

Peoples’ Perception on Quality of Life Based on Human Development Index

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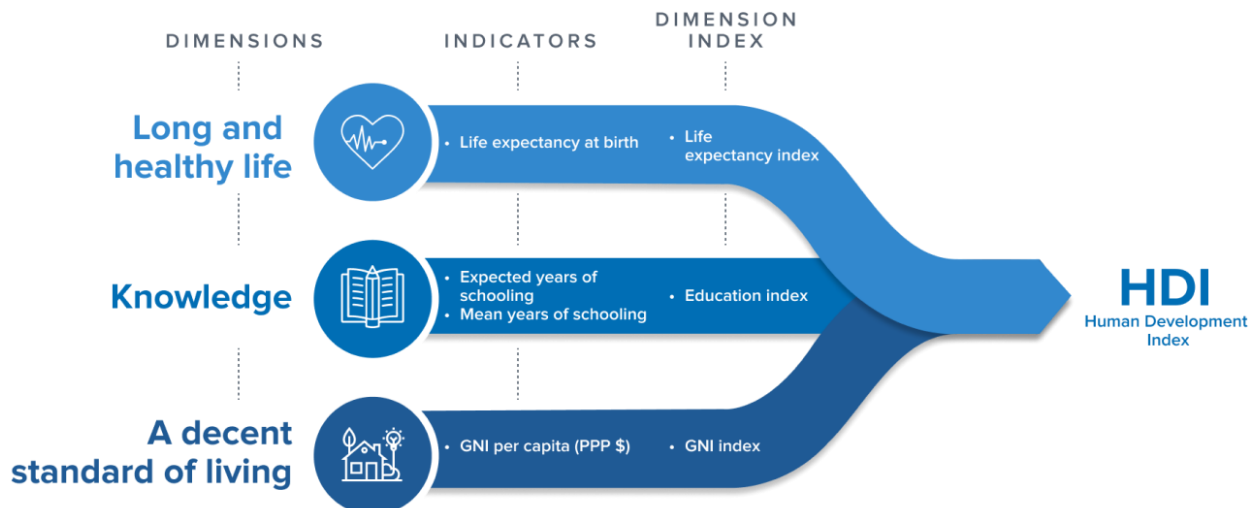
ABSTRACT

Human development is a process of enlarging people’s choices (HDRO, 1990). According to the human development concept, increasing people’s opportunities to live fulfilling lives should be the primary goal of development policy.” The economic expansion serves as a means, not an end, to this goal. As a result, changes were made to the indicators used to calculate the human development index. The Human Development Index (HDI) is a statistical index that combines data on life expectancy, educational attainment, and per capita income to classify nations into four levels of human development.

Key Words: Human development, Per capita income, Life expectancy, Gross national income Purchasing power parity, Skill Development and Vocational Education, Mental Health

INTRODUCTION

A long and healthy life, knowledge, and a decent standard of living are three essential aspects of human development that the Human Development Index (HDI) measures in summary form. The HDI is the geometric mean of indices for the three dimensions. The life expectancy at birth is used to evaluate the health dimension, while the mean number of years of schooling for adults 25 years and older and the anticipated number of years spent in school for young children are used to analyze the education dimension. Gross national income per capita is used to quantify the standard of living dimension. The HDI employs the logarithm of income to illustrate how income becomes less significant as GNI rises. The three dimensions of HDI indices are combined using geometric mean to create a composite index. Human development is simplified by the HDI, and only a portion of it is actually captured. Inequalities, poverty, human security, empowerment, etc. are not addressed. India's HDI value for 2021 is 0.633— which puts the country in the Medium human development category—positioning it at 132 out of 191 countries and territories. Between 1990 and 2021, India's life expectancy at birth is 67.2 years, the expected years of schooling is 11.9 years and mean years of schooling is 6.7 years. The gross national income per capita was \$2,170.



