Nepal's Human Development Scenario

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INTRODUCTION

Disparities in human development are common across regions and districts in Nepal. The primary objective of this paper is to measure the human development index and describe the state of human development in the context of available basic infrastructure facilities in Nepal, however, the paper also present , scenario of regionwise and districtwise HDI using the recent available data provided by Nepal Human Development Report, 1998.

Despite 40 years of developmetn efforts, people's access to basic infrastructure facilities, i.e. road, school, health, electricity, drinking water and sanitation, etc. is still very low and extremely uneven. The degree of deprivation of such facilities is most severe among the most deprived people in the remote, mountain and hilly regions. The fruits of development are centered around the developed, and urban area of the country. Among the development regions: poverty is pervasive in far western, 65 percent, followed by mid-west, 59 percent western region, 45 percent and the eastern development region, 43 percent (NSAC 1998).

The human priority ratio in Nepal is still low, 3.4 percent, in 1996 against the international norm of 55 percent. Likewise, size of social prority spending is very small. The per capita budgetary allocation in 1996/97 by the government for basic health was Rs. 94/-, for drinking water Rs. 34/- and for local development Rs. 44/- which all are lower than that allocated to police and defense (NSAC 1998).

Thus there lies the strong relationship between available socio-economic infratructure and level of human development showing the disparities in human development levels in different regions and districts of Nepal.

THE CONCEPT OF HUMAN DEVELOPMENT

Traditionally, human development is defined as the stock of human resource in terms of skill, knowledge, physical and mental capabilities of the people to contribute to production of goods, services and further knowledge. On the other hand human resource development (HRD) is defined as the process of improving the quality and efficiency of the people or labour force as a factor of production, and recently the new definition of human development incorporates the process of increasing people's choices

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and opportunities aimed at leading to a long and healthy life, to be knowledgeable, to find access to assets, employment and income needed for a decent standard of living, to participate fully in community decisions, and to be capable to enjoy economic and political freedoms. People are not the object as inputs to some other ends, but are the active partners in and the objectives and beneficiaries of the developmetn process. (Guru gharana 1992). Dr. B.P. Shrestha quotes human development as "basically on improvement in the quality of life of people as reflected in the level of living longevity of life, health status of population, education opportunities, clean environment, just to mention a few essential components of human well being and human priority concerns (Shrestha 1996). However, no automatic relationship between any particular level or rate of growth of GNP and improvement in quality of life has been empirically established. The UNDP reports on human development also reveal that the levels of GNP does not necessarily indicate the level of human development. Sri Lanka, Chile, Jamaica. Thailand, Tanzania, for example, do far better on their human development ranking then on their income ranking. Again, Oman, Saudi Arabia, Algeria, Senegal have a much higher income ranking and a rank considerably worse on their human development position (UNDP 1997). A study by Mazumdar (1990) on Asian poverty also reveals that though China is at a similar level of GNP per capita to that of India and Pakistan she has a much better performance in terms of quality of life. Per capita GNP alone, therefore, can not be taken as a surogate for performances in quality of life.

Several recent studies regarding human development reveal that income alone does not give a meaningful measure of welfare but along with income, quality of life such as education, health etc. matter much. Therefore, the level of human development of a country depends on how the income is put to use and how people actually live (Bhattacharya 1998).

The concept of human development has been brought to the surface only recently by the UNDP in its Human Development Reports (HDR) of 1990 (UNDP 1990). This report broadly focuses on the overall human well-being. When the attention of world have shifted from Structural Adjustment and Accelerated Growth towards Human Development since 1990 then less emphasis is given to GDP growth. As Shrestha quotes "This is not intended to undermine in any way the importance of GDP growth which is a necessary condition, but not a sufficient condition for human happiness. The GDP growth need not necessarily reduce the incidence of poverty, disease, illiteracy and squalor, unless such growth is widely shred and also composed of such goods and services as are necessary to meet the basic needs of the people in right proportion" (Shrestha 1996).

THE FRAME OF HUMAN DEVELOPMENT

The important frame of human development is creation of political, economic and cultural conditions which allow continual productive use of capabilities and sustainability. The frame is also sensitive to inter-generational sustainablility, enabling coming generation to inherit and entitle at least the same level of endowments as enjoyed by the present generation.

To this context, being the people real wealth of a nation, purpose of development is to create an congenial environment for people to enjoy long, healthy and creative lives resulting not only the quantity of cconomic growth but of the quality of growth. Thus, the frame of Human Development encave non-discrimination between all people, irrespective of gender, religion, race or ethnic origin, or any other individual attribute. It regards human beings as active subjects of development rather than as objects and active recipients of benefits from governmental, market related and other agencies. enriching the stock and relative capability of people to achieve values, welfare or utility consumed. Deprivation, in this reference, is absent in terms of welfare and utility and in the relative loss of avenues for using or enhancing capabilities.

