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July 2009

Online at <https://mpa.ub.uni-muenchen.de/17039/>
MPRA Paper No. 17039, posted 01 Sep 2009 17:15 UTC

Comprehensive human development: realities and aspirations

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Comments

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The paper of Saddig under discussion aims at describing the paradigm of comprehensive human development and devise guidelines for policy makers to help them focus on placing human development at the top of priorities because people are both the means and end of development. In this context, people aspire, he says, for long and healthy life, want to be knowledgeable, and require access to resources for a decent standard of living.

For explaining his view of comprehensive human development, the author refers to writers like Aristotle, Adam Smith. Mahboobul Haque. Paul Streeten and A.K Sen. He candidly spells out what he considers the implications of a comprehensive approach to such development. To that extent his effort is laudable even as the argument does not seem moving much out of the familiar groove

The author then moves to the possibility of measuring comprehensive human development determinants mentioning rightly the difficulties in quantifying some of the major qualitative forces affecting the phenomenon. He turns to the annual reports of the UNDP on the subject producing two statistical tables in the process. However, one does not find what one would reasonably expect by way of some worthwhile analysis of the data, comments or literature review in the write up. Some digression on the point may not be out of place¹.

Human resource development is concerned with improvements in efficiency and ethical attitude of people as agents of economic action, especially in developing economies. Natural resources and accumulation of capital remain important but improvement in the human factor is of late considered decisive. The matter has emerged as the central piece of policy formulation in planning development to emancipate the poor from hunger disease and squalor.

During the 1980s the fulfillment of basic needs emerged as the focal point of such concerns but soon faded out of the scene due to lack of political will to give economic structures the shake

¹ The points in what follows are drawn from an earlier research: Zubair Hasan (2002) *Determinants of human resource development: an empirical analysis*: IIUM Journal of Economics and Management, (8, 2) pp.157-187. Conclusions are stated here without proof to save time and space.

up the measure demanded. It was replaced with a less demanding agenda. Emphasis on the improvement in health care, education facilities and access to resources acquired dominance in the literature on poverty amelioration. The added advantage of this identification was that these variables could be measured objectively to monitor the results of the policies.

The UNDP launched with a measure of fanfare its Human Development Report in 1990 even back dating statistics in part until 1960. For almost two decades its Report has nagged policy makers to put people in the forefront in designing growth strategies so that development could reach the deprived and involve the poor in the process. But the effort could do no more than make patchy results; the overall impact is largely missing. In fact, the very way Human Development index (HDI) is compiled is more concealing than revealing.

Implicit in the methodology of constructing the HDI is to keep it firmly linked with the per capita income measured in purchasing power parity (PPP) US dollars². The procedure for constructing the index is explained in the report every year. It is the simple mean of three components: (i) longevity, (ii) education and the (iii) income contribution to standard of living. The three components are so defined and bench marked that their mean cannot exceed 1. Now it is easy to see that in the scheme of things the influence of income is duplicated. Income must have a positive correlation with both medical care and education why then bring in income again as the third element? One could appreciate if instead savings were used.

The duplicity created a strong linkage between income and human development implying the supremacy of growth in economic development. This could be understandable if income use were dominated by pro-poor programs. The Indian Oscars winning movie *Slum dog millionaire* proves just the opposite Figure 1 brings out the consequence of the linkage. It brings out some interesting aspects of the relationship between income level and human development apart from the strong positive correlation between them.

1. The widening path of points scatter indicates that the relationship weakens as a country develops and its per capita income increases. In other words, the relative importance of health care and education is reduced.

² The PPP\$ concept is vague and unrealistic; the only purpose it serves to cause some illusory elation that after all developing countries are not so poor in comparison to people in the developed world as statistics otherwise shows. Interestingly, one I find the correlation between the two ranks – Atlas method and the PPP method – almost perfect. (+0.97)

