CHAPTER 7

COUNTRY PATTERNS OF BEHAVIOR ON BROADER DIMENSIONS OF HUMAN DEVELOPMENT

GUSTAV RANIS
FRANCES STEWART
EMMA SAMMAN

I. Introduction

velopment (HD) has been defined as "a process of enlarging people's
though often equated with the Human Development Index (HDI), as
l set of measures of education, health and incomes, the HDI repre-
ic and reductionist version of HD. As Amartya Sen has pointed out,

human development encompasses much more than is included in the HDI. As he puts it:

> (I)t would be a great mistake to concentrate too much on the Human Development Index or on any such aggregative index... These are useful indicators in rough and ready work, but the real merit of the human development approach lies in the plural attention it brings to bear on developmental evaluation, not in the aggregative measures it presents as an aid to the digestion of diverse statistics. (Sen 2000: 22)

In earlier work (Ranis *et al.* 2006), we extended the measurement of HD to 12 important categories of life and proposed plausible indicators within each category. We then eliminated the indicators highly correlated with others in the same category, leaving us with 40 relatively independent ones. We subsequently eliminated those highly correlated with the core HDI and were still left with 32. This suggests that a full assessment of human development requires us to move beyond the HDI. Moreover, this already implies that performance across different dimensions of human development need not be consistent, and that country patterns of performance may differ. Some countries may do well on some dimensions and poorly on others; others may do well or poorly on all dimensions.

The central aim of this chapter is to adopt a more expansive definition of HD than that of the HDI, in order to explore such alternative patterns of country behavior. We are interested in identifying countries which, for one reason or another, seem to do particularly well on one dimension and less well on others, or particularly badly on one dimension and better on others, as well as managing to do well on all, or failing to do well on any.

Countries may show different patterns of performance because—with limited resources and capacities—they *choose* to emphasize one dimension rather than another (e.g. they choose to promote economic growth at the expense of social ties, or political freedoms); or because they face *constraints* which prevent success on one dimension but allow success elsewhere; or because particular patterns have resulted from their *history* or *culture* (e.g. a culture which involves strong social ties, or one, like Costa Rica, where the basic HDI elements have long been promoted). There are also causal connections across some dimensions (notably, for example, between basic human development and economic aspects) that constrain the range of possible behavior over time, and also help determine the pattern of choices observed.[1] This chapter seeks to identify actual patterns of country behavior so that one can begin to consider how far the outcomes are a matter of choice, of constraints, or of history and culture.

Our first task is to identify the dimensions of HD to be investigated. This is the subject of section II. We subsequently present the methodology adopted for classifying country behavior according to the dimensions chosen (section III).

[1] The connections between HDI and economic growth are explored in Ranis *et al.* (2000) and Boozer *et al.* (2003). Much work has also been done in exploring connections between political freedoms and economic growth, and political freedoms and HDI.

Section IV presents the main results, while section V concludes by discussing some implications of the results.

II. Dimensions of Human Development

Identification of a unique and correct list of all the possible dimensions of HD is an impossible task. As is well known, Sen himself has always refused to identify an exhaustive list of freedoms or capabilities, i.e. of those beings and doings that people have reason to value. However, many philosophers, from the ancient Greeks onwards, have attempted to provide an answer to the question of what constitutes the good or full life, and have come up with numerous responses. Alkire (2002), for example, summarizes 39 attempts over the years 1938–2000 to specify the characteristics of a full life, based on a variety of philosophical justifications. Drawing on six recent approaches,[2] we found that a number of common categories could be identified: bodily well-being, material well-being, mental development, work, security, social relations, spiritual well-being, empowerment, political freedom, and respect for other species, the last appearing only in Nussbaum (2000). However, from our perspective, this list is excessive for two reasons: first, for some aspects (notably spiritual well-being and respect for other species) data are not available; of even greater importance, adopting too many categories would make it difficult to classify countries' behavior sensibly.

