

Overview

Human Development Report 2019



Beyond income, beyond averages, beyond today:
Inequalities in human development in the 21st century



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The cover conveys the inequalities in human development of a changing world. The dots in different colors represent the complex and multidimensional nature of these inequalities. The shadow of the climate crisis and sweeping technological change, evoked by the color of the cover background that suggests heat, will shape progress in human development in the 21st century.

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Inequalities in human development in the 21st century



*Empowered lives.
Resilient nations.*

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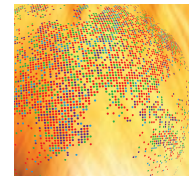
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Foreword

The wave of demonstrations sweeping across countries is a clear sign that, for all our progress, something in our globalized society is not working.

Different triggers are bringing people onto the streets: the cost of a train ticket, the price of petrol, political demands for independence.

A connecting thread, though, is deep and rising frustration with inequalities.

Understanding how to address today's disquiet requires looking "*Beyond Income, Beyond Averages and Beyond Today*," as this Human Development Report sets out to do.

Too often, inequality is framed around economics, fed and measured by the notion that making money is the most important thing in life.

But societies are creaking under the strain of this assumption, and while people may protest to keep pennies in their pockets, power is the protagonist of this story: the power of the few; the powerlessness of many; and collective power of the people to demand change.

Going beyond income will require tackling entrenched interests—the social and political norms embedded deep within a nation's or a group's history and culture.

Looking beyond today, the 2019 Human Development Report articulates the rise of a new generation of inequalities.

Just as the gap in basic living standards is narrowing, with an unprecedented number of people in the world escaping poverty, hunger and disease, the abilities people will need to compete in the immediate future have evolved.

A new gap has opened, such as in tertiary education and access to broadband—opportunities once considered luxuries that are now considered critical to compete and belong, particularly in a knowledge economy, where an increasing number of young people are educated, connected and stuck with no ladder of choices to move up.

At the same time, climate change, gender inequality and violent conflict continue to drive and entrench basic and new inequalities alike. As the Human Development Report sets out, failure to address these systemic challenges will

further entrench inequalities and consolidate the power and political dominance of the few.

What we are seeing today is the crest of a wave of inequality. What happens next comes down to choice. Just as inequality begins at birth, defines the freedom and opportunities of children, adults and elders, and permeates those of the next generation, so, too, policies to prevent inequalities can follow the lifecycle.

From pre-labour market investments in the health and nutrition of young children to in- and post-labour market investments around access to capital, minimum wages and social services, politicians and policymakers have a battery of choices that, if correctly combined for the context of each country or group, will translate into a lifelong investment in equality and sustainability.

Making those choices starts with a commitment to tackling the complexity of human development—to pushing the boundaries to help countries and communities realize the Sustainable Development Goals.

This is the mission at the heart of the United Nations Development Programme, working together with the 170 countries and territories we serve.

Some 40 years ago the founding father of human development, Professor Amartya Sen, asked a deceptively simple question: equality of what? He answered with equal simplicity: of the things we care about to build the future we aspire to.

Professor Sen's words help us to take a fresh look; to go beyond growth and markets to understand why people take to the streets in protest, and what leaders can do about it.

I would like to thank all those who have taken this journey of exploration with us over the past 12 months, and I encourage you to read on.

Achim Steiner

Administrator

United Nations Development Programme

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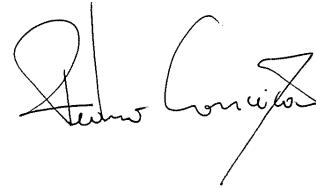
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A handwritten signature in black ink, appearing to read 'Pedro Conceição', with a stylized flourish at the end.

Pedro Conceição

Director

Human Development Report Office

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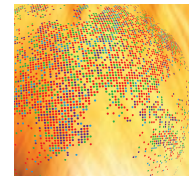
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Overview

Inequalities in human
development in the
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Overview

Inequalities in human development in the 21st century

In every country many people have little prospect for a better future. Lacking hope, purpose or dignity, they watch from society's sidelines as they see others pull ahead to ever greater prosperity. Worldwide many have escaped extreme poverty, but even more have neither the opportunities nor the resources to control their lives. Far too often gender, ethnicity or parents' wealth still determines a person's place in society.

Inequalities. The evidence is everywhere. So is the concern. People across the world, of all political persuasions, increasingly believe that income inequality in their country should be reduced (figure 1).

Inequalities in human development are more profound. Consider two children born in 2000, one in a very high human development country, the other in a low human development country (figure 2). Today the first has a more than 50-50 chance of being enrolled in higher education: More than half of 20-year-olds in very high human development countries are in higher education. In contrast, the second is much less likely to be alive. Some 17 percent of children born in low human development countries in 2000 will have died before age 20, compared with just 1 percent of children born in very high human development countries. The second child is also unlikely to be in higher education: In low human development countries only 3 percent are. Circumstances almost entirely beyond their control have already set them on different and unequal—and likely irreversible—paths.¹ The inequalities are likewise high within countries—both developing and developed. In some developed countries the gaps in life expectancy at age 40 between the top 1 percent of the income distribution and the bottom 1 percent have been estimated to be as high as 15 years for men and 10 years for women.²

Inequalities do not always reflect an unfair world. Some are probably inevitable, such as the inequalities from diffusing a new technology.³ But when these unequal paths have little to do with rewarding effort, talent or entrepreneurial risk-taking, they may offend

people's sense of fairness and can be an affront to human dignity.

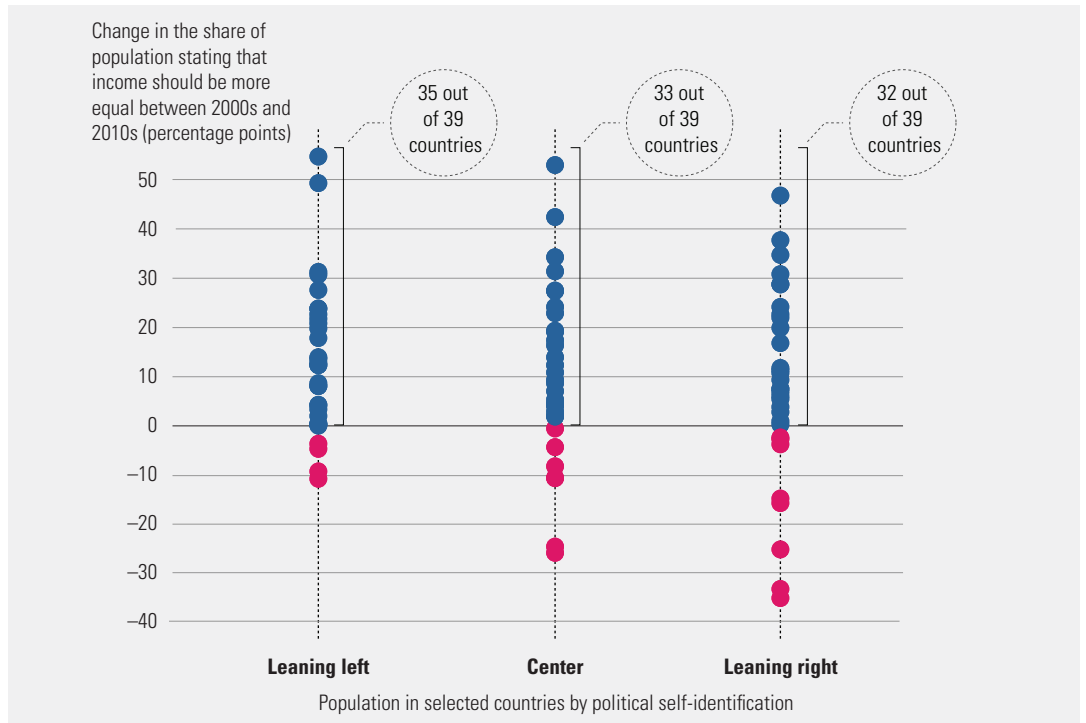
Such inequalities in human development hurt societies, weakening social cohesion and people's trust in government, institutions and each other. Most hurt economies, wastefully preventing people from reaching their full potential at work and in life. They often make it harder for political decisions to reflect the aspirations of the whole of society and to protect the planet, as the few pulling ahead flex their power to shape decisions primarily in their interests today. In the extreme, people can take to the streets.

These inequalities in human development are a roadblock to achieving the 2030 Agenda for Sustainable Development.⁴ They are not just about disparities in income and wealth. They cannot be accounted for simply by using summary measures of inequality that focus on a single dimension.⁵ And they will shape the prospects of people that may live to see the 22nd century. Exploring inequalities in human development thus has to go beyond income, beyond averages and beyond today, leading to five key messages (figure 3).

First, while many people are stepping above minimum floors of achievement in human development, widespread disparities remain. The first two decades of the 21st century have seen remarkable progress in reducing extreme deprivations, but gaps remain unacceptably wide for a range of capabilities—the freedoms for people to be and do desirable things such as go to school, get a job or have enough to eat. And progress is bypassing some of the most vulnerable even on the most extreme deprivations—so much

FIGURE 1

The share of the population stating that income should be more equal increased from the 2000s to the 2010s

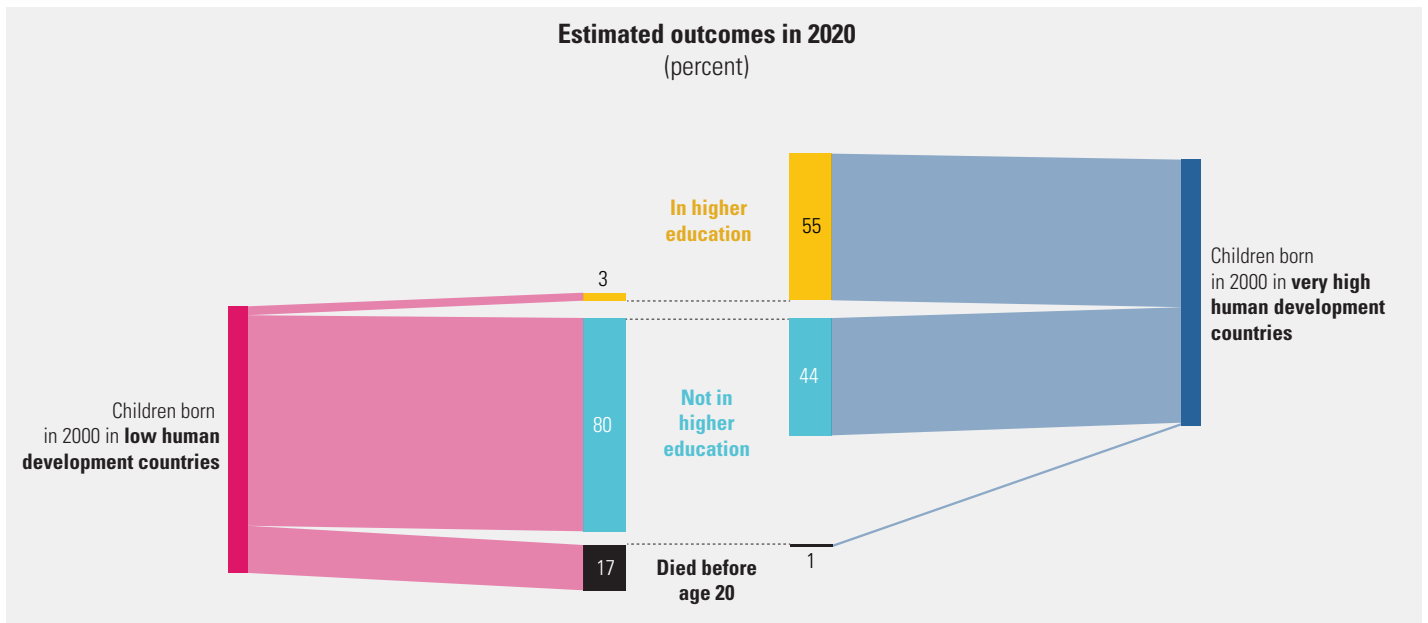


Note: Each dot represents one of 39 countries with comparable data. The sample covers 48 percent of the global population. Based on answers on a 1–5 scale, where 1 is “income should be more equal” and 5 is “we need larger income differences.”

Source: Human Development Report Office calculations based on data from the World Values Survey, waves 4, 5 and 6.

FIGURE 2

Children born in 2000 in countries with different incomes will have very unequal paths to 2020

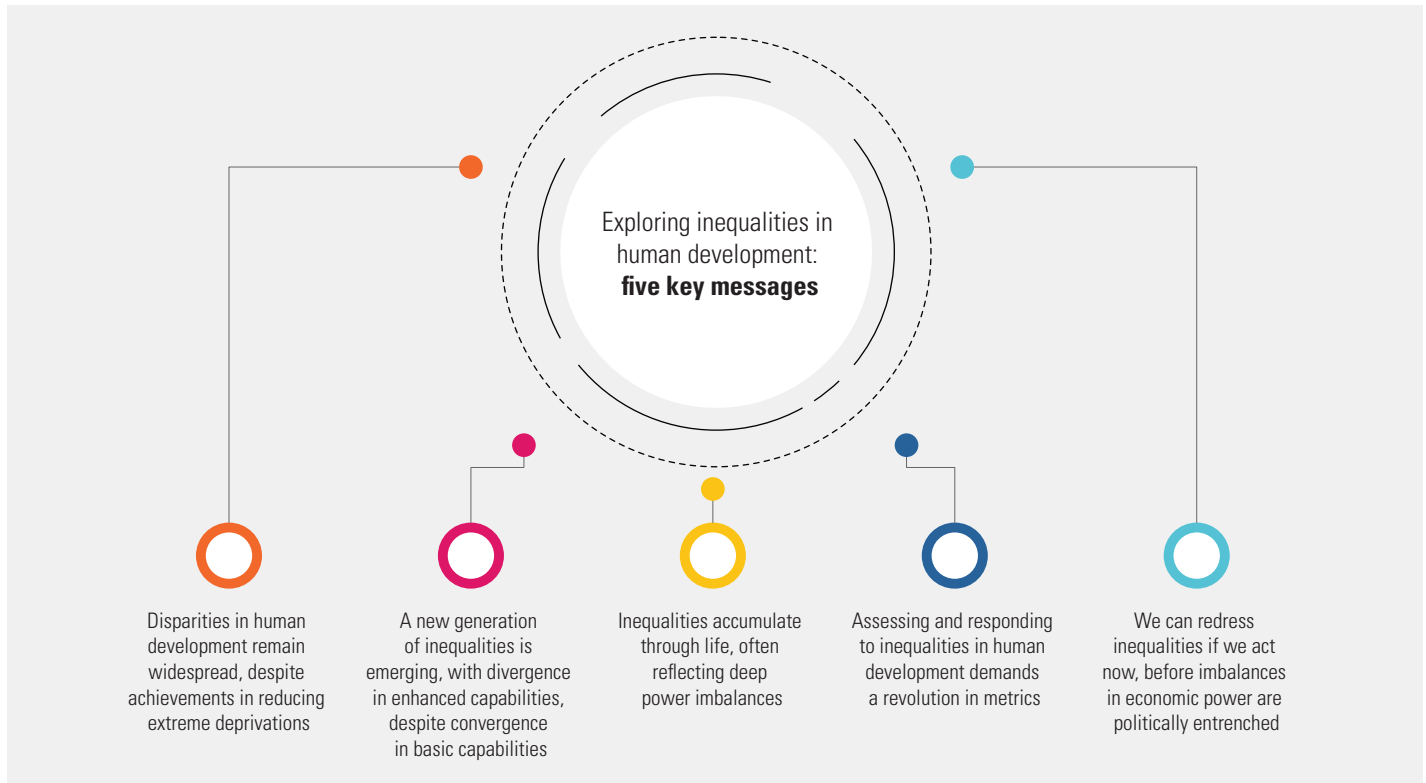


Note: These are estimates (using median values) for a typical individual from a country with low human development and from a country with very high human development. Data for participation in higher education are based on household survey data for people ages 18–22, processed by the United Nations Educational, Scientific and Cultural Organization Institute for Statistics in www.education-inequalities.org (accessed 5 November 2019). Percentages are with respect to people born in 2000. People that died before age 20 are computed based on births around 2000 and estimated deaths for that cohort between 2000 and 2020. People in higher education in 2020 are computed based on people estimated to be alive (from cohort born around 2000), and the latest data of participation in higher education. People not in higher education are the complement.

