Chapter 1

What is Development?

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The term 'development' is one that has many different meanings. While many overlap, some inherently contradict each other. To many people development is either a process or outcome that is often bad in terms of its impact on people and the societies in which they live. Some others see development as both a process and an outcome, and as necessarily good. These people see development as something that should be actively sought after. And to complicate matters further, there are many others who define development in many different ways. This chapter broadly attempts to identify, explain and resolve those issues by introducing and outlining various conceptualizations of development. Such an exercise is an important one: if we are to study something, it is essential to first understand what we are studying. It is especially important in a study of development, for without a definition of this term we cannot determine whether a country is achieving higher levels of development, or whether it should be considered developed, developing or underdeveloped. It is also important for development practice. Development practitioners, irrespective of whether they are involved in policy, planning or in implementing development projects, need a working definition of what it is they are seeking to achieve.

This chapter looks at various definitions of development. Such an exercise necessarily requires an examination of theoretical material about what development is or ought to be. The chapter adopts a largely chronological examination, given that many new definitions are actually responses to earlier ones. To understand the latter, one first needs to understand the former. The chapter commences by introducing and critiquing various traditional or early meanings or conceptualizations of development. This is a deliberately brief discussion. More detailed treatments can be found in Leftwich (2000), Hunt (1989) and, in particular, Cowen and Shenton (1996). The chapter then examines more contemporary meanings of development, those which emerged from the late 1960s to the present. These meanings either treat development as the domination and exploitation of one group by another or as what might very loosely be described as 'good change'. The chapter favours the use of the second meaning, largely because it forces us to reflect on what sort of change or outcomes we want to see in all countries, rich and poor, providing a framework to compare actual changes against those we would like to observe. It also allows us to consider which countries, and, within countries, which people, should be prioritized in efforts to improve the human condition.

The chapter focuses predominantly on various conceptualizations that are consistent with the 'good change' approach, many that are provided by the literature on human well-being. This is followed by an empirical examination of the development record in a manner consistent with some of these conceptualizations. This involves looking at country achievements, or in some cases lack thereof, in health, education, income and related indicators. Finally, a balance sheet is provided that looks at what might be perceived as 'goods' and 'bads' and which asks us to judge whether 'development' has actually occurred. It is argued that this is essentially a subjective exercise, and a complicated one at that, which requires one to reflect on one's own personal values to judge what is important and what is not.

Traditional meanings of development

Historical progress and modernization

To many people, development means the use of natural resources to supply infrastructure, build roads and dams and provide electricity and other forms of energy, to productively utilize or exploit previously unused areas of land or to devise new forms of technology for productive use. For others, it can simply be an ordered or linked set of events or changes. It is not uncommon for someone to refer to the 'next development' in something, be it an individual's life story, a novel, a movie or a sports event or, more to the current point, a town or city, region or nation. These meanings correspond, arguably, with what most laypeople would mean by 'development'.

These layperson's definitions of development are broadly consistent, to varying degrees, with more formal definitions that were dominant in the academic and policy literatures and embraced by most development practitioners during the 1950s to late 1960s. They still appear in some literatures and are embraced by some practitioners even today, but are far less dominant. Some have their origins in literature dating back many centuries. Most, if not all, overlap to varying degrees and some are differentiated only by subtle variations. For our current purposes, it is sufficient to outline two that are arguably the most dominant. The definitions treat development as either historical progress or modernization. Let us briefly discuss each in turn.

Development as *historical progress* refers to the unfolding of human history, over a long period of time, in a manner that is thought to be progressive. The evolution of capitalism is often put forward as an example of historical progress. Key to this definition is what is understood as progress, and deciding whether certain historical changes are progressive is not a straightforward task. It is made all the less straightforward by many different conceptualizations of progress. The modern view of progress is based on a philosophical notion that is equated with a steady onward process, brought about by human agency, that results in a systematic transformation of the world. Human agency is in turn seen as the application of human abilities, such as intelligence and initiative.

Development, defined as historical progress, is very much linked to the Western European experience from the late eighteenth century onward. This experience saw the emergence of more materially affluent societies, the application of improved technologies that resulted among other things in better communication and transportation, greater human freedom and, in time, improvements in health and education levels.

Development as *modernization* has been described in many different ways. This very influential conceptualization of development is discussed in detail in Chapter 2 of this book, so here we provide broad details only. Modernization is a process whereby societies move through a fundamental, complete structural transition from one condition to another, from a starting point to an end point. The starting point is viewed as a traditional society which develops into an advanced, modern society. This is associated with a shift in the structure of an economy, away from a reliance on the agricultural sector. This shift sees a greater reliance over time on the industrial sector, with an increasingly large proportion of an economy's output coming from manufacturing activities. Eventually it also sees the rise of a services sector which includes the providers of health and educational services, finance, transportation and professional advice.

It should be emphasized that in its proper context modernization not only involves an economic transformation but profound social, cultural, ideological, institutional and political changes as well. In an influential paper, Huntington (1971) describes modernization as a process in which societies have more control over their natural and social environment due to the use of superior scientific and technical knowledge. Moreover, according to Huntington, the economic, social and political structures and processes actually converge over time.

Development defined as modernization or historical progress is evident in the works of two well-known writers, Walt Rostow and Karl Marx. Examining these works allows us to better understand these definitions. Rostow proposed what is known as the 'stages theory' of economic growth in his famous book published in 1960 (Rostow 1960). The growth to which Rostow refers is in the economy or economic growth, measured by year-on-year changes in the overall level of production. Rostow's theory is also discussed in the next chapter which mainly focuses on the context in which this theory was proposed. Here our focus is on the meaning of development implicit to the Rostow theory.

Rostow's stages of economic growth

Rostow's theory is that societies pass through five stages. A society or country can be considered to be *developing* as it passes through these stages and as *developed* as it reaches the final stages. And, as we shall shortly note, development is very much defined in terms of material advancement. Often this type of development is called *economic development.* The first is a *traditional society* stage. This stage is characterized by low levels of productivity and technology. The economy is dominated by the agricultural sector, with most people living and working on the land. The social structure of agricultural life is very hierarchical and there is little upward mobility: people who are born poor remain poor, and successive generations are often no better off than each other. Economic growth is very low or non-existent.

The second stage is when societies commence a process of transition. This is when the preconditions for what is termed 'take-off' into rapid and sustained growth are put in place. Accordingly, this is the *preconditions for take-off* stage. Entrepreneurial activity emerges, with a class of people willing and able to save from their incomes, thereby creating a pool of funds that can be invested. Banks and other institutions that facilitate these activities emerge, with an increase in investment in transport and communications. Modern technologies are also utilized.