Hence we decided to reduce our set of categories to four. Our objective in choosing these four was that, first, each should represent an important aspect of human choice and one that is broadly independent, at least conceptually if not causally, of the others; and, second, that each should encompass a large proportion of the categories identified by others as constituting essential aspects of full human flourishing. In the light of these two considerations, we chose the following four categories:

1. *Basic HD.* Rather than using the HDI to measure this, we use the under-five mortality rate, partly because we want to exclude income per capita as it appears in the next category, and partly because of the extensive availability of data for the under-five mortality indicator. In fact, the under-five mortality rate is highly correlated with the HDI and with adult literacy (0.8789 and 0.7393 respectively for 113 countries in 2002), so it can be taken as representative of these indicators.[3]

2. *The economic aspects.* In our interpretation, this encompasses income per capita and unemployment to represent economic performance at a point in time,

[2] These are: Rawls (1972); Finnis *et al.* (1987); Doyal and Gough (1993); Narayan-Parker (2000); Nussbaum (2000); and Camfield (2005).

[3] All correlations are based on the Spearman rank-order method.

and growth in per capita income and the GDP cycle to represent performance over a longer period. These aspects therefore broadly summarize an economy's success in providing incomes, employment, growth and economic stability.

3. *Social and community relations.* We include a quite large and disparate set of variables here to represent different facets of success in achieving a flourishing community and good social relations, including measures of income distribution, the perceived importance of family and friends, tolerance of neighbors, and gender empowerment, as well as (negatively) the male suicide rate. The crime rate would have been another good variable, but was precluded by data limitations.

4. *Political freedoms and stability.* This category includes an index of political and civil liberties, a measure of the rule of law, and a measure of collective political violence.

In shorthand, we term these four categories basic HD and the economic, social and political dimensions of HD. Of the ten categories which we identified above as the main dimensions of some of the major philosophical efforts to identify conditions for human flourishing, only spiritual well-being and respect for other species are entirely excluded. In principle, mental development is included in basic HD (and education is highly correlated with it); aspects of work are included in the economic category; aspects of security in the political category; bodily well-being in basic HD; material well-being under economic aspects; social relations under social aspects; and empowerment and political freedom in the political category. An important dimension that is omitted at this stage is respect for the environment.[4] We also acknowledge that there is a good deal of arbitrariness in the selection and assignment of variables. Table 7.1 summarizes the categories and Table 7.2 gives the details of the measures adopted and their sources.

III. Method Adopted for Classifying Countries

We start by acknowledging that an exercise of this kind unavoidably involves many arbitrary decisions. Thus our country classification system should be seen as suggestive rather than conclusive. In future work, it will be important to investigate how far the use of different indicators, aggregation procedures for each category,

[4] For a composite measure of environmental sustainability see Yale Center for Economic Law and Policy and CIESIN (2005). An index to represent this showed only a low correlation with the HDI over 90 developing countries (0.2553), so it is an important independent dimension which ought to be incorporated.

Table 7.1. The four categories of human development

Category	What it consists in	How it is measured[a]
Basic HD	Bodily well-being	Under-five mortality rate
	Mental development	
Economic dimensions	Material development	Income per capita (PPP)
	Work	Growth in per capita GDP (10-year average)
		GDP cycle (20-year average)
		Unemployment rate
Social dimensions	Social relations	Income distribution
		Importance of family
		Importance of friends
		Tolerance of neighbors
		Gender empowerment (GEM)
		Male suicide rate
Political dimensions	Empowerment and political freedoms	Index of political and civil liberties
		Index of rule of law
		Collective political violence

[a] All data are for 2002 unless otherwise indicated. See Table 7.2 for more detail on indicators and data sources.

and classification procedures for each country's performance would alter the results.

A greater problem that may affect the results is that data are missing for a large number of countries. We proceeded with our approach despite large gaps in data availability. We provide some indication of the extent to which these gaps appear to matter, but also point to the need for far better data coverage—particularly in the case of poorer countries—to arrive at a more robust set of conclusions.