Source: Human Development Report Office calculations based on data from the United Nations Department of Economic and Social Affairs and the United Nations Educational, Scientific and Cultural Organization Institute for Statistics.

FIGURE 3

Beyond income, beyond averages and beyond today: Exploring inequalities in human development leads to five key messages



Source: Human Development Report Office.

so that the world is not on track to eradicate them by 2030, as called for in the Sustainable Development Goals.

Second, a new generation of severe inequalities in human development is emerging, even if many of the unresolved inequalities of the 20th century are declining. Under the shadow of the climate crisis and sweeping technological change, inequalities in human development are taking new forms in the 21st century. Inequalities in capabilities are evolving in different ways. Inequalities in basic capabilities—linked to the most extreme deprivations—are shrinking. In some cases, quite dramatically, such as global inequalities in life expectancy at birth. Many people at the bottom are now reaching the initial stepping stones of human development. At the same time, inequalities are increasing in enhanced capabilities—which reflect aspects of life likely to become more important in the future, because they will be more empowering. People well empowered today appear set to get even farther ahead tomorrow.

Third, inequalities in human development can accumulate through life, frequently heightened by deep power imbalances. They are not so much a cause of unfairness as a consequence, driven by factors deeply embedded in societies, economies and political structures. Tackling inequalities in human development means addressing these factors: Genuine improvement will not come from trying to fix disparities only when people are already earning very different incomes—because inequalities start at birth, often even before, and can accumulate over people’s lives. Or from looking back and simply trying to reinstate the policies and institutions that held inequalities in check, at times and in some countries, during the 20th century. It was under those very conditions that power imbalances deepened, in many cases accentuating the accumulation of advantage over the lifecycle.

Fourth, assessing inequalities in human development demands a revolution in metrics. Good policies start with good

measurement, and a new generation of inequalities requires a new generation of measurement. Clearer concepts tied to the challenges of current times, broader combinations of data sources, sharper analytical tools—all are needed. Ongoing innovative work suggests that income and wealth may be accumulating at the top in many countries much faster than one could grasp based on summary measures of inequality. Making these efforts more systematic and widespread can better inform public debates and policies. Metrics may not seem a priority, until one considers the continuing hold of such measures as gross domestic product since its creation in the first half of the 20th century.

Fifth, redressing inequalities in human development in the 21st century is possible—if we act now, before imbalances in economic power translate into entrenched political dominance. Improvements in inequality for some basic capabilities show that progress is possible. But the record of progress in basic capabilities in the past will not respond to people's aspirations for this century. And doubling down on reducing inequalities in basic capabilities further, while needed, is not enough. If enhanced capabilities are indeed associated with more empowerment, ignoring the gaps that are opening up in them can alienate policymakers from people's agency—their ability to make choices that fulfil their aspirations and values. Only by turning attention towards tackling a new generation of inequality in enhanced capabilities, many of which are only just beginning to emerge, will it be possible to avoid further entrenchment of inequalities in human development over the course of the 21st century.

How? Not by looking at policies in isolation or thinking that a single silver bullet will solve everything. The redistribution of income, which often dominates the policy debate on inequality, is sometimes seen as that silver bullet. Yet, even a full redistributive package of four ambitious policies—higher and more progressive income taxes, earned income discounts at low income levels, taxable benefits paid out for each child and a minimum income for all individuals—would be insufficient to fully reverse the increase in income inequality in the United Kingdom between the late 1970s and 2013.⁶

This is not to say that redistribution does not matter—quite the opposite. But long-lasting change in both income and the broader range of inequalities in human development depends on a wider and more systemic approach to policies.

What to do? The approach proposed in the Report outlines policies to redress inequalities in human development within a framework that links the expansion and distribution of both capabilities and income. The options span premarket, in-market and postmarket policies. Wages, profits and labour participation rates are typically determined in markets, which are conditioned by prevailing regulations, institutions and policies (in-market). But those outcomes also depend on policies that affect people before they become active in the economy (premarket). Premarket policies can reduce disparities in capabilities, helping everyone enter the labour market better equipped. In-market policies affect the distribution of income and opportunities when individuals are working, shaping outcomes that can be either more or less equalizing.⁷ Postmarket policies affect inequalities once the market along with the in-market policies have determined the distribution of income and opportunities. These sets of policies interact. For instance, the provision of public services premarket may depend in part on the effectiveness of postmarket policies (taxes on market income to fund health and education, for instance), which matter in mobilizing government revenue to pay for those services. And taxes, in turn, are informed by how much society is willing to redistribute income from those with more to those with less.

The future of inequalities in human development in the 21st century is in our hands. But we cannot be complacent. The climate crisis shows that the price of inaction compounds over time, as it feeds further inequality, which can in turn make action on climate more difficult. Technology is already changing labour markets and lives, but not yet locked-in is the extent to which machines may replace people. We are, however, approaching a precipice beyond which it will be difficult to recover. We do have a choice, and we must exercise it now.

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Beyond income, beyond averages and beyond today

The Report builds on a new framework of analysis that looks at inequalities by going beyond income, beyond averages and beyond today (figure 4).

Beyond income

Any comprehensive assessment of inequality must consider income and wealth. But it must also go beyond dollars and rupees to understand differences in other aspects of human development and the processes that lead to them. There is economic inequality, of course, but there are also inequalities in key elements of human development such as health, education, dignity and respect for human rights. And these might not be revealed by considering income and wealth inequality alone. A human development approach to inequality takes a people-centred view: It is about people's capabilities to exercise their freedoms to be and do what they aspire to in life.

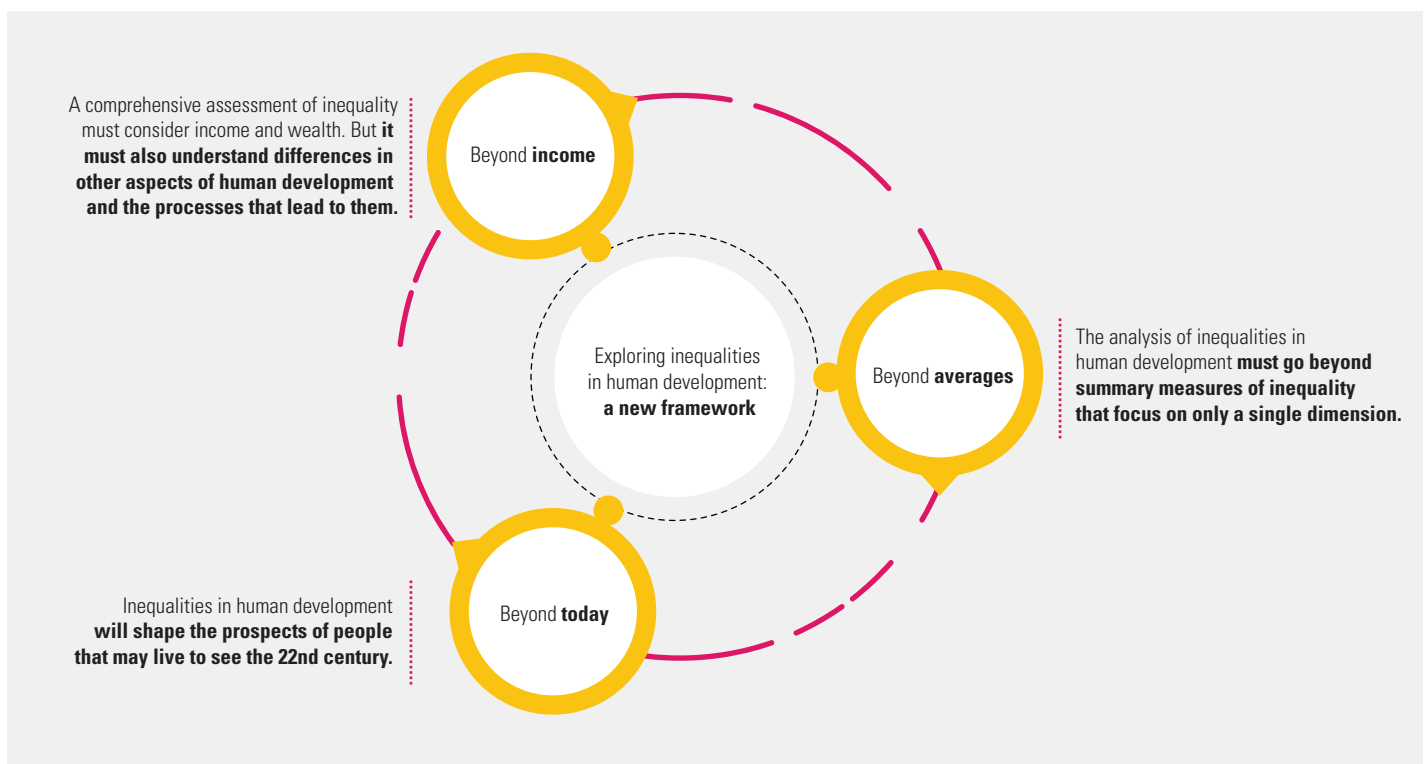
Even understanding income disparities requires examining other forms of inequality. Disadvantages in health and education (of one's parents and one's own) interact and often compound over a lifetime. Gaps open before birth, starting with the "birth lottery" of where children happen to be born, and can widen over the years. Children from poor families may not be able to afford an education and are at a disadvantage when they try to find work. These children are likely to earn less than those in higher income families when they enter the labour market, when penalized by compounding layers of disadvantage.

Beyond averages

Too often the debate about inequality is oversimplified, relying on summary measures of inequality and incomplete data that provide a partial—sometimes misleading—picture, both in the sorts of inequality to consider and the people affected. The analysis must go beyond averages that collapse information on distribution to a single number and look at the ways

FIGURE 4

Thinking about inequalities



Source: Human Development Report Office.

A changing world requires considering what will shape inequality in the future. Existing—and new—forms of inequality will interact with major social, economic and environmental forces to determine the lives of today’s young people and their children

inequality plays out across an entire population, in different places and over time. For every aspect of human development, what matters is the entire inequality gradient (the differences in achievements across the population according to different socioeconomic characteristics).

Beyond today

Much analysis focuses on the past or on the here and now. But a changing world requires considering what will shape inequality in the future. Existing—and new—forms of inequality will interact with major social, economic and environmental forces to determine the lives of today’s young people and their children. Two seismic shifts will shape the 21st century: Climate change and technological transformations. The climate crisis is already hitting the poorest hardest, while technological advances such as machine learning and artificial intelligence can leave behind entire groups of people, even countries—creating the spectre of an uncertain future under these shifts.⁸

Evolving human aspirations: From basic to enhanced capabilities

When Amartya Sen asked what kind of inequality we should ultimately care about (“Equality of what?”), he argued that people’s

capabilities—their freedoms to make life choices—are fundamental.⁹ Capabilities are at the heart of human development. The Report follows the same path and explores inequalities in capabilities.

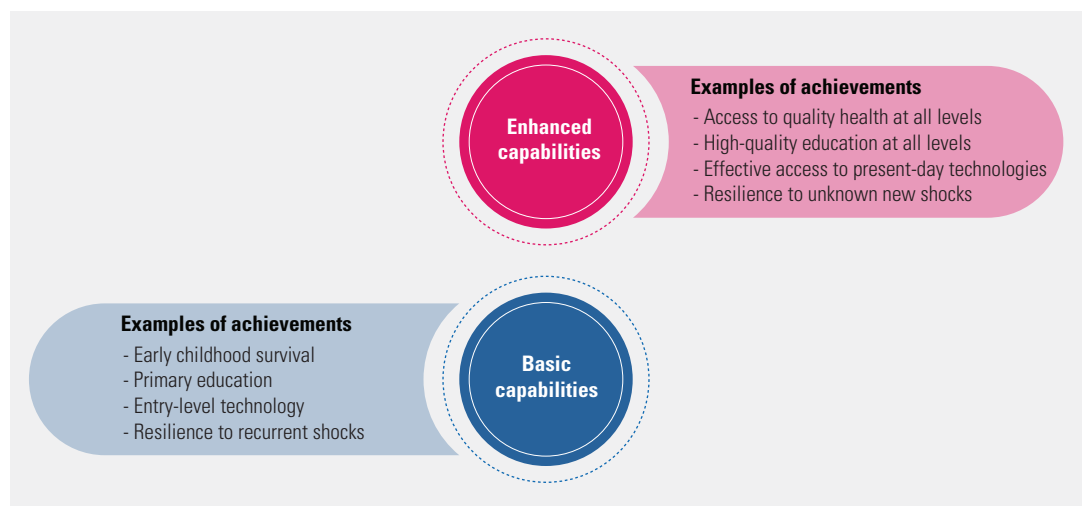
Capabilities evolve with circumstances as well as with values and with people’s changing demands and aspirations. Today, having a set of basic capabilities—those associated with the absence of extreme deprivations—is not enough. Enhanced capabilities are becoming crucial for people to own the “narrative of their lives.”¹⁰

Enhanced capabilities bring greater agency along people’s lives. Given that some capabilities build over a person’s life, achieving a basic set—such as surviving to age 5 or learning to read—provides initial stepping stones to forming enhanced capabilities later in life (figure 5).

A similar evolution from basic to enhanced capabilities is reflected in the use of technology or in the ability to cope with environmental shocks, from frequent but low-impact hazards to large and unpredictable events. The distinction is also important when it comes to understanding inequalities across groups, such as the progression from women being able to vote in elections (a basic capability) to participating in politics as national leaders (an enhanced capability). The evolution in ambition from basic to enhanced capabilities mirrors the evolution from the Millennium Development Goals to the Sustainable Development Goals.

FIGURE 5

Human development, from basic to enhanced capabilities



Source: Human Development Report Office.

Key message 1: Disparities in human development remain widespread, despite achievements in reducing extreme deprivations

The 21st century has witnessed great progress in living standards, with an unprecedented number of people around the world making a “great escape”¹¹ from hunger, disease and poverty—moving above minimum subsistence. The Human Development Index shows impressive improvement on average, reflecting dramatic improvements in achievements such as life expectancy at birth, driven largely by sharp declines in infant mortality rates.

Still, many people have been left behind, and inequalities remain widespread across all capabilities. Some refer to life and death, others to access to knowledge and life-changing technologies.

Despite having shrunk considerably, the difference in life expectancy at birth between low and very high human development countries is still 19 years. There are differences in expected longevity at every age. The difference in life expectancy at age 70 is almost 5 years. Some 42 percent of adults in low human development countries have a primary education, compared with 94 percent in very high human development countries. There are gaps at all education levels. Only 3.2 percent of adults in low human development countries have a tertiary education, compared with 29 percent in developed countries. In access to technology developing countries have 67 mobile phone subscriptions per 100 inhabitants, half the number in very high human development countries. For access to broadband, low human development countries have less than 1 subscription per 100 inhabitants, compared with 28 per 100 inhabitants in very high human development countries (figure 6).