The third stage is *take-off.* During this stage there are further technical advances in both industry and agriculture, the entrepreneurial class expands, new and profitable industries emerge and quickly expand and previously unexploited natural resources are increasingly used in production. This stage is characterized by two key factors which differentiate it from the previous stage. The first is that institutional resistances to steady economic growth are largely removed. These resistances might be, for example, a class of people whose interests are to retard general economic advancement, such as a landed or elite class that wants a pool of cheap labour. The second is that there are large increases in the incomes of those who not only save increasingly larger shares of this income but make these savings available to those wanting to invest in modern sectors of the economy. Savings increase by up to approximately 10 per cent of national income in the take-off stage.

Take-off is followed a long interval of sustained, although fluctuating, progress as the now regularly growing economy drives to apply modern technology throughout its entire economy. This is the fourth stage, known as the *drive to maturity*. Savings and investment is in the vicinity of 10 to 20 per cent of national income and the growth of national output and income regularly exceeds that of the population. The economy is now involved extensively in international trade. Commodities that were once produced at home are imported and purchased using funds obtained from exporting other commodities abroad. New industries emerge and older ones either disappear or taper off. The society adjusts its values and institutions in ways that support the growth process. Maturity is reached 40 or so years after the end of the take-off stage.

The final stage in the Rostow theory is the *age of high mass-consumption* in which the country or society is truly developed. Upon reaching this stage, societies no longer accept the ongoing application of modern technology as the fundamental objective. The consumer is king, with the economy being primarily geared towards the production of consumer durables and services on a mass basis. The leading sectors of the economy are those that supply these goods and services. Cars, television sets, washing machines, cooking equipment and leisure are the focus of productive efforts. Material prosperity is higher than ever and this modern society can unambiguously be considered as developed. Importantly, while this prosperity might not be very evenly distributed in this modern society, it would be enjoyed by all sections within it. Those who were once poor would no longer be so because economic expansion would ensure high levels of employment and a high demand for employees would ensure higher wages. This spreading of the benefits of growth to the poor is referred to as 'trickle-down', a crucial characteristic of theories such as Rostow's.

Marx's stages of historical development

Marx, in his writings first published in the second half of the nineteenth century, envisaged four stages of historical development (Marx 1970a, 1970b, 1970c, 1972). As with Rostow's stages, the implicit message from Marx's treatment of history is that a society is *developing* as it passes through each stage and achieves a higher level of *development* along the way. The level of freedom enjoyed by individuals and the ownership of private property differentiates stages. The first of Marx's stages is the *primal stage*. Individuals are overwhelmingly concerned with satisfying the most basic of human needs such as food, clothing and shelter. Higher notions such as self-expression and individual freedoms are not entertained until basic survival is ensured. All societies are thought to emerge from this primal stage.

The second stage of historical development is the *feudal stage*, in which private property exists but is held by the aristocracy. The aristocracy oppresses and alienates but at the same time is dependent upon the masses which are the subordinate serf class. This stage provides no freedom or opportunity for self-fulfilment, and increased production is achieved through the direct exploitation of the majority.

Feudalism is followed by the *capitalist stage*. The capitalist society provides private property and productivity capacity grows rapidly. An entrepreneurial, capitalist class emerges that seeks out commercial opportunity. A more modern and technically advanced economy consequently emerges that relies less on agriculture and more on industry. Marx was of the view that capitalism was best suited to achieve increases in the productive capacity of the economy. Individual freedom is, however, withheld from the proletariat working class. This class is both exploited and impoverished, and remains alienated through its submission to wage labour. The capitalist class is enriched by the expansion of the productive capacity of the economy.

Marx's historical stages of development culminate in the fourth stage, *communism*. The enrichment of the capitalist class and the impoverishment of the proletariat in the capitalist stage would ultimately lead to the latter overthrowing the former. The proletariat would, in particular, seize the means of production, transferring it to public or collective ownership, and encourage social relations that would benefit everyone equally. True freedom for the proletariat would then be achieved. This society would reject all previous values, realizing that class is an artificial creation and perpetuated by rulers interested only in ensuring their own self-interests and survival. That the productive capacity of the economy has been built up under the capitalist stage and the sharing of the benefits of this capacity are equal means that everyone's living standards in this society are relatively high.

A critique

Traditional meanings of development, implicit or otherwise, came under great scrutiny from the late 1960s onward. Understanding this scrutiny requires us to outline the main measures of development that corresponded to these meanings. Consistent with the traditional conceptualizations of development, in particular that which equated development with modernization, was the use of the rate of growth of per capita national income, be it measured in terms of per capita Gross Domestic Product (GDP), Gross National Product (GNP) or Gross National Income (GNI), as the main indicator of whether a country was developing. Some people went so far as to even equate per capita economic growth with development, defining the latter in terms of the former.

Also consistent with the early conceptualizations was the use of the *level* of per capita national income as the main indicator of the *level* of development that a country had achieved. The World Bank, for instance, classified countries on the basis of their GNPs per capita as either low, middle or high income. Countries belonging to the high-income group were widely considered as developed, while those in the low- and middle-income groups were often considered as less developed or developing countries. This does not mean that developed countries cannot also be developing, by achieving higher levels of development, just that the label 'developing' was assigned to the low- and middle-income groups. This practice continues today, but with the use of GNIs per capita for the year 2013. Low-income countries are defined as those with a GNI per capita of US$1,045 or less in 2013, middle-income countries are those with a GNI per capita of more than US$1,045 but less than US$12,746 and high-income countries are those with a GNI per capita of US$12,746 or more (World Bank 2014d).

It was observed in the late 1960s and early 1970s that many economies that had followed a broadly Rostow-type modernization-led growth (or growth via modernization) strategy had achieved high rates of economic growth, with some achieving rather high incomes per capita. But this growth was not uniform, both among and within countries. Among countries, it was observed that rates of per capita economic growth in high-income countries far exceeded those of their low- and middle-income counterparts. For instance, between 1961 and 1970 the per capita national incomes in the high-income countries grew at an annual average rate of more than 4 per cent while over the same period the middle- and low-income countries grew at annual average rates of just over 3 and just under 1 per cent, respectively.

These differential growth rates, combined with the fact that initial incomes in the high-income countries are by definition higher than those of the low- and middle-income countries, meant that international inequalities in per capita incomes grew over time. The rich countries were getting richer and the poor countries, while also getting richer on average, were falling further and further behind. Put differently, the poor countries were becoming relatively poorer over time. High-income country income per capita was 45 times that of the low-income countries in 1960, a ratio that many observers thought was obscenely high. By 1970, however, the former were 56 times richer in terms of per capita income than the latter and 70 times richer by 1980 (World Bank 2007).

