond the animal-hood imposed on them by Nature. But humans are different. They have intentions as well as capabilities to engage in an assortment of activities across the moral spectrum (the Biblical metaphor explains this with Eve's disobedience to the commands of God).

So human development effort should not end up in amelioration of material deprivations alone: it must undertake to bring about spiritual and moral development to assist the biped to become truly human.

Turning to the motivation underlying the popularization of the concept of dairy-farm style HDI. Dairy farm science has a commercial motivation - to make animals healthy so that they can provide more milk – or, in the case of other animal husbandry, more wool, and more meat. Does the Western concept of HDI have any such motivation? It would appear so. Provision of amenities to the deprived people in the LDCs is likely to make them physically strong, better skilled for industrial jobs, and capable of producing more surplus value. This would enable the multinational companies (MNCs) to expand their industrial bases in the LDCs with cheap and efficient labourers. So it is more the necessity of ensuring a steady supply of cheap skilled labourers, for the expansion of world-wide productive activities of the MNCs, than respect for the academic insights of Amartya Sen or genuine sympathy for the world's deprived people that has prompted international organizations to attach so much importance to HDI in recent years. This is why one may unambiguously refer to these efforts towards the so-called human development as *dairy farm economics*.

## What the Ancient Indian sources had to say about human development

By comparison, the classical Indian texts never ignored the material welfare of the common people. All the *Dharmaśāstras* and the *Arthaśāstra* of *Kauṭ ilya* prescribed various provisions and welfare measures for amelioration of material living-conditions of the masses, to be undertaken by the state. (9) These provisions are inseparable from human development efforts, but they themselves are not human development, which, according to ancient Indian literature, is the process of ethical and spiritual development of human beings.(10) According to Indian philosophy, the creator *Brahma* is omnipresent but *Nirguṇ a* (having no material characteristics). But human beings are *Saguṇ. a* (having specific characteristics) which are of three categories: (i) *Tamasa* (possessing '*Tama*' features); (ii) *Rajasa* (possessing *'Raja*' features); and (iii) *Sātvika* (possessing '*Satva*' features).(11)

These three classes of people in the pure form may be distinguished on the basis of certain baser and nobler human attributes. Baser attributes include: greed, envy, hatred, anger, selfishness, lust, idleness, cruelty, and pride. Nobler qualities, on the other hand, include: abstinence, self-sacrifice, love, philanthropy, mercy, self-confidence, diligence, and composure. The baser features are found in the highest degree and nobler ones in the lowest degree in a *Tamasa* person. For the *Rajasa* person, both types of features are of moderate degree; and for the *Sātvika*, nobler qualities are found in the highest degree and baser ones are completely absent. Dr. V.R. Panchamukhi gives an account of the major characteristics of the three classes as follows:(12)

> ***Tamasa*** people lack the skills needed to perform their job properly; they tend to be unreasonable and manipulative in their dealings with others; they contribute to an inefficient and corrupt work environment and political system.
>
> ***Rajasa*** people are overly concerned with reward for their work; they engage in self-serving behaviour when involved in public or corporate activities; they tend to be

> cautious in pursuing new ventures and are often consumed by uncertainty; they also tend to be cruel and ruthless rather than magnanimous with others; and they become easily unsettled - elated with small successes and depressed by minor setbacks.
>
> ***Sātvika*** people perform their duties with full commitment and without an obsessive regard with the attendant rewards; they refrain from claiming credit for functions performed by themselves either individually or as a team; they show courage and enthusiasm, and are prepared to be proactive, introducing innovations; they show equanimity in the face of both triumph and failure.

The three classes of features are usually mixed in many people. The human development process, according to the ancient Indian perspective, is a mechanism (self-imposed or imposed by society) that gradually reduces the intensities of ***Tama*** and ***Raja*** features and increases that of the ***Satva*** in each person. It may not, however, be possible to eliminate the first two attributes completely and achieve the third in full. But if it is possible to reduce the prevalence of the first two substantially in most people and enhance the influence of the third quality substantially among them, society would enjoy the benefits of genuine human development.

**The Western concept of human development is self-defeating**

It may be concluded on the basis of the above analysis that the Western concept of human development is self-defeating. The writings of Amartya Sen and his followers make it clear that most of the governments in the world have failed to implement the HDI improvement measures. From an ancient Indian perspective, this may be attributed to governments being dominated by *Tamasa* politicians. In many cases, sincere efforts of the rulers - if they are *Sātvika* - do not reach the target (i.e. the poor masses) because of the existence of *Tamasa* vested-interest classes and *Tamasa* government officials at vital positions. Most manmade deprivations of the masses are a direct consequence of the greed and evil designs of the *Tamasa* people – most notably identified as corruption in contemporary parlance. The suffering masses, too, are infected with *Tama* features revealed by multiple castes and untouchability, religious parochialism, family feuds, mutual hatred, adultery, and a multitude of similar vices that keep them divided and indulgent in self-destructive practices. Unless the roots of these vices (*Tama* features) are eradicated, efforts towards improvement of material conditions of the poor would come to naught.

