



World Chronicle

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“HUMAN DEVELOPMENT: IS THE GLASS HALF FULL OR HALF EMPTY?”

This year's Human Development Report –the annual survey sponsored by UNDP - shows that more than 50 nations grew poorer in the last decade. But not all the news is bleak: Sri Lankans, despite the odds, can now expect to live much longer than ten years ago; and in parts of India and China extreme poverty has become a thing of the past. Is progress only achieved in those areas of the world where major industrialized powers have a strategic interest? Can world poverty ever be ended? Can trade, debt relief, and technology transfer significantly affect the future of the majority of the earth's inhabitants? In this edition of **World Chronicle**, these and other questions are explored with the help of UNDP's Sakiko Fukuda-Parr, the lead author of the survey.

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ANNOUNCER: From the United Nations in New York, an unedited interview programme on global issues. This is **World Chronicle**. And here is the host of today's **World Chronicle**.

LITTLEJOHNS: I am Michael Littlejohns and this is World Chronicle. The notion of progress as an inevitable force in world history is a powerful one. But when we look at the facts, human development is neither inevitable nor easy to bring about. One of the most authoritative surveys of the human condition – the yearly Human Development Report – shows that more than 50 nations grew poorer in the last decade. In parts of the world, HIV/AIDS is making life expectancy plummet. And nearly everywhere the environment is deteriorating. But there is, apparently, also some evidence of progress. Our guest today is the principal author and Director of UNDP's Human Development report, Sakiko Fukuda-Parr. Joining us in the studio are Abderrahim Foukara of Al Jazeera, and Tuyet Nguyen of German Press Agency/DPA. Ms. Fukuda-Parr, welcome to **World Chronicle**. For the benefit of our viewers and listeners, perhaps you would explain what you mean by human development? And how do you measure the various elements that you use in your quite voluminous report?

FUKUDA-PARR: Well as you said in your introduction it is all about human progress and human improvements in the human condition. And the way we define it is that human development is about improving choices that people have to lead the kind of life that they would want to live. But to do that of course requires certain basics such as being able to read, such as being able to survive and not die in infancy, and so we then focus on those very basic, what Amartya Sen, who is behind all of this, Professor Amartya Sen of Cambridge University, and also Trinity College, what he calls capability is the capability that people have to do and be the things that they would like to be. So we have an index actually that measures human development and we focus on indicators such as life expectancy, literacy, but also income. And you can see from that that it is actually a different measure from just looking at GDP per capita, which of course measures what a country produces including guns, drugs, armaments, all the negative things as well as good things. And it does not -- GDP per capita of course does not capture what is happening in people's lives.

LITTLEJOHNS: Some people may be a bit surprised to read that Iceland, which is rather a bleak country I believe without any trees, but a lot of hot water, is rated number two on your list as one of the most desirable countries following Norway, which is at the top. The United States is actually one place higher than Canada, and the Canadians I believe were quiet upset because they have been displaced from formerly much higher positions. How do you arrive at

these numbers? Japan, for example, has the highest life expectancy at birth--81 point something, yet it is relatively far down.

FUKUDA-PARR: Well you see I think that when you look at the very top countries, the differences between them are very minimal. So you have to in fact go to the fourth or the fifth decimal place to look at the differences. I wouldn't put too much into these numbers at the very top as to whether Iceland is above Sweden or whether Canada is above or below Japan. But I think certain of these contrasts of the countries at the high end of human development of course do make the point; and that is, for example, when you just look at income the United States would be the number one country or number two actually because I think Luxembourg has a higher income than the United States, but on the other hand...

LITTLEJOHNS: You mean per capita income?

FUKUDA-PARR: Per capita yes, however the United States does not have the highest life expectancy for example, has a lower life expectancy than the bleak Iceland that you just described.

LITTLEJOHNS: I hope the Icelandic people won't be offended.