Arguably more disconcerting were inequalities within countries. Despite the positive and often high rates of growth that were experienced by the vast majority of developing countries, there remained large sections of the populations of these countries that were largely untouched by this growth. The lives of these people were still characterized by crushing, abject poverty while tiny minorities benefited enormously. The widespread perception among observers was, therefore, that the poor benefited little, if at all, from the growth via modernization strategies that had been pursued in the 1960s and earlier decades. Indeed, there were many that believed that some groups within developing societies were actually worse off as a result of these strategies, if not in terms of the incomes they earned but in terms of social upheaval and displacement, a loss of identity and cultural dislocation.

Statistics, while never adequately capturing the plight of the poor, do back up the views of the late 1960s' and early 1970s' critics of growth via modernization strategies. The experience within Latin American countries is often cited, Brazil in particular. Like many other countries in its region Brazil experienced very high rates of per capita income growth – between 6 and 11 per cent per year during the late 1960s and early 1970s. Yet large sections of the Brazilian population remained impoverished, as implied by income distribution statistics. Throughout the mid-1960s to mid-1970s, it is estimated that the poorest 10 per cent of the Brazilian population received less than 2 per cent of their nation's income. The richest 10 per cent of Brazil's population during this period is estimated to have received a little more than 40 per cent. By the early 1980s, the corresponding numbers were 1 and 45 per cent, respectively. Income poverty data are hard to obtain for the 1970s but by 1981, after further high if not volatile annual per capita national income growth outcomes, 31 per cent of the Brazilian population, some 39 million people, lived in poverty (World Bank 2007). Brazil might well be considered an extreme example but it is broadly indicative of trends in the developing world as a whole. For instance, in 1981, after years of per capita income growth in the vast majority of countries, 67 per cent of the combined population of low- and middle-income countries lived in income poverty, some 2.5 billion people (World Bank 2007). Thus it appeared that while the developing world might have grown, the fruits of this growth were not widespread. In short, if there was any trickle-down it was clearly insufficient in its extent.

Such comments apply to those countries which followed what might broadly be considered a Rostow-type growth strategy. But broadly similar comments can be made about those countries that chose Marxism during the post-Second World War and subsequently Cold War era, the many countries that were part of the Eastern bloc of countries, including the Soviet Union. Most if not all of these countries had achieved industrialization and had overthrown their capitalist classes. But the freedoms expected for the masses, especially civil freedoms, were not enjoyed. Nor, in many cases, were the expected gains in material living standards.

Contemporary meanings of development

A number of alternative meanings of development emerged from the criticisms of the modernization strategies. Some of these meanings were implicit to alternative theories of development. By this it is meant that alternative explanations of the development experiences of countries were offered, and from these theories it is possible to infer a particular definition of development. In other cases, the meanings are the result of an explicit attempt to provide an alternative definition of development. Two broad types or classes of definitions emerged: those which defined development in a rather negative manner and those which defined it in a way that is necessarily good. Let us examine each in turn.

Development as domination and exploitation

That the gap in living standards between developed and developing countries had very substantially widened throughout the 1960s and 1970s and that many hundreds of millions of people still lived in poverty in the developing world led many commentators from the late 1960s to question some of the fundamental assumptions on which modernization theories and strategies were based. These commentators tended not to question the goals of modernization but the assumption that all countries could follow a largely homogeneous development path, and that in particular what happened in the industrialized Western world could be largely replicated in poorer developing countries. What these commentators instead saw were large volumes of foreign trade between developed and developing countries and large increases in developed country foreign development aid and investment to developing countries in the apparent absence of the gains that these flows were supposed to generate. They saw countries that were marginalized and locked into a situation of underdevelopment, in which they were peripheral and subservient to and dependent on a global economy dominated by developed and multinational countries.

A leading proponent of this view was Andre Gunder Frank. Frank, like many others holding the same view, drew on the experiences of the Latin American countries. As Leftwich (2000) points out, these countries had a long and intimate engagement through investment and trade with the developed world, but the processes and features of development were thought by Frank and others to be retarded and deformed, constituting what came to be known as *underdevelopment*. Frank argued that 'development and underdevelopment are the opposite sides of the same coin' (Frank 1967: 33). The school of thought to which Frank and many others belonged believed development was not about, in effect, rapid growth that led to the sorts of societies envisaged by Rostow and other proponents of modernization-led economic growth but, rather, about the domination and exploitation by the rich developed countries of their poor underdeveloped (as distinct from developing) counterparts. It was not something for poorer countries to strive for but something that should be avoided at all costs. Further details of this school of thought are provided in the next chapter.

Development as good change

In an extremely influential work published initially in late 1969, Dudley Seers rejected the view that development was an objective or positive concept that, for example, described what was necessary for a country to achieve higher living standards for its citizens. Instead, he thought that development should be seen as a concept that requires us to identify the normative conditions for a universally acceptable aim, which for Seers was the '*realization of the potential of human personality*' (Seers 1972: 6, emphasis added). This conceptualization was a direct challenge to strategies that relied heavily on economic growth or that implicitly equated growth with development. He actually thought that economic growth did not only solve certain social and political difficulties but could actually contribute to them.

Having defined development in terms of the realization of human potential, Seers' next task was to consider what was absolutely necessary for such realization. This led him to three related questions:

- What has been happening to income poverty?
- What has been happening to unemployment?
- What has been happening to income inequality?

Seers asserted that if all three of these phenomena had over time declined from high levels, then 'beyond doubt this has been a period of development for the country concerned' (Seers 1972: 7). He further asserted that 'if one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result "development" even if per capita income doubled' (Seers 1972: 7).

A reasonably clear case was provided for the singling out of these questions. Seers thought that human potential could not be realized without sufficient food, and that the ability to buy food is determined by income. Those living below an income poverty line cannot buy enough food to realize their human potential. Having a job – whether in paid employment, being a student, working on a family farm or keeping a house – was considered to be essential for the enhancement of one's personality and for self-respect. Inequality was linked to poverty. Seers argued that poverty could be reduced much more quickly if economic growth was accompanied by reduced inequality. He also saw equity as an objective in its own right, arguing that inequity was objectionable on ethical standards.

A point often overlooked in Seers' writings is that he thought that many other factors, in addition to the reduction of poverty, unemployment and inequality, were also important for the fulfilment of human potential. He thought that this fulfilment also required adequate education levels, freedom of speech and national political and economic sovereignty (Seers 1972).

The fundamental contribution of Seers was that development should be defined as a subjective or normative concept. Development is not about what actually has or will happen – as in the writings of Rostow and Marx who saw development as historical change, or those who defined development as exploitation and domination – but what ought to happen. In short, this is about differentiating between changes per se and that which we would like to see, that change which might simply be described as 'good'. This laid the groundwork for many new development conceptualizations proposed from the early 1970s through to the present. Let us now highlight some of the better known of these conceptualizations.

