

The Case for an Enhanced Human Development Index

By Tim Anderson

Twenty years after the UNDP published its first Human Development Report (HDR), it is plain that those ideas have been deeply influential and powerful. Yet, precisely because of that influence, the HDR's Human Development Index (HDI) now looks stale and in need of review.

The UNDP's Human Development Reports (HDRs) from 1990 onwards presented systematic sets of socio-economic indicators, far more directly meaningful to development concerns than economic aggregates. From amongst these indicators several were chosen to measure the three themes of health, education and a 'decent standard of living'; these themes were later used to construct the Gender Development Index (GDI) and (with revised indicators) the Human Poverty Indices (HPI). The Millennium Development Goals (MDGs), in turn, have borrowed from the UNDP's Human Development indicators and, although less coherent, they range wider and so have, in some respects, 'leapfrogged' the HDI. Within a few years, the MDGs themselves will have to be revised. Where does this leave the HDI?

This paper argues the case for an Enhanced Human Development Index (EHDI), to maintain a more coherent alternative to the Millennium Development Goals (MDGs), or their successors. A number of analysts have made constructive suggestions for revising the HDI. More importantly, the UNDP itself developed the conceptual framework for an expanded HDI, but seems to have retreated from this, rather than formalising it. I discuss the importance of the human development indicators then consider the impact of the MDGs before moving to the proposal for an Enhanced Human Development Index (EHDI). I suggest consideration be given to formally updating the HDI to revise the role of income, include more sensitive health indicators and consider formalising the additional themes of social inclusion, human security and ecological sustainability.

1. Importance of the Human Development Reports

It was no accident that gross income came to be regarded as the main proxy indicator of social welfare and progress. Such measures suit powerful interests. No subsistence farmer, informal sector worker or household worker can compete with large corporations in their raw cash impact on a local economy. An entire class of economic liberal intellectuals justified measures such as GNP and GDP per capita, arguing that the 'equality of opportunity' in markets constituted real human freedom, and sometimes claiming that regulation of 'equality of outcome' was little more than 'totalitarian' (Friedman and Friedman 1980). Of course, many human development indicators pay attention to precisely such outcomes (e.g. rates of malnutrition and illiteracy), and thus challenge these economic liberal ideas.

Nevertheless, in the 1980s a group of development economists built an alternative and wider measure of 'development' which would become the first serious competitor with crude money measures such as GDP. This section introduces the UNDP's human development indicators and the Human Development Index (HDI). It notes that the HDI authors both finessed and confronted

the economic liberals, or neoliberals,¹ eventually forcing widespread acceptance of their new measure. However I suggest the HDI is an incomplete project which has maintained some basic flaws.

Drawing on Amartya Sen's 'human capabilities' approach to development, which challenged the neoclassical concept of individual 'utility' (Sen 1985; Sen 1990), the first *Human Development Report* began to present coherent arguments for a focus on indicators of human capacities and real human outcomes - such as babies surviving birth, children attending school and being well nourished, and families having access to clean water. 'Human development' was suggested as a wider concept than economic development, or even socio-economic development. It distinguished itself from some earlier experiments with alternatives to GNP (UNDP 1990: 105), arguing that human development meant "both the process of widening people's choices and the level of their achieved well-being" (UNDP 1990: 10).

The *Human Development Reports* set out a wide range of socio-economic indicators, specifically as a counter-weight to the conventional measures of national income. However, as a centrepiece, a Human Development Index (HDI) drawn from indicators of healthy lives, education and decent living standards were chosen so as to provide a 'single figure' rival to the ubiquitous GDP measure. The architect of this HDI, Mahbub Ul Haq, said:

"The basic purpose of development is to enlarge people's choices. ... People often value achievements that do not show up ... in income or growth figures: greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives" (in UNDP 2009b).

There was always a tension between publishing multiple indicators and launching a single-figure index. At his old friend's funeral, Amartya Sen said that he had at first disagreed with ul Haq on the need for an HDI, but had later been persuaded of its usefulness.

