

## **Situational Analysis of Human Development in Nepal**

Raja Ram Pyakurel  
Lecturer, Population Education  
Mahendra Ratna Campus, Tahachal  
Email: raj.pyakurel24@gmail.com

**Submission:** 28/02/2023

**Revision:** 7/04/2023

**Acceptance:** 10/05/2023

### **Abstract**

Human Development as progress towards greater human well-being, and provided country-level data for a comparing country status based on the well-being indicators. The main objective of the study is to analyze the overall human development status of Nepal. Data were collected through the national census and survey, UNDP HDI reports and online materials. According to the HDI report 2021\22 Nepal perform in the 143<sup>rd</sup> position with a 0.602 value. The trend of HDI is increasing despite 2021 \22. Nepal's HDI was achieving the highest index in 2019 with 0.611 after 29 years. Nepal uplifted into medium development human development. In SAARC countries Nepal's HDI value is comparatively low compared with Sri Lanka, Bhutan, Maldives and India. Bagmati province rank at the top and Madesh and Karnali province perform worst in HDI, GDI, GII and MPI indices according to the HDI Report 2020. Bagmati and Gandaki provinces have high literacy, life expectancy and GDP per capita. Between 1990 to 2022 Nepal's HDI value changed from 0.399 to 0.602 a change of 50.9%, during the period. For the improvement of the HDI indices, the government should formulate and implement appropriate policies which shape the regional and national targets. *Keywords:* Human development index, Development, Economic, Province, Life expectancy.

### **1 Introduction**

Measuring human development is a difficult concept. Because human development cannot measure like physical goods. Perception of human development is different according to the socio-economic condition of society. First up the United Nations Development Program (UNDP) adopted the concept of human development officially in the late 1980s and early 1990s and published the human development index (HDI) to measure the country's status of human development. This measuring index was developed by Mahbub ul Haq, Uner Kirdar and Amartya Sen. HDI are called the modern approach to measuring human development.

After 1990 United Nations Development Program (UNDP) devised an indicator for measuring development using a composite of 3 dimensions of development viz. Health (longevity, as measured by the life expectancy at birth), Education (educational attainment, as measured by an index evaluating a combination of adult literacy (two-thirds weight) and the combined gross primary, secondary and tertiary enrolment ratio) and Living standard

(standard of living and access to resources, as measured by an index calculating real GDP per capita in terms of purchasing power parity) collectively called Human Development Index (HDI). The HDI sets a minimum and a maximum for each dimension calling it goalposts and thus shows the position of the country based on these two goalposts-expressed as values between 0-1 (Pradhan, 2012)

In 1990, the UNDP transformed the landscape of development theory, measurement, and policy with the publication of its first annual HDR with the introduction of HDI. The HDR 1990 defined “Human Development” as progress towards greater human well-being, and provided country-level data for comparing country status based on the well-being indicators. The UNDP efforts to publish the Human development report expanded both the availability of measurement and comparison tools to be used by governments, NGOs and researchers and our common understanding of development (Dhungel, 2018)

HDI is the comparative measure of life expectancy, literacy and income for living standard. The HDI emphasizes that people and their capabilities for measuring the development of a country not economic growth alone. HDI indicators are used in different sectors like policy formation, comparison of development, developmental study etc. HDI classifications are based on HDI fixed cutoff points, which are derived from the quartiles of distributions of the component indicators. The cutoff points are HDI of less than 0.550 for low human development, 0.550–0.699 for medium human development, 0.700–0.799 for high human development and 0.800 or greater for very high human development (UNDP, 2021)

After the implementation of the Constitution of Nepal 2072, Nepal has been divided into seven provinces. The provinces have different geographical, social and economic conditions which reflect the varieties in human development indicators. In this situation, it is essential to study trends, progress and condition of human development. In the past, the human development situation of the province has been studied to a lesser extent. The study has shown that Bagmati Province is in the top position in human development and Karnali Province and Madhes Province are in a state of low human development.

This is a simultaneous issue of development. By comparing its indicators, one can see the state of development according to the province. It can provide a basis for identifying priorities for human development according to the province.

### **Objectives and methodology**

The main objective of this study is to describe the situation of human development in Nepal. Its specific purpose is to compare the status of human development according to the provinces of Nepal. This study is based on secondary data. Data collection through UNDP online materials. The format of the study is descriptive. Province-wise human development indicators have been compared and analyzed.