Thus it becomes apparent that human development, as conceived in the ancient Indian tradition, is the paramount task and without it, attempts to improve the material living conditions of the masses are built on a shaky foundation. Human development in terms of ethical and spiritual development - a journey from the *Tamasa* stage towards the *Sātvika* stage - is purely a qualitative matter and no quantitative indexing is possible here. In fact, indexing is not necessary for genuine human development endeavours.

In the *Kali Yuga*,(13) this is indeed an extremely difficult, but not impossible, task. Challenging circumstances are often the impetus for innovative thinking. This is recognized widely. Reflecting on the social and political turmoil in his own day, Confucius (551-479 BC) called up his students to look back to the age of the sages for the meaning of virtue. Indeed, the *Analects* of Confucius speaks across the ages directly to the current developmental delusion of *dairy farm economics*:

> Tzu-yu asked about being filial. The Master said, ‘Nowadays for a man to be filial means no more than that he is able to provide his parents with food. Even hounds and horses are, in some way, provided with food. If a man shows no reverence, where is the difference? (2:7)

**Conclusion**

Now that the Nobel prize euphoria in India has long subsided, it is time for Indian social scientists

and their colleagues abroad to reflect and scrutinize closely the sanctity assigned to the concept of a Human Development Index. The original concept of the HDI, no doubt, sprang from authentic humanitarian motivations and has done a remarkable job to point out the severity of human deprivations all over the world and to attempt to quantify them. The problem arises when the 'eradication of human deprivations' becomes synonymous with 'human development'.

Human beings, being in physical essence an animal (no doubt, the most advanced one in terms of intelligence), definitely require decent material living conditions for bare animal existence. Amartya Sen, Haq and others are right to point out that it is an urgent necessity to provide the minimum requisites for survival to the majority of the population who, particularly in the LDCs, are deprived of these amenities. We cannot but express sincere gratitude for Prof. Sen *et al.* for their great task of pointing out this negative aspect of the material advancement of human society. But it would be most unfortunate and humiliating for the human race if we consider mere provision of these material amenities for animal existence as *human development*. For animals in dairy farms it is enough to provide adequate fodder and shelter and, in certain cases, some training. This much is enough for *beast development*. But human beings are not beasts. So *human development* means something else. It means the psychological, ethical and spiritual development of the biped - with highly developed intelligence and self-reflecting consciousness - into becoming human in the true sense. Provisions, in line with the HDI improvement efforts, are a basic necessity, but they do not automatically ensure *human development*. Thus the theories, developed by Sen, Haq and others on the basis of a Western commercial world outlook, end up in the provision of material conditions for decent animal-living of the bipeds called humans.

On the other hand, ancient Indian philosophy considers human development as the ethical and spiritual development of humans to make them worthy of the name. It does not, however, deny the necessity of the development of material living conditions. In fact, material development is an integral part of human development in the ancient Indian worldview.

This article has endeavoured to point out the essential differences between contemporary Western and classical Indian perspectives regarding human development, the self-defeating nature of the Western concept and the superiority of the ancient Indian concept of human development.

A final word on past-present comparisons: unfortunately, many rigorous intellectuals in India are nowadays being entrapped by the propaganda which compares Prof. Sen's theoretical concepts with the 'probable actual situation' prevailing in ancient India. Propaganda removed, this would turn out to be a naïve approach. If we are really interested in comparing actual conditions, then actual conditions in ancient India (if accurate information is available) are to be compared with present day actual conditions (and not with present day hypotheses and utopia). Current actual conditions, even according to the writings of the authors of HDI, are simply horrendous. So it is to be stated in unambiguous terms that this article has compared a modern human development theory (HDI) with ancient Indian conceptions, and not with actual conditions which might have prevailed in antiquity.

## ENDNOTES

1. Ratan Lal Basu is Reader in Economics, Bhairab Ganguly College, Kolkata, India.

2. These are available on the UNDP website: http://hdr.undp.org/reports/global/2003/

3. These are listed in the *Nobel Prize Internet Archive* homepage on www.almaz.com/nobel/economics/1998a.html

4. According to the ancient Indian view, there are six basic vices or *Ripus*: *Kāma* (desire), *Krôdha* (anger), *Lôbha* (greed), *Mod* (idleness), *Môha* (obsession), *Mātsarya* (jealousy). Excess of these elements bring about imbalance and disaster in human life.

5. Sen, 1999, p. 4.

6. Haq, 1997.

7. UNDP, 2003, p.341.

8. There are 175 listed in the *Human Development Report 2003*, pp.237-240.

9. *Manu Samhitā*, Ch. 7, 8; *Arthaśāstra* of *Kauṭ ilya*, Books 1, 2.

10. Radhakrishnan, 1966.

11. Panchamukhi, 2000.

12. *Ibid.,* Ch. IV.

13. According to Indian mythology the entire history of the human race - from its origin to the end - is divided into four major epochs known as Yugas. They are: *Satva Yuga*, *Tretā Yuga*, *Dvāpara Yuga*, and *Kali Yuga*. Ethical values have been decreasing as vices have been increasing in intensity from age to age. *Kali Yuga*, the present and last age, is the worst as it is thought to lead to the destruction of the human race.

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