The furthest behind include the 600 million people still living in extreme income poverty—and that jumps to 1.3 billion when measured by the Multidimensional Poverty Index.¹² Some 262 million children are out of primary or secondary school, and 5.4 million children do not survive their first five years of life. Despite greater access to immunizations and affordable

treatment, child mortality rates in the poorest households in the world’s poorest countries remain high. The highest rates are in low and medium human development countries, but there are vast disparities within countries: The poorest 20 percent in some middle-income countries can have the same average mortality rate as children from a typical low-income country.

Key message 2: A new generation of inequalities is emerging, with divergence in enhanced capabilities, despite convergence in basic capabilities

As we enter the 2020s, a new set of capabilities is becoming fundamental to 21st century life. Inequalities in these enhanced capabilities show strikingly different dynamics from those in basic capabilities. They are at the root of a new generation of inequalities.

Inequalities for some basic capabilities are slowly narrowing across most countries, even if much remains to be done. Life expectancy at birth, percentage of the population with a primary education and mobile-cellular subscriptions all show narrowing inequalities across human development groups (figure 7). The people at the bottom are progressing faster than those at the top. The gain in life expectancy at birth between 2005 and 2015 for low human development countries was almost three times that for very high human development countries, driven by a reduction in child mortality rates in developing countries. And countries with lower human development are catching up in access to primary education and access to mobile phones.

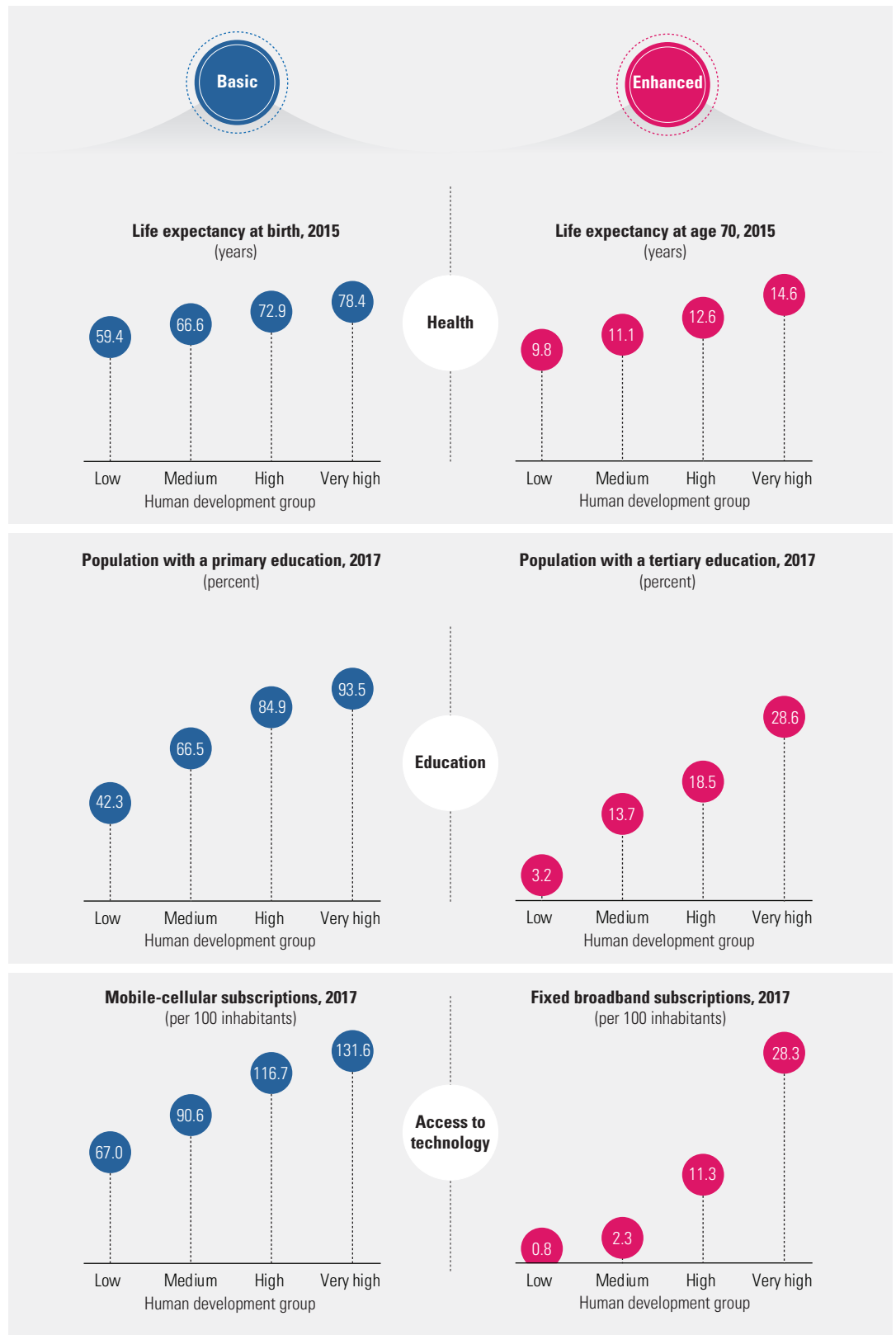
This good news comes with two caveats. First, despite progress, the world is not on track to eradicate extreme deprivations in health and education by 2030, when 3 million children under age 5 are still expected to die every year (at least 850,000 above the Sustainable Development Goal target), and 225 million children are expected to be out of school. Second, gaps are falling in part because those at the top have little space to keep moving up.

In contrast, inequalities in enhanced capabilities are widening. For instance, despite data

Inequalities for some basic capabilities are slowly narrowing across most countries, even if much remains to be done. Life expectancy at birth, percentage of the population with a primary education and mobile-cellular subscriptions all show narrowing inequalities across human development groups

FIGURE 6

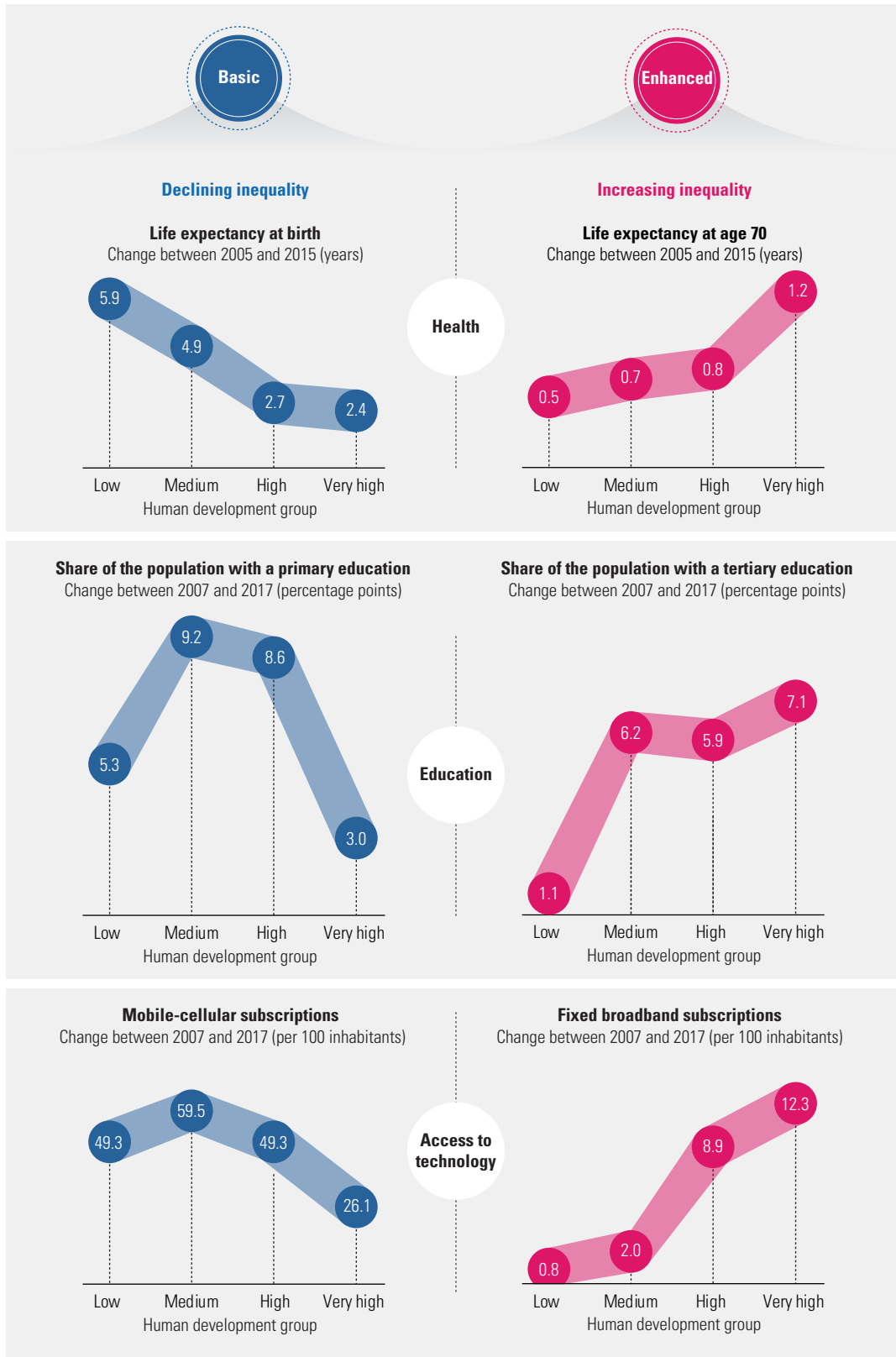
Across countries the world remains deeply unequal in both basic and enhanced capabilities



Source: Human Development Report Office calculations based on data from the International Telecommunication Union, the United Nations Educational, Scientific and Cultural Organization Institute for Statistics and the United Nations Department of Economic and Social Affairs.

FIGURE 7

Slow convergence in basic capabilities, rapid divergence in enhanced ones



Source: Human Development Report Office calculations based on data from the International Telecommunication Union, the United Nations Educational, Scientific and Cultural Organization Institute for Statistics and the United Nations Department of Economic and Social Affairs.

challenges, estimates suggest that the gain in life expectancy at age 70 from 1995 to 2015 in very high human development countries was more than twice that in low human development countries.¹³

There is evidence for the same pattern of divergence across a wide range of enhanced capabilities. Indeed, divergences in access to more advanced knowledge and technology are even starker. The proportion of the adult population with tertiary education is growing more than six times faster in very high human development countries than in low human development countries, and fixed broadband subscriptions are growing 15 times faster.

These new inequalities—both between and within countries—are hugely consequential. Shaping 21st century societies, they are pushing the frontiers in health and longevity, knowledge and technology. These are the inequalities that will likely determine people’s ability to seize the opportunities of the 21st century, function in a knowledge economy and cope with climate change.

Key message 3: Inequalities accumulate through life, often reflecting deep power imbalances

Understanding inequality—even income inequality—means homing in on the underlying processes that lead to it. Different inequalities interact, while their size and impact shift over a person’s lifetime. The corollary is that policies to tackle economic inequality require much more than a mechanistic transfer of income. They often need to address social norms, policies and institutions formed deep in history.

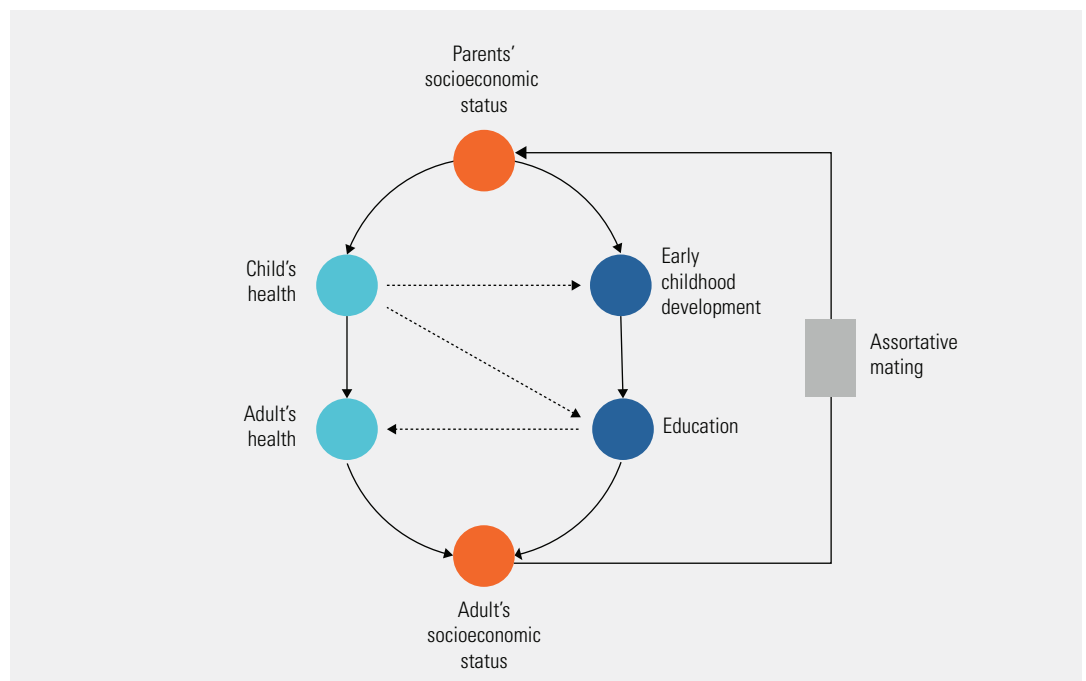
Lifelong disadvantage

Inequalities can start before birth, and many of the gaps may compound over a person’s life. When that happens, it can lead to persistent inequalities. This can happen in several ways, especially in the nexus among health, education and parents’ socioeconomic status (figure 8).

Inequalities can start before birth, and many of the gaps may compound over a person’s life. When that happens, it can lead to persistent inequalities

FIGURE 8

Education and health along the lifecycle



Note: The circles represent different stages of the lifecycle, with the orange ones representing final outcomes. The rectangle represents the process of assortative mating. The dashed lines refer to interactions that are not described in detail. A child’s health affects early childhood development and prospects for education. For example, an intellectually disabled child will not be able to benefit from early childhood development and education opportunities in the same way as a healthy child. Education can also promote a healthy lifestyle and convey information on how to benefit from a given health care system if needed (Cutler and Lleras-Muney 2010).
Source: Human Development Report Office, adapted from Deaton (2013a).

Parents' incomes and circumstances affect their children's health, education and incomes. Health gradients—the disparities in health across socioeconomic groups—often start before birth and can accumulate at least up to adulthood, if not counteracted. Children born to low-income families are more prone to poor health and lower education. Those with lower education are less likely to earn as much as others, while children in poorer health are more likely to miss school. And when children grow up, if they partner with someone who has similar socioeconomic status (as often happens in assortative mating), inequalities across generations can persist.

The cycle can be difficult to break, not least because of the ways in which inequality in income and political power co-evolve. When wealthy people shape policies that favour themselves and their children—as they often do—that can sustain the accumulation of income and opportunity at the top. Unsurprising, then, that social mobility tends to be lower in more unequal societies. Still, some societies have more mobility than others—so institutions and policies matter—in part because what tends to reduce inequality can also boost social mobility (box 1).