"'We need a measure', [Ul Haq] once explained to me, 'of the same level of vulgarity as the GNP - just one number - but a measure that is not as blind to social aspect of human lives as the GNP is'" (Sen 1998).

Sen says Ul Haq hoped the HDI would improve on and supplement GNP, but would also attract attention to the wider range of indicators in the HDRs. It seems to have achieved both aims.

The HDI based itself on three development-linked concepts, then chose indicators to represent each concept (Table 1). The HDI measures comprised life expectancy (as a proxy for health), adult literacy (as a proxy for education) and purchasing-power-adjusted dollar income (as a proxy for access to a decent standard of living). The purchasing-power-adjusted GNP per capita figure was taken from the International Price Comparison Project, jointly run by the UN Statistical Office, the World Bank, EUROSTAT and the OECD (UNDP 1990: 13). Neoliberal bodies such as the World Bank, representing the interests of investors, were thus included in the project. The educational indicators were soon expanded, with adult literacy being supplemented by 'mean years of schooling', over 1991-94, then by 'combined gross enrolment' at primary, secondary and tertiary levels, in 1995 (UNDP 1990-1995: Table 1). From 1995 to 2009 the HDI indicators remained stable (UNDP 1995: 155; UNDP 2009: 171).

Table I: The Human Development Index (HDI)		
	Concept	Indicator
1	To lead a long and healthy life	Life expectancy at birth
2	To acquire knowledge	Adult literacy rate Gross enrolment rate *
3	To have access to resources needed for a decent standard of living	Real GDP per capita (PPP\$US)
UNDP 1990: p.10, p.128; * added and amended 1991-95		

The Gender Development Index (GDI), measuring gender disparities in HDI, and the Gender Empowerment Index (GEM), were added and explained in the 1995 *Human Development Report* (UNDP 1995). The Human Poverty Indices (HPI-1 and HPI-2, the former for developing countries and the latter for wealthy countries) were presented in the 1997 *HDR*. Both the GDI and the HPI drew on the HDI's themes of healthy lives, education and decent living standards. The Human Poverty Index 1 (which has no income component at all, measuring just low life expectancy, illiteracy, malnutrition and lack of access to clean water) presented as a powerful rival to the World Bank's 'two dollars a day' and 'one dollar a day' measures for poverty and extreme poverty, as problems showed up in the parity price adjustment calculations.²

As research drew further attention to the deficiencies of GDP measures, and to the developmental importance of various of the HDR indicators (such as infant mortality and girls' education), the HDI came to be widely cited, including by neo-liberal institutions such as *The Economist* (2009) and the World Bank (2001). Perhaps most importantly in the year 2000, as the UNDP developed its theme of human rights as foundational to development, a UN summit in New York produced a entirely new set of indicators. The eight 'Millennium Development Goals' (MDGs) borrowed heavily from the HDR's ideas and tables, while mixing some money measures, such as one dollar a day, and economic liberal means, such as tariff liberalisation and effective privatisations.

If the MDGs were the ultimate tribute to the HDI, they also exposed some of its weaknesses. The HDRs had spoken of the inadequacy of money as a measure of development, yet the HDI still leaned heavily on money measures; more so than the MDGs. While the HDRs had drawn attention to the sensitive health indicators of infant and maternal mortality, and to illness and death from infectious disease, these measures were now included in the MDGs but not in the HDI. In 1995 it was said that "the human development paradigm must be fully engendered" (UNDP 1995: 2). Indeed female-male gaps in life expectancy, literacy, school enrolments, the labour force and parliament had been present in the HDRs since 1990 (UNDP 1990: Table 9); but to this day these gender inequalities are not reflected in the HDI.

