

# Overview

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// Long years ago we made a tryst with destiny, and now the time comes when we shall redeem our pledge, not wholly or in full measure, but very substantially. A moment comes, which comes but rarely in history, when we step out from the old to the new, ...”

“The achievement we celebrate today is but a step, ..., to the greater triumphs and achievements that await us. Are we brave enough and wise enough to grasp this opportunity and accept the challenge of the future?”

“That future is not one of ease or resting but of incessant striving so that we may fulfil the pledges we have so often taken and the one we shall take today. The service of India means the service of the millions who suffer. It means the ending of poverty and ignorance and disease and inequality of opportunity. ... We have to build the noble mansion of free India where all her children may dwell.”

“The future beckons to us. Whither do we go and what shall be our endeavour? To bring freedom and opportunity to the common man, to the peasants and workers of India; to fight and end poverty and ignorance and disease; to build up a prosperous, democratic and progressive nation, and to create social, economic and political institutions which will ensure justice and fullness of life to every man and woman. //

**Jawaharlal Nehru**

*Tryst with Destiny.*

*Address to the Constituent Assembly.*

*New Delhi, August 14 and 15, 1947.*



The National Human Development Report-2001 is an attempt to map the state of human development in the country. The quality of life and the level of human well-being, in terms of changes in a range of indicators, have been tracked across States at different points of time over the last two decades. The choice of indicators has been governed by the need to evaluate the development process in terms of its overall impact on the quality of life and the standard of living of people. There has been, in recent years, a conceptual broadening in the notions of human well-being and deprivation. The notion of well-being has shifted away from just material attainments, or the means for development, to outcomes that are either desirable in themselves or desirable because of their role in supporting better opportunities for people. Similarly, poverty is viewed not only in terms of lack of adequate income, but as a state of deprivation spanning the social, economic and political context of the people that prevents their effective participation as equals in the development process. This has resulted in a renewed focus on development indicators in the area of education and health attainments — critical for capacity building — and other social and environmental consequences that have a direct bearing on the state of well-being.

There is, today, a broad-based consensus to view human development in terms of, at least, three critical dimensions of well-being. These are related to longevity — the ability to live long and healthy life; education — the ability to read, write and acquire knowledge; and command over resources — the ability to enjoy a decent standard of living and have a socially meaningful life. The exact measurement of these dimensions in terms of the specific indicators which are used cannot be value-neutral, and need to reflect the specific socio-cultural conditions that prevail in a particular country at a specific period of time. The Report identifies contextually relevant indicators that not only reflect the prevailing social values, but also the common development priorities of the States on each of these dimensions. There are indicators that capture the process of accumulation in the attainment(s) over time, as well as indicators that are more sensitive in reflecting changes in attainment levels at more frequent intervals of time. Such a mix of indicators on various dimensions of well-being facilitates inter-temporal analysis and improves the policy sensitivity in the summary measures. From among these indicators, a core set of composite indices, namely the Human Development Index (HDI) — reflecting the state of human development for the society as a whole — and the Human Poverty Index (HPI) — capturing the state of the deprived in the society, have been estimated for the early eighties and the early nineties for all the States and the Union Territories. These indices have been estimated, separately for rural and urban areas, in order to reflect the considerable disparities in human development that exist between the two regions. For selected major States, for which the data is available, the HDI has also been estimated for 2001. In addition, a Gender Equality Index (GEI) has been estimated to reflect the relative attainments of women as against men for the early eighties and early nineties.

Development process has to be ultimately assessed for impact on quality of life and human well-being.

## State of Human Development in India

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Overall, human development as reflected in the HDI has improved significantly between 1980 and 2001. At the national level, during the

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Significant overall improvement in human development in last two decades; wide disparities across States.

eighties the index has improved by nearly 26 per cent and by another 24 per cent during the nineties. There has been an improvement both in rural, as well as in urban areas. Though the rural-urban gap in the level of human development continues to be significant, it has declined during the period. Inequalities across States on the HDI are less than the income inequality as reflected in the per capita State Domestic Product.

At the State level, there are wide disparities in the level of human development. In the early eighties, States like Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan and Orissa had HDI close to just half that of Kerala's. The situation has improved since then. Besides Kerala, among the major States, Punjab, Tamil Nadu, Maharashtra and Haryana have done well on the HDI. In general, HDI is better in smaller States and Union Territories. In terms of the pace of development, Tamil Nadu, Rajasthan, Madhya Pradesh, West Bengal and Bihar improved their HDI significantly in the eighties. However, in the nineties the momentum was maintained, from among these States, only in case of Rajasthan, Madhya Pradesh and Uttar Pradesh.

It turns out that the economically less developed States are also the States with low HDI. Similarly, the economically better off States are also the ones with relatively better performance on HDI. However, the relation between the HDI and the level of development does not show any correspondence among the middle-income States in the country. In this category of States, some States like Kerala have high attainments on HDI, at the same time; there are States like Andhra Pradesh or even West Bengal where HDI values are not as high. Allocation of adequate public resources for furthering human development alone is not enough. It is equally important to use them efficiently and effectively. Human attainments appear to be better and more sustained in those parts of the country where there is social mobilisation for human development, and where female literacy and empowerment encourages women to have a say in the decision making process at the household level.