LITERATURE REVIEW

The United Nations Development Programme (UNDP)'s Human Development Report (HDR), published in 1990 (UNDP, 1990), was a significant report since it revived the discussion about how to measure development. Effectively, it combined different ideas that had been brought forward in past development talks under the umbrella of "human development." It also offered a useful, albeit unfinished, structure for calculating the human development index, which would be used to gauge performance on the dimensions of human development (HDI). There have been eight annual reports from the UNDP so far, and this framework has remained the cornerstone of the series (UNDP, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997). (Sagar & Najam)

A new way of thinking about development was introduced by the first human development report, "People are the actual treasure of nations," which was published in 1990. (Dasic, et al., 2020)

The Human Development Index (HDI), which was created in response to the need for a measure that could more accurately reflect human achievements in a number of fundamental capabilities (what people can do and be) than income-based indices of growth and development and could offer a credible alternative to them, was developed. In 1990, it was widely agreed that standard metrics of economic progress, primarily GDP and GNP, overlooked the multifaceted nature of human development. The HDI began with six guiding principles: (i) measure the fundamental goal of human development, which is to increase people's options; (ii) use a small number of variables to keep it straightforward and manageable; (iii) be a composite index rather than a number of distinct ones; (iv) account for both social and economic options; and (v) be sufficiently flexible in both coverage and methodology to allow gradual improvements once better alternatives became available. (Kovacevic, 2011)

The process by which people's options expand and their standard of living rises is known as human development. It brings together the expansion and application of human capabilities with the production and distribution of goods. Human development approaches, in contrast to previous approaches to development, examine all aspects of society, including economy, trade, employment, political liberty, and culture as seen through the eyes of the people. As a result, it focuses on expanding people's options. To benefit from the development process, people should participate because a nation's real wealth is its people, and the goal of human development is to make the environment conducive to people living long, healthy, and creative lives¹⁶. (Durairaj, 2006)

A nation's social and economic aspects are determined by the wellbeing of its citizens, their level of education, and their style of life. India ranks 131 out of 189 nations and territories with an HDI score of 0.640, placing it in the medium human development category. HDI, although being the fastest growing economy, was still lower than group's average HDI of producing economies, which was 0.68, indicating that human development lags behind economic development. India is the country with the highest income levels and overall economic empowerment among its closest neighbors. However, it also contributes to salary inequality, which causes the unbalanced balanced HDI to decline more dramatically. (Sourav)

The Human Development Index, or HDI for short, is a summary composite index that measures a nation's average progress in three fundamental areas of human development. These aspects are commonly referred to as (1) A healthy and long life. (2) Understanding and a respectable standard of living. (Sadashiv & Pawar)

Life expectancy is an alternative summary measure of the mortality experience of a population. The mean number of years spent in school among adults, which is the average number of years spent in school by people aged 25 and older, is used to measure knowledge level and access to knowledge and learning by expected years of schooling for children of school-entry age, which is the total number of years of schooling a child of school-entry age can anticipate receiving if age-specific enrolment rates continue as they are the Gross National Income (GNI) per capita, which is expressed in constant 2017 international dollars and converted using purchasing power parity (PPP) conversion rates, is used to measure standard of living. (The Next Frontier: Human Development and the Anthropocene) Tracking GDP as an economic development metric has several flaws because it fails to account for inequality or actual human development. (Sajith, 2021)

Old method of $HDI = 1/3 (\text{Health Index} + \text{Education Index} + \text{Income Index})$. In 2010, the new method was introduced to calculate HDI i.e., $HDI = 3 \sqrt{\text{Health Index} * \text{Education Index} * \text{Income Index}}$. (Malathi) The human development index still negates any mention of environmental factors. Unfortunately, the HDRs appear to have stagnated over time, reiterating the same talking points without necessarily making the HDI more useful. (adil, 1997)

OBJECTIVE AND AREA OF STUDY

The HDI is a method used to determine the level of human development in a certain country based on three indicators: standard of living, health, and education. The study is focused on people's perception on the quality of life based on HDI. The paper is considering the city of Indore for the study. It shall concentrate the research in that area as well on people from middle and income families. People from low-income households are not taken into account since, in their eyes, access to basic utilities comes first, and only then would they pay attention to other factors. This is taken into account after researching and studying Maslow's hierarchy of needs.