The MDGs, on the other hand, included several measures of inequality, including gender inequality. The World Bank's money measure of extreme poverty was included in the first goal, alongside reducing hunger. However the indicators include "share of poorest quintile in national consumption", thus mixing measures both compatible (poverty reduction through economic growth) and incompatible (economic inequality concerns, implying redistribution) with economic liberalism.

2. Impact of the Millennium Development Goals (MDGs)

It is clear that the MDGs owe a great deal to the human development indicators yet – in the nature of an international political compromise - they are less coherent and embody wider influences. They revised a global consensus on the need to address poverty, but also attempted to specify the means of doing so. While they include World Bank ‘dollar a day’ measures and (in the eighth goal) a number of neo-liberal mechanisms, they depart from economic liberal ideas in three respects. They substantially reduce reliance on money measures of poverty, mostly adopt the notion of development through ‘real’ socio-economic (or capability) indicators and introduce several measures of inequality. The MDGs set out eight goals, with fifteen targets (with the time frame of 1990 to 2015) and 48 measures (Table 2). I have indicated with an asterisk in Table 2 the MDG measures which were listed in the UNDP’s *Human Development Report* for 1998 (UNDP 1998); to show that, of MDGs One to Seven, 22 indicators had been listed by the UNDP, two by the World Bank and eight by other UN agencies. The ‘human development’ influence is clear.

Table II: The Millennium Development Goals (MDGs)			
	Goal	Targets (1990-2015)	Measures (UNDP HDR 1998 =*)
1	Eradicate extreme poverty and hunger	1. Halve those on < US\$1 a day	- popn below \$1/day (WB) - poverty gap ratio (incidence x depth) (WB) - share of poorest quintile in national consumption (*)
		2. Halve those suffering hunger	- prevalence of underweight under 5 children (*) - proportion of popn malnourished (*)
2	Achieve universal primary education	3. Ensure all boys and girls complete a full primary school course	- net primary enrolment ratio (*) - proportion who reach grade 5 (*) - 15-24 yo literacy rate (UN)
3		4. Eliminate gender disparity in schools and at all levels	- education ratio of girls to boys (*) - 15-24 literacy rate, women to men (UN) - share of women in non-agric, employment (*) - % of women MPs (*)
4	Reduce child mortality	5. Reduce by 2/3 under 5 mortality	- under 5 mortality rate (*) - infant mortality rate (*) - % measles vaccination, >1yo (*)
5		6. Reduce maternal mortality by 2/3	- maternal mortality rate (*) - % births attended by skilled personnel (*)
6	Combat HIV/AIDS, malaria and other diseases	7. Halt and reverse the spread of HIV/AIDS	- HIV prevalence in pregnant women, 15-24 (*) - condom use rate & HIV education (UN) - ratio of orphan school attendance to non-orphans (UN)
		8. Halt and reverse the incidence of malaria and other major diseases	- prevalence and death rates from malaria (*) - % with effective malaria prevention and treatment (UN) - prevalence and death rates from tuberculosis (*) - % of TB cases treated by DOTS (UN)
7	Ensure environmental sustainability	9. Integrate principles of SD and reverse the loss of environmental resources	- proportion of land covered by forest (*) - ratio of area protecting biodiversity (*) - energy use (kg oil equiv) per \$1GDP (*) - CO2 emissions per capita (*) - % popn using solid fuels (UN)
		10. Half the rate of people without safe water and sanitation	- % popn with access to improved water, urban and rural (*)

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			- % popn with access to improved sanitation, urban and rural (*)
		11. Significant improvement in the lives of 100m slum dwellers	- % households with access to secure tenure (UN)
8	Develop a global partnership for development	12. Develop open, rules-based trade and finance system 13. Address special needs of developing countries 14. Address special needs of landlocked and small island countries 15. Measures to deal with debt and make it sustainable	- Sixteen additional measures, related to: imports free of duty; average tariffs; OECD agricultural support; ODA for trade; ODA rates; HIPC completion numbers; debt relief commitments; debt service levels; youth (15-24) unemployment; access to affordable essential drugs; telephone, PC and internet connection rates (*, WB, UN)
MDG Source: UN 2008; Origin of specific measures: UNDP HDR 1998=*; World Bank=WB; Other UN=UN			