Our methodology has four stages: first, we identify the countries of interest; second, we develop a procedure to identify a summary indicator to represent each category on the basis of the several indicators presented above; third, we develop a method to classify countries as high, medium or low for each of our four categories; and finally, we adopt a classificatory system for countries when examining their overall performance on the indicators.

III.1 Choice of Countries and Analytical Categories

Because the aim of the exercise is to capture variance among developing countries, we eliminated countries defined as "high income" by the UN. In addition, we excluded countries with fewer than one million inhabitants (based on UN estimates for 2002). We first categorized countries by region—i.e. Sub-Saharan Africa, Latin

Table 7.2. Summary of indicators and sources

Indicator	Definition	Date	Source
Basic HD			
Child mortality rate	Under 5 years old, per 1,000 live births	2002	UNDP (2004)
Economic Dimension			
Unemployment rate		Most recent av. (1992–2003)	ILO (various years)
Per capita GDP	PPP US$	2002	World Bank (2004)
GDP cycle	Avg. annual deviation from mean	1981–2002	Calculated from World Bank (2004) data
Per capita GDP growth	10 year average GDP growth	1994–2005	World Bank (2006)
Social Dimension			
Income distribution	Gini of income	1990–2000 (most recent av.)	UNDP (2004)
Male suicide rate	Per 100,000	2003 (or most recent av.)	WHO (various years)
FamilyVeryImpt	Share indicating family "very important"	Most recent av.	World Values Survey (various years)
FriendsVeryImpt	Share indicating friends "very important"	Most recent av.	World Values Survey
Neighbor Tolerance	Average response to whether would want to live next to various types of people; lower numbers indicate more tolerance	1999/2001	World Values Survey
Gender empowerment measure (GEM)	Composite of gender inequality in parliament, occupational status and income	2002	UNDP (2004)
Political Dimension			
Combined pol rights/civ liberties indicator	Scale of 1–7 with 1 most free; average of 'political rights' & 'civil liberties' scales	2003	Freedom House (2006)
Rule of law	Extent to which agents have confidence in & abide by rules of society; higher numbers indicate better rule	2002	World Bank (2007)
Collective political violence in 1990s	Reflects levels of violence within country & whether excessive civilian targeting, 0–8 with 8 worst	1990s	Marshall (2002)
Classifications			
Landlocked			United Nations designation (UN-OHRLLS, various years)
Distance from equator	Countries are divided into thirds based on distance from equator (n = 41)		World Bank (1999, 2000)
Population levels	Countries are divided into thirds based on population (n = 127)	2004	UNDP (2006)
Life satisfaction	Countries are divided into thirds based on life satisfaction (0–10 ladder, 10 = most satisfied) (n = 48)	1990s	World Database of Happiness (various years)

America, the Middle East, South-East Asia, South Asia, Central Asia and Eastern Europe—and geographical characteristics, i.e. according to whether they are land-locked, and by their distance from the equator. Secondly, we classified countries according to various economic, political and social characteristics: low income and middle income (using World Bank definitions); conflict and post-conflict economies; oil economies; and transition economies. We subsequently classified countries on the basis of average life satisfaction. The aim was to explore whether different country types behave differently with respect to our four categories, although clearly there is some overlap across the different categorizations.

III.2 Obtaining a Single Indicator for each Category

Here we confront the normal problems of devising multidimensional indices. Simple averaging is not possible for indicators using different scales of measurement. The HDI attempts to solve this problem with the shortfall approach, giving each indicator a rank according to the percentage of a country's shortfall compared to the best performers, with the total range being set by the difference between the low and high performers. This puts all indicators on a comparable scale but averaging remains an arbitrary process, both because there is no particular reason why every indicator should be valued equally, and (somewhat paradoxically) because the three HDI component indicators are not valued equally, as the range may differ from indicator to indicator.