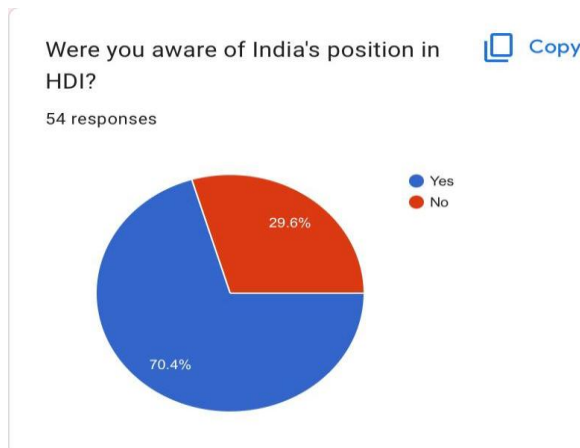
On the basis of primary data, and will attempt to identify what, in the opinion of the audience, is lacking in HDI and what should be taken into account when calculating HDI.

RESEARCH METHODOLOGY

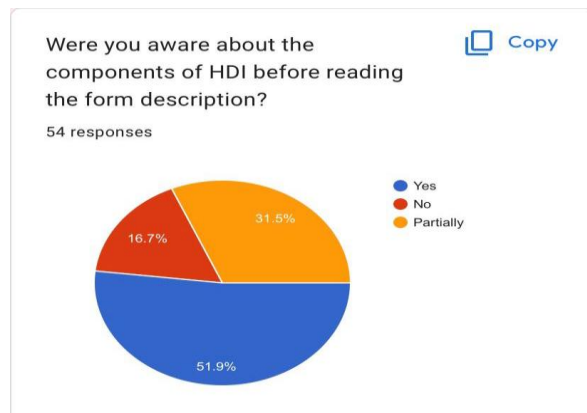
The paper helped us to gather primary data from a self-designed questionnaire with a sample of 54 responses to which respondents helped us to conclude; the female response rate came out to be 40.7%, totalling 22, and the male response rate came out to be 57.41%, totalling 32. The key age range was 15 to 25, which changed to 92.6% overall and up to 50 replies. To properly understand the people's perception on quality of life based on the human improvement index, the respondents were asked to consider five key variables.

DATA ANALYSIS AND INTERPRETATION

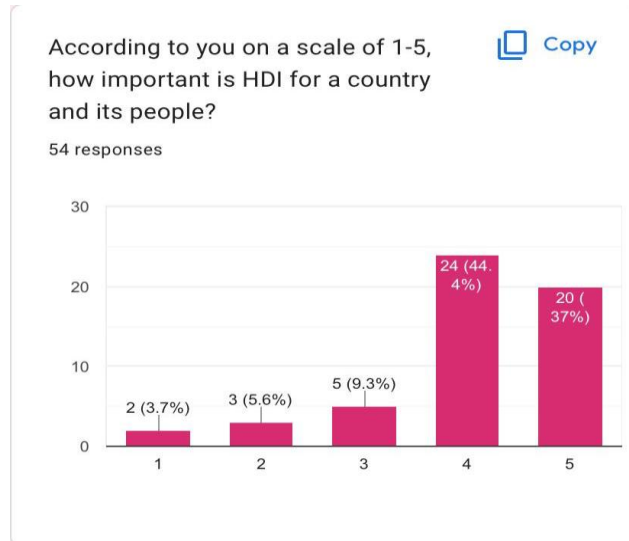
The paper reached the following conclusion based on a survey with 54 responses: About 70% of individuals were aware of India's HDI ranking.