An important objection to the entire project of the MDGs should be addressed before returning to their implications for the HDI. This objection gains credibility from the fact that the MDGs did not originate from developing countries, but rather paralleled a process initiated by the big powers at the Doha Round of the World Trade Organisation. This ‘development round’, though nominally for the benefit of developing countries, was eventually curtailed by a strong coalition of developing countries (China, India, almost all of Latin America and several large Asian and African countries) at the Cancun (Mexico) summit meeting of 2003. The entire WTO process had ground to a halt by mid 2006. At stake were the strategies of the US, the EU and their close allies to expand the privileges of their investor groups (through the ‘Singapore Issues’), a liberalisation of agricultural trade which was putting at risk food security in many countries, and strong intellectual property rights, which had serious implications for agriculture and essential medicines (see e.g. Narlikar and Wilkinson 2004).

The MDGs were said to represent a move by those same powers to legitimise powerful economic agendas. Some more cautiously worried that the MDGs mixed their goals with ‘means’, especially those appended to the eighth goal (Khoo 2005: 46-47). One of the fiercest attacks on the MDGs came from Samir Amin, who branded the project “part of a series of discourses that are intended to legitimize the policies and practices implemented by dominant capital and those who support it” (Amin 2006). Amin links imperialism to the language of global consensus, and the detail of his argument deserves some attention. The MDG proposal, he says, was drafted by individuals working closely with the US Government³, before being passed by acclamation at the United Nations. While many of the MDGs (e.g. on poverty, hunger and education) were “unobjectionable”, they also asserted that neo-liberal methods were “perfectly compatible with”, indeed the preferred path to achieving those goals. The eighth goal links ‘global partnerships’ to privatisations (now often referred to as part of ‘public private partnerships’) and to the notion of an ‘open and multilateral commercial and financial system’, the same agenda pushed and resisted at the WTO (Amin 2006). He points out that many of the decent goals had been around for some time, but had been crippled by neo-liberal methods. For example, the second goal of ‘universal primary education’ had been championed by UNESCO since 1960, but was undermined by school fee regimes, privatisations and cuts to public expenditure. Similarly, goals four, five and six (to reduce death by infectious diseases and amongst children and mothers - also promoted by the WHO since its 1978 ‘health for all’ declaration) had been undermined by privatisations, user pays regimes for health services and the strong intellectual property rights of multinational drug

companies. Finally, the linking of ‘sustainable development’ to this overall project was an absurdity, “since capitalist strategy is founded on the concept of rapid discounting of economic time”, whereas sustainability notions apply to the long term (Amin 2006).

It does seem that the ‘sting’ of the MDGs lies in their tail. The goal of a “global partnership for development” contemplates renewed privatisations, liberalised trade and finance and access to new technologies “in cooperation with the private sector” – along with “more generous” (but corporate dominated) foreign aid; progress in “debt relief” (but linked to removing controls on foreign capital); “decent and productive work for youth” (but subject to weakened trade unions and liberalised labour markets); and providing “access to affordable essential drugs” (but with many tied to the monopoly pricing by corporate patent holders under strong IPR regimes). This is a strange mix of goals and mechanisms, and one which seems to allow little room for distinct approaches to old problems