COMPONENTS OF HUMAN DEVELOPMENT

Out going discussions sprinkle that Human Development is multidimensional concept which compases longevity with priority for health and related capabilities, education as a proxy for information and knowledge related capabilities, income as a proxy for capabilities to acquire a particular level of living.

Human Development Index (HDI)

Human Development Index (HDI) has been conceptualized and developed by UNDP's annual Human Development Report 1990-97. Initially, it was formulated interms of a country's status of deprivation or short fall in three components: health, education and income i.e. interms of deprivations or short fall in people's life pertaining literacy and income in a simple unweighted averages assuming a maximum value of 1.

Computation of Human Development Index

Initially, the HDI constructed by UNDP measures deprivation of a country in each of the three essential components in relation to other countries in a particular year in terms of adult literacy rate, per capita

income and life expectancy. Countries are scaled interms of their distances from the maximum values of these components. The maximum values for the components, except per capita income are selected as the highest values recorded among the countries (NSAC 1998).

Following the HDR 1994 two changes have been made in the construction of the HDI relating to the variables and their minimum and maximum values. First, the variable of mean years of schooling has been replaced by combined primary, secondary and tertiary enrollment ratios mainly because the formula for calculating mean years of schooling is complex and poses enormous data requirements. So far income index in concerned the minimum value on income has been revised from PPP$ 200 PPP $ 100 (UNDP 1997).

The HDI calculated in HDR 1997 has adopted the minimum and maximum value for the three components as follows (NSAC 1998):

- Maximum life expectancy = 85 years

- Minimum life expectancy = 25 years

- Maximum adult literacy rate as well

  as a combined enrollment ratio = 100 %

- Minimum adult literacy rate as well as a combined enrolment ratio = 0 %

- Maximum (adjusted/discounted) per capita real GDP of PPP $ = 6154, which is taken as the threshold level and any income above this level is discounted using Atkinson's formula for the utility of income.

- Minimum per capita GDP of PPP$ = 100.

- Maximum mean year of schooling = 15.

- Minimum mean year of schooling = 0.

Educational attainment is measured by the combination of adult literacy, with 2/3 weights ratio and combined primary, secondary and tertiary enrolment ratios, with 1/3 weight. The unweighted average attainment in these dimensions when subtracted from 1 gives the magnitude of human development Index (HDI).

Mathematically, HDI for country J could be expressed as:

$$H_j = \frac{1}{3} \sum_{i=1}^{3} h_{ij}$$

Where $h_{ij} = [X_{ij} - min (X_{ik})]/ [max (X_{ik}) - min(X_{ik})]$ is the i_{th} variables contributing to the human development index for the j_{th} country. Adopting the NSAC (1998) methodology, calculation of HDI for Nepal is illustrated as follows:

Life Expectancy Index For Nepal

As for Nepal, life expectancy at birth is 55 years (NPC 1997) her
Life Expectancy Index = [55-25]/ [85-25] = 30/60 = 0.500.
According to NSAC (1998), for the districts and regional level, life
expectancy has been calculated from the census data of 1991. The growth
in life expectancy based on the NFHS 1991 and 1996 (NSAC 1998) was
used to extrapolate life expectancy for 1996 for regional level, however, for
districts growth in life expectancy in the corresponding eco-development
region was used to extrapolate life expectancy in each of the districts. For
district in which the results appeared absurd, appropriate proxy values
were used from the corresponding development region or ecological region.

Educational Attainment Index For Nepal

For Nepal, adult literacy rate in 36.72 percent and mean year of
schooling is 2.254 years (NFHS 1991 and 1996).

Literacy Index = [36.72-0]/[100.0] = 36.72/100=0.367.

Mean year of schooling Index = [2.254-0]/[15-0]=2.254/15=0.150.

educational attainment index = 2 [adult literacy Index + (mean years of
schooling)/3 index] =[2 (0.367)+1 (0.150)]/3=0.295.

The NSAC (1998), has used information form NHFS 1996 to estimate
the level of educational attainment at the national regional and eco-
developmental region. The growth rate in the mean years of schooling
obtained from NFHS 1991 and 1996 at the eco-developmental region have
been used to extrapolate the mean years of schooling of the corresponding
districts, using census of data 1991 as the base.