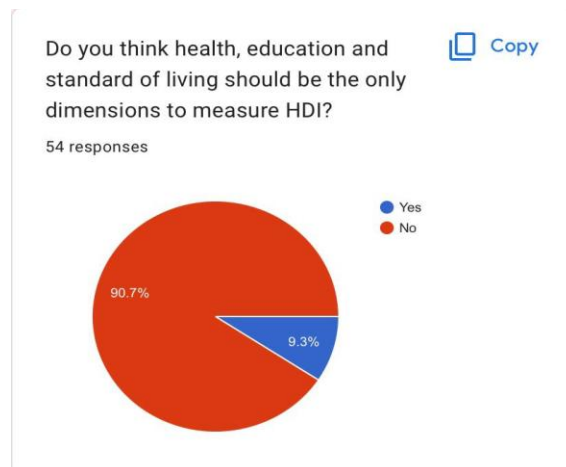
The survey had information regarding HDI in the form description; 51.9% of respondents knew about it before reading the context, 31.5% were just slightly aware, and 16.7% were unaware of India's position.



44.4% of respondents, who were asked to rate the importance of the human development index on a scale of 1 to 5, indicated that they thought it was important..



90.7% of those surveyed believe that the current HDI components—standard of living, education, and health —are insufficient to measure HDI



Given below are some of the other potential factors that could be taken into account when calculating the HDI,

- Happiness Index
- Safety and Security
- Skill Development and Vocational Education
- Mental Health

The paper assisted us in reaching the following conclusions:

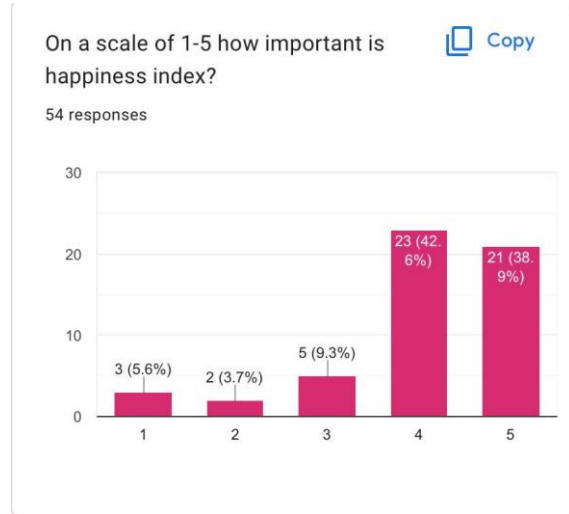
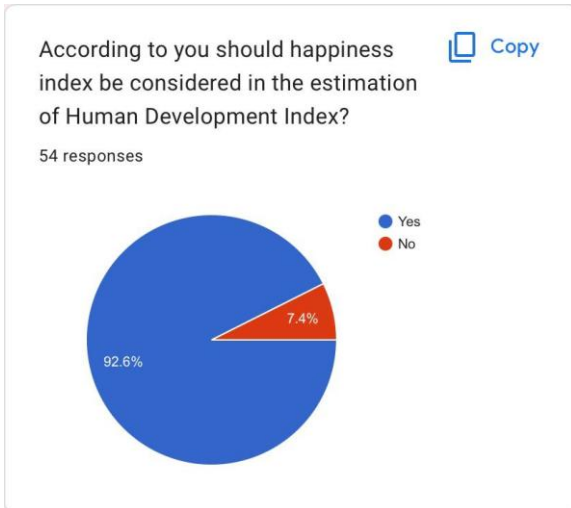
Happiness Index:

Happiness is increasingly seen as a crucial factor to assist in the formulation of policies in a nation having in mind the happiness and well-being of its citizens due to a changing mentality among the populace.

Feelings of wellbeing can increase in a nation with a strong social fabric because individuals cooperate to address issues and value the social assistance they receive. For instance, despite having their banking systems completely destroyed during the financial crisis, Iceland and Ireland were protected since they both received the best ratings for having a reliable partner in times of need. And despite the Fukushima nuclear disaster in 2011, Japan's happiness and trust improved as a result of the crisis spurring its citizens to show one another support and work together.

The World Happiness Report is an indicator of overall happiness, according to the index. The rankings are based on reports of respondents' evaluation of their individual lives, and they also take into account articles on national happiness. The study contrasts with additional factors that affect (quality of) life.

According to the study, 92.6% of participants gave it a rating of 4 on a scale of 1 to 5, believing that it must play a significant role in the HDI calculation.