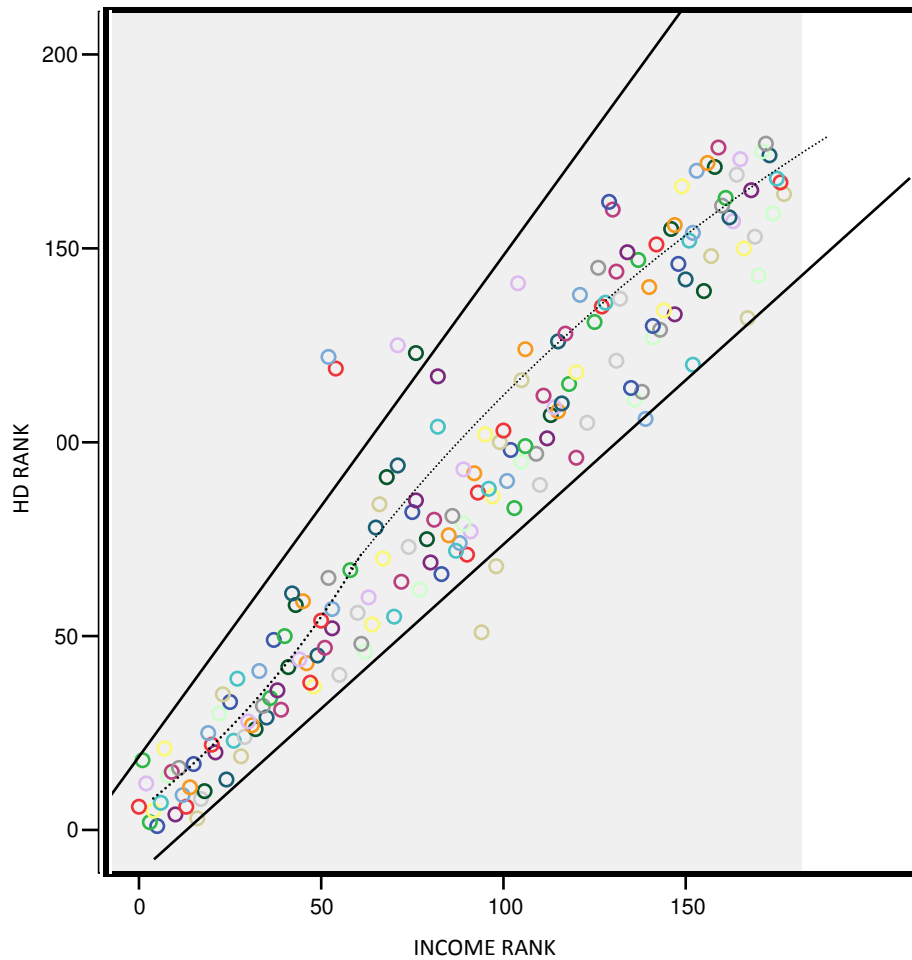


Figure 1: Relationship between HDI and income ranks. Source: Human Development Report 2008. The ranks have been reversed here in the sense that the larger value shows a higher rank. This is opposite of what the Report shows: a higher rank with a smaller value

2. In the lower income groups, relatively more is spend on human development to improve the per capita incomes for a better living. This view is supported by the fact that middle income class is the back bone of a society contributing significantly to the services sector. Notice that the S-shaped free hand dotted curve is convex to X-axis in the lower part of the figure.
3. However, the rich people pay relatively more attention to savings and investment out of their incomes than spending on their children who are in good health and already have had enough education. For this reason we find the curve concave to X-axis in the upper part of the diagram.

But how is the position in Muslim countries? Mere presentation of data in Saddig's paper takes us a little distance. Indeed, the data on Muslim countries in his Table 2 is a bit wayward. The last column of the Table has the caption: "GDP per capita rank – HDI rank" the same as given in the HDR. However, the author takes the serial numbers of countries in his Table as their HD rank Thus, one does not get as one should [HD rank + the difference = GDP rank] For example, for the very first country Brunei, the formula gives a negative income rank (-22) for her GDP. For our work we have taken the HD ranks of the countries in Table 2 from an update of 2008 HD Report³. We then used the difference values in Table 2 of the paper to fix the corresponding GDP ranks. The modified Table is produced for ready reference here below.

