### Measuring Development

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KU/IIDS Seminar on
Policy Regime and Priorities in the context of
Federalism

#### First Plan 1956-61

- Mobilization of resources (Human/Material)
- Central purpose of the plan
  - to raise production, employment, standards of living, general well being through the country for a richer and more satisfying life
- Development outcome in terms of economic growth
- Chapter 22: Surveys, Research, Statistics & Publicity

# Measuring Progress: Periodic Plans

- Public expenditure
- Macroeconomic position
  - 3rd plan being the first plan to introduce GDP and related estimates
- Monetary and price situation
- Social and physical progress
- Poverty
- MDG status
- Result framework

#### Measuring Progress: Result Based M&E

- Enforcement of Result Based M&E Guidelines in 2010
  - Criteria for RBM&E
  - Provision regarding indicators
  - Logical approach
  - SMART way of monitoring
  - Evaluation schemes
  - Indicative indicators on output, outcome and effect

#### Measuring Progress: SDGs Context

- Global measuring platform
- Development of local indicators
- Milestones: 2015/2019/2022/2025/2030

### Measuring progress: Informed decision, informing people

- Article 27: Right to information
- Article 51(f)8: Update demographic statistics and linking it with national development plans
- Schedules 5,6,9

### Measuring progress: Policy Version

• 20. Our development, in the days to come, will be based on intensive analysis of information and data, research and evidences. A national profile and fact-sheet about geography, nature, resources, capacity, and potentialities will be prepared.

### Tracking the situation

Source: UN SDGs report 2018

1

- Only 45 per cent of the world's population are covered by at least one social protection cash benefit
- Economic losses attributed to disasters were over \$300 billion in 2017
- The world is not on track to end malaria by 2030
- Women spend about three times as many hours in unpaid domestic and care work as men
- Young men face the highest risk of becoming murder victims and suspected perpetrators
- In every developing region, the poorest women are least likely to have a skilled attendant during delivery
- People in rural areas are short-changed when it comes to many health-related services
- People in least developed countries are twice as likely to be undernourished as people in developing regions as a whole

### Tracking the situation

#### Source: UN SDGs report 2018

2

- 4 in 10 people still lack access to clean cooking fuels and technologies
- Youth were three times more likely to be unemployed than adults in 2017
- Global carbon intensity decreased by 19 per cent between 2000 and 2015
- Proportion of population covered by a 3G mobile broadband network was lower in the LDCs in 2016
- In 2016, 4.2 million people died from ambient air pollution
- The majority of countries have ratified the Paris Agreement and provided nationally determined contributions (NDCs)
- The Red List Index shows alarming trend in biodiversity decline for mammals, birds, amphibians, corals and cycads
- Globally, 73 per cent of children under 5 have had their births registered
- LDCs' share of world merchandise exports fell between 2013 and 2016, after a long period of increase

### Development Paradigm

•	Bretton Wood System	1940
•	Development Planning	1960
•	Import Substitution Industrialization Process	1960
•	<b>Export Oriented Industrialization Process</b>	1970
•	Structural adjustment program	1980
•	Human Development Approach	1990
•	Poverty reduction strategy	1999
•	Millennium Development Goals	2000
•	<b>Human Development and Capabilities Approaches</b>	2006
•	Sustainable Development	2015
•	New Economic Thinking	2010

### Emergence of

- Basic needs approach: North-South orientation
- New International Economic Order (NIEO): South initiation
- Globalization
- Sen's philosophy
- Globalization
- Reinventing government
- Good governance
- Social remittance
- Happiness measures
- · No one left behind
- Beyond GDP
- New Economic thoughts

#### Measurement: Economic Growth, Development and Impact

- Economic growth
  - Growth in GDP, Per capita GNI
- Economic Development
  - Output
  - Industrial transformation
  - Structural changes i.e investment in infrastructure, institutions
  - Social transformation
- Outcomes and impact
  - Employment generated
  - Poverty reduction
  - Inequality

# Measurement: Poverty profiling

- Foster-Greer-Thorbecke measures of poverty
  - Family of poverty metrics
    - FGT<sub>0</sub>: Headcount
    - FGT<sub>1:</sub> Poverty gap
    - FGT<sub>2</sub>: Squared poverty gap (severity of poverty)
- Gini inequality
  - Measures of inequality

### Measurement:

#### **Human Development and Beyond**

- Human Development Index (HDI)
- Inequality-adjusted Human Development Index (IHDI)
- Gender Inequality Index (GII)
- National Human Development Report (NHDR)

#### Measurement: Genuine Progress and Happiness

- Genuine Progress Indicators
  - Economic and uneconomic growth
  - taken as GDP option
  - try to capture norms of well being
- Gross Happiness Index
  - Initiated by Bhutan
  - Four pillars:
    - sustainable and equitable socio-economic development
    - environmental conservation
    - preservation and promotion of culture
    - good governance

# Measurement: Human Development and Capability

- Multidimensional Poverty Index (MPI)
  - sense of deprivation
  - assessment of poverty at individual level
  - used to identify vulnerable poor
  - could not measure inequality among the poor

## Measurement: Governance Indicators

- Government's ability to make and enforce rules, and to deliver services (Francis Fukuyama)
- Indicators of governance (Kaufmann-Kraay)
  - Political stability
  - Rule of Law
  - Government effectiveness
  - Corruption
  - Voice and accountability
  - Government regulatory quality

## Measurement: MDGs

- 2000 Millennium Summit
  - We the people: The role of UN in the 21st century
  - approval of millennium declaration
- Area of interest
  - human capital
  - infrastructure
  - human rights
- 8 goals

## Measurement: SDGs

- Formal name for the SDGs
  - Transforming our world: the 2030 Agenda for SD
- Built on the UN resolution "the future we want"
- Zero targets
- Leaving no one behind:
  - Averages and generalised progress are not enough because they do not reveal who is missing. Leave no one behind puts as much emphasis on WHO benefits as on WHAT has been delivered (OECD document)
  - P20 Initiative
- Data revolution

# Measurement: Beyond GDP

- Stiglitz-Sen-Fitoussi Commission: submission of a report to the French President on the new measures of societal progress -2009
- Beyond-GDP indicators are defined as indicators with a societal dimension, which cover economic, environmental and social aspects and are considered by their developers as possible functional complements to GDP.
- Beyond the GDP: Pioneering countries
  - Australia: Four headline themes-society, economy, environment and governance
  - Belgium: Three dimension- environment, society and the economy
  - United Kingdom: Composition of subjective and objective indicators 30+

### Measurement:

#### New economic thinking

- back ground of 2008 economic crisis
- question on neoclassical economics
  - tendency to equilibrium
  - exogenous shocks
  - individual rationality
  - systematic consistency

#### Measuring Development: Federal Context

- Role of central government
- Expectations from province and local level
- National data profile mechanism
- Capacity
- Implications for data resulting from the "leave no one behind agenda"
  - No more reliance on averages
  - Distributional analysis and disaggregated data
  - Counting people
  - Timeframe
  - Commitment

#### Measuring Nepal's Development: Open discussion

- Data into policy
- Assessment of data culture
- United Nations Fundamental Principles of Official Statistics
- Data sources and mind set
- Focus on users
- Outputs
- Spatial database
- Monitoring progress on national development plans
- Data quality framework
- Standards and best practice
- Dissemination
- Capacity
- Investment in data
- Localization of development agenda

#### Thanks!