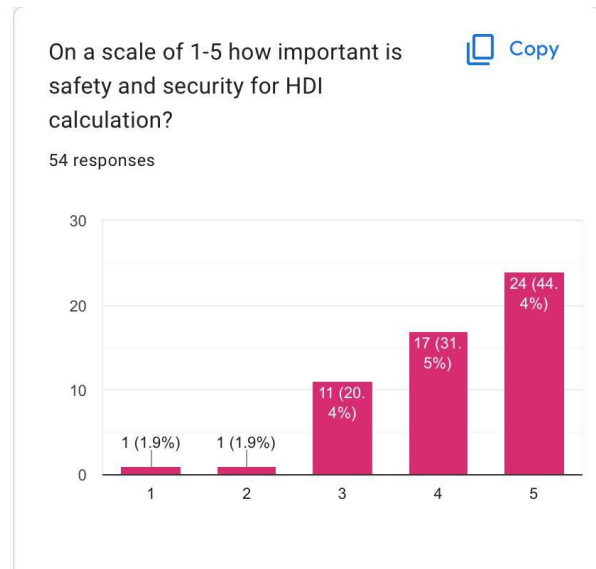
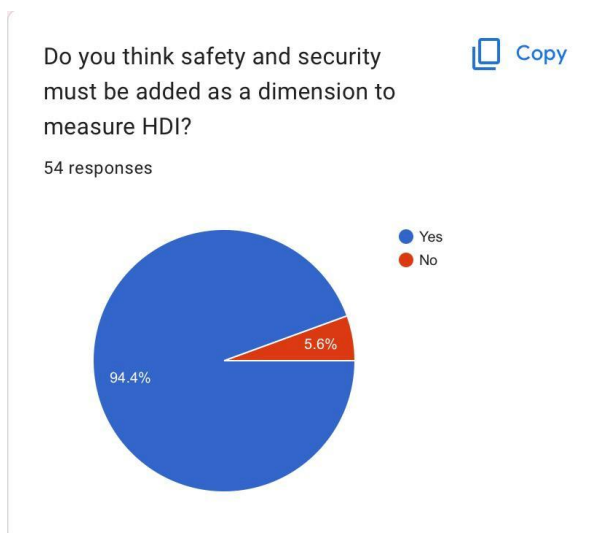


Safety and Security:

When something or someone is protected against potential hazards, the term "safety" is used to describe the situation. The term "security" refers to defending groups or individuals against danger or threats. According to studies and various theories safety and security are the most essential and basic needs of an individual.

Numerous studies, most notably the Voices of the Poor study from the World Bank (Narayan et al., 2000), which was a multi-year survey of the poor in 23 low- and middle-income countries, demonstrate that citizens' top priorities are safety, security, and justice. A secure income, reliable housing, clothing, and food supplies as part of the predictability of daily living, security against crime, and psychological safety are just a few examples of what safety and security might mean.

According to 94.4% of the respondents, this must be included as a component when measuring HDI. On a scale of 1 to 5, it has a 44.4% 5-star rating.



Skill Development and Vocational Education:

