



CHAPTER ONE

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SUSTAINABLE HUMAN DEVELOPMENT IN THE LEBANESE CONTEXT

A. Sustainable Human Development Concept: a Definition

Since 1960, the world went through three development decades in which economic growth was the central and driving idea. During this period, countries experimented with different growth models. These varied between two extremes. The first, statism, which exaggerated the role of the public sector and the state in economic and social life to the extent of sometimes stifling the process of development itself and confiscating the independence and initiative of civil society. The second, the liberal extreme, gave free reign to market forces and reduced the role of the state and the public sector greatly.

A wide range of models sprang between these two extremes, especially in the developing countries. But the dominant tendency was in favor of the free-market system, which gained ascendancy in the 1980s, with the belief that economic growth was sufficient by itself to improve the well-being of people and to ensure progress of societies becoming firmly rooted.

Notwithstanding considerable progress achieved in the past, a number of questions and issues remain unanswered:

- Why did poverty in the world increase, and the gap between the rich and the poor widen, both between and within countries, despite the multiplication of world output by several times ?
- Why did scientific and technological progress fail to prevent pollution of the environment and the squandering of resources? and,
- Why did people in many parts of the world remain far from being well-off and happy?

To provide answers to these and other similar questions, the concept of '**sustainable human development**' emerged as an alternative to approaches to development that do not have people at the center of their attention.

The new concept emphasizes the need to improve the quality of life and to have people at the center of the

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development process. This new conception has evolved as a result of efforts by a large number of researchers drawing on the development experience in different parts of the world. It has been highlighted in the annual *Human Development Report* which the United Nations Development Programme (UNDP) began publishing in 1990. This development came in response to the social and developmental problems afflicting contemporary societies, which necessitated reversing the equation concerning the relation between economics and people to consider the latter as the end which economics must serve.

According to the UNDP Administrator, Mr. James Gustave Speth, "**sustainable human development is development that not only generates economic growth but distributes its benefits equitably; that regenerates the environment rather than destroying it; that empowers people rather than marginalizing them. It gives priority to the poor, enlarging their choices and opportunities and providing for their participation in decisions affecting them. It is development that is pro-poor, pro-nature, pro-jobs, pro-women and pro-children**".

Sustainable human development can, therefore, be defined as "**the enlargement of people's choices and capabilities through the formation of social capital so as to meet as equitably as possible the needs of current generations without compromising the needs of future ones**."

The concept considers people to be the real wealth of a nation, and that human development is a process of enlarging people's choices. Of critical importance is the choice to lead a long and healthy life, to be educated and to have access to resources needed for a decent standard of living. Human development, however, goes beyond that to include political, economic and social freedom; to guarantee human rights and personal self-respect; and, to provide opportunities for people to be productive and creative. Human development, then, is not development of human resources but a human orientation to development. It denotes both the process of widening people's choices and the level of their achieved well-being.

The concept and related approaches, analytical methodologies and procedures represent a comprehensive and composite model, the components of which cannot be considered in isolation from each other. Sustainable human development is concerned with both means and ends; it considers results and causes, and the phenomena and the structures generating them. Its approach and methodology go beyond sectoral concerns and offer an integrated analysis and comprehensive strategies for action.

The model combines a forward-looking vision and conception having humane and philosophical dimensions, with practical plans and programmes that address problems and needs in the context of an integrated and comprehensive long-term perspective. It is based on grassroots participation that stems from the willingness and conviction of people to participate freely in shaping their present and future.

Human development is thus sustainable to the extent that it stems from people's choices, respects diversity and multiplicity, achieves justice and equity, and embraces participatory methods and approaches.

B. Comparison of the Conventional and New Development Perspectives

The conventional attitude to development is predicated on a philosophy of progressive growth in production in which people are approached as a resource and a means to achieve this growth. This perspective has contributed to activate progress to the benefit of the economy and some people. It is based essentially on scientific and technological progress, and its different applications in the areas of production, management, distribution, marketing and promotion. The conventional development model has led to the achievement of unprecedented production levels and development, though concentrated mainly in the industrialized countries. It has also led to the control of nature by people and their exploitation of natural resources without due accountability.

These developments have also produced a radical transformation in production methods and processes and in resource use. These were brought about by the rapid acquisition and exploitation of information technologies, which altered the structure of employment and confronted workers, people and countries, especially developing ones, with serious problems and disguised unemployment.

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The conventional pattern of development led countries and societies to embark on a race to achieve higher and ever-increasing levels of material and economic growth. Concern with development was confined to the achievement of higher economic growth rates to the neglect of income distribution effects and the equitable sharing of benefits (the social bill), and disregard to the utilization of natural resources and the need for their constant renewal (the environmental bill).

Development based on the maximization of material growth resulted in problems that varied in intensity between rich and poor societies:

- Advancement of some at the expense of others, due to the expansion in the scope of monopolistic practices, which led to the rise in the proportion of those unable to catch up, thus aggravating the risk of social disruption.
- Negative impact on countries where modern technology and production methods, and the products they helped to produce, were introduced suddenly and rapidly, thereby disrupting balance in their demographic, economic and social structures.
- Impoverishment of nature and exhaustion of its resources as a result of irrational exploitation and neglect to renew them, which increased poverty and affected the quality of life.
- Quantitative and material progress at the expense of qualitative and human progress.

