1) The Human Development Index (HDI)

2) Multi Dimensional Poverty Index

3) World Happiness Report

4) Gender Inequality Index

5) Global Hunger Index.

INDICATORS
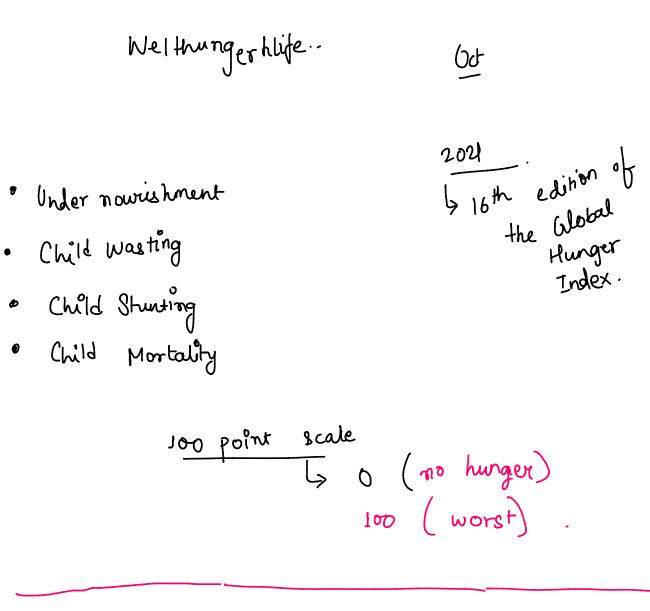OF
ECONOMIC
DEVELOPMENT

UNDP   1990   –   Mahbub - ul - Haq.

- Life Expectancy Index (LEI)

- Educational Attainment Index. (EAI).

  ↳ ALR = $\frac{2}{3}$

  CER = $\frac{1}{3}$.

- Standard of Living Index. (SLI).

  ↳ PPP

  ↳ Purchasing Power Parity. ⟶ GDP Index.

Value of HDI → ① → best

Value of HDI → (1) → best
                (0) → worst.

⇒ HDI = $\frac{1}{3}$ (LEI + EAI + SLI)

MPI   [2010]

↳ UNDP · + O P H I

↳ poor people + average no. of deprivations
                each poor person experiences at the
                same time.

↳ • Education   } more than $\frac{1}{3}$.   33%
   • Health   } more than
   • Standard of Living. $\frac{1}{2}$

World Happiness. Report (WHR)

' Gross National Happiness '   (1972)

        ↓   King Jigme Singye Wangchuk.

    149 countries.

    polling (Gallup World Poll)

polling (Gallup World Poll).

① ↳ Gross Domestic Product Per Capita. (Purchasing power parity)

② Social Support

③ Healthy life expectancy at birth.

④ Freedom to make life choices

⑤ Generosity

⑥ Perceptions of corruption.

Gender Inequality Index (GII)

(i) Reproductive Health.

(ii) Empowerment.

(iii) Economic status.

Global Hunger Index (GHI)

↳ Concern Worldwide 2006.

Welthungerhlife..   Oct

- Under nourishment
- Child wasting
- Child Stunting
- Child Mortality

2021
↳ 16th edition of
   the Global
   Hunger
   Index.

100 point scale
            ↳ 0 (no hunger)
              100 (worst) .

Sustainable Development   .

↳ 1987

↳ World Commission on Environment and
   Development / Brundtland
                 Commission

2002 · — Johannesburg Summit

UNGA   2030 Agenda
              26th September,
              2015

              17 goals.
              169 targets.

1. End poverty
2. End hunger
3. Good health and well being
4. Gender equality
5. Quality Education
6. Clean water and sanitation
7. Affordable and clean energy
8. Sustainable economic growth and decent work for all
9. Sustainable industrialization.
10. Reduce inequality
11. Make cities and human settlements resilient and sustainable.
12. Sustainable consumption and production.
13. Combat climate change

13. Combat climate change
14. Life below water
15. Life on land
16. 'Peace - and justice in the institutions.
17. Partnerships to achieve the goal.