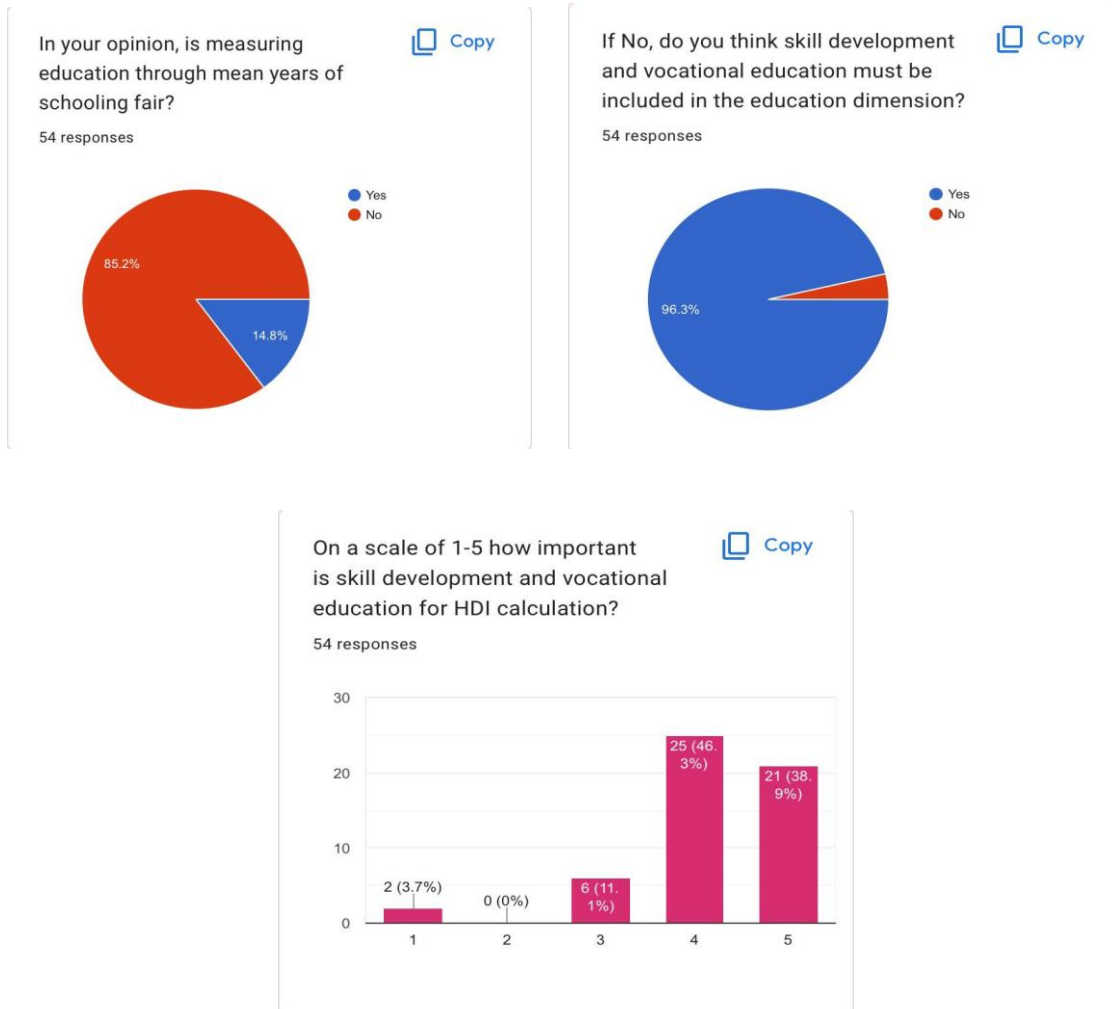
In India, the key to constructing a nation is through vocational education. It is also widely acknowledged that equipping young people with the appropriate knowledge and vocational education skills helps assure overall national advancement and economic growth.

A process known as skill development allows trainees and people of working age to acquire knowledge, and ability, as well as career ethics and excellent working attitudes through skill training.

Career and Technical Education (CTE), often known as vocational education or vocational education and training (VET), is a historically non-academic programming that completely relates to a particular profession, occupation, or vocation.

Knowledge and skills are engines of any nation's economic and social progress. The economy becomes more productive, innovative, and competitive through the presence of more skilled human potential.

