

East Timor: The Way Ahead National Human Development Report 2002 Human Development Index (HDI)

UNDP has been publishing the global Human Development Report since 1990. One key feature of the report has been the introduction of the Human Development Index. In the most recent Human Development Report (2001) the HDI was calculated for 161 countries. The Human Development Index provides a way of ranking countries on the wider issue of human development, rather than on just income. The HDI is a viable alternative to GNP per capita, and thus it is increasingly being used to monitor the progress of nations and of global society.

A composite index, the HDI contains three indicators -

- Life expectancy, representing a **long and healthy life**
- Educational attainment (school attendance and literacy rates), representing **knowledge**,
- Real GDP (in purchasing power) representing a **decent standard of living**.

The HDI shows how far a country has to travel to provide these essential choices to its entire people. It is not a measure of well-being; nor is it not a measure of happiness. Instead it is a measure of empowerment. It indicates that if people have these three basic choices, they may be able to gain access to other opportunities as well. One lesson learned is that with the right policies, countries can advance faster in human development than in economic growth. Countries may have similar incomes, but how they translate this into human development is the key issue.

The HDI is only one snapshot of the status of human development. Since the introduction of the HDI in 1990, UNDP has gone on to introduce the Human Poverty Index (HPI) which focuses on poverty and deprivation, the Gender-related Development Index (GDI) which captures the inequalities between men and women and the Gender Empowerment measure (GEM) which reveals the extent to which women take active part in economic and political life.