Income Index For Nepal

As the income level for the national as well as for all classes of
desegregation fall below the threshold income level prescribed by WB,
PPP$ 5835, we need not discount per capita income as outlined in the
standard of UNDP's HDR methodology.
For Nepal, per capita PPP income, adjusted for purchasing power
parity, was $ 1186 in 1996 and thus its absolute value is used for the
computation of income index, so her
Income Index = [1186-1000]/ [6154-100] = 1086/6054 = 0.179.
The NSAC (1998) has calculated district level percapita income
based on NLSS 1996 for each district. The respective eco-development and
development regional incomes have been used as a proxy for those districts

which are not covered by NLSS (1996) as well as, for those districts where absurd results were obtained due to large sampling errors. As the regional income levels form NLSS (1996) are estimated by adjusting regional price variations, we expect minimum distortion in the estimated per capita PPP$ income at the regional and district levels.

Human Development Index (HDI) For Nepal

HDI is the unweighted average of life expectancy index, educational attainment index and income index and is obtained by dividing the sum of these indices by 3, as such her

HDI= [LEI + EAI + II]/3.

Or

HDI = [0.500+0.295+0.179]/3=0.325.

Human Development Index Across Development Regions, Eco-Development Regions And Districts Levels

Nepal was placed in the 154th position in the list of global human development index for 1996. Among the SAARC countries Nepal finds itself 6th rank before Bhutan. Sri Lanka has occupied 1st position achieving highest HDI level folloed by Maldives, India, Pakistan and Bangladesh (UNDP 1997).

Likewise Nepal was placed at 152nd ranking in Human Development Reports of 1998. According to HDR 1999, Nepal is ranked in the 144th position among the 174 countries of the world and 5th position among the SARC countries leading to Bangladesh and Bhutan. Canada ranks first and Sierra Leone is at the bottom of the ranking (UNDP 1999).

Nepal has shown some significant progress on the level of human development in the year 1999 due to improvement in literacy and life expectancy, even too much setbacks in per capita income level of the people. This is strong indication that still now deprivation in access to income by the majority of people is too much higher than the deprivation in access to education and health.

The five development regions of the country have the different level of human development index for 1996. The western development region has the highest HDI value 0.350, followed by eastern 0.339, and central 0.339, development regions, which are higher than the national HDI 0.325. On the other hand, mid-western region has lowest in education 0.254, life expectancy 90.437, and level of income 0.138. Similarly, far-western region has highest HDI than mid-western but lowest than other three development regions. But both the regions of mid and far western are lower in HDI than for the country as a whole. Table 1 presents the HDI of five development regions and their corresponding eco-development regions.

Table 1
Human Development Index Across Regions 1996

Region	Life Expectancy Index	Educational Attainment Index	Income Index	Human Development Index
Nepal	0.500	0.295	0.179	0.325
Eastern	0.507	0.338	0.173	0.339
Mountain	0.565	0.307	0.154	0.342
Hill	0.653	0.320	0.131	0.368
Terai	0.580	0.352	0.202	0.378
Central	0.512	0.283	0.222	0.339
Mountain	0.468	0.173	0.165	0.269
Hill	0.662	0.368	0.292	0.441
Terai	0.520	0.231	0.179	0.310
Western	0.572	0.316	0.162	0.350
Mountain	0.462	0.318	0.161	0.313
Hill	0.537	0.329	0.187	0.351
Terai	0.625	0.294	0.127	0.349
Mid Western	0.437	0.254	0.138	0.276
Mountain	0.462	0.152	0.111	0.241
Hill	0.530	0.259	0.142	0.311
Terai	0.512	0.271	0.139	0.307
Far Western	0.452	0.271	0.135	0.268
Mountain	0.462	0.230	0.091	0.261
Hill	0.398	0.248	0.134	0.260
Terai	0.515	0.308	0.159	0.327

Source: NSAC, *Nepal Human Development Report* 1998.

With the comparison of HDI value for the 15 ecological zones under five development regions acute disparities in human development are apparent. The Table 1 shows that the central hills score the highest rank of HDI, 0.441 with life expectancy 0.662, educational attainment 0.368 and level of income 0.292. Eastern terai and hills are relatively higher HDI 0.378 and 0.368 respectively. The mid western mountains, far western hills and mountains have the lowest levels of human development index, 0.241, 0.260, and 0.261, respectively. The level of HDI in higher in eastern terai 0.378, eastern hills, 0.368, western hills 0.351, western terai 0.325. A componentwise indices of the HDI in the Table 1 indicates that the high level of disparities is not due to extreme skews in any single component but due to uneven distribution of capability related basic facilities like: school/campus, health post/hospital, drinking water and sanitation, transportation and resources. Thus, from the deprivations view point, the

Table 1 reveals that among the deprivation of the three components of human development, resources or the level of income deprivation appears to be most acute. However, deprivations exist in life expectacny and educational attainment also.

Desegregation of the human development index at the district level shows that inter district disparity is very high. The Table 2 shows the inter-district variation and the districtwise level of human development.