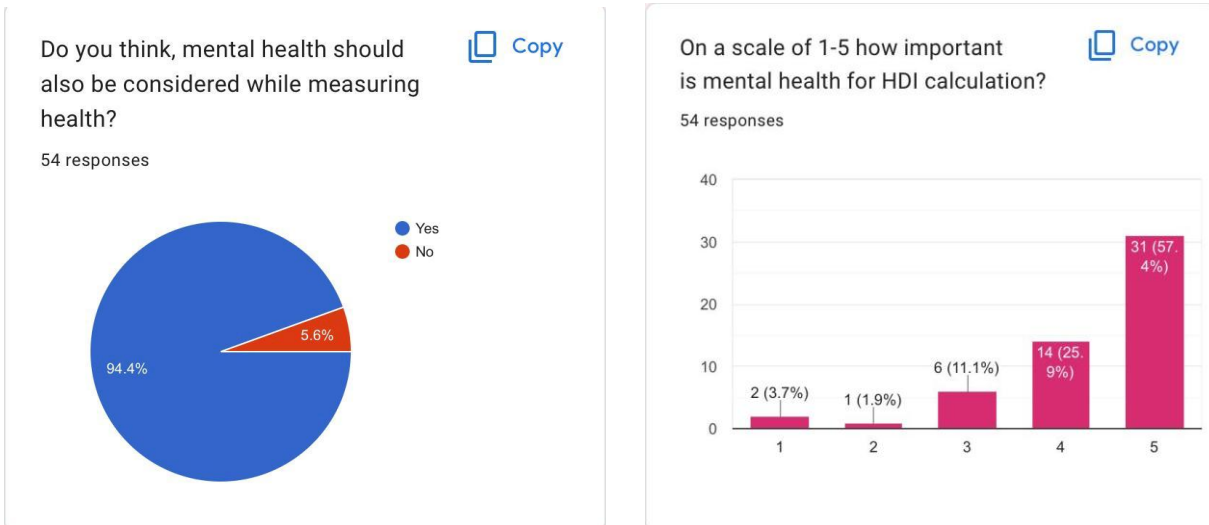
85.2% of people say that it is unfair to evaluate education by the number of years spent in school and that skill development and vocational training should also be taken into account when determining a nation's level of education.



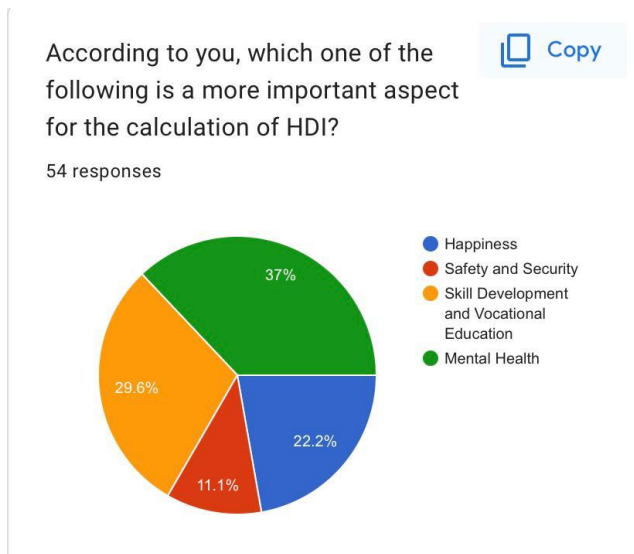
Mental health:

“Mental health, according to the World Health Organization (WHO), is "a condition of well-being in which a person may achieve his or her own potential, manage with the typical stressors of life, work productively, and make a contribution to the community." This means much more than the absence of a mental health illness that has been officially identified; in fact, it is very similar to the idea of human development, which is the expansion of liberties and skills in order for everyone to realize their full potential.

In order to calculate a country's HDI, 94.4% of individuals believe that mental health must also be taken into account along with life expectancy at birth.



“Which of the following, in your opinion, is a more relevant factor for the computation of HDI?” was the final question for them in the survey. 37% of voters chose mental health, while 29.6% chose skill development and vocational education, 22.2% of voters selected the happiness index and only 11.1% chose safety and security.



CONCLUSION

The poll was designed to evaluate a few potential parameters that could be used to calculate the Human Development Index. The study revealed that the majority of respondents believed that the HDI's most essential component should be its emphasis on mental health, followed by skill development and vocational training. The uncertainty during COVID caused tension and worry in many. Many people experienced substantial mental health effects as a result of losing their jobs, having to get used to working from home, and losing contact with their loved ones. Due to these circumstances, people started to care for both their physical and mental health, which made them understand the significance of mental health. Formerly, people believed that education was the most important factor, but now they believe that learning new skills and having a vocational education are equally important. While a degree or education can help with job hunting, companies are more interested in an applicant's skills and vocational training. Although education is important in the actual world, it is useless without skills and vocational training.



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