We have therefore adopted a different approach. We classified each country for each indicator relative to the median. The median and other order-based statistics were preferred over parametric measures because the distribution of countries for most indicators deviated sharply from normal. Countries were classified as "medium" (M) if they fell within the interquartile range (IQR) for a particular indicator, as "high" (H) if they were above the IQR (in the top 25% of countries), and as "low" (L) if they were below the IQR (in the bottom 25%).

As noted earlier, one major issue was missing data. If we had omitted all countries with missing data we would have been left with a very small sample indeed. To avoid this, we ignored missing data, unless they were missing on *every* indicator in the category. This means that some countries are classified on the basis of fewer indicators than others. For example, Botswana has full data for the economic, political and basic HD categories, but is very deficient in the social category, with data for income distribution and gender empowerment (GEM) but none on the importance of friends and family, male suicide and tolerance of neighbors. Accordingly, its social categorization rests on just the two indicators available.

Only 21 countries—all high and medium performers—had data on all the social indicators, making it important to consider further the implications of absent data. The paucity of data presents particular problems, as the indicators within each category were selected in part because of their low correlation with other indicators in that category, so we could not reliably infer a country's performance on indicators with missing data from its performance on other indicators within that category.

To determine the extent to which the missing data affected the results in the social category, we recategorized all of the countries in the absence of each indicator in turn. We found that removing any one indicator, apart from the Gini, changed the overall country designation in the social category for less than 10% of countries.[5] However, removing the Gini, for which far more data are available, changed the social category result in over one third of the cases (34%). This finding reinforces the need to treat these results with caution and, when referring to a country's social performance, to specify what the social category represents.

III.3 Classifying Countries with Respect to each Category

When a country's performance was high on all indicators within a category, it was classified as "high" on that category, and similarly for categories in which performance on all indicators was medium or low. Mixed performance in a particular category was more complex. If a country was classified as a mixture of medium, high and low, it was classified as medium. Mixtures of only high and medium performance were labeled as high, and mixtures of only medium and low as low. While missing data was an acute problem, we only gave a country *no* category when data were missing for *all* indicators in that category.

III.4 Classifying Countries Overall

With each country having been assigned a classification for each category, we followed a similar approach to categorizing a country's overall performance in the economic, social, political and basic human development dimensions.

In 27 cases, there were one or more dimensions on which it was not possible to classify countries because of lack of data. This was true particularly of African countries, with 11 out of 42 lacking data on the social dimension. We still proceeded even when only two or three categories were classified, broadly following the same categorization.

Finally, we determined whether a country fared better (or worse) on one particular dimension compared to the other three—for instance, whether it performed better politically than on the other three dimensions, or was deficient in terms of its basic human development. It is these countries which appear to be emphasizing or neglecting some dimensions relative to others. We identified a country as being

[5] The range was between 6 and 8%, depending on the indicator removed.

Table 7.3. Classifying country performance by category and overall

Categorization of dimensions	Country's overall classification	Characterization
All H	H	High throughout
3 H, 1 M	H	High, deficient in one category
3 H, 1 L	M	High, deficient in one category
2 H, 2 M; 2H, 2L; 2 H, 1 M, 1 L	M	Medium
1H, 3M	M	Medium, superior in one dimension
4 M	M	Medium throughout
3M, 1L	M	Medium, deficient in one dimension
2M, 2L	M	Medium, mixed
1M, 3L	L	Low, superior in one dimension
4 L	L	Low throughout

superior in one dimension if it was high in one dimension and medium in all the others, or medium in one dimension and low in the others. Conversely, a country was classified as *deficient* in a particular dimension if it was low in one and medium in three, or medium in one and high in three. We defined a country as *imbalanced* if it was either superior or deficient in any dimension. Others were considered *balanced.*

Table 7.3 summarizes these classification procedures.

The next section gives the results of this methodology.