Table 1: Muslim countries' HD and GDP ranks for 2008

Countries	HD Rank	GDP Rank	Diff.
1. Brunei	27	4	-23
2. Kuwait	29	7	-22
3. UAE	31	5	-26
4. Bahrain	32	7	-25
5. Qatar	34	2	-32
6. Libya	52	54	2
7. Oman	53	29	-24
8. Saudi Arab	55	35	-20
9. Malaysia	63	58	-5
10. Albania	69	96	27
11. Kazakhstan	71	70	-1
12. Turkey	76	61	-15
13. Lebanon	78	71	-7
14. Surinam	84	68	-16
15. Surinam	89	82	-7
16. Jordan	90	82	-8
17. Tunisia	95	92	-3
18. Azerbaijan	97	96	-1
19. Maldives	99	80	-19
20. Algeria	100	104	4

³ We downloaded data from the web site: <http://hdr.undp.org/en/statistics> on July 29, 2009. One finds data on GDP per capita for various countries with ranks also on the following web site from three different sources IMF, World Bank and CIA World Fact book for 2008. Interestingly the GDP Ranks in the three lists differ for most of the countries [http://en.wikipedia.org/wiki/List_of_countries_by_GDP_\(nominal\)_per_capita](http://en.wikipedia.org/wiki/List_of_countries_by_GDP_(nominal)_per_capita)

21. Syria	105	132	27
22. Algeria	106	51	-55
23. Gabon	107	100	-7
24. Turkmenistan	108	120	12
25. Indonesia	109	92	-17
26. Egypt	116	129	13
27. Uzbekistan	119	138	19
28. Kyrgyzstan	122	142	20
29. Tajikistan	124	111	-13
30. Morocco	127	145	18
31. Comoros	137	130	-7
32. Yemen	138	129	-9
33. Pakistan	139	130	-9
34. Mauritania	140	138	-2
35. Sudan	146	139	-7
36. B. Desh	147	154	7
37. Cameroon	150	134	-16
38. Djibouti	151	136	-15
39. Senegal	153	145	-8
40. Nigeria	154	140	-14
41. Uganda	156	163	7
42. Togo	159	167	8
43. Gambia	160	156	-4
44. Benin	160	156	-4
45. Costa d'Lavore	161	152	-9
46. Guinea	166	142	-24
47. Mali 168	167	158	-9
48. Chad	168	161	-7
49. G. Bissau	170	148	-22
50. Burkina Faso	171	176	5
51. Niger	173	160	-13
52. Mozambique	174	174	0
53. Seri lion	179	173	-6

We find that the results in the case of Muslim countries are no different than the overall picture Figure 1 presents. In Figure 2 also we have reversed the order of ranks such that on both the scales lower numbers show lower ranks and vice versa

The regression of HDR on GDPR is significant and essentially linear with r^2 being as high as 0.916 The quadratic fit is better shows but little departure from the straight line. Even so, the curve seem to endorse the conclusion stated in the overall case that in Muslim countries also relatively less is spent on human development as per capita incomes tend to rise.

Human development index need not detain us here any more. The index for a country is just a simple single figure which can hardly assimilate or reflect the complexity and dynamism that characterize modern economies. However, the case is different with the

