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What Is Development?

Are you sure that you know what “development” really means with respect to different countries? And can you determine which countries are more developed and which are less?

It is somewhat easier to say which countries are richer and which are poorer. But indicators of wealth, which reflect the quantity of resources available to a society, provide no information about the allocation of those resources—for instance, about more or less equitable distribution of income among social groups, about the shares of resources used to provide free health and education services, and about the effects of production and consumption on people’s environment. Thus it is no wonder that countries with similar average incomes can differ substantially when it comes to people’s **quality of life**: access to education and health care, employment opportunities, availability of clean air and safe drinking water, the threat of crime, and so on. With that in mind, how do we determine which countries are more developed and which are less developed?

Goals and Means of Development

Different countries have different priorities in their development policies. But to

compare their development levels, you would first have to make up your mind about what development really means to you, what it is supposed to achieve. Indicators measuring this achievement could then be used to judge countries’ relative progress in development.

Is the goal merely to increase national wealth, or is it something more subtle? Improving the well-being of the majority of the population? Ensuring people’s freedom? Increasing their economic security?

Recent United Nations documents emphasize “human development,” measured by life expectancy, adult literacy, access to all three levels of education, as well as people’s average income which is a necessary condition of their freedom of choice. In a broader sense the notion of human development incorporates all aspects of individuals’ well-being, from their health status to their economic and political freedom. According to the Human Development Report 1996, published by the United Nations Development Program, “human development is the end—economic growth a means” (p.1).

It is true that **economic growth**, by increasing a nation’s total wealth, also

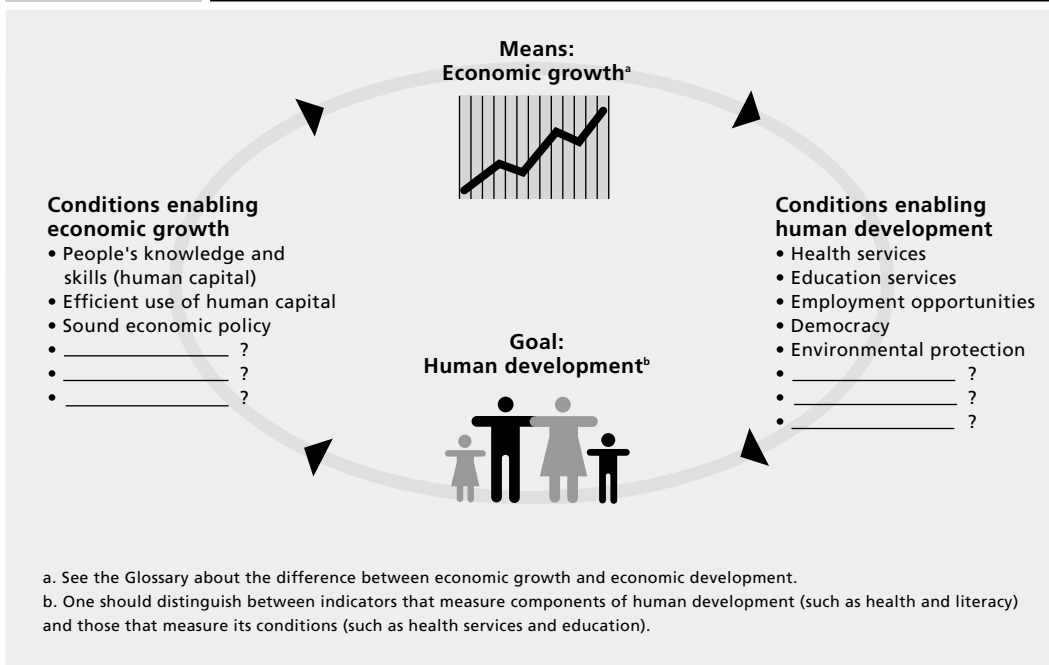
enhances its potential for reducing poverty and solving other social problems. But history offers a number of examples where economic growth was not followed by similar progress in human development. Instead growth was achieved at the cost of greater inequity, higher unemployment, weakened democracy, loss of cultural identity, or overconsumption of resources needed by future generations. As the links between economic growth and social and environmental issues are better understood, experts including economists tend to agree that this kind of growth is inevitably unsustainable—that is, it cannot continue along the same line for long.

To be sustainable, economic growth must be constantly nourished by the

fruits of human development such as improvements in workers' knowledge and skills along with opportunities for their efficient use: more and better jobs, better conditions for new businesses to grow, and greater democracy at all levels of decisionmaking (Figure 1.1).