IV. Main Results

Out of the entire sample of 130 countries, 66 fell into the medium category, 32 into the low category and 32 into the high category, according to the procedures described above. Almost half (55) of the countries showed imbalance, being categorized as superior or deficient in one dimension, thus confirming the fact that performance across categories is often not consistent. The biggest imbalances were on the political and social aspects. In the case of politics, 12 countries were superior on this element in relation to their overall performance, and five were deficient. We would expect parts of the political aspects to be related to other aspects of performance—notably the extent of collective political violence and the rule of law—but others, in particular political and civil liberties, plausibly have only a loose causal connection with the other elements. In relation to social aspects, eight countries showed superior performance and eight were deficient relative to their overall performance. This variable tries to capture the flourishing (or otherwise) of

the community in which people live, although data problems mean that we have, at best, done so only partially. But to the extent we were able to measure this, it again seems reasonable that, while the social dimension is an important aspect of HD in its own right, it will not necessarily be related to the other categories. Six countries showed superior performance in basic HD and six were deficient, while five countries showed superior performance in the economic category and five were deficient.

IV.1 Geographic Performance

As can be seen from Table 7.4, by far the highest proportion and largest number (25) of low performances, on all categories, were in Sub-Saharan Africa. Outside Sub-Saharan Africa, two countries in the Middle East showed low performance—Algeria and Yemen—as did the Democratic Republic of Korea in South-East Asia, and Haiti in Latin America. The region with the most high performances was Eastern Europe, with 11 or half of the countries, followed by Latin America with six—Chile, Costa Rica, Guatemala, Jamaica, Mexico and Uruguay. There were also two in Sub-Saharan Africa—Ghana and Mauritius—two in the Middle East—Libya and Oman—two in East and South-East Asia—Malaysia and Thailand—and three in Central and South Asia—Bhutan, India and Kazakhstan. Landlocked countries performed below average. Performance worsened as countries got closer to the equator, with 38% of countries furthest from the equator in the high category, and only 14% of the countries nearest the equator in that category.

As noted in the previous section, our methodology classified countries as low or high even if they did better or less well on one, or occasionally two, categories. For countries with data for all four categories, only two countries in the world had a consistently high record on all four—Costa Rica and Trinidad and Tobago. Five countries were consistently medium: Bolivia, Brazil, Nepal, Saudi Arabia and Turkey; and only one country, Sierra Leone, had consistently low performance, though Chad, Democratic Republic of the Congo, Iraq, Somalia and Zimbabwe were also consistently low performers, but were missing data on one or two categories.

Imbalanced performance leading to classification as superior or deficient in some dimension affected nearly 60% of Sub-Saharan African countries and about 40% of Latin American and Eastern European countries, with smaller proportions elsewhere. In terms of the nature of the imbalance, we find that a large number of Sub-Saharan African countries were superior in either the social or political dimensions, much more so than elsewhere—indicating that poor basic HD and economic performance were accompanied by better performance on social or political categories. In Latin America, the imbalance came more from deficient performance on the social and economic sides. Put another way, this indicates that

Table 7.4. Geographic performance

	Sub-Saharan Africa	Latin America	Middle East	East and South-East Asia	South and Central Asia	Eastern Europe	Landlocked	Distance from equator: Furthest third	Distance from equator: Middle third	Distance from equator: Closest third
Overall classification										
High	2	6	2	2	3	11	8	5	5	2
Medium	15	14	11	8	7	11	15	7	7	6
Low	25	1	2	1	0	0	13	1	2	6
Proportion imbalanced (%)	57.1	42.9	28.6	18.2	30.0	40.9	52.8	46.2	35.7	50.0
HD superior	2	2	0	0	0	2	1	1	1	1
HD deficient	5	0	0	0	1	0	1	0	1	1
Social superior	6	0	1	0	1	0	4	1	0	0
Social deficient	1	2	0	1	0	4	2	1	1	1
Economic superior	0	1	1	0	1	0	0	1	0	2
Economic deficient	0	3	0	0	0	1	1	1	1	1
Politics superior	10	0	2	0	0	0	7	0	1	1
Politics deficient	0	1	0	1	0	2	3	1	0	0

in some Latin American countries, basic HD and political performance outpace economic and social aspects, while in Sub-Saharan Africa it is political and social performance that is outpacing economic and basic HD. In Eastern Europe, the imbalance came from a combination of social and political deficiency and basic HD superiority.