The overall outcome of the conventional development pattern appears to be an increasing difficulty - if not, almost impossibility - to maintain higher growth rates or to achieve social justice and equity in distributing its benefits.

Proposed changes to the objectives of the conventional development model to arrive at the sustainable human development model

Objectives of current model	Objectives of proposed model
<ul style="list-style-type: none"> ▪ To achieve economic growth and development at an accelerated rate. ▪ To ensure continuity of growth. ▪ To ensure the maximum possible control by people over nature and the environment. ▪ To link organization and management with efficiency in achieving growth. ▪ To mobilize all means in the service of the economy. ▪ To mobilize education and information, and social activity in the service of economic growth. ▪ To develop the type of personality which can produce efficiently. ▪ To link urbanization with developing the material basis of life. ▪ To promote citizenship based on conflict of rights. ▪ To emphasize the individualistic traits in the development of the human personality. 	<ul style="list-style-type: none"> ▪ To promote human development as the end result of development; and to give priority to qualitative over quantitative progress. ▪ To restrain the notion of growth and link it to ensuring the well being of everyone. ▪ To protect nature and sources of life. ▪ To utilize organization and management as civilized tools to ensure development and rights for all. ▪ To promote and guide the economy to serve human development. ▪ To free education and information and to promote their capacity to develop social identity. ▪ To develop the type of personality that is independent, responsible and productive. ▪ To promote urbanization as a civilized expression of human progress. ▪ To promote citizenship based on equal opportunities and increased participation. ▪ To promote independence in the framework of cohesive social relations.

This brings up the need to reconsider the prevailing notion and priorities of development, and to re-define its orientation to move from the multiplicative, growth-oriented and monopolistic perspective to a human and long-term development perspective, with emphasis on strengthening the relations between, on the one hand,

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individuals and society and, on the other, resources and the environment, within a framework of civil rights and citizenship.

The sustainable human development model introduces basic modifications and re-emphasizes the following four axes:

First: To consider people as the focal point in their relation with the land, society and the environment, with a view to enabling them to improve the quality of their lives and to enrich their intrinsic human value.

Starting from this premise, the approach to development is re-examined at three levels :

- Social relations: to deal with the causes and forms of subordination and exploitation and to help individuals and groups enter into social-societal relationships on the basis of agreement and mutually recognized rights.
- Development: to organize it on the basis of people's needs, culture, values, aspirations and common interests, and to be linked with sustainability of the environment.
- Current economic and consumption patterns: to emphasize scarce human and natural resources over material progress, and to promote common interest and stability of society and environmental balance.

Second: To incorporate democratic and participatory practices in the management of public affairs, and in decision-making relating to the planning, organization and implementation of development projects and welfare activities.

This course provides the operational approaches for building the social fabric which embodies the ability of the group to make decisions and control its destiny within a cohesive social framework; this requires focus on :

- Existence of good governance and an efficient public administration, a system of political and administrative responsibility and accountability, and decentralization of authority.
- Existence of a political and legal system, the rule of law, and a just, independent and effective judicial system.
- Existence of legislation to protect human rights and public freedom.
- Existence of an active civil society that commits people to development and enables them to participate effectively in its planning and execution, by way of control, responsibility and accountability.

Third: To adopt just and impartial strategies and policies, i.e. to provide equal opportunities for all. Ensuring justice could mean that the structures of authority, be it political or economic, may have to be reconsidered, which will require measures of the following kind:

- Elaboration of balanced economic strategies and policies with respect to sectors, regions and groups, with a fair distribution of budgetary allocations; and the adoption of growth strategies taking into consideration the following four conditions to render growth more responsive to people's needs:
 - Emphasis on investment in education and health to enable people to participate in and benefit from growth.
 - A more equitable distribution of productive assets and of benefits of growth, especially in the agricultural sector.
 - Adoption of social policies which guarantee social security for all.
 - Adoption of productive employment policies.
- Redistribution of income by tax policies that reduce the gap between the poor and rich.
- Reform of the credit system, taking into consideration the needs of the poor.
- Provision of equal political opportunities by reforming the electoral system.
- Abolishing legal and social restrictions which inhibit access by women and minorities to some of the political and economic decision-making centres.

Fourth: To deal with the environment as a basic source of life, welfare and sustainability.

According to this approach, the impoverishment of the environment is an impoverishment of all people. It suggests a dimension of poverty that results from deterioration in the quality of life to which all societies and humanity aspire. Such an objective may not be achievable under existing patterns where natural resources are exploited to the extent of depletion, with harmful effects to the ecological and environmental equilibria. Any disruption to these balances causes harm to people, society and nature to an extent that could threaten the continuity and quality of life of future generations.

This dimension implies the need for a shift in the means and methods employed in dealing with natural resources. This shift should embrace all levels, whether concerned with economic and development policies or with prevailing values and mode of thinking; to replace the exploitative patterns by long-term investment patterns that enrich and replace resources. Such a shift would encompass the means of production and geographical and social distribution patterns as well as prevailing consumption patterns.