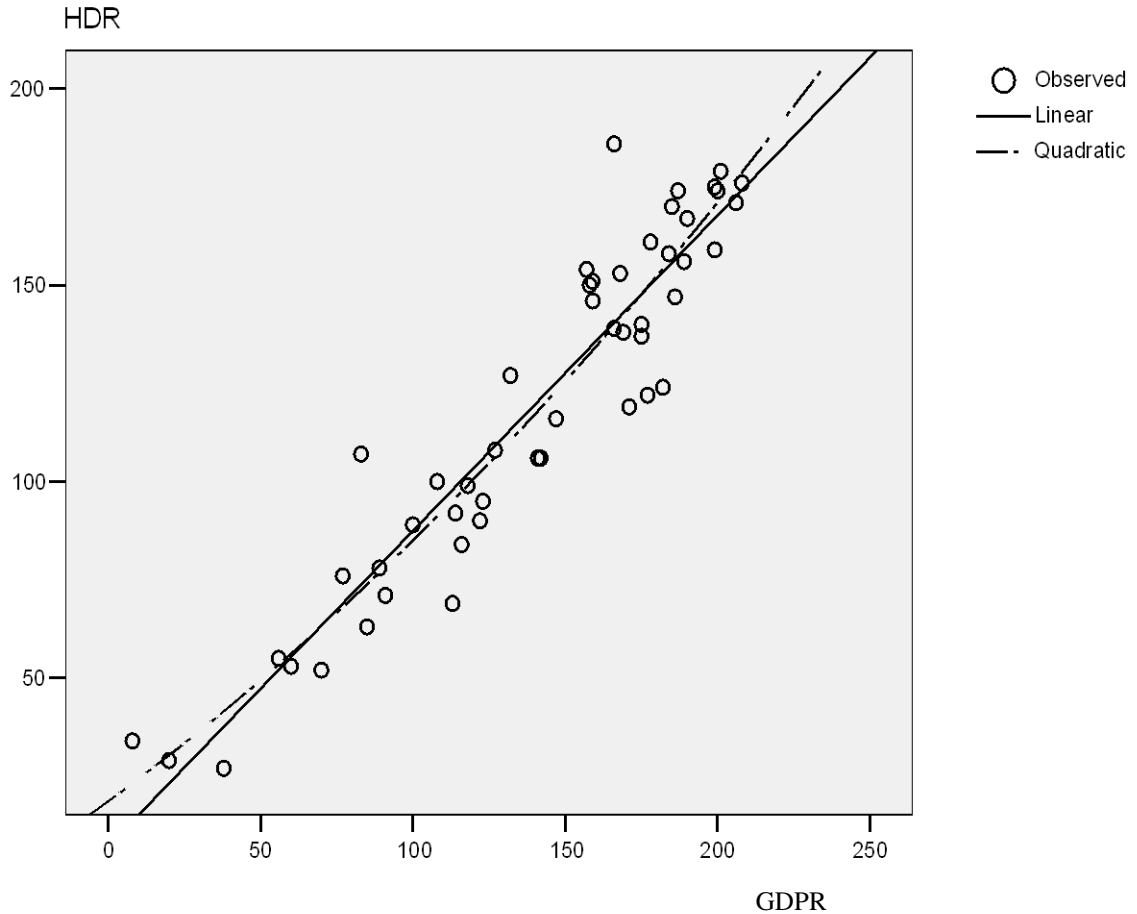


Figure 2: Relationship between human development and GDP in Muslim countries

UNDP Report. Even a cursory glance through its annual volumes would convince one of the richness, range and utility of its contents, especially its concern for the weak and the deprived. The lament is that though the reports bristles with bright, at times novel, ideas it could record little of its impact on ground realities.

The wealth of information the Reports contain could be used by researchers like Saddig to good purpose. For example, one can identify the determinants of human development and ascertain their relative contribution to improvements.. Growth rates, per capita GDP, patterns of income distribution and the like all reflect in the human development index. Missing there in the case of developing economies is the impact of expenditure on arms and debt servicing. Apparently one expects their negative to be

negative on GDP levels. However, investigation belies such a presumption. It may be pointed out as a preface to the following analysis that we have kept the ranking scheme in Table 1 above as used in the UNDP Reports – a rank increase shows lower performance and vice versa. This implies that if a rise in military expenditure goes with lowers say GDP rank that is the two variables are negatively correlated the expenditure improves growth and vice versa. In a similar study earlier we had found a positive and significant correlation between GDP growth ranks and military expenditure⁴ indicating the latter adversely affecting growth. It was understandable as during the later eighties the developing countries expenditure on arms had almost doubled over just five years.

The decline started after the mid nineties and has since generally been on the decline in the developing world. . The position seems to have changed today. From the above list of countries we could find data for 49 on military expenditure ratio (MER) to GDP for years 1990, 1999 (HDP Report 2001 Table 16). Taking the mean for the two year ratios and entering each against the corresponding HDR we ran linear regression using SPSS programme. We find the mean GDPR for the sample as low as 118 but military expenditure as high as 4.2% of their GDP. For cross country data the correlation coefficient at – 0.424 is substantive; it is significant as well⁵. Table below gives regression results.

Coefficients^a

Model	Unstandardized constant		Standardized constant	t	Sig.
	B	Std. Error	Beta		
1 (Constan) MER	131.134	8.982	-.434	14.600	.000
	- 4.780	1.448		- 3.301	.002

a Dependent variable GDPR

For 1 percentage point increase in MER the GDP rank improved by more than 4 points. Improvement on the GDP front has boosted the human development as well because of better peace and security environment in the country. The relationships, however, must be treated with caution. In the first place, the correlation is not conclusive; domestic saving

⁴ Hasan, Zubair (2003): *Globalization, development and Muslims*, International Journal of Muslim Unity, (IIUM) Malaysia, (pp. 50-53). This study included both sorts of economies - developed and developing economies without religious distinction. ME was a variable in 2000 study but the regression coefficient was insignificant though negative.