IV.2 Performance by Country Type

Table 7.5 presents results according to country type.

To start with, we contrast low- and middle-income countries. As is to be expected, low-income countries have more low overall classifications and fewer high ones than those in the middle-income category. But there are still four high classifications in the low-income category—Bhutan, Ghana, India and Mongolia. Similarly, five middle-income countries were classified as low all around—Algeria, Angola, Cameroon, Congo Republic and Swaziland. A very similar proportion of low- and middle-income countries was imbalanced in performance across categories (46% and 42%, respectively). The low-income countries showed a combination of HD deficiency and social and political superiority, following much the same pattern as Sub-Saharan African countries, which, of course, represent a large proportion of these low-income countries. Middle-income countries showed a very different pattern. A large number were socially or economically deficient, while the six countries that were politically superior just exceeded the four which were politically deficient. It thus appears that social performance is negatively associated with levels of per capita income, but there is no systematic relationship between political performance and income per capita. Doing better than on other categories in the politics dimension is quite common for both low- and middle-income countries, but middle-income countries do worse here almost as often as they do on other categories.

A country's population does not seem to have any systematic impact on performance. The countries in the smallest population category had a lower proportion of high performers but also a lower proportion of low performers than the countries with larger populations. The middle-size category had a substantially higher proportion of low performances than either the largest or the smallest countries.

We subsequently explored the performance of countries which have had particular types of experience. Judging by the countries listed so far that have performed poorly, it is already clear that conflict is associated with overall poor performance. Conflict tends to undermine economic and basic HD performance, is obviously associated with political breakdown, and might also be expected to have negative repercussions in the social category (see Stewart and Fitzgerald 2001). This is confirmed by the figures above. Seven out of 13 conflict countries and five out of

Table 7.5. Performance by country type

	Low-income countries	Middle-income countries	Conflict countries	Post-conflict countries	Oil producers	Transition countries	Population Size		
							Top third	Middle third	Bottom third
Overall classification			0	1	2	6	7	7	15
High	4	25							
Medium	19	46	6	1	7	13	26	19	21
Low	27	5	7	5	4	0	9	16	7
Proportion imbalanced (%)	46.0	42.1	30.8	71.4	46.1	21.0	26.2	52.4	46.5
HD superior	2	4	1	0	0	1	2	2	2
HD deficient	6	0	0	1	0	0	1	3	2
Social superior	6	3	2	1	2	1	3	3	3
Social deficient	0	7	0	0	0	0	2	3	2
Economic superior	2	3	0	2	2	0	2	2	1
Economic deficient	0	5	0	0	1	0	1	0	4
Politics superior	6	6	1	0	0	0	0	6	5
Politics deficient	1	4	0	1	1	2	0	3	1

seven post-conflict countries are in the low category. Perhaps more surprising is that six of the conflict countries managed to be classified as medium performers. These were Colombia, Iraq, Nepal, Palestine, Sri Lanka and Sudan—in most of these, conflicts have been confined to one isolated part of the country. Among the post-conflict countries, one country gained the medium classification (Bosnia and Herzegovina) and one the high (Serbia and Montenegro). These are both countries in which conflict ended some time ago. A low proportion of the conflict countries (about 30%), but a high proportion of the post-conflict countries (nearly three-quarters), were imbalanced. The nature of the imbalance was rather mixed, showing no particular pattern.