C. Issues Raised in Connection with the Sustainable Human Development Concept

1. National development options

The new concept proposes an alternative development model to replace the one-sided and non-sustainable conventional models. In this respect, it differs by its critical assessment of the prevailing economic structures and relations at the international and national levels; and of existing structures and relations of power and authority. In the prevailing international context, criticism centres around the following aspects :

- The prevailing liberal economic philosophy, especially extremism in adopting the notion of free markets and economic legislation, without consideration of its social consequences.
- The inequitable and unjust relations between North and South, and the rules and conditions of international trade and structural adjustment policies for their high economic, social and human cost to developing countries.
- Power and authority relations at the international level stipulating democracy, transparency and participation as political and social prerequisites and basic ingredients of the development process.
- Prevailing value systems and inadequate proposals of alternatives to restore respect to human dignity, solidarity, voluntary social work, and to put a limit on extreme individualism, and to reconsider the extravagant consumer life styles destructive of the environment and of natural resources.

This critical dimension gives the sustainable human development concept a real existence in time and place, as it interacts - in conflict or agreement - with notions, systems and programmes governing the contemporary world. The question remains, however, whether this critical dimension can be reflected in practice in attitudes and actions faced with prevailing development options ?

The liberal economic notion, on which present growth models and structural adjustment programmes are based, emphasizes the existence of a structural crisis in the public sector and in state models of economic management. It does not, however, admit that there is also a crisis in the market itself and in the relation between scientific and technological progress, on the one hand, and society and the environment, on the other. In contrast, the sustainable human development concept is predicated on the recognition that such a three-dimensional crisis exists, i.e. a crisis of the market, science, and the state, and suggests comprehensive alternatives on that basis.

The theoretical and practical issues raised by the concept of sustainable human development are not confined to the global level, but are also raised at the national level. In practice, however, the issues are not that clear-cut. Thus, it can be observed that despite the critical stance adopted with respect to the way the mechanisms of the world economy and structural adjustment policies function, this is not evident in an explicit and tangible manner in positions regarding national policies affected by these mechanisms. In practice, it is found that proponents of the sustainable human development concept quite often shun from translating their ideas into growth options and alternative macro-economic policies. They behave in effect as if their concern was confined to the social aspects of development in its narrow and local connotation. This contradicts the essence of the concept which recognizes the importance of the two levels and their inter-connection. The failure to translate the notions and approaches embodied in the concept into practical steps would justify claims that the concept of sustainable human

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development is nothing but a utopian philosophy which is not amenable to translation into economic choices and realistic national growth options; and, that at best it can only modify these to give more attention to the human and social aspects.

2. The attitude towards the state and sovereignty

There are two aspects to globalization. The first is factual, in the sense of being a manifestation of the universality of some issues (the environment in particular), and the globalization of the economy, culture, mass communications and information. The second is willful, and is manifested in particular in the attempt to consolidate decision-making at the apex of the global pyramid.

Faced with these factual transformations, the boundaries and sovereignty of states, in their legal-constitutional interpretation, lose much of their functions and effectiveness. States are also exposed to strong pressure by the centres of international decision which constrains their margin of independence and ability to choose their own growth and development path.

The concept of sustainable human development is critical of this situation. It considers globalization as it has evolved until now to be deficient. Whereas globalization has progressed considerably and evolved its own instruments and mechanisms, the contemporary world does not have a universal political and social administration with its own effective institutions. Hence, the inequality which exists in the sphere of international relations, and the subordination of international decisions and institutions to the interests of the stronger party.

However, sustainable human development is also a universal concept. It calls for the adoption of unified international principles and standards to evaluate international and national policies; it does not equate between governments (and their policies), and between people (and their interests). Hence, its denial of governments persecuting their people under the pretext of exercising their sovereignty within their recognized geographical boundaries.

While this position may appear to be justified from the point of view of principle, in its application, it assumes dimensions that remain open to discussion and objection. To accept giving an international party such a right in the absence of democratic mechanisms that provide for effective participation at the global level, means giving the stronger side in the world system, and the dominant cultures, the right to determine what is in the interest of one country or another. This represents a real risk.

It should also be added that the literature advocating the new concept does not distinguish in practical applications between governments, and between states and countries being national and geographical entities having historical and symbolic dimensions of their own, which are embedded in people's conscience, and which constitute the main framework within which social interaction and decisions regarding the present and future are taken. Therefore, generalized talk about discarding the notion of the sovereign state, and recognizing all sorts of social, ethnic and tribal formations, admitting the right of cultural, religious and sectarian multiplicity, etc., and recognizing the right of self-determination for the various factions on this basis, becomes questionable.

Failure of the concept of sustainable human development to be differentiated at this level threatens to transform it into another tool of globalization in its present deficient form. Harmony with the essence of the concept implies the need to recognize the particularity of the nation-state formation and its great significance for development, especially in developing countries. It requires a deeper understanding of the role of the state (being the primary institutional apparatus for the management of society) in this operation and a clear differentiation between the state and the public sector, avoiding to reduce it to the latter. It is also essential to refrain from applying ready-made prescriptions to determine, in isolation from the specific characteristics and features of each country, what should be the role of the public, private and civil sectors in development.