FUKUDA-PARR: The point about the UN Development Index is also not describing the bleakness of the temperature or the climate, but it has something to do with human lives. And the fact is that the Icelanders live longer than Americans even though they may be a little bit poorer. So the point about the human development index is that it captures the possibilities that people have to lead a life as opposed to how much a country is producing on a per capita basis. And when you look at the poorer countries of course this is much more meaningful. If you compare China with India, for example, China has a higher human development index than India. Why? It is because I think life expectancy there is 70 as opposed to India's 63. The literacy rate is over 90% as opposed to India something like 65%. So I think that when you think about development and where you want to put the effort, it isn't just in making the economy prosper, it is about making sure that people's lives and particularly the lives of the very poorest people are improved. And we know that there is something called pro-poor growth and non-pro-poor growth where economic growth sometimes, it does not always, improve lives of poor people. And so you have to have the kind of economic growth that does improve lives of people.

FOUKARA: Ms. Fukuda-Parr, you are obviously the lead author of the human development report 2003, The Millennium Development Goals Compact Among Nations To End Human Poverty. This is a question of a rather philosophical nature: can you end poverty?

FUKUDA-PARR: Well you know, it is -- maybe you can interpret it as a philosophical question, but we took it as a political commitment that world leaders made at the millennium assembly in September 2000. And they said they will do their utmost to eradicate poverty from the world in the twenty first century, and they set real targets, and not just saying in a sort of waffley way, you know we will be ridding poverty. They said it meant halving the proportion of people who live on less than a dollar a day. It meant living, you know halving the proportion of people who are hungry and so on. And so it is not a philosophical question, it is a political commitment of what is really acceptable in this world which is -- has more wealth than has ever been created in human history.

FOUKARA: But here you are not talking about alleviating or arresting, you are talking about ending.

FUKUDA-PARR: Yes.

FOUKARA: I mean poverty is probably one of the constant threads that run through human society from the beginning. Can you end it, as opposed to alleviating it?

FUKUDA-PARR: Well I think many countries have proven that you can. When I say end it, I think poverty of the very extreme kind. And look at the history of the last fifty years. I think that Western Europe, Japan, Australia have pretty much ended human poverty the way that we experienced it in earlier decades, even though it is wrong to say that our countries do not have poverty still. We still have a lot of poverty, but not the kind of extreme poverty and mass poverty that you have in developing countries. And history also shows that the last fifty years have been a period of history of human history that has made huge progress, you know. I mean literacy -- the illiteracy level was cut in half. I think life expectancy went up by some seven or eight years. And when you look specifically at country experiences, it is even more staggering what you can do in a generation. Sri Lanka you know in the 1950's actually increased life expectancy by 12 years in just 7 years. That is phenomenal. And that kind of a generational leap in eliminating the kind of degrading, extreme poverty that is an affront to human rights, that is in fact a violation of human rights, is possible. And this is what we know from history.

NGUYEN: After so many years of fighting poverty I guess by now you know where poverty is, which country has the highest level of extreme poverty. Why wouldn't you concentrate on those countries and do something there instead of urging the rich to do something in their own countries, for example because the economy is what it counts for many countries?

FUKUDA-PARR: Well this is precisely what we are arguing in this report. We are saying that in order to achieve the Millennium Development Goals, what we need to do is to focus on those countries with very large amounts of poverty, but also that are in crisis. When I say crisis I mean poverty crisis, development crisis. The world leaders set these Millennium Development Goals to reach certain targets by the year 2015. Now when you look on a country by country basis of where, how each country is progressing toward meeting those goals, you will see that a large number of countries are indeed progressing nicely to these goals. However at a global level but also on a country by country level we have a big problem, you know, poverty reduction is not moving fast enough across the board, and what we really need to do is to focus our attention on countries that are even going backwards, or stagnant. In fact we have identified 69 of such countries that we call priority countries.

LITTLEJOHNS: Sixty-nine that are actually going backward?

FUKUDA-PARR: Well they are not all going backwards on every single indicator, but many -- what we have noted is that in the last ten years something new has happened in human progress, that is that you know let's say that 10, 20 years ago we used to think of sort of the developed world and the underdeveloped world, the third world, there was this thing called 'the Third World'. Well now what I think is happening is that there are countries indeed like China, also India in some respects, Mexico, Brazil, that are actually progressing and have reached levels of per capita incomes or health, longevity, that are getting quite close to Europe, North America, Japan, Australia. But there is a group of countries, that we call priority countries, --some are going backwards in fact, and some of the indicators -- as you mentioned there over 50 countries that grew poorer, we also know that there are about a dozen countries that actually increased 'under five mortality rates', that is child death -- countries, about 20 countries, that increased hunger aid. So there are a handful of countries going backwards, but these 69 countries are actually moving very very slowly and they are at the bottom, and they are being very much left behind. And I think that the real crisis, the poverty crisis that the world will face, is the continued stagnation of these countries.