In the early 1970s, the International Labour Organization (ILO) focused attention on the importance of employment in developing countries for providing for basic needs (ILO 1976). The efforts of the ILO and others led to the emergence of a new meaning, which treated development as the fulfilment or satisfaction of *basic human needs*. The corresponding measure of development became the extent to which these needs were met. Basic needs are often thought to be confined to food, shelter and clothing. The ILO identified five categories of basic human needs which go well beyond these. They are:

- basic goods, including food, shelter and clothing;
- basic services, including education, health, access to water and transport;
- participation in decision making;
- the fulfilment of basic human rights, and;
- productive employment, that which generates enough income to satisfy consumption needs.

It should come as no surprise that the ILO's flagging of a list of needs was followed by much discussion about how they can best be fulfilled. There were those who believed that basic human needs could only be fulfilled through redistributive policies that result in a more equitable distribution of income, assets and power (Green 1978). Implicit to this view was that growth-oriented strategies could not satisfy basic human needs; strategies aimed at fulfilling the latter were actually a rejection of the former. The ILO, while not rejecting redistribution policies, was of the view that high rates of economic growth were essential for a successful basic human needs development strategy.

Many more elaborate needs were subsequently articulated in the years after the ILO came up with the basic human needs approach. They included those from Streeten (1979), Streeten et al. (1981), Stewart (1985) and, some years later, Doyal and Gough (1991). These articulations tended to focus more than the ILO on needs beyond the provision of basic goods and services, such as a sense of purpose in life and work, self-determination, political freedom and security and national and cultural identity. The issue of the universality of needs, across cultures and over time, was also examined. Doyal and Gough defined universal needs as preconditions for social participation that apply to everyone in the same way. They concluded that two universal basic needs do exist – physical health and autonomy. Autonomy was viewed as the capacity to initiate an action that requires, among other things, the opportunity to engage in social action.

Discussions on development strategies and corresponding meanings of development were rich and engaging in the 1970s and early 1980s. The same cannot be said of the remainder of the 1980s. The early 1980s was a period of great economic turmoil in the developing world, largely owing to steep declines in oil prices. Many developing countries experienced serious balance of payments problems, growing public and private debt, declines in investment and high inflation. All of these problems culminated in lower economic growth rates than would have otherwise been the case. The dominant view at the time is that the best way to deal with these problems was with what might loosely be described as neoliberal economic policies, often aimed at less government economic intervention and, above all, a primary focus on sustained economic growth. The World Bank was an active and influential proponent of similar views. Such an environment was not conducive to a more interventionist development strategy, including one aimed at satisfying basic human needs. Strategies aiming to put basic human needs satisfaction first, that were consistent with a notion of development as something other than or in addition to economic growth, were not high on the agenda of national governments and international development organizations. The 1980s can, in this sense, be seen as a lost decade in terms of the advancement of development conceptualizations.

This state of affairs changed in 1990, with the release of the UNDP *Human Development Report 1990*. In an attempt to shift development thinking and strategies away from what was thought of as an excessive preoccupation with economic growth as a goal for development policies, and back to what it saw as core values, the UNDP advanced its concept of *human development*. The UNDP defined human development as follows:

> Human development is a process of enlarging people's choices. The most critical ones are to lead a long and healthy life, to be educated and to enjoy a decent standard of living. If these essential choices are not available, many other opportunities remain inaccessible. But human development does not end there. (UNDP 1990: 10)

The UNDP was at pains to emphasize that its concept of development was broader and more vital than mere economic growth that achieved higher average incomes. It made the powerful point that income is not an end in its own right but a means to an end. What matters, according to the UNDP, is not so much the level of income but the uses to which it is put. The UNDP invoked a powerful ally in advancing its position: the ancient Greek philosopher Aristotle. He had warned against judging societies by variables such as income and wealth that are sought not for themselves but desired as means to other objectives. Succinctly, Aristotle's view was that: 'Wealth is evidently not the good we are seeking, for it is merely useful for the sake of something else' (UNDP 1990: 9).

The UNDP not only proposed its own definition of human development but also a measure designed to show which countries had achieved the highest levels of this development and which had achieved the lowest. More generally, the measure provided a league table, a ranking, of countries in terms of the levels of human development they had each achieved. That measure is the now famous Human Development Index (HDI). A detailed technical description of the HDI is not necessary for our current purposes but it combined measures of longevity, knowledge and the material standard of living into a single index. The HDI has changed since its inception in 1990 but in the original version these measures were life expectancy (the number of years a newborn child would be expected to live in a country given prevailing patterns of mortality), adult literacy (the percentage of persons aged 15 and over who can understand, read and write a short statement on everyday life) and a measure of GDP per capita adjusted for differences in the cost of living between countries (UNDP 1990). The HDI is now arguably the most widely used and reported measure of the level of development among countries. HDI scores have been published annually and are now available for more than 170 countries. The higher the score, the higher is the level of development that a country is considered to have achieved. We return to HDI scores later in this chapter.

The UNDP relied heavily on the work of Amartya Sen in articulating and designing the HDI. Sen was winner of the 1998 Nobel Prize in Economics for his contributions to the field of welfare economics. In the late 1970s, Sen began proposing what became known as the 'capability approach'. This was in the context of how inequality should be judged, with Sen arguing the case for looking at inequalities, not in variables such as income but in what he referred to as basic capabilities (Sen 1980). Indeed, Sen had long been critical of the use of income as a measure of development; the level of income or its growth was not as important as what it was used to purchase (Sen 1985a). To this extent he was in agreement with Aristotle. Accordingly, as Alkire (2002) points out, development in Sen's capability approach is not defined as an increase in income growth, or for that matter in terms of enhanced education or health alone, but as an *expansion of capability*. Capability is treated as the *freedom* to promote or achieve combinations of valuable functionings (Sen 1990). Functionings, in turn, are the 'parts of the state of person – in particular the things that he or she manages to do or be in leading a life' (Sen 1993: 31). The link between freedom and development was a theme Sen articulated further in subsequent writings. In his well-known work, *Development as Freedom* (Sen 1999a), he argued that the expansion of freedom is both a primary end and a principal means of development. More precisely, he argued that development involved the removal of the 'unfreedoms that leave people with little choice and little opportunity of exercising their reasoned agency' (Sen 1999a: xii).