3. Human development and the cultural dimension

The cultural dimension of sustainable human development is still not adequately developed. Reference to this aspect is often made under such labels as traditions and values, and cultural systems specific to a society, that

should be observed in determining development options appropriate for that society.

This approach embodies a basic argument for refusing the idea of a single development model and pattern for all countries to follow. This is because sustainable human development is development which is in harmony with traditions and historical characteristics, and one that draws on these features to determine the appropriate development pattern for each society. While this is a sound approach, the following reservations should be borne in mind:

- Sufficient effort has not yet been made to define what is meant by culture and the cultural dimension in the context of the new concept. There is also a tendency in some of the literature to reduce this dimension to one of its components (e.g. traditions, religion), to the exclusion of other important aspects.
- The risk of slipping into anthropological comparison to distinguish essentially between two types of societies: modern and traditional, from which to proceed and try to justify any type of choice on grounds of specificity.
- In the absence of democratic and participatory mechanisms at the level of international relations, and unequal opportunities in the sphere of information and cultural capabilities, there are no safeguards against cultural domination by the parties with the stronger production and dissemination capabilities.

In summary, it can be stated that the cultural dimension in the sustainable human development concept needs further clarification at both the international and national levels.

D. Issues in the Lebanese Context

Lebanon is going through a phase of reconstitution following a long war. The terminology being used to describe the content of the operation underway covers political, economic and social aspects, and refers to: building the state, reconstruction, economic recovery, rehabilitation of the infrastructure, consolidating national unity, etc. The purport of these terms varies from the wishful and emotional intent, to the formulation of new legislation, to economic projects, and to plans and projects to rehabilitate the infrastructure and institutions.

In what follows, an attempt is made to examine the extent to which the national development option is in harmony with the methodology and substance of sustainable human development. The immediate purpose of this exercise is to assess the epistemic and critical dimensions of this concept and their relevance for evaluating the Lebanese development experience, and to find the distinctive aspects on which this concept sheds light compared with conventional approaches.

1. Strategy and priorities

The war resulted in enormous problems, the effects of which extended into the economic, social and cultural domains, affecting both infrastructure and institutional capabilities. The war also caused an aggravation of the structural imbalances that existed before 1975 (and which were among the factors that led to the outbreak of the crisis). The many and complex issues put different claims on the strategic options for the country's recovery and the priorities of action.

There is general agreement on the absolute priority to consolidate national authority and to build civil peace. To achieve the reconstruction and development of the country, there are different options which have been subject of debate.

Among the possible alternatives, one option accords priority to achieving high levels of economic growth and to rapidly raising productivity. There is strong emphasis on financial and economic frameworks and capacities, infrastructure development, and science and technology. Under this option, it is generally considered that economic growth will ultimately result in resolving social problems.

Another option puts forward the human dimension of development under sustainable development policies and more moderate economic growth. Maintaining strong economic fundamentals, designed to meet broader socio-economic goals, the aim is people-centered development providing universal access to resources and

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services and creating opportunities to fully utilize human potentials. This option accords priority to systems and capabilities, and highly values participatory development and a strong process of social capital formation. Under this option, it is attempted to create a mutually reinforcing relationship between economic growth and human development.

2. Social content of the adopted option

The social content of the development option can be defined by means of two criteria: the first relates to the substance of agreed programmes and projects, and the identity of the beneficiaries; the second relates to the share of various social factions in financing development and its burdens, and the manner of distributing its benefits among them.

This issue can be examined from more than one perspective. For example, projects of infrastructure are beneficial to all Lebanese citizens, in that they provide a minimum of primary and basic services needed to improve the quality of life, as well as for undertaking economic activity and increasing production. The issue becomes more complicated when it comes to the nature of the economic and social options that development stimulates, the distribution of its benefits among various population categories and regions, and its social impact.

The basic issue remains knowing whether or not the programmes adopted respond to critical needs such as alleviation of poverty, enabling and empowering women, creating productive employment opportunities. In this connection, a distinction ought to be made between the relatively short time needed to complete projects of infrastructure, and the much longer time required to achieve progress on the social front; hence, the relatively "transient" nature of the priorities accorded to projects of infrastructure.

The Human Development Report (1996), commenting on the stabilization and structural adjustment programmes of the World Bank and the International Monetary Fund, states that "these policies often balanced budgets by unbalancing people's lives". The question here becomes whether the general criticism is also applicable in the case of Lebanon.

There is no doubt about the importance of containing the deficit in the general budget, and the implications this could have on dealing with living conditions and development problems. The question that arises is whether this reduction should be brought about by taxing the present generation, disposing of assets, and/or long-term borrowing. In this context, a basic issue relates to tax policy and the extent to which it is able to reconcile the aim of attracting foreign capital and investment - by lowering taxes on profits and offering other facilities - with redistributing income more equitably and reducing social disparities, without burdening the poor and middle class unduly?

3. Supporting environment

Development is a comprehensive and long-term process. Hence, any disaggregation, be it sectoral or temporal, should only be carried out in the context of an integrated strategy and vision. From this perspective, the success of development, or even sectoral plans, is inconceivable in the absence of an environment supportive of sustainable human development. The following elements of such environment may be emphasized.