LITTLEJOHNS: This is **World Chronicle**. Our guest is Sakiko Fukuda-Parr, the principal author of the Human Development Report. Is the human development glass half full or half empty? Let's see what UNDP's Administrator, Mark Malloch Brown, has to say about that:

MARK MALLOCH BROWN: "This year's human development report has got lots in it for both those who are optimistic about the state of the world and those who are depressed. For

the optimists there's an ambitious strategy for how we build on the extraordinary gains in poverty reduction in the world in recent decades, build on it by really broadening beyond economics to looking at the social agenda and environmental impediments to reducing poverty; and build on the success of the fact that just fifty years ago more than half the world were in extreme poverty and today less than a quarter are. So the chances of halving that again by 2015 with the right strategies is we think very doable, and this report suggests how. For the pessimists, there is some I am afraid some good material too: the fifty four countries who have actually gotten poorer during the last ten years, and also some concerns being expressed in the report about where are we going with the international commitments to seriously step up to the plate and not just double the level of development assistance in the next few years, but take on the issue of agricultural trade subsidies, of protectionism in the north, and other barriers to the developed world really stretching out and helping the countries of the south."

LITTLEJOHNS: Ms. Fukuda-Parr, I wonder where the money is coming from for these projects that were identified, or these goals I should say, that were identified in the millennium declaration which of course preceded 9/11 and the Iraq war, which has resulted in huge expenditures that might otherwise have been used for the benefit of the countries that the United Nations Development Programme is trying to help, and that the millennium summiteers hoped to help. Now the whole situation has been turned upside down by these events. How do you think this is going to be overcome?

FUKUDA-PARR: Well we have to absolutely make sure that the war on poverty does not take a back seat in today's preoccupations with the political crisis that the world is facing. But I think one of the ironies of this whole situation is that it doesn't really cost that much. I mean time and time, over decades and decades, and more recently summit after summit, developed countries have recognized the need for more aid. They have also recognized this target of 0.7% of GDP as a target for development assistance and there are only one or two countries that have actually reached that point, you know, Denmark being one of them I think, and Luxembourg will get there quickly in the next couple of years, but what we are talking about is a very, very small amount of money because current development assistance ...

LITTLEJOHNS: Well like it billions and billions and billions; you call that...

FUKUDA-PARR: Well 50 billion dollars!

LITTLEJOHNS: Oh, 50 billion dollars.

NGUYEN: You have asked for a hundred billion dollars.

FUKUDA-PARR: Current development assistance is about 50 billion dollars and what has been calculated, estimated -- I mean it is very hard to know what is exactly needed -- would be doubling of that to a hundred billion dollars, but remember also that there has been a decline in development assistance over the last years, and the countries that are in great need, like many of the countries in Africa, actually have seen their receipts from development assistance actually decline over the last season, and pretty precipitously. I mean what is 0.01% of GDP of the United States is a huge amount for, translates into a huge amount for Tanzania or Ghana. So in fact on a per capita basis actually development aid received has fallen pretty precipitously, and just a small increase in terms of the burden of the rich countries will increase. But what is also more important is changing the rules of trade, debt, debt relief that can also -- and technology transfer for example - it is not just money, it is also policy. And in fact perhaps policy is more important than money in turning things around.

LITTLEJOHNS: Abderrahim, would you like to relate this to the situation in the Middle East?

FOUKARA: Well indeed, I mean one of the -- earlier in the programme you mentioned China and India as examples of countries where a substantial amount of sustained economic growth has taken place and a lot of people are saying that China and India have achieved that level of growth precisely because the West has a strategic vested interest in having those countries achieve that level of development, whereas in a place like Iraq or Iran or indeed in Africa, as the index seems to point out, the tail end of the index from position 150 to the end 175 are African countries where the West maybe does not have that kind of strategic interest. Can we separate human development from international politics?