So, what are these capabilities that allow one to function? Sen resists identifying a set of capabilities on the grounds that it is a value judgement that needs to be made explicitly, in many cases through a process of public debate (Sen 1999a). We need to keep this point in mind later in this chapter. Yet many others have identified various lists of capabilities, or what might be interpreted as such. The UNDP has done so, in its definition of human development and choice of components of, or dimensions of development empirically captured by, the HDI. This was made clear in the *Human Development Report 1995*:

> The basis for selection of critical dimensions, and the indicators that make up the human development index, is identifying basic capabilities that people must have to participate in and contribute to society. These include the ability to lead a long and healthy life, the ability to be knowledgeable and the ability to have access to the resources needed for a decent standard of living. (UNDP 1995: 18)

A comprehensive list of often complex capabilities is provided by Martha Nussbaum, among others. Many of these are most applicable or easy to understand at the level of an individual but can also be applied in varying degrees to countries, based on the life situations of their citizens. Nussbaum's list has been revised many times but in 2000 consisted of the following: life, bodily health, bodily integrity, senses, imagination, thought, emotions, practical reason, affiliation, other species, play and control over one's environment (Nussbaum 2000). Nussbaum describes these as 'central human functional capabilities'. Many of the capabilities identified by Nussbaum are by no means simple in a number of respects, for example in assessing whether they have been achieved or designing policies aimed at achieving them. Clearly, the underlying or corresponding definition of development is far more complex than those outlined above. This is also evident from an examination of the equivalent lists provided by other writers, often described as dimensions of development, and numerous extensions of Sen's capability approach. Alkire (2002) provides an excellent and comprehensive survey of human development dimensions and of the research that has identified them. Oosterlaken and van den Hoven (2012), Scheffran and Remling (2013), Trani et al. (2011) and Elson et al. (2011) extend the capability approach to technology and design, human security, disability and human rights, respectively.

The work of Alkire (2002) and others, including Sen's contributions, belongs to the literature on what is now widely called *human well-being*. The capabilities that are identified in it are often called well-being dimensions, and this term will be used in the remainder of this chapter. Broadly analogous terms include the quality of life, the standard of living and, as the UNDP prefers, human development. It is now very common to equate development with these terms. Using the first, development is therefore seen as enhancing or increasing the level of achieved human well-being. This can be at the level of nations, in which it is the overall level of well-being of its citizens, or at the level of individuals.

A key characteristic of the Sen capability approach and its extension by Nussbaum, and indeed the basic human needs approach and the writings of Seers, is that development is seen to be *multidimensional*. It is just not about improvements according to a single criterion, but multiple criteria. The extent to which this had become appreciated in the early 1990s and onwards is evident in statements emanating from the World Bank. The World Bank had long (and sometimes unfairly) been seen as a vanguard of a market-friendly, economic growth-first approach to development strategy. It differentiated between what is referred to as 'economic development' and 'development in a broader sense' in its *World Development Report 1991* (World Bank 1991a). Economic development was seen as a 'sustainable increase in living standards that encompasses material consumption, education, health and environmental protection' (World Bank 1991a: 31). Development in the broader sense was articulated by the World Bank as follows:

> Development in a broader sense is understood to include other important and related attributes as well, notably more equality of opportunity, and political and civil liberties. The overall goal of development is therefore to increase the economic, political, and civil rights of all people across gender, ethnic groups, religions, races, regions and countries. (World Bank 1991a: 31)

The pendulum had firmly swung, it seems.

The World Bank, in these quotes, refers to the various population sub-groups (delineated by gender, ethnicity and so on), sustainability and the environment. These issues have for a number of years been highly relevant to development theory and the definition of development. Let's deal with each in turn.

Inequality of incomes among people within countries was discussed above. This type of inequality is often referred to as 'vertical inequality' in that it refers to differences in incomes between individuals. *Horizontal inequality* refers to the existence of inequalities between groups of individuals, typically within countries. It is based on the twin recognitions that an intrinsic part of human life is group membership and that there is a universal human need to belong, to identify with a particular group or groups (Gellner 1964; Stewart 2001). Early usage of the term looked at inequality between culturally defined groups (Stewart 2001), but the same general notion can be applied to gender. Inequities between the sexes, members of different castes and between tribal, racial, religious or ethnic groups are considered to be different types of horizontal inequalities. As Stewart (2001) emphasizes, horizontal inequality is also multidimensional, not only relating to differences in economic outcomes (such as incomes) but to social and political outcomes as well.

Concerns for horizontal inequality were heightened in the 1990s for two main reasons. The first was the increasingly apparent inequities between population sub-groups. It is not uncommon for a man to be twice as likely as a woman to be literate in developing countries (UNDP 2006). One of the best-known cases of inequities among racial groups within countries is South Africa in the apartheid era, which ended in 1993. Some simple statistics bear this out. The average monthly salary of black workers was less than one-third of that of white workers in 1990. In 1980 the incidence of infant mortality (the number of infants dying before their first birthday) in the black community was six times that in the white community. There are of course many other examples from developing countries. These include differences between the living standards of or the rights enjoyed by the various Hindu castes in India, between Tamils and Sinhalese in Sri Lanka, between indigenous and Indian-origin citizens in Fiji, between citizens of Albanian and non-Albanian origin in the Kosovo territory of the former Yugoslavia and between Tutsis and Hutus in Rwanda. But horizontal inequities, like vertical ones, are clearly not the exclusive domain of developing countries. They can be observed in the developed group as well. Differences in the lives experienced by blacks and whites in the United States, Catholics and Protestants in Northern Ireland and between indigenous and non-indigenous groups in Australia are examples. Indeed, the

Australian example is among the more extreme in developed countries. Based on mortality rates at the time, in 2000 an indigenous Australian male could be expected to live 54 years, 24 years less than a non-indigenous Australia male. The second factor leading to a heightening of concerns for horizontal inequality related to its perceived consequences, particularly violent conflict. Such inequalities were thought to drive to varying degrees the conflicts in Northern Ireland, Sri Lanka and the former Yugoslavia, a series of coups in Fiji and the Rwandan genocide that resulted in an estimated 800,000 deaths.

Concerns over environmental degradation, the use of non-renewable resources and the like are well documented and there is little need to elaborate on them for our current purposes. They are accepted and known and are widely regarded as core issues of our time, affecting all citizens, albeit to varying degrees, worldwide. The more pertinent line of enquiry is to establish how these concerns relate to how development might be defined. At a simple level one might argue that they lead us to question whether it is possible to *sustain* development levels into the future. But this is an explanation of future development levels which treats sustainability as a determinant of them. It does not embed or incorporate sustainability into a definition of development. Put differently, it does not treat sustainability as being constituent of development itself. Anand and Sen (2000) provide the grounds with which one can incorporate sustainability into a definition of development. Earlier in this chapter, a view was put that change cannot be considered as development unless it is equitable. Anand and Sen argue that sustainability should be seen as a concern of inter-generational equity, or as they put it, 'a particular reflection of universality of claims – applied to the future generations vis-à-vis us' (Anand and Sen 2000: 2030). Anand and Sen further note that:

> We cannot abuse and plunder our common stock of natural assets and resources leaving the future generations unable to enjoy the opportunities we take for granted today. We cannot use up, or contaminate, our environment as we wish, violating the rights of and the interests of the future generations. (Anand and Sen 2000: 2030)

Sustainability can reasonably easily be seen as development, in this context.