- A suitable political environment (democracy, transparency, accountability, participation, alternation of authority, etc.).
- A legislative environment favorable to development with emphasis on the principle of the sovereignty of law, continuity and stability of legislation, and the formulation of laws to help orient development in the desired direction.
- An administrative and institutional set-up at the national and local levels capable of implementing development plans in an effective, impartial and honest manner, and constituting a channel for genuine participation.
- A supportive cultural environment with a basic role for the information media and the school, in addition to prevailing patterns and value systems.

4. Sustainability

This issue has four dimensions. The *first one* relates to economic issues, including transfer of technology and productivity growth; the relationship between poverty and development, and the need for an appropriate poverty alleviation strategy; and, financial resources for development. With respect to the latter, there is the issue of the public debt, both internal and external, which constitutes the main source of financing the ongoing development effort. In the present circumstances, it is difficult to conceive development without resorting to borrowing. Questions which arise then concern the ability of the country to sustain the burden of debt, and its impact on future generations who will have to service and repay the debt. The real issues relating to debt boil down to proper management of the public debt, keeping it within limits enabling the authorities to retain control over it and to repay it from the returns of growth which it is supposed to generate.

The *second dimension* relates to the manner of managing the country's natural resources and environment. Management has been generally characterized by considerable losses and waste, threatening the depletion and destruction of some resources, and creating problems by depriving people from enjoying these natural resources on equal basis. Critical aspects of sustainability of natural resources in the environment relate to efficiency of resource use; sharing the burden of managing global resources; saving (enough) for the future; etc.; and, imply improved land and water management, reforestation, pollution abatement measures, support for biodiversity and protected areas, and sanitary services for all, etc.

The *third dimension* concerns social aspects and involves issues of human resources development, including population, demography and health, education and employment, and housing and human settlements. One specific issue pertains to the growth rate and patterns of urbanization, and its relationship to development; in this connexion, further concentration of population in already crowded cities and in compounding environmental, social and urban problems, is of particular importance.

The *last dimension* concerns institutions and comprises the roles of the public and private sectors, including privatization, the structure of government and decentralization, and the efficiency of the administration.

5. The mechanism for formulating development policies

The sustainable human development approach implies a close link between the mechanisms used for drawing up development strategies and the content of the development process - from the definition of needs to making decisions and implementation. Often, the mechanisms employed reveal the true aims of a development option. If the objectives and programmes are truly developmental and respond to the needs of a broad segment of the population, then transparency and participation in making decisions will be an element of strength, enrichment and success of the proposed programme; the opposite being also true.

The distinctive approach of the sustainable human development concept draws attention to the need to ponder the mechanisms used in elaborating overall and sectoral policies and plans of economic recovery and reconstruction. This includes knowing how requirements and priorities are defined, where decisions are made, who is responsible for execution, and whether there is really transparency with respect to information related to the plan. The aim of these queries is to help find the means for involving the various forces in society - the government, private sector, and the civil society - in shouldering the responsibilities of development.

6. Concluding observation

The above represent an example of the issues that the concept of sustainable human development evokes in the Lebanese context. However, it is worth to point out that this type of approach for evaluating the development process is not common in Lebanon. It can be stated in general that the debate, whether supportive or not, and the policies and plans being implemented, has been marked by traditional approaches, most often confined to narrow economic considerations, and which have remained captive of sectoral or technical perspectives.

The purpose of the discussion in this section was to establish that the sustainable human development concept and its distinct approach constitute an instrument of learning and a useful analytical framework in the Lebanese

context; and that they also help to raise questions that traditional approaches tend to gloss over or neglect. They also help to provide alternative options. As for actual answers, these must ultimately be the outcome of a collective intellectual and pragmatic endeavor.

E. The Human Development Index and the Lebanese Context

UNDP has been publishing since 1990 an annual report titled: *Human Development Report*; of which seven issues have so far appeared. The annual *Human Development Report*, although not the first to take up the subject of human development, made a basic contribution by enriching the concept and discussion, and giving it an unprecedented dissemination world-wide.

These reports are similar with respect to their aims and overall orientation. A constant feature in the reports is the detailed statistical tabulations covering various aspects of human development. There are more than 200 different types of data extending from the state of health and education to economics, environment, the social fabric, etc., classified in illustrative tables and covering more than 170 countries. This information is used to derive numerical indicators to compare achievements in different countries, and to prepare the basic statistical table that gives the *human development index* (HDI) and its components, where countries are ranked according to a composite index that combines three basic indicators: life expectancy, educational attainment and income.

The contents of the report, however, are not restricted to the presentation of statistical tables. There is also an analytical part concerned with major developments relating to the concept of human development, and the main problems and achievements in the field.

1. Improvements to the index and its measurement

The annual *Human Development Report* constituted the first comprehensive attempt to measure achievements in development expressed in terms of numerical indicators that permit inter-country comparisons. Despite the reservations expressed on the use of such indicators to measure sustainable human development, the step was considered necessary to enlarge the scope and means that were being used, and which were limited to gross national product (GNP) or gross domestic product (GDP) series, and per capita shares in these aggregates. The report introduced the HDI which combines life expectancy, educational attainment and income indicators to give a composite measure of human development.

The reports have also helped to stimulate competition between countries to try and achieve new development objectives, instead of concentrating on the accumulation of wealth without any consideration as to how it is being used. They have also stimulated discussion at the national level of the development options being pursued, and the need to explore other alternatives that are more appropriate to the material and psychological needs of people.