### Result and discussion

The human development index is the combined index of life expectancy at birth, mean year of schooling and gross national income (GNI) per capita. The human development index report 2021 indicates that Switzerland has the highest HDI 0.962 in first position, and South Sudan has the lowest HDI 0.385 with rank 191<sup>st</sup> position. Nepal's position is 143<sup>rd</sup> with HDI of 0.602 and the world HDI was 0.732. Nepal's HDI is lower than the world's average HDI. Nepal has a low HDI and lies in the middle human development group. Nepal's neighbouring countries china and India have comparatively good human development compared to Nepal's human development index report. Nepal's HDI is very low compared with Switzerland and other highly developed countries.

**Table 1**

*Human development index 2021/2022*

Country name	Life expectancy at birth (year)	Expected years of schooling (year)	Mean year of schooling (year)	Gross national income per capita (\$)	HDI	HDI Rank	HDI classification
Switzerland	84.0	16.5	13.9	66933	0.962	1	Very high human development
China	78.2	14.2	7.6	17504	0.767	79	High human development
India	67.2	11.9	6.7	6590	0.633	132	Medium human development
Nepal	68.4	12.9	5.1	3877	0.602	143	Medium human development
South Sudan	55.0	5.9	5.7	768	0.385	191	Low human development
world	71.4	12.8	8.6	16752	0.732	-	-

*Source: Human Development Report 2021/2022*

The human development index does not represent numerical value it represents the holistic socio-economic, political, environmental, and human rights condition of the people of the nations. It represents various aspects of development with a value between the range of 0 to 1. Nepal's performing medium score means Nepal's socio-economic condition, human development condition, good government condition, gender equality condition and human rights condition are not properly well.

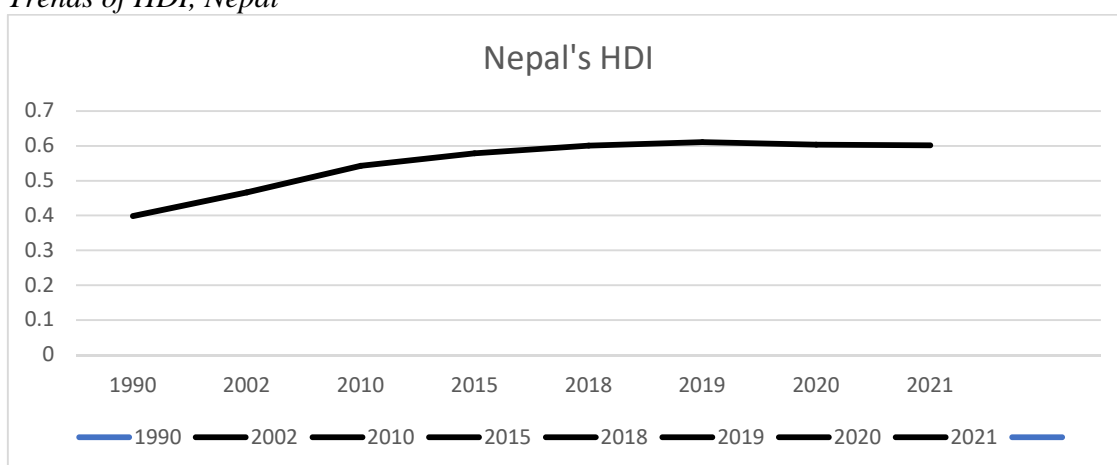
### The trend of the human development index in Nepal

Human development is a continuous process of development. In 1990 Nepal's human development index was 0.399 which indicated that low human development condition. At that time United States has the highest HDI 0.877 and Niger has the lowest HDI 0.216. Graph

no 1 indicates that Nepal's HDI is increasing in trends. Nepal's HDI was achieving the highest index in 2019 with 0.611 after 29 years. Due to COVID- 19 pandemic hits the world that's affect the Nepalese people causing a low human development index in 2020 and 2021 AD. Now, Nepal has a medium development index of human development. Different factors affect the human development index. Poverty, high inequality and frequent natural disasters and crises threaten the progress of human development (Poudel, H. N. 2016). For improving HDI, the government should focus on education reform policies and create access to quality education to all and focus on economic growth to create decent and well-paid jobs that are essential to improving living standards. In addition, The government should pay attention to reducing food insecurity, violence against women, civil conflict and natural disaster risks. It is hoped that by addressing vulnerabilities, all people may share in development progress, and human development will become increasingly equitable and sustainable.

**Figure 1**

*Trends of HDI, Nepal*



*Source: Human Development Report 2021/2022*

The condition of human development varies between countries. Nepal's HDI value is comparatively low compared with Sri Lanka, Bhutan, Maldives and India. Sri Lanka performs the top position on the HDI value and contrarily, Afghanistan performs the worst value in SAARC. Nepal's GNI per capita is very low compared with other SAARC countries except Afghanistan. Nepal's HDI value is low and increasing in trend.