Power imbalances

Income and wealth inequalities are often translated into political inequality, in part because inequalities depress political participation, giving more space to particular interest groups to shape decisions in their favour. Those privileged can capture the system, moulding it to fit their preferences, potentially leading to even more inequalities. Power asymmetries can even lead to breakdowns in institutional functions, weakening the effectiveness of policies. When institutions are captured by the wealthy, citizens are less willing to be part of social contracts (the sets of rules and expectations of behaviour that people voluntarily conform to that underpin stable societies). When that translates into lower compliance with paying taxes, it diminishes the state's ability to provide quality public services. That can in turn lead to greater inequalities in health and education. When the overall system is perceived as unfair, possibly due to systematic exclusions or clientelism

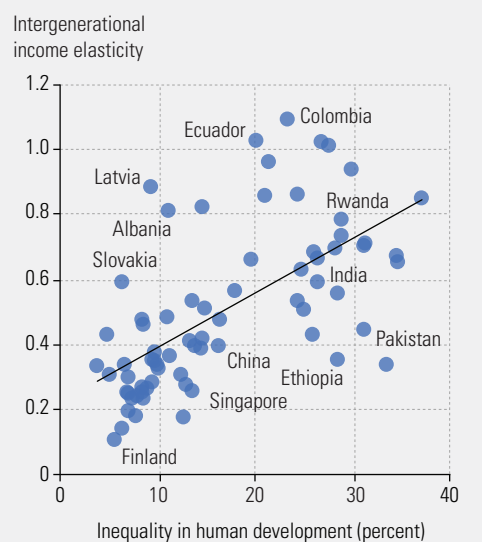
BOX 1

A new take on the Great Gatsby Curve

The positive correlation between higher income inequality and lower intergenerational mobility in income is well known. This relation, known as the Great Gatsby Curve, also holds true using a measure of inequality in human development instead of income inequality alone (see figure). The greater the inequality in human development, the lower the intergenerational mobility in income—and vice versa.

These two factors go hand in hand, but that does not imply that one causes the other. In fact, it is more likely that both are driven by underlying economic and social factors, so understanding and tackling these drivers could both promote mobility and redress inequality.

Intergenerational mobility in income is lower in countries with more inequality in human development



Note: Inequality in human development is measured as the percentage loss in Human Development Index value due to inequality in three components: income, education and health. The higher the intergenerational income elasticity, the stronger the association between parents' income and their children's income, reflecting lower intergenerational mobility.

Source: Human Development Report Office using data from GDIM (2018), adapted from Corak (2013).

(the exchange of political support for personal gain), people tend to withdraw from political processes, amplifying the influence of elites.

One way of understanding the interplay between inequality and the dynamics of power is to draw on a framework that explores the process through which inequalities are generated and perpetuated. At its core, this process is often referred to as governance—or the way in which different actors in society bargain to reach agreements (policies and rules). When these agreements take the form of policies, they can directly change the distribution of resources in society (the bottom arrow in the right loop of figure 9, “outcome game”). For

Gender disparities are among the most entrenched forms of inequality everywhere. Because these disadvantages affect half the world, gender inequality is one of the greatest barriers to human development

example, policies on taxation and social spending determine who pays into the fiscal system and who benefits from it. These policies directly influence development outcomes such as economic inequality (and growth). However, by redistributing economic resources, these policies are also redistributing de facto power (the top arrow in the right loop of figure 9). This can generate (or reinforce) power asymmetries between actors bargaining in the policy arena, which can in turn adversely affect the effective implementation of policies. For example, power asymmetries can manifest in the capture of policies by elite actors—undermining the ability of governments to commit to achieving long-term goals. Or they may manifest in the exclusion of certain population groups from accessing high-quality public services—undermining cooperation by harming the willingness to pay taxes. This can lead to a vicious cycle of inequality (inequality traps) in which unequal societies begin to institutionalize the inequality. This loop plays out in prevailing institutions and social norms (the outcome game) and can lead to actors deciding to change the rules of the game (the bottom arrow in the left loop of figure 9). In this way, de jure power is also redistributed. This can be far more consequential because it not only changes current outcomes but also sets the conditions that shape actors’ behaviour in the future. Once again, the way in which power asymmetries play out in the policy arena can exacerbate and entrench inequalities (clearly,

inequality may undermine the effectiveness of governance) or pave the way to more equalizing and inclusive dynamics.

Gender inequality

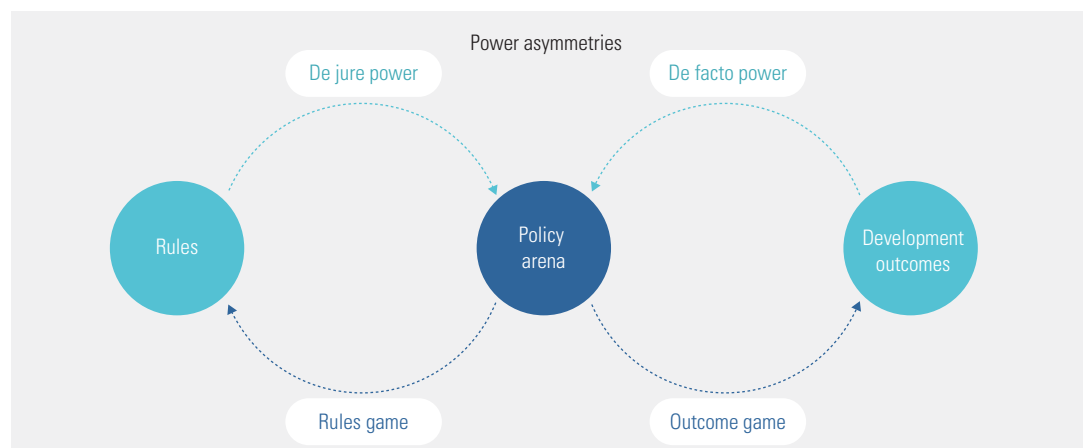
Some groups of people are systematically disadvantaged in many ways. These groups might be defined by ethnicity, language, gender or caste—or simply by whether they live in the north, south, east or west of a country. There are many examples of such groups, but undoubtedly the largest worldwide is women. Gender disparities are among the most entrenched forms of inequality everywhere. Because these disadvantages affect half the world, gender inequality is one of the greatest barriers to human development.

Gender inequality is complex, with differing progress and regress from place to place and issue to issue. Awareness has increased through the #MeToo movement, or the #NiUnaMenos movement, which shined a spotlight on violence against women. And girls around the world have been catching up on some of the basics, such as enrolment in primary school.

But there is less to celebrate about progress beyond these fundamentals. Inequality is still sharp in the power men and women exercise at home, in the workplace or in politics. At home women do more than three times as much unpaid care work as men. And although in many countries women and men vote equally in

FIGURE 9

Inequalities, power asymmetries and the effectiveness of governance



Note: Rules refer to formal and informal rules (norms). Development outcomes refer to security, growth and equity. Source: World Bank 2017b.

elections, there are differences in higher levels of political power. The higher the power, the larger the gap from parity, rising to 90 percent in the case of heads of state and government.

Social and cultural norms often foster behaviour that perpetuates such inequalities. Norms—and a lack of power—both have an impact on all forms of gender inequality, from violence against women to the glass ceiling. The Report presents a new social norms index that looks at the links between social beliefs and gender equality in multiple dimensions. Globally only 1 man in 10 (and 1 woman in 7) did not show some form of clear bias against gender equality. The biases follow a pattern: They tend to be more intense in areas where more power is involved. And there is backlash, as the proportion of people biased against gender equality has grown over the last few years (figure 10), even though there are different patterns across countries.

Key message 4: Assessing and responding to inequalities in human development demands a revolution in metrics

Existing standards and practices for measuring inequality are inadequate to inform public debate or to support decisionmaking.

Part of the challenge is the sheer number of different ways to understand inequality. To highlight a few:

- There are inequalities among groups (horizontal inequalities) and among individuals (vertical inequalities).
- There are inequalities between and within countries, which can follow different dynamics.
- There are intrahousehold inequalities (for instance, in 30 Sub-Saharan countries roughly three-quarters of underweight women and undernourished children are not in the poorest 20 percent of households, and around half are not in the poorest 40 percent).¹⁴

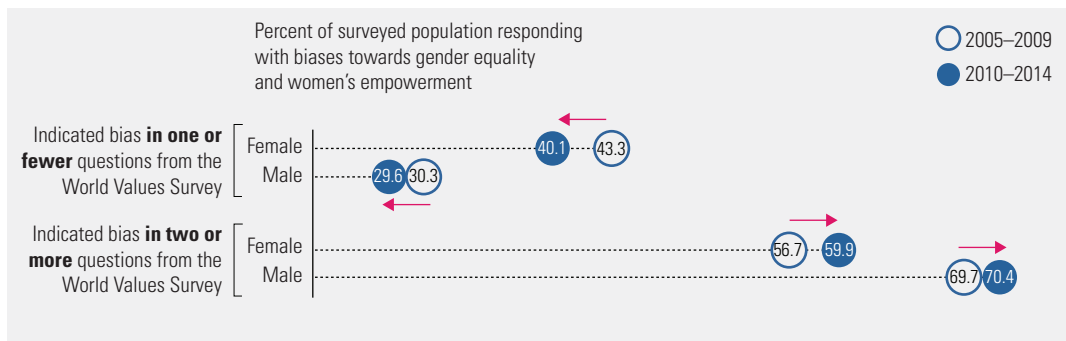
A new generation of metrics is needed to fill the many data gaps to measure these different inequalities and, more generally, to go systematically beyond averages. This starts with gaps in some of the most basic statistics, with many developing countries still lacking in vital registration systems. For income and wealth inequality the progress over the past few years has been remarkable. But data remain scarce, in part because of the lack of transparency and the low availability of information. On a new index presented in the Report, 88 countries score 1 or less (on a 20-point scale) for availability of information on income and wealth inequality—meaning that they have 5 percent or less of what would be an ideal level of transparency.

Innovative work—some experimental—is unfolding, led by academics, multilateral organizations and even a few governments, to make more systematic and comparable use of statistics on income inequality. But data sources remain only partially integrated, and coverage remains very limited.

Existing standards and practices for measuring inequality are inadequate to inform public debate or to support decisionmaking

FIGURE 10

Bias against gender equality is on the rise: The share of women and men worldwide with no gender social norms bias fell between 2009 and 2014



Note: Balanced panel of 32 countries and territories with data from both wave 5 (2005–2009) and wave 6 (2010–2014) of the World Values Survey, accounting for 59 percent of the world population. Gender biases in social norms are measured through people's views about gender roles in politics (from political rights to the ability to serve as leader), education (importance of a university degree), the economy (from the right to have jobs to the ability to work as business executive) and the physical integrity of women (from intimate partner violence to reproductive health).

Source: Based on data from the World Values Survey.

Nothing is inevitable about many of the most pernicious inequalities in human development. This is the single most important message of the Report

The distributional national accounts methodology is still in its infancy, and many of its assumptions have been challenged. Still, as long as it remains fully transparent and improvements continue to be made, it could integrate, in an overarching agenda, the combination of data from the System of National Accounts, household surveys and administrative data to provide new perspectives on the evolution of the distribution of income and wealth. This would encompass some of the main recommendations of the Commission on the Measurement of Economic Performance and Social Progress, including an integrated focus on income and wealth inequality.¹⁵ The Report presents results based on the methodology that reveal dynamics of income inequality that are masked when using summary measures that rely on a single data source. To give an illustration, the results suggest that the top of the income distribution in Europe has been the main beneficiary of income growth since 1980 (figure 11).

Summary measures of inequality aggregate complex information into one number. They are based on implicit judgements about what forms of inequality are—or are not—important. Those judgements are rarely transparent and

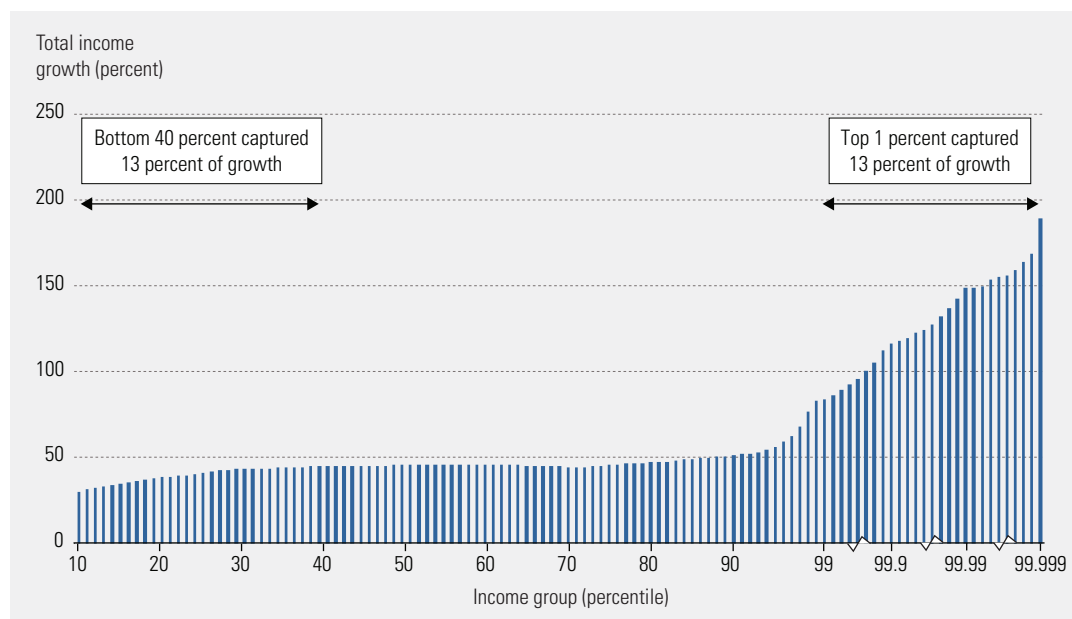
may not even reflect society’s views. To understand any single aspect of inequality—and there are many—one needs to look across the entire population, going beyond averages. What proportions of people survive to certain ages, reach key education levels or earn certain amounts? And how likely is it that the relative position in society of an individual, a family or a particular group changes over time? Summary measures remain important—when they reflect sound properties to assess distributions—but are only a small window onto a wider discussion about inequalities in human development.

Key message 5: We can redress inequalities if we act now, before imbalances in economic power are politically entrenched

Nothing is inevitable about many of the most pernicious inequalities in human development. This is the single most important message of the Report. Every society has choices about the levels and kinds of inequalities it tolerates. That is not to say that tackling inequality is easy. Effective action must identify drivers of inequality, which

FIGURE 11

Between 1980 and 2017 post-tax incomes grew close to 40 percent for the poorest 80 percent of the European population, compared with more than 180 percent for the top 0.001 percent



Note: After the 90th percentile the scale on the horizontal axis changes. The composition of income groups changes from 1980 to 2017, so the estimates do not represent the changes in income of the same individuals over time.
Source: Blanchet, Chancel and Gethin (2019); World Inequality Database (<http://wid.world>).

are likely complex and multifaceted, often related to prevailing power structures that the people currently holding sway may not wish to change.

But what to do? Much can be done to redress inequalities in human development with a dual policy objective. First is to accelerate convergence in basic capabilities while reversing divergences in enhanced capabilities and eliminating gender- and other group-based (or horizontal) inequalities. Second, to jointly advance equity and efficiency in markets, increasing productivity that translates into widely shared growing incomes—redressing income inequality. The two sets of policies are interdependent, with those that advance capabilities beyond income often requiring resources to fund public health or education, which are financed by taxes. And the overall resources available are, in turn, linked to productivity, which is linked in part to people’s capabilities. The two sets of policies can thus work together in a virtuous policy cycle (figure 12).

It is often possible to make progress in equity and efficiency at the same time. Antitrust policies are an example. They curb firms’ ability to use market power, levelling the playing field and increasing efficiency. And they lead to more equitable outcomes by reducing economic rents that concentrate income.

An integrated battery of policies beyond any single silver bullet

Taxes—whether on income, wealth or consumption—can do much to redress

inequalities. They raise revenue to improve key public services (health care and schools) and to provide social insurance—benefiting both poor people and people in the middle of the income distribution.