There is no doubt that the human development reports - by their emphasis on putting people at the center of development, and rehabilitation of the social and human dimension - have also helped to persuade many countries and institutions to give these aspects the importance they deserve. These concerns found expression in the World Summit for Social Development (Copenhagen, March 1995), where UNDP, and the *Human Development Reports*, made a significant contribution which was recognized during the Summit itself and in the follow-up to its resolutions.

The Human Development Reports, 1990-1996

The *first report* (1990) focused on elaborating the concept of human development and on highlighting differences between this concept and mere indicators of economic growth. Its conclusions served to emphasize that the human development index was different from income indicators; and that two countries having the same level of income can occupy different positions on the development scale. The report also stressed the importance of a conducive external environment for achieving human development.

The *second report* (1991) tried to answer the question whether it would be possible to reconsider the allocation of resources in line with the requirements of development, and if political management has a major role to play in this connection. The report also tried to introduce a measure for freedom and human rights to be incorporated in the HDI.

The *third report* (1992) considered the international economic environment and concluded that there is need to improve the terms on which the weaker partners engage in international trade and finance. It put special emphasis on the widening gap between the industrialized countries and the developing countries with respect to income and wealth, and their ability to take advantage of the opportunities offered by international trade and the global economy.

The participation of people as a condition for the success of development was stressed in the *fourth report* (1993), which also suggested a number of features that should characterize political life especially: democracy, transparency, decentralization, and promoting participation by the civil society as a full partner in development decisions and implementation.

The publication of the *fifth report* (1994) coincided with the preparations to convene the social summit (Copenhagen, March 1995). The report introduced the concept of social security and focused on the major social problems confronting the world including poverty, unemployment and social disintegration, that were on the agenda of the summit.

The main theme of the *sixth report* (1995) was gender equality, on the occasion of the International Conference on Women (Beijing, September 1995).

The *seventh report* (1996) explored the link between economic growth and human development. It pointed out that while a number of countries have benefited from economic growth to improve the human development situation, in a large number of other countries the situation has deteriorated. The report revealed the widening gap between rich and poor nations, and argued for avoiding growth models which it described as jobless, ruthless, voiceless, rootless, and futureless, in favor of sustainable human development.

These positive aspects have not spared the *Human Development Report* from criticism, especially the HDI and the attempt to measure the process of development in quantitative terms. As a result of the continued efforts of researchers, and in light of needs, obstacles and criticisms, a number of improvements have been introduced on the index and the methodology used in its measurement. The main improvements that have been adopted in the more recent reports are summarized below.

a. The concept and the index. The *Human Development Report* recognizes that the concept of human development is much deeper and richer than the components of the index used in its measurement, namely: life expectancy at birth, educational attainment and per capita income. This composite index is broader than the purely economic indicators that have been used before (total and per capita GNP and GDP). The lack of reliable and comparable data for all countries on possible additional indicators and measures (e.g. income distribution, gender equality, regional disparities in development) explains why the HDI has remained so far confined to the above mentioned elements. Also, incomplete coverage would distract from the universality of the report and, hence, reduce its usefulness as a yardstick for inter-country comparisons. However, the possibility of adding new elements remains, once specific types of information become available for all countries. In the meantime, the limited scope of the HDI has been compensated for by the detailed statistical information covering various aspects of life, and by the in-depth analyses, contained in the reports.

A primer on the human development index

® *Why do we need a human development index?*

Because national progress tends otherwise to be measured by GNP alone, many people have looked for a better, more comprehensive socio-economic measure. The human development index is a contribution to this search.

® What does the HDI include?

The HDI is a composite of three basic components of human development: longevity, knowledge and standard of living. Longevity is measured by life expectancy. Knowledge is measured by a combination of adult literacy (two-thirds weight) and combined primary, secondary and tertiary enrollment ratios (one-third weight). Standard of living is measured by purchasing power, based on real GDP per capita adjusted for the local cost of living (purchasing power parity, or PPP).

® Why only three components?

The ideal would be to reflect all aspects of human experience. The lack of data imposes some limits on this, and more indicators could perhaps be added as the information becomes available. But more indicators would not necessarily be better. Some might overlap with existing indicators: infant mortality, for example, is already reflected in life expectancy. And adding more variables could confuse the picture and detract from the main trends.

® How to combine indicators measured in different units?

The measuring rod for GNP is money. The breakthrough for the HDI, however, was to find a common measuring rod for the socio-economic distance traveled. The HDI sets a minimum and a maximum for each dimension and then shows where each country stands in relation to these scales - expressed as a value between 0 and 1. So, since the minimum adult literacy rate is 0% and the maximum is 100%, the literacy component of knowledge for a country where the literacy rate is 75% would be 0.75. Similarly, the minimum for life expectancy is 25 years and the maximum is 85 years, so the longevity component for a country where life expectancy is 55 years would be 0.5. For income, the minimum is \$100 (PPP) and the maximum is \$ 40,000 (PPP). Income above the average world income is adjusted using a progressively higher discount rate. The scores for the three dimensions are then averaged in an overall index.