**Table 2**  
*Nepal's HDI indices compared with SAARC*

Country's Name	HDI value		Life expectancy (year)		Mean year of schooling		Expected year of schooling		GNI per capita (\$)	
	2010	2021	2010	2021	2010	2021	2010	2021	2008	2017
Nepal	<b>0.428</b>	<b>0.602</b>	<b>67.5</b>	<b>68.8</b>	<b>3.2</b>	<b>5.1</b>	<b>8.8</b>	<b>12.9</b>	<b>1201</b>	<b>3877</b>
Sri-Lanka	0.669	0.782	72.0	76.4	8.2	10.8	12.0	14.1	4886	12578
Maldives	0.606	0.747	62.1	79.9	7.4	7.3	11.8	12.6	6323	15448
India	0.519	0.633	64.4	67.2	4.4	6.7	10.3	11.9	3337	6590
Pakistan	0.490	0.544	67.2	66.1	3.9	4.5	6.8	8.7	2678	4624
Bangladesh	0.469	0.661	66.9	72.4	4.8	7.4	8.1	12.4	1587	5472
Bhutan	-	0.666	66.8	71.8		5.2	11.3	13.2	5607	9438
Afghanistan	0.379	0.478	44.6	62.0	3.3	5.1	8.0	10.3	1419	1824

Source: Human Development Report 2010, 2021

#### Human development indices by Provinces

Different indices measure human development. DII, GDI, GII and MPI are the most common and widely accepted measurement of measure of human development. The gender development index ( GDI) measures gender inequalities in the three basic dimensions of human development. Where health (measured by female and male life expectancy at birth); education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older); and command over economic resources (measured by female and male estimated GNI per capita). The GDI is calculated as the female-to-male HDI ratio to measure the gender gap in human development. The GII reflects women's disadvantage in three dimensions - reproductive health, empowerment and economic activity. Reproductive health is measured by maternal mortality and adolescent fertility rates; empowerment is measured by the share of parliamentary seats held by each gender attainment at secondary and higher education by each gender; and economic activity is measured by the labour market participation rate for each gender. The GII shows the loss in human development due to inequality between female and male achievements in the three GII dimensions. It ranges from 0 (perfect gender equality) MPI is the Proportion of the population that is multidimensionally poor a Population with a deprivation score of at least 33 percent. It is expressed as a share of the population in the survey year.

**Table 3***Human development indices by provinces*

Province	HDI (2019)		GDI (2019)		GII (2019)		MPI (2014)	
	value	Rank	value	Rank	Value	Rank	Headcount%	Rank
Province 1	0.580	3	0.901	4	0.459	2	19.7	3
Madesh	0.510	7	0.786	7	0.503	5	47.9	6
Bagmati	0.661	1	0.929	1	0.457	1	12.2	1
Gandaki	0.618	2	0.896	6	0.460	3	14.2	2
Lumbini	0.563	4	0.901	5	0.474	4	29.9	4
Karnali	0.538	6	0.902	3	0.558	7	51.2	7
Sudur Paschim	0.547	5	0.903	2	0.522	6	33.6	5

*Source: Nepal Human Development Report 2020.*

The above table demonstrates provincial disparities in the human development indices. Bagmati province Rank at the top with 0.661 HDI and Madesh province performs the worst with 0.51 HDI. Also, Karnali province performs in the second worst position on HDI. It indicates that Madesh and Karnali provinces are in poor socio-economic condition that's why human development is low in these provinces. Bagmati province perform top rank in GDI and Madesh province performs worst. Bagmati province perform top rank in GII and Karnali province performed worst. Another important index for measuring development is the multidimensional poverty index (MPI). Bagmati province perform top rank in MPI and Karnali province performed worst. Among the seven provinces Bagmati province perform the top in human development in HDI, GDI, GII and MPI and Madesh and Karnali provinces were perform worst in human development.

By 2011 Baghmati province performed a top position in literacy rate with 74.81 percent and the male literacy percentage was high in Gandaki province at 83.54 %. Both male and female literacy percentages were low in Madesh province. Gandaki province and province no 1 were in second and third position in literacy rates. Madesh Pradesh performs a top position in life expectancy and the Karnali Pradesh perform worst. Bagmati province performs the second position in life expectancy. And province no 1, Bagmati and Gandaki province life expectancy was more than the national average of 68 years. And Lumbini, Karnali and Sudurpaschim perform low average life expectancy compared to the national average. Gandaki province scored first position with a GDP per capita (PPP: purchasing power parity) of 1441 \$ and Sudurpaschim province perform worst in GDP per capita. Lumbini, Karnali, and Madesh Pradesh GDP per capita were low compared to the national average.

