

Expert Group Meeting/Consultation: Measuring Human Development in Latin America and the Caribbean: Present and Future

THE CONTEXT

Human development is about putting people at the centre of development. It is about people realizing their full potential, increasing their choices and enjoying the freedom to lead lives they value. Since 1990, the annual Human Development Reports (HDRs) have explored a range of critical challenges from poverty, gender inequality, human rights, and cultural liberty to globalization, water scarcity, climate change, migration, and most recently - sustainability and equity.

The Human Development Report Office (HDRO) has championed the use of globally comparable indices of development, which, in turn, have stimulated human development policies and measurements at national and subnational levels. The pioneer of these indices is the Human Development Index (HDI), a simple summary index that measures average achievements in three basic aspects of human development – leading a long and healthy life, being knowledgeable and enjoying a decent standard of living.

The 2016 Human Development Report (2016 HDR) with the theme *Human Development for Everyone* reiterated the notion of universalism in the human development approach and mirrors the aspiration of no one left behind, as embodied in the 2030 Agenda for Sustainable Development. It highlighted that given that perspective, as well as the fact that the world today is different from the world from a quarter of a century ago, it is time to revisit the approaches and measures that the HDRs use for assessing human well-being.

This revision is triggered by two important elements. First, the practical understanding of development has changed. The frontiers of human development on multiple fronts are continuously shifting. Human Development is an intrinsically dynamic concept. The space for the expansion of people's choices and the potential for realization evolve continuously. New opportunities emerge, typically opened by human ingenuity, but also new challenges appear, sometimes by chance, sometimes as a by-product of our own development process.

Second, over the years, various approaches and measures of human well-being have emerged, more data are available, innovative approaches to data gathering are taking place (e.g. real time data and big data), the adoption of the Sustainable Development Goals (SDGs) is expected to lead to greater availability of standardized measures, the use of micro level data (instead of aggregate data) that allows identifying overlapping deprivations, and creative ways of data presentation (e.g. dashboards) are being pursued. The quality aspects of well-being, and measures of voice and autonomy are also being increasingly highlighted in the literature.

The 2017 HDR intends to initiate the extension of the frontiers of the assessment approaches, frameworks, methodologies and measures of human development in the light of new human potentials – individual and collective – and binding tradeoffs. These innovations will open the door for new ambitions: it is time to **recast the human development measures.**

THE TOPIC: Measuring Human Development in Latin America and the Caribbean: Present and Future

Over the past quarter of a century HDRO has developed and/or monitored a set of indicators of global scope that underscore the lights and shadows of human development in the Latin America and the Caribbean. The region has recorded significant progress in human development over the past few decades. According to the HDI, most countries in the region show high levels of human development and appear to be catching up with developed countries. However, there are doubts about what lies underneath aggregate indicators, in a region with large inequalities across all development indicators.

Indeed, as highlighted by the Human Development Report 2016, human development progress in the region has been uneven, bypassing large segments of the population. Moreover, in some dimensions – reflecting more qualitative aspects of human development – the region appears to be lagging behind not only with respect to developed countries but also with respect to the emerging Asian countries. Latin America and the Caribbean does not have the social protection schemes that, say, Western Europe had at similar levels of income per capita; internationally standardized tests show how children in the region are not getting the skills that the new world of work demands; violence and crime are a serious threat to human development in several countries in the region.

Looking forward, the implementation of the SDGs is taking a prominent place in the definition of statistical priorities, as agreed by governments. However, two practical questions emerge. First, how to use the SDGs to define specific policies. It is fundamental to understand the complementarities and trade-offs among the different goals in order to design appropriate policies. This process might lead to the identification of numerous auxiliary indicators, such as the demographic characteristics of the population, the intrahousehold distribution of power, etc.

A second question is how to make sure that all key aspects of human development are relevant for policy making, including dimensions that might not be covered by the SDGs, in the same way that the Millennium Development Goals (MDGs) did not close the door for the simultaneous development of broader forward-looking approaches. Among many, one area expected to gain relevance in people's lives is the access to new technologies, and the generation, use (and abuse) and regulation of the digital footprint. Some of those issues will evolve rapidly between now and 2030, and their impacts on human development will have to be identified in parallel with the implementation of the SDGs.

Against this general background, this Expert Group Meeting (EGM) seeks, first, to take stock of the state of the tools to measure human development in the region, their impact in policy making, assessing its fit for purpose in the light of the practical application of the international and national development agendas, highlighting strengths and weaknesses. Second, the EGM is expected to identify emerging strategic and practical opportunities in the measurement of human development.

HDRO has structured this EGM in partnership with CEPAL/ECLAC and its networks of policy makers and academics in the region. CEPAL has led the monitoring, analysis and policy advice of economic, social and environmental development of the region since its creation in 1948. Thanks to CEPAL, Latin America and the Caribbean has one of the most complete and longest set of standardized regional statistics in the world. Also, its multiple flagship publications have provided insightful analyses and thought leadership for decades. Its policy oriented work has been greatly influential, combining the greatest technical rigor with the defense of the principles of the UN Charter, fully in line with the human development approach.

EGM OBJECTIVES

- Get views from Latin American experts on challenges and opportunities in the measuring of human development
- Discussion new ideas for Human Development Indicators
- Explore a new agenda of Statistics for Human Development

EXPECTED OUTCOMES

A set of recommendations on the following topics:

1. Based on the past impact of HDRs, what are the lessons for the new generation of HDRs?
2. Are HDRO indices well calibrated for the reality of Latin America and the Caribbean? How can they be improved making use of economic, social and environmental indicators available in the region?
3. How can HDRs complement efforts to propel SDGs in the region?
4. How to enhance national and international capacities to implement a new agenda of statistics for human development?

VENUE

ECLAC HQ, Santiago, Chile. Sala Celso Furtado.

DATE

July 28, 2017

Annex: Human Development Measurements in HDRs.

Composite Indices

Since the first Human Development Report in 1990, HDRO has championed the use of globally comparable indices of development, which in turn have stimulated human development policies and measurement at national and subnational levels. A simple summary index, the **Human Development Index (HDI)**, measures average achievements in three basic aspects of human development – leading a long and healthy life, being knowledgeable and enjoying a decent standard of living.

In addition to HDI, complementary composite indices HDRs cover other important aspects of human development:

- **The Inequality-adjusted HDI (IHDI)** introduced in the 2010 HDR takes into account not only the average achievements of a country on health, education and income, but also how those achievements are distributed among its citizens by “discounting” each dimension’s average value according to its level of inequality.
- **Gender Inequality Index (GII)** introduced in 2010 is a composite measure reflecting loss to potential achievements due to inequality between women and men in three aspects of human development— (i) health; (ii) political and social empowerment, and (iii) equal access to opportunities and resources.
- **Gender Development Index (GDI)** was re-introduced in 2014. The GDI measures differences between male and female achievements in three basic dimensions of human development. The GDI is computed as the ratio between the HDI for women and the HDI for men in every country.
- **Multidimensional Poverty Index (MPI)** was introduced in 2010. The MPI accounts for overlapping deprivations suffered by the same household and its members. It covers deprivations in the three HDI dimensions as measured by ten indicators.
- **Multidimensional Deprivation Index (MDI)**, measures overlapping deprivations in developed countries (under development).

Dashboards

- **Life-course gender gap dashboard**
- **Sustainable Development Dashboard**
- **Quality of Human Development (under development)**

Other Tables in Statistical Annex

- **Population trends**
- **Health outcomes**
- **Education achievements**
- **Work and employment**
- **Human security**
- **Human and capital mobility**
- **Perceptions of well-being**