National Income

↳ History

- 1868   Dadabhai Naoroji
          " Poverty and Un-British Rule in India "

          ₹ 20

- 1925   — 1929.   Dr. Vijayendra Kasturi
                     Ranga Varadraja Rao.

                     ₹ 76

- Dr. PC. Mahalanobis.
                     ↳ 1951. (first report)
                     ↳ 1954 (final report).

$\hookrightarrow$ <u>1954</u> (final report).

$$\text{National Income} = ₹ \ 8650 \text{ crore}$$

$$\text{Per capita income} = ₹ \ 246.50$$

- Central <u>Statistics</u> Office (CSO).

  1955 /

  <u>NSSO</u>.

- 2019.   <u>CSO + NSSO</u> [merged)

  $\hookrightarrow$ Natio nal <u>Statistics</u> Office (N<u>S</u>O).

  $\hookrightarrow$ Ministry of Statistics and Programme <u>Implementation</u>.

<mark>Economic Development</mark>

In economic growth, the concept of social justice and fair distribution is termed as Economic Development. It is a qualitative concept.

<mark>Indicators of Economic Development</mark>

Alternative indicators have been developed by different national and international organisations to provide better measures of a nation's quality of life. These include:

The Human Development Index (HDI)

Multi-dimensional Poverty Index (MPI)

World Happiness Report (WHR)

Gender Inequality Index (GII)

Global Hunger Index (GHI)

Each of these indexes is a composite measure weighing both income and non-income variables such as life expectancy, literacy rates, environmental indicators, measures of inequality and so on. By including these variables, they provide a measure of life quality that goes beyond the narrowness of a nation's GDP value.

1. Human Development Index (HDI) The United Nations Development Programme (UNDP) introduced the HDI in its first Human Development Report (HDR), prepared under the stewardship of Mahbub-ul-Haq in 1990.

HDR, 1990 defined human development as the process of widening people's choices as well as raising the level of well-being achieved.

Three main indicators of HDI are as follows:

1. Life Expectancy Index (LEI) Infant mortality is not considered as a separate indicator in this index. Thus, life expectancy refers to life expectancy at birth, not at age one.

2. Educational Attainment Index (EAI) It is a combination of adult literacy rate and combined enrolment ratio. The weight assigned to Adult Literacy Rate (ALR) is two-third while for Combined Enrolment Ratio (CER) is one-third.

3. Standard of Living Index (SLI) It is represented here by the concept of Purchasing Power Parity (PPP). Per Capita Income is converted into Purchasing Power Parity in terms of US dollar, It is also known as GDP Index.

The value of HDI is scaled on 1 to 0, where 1 represents the best and 0 (zero) represents the worst.

HDI = (LEI + EAI + SLI) 3

2. Multi-dimensional Poverty Index (MPI)

The Multi-dimensional Poverty Index was launched by the United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI) In 2010.

MPI is based on the idea that poverty is not unidimensional (not just depends on income and one individual may lack several basic needs like education, health etc.), rather it is multi-dimensional.

The index shows the proportion of poor people and the average number of deprivations each poor person experiences at the same time.

MPI uses three dimensions and ten indicators are as follows:

(i) Education Years of schooling and child enrolment.

(ii) Health Child mortality rate and nutrition.

(iii) Standard of living Electricity, flooring, drinking water, sanitation, cooking fuel and assets.

A person is multi-dimensionally poor if she/he is deprived in one-third or more (means 33% or more) of the weighted indicators (out of the ten indicators). Those who are deprived in one half or more of the weighted indicators are considered as living in extreme multi-dimensional poverty.

3. World Happiness Report (WHR)

The phrase 'Gross National Happiness' was first coined by the fourth King of Bhutan, King Jigme Singye Wangchuck, in 1972.

The concept implies that sustainable development should take a holistic approach towards notions of progress and give equal importance to non-economic aspects of well being.

The World Happiness Report ranks 149 countries by how happy their citizens perceive themselves to be.