⁵ In fact, Muslim countries have been among the largest importers of arms from the West. On this see for example, Hasan Zubair (2004): *The new world order, Muslim predicament and the way out*, International Journal of Muslim Unity, IIUM, (2,2 Table 5: Muslims and the sale and purchase of arms., P. 56).

rates are looking up and foreign capital flows tend to increase. Despite these encouraging trends Muslims have made little head way and a cut down in military expenditure may not be inexpedient⁶.

Muslims who have recently been recognized as the largest single religious group in the world have a combined GDP which is less than that of France⁷. They have 70% of the existing and potential resources of the world but contribute only 7% of the global GDP. They are sellers of resources not their users. Switzerland is not known much for its contribution to knowledge in the world but the total research output of Muslim countries is even smaller. Where do we go from here?

Islam is the religion that started with *iqra* (meaning read) as the first word of the Qur'an revealed to the Prophet (pbuh) but it is education that Muslims are lagging far behind others in this age of knowledge being the epitome of progress. To me, the key to all locks that have shut out doors of progress, prosperity and recognition on Muslims lies in education and education alone. What ought to be done in this area is too big an agenda to be spelled out here. But a few observations may not be out of place.

1. Foremost seems to be the issue of medium of instructions at the school level which has, for example, been hanging fire for quite some time in Malaysia⁸. Why it is that the French Germans, Japanese, Chinese, Russians, and Indians to name a few did not switch over lock stock and barrel to English? Have their achievements in science, technology, inventions and innovations been less if at all *for that reason*? Forcing children to learn in a foreign language, whatever may be the subject is a sure way to invoke in them a dislike for education itself. They carry two burdens: one of learning the new language and the other of absorbing the subject matter. Language is the vehicle of ideas, if the vehicle is broken how can ideas travel and sink in?
2. Investment in foundational research promises future gains. India today is well recognized as the largest skilled manpower producers in the world because despite

⁶ The average expenditure on army in Muslim countries too has had a declining trend the average being 3.2% in 2005-2006 but it was still much higher compared to the world average at 2%. In fact there has been a climb up in the Middle East countries for example the recent percentages are for Oman 11.4; Qatar and Saudi Arabia 10 each; Jordan and Iraq 8.6 each and Yemen 6.6. See: http://en.wikipedia.org/List_of_countries_by_military_expenditures

⁷ See *ibid* pp. 54-55 including Chart 1 depicting comparative contribution of 10 largest contributors including a single entry for all Muslim countries.

⁸ Ideas now seem to be crystallizing. A dual language policy for local schools has just been announced with a complete switch over to national languages by 2012 (The New Strait Times, August 15, 2009, P.1)

poverty Indians invested huge sums of money in establishing research laboratories in basic sciences including centres of excellence in some areas of humanities as well. Abdus Salam the 1979 Nobel laureate in Physics made some time back the meaningful suggestion to establish an Islamic Science Foundation (Human Development Report 1994, P.81). Why can't a consortium of Muslim countries or the IDB look into the project?

3. There is need to adopt integrative approach in teaching social sciences like economics, political science, psychology or sociology. Vast accumulation of knowledge has taken place in these areas. Does Islam reject *all* of this knowledge? Why then teach students, for example, mainstream economics from Western textbooks and supplement that book with some collection of articles frequently containing undigested material even erroneous statements to complete the Islamic ritual? Why not write integrated textbooks for use in Muslim institutions and save time and space for the students? It seems that vested interests have developed in maintaining the uncalled for duplicative bifurcations in the field of knowledge.
4. Educational management is in doldrums. In most of the Muslim educational institutions the assumption is that academic chairs are magical. To illustrate, put any person on the chair of the head of the department and the chair will instantly create in him all the qualities of a competent head. In practice, the assumption does not come true. In developing countries academic hierarchy must generally constitute administrative hierarchy. This will go a long way in improving the quality of education as well as administration. Recognition is the right of merits.
5. Finally, education is essentially what is left in a person after he has forgotten his class room lectures. This means what sort of a person education has eventually made you. If the holder of a doctorate indulges in plagiarism, an MBA seeks maximization of profits through customer cheating, and a politician sees national interest in invading weaker countries on non-existing grounds, then education has gone waste on them all. Sheik Saadi compared such people with donkeys laden with books. Education must always inculcate in students a moral and ethical commitment.

Allah knows the best