I agree with Amin that there is a fundamental incompatibility between the neoliberal means and the decent goals of the MDGs, and that a powerful project lies behind them. I disagree with him that the MDGs simply represent “commandments drafted in the imperialist centers” which have no future (Amin 2006). There are three reasons for my disagreement. First, the human development ideas incorporated by the MDGs were drafted at the UNDP, mainly by intellectuals from developing countries, such as Sen and UI Haq. They are thus ideas co-opted - rather than created - by an imperial project, adding incoherence and tension to that project. Second, the actual goals are separable from the neoliberal means and can and should be progressively ‘delinked’. For example, the fact that Cuba has achieved the best health outcomes in the developing world through a well coordinated public health system and no privatisations (see e.g. Feinsilver 1993; Spiegel and Yassi 2004; Kirk and Erisman 2009) can be used to defend public health systems. Third, the MDGs’ wider focus on hunger, education, health and environmental sustainability actually ‘rings a bell’ in the developing world. Although the big powers have staked a claim in them, the MDGs are not the same as the agenda of the WTO’s Doha Round. Despite their incoherence, they do represent real and desirable ideals.

3. The need for an ‘Enhanced’ Human Development Index (EHDI)

As all numerical targets expire in the year 2015, the MDGs must be revised within just a few years. That process will likely be another one of political compromise and, given the competing agendas, further incoherence. Yet even before we get to the ‘Millennium Plus’ goals, the widespread acceptance of the MDGs has already overshadowed the Human Development Index (HDI). More attention is now paid to the MDGs and, as a result, the shortcomings of the HDI look more stark than when the Index first appeared in 1990.

Despite their own shortcomings, the MDGs have ‘leapfrogged’ the HDI in several respects – by use of additional and more sensitive health measures (e.g. infant mortality in place of life expectancy), by inclusion of some important measures of inequality (income and gender), by the adoption of a ‘sustainability’ goal and through a further relative downgrading of money indicators as measures of development. They did this mainly by use of additional, existing human development indicators. That is, they borrowed more fully from the UNDP’s range of indicators than did the UNDP for its own HDI.

The HDI was in fact revised in 1999, with a new formula and the addition of some new ‘de facto’ themes; but the formula carried mainly technical changes and, while the additional themes drew attention to a wider range of indicators, they were not included in the index. New ideas brought into the discussions of Human Development were criticised as “rhetoric without necessarily increasing the HDI’s utility”, in particular by the HDI’s failure to include consideration of ecological sustainability (Sagar and Najam 1998). The UNDP built on the existing human development themes of (i) a long and healthy life (ii) to acquire knowledge and (iii) to have access to the resources needed for a decent standard of living, by adding (iv) while preserving it for future generations, (v) ensuring human security⁴ and (vi) achieving equality for all men and women (UNDP 1999: xiii). This ‘de facto’ extension of human development categories was said to “better reflect the different dimensions of human development” by making use of a wider range of indicators as well as the composite indices of the HDI, GDI, GEM and HPI (UNDP 1999: 247). The new themes were welcome additions, addressing important omissions from the original HDI. However the index itself remained much the same, just adopting some new methods of calculating population, adult literacy, school enrolment and GDP PPP (UNDP 1999: 247-248). As an indication of how fragile these additional themes were, they remained in place in UNDP reports from 1999 to 2007-08, then suddenly and with little explanation disappeared, along with sections of tabled indicators, in the 2009 report (UNDP 2009). The HDI was left unchanged.

In my view, the HDI can continue to become less relevant, or it can respond to this challenge. While some have cautioned against such change (e.g. Stapleton and Garrod 2007), many more have noted the limitations (e.g. Lind 2004) or have made constructive suggestions for reform of the index, particularly by reference to considerations of ecological sustainability and inequality (e.g. Neumayer 2001; Sagar and Najam 1998; Hicks 1997). To enhance its relevance, I suggest, there is a need to renew the HDI project, not to ‘catch up’ in an indicator race, or to see who can be more comprehensive, but to add conceptual clarity. The UNDP team should be in a good position to develop an index that is better conceptualised and more coherent than the MDGs. This could be done with fewer goals and less measures than the MDGs, but it seems clear the project of an index of human development should be developed and clarified.