Income inequality is lower after taxes and government transfers, but the impact of redistribution varies. In a selection of developed countries, taxes and transfers led to a 17-point reduction in the Gini coefficient, when comparing pretax and post-tax incomes. But in developing countries the reduction was just 4 points (figure 13).

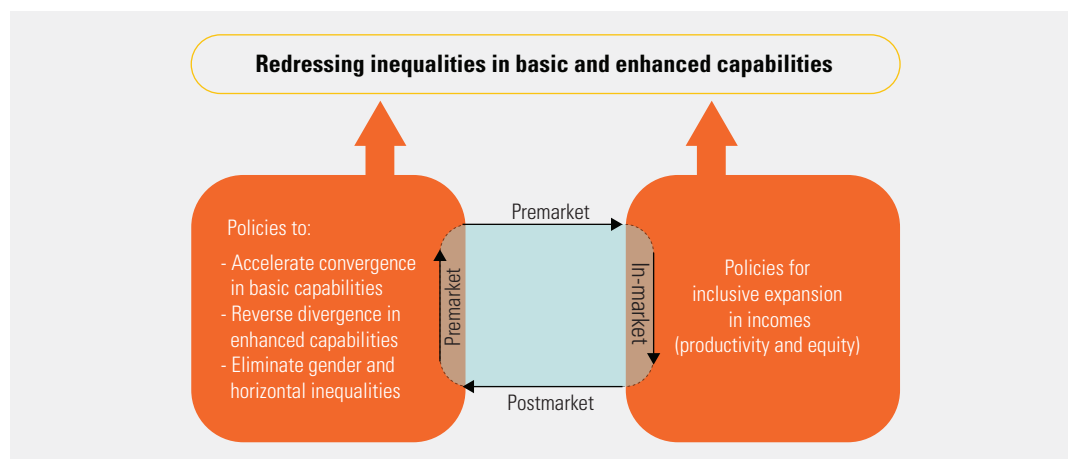
Equally important, however, is to go beyond taxation and transfers (postmarket policies) by also addressing inequalities while people are working (in-market policies) and before they start working (premarket policies).

In-market policies can level the economic playing field. Policies related to market power (antitrust), inclusive access to productive capital, and collective bargaining and minimum wages affect how the benefits from production are distributed. Equally relevant are premarket policies aimed at equalizing opportunities during childhood in health and education—and postmarket policies, such as income and wealth taxes, public transfers and social protection. One clear role for premarket policies is in early childhood, where inequality-reducing interventions can support health, nutrition and cognitive development and produce a big return on investment. That is not to say that every good policy can reduce inequality and

It is often possible to make progress in equity and efficiency at the same time

FIGURE 12

A framework for designing policies to redress inequalities in human development

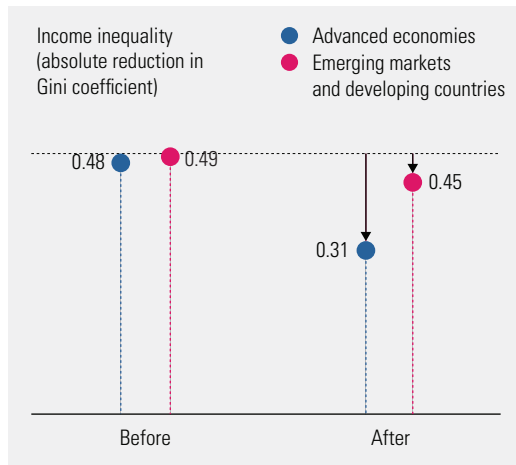


Source: Human Development Report Office.

The Report's analysis of gender inequality shows that reactions become more intense in areas where more power is involved, which can culminate in a backlash towards the very principles of gender equality

FIGURE 13

Redistributive direct taxes and transfers explain nearly all the difference in disposable income inequality between advanced and emerging economies



Source: Based on IMF (2017a).

increase welfare—as noted, processes such as the diffusion of new technology and human development achievements in large segments of society may increase inequality. What matters is whether the process that generates that inequality is, in itself, somehow biased or unfair.

Creating incentives for change

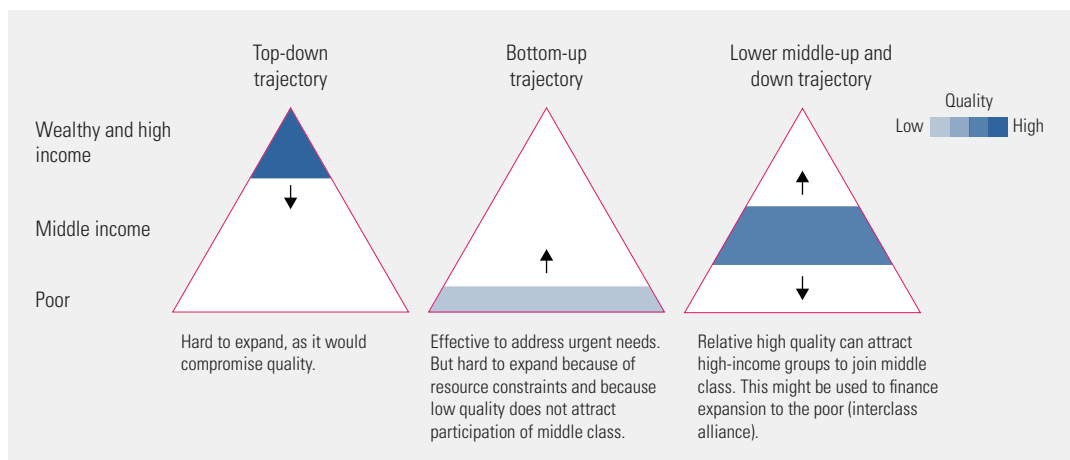
Even if resources are available to undertake an agenda for convergence in both basic and enhanced capabilities, reducing inequalities

is ultimately a societal and political choice. History, context and politics matter. Social norms that can lead to discrimination are hard to change. Even with legislation setting equal rights, social norms may prevail in determining outcomes. The Report's analysis of gender inequality shows that reactions become more intense in areas where more power is involved, which can culminate in a backlash towards the very principles of gender equality. Explicit policies for tackling stereotypes and the stigmatization of excluded groups are an important part of the toolkit to reduce inequalities.

The political economy of tackling inequality can be particularly challenging. For public services, change can happen from the top down, by extending benefits enjoyed by those at the top to others (figure 14). But those already benefiting may have little incentive to extend services if that might be perceived to reduce quality. Change can also happen from the bottom up, increasing the income below which a family qualifies for free public or subsidized services, for example. But higher income groups might resist this if they seldom use such services. A third approach is to build out from the middle—when a system covers those who are not the poorest but who are vulnerable, such as formal workers earning low wages. Here, coverage can be expanded both upward and downward. As the quality of services improves, higher income groups are likely to want to participate, broadening the support to expand services to poor people.

FIGURE 14

Strategies for practical universalism in unequal developing countries



Source: Human Development Report Office based on the discussion in Martínez and Sánchez-Ancochea (2016).

In developed countries one challenge for sustaining social policies is to ensure that they benefit a broad base, including the middle classes. Yet such benefits may be eroding. In several Organisation for Economic Co-operation and Development countries, members of the middle class perceive themselves as being progressively left behind in income, security and affordable access to quality health care and education.

In developing countries the challenge is often to solidify social policies for a still vulnerable middle. In some of these countries members of the middle class pay more for social services than they receive, and they often perceive the quality of health care and education to be poor. So they turn to private providers: The share of students going to private schools for primary education in some of these countries rose from 12 percent in 1990 to 19 percent in 2014.

A natural response would be to take resources from those at the top. But the richest, though few in number, can be an obstacle to expanding services. And they can frustrate action in multiple ways, through lobbying, donating to political campaigns, influencing the press and using their economic power in other ways in response to decisions they dislike.

Globalization means national policy is often circumscribed by entities, rules and events beyond the control of national governments, with pervasive downward pressures on corporate income tax rates and labour standards. Tax evasion and avoidance are made easier by insufficient information, by the rise of large digital companies operating across tax jurisdictions and by inadequate interjurisdictional cooperation. In these policy domains international collective action must complement national action.

Where next?

A human development approach opens new windows on inequalities—why they matter, how they manifest themselves and what to do about them—helping move towards concrete action. But the opportunities to address inequalities in human development keep narrowing the longer that inaction prevails because imbalances in economic power can eventually

be translated into political dominance. And that in turn can lead to more inequality. At that stage interventions are far harder and less effective than if they had been taken earlier on. Of course, action is context specific. The nature and relative importance of inequalities vary across countries—and so should policies to address them. In much the same way that there is no silver bullet to address inequalities within a country, there is no one-size-fits-all basket of policies to address inequalities across countries. Even so, policies in all countries will have to confront two trends that are shaping inequalities in human development everywhere: climate change and accelerating technological progress.

Climate change and inequalities in human development

Inequality and the climate crisis are interwoven—from emissions and impacts to policies and resilience. Countries with higher human development generally emit more carbon per person and have higher ecological footprints overall (figure 15).

Climate change will hurt human development in many ways beyond crop failures and natural disasters. Between 2030 and 2050 climate change is expected to cause an additional 250,000 deaths a year from malnutrition, malaria, diarrhoea and heat stress. Hundreds of millions more people could be exposed to deadly heat by 2050, and the geographic range for disease vectors—such as mosquitoes that transmit malaria or dengue—will likely shift and expand.

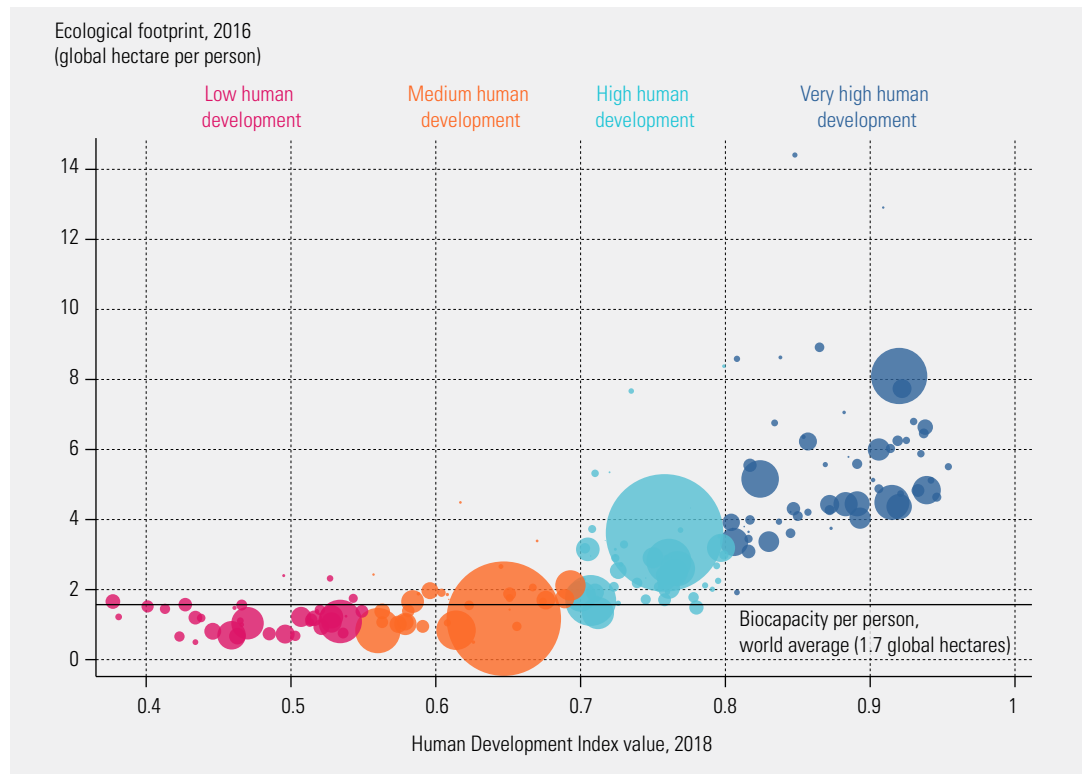
The overall impact on people will depend on their exposure and their vulnerability. Both factors are intertwined with inequality in a vicious circle. Climate change will hit the tropics harder first, and many developing countries are tropical. Yet developing countries and poor communities have less capacity than their richer counterparts to adapt to climate change and severe weather events. So the effects of climate change deepen existing social and economic fault lines.

There are also effects in the other direction, with evidence that some forms of inequality may make action on climate harder. High income inequality within countries can hinder

A human development approach opens new windows on inequalities—why they matter, how they manifest themselves and what to do about them—helping move towards concrete action

FIGURE 15

Ecological footprints expand with human development



Note: Data cover 175 countries in the Global Ecological Footprint Network database (www.footprintnetwork.org/resources/data/; accessed 17 July 2018). As used here, the ecological footprint is a per capita measure of how much area of biologically productive land and water a country requires, domestically and abroad, to produce all the resources it consumes and to absorb the waste it generates. Each bubble represents a country, and the size of the bubble is proportional to the country's population. Source: Cumming and von Cramon-Taubadel 2018.

Inequality can influence the balance of power among those arguing for and against curbing carbon emissions. Income concentration at the top can coincide with the interests of groups that oppose climate action

the diffusion of new environmentally friendly technology. Inequality can also influence the balance of power among those arguing for and against curbing carbon emissions. Income concentration at the top can coincide with the interests of groups that oppose climate action.

Inequalities in human development are fundamental to the climate crisis in another way. They are a drag on effective action because higher inequality tends to make collective action, key to curbing climate change both within and across countries, more difficult.

Yet there are options to address economic inequalities and the climate crisis together, which would move countries towards inclusive and sustainable human development. Carbon pricing is one. Some of the unavoidable distributional impacts of carbon prices can be addressed by providing financial support to poorer people, hardest hit by higher energy bills. But such strategies have faced challenges in practice, because the distribution of money

is not the only variable that matters. It is also important to consider a broader set of social policy packages that address inequalities and climate together while facilitating the realization of human rights. There are choices for countries and communities as they raise their ambitions for inclusive and sustainable human development.

Harnessing technological progress to reduce inequalities in human development

Scientific progress and technological innovation—from the wheel to the microchip—have driven improvements in living standards throughout history. And technological change will likely continue to be the fundamental driver of prosperity, pushing increases in productivity and hopefully enabling a transition to more sustainable patterns of production and consumption.

But what will be the magnitude of future changes and how will the gains from innovation be distributed? Concern is growing about how technological change will reshape labour markets, particularly in how automation and artificial intelligence might replace tasks now performed by humans.

Technological change has been disruptive before, and much can be learned from the past. One key lesson is to ensure that major innovative disruptions help everyone, which requires equally innovative policies and perhaps new institutions. The current wave of technological progress will require other changes, including stronger anti-trust policies and laws to govern the ethical use of data and artificial intelligence. Many of these will require international cooperation to succeed.