Sustainability has been at the forefront of development policy challenges for years, and now arguably the biggest issues in development. The Sustainable Development Goals (SDGs) were adopted by the international community at the United Nations Sustainable Development

Summit in September 2015. They reiterate and extend the Millennium Development Goals (MDGs), which were adopted by the international community at the United Nations Millennium Summit in 2000. There were eight MDGs, with most to be achieved by 2015. The principal goal was MDG1, which was to halve the proportion of people living in extreme income poverty from 1990 to 2015. There was one overtly environmental goal, MDG7, which was to ensure environmental sustainability through inter alia providing sustainable access to safe drinking water and basic sanitation facilities (United Nations 2015a). There are 17 SDGs, of which at least 13 focus either solely or in part on sustainability issues. They are to be achieved by 2030. SDG15, for example, aims to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss (United Nations 2015b).

Some comments on development as good-change definitions are warranted at this stage. It is abundantly clear that these definitions, and the interpretations or judgements that emerge from them, are far more complex than corresponding definitions implicit in modernization theories. A country according to this definition could be said to be developing if it was achieving economic or income growth per head of population. The larger or faster this growth, the more it could be said to be developing. Moreover, a country with a higher level of income per head of population than another was said to be more developed. And, as we have seen, certain levels or thresholds of income per capita have been used to distinguish developed from developing countries.

For a number of reasons, such judgements cannot be as easily made if the good-change definitions are used. Let us highlight two. The first is that many of the dimensions that have been identified do not lead to precise judgements regarding changes over time, or across people or countries. Put differently, it is far from self-evident that progress in them might have been achieved or what the levels of fulfilment or achievement might be. The second, and arguably more fundamental, reason relates to the multidimensionality of these definitions or the conceptualizations on which they are based. Seers pointed to this issue when posing the three questions outlined above. To illustrate, consider a situation in which a country is showing improvements in three of five key well-being dimensions, but is showing the reverse in the remaining two by the same magnitude. Is that country developing? Similarly, consider a situation in which we are asked to assess which of two countries has the highest level of development based on these five well-being dimensions. These two countries have identical achievements in the first three dimensions. But the first country has higher achievement in the fourth dimension and lower achievement, by the same magnitude, than the second country in the fifth dimension. Which country has the highest level of development? The answer to both these questions depends on the relative importance one attaches to the five dimensions. Returning to the first question, if we thought the remaining two dimensions were collectively more important than the first three, we would conclude that the country is not developing. Alternatively, if we thought that the first three dimensions were more important than the last two, we would conclude it was developing. For the second question, we would conclude that the second country was more developed than the first if we thought the fourth dimension was more important than the fifth and vice versa.

The issue of how to weight or assign relative degrees of importance to well-being or quality of life outcomes is a huge issue in the assessment of development levels and trends. In an ideal world, we would have the scientific information to be able to weight these outcomes. But we do not. We do not, for example, have the results of a worldwide survey in which people were asked to rank what outcomes are most important to them. Nor is there consensus on what determines well-being outcomes. This was an issue that the UNDP grappled with in the construction of the HDI. It is widely accepted that the weights attached to the component variables of the HDI should vary. Yet in the absence of information on how to assign values to these weights, the UNDP opted for the simplest alternative which was to give each an equal weighting. This means, for instance, that an improvement in health is just as important as an improvement in education or income of the same magnitude in assessing development changes based on the HDI. At this point it is instructive to recall Sen's view on identifying a set of capabilities, which was that this rests on a value judgement that needs to be explicitly made. The same point can be made about valuing development outcomes. In the absence of the required scientific information, one must ultimately make an explicit value judgement in assigning different values or weights to given outcomes on the basis of personal preferences, subjective or otherwise.

Applying development definitions

It is now appropriate to apply some of the development conceptualizations outlined in this chapter by looking at country classifications and development achievements. Specifically, we look at development achievements in terms of the modernization-led growth and good-change definitions. The former definition leads us to focus on income levels (as they reflect historical growth rates) and the latter leads us to look at achievements in such areas as health and education. This in many respects is an unavoidably empirical exercise. As such it is necessary to again invoke the caveat stated above, that statistics, while useful, do not adequately capture the plight of the poor. This does not mean that we ignore statistics, just that we recognize their limitations. We start by looking at how countries are classified.

Country classifications

For much of the second half of the twentieth century countries were classified as either First World, Second World or Third World. The First World countries were those that had industrialized and achieved high per capita incomes and belonged to the Organisation for Economic Co-operation and Development (OECD). The Second World countries were those that were part of the Soviet bloc and the Third World were in essence, all other countries. The First World countries were considered developed, so too typically were the Second World countries. The Third World countries were considered developing or less developed. While these classifications were influenced by political criteria, it was for much of the second half of the twentieth century that the First World countries were richer in terms of per capita income than those of the Second World, and the Third World countries were poorer still. So, to this extent, the division between developed and developing countries was consistent with the growth via modernization definition of development.

The usage of the terms First World, Second World and Third World came under increasing question in the late 1980s and 1990s. This was for two main reasons. The first is that many of the Third World countries were as rich as those in the First World group and richer than all in the Second World group. Indeed, there was so much diversity in the Third World group that people began to question the usefulness and usage of the term. The second reason was the collapse of the Soviet Union. Many of the countries that emerged from the Soviet Union as independent states were extremely poor and by income standards alone could clearly be labelled as developing. These classifications are still largely used today in official circles despite these changes. While the First World, Second World and Third World terms are not used, those that would have been labelled Third World are officially classified by the United Nations and other official international organizations as 'developing countries': 150 countries or territories were classified as developing in 2010. Most of the former Soviet bloc countries in this year were classified as Central and Eastern Europe and Commonwealth Independent States (CIS) countries (UNDP 2010a). Full lists of the countries belonging to these and all classifications mentioned in the remainder of this chapter can be found in the *Human Development Report 2010* (UNDP 2010a) and on the World Bank website: www.worldbank.org.

A number of changes in country classifications have occurred over time. The Czech Republic, Hungary, Poland and Slovakia are all former Soviet bloc countries that are now part of the OECD and as such are generally considered as developed countries. The Republic of Korea (South Korea, as it is more widely known), Mexico and Turkey have in the last decade moved from the developing to the OECD group. Many anomalies remain, however, and for this reason the developing countries group remains highly diverse. Many countries in the developing group should clearly be treated as developed. Singapore and Hong Kong have very high well-being or living-standards levels by international standards (Hong Kong has been in the top 20 countries in the world in terms of income per capita) and yet are still in the developing countries group in 2014. The reasons for this are largely political, as certain benefits in terms of access to concessional international finance and trade opportunities, for instance, accrue to countries in the developing group. In partial recognition of the diversity of the developing country group, the United Nations has for many years assembled a 'least developed country' group, based purely on developmental criteria, including income per capita. Countries in this group are those considered by the UN to have the lowest levels of development, as its name implies.