**Table 4***Province-wise indices of Literacy rate, life expectancy and GDP per capita on 2011*

Province	Literacy rate CBS		2011	Life expectancy (year) CBS 2011	GDP per capita (PPP) US \$ 2011
	Male	female			
Province no 1	79.27	63.94	71.22	68.74	1132.43
Madesh	60.09	38.88	49.54	70.43	922.25
Bagmati	82.82	67.04	74.85	70.31	1367.23
Gandaki	83.54	67.72	74.81	68.80	1441.00
Lumbini	75.50	58.33	66.43	67.59	930.75
Karnali	72.88	53.88	62.77	65.61	825.80
Sudur Pashchim	76.37	51.93	63.48	66.93	684.89
National	75.15	57.39	65.94	68.38	1060.88

*Source: Dhungel, (2018)*

According to Table no 2, there were variations in socio-economic activities which reflect in the above table. Differences in education opportunities, access, GDP per capita, average life expectancy at birth etc. influence human development so HDI was vary according to provinces.

**Table 5***Provinces-wise comparison of HDI indices.*

Province	HDI (2011)		HDI 2021	
	value	Rank	Value	Rank
Province 1	0.555	2	0.580	3
Madesh	0.485	5	0.510	7
Bagmati	0.560	1	0.661	1
Gandaki	0.548	3	0.618	2
Lumbini	0.515	4	0.563	4
Karnali	0.475	7	0.538	6
Sudur Paschim	0.478	6	0.547	5

*Source: HDI Report of 2011 and 2021*

Analysis of indices on the above table Bagmati Province lead in HDI. In 2011 province number 1 was in second position but in 2021 Gandaki province is in second position. In 2011, Karnali province's index was very worst (0.478) like Madesh province in 2021. Bagmati, Gandaki and province number 1 positions were 1, 2 and 3 in 2021. It indicated the poor human development condition of Karnali and Madhesh provinces. It means their health condition, educational condition and economic condition were lower than the national average. Only the Bagmati and Gandaki provinces' indexes of HDI were more than the national average.

### Conclusion

Human development is a continuous process and its paradigm varies according to the socio-economic condition of the country. Nepal's HDI value is increasing in trend. Nepalese life expectancy, mean year of schooling and GNI per capita also increasing but its growth rate is comparatively low compared with medium human development countries. According to the human development report 2021, Nepal perform 143<sup>th</sup> position with HDI value 0.602 compare with 191 countries. Nepal improves its position compared with its previous rank (144<sup>th</sup>) and reports put the country in the medium human development category. Between 1990 to 2022 Nepal's HDI value changed from 0.399 to 0.602 a change of 50.9%, during the period. Bagmati province performs top position and Madesh and Karnali provinces perform worst in HDI Value. Poverty, inequality, low income and den, and socio-economic barriers are the causes of low HDI in these provinces compared to others. In GDI and MPI indices Bagmati province was in the top position and Karnali province was in the worst position. In every index of human development, Bagmati province performs top position. Behind the Bagmati province, Gandaki province is at the top. Madesh and Karnali provinces' indices were weak compared to other provinces. It provides a mirror of the socio-economic development of the country. For improvement, the HDI indices government should prepare a special target package for Karnali and Madesh provinces. Province and local governments focus on accessible quality health and education services.

### References

- Dhungel, S. (2018). Provincial comparison of development status in Nepal: an analysis of human development trend for 1996 to 2026. *Journal of Management and Development Studies*, 28, 53-68.
- Poudel, H. N. (2016). State of Human Development: SAARC and Nepal. *Economic Literature*, 12, 50–55. <https://doi.org/10.3126/el.v12i0.14887>
- Pradhan, P. M. (2012). Understanding the Relationship between Human Development Index (HDI) and Corruption Perception Index (CPI) For Nepal. *Unpublished Thesis of MPPG, North-South University, Bangladesh*.
- UNDP (United Nations Development Program). 2010. National Human Development Report 2010
- UNDP (United Nations Development Program). 2020. National Human Development Report 2020: Nepal: Beyond Graduation: Productive Transformation and Prosperity. New York
- UNDP (United Nations Development Program). 2022. Human Development Report 2021-22: Uncertain Times, Unsettled Lives: Shaping our Future in a Transforming World. New York.