Another category of country that might be expected to make peculiar choices is that of oil countries. This category of countries has been shown to be associated with unequal income distribution, and mostly poor growth and poor basic HD in relation to a country's resources, possibly owing to various manifestations of the "Dutch Disease" (see Ranis and Mahmood 1992; also Auty 2001). This is indeed confirmed by the quite large numbers of oil countries in the low category (four out of 13), with only two (Oman and Libya) in the high category. Countries in the low category include Algeria, Angola, Nigeria and Yemen. Although these countries show quite high levels of imbalance, no systematic pattern emerges.

Turning to the transition countries, there is generally good performance, with six showing high, 13 medium, and none low performances. Only two of the 19 show political deficiency.

It is interesting to explore the extent to which high performance according to our indicators is correlated with high levels of overall "satisfaction with life" on the basis of a 0–10 ladder scale (see Table 7.6).[6] In fact, we find no evidence of a systematic relationship. In both the top and middle third of countries in terms of satisfaction with life, one quarter are classified as high, just over two thirds as medium, and just 6% fall into the low category. In the bottom third of countries, 37.5% are in the high category, half in the medium category and 12.5% in the low category. The countries with the lowest life satisfaction have more representatives in the high category and more in the low category than the top two-thirds of countries. Nor does there appear to be anything systematic about the particular dimension on which countries perform well or poorly in relation to overall life satisfaction. This contrasts with our earlier work, which showed a quite high and significant correlation across countries between life satisfaction and HDI ranking. Bringing in the broader dimensions of HD does not increase this correlation, as one might expect, but rather seems to reduce it.

[6] The data come from the World Database of Happiness and are primarily based on World Values Surveys from 1995 to 2005 in which respondents were asked to rate their satisfaction with "your life as a whole".

Table 7.6. Performance according to satisfaction with life

	Top-third countries	Middle-third countries	Bottom-third countries
Overall classification			
High	4	4	6
Medium	11	11	8
Low	1	1	2
Proportion imbalanced (%)	37.5	31.2	50.0
HD superior	2	0	2
HD deficient	0	0	0
Social superior	1	0	0
Social deficient	2	1	2
Economic superior	0	1	1
Economic deficient	1	2	0
Politics superior	0	1	0
Politics deficient	0	0	1

V. What Have We Learned About Choices?

The data do confirm what we had concluded from previous work, i.e. that not all good things always go together. Given that human development is made up of many types of freedom, capability or choice, some aspects may be promoted in some conditions and others at other times. In our classification, only eight out of 130 countries with data for all four categories were consistently categorized in the same way across categories: two as consistently high, five as consistently medium, and one as consistently low. About half the entire sample of countries showed deficiency or superiority in one category. However, the consistently weak performance of countries suffering violent conflict indicates that high priority has to be given to policies that help avoid it.

At the outset we hypothesized that alternative patterns of behavior might be dictated by political choices, by constraints, or by culture and history. Can we say more about this in light of the evidence? Our findings suggest that many poor countries are doing badly on economics and on basic HD. Despite this, a number do better on political and social aspects. Is this a matter of choice? There are three possibilities: (1) they choose to promote the social and political dimension at the expense of economic and basic HD; (2) they choose to promote the social and political despite weak economics and poor basic HD; or (3) all these developments just happened under the pressure of various external and internal forces.

It seems to us that (1) is unlikely, given the expressed desire to promote economic growth and basic HD (e.g. meet the Millennium Development Goals) and the fact that there is no obvious major resource cost in improving performance on social and political aspects. It seems more likely that weak performance on economic aspects and basic HD is a consequence of deep constraints—including weak government capacity, heavy indebtedness, and frequent violent conflicts—and not, at least with the worst performers, a matter of choice. But, given the low resource costs of the social and political aspects, some of these can be chosen even in the context of low-income economies. One needs to unravel the two categories of the social and the political to consider which aspects can be chosen and which occur exogenously.