## Status in Gender Equality

Slow improvement in gender equality in the eighties.

The index of gender equality measuring the attainments in human development indicators for females as a proportion of that of males has improved, but only marginally, during the eighties. At the national level, GEI increased from 62 per cent in the early eighties to 67.6 per cent in the early nineties. This implies that on an average the attainments of women on human development indicators were only two-thirds of those of men. At the State level, gender equality was the highest for Kerala followed by Manipur, Meghalaya, Himachal Pradesh and Nagaland in the eighties. Goa and the Union Territories, except for Delhi, had gender equality higher than the national level. In the nineties, Himachal Pradesh had the highest equality, whereas Bihar was at the bottom and witnessed a decline in absolute terms over the earlier period.

In general, women were better off in the Southern India than in the Indo-gangetic plains comprising mainly the States of Bihar and Uttar Pradesh. States like Tamil Nadu and Andhra Pradesh in the south and Haryana and Jammu & Kashmir in the north have made considerable

progress in improving the status of women vis-à-vis men on the human development indicators. States that have done well in improving their female literacy levels are also the ones that have substantially improved their gender equality. On the whole, gender disparities across the States have declined over the period.

## Status in Human Poverty

Human poverty on the HPI has declined considerably during the eighties. The decline was from nearly 47 per cent in the early eighties to about 39 per cent in the early nineties. The decline has been marginally more in rural areas in comparison to urban areas, resulting in a narrowing down of the rural-urban gap. At the national level, the magnitude of human poverty on HPI and the Planning Commission's head count ratio anchored in a food adequacy norm are comparable. However, in terms of the rural and urban incidence, as well as at State level, there are considerable variations. The rural-urban ratio for the proportion of the poor on the HPI is nearly twice as high as that on the head count ratio of poverty. Given the conceptualisation of HPI in terms of the broader aspects of deprivation, covering accessibility to basic minimum services, such large differences in rural and urban areas imply that the availability of basic amenities that are virtually taken for granted in urban areas are, in fact, quite scarce in rural areas.

The inter-State differences in human poverty are quite striking. It was in the range of 55-60 per cent in the early eighties for the worse off States, namely, Orissa, Bihar, Arunachal Pradesh, Assam and Uttar Pradesh, and between 32-35 per cent in the better off States like Kerala, Punjab and Himachal Pradesh. It was only in the smaller, predominantly urban areas of Delhi and Chandigarh that had an HPI in the range of 17-20 per cent. The magnitude of HPI in early nineties had declined in all the States. However, the relative positions of different States remained quite similar to the earlier period. The decline in HPI was significant in case of Himachal Pradesh, Tamil Nadu, Maharashtra, Jammu & Kashmir, Karnataka and Kerala. In case of Bihar, Uttar Pradesh and Rajasthan, the decline was only marginal.

In addition to the indicators that have been identified and used in building the core set of composite indices, for a country like India there are always issues and concerns that have a direct bearing on the well-being of people at local level and, therefore, need to be included in any meaningful framework for evaluating development. The compilation of indicators in the Report covers such aspects of social environment that influence individual and collective well-being. This includes indicators on the state of the elderly, the working children, the disabled; and violence and crime against women. Besides, physical environment also has a bearing on the quality of life. Accordingly, selective environment indicators have also been included.

The indicators on these other aspects of the social and physical environment of the people have implications for the process of development, for planning and policy formulation, and for building broad based evaluative standards for assessing the process of change. More importantly, they have a direct bearing on the issue of governance for human development and have

Considerable decline in human poverty, inter-State differences, however persists.

Efficient and effective governance is critical for improving the pace of human development in the country.

to be, therefore, kept in view while setting the agenda for improving governance in the country.

Augmentation in a country's resources and its material means is but one of the essential steps towards achieving human development. Equally important, is the process of transforming these means into valued outcomes. A critical element in this process is the quality of governance. As a process of intermediation, it touches almost all aspects of an individual's and collective social life. With substantial public and private resources being made available, particularly in the developing countries, to support strategies for human development, there is a concern that every bit of the effort should yield better results. This is possible when the processes that support such outcomes become more efficient and effective. The Report presents an alternative framework for conceptualising the issue of governance with the objective of taking the issue beyond the stage of prognosis. It also highlights the area of emphasis along with relevant instruments that need to be pursued for improving governance in the country.

The Report has seven chapters including the Overview. Chapter 2 outlines the concept, methodology and the core indices. It also presents State-specific development radars giving a snapshot view of development in respect of eight different indicators. A closer look has been taken, in terms of indicators and some issues, on different dimensions of well-being. Chapter 3 discusses indicators on economic attainments and well-being. This is followed by indicators on educational attainments in Chapter 4. Health attainments and demographic concerns are covered in Chapter 5. Indicators on the social and physical environment that have a bearing on well-being and quality of life are covered in Chapter 6. Governance for Human Development is the issue discussed in Chapter 7. There is a brief Technical Appendix summarising the methodology used for building the composite indices. The assumptions that have been made to fill gaps in the database used for the Report have also been discussed. A detailed Statistical Appendix covering data on nearly 70 distinct indicators at State level and in terms of the rural-urban and gender dimensions, where available, is presented at the end.