® Is it not misleading to talk of a single HDI for a country with great inequality?

National averages can conceal much. The best solution would be create separate HDIs for the most significant groups: by gender, for example, or by income group, geographical region, race or ethnic group. Separate HDIs would reveal a more detailed profile of human deprivation in each country, and disaggregated HDIs are already being attempted for countries with sufficient data.

® How can the HDI be used?

The HDI offers an alternative to GNP for measuring the relative socio-economic progress of nations. It enables people and their governments to evaluate progress over time - and to determine priorities for policy intervention. It also permits instructive comparisons of the experiences in different countries.

b. Accuracy of data and their analytical usefulness. Three issues are raised in this connection. The *first* issue relates to the accuracy of the figures themselves - a problem that varies from one country to another depending on the quality of the statistical base. The remedy to this problem is in filling the gaps, and in finding the means to provide the needed statistics on a continuing basis. Efforts are also needed at the international level to standardize the means and methods of measurement to facilitate comparisons.

The *second* problem concerns the extent to which the data reflect the actual situation. The main shortcoming in this respect is that the indicators are restricted to international, regional and national averages. But,

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international averages conceal regional and national differences; regional averages conceal differences between countries; and national averages, in turn, conceal differences between different regions and groups within the same country. The remedy lies in the preparation of more detailed regional and, especially, national reports incorporating the various indicators to give a better picture of the state of human development.

The *third* problem relates to the level, depth and consistency of the analysis; figures alone will not be adequate to diagnose the situation and propose remedies; a comprehensive and well integrated analysis is needed.

2. Lebanon's position in the 1996HDI

Lebanon occupies rank 97 in the HDI rankings for 1996, out of a total of 174 countries; it falls in the medium human development category (from rank 58 - Brazil to rank 126 - Papua New Guinea). The ranking of Lebanon fell back as a result of the 1975-1990 war period. Lebanon could otherwise have been among the countries at the top of the medium human development category, if not among the high human development category.

Table I-1 shows Lebanon's position and that of eight neighbouring countries; it also shows average performance of the high human development and medium human development categories. At the outset, it is in order to point out again that an inter-country comparison involving Lebanon must be handled carefully, due to the lack of reliable statistics in a number of important domains, including national accounts and different areas of socio-economic statistics (e.g. data underlying life expectancy).

The human development rank of Lebanon is below that of most neighbouring countries but marginally better than the average for the Arab countries (0.633) and for the medium human development category. There can be no doubt, however, that there remains a considerable distance to be traveled to reach the average level of the high human development category.

The country's human development performance is explained by the sharp economic deterioration caused by the war. It is obvious from the data in the table below that the country is lagging principally with respect to real GDP per capita. To regain lost ground will take tremendous efforts and considerable time.

The position of Lebanon with respect to the other components of the HDI compares favourably with the average level of the medium human development category, and rather well to the average level of the high human development category. The performance of Lebanon with respect to the social dimension of the HDI is generally far better than that of its immediate neighbours and Arab countries.

It can be concluded that the achievement of high levels of growth over a sustained period of time is an important national objective for Lebanon; this will require, among others, in priority, deep fiscal and administrative reforms - and it should not distract from the imperative need for quantitative and qualitative improvement with respect to the human and sustainable dimensions of development.

Table I-1: Human development index: Lebanon and eight neighboring countries, 1996

Country (HDI rank)	Life expectancy at birth (Years)	Adult literacy rate (%)	Combined first, second and third level gross enrollment ratio (%)	Real GDP per capita (PPP\$)	Adjusted real GDP per capita (PPP\$)	Life expectancy index	Education index	GDP index	Human development index	Real GDP per capita (PPP\$) rank minus HDI rank*
High human development	73.8	97.2	79	14,922	5,908	0.901	..

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Cyprus (23)	77.1	94	76	14,060	5,904	0.87	0.88	0.98	0.909	7
Israel (24)	76.6	95.0	76	15,130	5,909	0.86	0.89	0.98	0.908	4
Medium human development	67.0	80.7	62	3,044	3,044	0.647	..
Jordan (70)	68.1	84.8	66	4,380	4,380	0.72	0.79	0.72	0.741	-1
Tunisia (78)	68.0	64.1	66	4,950	4,950	0.72	0.65	0.82	0.727	-14
Turkey (84)	66.7	81.1	62	4,210	4,210	0.69	0.75	0.69	0.711	-12
Syria (92)	67.3	68.7	65	4,196	4,196	0.71	0.68	0.69	0.690	-19
Lebanon (97)	68.7	91.7	74	2,500	2,500	0.73	0.86	0.40	0.664	10
Egypt (106)	63.9	49.8	69	3,800	3,800	0.65	0.56	0.62	0.611	-30
Iraq (109)	66.1	55.7	55	3,413	3,413	0.68	0.55	0.66	0.599	-24

Source: UNDP, *Human Development Report, 1996*, (New York/Oxford, Oxford University Press), 1996; Table 1: Human Development Index, p. 136.

* A positive figure shows that the HDI rank is better than the real GDP per capita (PPP\$) rank; a negative entry shows the opposite.