The social dimension, as interpreted and measured here, is partly a matter of income distribution, and partly a matter of having close social and family relations and tolerant neighbors. We use the male suicide rate as an indicator to reflect how stressful life is. The income distribution variable can be influenced by the government (if with difficulty). The other variables probably could be influenced too—for example, if physical security is very low because of poor policing, social relations may be worse; and policies towards education, the media and discrimination may contribute to improving aspects of social relations. But to a considerable extent these variables are the outcome of social and economic forces, not government policy. It seems likely that these variables (particularly the ones involving relationships) depend in part on the size of communities (being stronger in rural than in urban communities), and on the spare time people have available (being stronger when people are less busy).

Our results suggest that poor countries which are socially superior are so mainly because of their superior income distribution (with data largely missing for the other indicators in the social category); for countries that are socially deficient, in contrast, the judgement is made on the basis of a wider range of social indicators.

Putting all this together suggests, very speculatively, that one might expect the social side to do better in relation to economic aspects at lower levels of urbanization and employment—i.e. at lower levels of development. This is broadly what we find, and we would argue that this is more a matter of the stage of a country's development and less of governments' or people's choices.

The political category is again a composite; it includes collective political violence, which is sometimes chosen but can result from exogenous forces. It also covers the rule of law, over which governments have some influence but which evolves slowly, with inputs from civil society as well as government; and it includes political and civil liberties, which is the one variable that can be said to be chosen, albeit, especially in the case of low-income countries, under heavy influence from the donor community. Thus, as far as this aspect of politics is concerned, the fact that some poor countries do better in politics than in other categories may be due to choices they make, not at the expense of doing well on other elements, but as something they can choose without sacrificing other aspects.

The experience of middle-income countries partly supports what has been said above, and partly indicates the wider range of choices open to middle-income countries. In the first place, many are socially deficient. This does suggest that this aspect tends to lag as development proceeds, perhaps for the reason given above—people become more urbanized and disconnected and have less time, while government efforts that might compensate for this, through policing and redistributive policies, are not always in place or effective. Sometimes, of course, such compensatory action does occur, as shown by the countries that do score high on the social category—14 out of the 77 middle-income countries. This ratio is similar to that of the low-income countries, where nine out of 50 got a high classification on the social category (though again, this was largely owing to a superior income distribution).

The middle-income countries show considerable variation in the political category, with 36 in the high category but 20 in the low category, and almost equal numbers being deficient and superior, according to our methodology. This suggests that countries make different choices in the political category, of course, heavily constrained by history. Yet the limited, or short-lived, influence of history is most clearly demonstrated by the special position of the transition countries, which are categorized in this way precisely because of their past, yet currently show a rather balanced performance. One might have expected them to be superior in basic HD, given their history, which put great emphasis on health and education, politically and possibly economically deficient, and socially mixed—good on income distribution and possibly poor on social relations. Yet this is apparently not the case.

The lack of systematic connections between life satisfaction and performance on our four dimensions of HD could be interpreted in two very different ways. One would be to argue, along with Layard (2005), that life satisfaction (or "happiness") should be the overriding single indicator of success and hence the sole objective of development. The lack of correlation with other measures of performance might be taken as a good reason for adopting this position. Alternatively, one might argue, along with Amartya Sen, that development is about expanding choices, which is better captured by our four dimensions than by a single somewhat arbitrary measure of life satisfaction; moreover, to the extent to which life satisfaction indicates that people's expectations adapt to their circumstances, it becomes a poor indicator of country performance and a faulty guide to development.[7] We are inclined to the latter view, but perceptions are also important, and consistently low views of life satisfaction are a matter which should concern decision-makers, along with our more objective indicators.

In conclusion, the many patterns of behavior indicate that while countries may be constrained by history, culture and initial conditions, they also have choices. Even low-income countries can achieve well in all categories, and even high-income countries can achieve poorly. The first gives reason for optimism, the second for pessimism. Finally, it is necessary to reiterate that our methodology is patently arbitrary and subject to refinement and checks for robustness. Our findings should therefore be viewed as suggestive only.

[7] Sen takes this view (1979, 1985, 1987, 1993, 2002).

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