What then might an ‘Enhanced Human Development Index’ (EHDI)⁵ look like? It seems important to stick with the strengths and simplicity of the ‘human development’ ideas and grow them cautiously. The new themes that were promoted over 1999-2008 could be refined and formalised. Another principle should be to make use of the best available evidence, that is, indicators that already appear in UNDP or other UN reports. Some such revision has happened before: the education measures of the HDI were revised twice in the early 1990s.

There are two deficits to be addressed, in my view. First, some refinements could be made to the indicators used for the existing themes of healthy lives, education and decent livelihoods. Better measures are available. The education indicators, on the other hand, do seem to make use of the best available data. (Literacy and school enrolments, while limited in qualitative respects, remain central measures.) However the healthy lives indicator based on life expectancy at birth, while fairly reliable and robust, is not as sensitive as some other widely accepted indicators, such as infant and maternal mortality. The latter, for example, are quite responsive to social neglect (e.g. Janes and Chuluundorj 2004) or increased attention, whereas changes to average life expectancy usually occur more slowly. Indicators that respond more rapidly to policy changes can be more

influential in helping shape good policy. We also now have several measures that combine morbidity with mortality – QALYs, DALYs and the WHO’s preferred measure the HALE (Healthy Life Expectancy at Birth) (WHO 2009: 36; Mathers et al 2003). Such measures come closer to the ‘healthy life’ theme than does simple average mortality. Infant mortality and HALEs might, for example, supplement or replace average life expectancy at birth.

The decent livelihoods indicator of price-adjusted average income was always a compromise which sought to draw support from the neoliberal institutions (the OECD, the World Bank) but it compromised the ‘capabilities’ notion that underwrote human development. Sen had argued, convincingly, that money was not a real measure of capability development, but only a means towards it. ‘Living standards’ in developing countries were best seen through “material capabilities” such as whether people are “well nourished ... free from avoidable morbidity” and whether they live long can read, write and count (Sen 1984: 85). Others have since pointed out that, in most cases, “improvements to HDI come with disproportionately larger increases in ecological footprint, showing a movement away from sustainability” (Moran et al 2008).

Yet average incomes still dominate HDI rankings. The developing countries that make good progress in education, health, nutrition and social inclusion but lack a large per capita GDP are not well credited in the HDI rankings. This is anomalous, these days, when we consider the relative insignificance of income measures in the MDGs, their lower place in the Human Poverty Index for wealthy countries (HPI-2) and their complete absence in the Human Poverty Index for developing countries (HPI-1).⁶ In other words, the HDI now gives more weight to income than do the other important and contemporary development measures. This effectively reverses the position of 1990. Money measures tend to undermine the other ways communities can and do access decent standards of living, for example through control of indigenous land or free healthcare systems. A final reason to revise the livelihoods measure – for example by including measures such as nutrition, freedom from avoidable illness, economic participation rates and access to communications technology – is that the inclusion of a theme of ecological sustainability would sit uncomfortably with a measure that links development to gross income – in other words indiscriminate increased production and consumption.

Three additional themes could be considered, drawing on the additional ‘de facto’ themes of the UNDP reports from 1999 to 2008; the additional concepts would be social inclusion, human security and ecological sustainability (see Table 3). This would refine UI Haq’s project.

Social inclusion is a concept which allows inequality, marginalisation and exclusion to be counted. It is wider than the UNDP’s ‘de facto’ theme of gender equity, being able to incorporate racial equality and inclusive social welfare. The *Human Development Reports*, for more than a decade, have included indicators on income and gender inequality. Inclusion in the HDI of income, educational and health inequalities has already been argued (Hicks 1997). The extent to which welfare systems and access to health services is inclusive (that is, extends coverage to the entire population) might be added. I note that social inclusion has been chosen as the theme of a forthcoming Asian-Pacific *Human Development Report* (UNDP 2009c).

Human security is a concept developed by the UNDP (see UNDP 1994) and has been usefully linked to measures of refugees, internally displaced persons, and crime rates. Why not formalise this, too?