Two additional methods of classifying countries and the corresponding country groups are widely used. The first is to classify countries according to per capita income levels. This is how the World Bank arrives at its income group classifications. As mentioned, it has been common to treat low- and middle-income countries as developing or less developed and high-income as developed countries. The income thresholds used change over time, getting larger each year. In 2014, 75 countries were classified as high income, 105 as middle income and 34 as low income (World Bank 2014d). Singapore and Hong Kong are in the high-income group and yet as mentioned are still included in the UN developing countries group. The number of countries in the low-income group has declined over time owing to per capita economic growth and the resultant graduation of countries into a higher income group. In

2007, for example, 59 countries were classified as low income (World Bank 2007). The second method of classification is based on the HDI, with countries being divided into low, medium and high and very high human development categories. As such, these groupings are consistent with a multidimensional development conceptualization that is broadly consistent with the Sen capability approach, albeit taking into account a rather narrow selection of capabilities. In 2014, 49 countries are classified as very high, 53 as high, 42 as medium and 43 as low human development. Sub-Saharan African countries dominate the low human development group: of the 43 countries in this group, 35 are from this part of the world (UNDP 2014).

Development profiles

Let us now take a closer look at development levels by looking at the development profiles of individual countries and not just the group to which they belong. Which countries have the highest levels of development and which have the lowest? It would be particularly insightful to base this exercise on a comprehensive range of well-being dimensions (or capabilities) but the availability of information required to do this limits us to only relatively basic dimensions. Table 1.1 helps in this regard. It identifies the 20 most developed and 20 least developed countries based on both the HDI and income per capita. Income per capita is measured using Purchasing Power Parity (PPP) GNI per capita. Such a measure is adjusted to take into account differences in price levels between countries, and as such gives a better idea of the purchasing power of incomes across countries and hence in material living standards. For instance, if one country had a PPP GNI per capita that is twice that of another, a person earning that income in the first country can buy approximately twice the number of equivalent goods and services of someone earning half that income in the second country.

All of those in the top 20 HDI group are classified as high-income countries. The vast majority of countries in the top 20 HDI group are European. The top 20 income per capita countries is much more diverse geographically, but has high representation from countries that rely heavily on oil for their national prosperity. These countries are the Middle Eastern countries of Qatar, Kuwait, United Arab Emirates and Saudi Arabia, together with Brunei Darussalam and Norway. Both bottom 20 groups are dominated by sub-Saharan African countries. All 20 bottom HDI countries with the exception of Haiti and Afghanistan are from that region. The only bottom 20 income per capita country not

Table 1.1 *Top and bottom 20 countries, 2014*

Human Development Index (HDI)			*Income per capita*		
Top 20					
Rank	*Country*	*HDI*	*Rank*	*Country*	*GNI per capita ($PPP)*
1	Norway	0.944	1	Qatar	133,713
2	Australia	0.933	2	Luxemburg	86,587
3	Switzerland	0.917	3	Kuwait	84,188
4	Netherlands	0.915	4	Singapore	71,475
5	United States	0.914	5	Brunei Darussalam	71,080
6	Germany	0.911	6	Norway	62,858
7	New Zealand	0.910	7	United Arab Emirates	57,045
8	Canada	0.902	8	Switzerland	51,293
9	Singapore	0.901	9	United States	50,859
10	Denmark	0.900	10	Saudi Arabia	50,791
11	Ireland	0.899	11	Hong Kong, China (SAR)	50,291
12	Sweden	0.898	12	Austria	43,139
13	Iceland	0.895	13	Ireland	42,919
14	United Kingdom	0.892	14	Netherlands	42,453
15	Hong Kong, China (SAR)	0.891	15	Australia	42,278
15	Korea (Republic of)	0.891	16	Germany	41,966
17	Japan	0.890	17	Sweden	41,840
18	Liechtenstein	0.889	18	Denmark	41,524
19	Israel	0.888	19	Bahrain	40,658
20	France	0.884	20	Canada	40,588

from sub-Saharan Africa is Haiti. Note also that there is a lot of overlap between the groups: most in the top 20 HDI group are in the top 20 income per capita group and the same applies to the bottom 20 groups. Recalling that the HDI includes measures of health and education, this reflects the statistical reality that, in general, countries with higher levels of these variables also have higher incomes.

The development record

Let us conclude our empirical exercise by looking at the development record over recent decades. Has the level of development, worldwide, increased, decreased or remained the same? We again base this exercise on rather basic well-being dimensions, relating to health, education, income and sustainability. The answer to the preceding question is

Table 1.1 *(continued)*

Human Development Index (HDI)			*Income per capita*		
Bottom 20					
Rank	*Country*	*HDI*	*Rank*	*Country*	*GNI per capita ($PPP)*
168	Haiti	0.471	168	Mali	1,607
169	Afghanistan	0.468	169	Sierra Leone	1,586
170	Djibouti	0.467	170	Haiti	1,575
171	Cote d'Ivoire	0.452	171	Gambia	1,565
172	Gambia	0.441	172	Burkina Faso	1,528
173	Ethiopia	0.435	173	Comoros	1,493
174	Malawi	0.414	174	Rwanda	1,379
175	Liberia	0.412	175	Madagascar	1,378
176	Mali	0.397	176	Zimbabwe	1,337
177	Guinea-Bissau	0.396	177	Uganda	1,334
178	Mozambique	0.393	178	Togo	1,286
179	Guinea	0.392	179	Eritrea	1,180
180	Burundi	0.389	180	Guinea-Bissau	1,164
181	Burkina Faso	0.388	181	Mozambique	971
182	Eritrea	0.381	182	Central African Rep.	964
183	Sierra Leone	0.374	183	Niger	884
184	Chad	0.372	184	Liberia	782
185	Central African Rep.	0.341	185	Malawi	739
186	Congo, Dem Rep	0.338	186	Burundi	737
187	Niger	0.337	187	Congo, Dem Rep.	451

Source: Data from UNDP (2014).

not at all straightforward. 'It depends' is probably the way to respond. The development balance sheet, shown in Table 1.2, helps illustrate this point. It distinguishes between what might be called good change, progress or development from less pleasing changes. The former are labelled alternatively as deprivation, disparity or, consistent with the development as domination and exploitation paradigm, underdevelopment. If we look at the development record over the last 45 to 50 years, we cannot help but be impressed by the substantial progress that has been made in many areas. The left-hand side of the balance sheet in Table 1.2 makes this abundantly clear. People are now living much longer, many less children are dying before reaching their fifth birthday, far more people are literate, incomes have increased tremendously and consciousness of environmental and sustainability issues has increased substantially in recent years. To these extents, the development record