The Industrial Revolution set humanity on a path towards unprecedented improvements in well-being. But it also triggered the Great

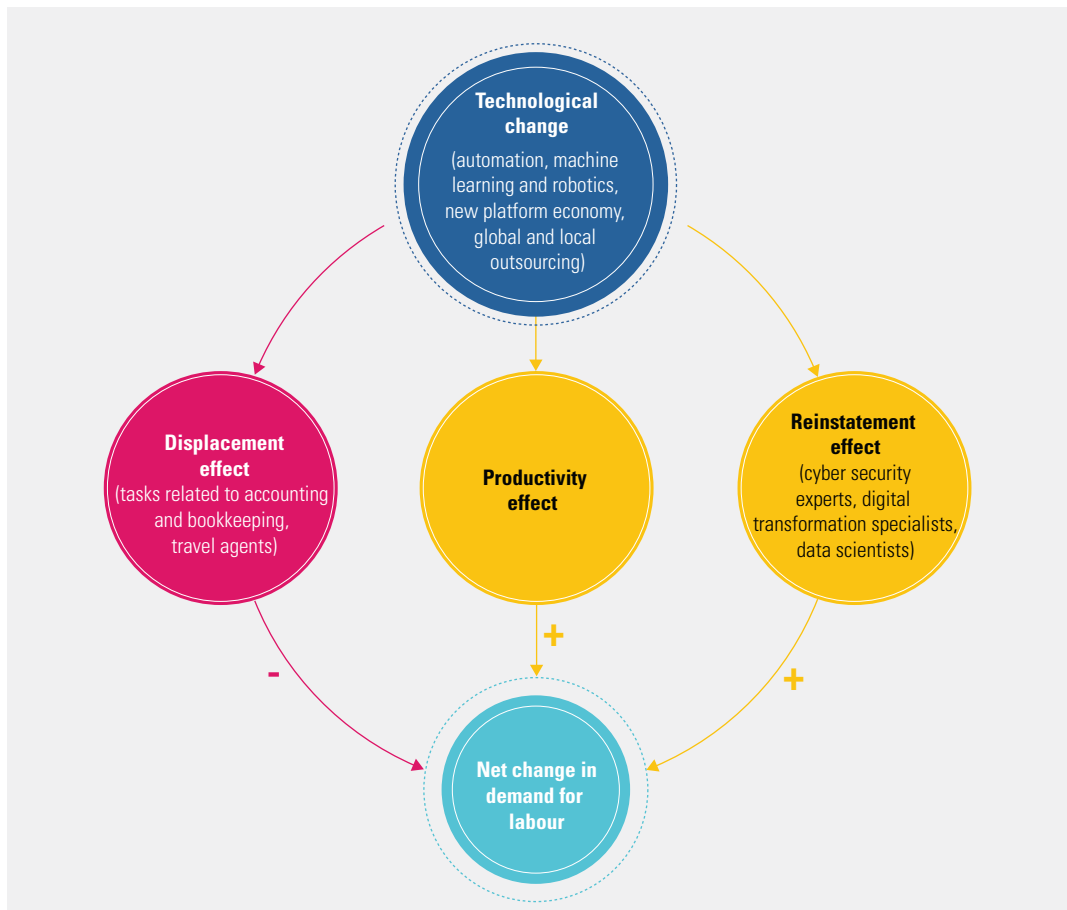
Divergence, dividing the few societies that industrialized from the many that did not. What is different now is that—perhaps for the first time in history—much of the technology behind the current transformation could be accessed anywhere. Yet the gaps in countries’ abilities to harness the new opportunities are very large, with massive implications for both inequality and human development.

Technological change does not occur in a vacuum but is shaped by economic and social processes. It is an outcome of human action. Policymakers can shape the direction of technological change in ways that enhance human development. For instance, artificial intelligence might replace tasks performed by people, but it can also reinstate demand for labour by creating new tasks for humans, leading to a net positive effect that can reduce inequalities (figure 16).

The current wave of technological progress will require stronger antitrust policies and laws to govern the ethical use of data and artificial intelligence

FIGURE 16

Technology can displace some tasks but also create new ones



Source: Human Development Report Office.

Towards reducing inequalities in human development in the 21st century

The Report argues that tackling inequalities is possible. But it is not easy. It requires clarifying which inequalities matter to the advancement of human development and better understanding the patterns of inequality and what drives them. The Report urges everyone to recognize that the current, standard measures to account for inequality are imperfect and often misleading—because they are centred on income and are too opaque to illuminate the underlying mechanisms generating inequalities. So, the Report argues for the value of looking at inequalities beyond income, beyond averages—and summary measures of inequality—and beyond today.

There should be a celebration of the remarkable progress that has enabled many people around the world to reach minimum standards of human development. But continuing the policies that have led to these successes alone is insufficient. Some people have been left behind. At the same time, many people's aspirations are changing. It is short-sighted for societies to focus only on inequality in the most basic capabilities. Looking beyond today means scanning ahead to recognize and tackle the new forms of inequality in enhanced capabilities that are growing in importance. Climate change and technological transformations are adding to the urgency.

Tackling these new inequalities can have a profound impact on policymaking. The Report does not claim that any one set of policies will work everywhere. But it does argue that policies must get beneath the surface of inequality to address their underlying drivers. Addressing some of these drivers will mean realigning today's policy goals: emphasizing, for instance, high-quality education at all ages, including preprimary levels, rather than focusing on

primary and secondary enrolment rates. Many of these aspirations are already reflected in the 2030 Agenda for Sustainable Development.

Power imbalances are at the heart of many inequalities. They may be economic, political or social. For example, policies might need to reduce a particular group's disproportionate influence in politics. They might need to level the economic playing field through antitrust measures that promote competition for the benefit of consumers. In some cases, addressing the barriers to equality mean tackling social norms embedded deep with a country's history and culture. Many options would enhance both equity and efficiency—and the main reason they are not pursued often has to do with the power of entrenched interests who stand not to gain much from change.

Thus, while policies matter for inequalities, inequalities also matter for policies. The human development lens—placing people at the heart of decisionmaking—is central to open a new window on how to approach inequality, asking why and when it matters, how it manifests itself and how best to tackle it. This is a conversation that every society must have. It is also a conversation that should begin today. True, action may carry a political risk. But history shows that the risks of inaction may be far greater, with severe inequalities eventually propelling a society into economic, social and political tensions.

There is still time to act. But the clock is ticking. What to do to address inequalities in human development is ultimately for each society to determine. That determination will emerge from political debates that can be charged and difficult. The Report contributes to those debates by presenting facts on inequalities in human development, interpreting them through the capabilities approach and proposing ideas to reduce them over the course of the 21st century.

There is still time to act. But the clock is ticking. What to do to address inequalities in human development is ultimately for each society to determine.

Notes

- 1 Sources for most data and factual statements in this overview are included in the Report but are included here where precision or qualifications are important.
- 2 Estimates for the United States, based on Chetty and others (2016). Kreiner, Nielsen and Serena (2018) argue that these results overestimate life expectancy gaps across different income groups because they ignore income mobility (by their method, the overestimation could be as high as 50 percent), but they also find that these gaps have been increasing over time and that the overestimation is attenuated at higher ages (disappearing completely at age 80). Mackenbach and others (2018) note that health inequalities generally increased in Europe from the 1980s though the late 2000s, with some narrowing in several countries since then.
- 3 This is discussed in more detail in chapter 2 of the Report.
- 4 As suggested in UN (2019b), which identified reducing inequalities and promoting capabilities as “entry points” to the transformations needed to achieve the Sustainable Development Goals. See also Lusseau and Mancini (2019), who found that inequalities are a key hurdle in achieving the Sustainable Development Goals across all countries and that reducing them would have compound positive effects on the entire set of Sustainable Development Goals.
- 5 Also a premise of the Deaton Review, a multiyear project examining inequalities in the United Kingdom (Joyce and Xu 2019).
- 6 Atkinson 2015.
- 7 Deaton (2017) has argued that governments often do more to increase inequality than to reduce it.
- 8 See, for instance, Saad (2019) on fear of climate change and Reinhart (2018) on artificial intelligence and jobs.
- 9 Sen 1980.
- 10 Expression used by Angus Deaton to place in perspective the evolution of inequalities (Belluz 2015).
- 11 To borrow the expression from Deaton (2013a).
- 12 UNDP and OPHI 2019.
- 13 Many developing countries lack complete vital registration systems, so the country-level estimates of life expectancy at older ages used in the Report, drawn from United Nations Population Division official statistics, are subject to significant measurement errors and should be interpreted with caution. Still, the dynamic of gaps in life expectancy opening up at older ages is robust to changes in age (it remains valid at age 60), and even though there is some heterogeneity across countries and over time, the same pattern is broadly confirmed within countries, as described in more detail in chapter 1 of the Report.
- 14 Brown, Ravallion and Van de Walle 2017.
- 15 Stiglitz, Sen and Fitoussi 2009a.

Human development indices

HDI rank	Human Development Index	Inequality-adjusted HDI			Gender Development Index		Gender Inequality Index		Multidimensional Poverty Index*			
	Value	Value	Overall loss (%)	Difference from HDI rank ^b	Value	Group ^c	Value	Rank	Value	Headcount (%)	Intensity of deprivation (%)	Year and survey ^d
	2018	2018	2018	2018	2018	2018	2018	2018	2007–2018 ^e	2007–2018 ^e	2007–2018	2007–2018 ^e
VERY HIGH HUMAN DEVELOPMENT												
1	Norway	0.954	0.889	6.8	0	0.990	1	0.044	5	..	..	..
2	Switzerland	0.946	0.882	6.8	-1	0.963	2	0.037	1	..	..	..
3	Ireland	0.942	0.865	8.2	-6	0.975	2	0.093	22	..	..	..
4	Germany	0.939	0.861	8.3	-7	0.968	2	0.084	19	..	..	..
4	Hong Kong, China (SAR)	0.939	0.815	13.2	-17	0.963	2	..	..	..	..	..
6	Australia	0.938	0.862	8.1	-4	0.975	1	0.103	25	..	..	..
6	Iceland	0.938	0.885	5.7	4	0.966	2	0.057	9	..	..	..
8	Sweden	0.937	0.874	6.7	2	0.982	1	0.040	2	..	..	..
9	Singapore	0.935	0.810	13.3	-14	0.988	1	0.065	11	..	..	..
10	Netherlands	0.933	0.870	6.8	2	0.967	2	0.041	4	..	..	..
11	Denmark	0.930	0.873	6.1	4	0.980	1	0.040	2	..	..	..
12	Finland	0.925	0.876	5.3	7	0.990	1	0.050	7	..	..	..
13	Canada	0.922	0.841	8.8	-4	0.989	1	0.083	18	..	..	..
14	New Zealand	0.921	0.836	9.2	-4	0.963	2	0.133	34	..	..	..
15	United Kingdom	0.920	0.845	8.2	0	0.967	2	0.119	27	..	..	..
15	United States	0.920	0.797	13.4	-13	0.991	1	0.182	42	..	..	..
17	Belgium	0.919	0.849	7.6	3	0.972	2	0.045	6	..	..	..
18	Liechtenstein	0.917	..	..	..	..	..	..	..	..	..	..
19	Japan	0.915	0.882	3.6	15	0.976	1	0.099	23	..	..	..
20	Austria	0.914	0.843	7.7	3	0.963	2	0.073	14	..	..	..
21	Luxembourg	0.909	0.822	9.5	1	0.970	2	0.078	16	..	..	..
22	Israel	0.906	0.809	10.8	-3	0.972	2	0.100	24	..	..	..
22	Korea (Republic of)	0.906	0.777	14.3	-9	0.934	3	0.058	10	..	..	..
24	Slovenia	0.902	0.858	4.8	11	1.003	1	0.069	12	..	..	..
25	Spain	0.893	0.765	14.3	-13	0.981	1	0.074	15	..	..	..
26	Czechia	0.891	0.850	4.6	12	0.983	1	0.137	35	..	..	..
26	France	0.891	0.809	9.2	1	0.984	1	0.051	8	..	..	..
28	Malta	0.885	0.815	8.0	6	0.965	2	0.195	44	..	..	..
29	Italy	0.883	0.776	12.1	-4	0.967	2	0.069	12	..	..	..
30	Estonia	0.882	0.818	7.2	9	1.016	1	0.091	21	..	..	..
31	Cyprus	0.873	0.788	9.7	1	0.983	1	0.086	20	..	..	..
32	Greece	0.872	0.766	12.2	-5	0.963	2	0.122	31	..	..	..
32	Poland	0.872	0.801	8.1	4	1.009	1	0.120	30	..	..	..
34	Lithuania	0.869	0.775	10.9	-1	1.028	2	0.124	33	..	..	..
35	United Arab Emirates	0.866	..	..	..	0.965	2	0.113	26	..	..	..
36	Andorra	0.857	..	..	..	..	..	..	..	..	..	..
36	Saudi Arabia	0.857	..	..	..	0.879	5	0.224	49	..	..	..
36	Slovakia	0.857	0.804	6.2	8	0.992	1	0.190	43	..	..	..
39	Latvia	0.854	0.776	9.1	3	1.030	2	0.169	40	..	..	..
40	Portugal	0.850	0.742	12.7	-6	0.984	1	0.081	17	..	..	..
41	Qatar	0.848	..	..	..	1.043	2	0.202	45	..	..	..
42	Chile	0.847	0.696	17.8	-14	0.962	2	0.288	62	..	..	..
43	Brunei Darussalam	0.845	..	..	..	0.987	1	0.234	51	..	..	..
43	Hungary	0.845	0.777	8.0	8	0.984	1	0.258	56	..	..	..
45	Bahrain	0.838	..	..	..	0.937	3	0.207	47	..	..	..
46	Croatia	0.837	0.768	8.3	4	0.989	1	0.122	31	..	..	..
47	Oman	0.834	0.725	13.1	-3	0.943	3	0.304	65	..	..	..
48	Argentina	0.830	0.714	14.0	-4	0.988	1	0.354	77	..	..	..
49	Russian Federation	0.824	0.743	9.9	1	1.015	1	0.255	54	..	..	..
50	Belarus	0.817	0.765	6.4	6	1.010	1	0.119	27	..	..	..
50	Kazakhstan	0.817	0.759	7.1	4	0.999	1	0.203	46	0.002 ^f	0.5 ^f	35.6 ^f 2015 M
52	Bulgaria	0.816	0.714	12.5	0	0.993	1	0.218	48	..	..	..
52	Montenegro	0.816	0.746	8.6	5	0.966	2	0.119	27	0.002 ^f	0.4 ^f	45.7 ^f 2013 M
52	Romania	0.816	0.725	11.1	2	0.986	1	0.316	69	..	..	..
55	Palau	0.814	..	..	..	..	..	..	..	..	..	..
56	Barbados	0.813	0.675	17.0	-10	1.010	1	0.256	55	0.009 ^g	2.5 ^g	34.2 ^g 2012 M
57	Kuwait	0.808	..	..	..	0.999	1	0.245	53	..	..	..
57	Uruguay	0.808	0.703	13.0	0	1.016	1	0.275	59	..	..	..
59	Turkey	0.806	0.675	16.2	-8	0.924	4	0.305	66	..	..	..