Ecological Sustainability - particularly at a time of heightened awareness of energy, climatic and resource crises – should not escape the attention of the human development paradigm. The MDGs have made an attempt to address this, in the seventh goal and through several associated indicators, and the World Wide Fund for Nature (WWF) has created its own measure of sustainability which combines high HDI with low carbon footprint (WWF 2006: 19; see also Moran et al 2008). The HDI is currently silent on ecological sustainability. Yet the *Human Development Reports*, for more than a decade, have included important ecological sustainability indicators such as (a) carbon dioxide emissions per capita, (b) biodiversity protection areas as a percentage of national territory and (c) percentage use of renewable energy (UNDP 1998: Tables 43, 44). By formalising and refining the UNDP's post 1999 themes an Enhanced Human Development Index (EHDI) could look something like that shown in Table 3, below.

	Concept	Old indicators	Possible new indicators *
1	To lead long and healthy lives	- life expectancy at birth	- Infant/maternal mortality * - HALEs (WHO)
2	To be knowledgeable	- adult literacy rate - gross enrolment rate	- adult literacy rate * - gross enrolment rate *
3	To access a decent standard of living	- real GDP per capita (PPP\$US)	- population nourished * - control of HIV and major diseases * - economic participation rates * - access to communications *
4	Social Inclusion	n.a.	- income inequality (Gini index)* - gender disparities (GDI) * - coverage of welfare systems *
5	Human Security	n.a.	- Refugee or IDP rates * - violent crime rate *
5	Ecologically Sustainable Development	n.a.	- CO2 emissions per capita * - protected areas as % land/sea * - % use of renewable energy *
* indicates measures that have been listed in UNDP Human Development Reports since at least 1999			

Conclusion

To sum up, the UNDP's Human Development Index (HDI) has had a great impact. The HDI is regularly referred to by economic liberal institutions - which normally promote the rival money measures - and indicators promoted by the UNDP's Human Development Reports now dominate the Millennium Development Goals (MDGs). The success of the MDGs, however, has overshadowed the HDI and made it look out-of-date. Indicators used by the MDGs range wider than those of the HDI, make less use of money measures and include the considerations of ecological sustainability and inequality. The fact that the MDGs are an incoherent mixture of human development goals and economic liberal methods does not help the HDI. An 'Enhanced' Human Development Index (EHDI) therefore seems desirable. This enhancement would best build on and complete the 'human development' project, in particular by maintaining its simplicity and conceptual clarity, and by making use of the best available evidence. Themes of social inclusion, human security and ecological sustainability, adopted informally since 1999,

could be formalised in an EHDI. After twenty years of the HDI and ten years of the MDGs I suggest a challenge has been presented to the UNDP to enhance its index, so that it can help drive a new international consensus on development, as it did in the 1990s.

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¹ I use the term 'economic liberal' here to refer to 'free market' *ideas* and 'neoliberal' to refer to open market *practice*. They are of course related but not the same, as the giant corporate monopolies that usually benefit from neoliberal practice, such as privatisation, hardly represent the idealised form of 'free markets'.

² For example, in 2008 the World Bank's global poverty figures had to be revised upwards by four hundred million, largely because of errors in estimating living costs in China (World Bank 2008). This, and the non-correlation of World Bank poverty estimates with national poverty rates, helped undermine confidence in the 'dollar a day' poverty measures.

³ Important input to the MDGs came from the Washington-based Millennium Project, led by US management consultants Jerome C. Glen and Theodore J. Gordon. They had both worked for the US government.

⁴ For some reason, 'human security' was changed to 'personal security' in the UNDP's 2007-08 report

⁵ I hesitate to refer to a revised index as an 'Enhanced HDI', conscious of parallels to the IMF's earlier 'Enhanced Structural Adjustment Programs'. However it is a name just for the purpose of this argument.

⁶ The HPI-1 measures low life expectancy, illiteracy, malnutrition and lack of access to clean water.