Conversely, slow human development can put an end to fast economic growth. According to Human Development Report 1996, “during 1960–1992 not a single country succeeded in moving from lopsided development with slow human development and rapid growth to a virtuous circle in which human development and growth can become mutually reinforcing.” Since slower human development has invariably been followed by slower economic growth, this growth pattern was labeled a “dead end.”

Figure 1.1 Economic growth and human development

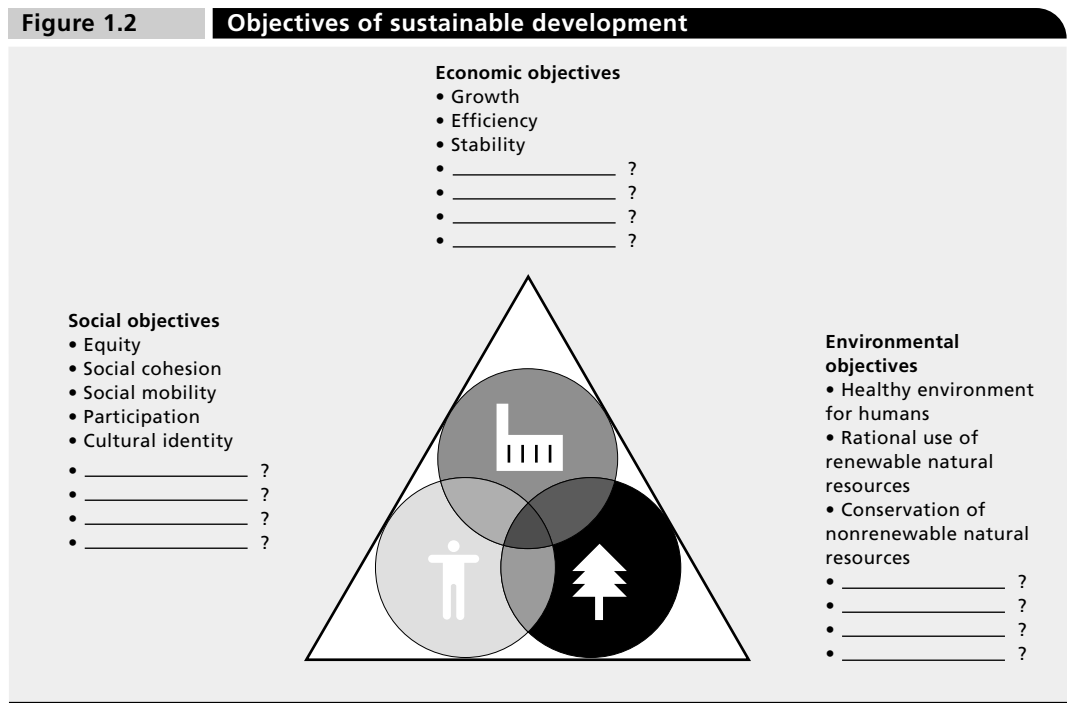


Sustainable Development

Sustainable development is a term widely used by politicians all over the world even though the notion is still rather new and lacks a uniform interpretation. Important as it is, the concept of sustainable development is still being developed and the definition of the term is constantly being revised, extended, and refined. Using this book, you can try to improve the definition as you learn more about the relationships among its main components—the economic, social, and environmental factors of sustainable development—and as you decide on their relative significance based on your own system of values.

According to the classical definition, given by the United Nations World

Commission on Environment and Development in 1987, development is sustainable if it “meets the needs of the present without compromising the ability of future generations to meet their own needs.” It is usually understood that this “intergenerational” justice would be impossible to achieve in the absence of present-day social justice, if the economic activities of some groups of people continue to jeopardize the well-being of people belonging to other groups or living in other parts of the world. Imagine, for example, that continuing deforestation of the Amazon basin, known for its outstanding biodiversity, leads to the extinction of an unresearched plant species that could help cure acquired immune deficiency syndrome (AIDS), a lethal disease threatening people all over the world. Or



consider emissions of greenhouse gases, generated mainly by industrial countries, which can lead to global warming and flooding of certain low-lying islands—resulting in the displacement and impoverishment of entire nations.

Social justice defined as equality of opportunities for well-being, both

within and among generations of people, can be seen as having at least three aspects: economic, social, and environmental. Only development that manages to balance these three groups of objectives can be sustained for long (Figure 1.2). Conversely, ignoring one of the aspects can threaten economic growth as well as the entire development process.