	Human Development Index	Inequality-adjusted HDI			Gender Development Index		Gender Inequality Index		Multidimensional Poverty Index ^a			
	Value	Value	Overall loss (%)	Difference from HDI rank ^b	Value	Group ^c	Value	Rank	Value	Headcount (%)	Intensity of deprivation (%)	Year and survey ^d
HDI rank	2018	2018	2018	2018	2018	2018	2018	2018	2007–2018 ^e	2007–2018 ^e	2007–2018	2007–2018 ^e
60 Bahamas	0.805	..	..	..	..	..	0.353	76	..	..	..	..
61 Malaysia	0.804	..	..	..	..	2	0.274	58	..	..	..	..
62 Seychelles	0.801	..	..	..	..	..	..	..	..	..	..	..
HIGH HUMAN DEVELOPMENT												
63 Serbia	0.799	0.685	14.4	–4	0.976	1	0.161	37	0.001 ^f	0.3 ^f	42.5 ^f	2014 M
63 Trinidad and Tobago	0.799	..	..	..	1.002	1	0.323	72	0.002 ^f	0.6 ^f	38 ^f	2011 M
65 Iran (Islamic Republic of)	0.797	0.706	11.5	5	0.874	5	0.492	118	..	..	..	..
66 Mauritius	0.796	0.688	13.7	0	0.974	2	0.369	82	..	..	..	..
67 Panama	0.795	0.626	21.2	–13	1.005	1	0.460	108	..	..	..	..
68 Costa Rica	0.794	0.645	18.7	–7	0.977	1	0.285	61	..	..	..	..
69 Albania	0.791	0.705	10.9	8	0.971	2	0.234	51	0.003	0.7	39.1	2017/2018 D
70 Georgia	0.786	0.692	12.0	5	0.979	1	0.351	75	..	..	..	..
71 Sri Lanka	0.780	0.686	12.1	4	0.938	3	0.380	86	..	..	..	..
72 Cuba	0.778	..	..	..	0.948	3	0.312	67	..	..	..	..
73 Saint Kitts and Nevis	0.777	..	..	..	..	..	..	..	..	..	..	..
74 Antigua and Barbuda	0.776	..	..	..	..	..	..	..	..	..	..	..
75 Bosnia and Herzegovina	0.769	0.658	14.4	–2	0.924	4	0.162	38	0.008 ^g	2.2 ^g	37.9 ^g	2011/2012 M
76 Mexico	0.767	0.595	22.5	–17	0.957	2	0.334	74	0.025 ^g	6.3 ^g	39.2 ^g	2016 N
77 Thailand	0.765	0.635	16.9	–4	0.995	1	0.377	84	0.003 ^f	0.8 ^f	39.1 ^f	2015/2016 M
78 Grenada	0.763	..	..	..	..	..	..	..	..	..	..	..
79 Brazil	0.761	0.574	24.5	–23	0.995	1	0.386	89	0.016 ^{f,j}	3.8 ^{f,j}	42.5 ^{f,j}	2015 N
79 Colombia	0.761	0.585	23.1	–16	0.986	1	0.411	94	0.020 ⁱ	4.8 ⁱ	40.6 ⁱ	2015/2016 D
81 Armenia	0.760	0.685	9.9	9	0.972	2	0.259	57	0.001	0.2	36.2	2015/2016 D
82 Algeria	0.759	0.604	20.4	–8	0.865	5	0.443	100	0.008	2.1	38.8	2012/2013 M
82 North Macedonia	0.759	0.660	13.1	5	0.947	3	0.145	36	0.010 ^g	2.5 ^g	37.7 ^g	..
82 Peru	0.759	0.612	19.4	–5	0.951	2	0.381	87	0.053	12.7	41.6	2012 D
85 China	0.758	0.636	16.1	4	0.961	2	0.163	39	0.016 ^{k,l}	3.9 ^{k,l}	41.3 ^{k,l}	2014 N
85 Ecuador	0.758	0.607	19.9	–4	0.980	1	0.389	90	0.018 ^f	4.5 ^f	40.0 ^f	2013/2014 N
87 Azerbaijan	0.754	0.683	9.4	13	0.940	3	0.321	70	..	..	..	..
88 Ukraine	0.750	0.701	6.5	21	0.995	1	0.284	60	0.001 ⁱ	0.2 ⁱ	34.5 ⁱ	2012 M
89 Dominican Republic	0.745	0.584	21.5	–8	1.003	1	0.453	104	0.015 ⁱ	3.9 ⁱ	38.9 ⁱ	2014 M
89 Saint Lucia	0.745	0.617	17.2	4	0.975	2	0.333	73	0.007 ^g	1.9 ^g	37.5 ^g	2012 M
91 Tunisia	0.739	0.585	20.8	–4	0.899	5	0.300	63	0.005	1.3	39.7	2011/2012 M
92 Mongolia	0.735	0.635	13.6	10	1.031	2	0.322	71	0.042	10.2	41.7	2013 M
93 Lebanon	0.730	..	..	..	0.891	5	0.362	79	..	..	..	..
94 Botswana	0.728	..	..	..	0.990	1	0.464	111	..	..	..	..
94 Saint Vincent and the Grenadines	0.728	..	..	..	..	..	..	..	..	..	..	..
96 Jamaica	0.726	0.604	16.7	3	0.986	1	0.405	93	0.018 ^g	4.7 ^g	38.7 ^g	2014 N
96 Venezuela (Bolivarian Republic of)	0.726	0.600	17.3	1	1.013	1	0.458	106	..	..	..	..
98 Dominica	0.724	..	..	..	..	..	..	..	..	..	..	..
98 Fiji	0.724	..	..	..	..	..	0.357	78	..	..	..	..
98 Paraguay	0.724	0.545	24.7	–14	0.968	2	0.482	117	0.019	4.5	41.9	2016 M
98 Suriname	0.724	0.557	22.7	–9	0.972	2	0.465	112	0.041 ^g	9.4 ^g	43.4 ^g	2010 M
102 Jordan	0.723	0.617	14.7	11	0.868	5	0.469	113	0.002	0.4	35.4	2017/2018 D
103 Belize	0.720	0.558	22.6	–8	0.983	1	0.391	91	0.017	4.3	39.8	2015/2016 M
104 Maldives	0.719	0.568	21.0	–5	0.939	3	0.367	81	0.003	0.8	34.4	2016/2017 D
105 Tonga	0.717	..	..	..	0.944	3	0.418	96	..	..	..	..
106 Philippines	0.712	0.582	18.2	1	1.004	1	0.425	98	0.024 ⁱ	5.8 ⁱ	41.8 ⁱ	2017 D
107 Moldova (Republic of)	0.711	0.638	10.4	21	1.007	1	0.228	50	0.004	0.9	37.4	2012 M
108 Turkmenistan	0.710	0.579	18.5	1	..	..	..	..	0.001	0.4	36.1	2015/2016 M
108 Uzbekistan	0.710	..	..	..	0.939	3	0.303	64	..	..	..	..
110 Libya	0.708	..	..	..	0.931	3	0.172	41	0.007	2.0	37.1	2014 P
111 Indonesia	0.707	0.584	17.4	6	0.937	3	0.451	103	0.028 ⁱ	7.0 ⁱ	40.3 ⁱ	2012 D
111 Samoa	0.707	..	..	..	..	..	0.364	80	..	..	..	..
113 South Africa	0.705	0.463	34.4	–17	0.984	1	0.422	97	0.025	6.3	39.8	2016 D
114 Bolivia (Plurinational State of)	0.703	0.533	24.2	–6	0.936	3	0.446	101	0.094	20.4	46.0	2008 D
115 Gabon	0.702	0.544	22.5	–4	0.917	4	0.534	128	0.066	14.8	44.3	2012 D
116 Egypt	0.700	0.492	29.7	–8	0.878	5	0.450	102	0.019 ⁿ	5.2 ⁿ	37.6 ⁿ	2014 D
MEDIUM HUMAN DEVELOPMENT												
117 Marshall Islands	0.698	..	..	..	..	..	..	..	..	..	..	..

HDI rank	Human Development Index		Inequality-adjusted HDI		Gender Development Index		Gender Inequality Index		Multidimensional Poverty Index ^a			
	Value	Value	Overall loss (%)	Difference from HDI rank ^b	Value	Group ^c	Value	Rank	Value	Headcount (%)	Intensity of deprivation (%)	Year and survey ^d
	2018	2018	2018	2018	2018	2018	2018	2018	2007–2018 ^e	2007–2018 ^e	2007–2018	2007–2018 ^e
118 Viet Nam	0.693	0.580	16.3	8	1.003	1	0.314	68	0.019 ¹	4.9 ¹	39.5 ¹	2013/2014 M
119 Palestine, State of	0.690	0.597	13.5	16	0.871	5	..	..	0.004	1.0	37.5	2014 M
120 Iraq	0.689	0.552	19.8	3	0.789	5	0.540	131	0.033	8.6	37.9	2018 M
121 Morocco	0.676	..	..	..	0.833	5	0.492	118	0.085 ¹	18.6 ¹	45.7 ¹	2011 P
122 Kyrgyzstan	0.674	0.610	9.5	23	0.959	2	0.381	87	0.008	2.3	36.3	2014 M
123 Guyana	0.670	0.546	18.5	4	0.973	2	0.492	118	0.014	3.4	41.8	2014 M
124 El Salvador	0.667	0.521	21.9	1	0.969	2	0.397	92	0.032	7.9	41.3	2014 M
125 Tajikistan	0.656	0.574	12.5	12	0.799	5	0.377	84	0.029	7.4	39.0	2017 D
126 Cabo Verde	0.651	..	..	..	0.984	1	0.372	83	..	..	..	..
126 Guatemala	0.651	0.472	27.4	-2	0.943	3	0.492	118	0.134	28.9	46.2	2014/2015 D
126 Nicaragua	0.651	0.501	23.0	1	1.013	1	0.455	105	0.074	16.3	45.2	2011/2012 D
129 India	0.647	0.477	26.3	1	0.829	5	0.501	122	0.123	27.9	43.9	2015/2016 D
130 Namibia	0.645	0.417	35.3	-14	1.009	1	0.460	108	0.171	38.0	45.1	2013 D
131 Timor-Leste	0.626	0.450	28.0	-5	0.899	5	..	..	0.210	45.8	45.7	2016 D
132 Honduras	0.623	0.464	25.5	0	0.970	2	0.479	116	0.090 ^o	19.3 ^o	46.4 ^o	2011/2012 D
132 Kiribati	0.623	..	..	..	..	..	..	..	..	..	..	..
134 Bhutan	0.617	0.450	27.1	-3	0.893	5	0.436	99	0.175 ¹	37.3 ¹	46.8 ¹	2010 M
135 Bangladesh	0.614	0.465	24.3	4	0.895	5	0.536	129	0.198	41.7	47.5	2014 D
135 Micronesia (Federated States of)	0.614	..	..	..	..	..	..	..	..	..	..	..
137 Sao Tome and Principe	0.609	0.507	16.7	10	0.900	5	0.547	136	0.092	22.1	41.7	2014 M
138 Congo	0.608	0.456	25.0	2	0.931	3	0.579	145	0.112	24.3	46.0	2014/2015 M
138 Eswatini (Kingdom of)	0.608	0.430	29.3	-4	0.962	2	0.579	145	0.081	19.2	42.3	2014 M
140 Lao People's Democratic Republic	0.604	0.454	24.9	3	0.929	3	0.463	110	0.108	23.1	47.0	2017 M
141 Vanuatu	0.597	..	..	..	..	..	..	..	0.174 ¹	38.8 ¹	44.9 ¹	2007 M
142 Ghana	0.596	0.427	28.3	-3	0.912	4	0.541	133	0.138	30.1	45.8	2014 D
143 Zambia	0.591	0.394	33.4	-6	0.949	3	0.540	131	0.261	53.2	49.1	2013/2014 D
144 Equatorial Guinea	0.588	..	..	..	..	..	..	..	..	..	..	..
145 Myanmar	0.584	0.448	23.2	3	0.953	2	0.458	106	0.176	38.3	45.9	2015/2016 D
146 Cambodia	0.581	0.465	20.1	12	0.919	4	0.474	114	0.170	37.2	45.8	2014 D
147 Kenya	0.579	0.426	26.3	0	0.933	3	0.545	134	0.178	38.7	46.0	2014 D
147 Nepal	0.579	0.430	25.8	3	0.897	5	0.476	115	0.148	34.0	43.6	2016 D
149 Angola	0.574	0.392	31.8	-2	0.902	4	0.578	144	0.282	51.1	55.3	2015/2016 D
150 Cameroon	0.563	0.371	34.1	-6	0.869	5	0.566	140	0.243	45.3	53.5	2014 M
150 Zimbabwe	0.563	0.435	22.8	7	0.925	4	0.525	126	0.137	31.8	42.9	2015 D
152 Pakistan	0.560	0.386	31.1	-1	0.747	5	0.547	136	0.198	38.3	51.7	2017/2018 D
153 Solomon Islands	0.557	..	..	..	..	..	..	..	..	..	..	..
LOW HUMAN DEVELOPMENT												
154 Syrian Arab Republic	0.549	..	..	..	0.795	5	0.547	136	0.029 ¹	7.4 ¹	38.9 ¹	2009 P
155 Papua New Guinea	0.543	..	..	..	..	..	0.740	161	..	..	..	..
156 Comoros	0.538	0.294	45.3	-22	0.888	5	..	..	0.181	37.3	48.5	2012 D
157 Rwanda	0.536	0.382	28.7	-1	0.943	3	0.412	95	0.259	54.4	47.5	2014/2015 D
158 Nigeria	0.534	0.349	34.6	-5	0.868	5	..	..	0.291	51.4	56.6	2016/2017 M
159 Tanzania (United Republic of)	0.528	0.397	24.9	7	0.936	3	0.539	130	0.273	55.4	49.3	2015/2016 D
159 Uganda	0.528	0.387	26.7	4	0.863	5	0.531	127	0.269	55.1	48.8	2016 D
161 Mauritania	0.527	0.358	32.1	1	0.853	5	0.620	150	0.261	50.6	51.5	2015 M
162 Madagascar	0.521	0.386	25.8	6	0.946	3	..	..	0.453	77.8	58.2	2008/2009 D
163 Benin	0.520	0.327	37.1	-6	0.883	5	0.613	148	0.368	66.8	55.0	2017/2018 D
164 Lesotho	0.518	0.350	32.5	3	1.026	2	0.546	135	0.146	33.6	43.4	2014 D
165 Côte d'Ivoire	0.516	0.331	35.8	-3	0.796	5	0.657	157	0.236	46.1	51.2	2016 M
166 Senegal	0.514	0.347	32.5	2	0.873	5	0.523	125	0.288	53.2	54.2	2017 D
167 Togo	0.513	0.350	31.7	6	0.818	5	0.566	140	0.249	48.2	51.6	2013/2014 D
168 Sudan	0.507	0.332	34.6	1	0.837	5	0.560	139	0.279	52.3	53.4	2014 M
169 Haiti	0.503	0.299	40.5	-7	0.890	5	0.620	150	0.200	41.3	48.4	2016/2017 D
170 Afghanistan	0.496	..	..	..	0.723	5	0.575	143	0.272 ¹	55.9 ¹	48.6 ¹	2015/2016 D
171 Djibouti	0.495	..	..	..	..	..	..	..	..	..	..	..
172 Malawi	0.485	0.346	28.7	5	0.930	3	0.615	149	0.243	52.6	46.2	2015/2016 D
173 Ethiopia	0.470	0.337	28.4	5	0.844	5	0.508	123	0.489	83.5	58.5	2016 D
174 Gambia	0.466	0.293	37.2	-8	0.832	5	0.620	150	0.286	55.2	51.7	2013 D
174 Guinea	0.466	0.310	33.4	-1	0.806	5	..	..	0.336	61.9	54.3	2016 M
176 Liberia	0.465	0.314	32.3	2	0.899	5	0.651	155	0.320	62.9	50.8	2013 D