FUKUDA-PARR: Well I think that there has to be an economic interest that countries have in global prosperity. And I think that -- as I was working on this report doing research, reading about it, doing the analysis and writing and so forth, as a Japanese citizen, what really struck me was the inter-dependence of the Japanese economy to the rest of the Asian economy. And the biggest success over the last 50 years in human progress I think has been in East and Southeast Asia, China included. And China is a slightly different story but if you look at South Korea, Malaysia, Thailand, Philippines, Indonesia, back in the '60s and '70s Japan consciously believed that its economic prosperity was going to be dependant on the prosperity of the whole of the Asian region. And so there was a policy of private investment aid to build infrastructure, things like that that worked together. You know aid, trade and private investment worked

together to create a prosperous sub-region. That kind of economic thinking I think has to be brought in to the picture as far as Africa and indeed South America I think is concerned.

NGUYEN: You talked earlier about political will to really end poverty. I just want to ask you if the leaders of a country have the political will to end the poverty in their own countries and not to do something for other countries because of let's say political reason at home, domestic reasons? What will happen to your programme if they concentrate on their own countries and not on other countries?

LITTLEJOHNS: Charity begins at home.

NGUYEN: Exactly.

FUKUDA-PARR: Absolutely. Yes. But I think things are more complicated than that as we are beginning to discover. And the question of agriculture subsidies for example is a case in point. Now I think we are going through a process of global changes, where you have to think not only about the interests of the farmers in Europe or in the United States or Japan, but also the whole population. And I think this is where we have to build a kind of political dynamic in which we can find solutions where the interests of people even within the rich countries will benefit actually from global development. So I think probably the big challenge for development will be working out that kind of political dynamic within rich countries to create, to promote technology, trade, investment policies that will be helpful for poor countries.

FOUKARA: If you look at the cases of countries like Iraq at the present time, Argentina which seems to have slid back into economic chaos, some parts of Sub-Sahara Africa, where do you actually stop talking about bringing peace and stability and you start talking about human development?

FUKUDA-PARR: Well I think what we have understood now is that it isn't either/or. I think that we have to think about human development before crisis, during crisis, and after crisis. There has been a lot of work looking at whether poverty is a cause of conflict. Well the answer is that it isn't that simple. There are many causes of conflicts and poverty perhaps exacerbates that, but more important inequality in human development within a country can exacerbate tensions among different groups of people within a country and lead to conflict for example. And so then you know if you are in a war situation as in Iraq you cannot just bring peace and then work on development. You have to have these two things come side to side. And we also find that curiously enough even countries during conflict – that have conflict – also make quite a lot of progress. Sri Lanka for example has had war going on for many, many years and yet health has improved, education has improved. Nicaragua is another country that

made huge strides in social areas during conflicts. So one should never give up on human development, even during war. And I think this is one of the tragedies of Iraq, that people have not focused enough on the social side and human side of ...

LITTLEJOHNS: Some people might be surprised that Cuba, a relatively poor country, ranks fairly high in your report. How do you explain that?

FUKUDA-PARR: Well because there was a very deliberate government policy to invest very heavily in health and education. So Cuba is the healthiest poor country. You can also say that it is a failure of economic policy, it is the poorest, healthy country.

NGUYEN: But you know Cuba also has been criticized for lack of democratic principles. So I guess democracy is one of the choice to be included in your index. Yet it is still climbing up. How do you explain that?

FUKUDA-PARR: Well we love to include political freedom in our index because it is a very important element of human choice, but unfortunately we haven't been able to find reliable data and measures for political choice. It is not a part of the human development index, but we should also acknowledge that in fact although political freedom, democratic political systems are part of development that we would desire to see progress, you know democracy ...

LITTLEJOHNS: Ms. Fukuda-Parr I am afraid that we have to leave it at that. This is all the time we have. Thank you for being with us on this edition of World Chronicle. Our guest has been Sakiko Fukuda-Parr, Director of UNDP's Human Development Report. She was interviewed by Abderrahim Foukara of Al Jazeera, and Tuyet Nguyen of German Press Agency/DPA. I am Michael Littlejohns, thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

ANNOUNCER: Electronic transcripts of this programme may be obtained free of charge by contacting World Chronicle at the address on this screen:

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