Table 2
Human Development Index Across Districts 1996

Rank	District	HDI 1996	Rank	District	HDI 1996	Rank	District	HDI 1996
1.	Kathmandu	0.603	26	Siraha	0.350	51.	Nawalparasi	0.300
2.	Lalitpur	0.523	27.	Okhaldhunga	0.340	52.	Kailali	0.299
3.	Kaski	0.450	28.	Dolkha	0.340	53.	Dang	0.299
4.	Morang	0.421	29.	Baglung	0.337	54.	Sindhuli	0.295
5.	Jhapa	0.421	30	Palpa	0.337	55.	Darchula	0.286
6.	Dhankuta	0.401	31.	Kanchanpur	0.332	56.	Kapilbastu	0.286
7.	Bhaktapur	0.393	32.	Agrhakhanchi	0.331	67.	Sindhupalchok	0.277
8.	Tehrathum	0.393	33.	Dhanusha	0.329	58.	Rukum	0.270
9.	Tanahu	0.384	34.	Panchthar	0.328	59.	Dadeldhura	0.265
10.	Sunsari	0.384	34.	Sarlahi	0.327	60.	Rolpa	0.264
11.	Ilam	0.380	36.	Gulmi	0.326	61.	Dhading	0.258
12.	Kabhrepalanchok	0.380	37.	Pyuthyan	0.323	62.	Baitadi	0.256
13.	Syangja	0.378	38.	Mahottari	0.322	63.	Salyan	0.250
14.	Lamjung	0.375	39.	Khotang	0.318	64.	Doti	0.249
15.	Saptari	0.374	40.	Mustang	0.316	65.	Dailekh	0.246
16.	Chitwan	0.370	41.	Ramechhap	o.315	66.	Rasuwa	0.246
17.	Shankhuwasabha	0.365	42.	Nuwakot	0.312	67.	Humla	0.244
18.	Taplejung	0.363	43.	Myagdi	0.309	68.	Achham	0.235
19.	Rupandehi	0.361	44.	Bara	0.309	69.	Jumla	0.218
20.	Parbat	0.357	45.	Makwanpur	0.309	70.	Dolpa	0.218
21.	Surkhet	0.357	46.	Banke	0.309	71.	Jagarkot	0.210
22.	Parsa	0.355	47.	Rautahat	0.308	72.	Bajhang	0.201
23.	Udayapur	0.355	48.	Gorkha	0.308	73.	Kalikot	0.177
24.	Solukhumbu	0.354	49.	Manang	0.306	74.	Bajura	0.173
25.	Bhojpur	0.351	50.	Bardia	0.304	75.	Mugu	0.147

Source: NSAC, *Human Development Report 1998.*

The Table 2 shows that Kathmandu has highest level of human development index 0.603, than that of bottom ranked Mugu district's human development index. The most deprived districts are Kalikot, Bajura and Mugu having HDI, 0.177, 0.173 and 0.147 respectively. These three districts have the range of HDI value less than 0.2. There are 21 districts from Kailali to Bajhang with 0.2-0.3 range of HDI value attainment. The HDI attainment of 45 districts, from Bhaktapur to Nawalparasi, the mojority, lie between the range 0.3-0.4. Only four districts from Kaski to Dhankuta lie between 0.4-0.5 range and have higher level of human development than those of 69 districts. Kathmandu and Lalitpur, the two districts, lie between 0.5-0.6 range, fall in the high human development category in terms of national categorization but in terms of global categorization these two districts fall in the medium human development category and remaining 73 districts fall in the low human development category. These uneven distributions of HDI value signify the glaring disparities in health, education and income capabilities of people among the development and ecological regions at district level.

The mid western and the far western development regions are physically and naturally remote and thus socially backward. These regions including all the mountain and hilly districts are internally harshness. There is no expected level of investment by the goverment as well as the private sector. Hence, there is very low levels of socio-economic welfare and human development activities. Thus, it is believed that the high level disparities existed in those regions and districts due to unequal distribution of access to health facilities, access to educational facilities and access to income earning opportunities. However, among these opportunities majority of the people in all the regions and districts are more deprived in access to income than the health and educational capabilites.

CONCLUSION

In conclusion the human development scenario in Nepal reveals the wide dispareties in health, education and income deprivation both at the regional and district level and is much more acute compared to the national level. However, 13 districts are above the national level in terms of HDI value, which indicates that the urban and semi-urban districts and developed regions have higher level of human developement than the remote, inaccessible, mountain and hilly districts and backward regions. Likewise, it is also evident that there is positive relationship between HDI and abundancy of socio-economic infrastructure at regional and district level, which can be substantiated that as Kathmandu, Lalitpur, Kaski, Morang, Jhapa and Dhankuta have better socio-economic infrastructure than others, so these districts have highest HDI value than others.

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