One salient feature relates to the real GDP per capita minus HDI rank. As seen from the table, Cyprus and Israel, both countries of the high human development category, have a positive figure, indicative of human development leading over economic development. Conversely, the situation in neighbouring Arab countries and Turkey, all in the medium human development category, shows a negative figure, indicative of economic development leading human development (possibly with weak links in view of the important gap in ranking, with the exception of Jordan). The situation of Lebanon, where the HDI rank is better than the real GDP per capita rank, is particular, as already pointed out above (effect of the economic collapse of the mid-1980s).

As more reliable and accurate basic statistics become available, a better, more precise calculation of the HDI for Lebanon will become possible. The compilation and processing of sub-national data and indices will be a priority, as pointed out elsewhere, in order to seize the particularities of the Lebanese situation. It is an urgent task to undertake all basic surveys and specialized statistical studies to reach this objective soonest.

3. Suggestions for improving development measurement

Measuring development, and expressing it numerically, is a difficult and complex task. The operation can lose its meaning if it is reduced to a mere mechanical process based on readily available criteria and borrowed models.

Progress in development should be measured against clearly defined national objectives (and broad human values and objectives). Development is concerned with promoting the potential of a country which should then be used to meet people's material and moral needs. In this sense, the three conventional components of the HDI may be adequate as general indicators for use in international comparisons; however, the actual measurement of development at the national level would require more detailed investigation.

In Lebanon, the main difficulty hindering quantitative measurement is the lack of adequate and reliable statistical series. Moreover, having only recently emerged from a long war, the situation requires that a large number of qualitative and complex phenomena be studied. Hence, the point of departure in this process is to define

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immediate, medium and long-term targets at the economic, social and human levels, to be used as a yardstick against which progress, or lack of it, can be measured.

In the light of these observations, the main requirements for developing the scope and means of measuring human development in Lebanon can be summarized as follows :

a. General conditions. Provision of a broad and reliable data base by undertaking basic surveys and studies covering various economic and social aspects, especially population and demographic variables; GDP and national accounts measurement; household and living standard measurement surveys; manpower and labour surveys; and, in addition surveys on education, health and the state of natural resources and the environment. These surveys would provide the basis for the establishment of a comprehensive national database; data should be disaggregated by gender, by region (including rural/urban), by social category. The latter is absolutely essential as national aggregates do not reflect the specificities of the complex situation of Lebanon. It is noted that the above basic surveys and studies are ongoing and are planned all to be completed by early 1998.

b. Measurement of income and the standard of living.

- Measurement of regional disparities, including indicators of the distribution of agricultural holdings and of rural poverty. Drawing a poverty map which depicts the spread of poverty.
- Measurement of income levels and income distribution among social groups. Defining poverty lines.
- In-depth studies of the needs and potential of different social groups such as women, youth and the poor.
- Measurement of the distribution of government expenditures by purpose, especially the following four ratios or percentages: ratio of government expenditures to GDP; share of social sectors in total government expenditures; share of aggregate social expenditures allocated to human development; and, share of GDP allocated to human development.

c. Life and health indicators.

- Compilation of the statistics needed for the accurate measurement of life expectancy at birth.
- Expansion of the scope of health indicators to include : infant and maternal mortality rates, extent of immunization and diseases covered, spread of illness and malnutrition, and availability of health services in cities and rural areas.

d . Measurement of educational attainment. Study the disparities in the education sector which render indicators of school enrollment and level of education inadequate. More specifically, study the disparities between private and public education and their social implications; the level of vocational and general education; and, the quality of education. This will help deal with the phenomena of school drop-outs, retardation and low attainment, the link between education and the labor market, and the role of education in preparing individuals and groups for involvement in development. This will allow capturing the variations in the quality of education depending on the type of school (public or private), geographic location (the capital and cities, poor rural communities), the level of education and the type and kind of private schools.

e. Measurement of freedoms and level of participation. Measurement of basic freedoms and levels of democracy in society, including the freedom of information and syndication, and the extent and forms of peoples participation in public affairs. Public opinion polls on freedoms and democracy and peoples' attitude towards public affairs and with respect to participation or exclusion will be indicative in this respect.

f. Measurement of the quality of life Measurement of the quality of life with emphasis on : the natural environment, air and water pollution, urban and rural habitat, quality and adequacy of housing and transport, and the availability of cultural and recreational outlets and activities.

The type of observations and suggestions for improving the measurement of sustainable human development made above does not apply to Lebanon only. The need for such improvements stems from the wide gap which exists in general between the concept itself and the means available for measuring it quantitatively.

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The distinct methodology and approach of the sustainable human development concept confront researchers, including statisticians, with new tasks that did not arise in connection with the use of conventional methodologies . These tasks include:

- Ability to diagnose the facts and problems of life as people live, see and feel them, and not to be content with measures and criteria developed at the global level. This means that the research and studies to be undertaken must reflect the special characteristics of each society, and the manner in which people view their present and future.
- Ability to rationalize requests for research emanating from decision makers and those responsible for the formulation of development programmes, for such research to be useful in identifying the needs and problems at the local and national levels, and in assessing the existing potential in order to elaborate effective strategies and policies.
- Ability to formulate proposals for research and statistics for monitoring and evaluation of developments and transformations taking place in the social, demographic and economic fields, and measuring the effects of development programmes on these aspects, and vice-versa.