Table 1.2 *A development balance sheet*

Progress, good change, development	*Deprivation, disparity, underdevelopment*
Health	
• The life expectancy of a person born in a developing country in 1961 was 47 years. By 2012 this number had risen to 69 years. Worldwide, average life expectancy increased from 52 to 71 years over the same period.	• A person born in a high-income OECD country in 2012 is expected to live 26, 21 or 13 years longer than one born in the same year in sub-Saharan Africa, a least developed or a developing country, respectively. • In many OECD countries life expectancy had exceeded 80 years of age in 2012. Life expectancy in 2012 was 46 years in Sierra Leone and 49 years in Lesotho.
• The number of children in the world dying before their fifth birthday fell by 134 deaths per 1000 children between 1961 and 2013. In developing countries it fell from 218 to 50 deaths per 1000 children over the same period.	• In 2013 6.3 million children still died before their fifth birthday. Roughly half these deaths occurred in sub-Saharan Africa. • A child born in a least developed country in 2013 is 19 times more likely to die before reaching its fifth birthday than one born in the same year a high-income OECD country. A child born in sub-Saharan Africa in 2013 is 20 times more likely to die before its fifth birthday than one born in the same year in the European Union.
Education	
• The percentage of developing country adults who were literate rose from 64 in 1970 to 80 in 2010. In the least developed countries it more than doubled between 1970 and 2010, from 26 to 59 per cent.	• One billion adults were illiterate in the world in 2013. • In many developing countries more than half of all adult females and in 10 sub-Saharan African countries more than seven out of every 10 females were illiterate in 2013. • It is not uncommon in developing countries for a male to be almost twice as likely as a female to receive a secondary school education.

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Table 1.2 *(continued)*

Progress, good change, development	*Deprivation, disparity, underdevelopment*
Income and wealth	
• Developing country per capita income (measured using GDP per capita in 2005 prices) increased more than fourfold between 1961 and 2013, from US$575 to US$2,479. World per capita income increased over the same period from US$3,134 to US$7,850.	• More than one billion people – one-fifth of the world's population – live in conditions of extreme income poverty, surviving on less than $1.25 per day. In at least 12 developing countries more than half the population lives in extreme income poverty. • Income per capita (measured using GNI per capita adjusted for purchasing power) among OECD high-income countries in 2013 was 5, 13 and 21 times that in developing, sub-Saharan African and least developed countries, respectively. These gaps have increased over time. Qatar's purchasing power parity GNI per capita in 2013 was an incredible 296 times that of the Democratic Republic of Congo. • In 2013 the richest 10 per cent of the world's population held 86 per cent of world income, while the poorest 50 per cent held 1 per cent. • In 2013 1 per cent of the world's adult population held more than 46 per cent of the world's personal assets.
Environment and sustainability	
• Environmental consciousness has increased worldwide in recent decades and most countries have ratified the major international environmental treaties, including the Kyoto Protocol. Official national targets to limit greenhouse gas emissions are not commonplace and the concept of 'green growth' is widely accepted.	• World carbon dioxide emissions rose from 3.1 metric tons per person in 1961 to 4.9 metric tons per person in 2012. In OECD high-income countries they rose from 7.9 to 11.3 metric tons per person over the same period. • The world's largest carbon dioxide emitting country over the decade from 1998 – which contributed more than one fifth of total world carbon dioxide emissions during these years – still refuses to ratify the Kyoto Protocol.

Source: Data from various issues of the UNDP *Human Development Report* (New York: UNDP) and the World Bank *World Development Indicators* (Washington DC: World Bank), the UNICEF *Levels and Trends in Child Mortality 2014 Report* (New York: Unicef) and from the Credit Suisse *Global Wealth Report 2013* (Zurich: Credit Suisse).

is impressive, levels of development are higher than ever before (at least in recorded history) and the world is a better place as a consequence.

But it must be emphasized that this picture is an average or aggregate one. It does not necessarily apply to all people in all countries of the world and ignores a number of disparities. It is, in short, a partial story as the right-hand side of the balance sheet reveals. Despite improvements in child mortality and literacy, 6.3 million children died in 2013 before reaching their fifth birthday, one billion adults are illiterate and one billion people live in extreme income poverty, on less than $PPP.125 per day. Disparities have also grown, quite substantially in some cases. Finally, the increase in environmental awareness notwithstanding, carbon dioxide emissions are still on the rise worldwide and some countries have not ratified key international environmental agreements.

The main conclusion emerging from Table 1.2 is that despite the progress that has been made, the world remains a place of widespread deprivation. Much more still needs to be done, and the world could be a much better place.

So, let us ask our question again. Has the level of development, worldwide, increased, decreased or remained the same over recent decades? If one looks at the general picture and ignores disparities, then on balance the answer to this question based on the evidence just presented is probably 'yes'. It might differ, of course, if one looked at information based on a large range of well-being or related dimensions. But if our conceptualization of development includes a concern for equity, the answer is not so clear. Recall what Seers wrote about development: that if unemployment, poverty or inequality has grown worse, it would be strange to call the result development. Inequality seems to have grown worse. Has there then been development? To emphasize a point made above, the answer will depend on how highly we value equality. If it has an especially high value, then we might conclude that the level of development in the world has declined, and not risen as many would assert.

Conclusion

This chapter outlined various meanings or conceptualizations of development. It commenced by looking at traditional conceptualizations. This included the definition implicit in the modernization approach to development, which saw development largely as economic growth. The chapter then examined more contemporary meanings of development, those which emerged from the late 1960s to the present. These meanings are those which either relate to the domination and exploitation of one group by another or to what might very loosely be described as 'good change'. Most attention was devoted to the latter; this was on the grounds that these definitions are particularly useful because they force us to focus on and consider what sort of change or outcomes we want to see in all countries, rich and poor, providing a framework to compare actual changes against those we would like to observe. The fundamental premise of the chapter is that defining development, and deciding what is development and what is not, or whether development has actually occurred, is a necessarily subjective exercise. It is also a rather complicated exercise, requiring one to reflect on one's own personal values to judge what is most important and what is not as important.

Given this, let us conclude with some more questions, in addition to those asked in the previous section of this chapter. What is your definition of development? Is it based on multiple dimensions or on a single dimension? Put differently, what criteria does a country need to satisfy to be considered to have achieved higher levels of development? It might be useful to write down your own definition (ideally limiting it to a sentence) and revisit it from time to time as you work your way through this book, and especially when you have completed reading it.