Examrace

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Competitive Exams: Evolution of Alternative Measures

These corrections, however, did not leave many people satisfied and national income or its per capita variant as indicators of welfare have been in use for long though with reservations. However, in the last few decades, some attempts have been made to develop some alternative indicators of economic welfare and of social development. Search for better indicators of social development has continued. We often read in the newspaper that Sri Lanka has a fairly high life expectancy, low infant mortality and good literacy levels. The levels in Sri Lanka are comparable to their counterparts in developed countries. Our own state Kerala has done wonders on literacy front as well as on demography front. Tamil Nadu is also faring well. Therefore, it was natural for researchers to try to develop such indices as would capture these social dimensions.

There is an UN institution called United Nations Research Institute for Social Development (UNRISD). In this institute, people tried to develop such indices as would encompass social, political and economic variables (indicators) impinging upon industrialisation, urbanisation and modernisation. They went on enlisting indicators, which they thought, reflected some or the other dimension of development. At one stage, they listed as many as 73 indicators though, finally, they selected only 16 as it was found that many of the indicators were reflected through others. Hospital beds and number of doctors per lakh of population. They also included enrolment rates, electricity consumption and steel consumption per head. Length of metalled roads, number of villages electrified and availability of post offices also got their way into it. So did the character of agricultural organisation. These are important indicators and are considered by many as the ends in themselves.

A question was, however, raised: Whether inputs can be taken as development indicators. While enrolment rate indicates an input, literacy rate shows the output. While hospital facilities indicate inputs, life expectancy shows the output. If you have better sanitation, you have better health and you require less of hospital facilities. Even income is in a way an input. Researchers and policy-makers were not very happy with such alternatives to national income as welfare measures as they did not find the approach suitable to produce a meaningful social indicator. Attempts were, then, made to develop composite index of development, purportedly based on aims and objectives of development or outcomes of the development process rather on the means thereof.

Quality of Life Indices

We may recall the constituents of quality of life in the previous chapter. They were generally indicated as health, freedom, education, environment, etc. the things that you directly enjoy. Based on these parameters, attempts have been made in the recent past to construct indices, which may, broadly, be called indices of quality of life. In fact, longevity and Foreign trade per

capita, 1960 US $Percentage of salaried and wage earners to total economically active population While at your level, it is not necessary to go into the nitty-gritty of the ways the indices were developed, an idea of the variables that were included in such attempts could be of some interest. The variables included are per capita income, literacy have undisputedly been accepted as parameters of quality of life. We shall be studying two popular indices, viz. Physical Quality of Life Index (PQLI) and Human Development Index (HDI), which have both used longevity and literacy as basic constituents. There is, indeed, an attempt to measure quality of life and we will make reference to it towards the end. It is important to remind at this stage that these indices were developed in the international context and were used for ranking different countries according to numerical value of achievement in descending order. The indices are simple arithmetic averages of normalised aggregates for society/groups.

Physical Quality of Life Index

Towards the end of the seventies of the past century, Morris David Morris perused the variables adopted by several UN Committees, the UNRISD, and the OECD development economists. He found that most of the indicators were inputs to development process rather than result of the development process. These indicators reflected the belief that there exists only one course of development. It implied that economically less developed countries are simply underdeveloped versions of industrialised countries. This view has certain biases and value-bias of Europe. It overlooks the diversity among the underdeveloped countries and the differences in social organisation in different economies. Moreover, such efforts seem to measure development as an activity rather than as an end. He, therefore, proposed a set of criteria for developing a composite index of development. He further proposed that indicators chosen should reflect results and social distribution of results and should not reflect values of specific (Euro-American) societies. Composite index should be simple to construct and easy to comprehend and should lead itself to international comparison.