The rankings are based on polling (Gallup World Poll). which looks at six variables:

(i) Gross Domestic Product Per Capita (Purchasing Power Parity)

(ii) Social Support

(iii) Healthy life expectancy at birth

(iv) Freedom to make life choices

(v) Generosity

(vi) Perceptions of corruption

4. Gender Inequality Index (GII)

It measures gender inequalities in following three important aspects of Human Development:

(i) Reproductive health, measured by maternal mortality ratio and adolescent birth rates;

(ii) Empowerment, measured by proportion of parliamentary seats occupied by females and proportion of adult females and males aged 25 years and older with at least some secondary education

(iii) Economic status, expressed as labour market participation and measured by labour force participation rate of female and male populations aged 15 years and older.

5. Global Hunger Index (GHI)

This index is jointly published annually by Concern Worldwide and Welthungerhilfe.

It was first prepared in 2006 and is published in every year in October. The 2021 edition marks the 16th edition of the GHI.

It is calculated on the basis of four indicators:

(i) Under nourishment- Share of the population with insufficient calorie intake.

(ii) Child Wasting- Share of children under the age of five who have low weight for their height, reflecting acute undernutrition.

(iii) Child Stunting- Share of children under the age of five who have low height for their age, reflecting chronic undernutrition.

(iv) Child Mortality- The mortality rate of children under the age of five.

Based on the values of the four indicators, the GHI determines hunger on a 100-point scale, where zero is the best possible score (no hunger) and 100 is the worst.

Each country's GHI score is classified by severity, from low to extremely alarming.

Sustainable Development

The term sustainable development is defined as the development to achieve the needs of present generation without compromising future generation's needs. When the World Commission on Environment and Development (Brundtland Commission) published its report in 1987, it presented 'sustainable development' as a new concept.

The United Nations Conference on Environment and Development, held in Johannesburg, (Johannesburg Summit, 2002) focused on the need to remove the barriers to sustainable development in modern societies. Challenges of sustainable development are population, poverty, inequality, the shortage of drinking water, human health, consumption of energy. deforestation and petrol consumption.

Sustainable Development Goals

The United Nations General Assembly adopted the 2030 Agenda for sustainable development on 26th September, 2015, along with a set of bold new Global Goals.

Global Goals composed of 17 wipe out goals and 169 targets to poverty, fight inequality and tackle climate change over the next 15 years

These 17 goals are as follows

1. End poverty

2 End hunger

3 Good health and well-being

4 Quality education

5 Gender equality

6 Clean water and sanitation

7. Affordable and clean energy

8. Sustainable economic growth and decent work for all Sustainable industrialisation and foster innovation

10. Reduce inequality

11. Make cities and human settlements resilient and sustainable

12. Sustainable consumption and production

13 . Combat climate change

14. Life below water

15. Life on land

16. Peace and justice strong institutions.

17. Partnerships to achieve the goal

National Income refers to the complete value of the final goods and services produced by any country during its financial year.

Thus, it is the consequence of all economic activities that are running in any country during the period of one year. It is valued in terms of money.

Historical Timeline of India's National Income

• The first attempt to calculate the National Income was made in 1868 by Dadabhai Naoroji in his book 'Poverty and Un-British Rule in India', who estimated the Per Capita Income at₹20.

• Another effort was made by Dr. Vijayendra Kasturi Ranga Varadraja Rao, who was the first to use scientific approach to calculate National Income. In 1925 to 1929, he estimated Per Capita Income at ₹ 76. The Government of India appointed a National Income Committee under the Chairmanship of Dr. PC Mahalanobis. This committee gave its first report in 1951 and final report in 1954, The committee estimated National Income of ₹ 8650 crore and Per Capita Income of 246.50,

Afterwards, the task of estimation of GDP was transferred to the Central Statistics Office (CSO) and a fully developed National Income Division was created, Since 1955, NI estimates were compiled by CSO based on the national level survey conducted by National Sample Survey Office (NSSO).

In 2019, the Central Government merged CSO and NSSO into National Statistics office (NSO). NSO falls under the Ministry of Statistics and Programme Implementation.