	Human Development Index		Inequality-adjusted HDI		Gender Development Index		Gender Inequality Index		Multidimensional Poverty Index ^a			
	Value	Value	Overall loss (%)	Difference from HDI rank ^b	Value	Group ^c	Value	Rank	Value	Headcount (%)	Intensity of deprivation (%)	Year and survey ^d
HDI rank	2018	2018	2018	2018	2018	2018	2018	2018	2007–2018 ^e	2007–2018 ^e	2007–2018	2007–2018 ^e
177 Yemen	0.463	0.316	31.8	5	0.458	5	0.834	162	0.241	47.7	50.5	2013 D
178 Guinea-Bissau	0.461	0.288	37.5	-5	..	..	..	..	0.372	67.3	55.3	2014 M
179 Congo (Democratic Republic of the)	0.459	0.316	31.0	7	0.844	5	0.655	156	0.389	74.0	52.5	2013/2014 D
180 Mozambique	0.446	0.309	30.7	4	0.901	4	0.569	142	0.411	72.5	56.7	2011 D
181 Sierra Leone	0.438	0.282	35.7	-3	0.882	5	0.644	153	0.297	57.9	51.2	2017 M
182 Burkina Faso	0.434	0.303	30.1	5	0.875	5	0.612	147	0.519	83.8	61.9	2010 D
182 Eritrea	0.434	..	..	..	..	..	..	..	..	..	..	..
184 Mali	0.427	0.294	31.2	3	0.807	5	0.676	158	0.457	78.1	58.5	2015 M
185 Burundi	0.423	0.296	30.1	5	1.003	1	0.520	124	0.403	74.3	54.3	2016/2017 D
186 South Sudan	0.413	0.264	36.1	-1	0.839	5	..	..	0.58 ^g	91.9	63.2	2010 M
187 Chad	0.401	0.250	37.7	-1	0.774	5	0.701	160	0.533	85.7	62.3	2014/2015 D
188 Central African Republic	0.381	0.222	41.6	-1	0.795	5	0.682	159	0.465 ^f	79.4 ^f	58.6 ^f	2010 M
189 Niger	0.377	0.272	27.9	3	0.298	5	0.647	154	0.590	90.5	65.2	2012 D
OTHER COUNTRIES OR TERRITORIES												
.. Korea (Democratic People's Rep. of)	..	..	..	..	..	..	..	..	..	..	..	..
.. Monaco	..	..	..	..	..	..	..	..	..	..	..	..
.. Nauru	..	..	..	..	..	..	..	..	..	..	..	..
.. San Marino	..	..	..	..	..	..	..	..	..	..	..	..
.. Somalia	..	..	..	..	..	..	..	..	..	..	..	..
.. Tuvalu	..	..	..	..	..	..	..	..	..	..	..	..
Human development groups												
Very high human development	0.892	0.796	10.7	—	0.979	—	0.175	—	..	..	..	—
High human development	0.750	0.615	17.9	—	0.960	—	0.331	—	0.018	4.5	40.9	—
Medium human development	0.634	0.470	25.9	—	0.845	—	0.501	—	0.135	29.4	45.9	—
Low human development	0.507	0.349	31.1	—	0.858	—	0.590	—	0.344	62.3	55.2	—
Developing countries	0.686	0.533	22.3	—	0.918	—	0.466	—	0.114	23.1	49.4	—
Regions												
Arab States	0.703	0.531	24.5	—	0.856	—	0.531	—	0.076	15.7	48.4	—
East Asia and the Pacific	0.741	0.618	16.6	—	0.962	—	0.310	—	0.024	5.6	42.3	—
Europe and Central Asia	0.779	0.688	11.7	—	0.953	—	0.276	—	0.004	1.1	37.9	—
Latin America and the Caribbean	0.759	0.589	22.3	—	0.978	—	0.383	—	0.033	7.5	43.1	—
South Asia	0.642	0.476	25.9	—	0.828	—	0.510	—	0.142	31.0	45.6	—
Sub-Saharan Africa	0.541	0.376	30.5	—	0.891	—	0.573	—	0.315	57.5	54.9	—
Least developed countries	0.528	0.377	28.6	—	0.869	—	0.561	—	0.315	59.0	53.4	—
Small island developing states	0.723	0.549	24.0	—	0.967	—	0.453	—	..	..	..	—
Organisation for Economic Co-operation and Development	0.895	0.791	11.7	—	0.976	—	0.182	—	..	..	..	—
World	0.731	0.584	20.2	—	0.941	—	0.439	—	0.114	23.1	49.4	—

NOTES

a Not all indicators were available for all countries, so caution should be used in cross-country comparisons. Where an indicator is missing, weights of available indicators are adjusted to total 100 percent. See *Technical note 5* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details.

b Based on countries for which the Inequality-adjusted Human Development Index is calculated.

c Countries are divided into five groups by absolute deviation from gender parity in HDI values.

d *D* indicates data from Demographic and Health Surveys, *M* from Multiple Indicator Cluster Surveys, *P* from Pan Arab Population and Family Health Survey and *N* from national surveys (see <http://hdr.undp.org/en/faq-page/multidimensional-poverty-index-mpi> for the list of national surveys).

e Data refer to the most recent year available during the period specified, as indicated in column 12.

f Considers child deaths that occurred at any time because the survey did not collect the date of child deaths.

g Missing indicator on child mortality.

h Multidimensional Poverty Index estimates are based on the 2016 National Health and Nutrition Survey. Estimates based on the 2015 Multiple Indicator Cluster Survey are 0.010 for Multidimensional Poverty Index value, 2.6 for multidimensional poverty headcount (%), 3,125,000 for multidimensional poverty headcount in year of survey, 3,200,000 for projected multidimensional poverty headcount in 2017, 40.2 for intensity of deprivation, 0.4 for population in severe multidimensional poverty, 6.1 for population vulnerable to multidimensional poverty, 39.9 for contribution of deprivation in health, 23.8 for contribution of deprivation

in education and 36.3 for contribution of deprivation in standard of living.

i Missing indicator on nutrition.

j The methodology was adjusted to account for missing indicator on nutrition and incomplete indicator on child mortality (the survey did not collect the date of child deaths).

k Child mortality was constructed based on deaths that occurred between surveys—that is, between 2012 and 2014. Child deaths reported by an adult man in the household were taken into account because the date of death was reported.

l Missing indicator on housing.

m Based on data accessed on 7 June 2016.

n Missing indicator on cooking fuel.

o Missing indicator on electricity.

DEFINITIONS

Human Development Index (HDI): A composite index measuring average achievement in three basic dimensions of human development—a long and healthy life, knowledge and a decent standard of living. See *Technical note 1* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details on how the HDI is calculated.

Inequality-adjusted HDI (IHDI): HDI value adjusted for inequalities in the three basic dimensions of human development. See *Technical note 2* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details on how the IHDI is calculated.

Overall loss: Percentage difference between the IHDI value and the HDI value.

Difference from HDI rank: Difference in ranks on the IHDI and the HDI, calculated only for countries for which an IHDI value is calculated.

Gender Development Index: Ratio of female to male HDI values. See *Technical note 3* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details on how the Gender Development Index is calculated.

Gender Development Index groups: Countries are divided into five groups by absolute deviation from gender parity in HDI values. Group 1 comprises countries with high equality in HDI achievements between women and men (absolute deviation of less than 2.5 percent), group 2 comprises countries with medium to high equality in HDI achievements between women and men (absolute deviation of 2.5–5 percent), group 3 comprises countries with medium equality in HDI achievements between women and men (absolute deviation of 5–7.5 percent), group 4 comprises countries with medium to low equality in HDI achievements between women and men (absolute deviation of 7.5–10 percent) and group 5 comprises countries with low equality in HDI achievements between women and men (absolute deviation from gender parity of more than 10 percent).

Gender Inequality Index: A composite measure reflecting inequality in achievement between women and men in three dimensions: reproductive health, empowerment and the labour market. See *Technical note 4* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details on how the Gender Inequality Index is calculated.

Multidimensional Poverty Index: Percentage of the population that is multidimensionally poor adjusted by the intensity of the deprivations. See *Technical note 5* at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf for details on how the Multidimensional Poverty Index is calculated.

Multidimensional poverty headcount: Population with a deprivation score of at least 33 percent. It is expressed as a share of the population in the survey year, the number of people in the survey year and the projected number of people in 2017.

Intensity of deprivation of multidimensional poverty: Average deprivation score experienced by people in multidimensional poverty.

SOURCES

Column 1: HDRO calculations based on data from UNDESA (2019), UNESCO Institute for Statistics (2019), United Nations Statistics Division (2019), World Bank (2019), Barro and Lee (2018) and IMF (2019).

Column 2: Calculated as the geometric mean of the values in inequality-adjusted life expectancy index, inequality-adjusted education index and inequality-adjusted income index using the methodology in *Technical note 2* (available at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf).

Column 3: Calculated based on data in columns 1 and 2.

Column 4: Calculated based on data in column 2 and recalculated HDI ranks for countries for which the Inequality-adjusted HDI is calculated.

Column 5: HDRO calculations based on data from UNDESA (2019), UNESCO Institute for Statistics (2019), IPU (2019), World Bank (2019), ILO (2019) and IMF (2019).

Column 6: Calculated based on data in column 5.

Column 7: HDRO calculations based on data from UN Maternal Mortality Estimation Group (2017), UNDESA (2019), IPU (2019), UNESCO Institute for Statistics (2019), Barro and Lee (2018) and ILO (2019).

Column 8: Calculated based on data in column 7.

Columns 9 and 10: HDRO and OPHI calculations based on data on household deprivations in health, education and living standards from various household surveys listed in column 12 using a revised methodology described in *Technical note 5* (available at http://hdr.undp.org/sites/default/files/hdr2019_technical_notes.pdf).

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Key to HDI countries and ranks, 2018

Afghanistan	170	Ghana	142	Norway	1
Albania	69	Greece	32	Oman	47
Algeria	82	Grenada	78	Pakistan	152
Andorra	36	Guatemala	126	Palau	55
Angola	149	Guinea	174	Palestine, State of	119
Antigua and Barbuda	74	Guinea-Bissau	178	Panama	67
Argentina	48	Guyana	123	Papua New Guinea	155
Armenia	81	Haiti	169	Paraguay	98
Australia	6	Honduras	132	Peru	82
Austria	20	Hong Kong, China (SAR)	4	Philippines	106
Azerbaijan	87	Hungary	43	Poland	32
Bahamas	60	Iceland	6	Portugal	40
Bahrain	45	India	129	Qatar	41
Bangladesh	135	Indonesia	111	Romania	52
Barbados	56	Iran (Islamic Republic of)	65	Russian Federation	49
Belarus	50	Iraq	120	Rwanda	157
Belgium	17	Ireland	3	Saint Kitts and Nevis	73
Belize	103	Israel	22	Saint Lucia	89
Benin	163	Italy	29	Saint Vincent and the Grenadines	94
Bhutan	134	Jamaica	96	Samoa	111
Bolivia (Plurinational State of)	114	Japan	19	San Marino	..
Bosnia and Herzegovina	75	Jordan	102	Sao Tome and Principe	137
Botswana	94	Kazakhstan	50	Saudi Arabia	36
Brazil	79	Kenya	147	Senegal	166
Brunei Darussalam	43	Kiribati	132	Serbia	63
Bulgaria	52	Korea (Democratic People's Rep. of)	..	Seychelles	62
Burkina Faso	182	Korea (Republic of)	22	Sierra Leone	181
Burundi	185	Kuwait	57	Singapore	9
Cabo Verde	126	Kyrgyzstan	122	Slovakia	36
Cambodia	146	Lao People's Democratic Republic	140	Slovenia	24
Cameroon	150	Latvia	39	Solomon Islands	153
Canada	13	Lebanon	93	Somalia	..
Central African Republic	188	Lesotho	164	South Africa	113
Chad	187	Liberia	176	South Sudan	186
Chile	42	Libya	110	Spain	25
China	85	Liechtenstein	18	Sri Lanka	71
Colombia	79	Lithuania	34	Sudan	168
Comoros	156	Luxembourg	21	Suriname	98
Congo	138	Madagascar	162	Sweden	8
Congo (Democratic Republic of the)	179	Malawi	172	Switzerland	2
Costa Rica	68	Malaysia	61	Syrian Arab Republic	154
Côte d'Ivoire	165	Maldives	104	Tajikistan	125
Croatia	46	Mali	184	Tanzania (United Republic of)	159
Cuba	72	Malta	28	Thailand	77
Cyprus	31	Marshall Islands	117	Timor-Leste	131
Czechia	26	Mauritania	161	Togo	167
Denmark	11	Mauritius	66	Tonga	105
Djibouti	171	Mexico	76	Trinidad and Tobago	63
Dominica	98	Micronesia (Federated States of)	135	Tunisia	91
Dominican Republic	89	Moldova (Republic of)	107	Turkey	59
Ecuador	85	Monaco	..	Turkmenistan	108
Egypt	116	Mongolia	92	Tuvalu	..
El Salvador	124	Montenegro	52	Uganda	159
Equatorial Guinea	144	Morocco	121	Ukraine	88
Eritrea	182	Mozambique	180	United Arab Emirates	35
Estonia	30	Myanmar	145	United Kingdom	15
Eswatini (Kingdom of)	138	Namibia	130	United States	15
Ethiopia	173	Nauru	..	Uruguay	57
Fiji	98	Nepal	147	Uzbekistan	108
Finland	12	Netherlands	10	Vanuatu	141
France	26	New Zealand	14	Venezuela (Bolivarian Republic of)	96
Gabon	115	Nicaragua	126	Viet Nam	118
Gambia	174	Niger	189	Yemen	177
Georgia	70	Nigeria	158	Zambia	143
Germany	4	North Macedonia	82	Zimbabwe	150



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In every country many people have little prospect for a better future. They are without hope, purpose or dignity, watching from society's sidelines as they see others pulling ahead to ever greater prosperity. Worldwide many have escaped extreme poverty. But even more have neither the opportunities nor the resources to control their lives. Far too often a person's place in society is still determined by ethnicity, gender or his or her parents' wealth.

Inequalities. The evidence is everywhere. Inequalities do not always reflect an unfair world, but when they have little to do with rewarding effort, talent or entrepreneurial risk-taking, they can be an affront to human dignity. Under the shadow of sweeping technological change and the climate crisis, such inequalities in human development hurt societies, weakening social cohesion and people's trust in government, institutions and each other. Most hurt economies, wastefully preventing people from reaching their full potential at work and in life. They often make it harder for political decisions to reflect the aspirations of the whole of society and to protect the planet, if the few pulling ahead flex their power to shape decisions in their interests. In the extreme, people can take to the streets.

These inequalities in human development are a roadblock to achieving the 2030 Agenda for Sustainable Development. They are not just about disparities in income and wealth. They cannot be accounted for simply by using summary measures of inequality that focus on a single dimension. And they will shape the prospects of people that may live to see the 22nd century. The Report explores inequalities in human development by going beyond income, beyond averages and beyond today. It asks what forms of inequality matter and what drives them, recognizing that pernicious inequalities are generally better thought of as a symptom of broader problems in a society and economy. It also asks what policies can tackle those drivers—policies that can simultaneously help nations to grow their economies, improve human development and reduce inequality.

It is hard to get a clear picture of inequalities in human development and how they are changing. In part because

they are as broad and multifaceted as life itself. In part because the measures we rely on, and the data that underpin them, are often inadequate. Yet important patterns repeat again and again.

In every country the goalposts are moving. Inequality in human development is high or increasing in the areas expected to become more important in the future. There has been some progress worldwide in fundamental areas, such as escaping from poverty and receiving a basic education, though important gaps remain. Yet at the same time, inequalities are widening higher up the ladder of progress.

A human development approach opens new windows on inequalities—why they matter, how they manifest themselves and what to do about them—that help create concrete action. The Report suggests the importance of realigning existing policy goals: emphasizing, for instance, the quality education at all ages—including at the preprimary level—in addition to focusing on primary and secondary enrolment rates. Many of these aspirations are already reflected in the 2030 Agenda for Sustainable Development. It also means addressing power imbalances that are at the heart of many inequalities, such as leveling the economic playing field through antitrust measures. In some cases, addressing inequalities means tackling social norms embedded deep with a nation's history and culture. Many policies comprise options that would enhance both equity and efficiency. The main reason why they often are not pursued may be linked with the power of entrenched interests who do not stand to gain from change.

The future of inequalities in human development in the 21st century is in our hands. But we cannot be complacent. The climate crisis shows that the price of inaction compounds over time, as it feeds further inequality, which can in turn make action on climate more difficult. Technology is already changing labour markets and lives, but not yet locked-in is the extent to which machines may replace people. We are, however, approaching a precipice beyond which it will be difficult to recover. We do have a choice, and we must exercise it now.