



## **BASIC CAPABILITIES INDEX 2007**

### **Half-way between 2000 and 2015 Far from where we should be**

The year 2007 is half-way between 2000, when world leaders pledged to achieve specific targets in the fight against poverty, and 2015, the year set for these Millennium Development Goals to be achieved. Yet, at the current slow rate of progress, once that year has arrived, in many countries the commitments will not be achieved.

This conclusion emerges from watching the evolution of the Basic Capabilities Index (BCI), produced annually by [Social Watch](http://www.socialwatch.org) with the latest information available for each country. The BCI is a summary-index that compares and ranks countries according to their social development progress, based on the status of national societies in relation to several minimum basic capabilities. The BCI gets closer to 100% when countries ensure universal access to a minimum (or basic) set of social services (health, education, etc.). Achieving that level does not mean meeting all desirable social welfare objectives of any given society. It only marks a starting point.

The BCI numbers for 2007 reveal that half of the countries have a BCI reading of *low* level or below and 24 countries are in a *critical* situation. Without a substantial acceleration in the rate of progress by 2015 the average BCI value for countries in South Asia and Sub-Saharan Africa will not surpass *very low*, and all other regions except Europe and North America will still be far from the “*acceptable*” level.

### **The BCI and minimum conditions for development**

Social Watch has developed the Basic Capabilities Index (BCI) as a way not based on income to identify poverty situations.<sup>1</sup> The most widely poverty-related indicators used internationally are the World Bank estimates on the number of people living with less than one or two dollars per day or the UNDP ranking based on the Human Development Index, which combines income figures with health and education related indicators. The BCI is comparatively easier to build

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<sup>1</sup> The BCI is originated in the Quality of Life Index developed by the non-governmental organization Action for Economic Reforms-Philippines, which was derived from the Capability Poverty Measure (CPM) proposed by Professor Amartya Sen and popularized by the United Nations Development Programme Human Development Index (HDI).

and it is feasible to implement it at sub-national and municipal level, without requiring expensive household surveys as income-based indexes do. By not using income, the BCI is consistent with the definitions of poverty based on the deprivation of capabilities and the denial of human rights.

The BCI is based on three indicators: percentage of children who reach fifth grade, survival until the 5<sup>th</sup> year of age (based on mortality among children under five) and percentage of deliveries attended by skilled health personnel. Each of these indicators by themselves express different dimensions addressed by internationally agreed development goals (education, children's health and reproductive health). Also, research shows that, as a summary-index, the BCI provides a general picture consistent with the health status and the basic educational performance of a given population.

The highest possible BCI score is reached when all women are assisted when giving birth, no child leaves school before successfully completing the fifth grade, and infant mortality is reduced to its lowest possible of less than five deaths for every one thousand children born alive. These indicators are closely associated with capabilities that all members of a society should have and which mutually interact to enable higher levels of individual and collective development. They particularly emphasize capabilities that contribute to the welfare of the youngest members of society and thereby foster the future development of nations.

The utility of the BCI lies in that it has proven to be highly correlated with measures of other human capabilities related to the social development of countries. This index gives each country a score and thereby enables its comparison with other countries and to assess its evolution over time.

An index that approaches 100 does not necessarily imply a high level of social development. It only means that the country achieved a complete coverage of all minimum essential conditions that will enable its progress toward a better well-being. It is a starting point, not an arrival.

### **At what stage of the journey are countries today**

The BCI 2007 was calculated for 161 countries, which were then grouped into categories for the purposes of analysis. The most severe situations are found in countries with *critical* BCI scores (less than 70 points). In the *very low* BCI category (70-79 points) are countries that also face significant obstacles to achieving the well-being of the population. Countries with *low* BCI scores (80-89 points) are at an

intermediate level in the satisfaction of basic needs and their performance varies in some development dimensions. The countries that have succeeded in ensuring most or all of these basic capabilities for their populations are in the two categories with the highest BCI values- *medium* (90-97 points) and *acceptable* (98-99+ points) BCI. As has already been pointed out, belonging to these last two groups does not imply a high level of development, but only the fulfilment of basic well-being levels.

**Table 1. BCI and BCI level by country**

CRITICAL LEVEL		VERY LOW LEVEL		LOW LEVEL		MEDIUM LEVEL		ACCEPTABLE LEVEL	
Bhutan	69	Iraq	78	Brazil	89	Belarus	97	Austria	99+
Lesotho	69	Djibouti	78	Colombia	89	Brunei Darussalam	97	Belgium	99+
Guinea	68	Morocco	78	Tuvalu	89	Bulgaria	97	Cyprus	99+
Kenya	68	São Tomé and Príncipe	77	Kiribati	88	Croatia	97	Denmark	99+
Eritrea	67	Côte d'Ivoire	77	South Africa	87	Hungary	97	Finland	99+
Ghana	66	Philippines	77	Syrian Arab Republic	87	Lithuania	97	France	99+
Mali	66	Swaziland	76	Maldives	86	Luxembourg	97	Germany	99+
Yemen	64	Honduras	76	Namibia	86	Macedonia, FYR	97	Greece	99+
Madagascar	63	Zimbabwe	75	Peru	86	Oman	97	Iceland	99+
Malawi	63	Mauritania	75	Tajikistan	86	Qatar	97	Ireland	99+
Nigeria	63	Zambia	74	Dominican Republic	85	Russian Federation	97	Israel	99+
Uganda	63	Nicaragua	73	Indonesia	85	Samoa	97	Japan	99+
Mozambique	61	Benin	73	Paraguay	85	Ukraine	97	Malta	99+
Pakistan	60	Myanmar	73	Suriname	85	Armenia	96	Netherlands	99+
Cambodia	59	Papua New Guinea	72	Vanuatu	85	Costa Rica	96	New Zealand	99+
Equatorial Guinea	59	Comoros	72	Gabon	82	Kyrgyzstan	96	Norway	99+
Lao PDR	58	Guatemala	72	Ecuador	81	Lebanon	96	Poland	99+
Bangladesh	57	Senegal	71	Guyana	81	Moldova	96	Portugal	99+
Burundi	56	Burkina Faso	71	Sudan	81	Mongolia	96	Spain	99+
Nepal	55	India	70	Bolivia	80	Romania	96	Sweden	99+

Niger	55	Cameroon	70	Congo, Rep.	80	St. Lucia	96	Switzerland	99+
Rwanda	51	Gambia	70	El Salvador	80	West Bank and Gaza	96	Australia	99
Ethiopia	50	Tanzania	70			Albania	95	Bahrain	99
Chad	43	Togo	78			Algeria	95	Barbados	99
						Georgia	95	Canada	99
						Jamaica	95	Chile	99
						Kazakhstan	95	Cuba	99
						Saudi Arabia	95	Czech Republic	99
						St. Vincent and the G	95	Estonia	99
						Tunisia	95	Fiji	99
						Uruguay	95	Italy	99
						Argentina	94	Jordan	99
						Dominica	94	Korea, Rep.	99
						Marshall Islands	94	Kuwait	99
						Mexico	94	Latvia	99
						Tonga	94	Mauritius	99
						Venezuela	94	Slovenia	99
						China	93	St. Kitts and Nevis	99
						Cape Verde	92	United Kingdom	99
						Grenada	92	United States of America	99
						Turkey	92	Malaysia	98
						Azerbaijan	91	Trinidad and Tobago	98
						Belize	91	United Arab Emirates	98
						Botswana	91		
						Iran, Islamic Rep.	91		
						Panama	91		
						Egypt	90		
						Viet Nam	90		

## Recent evolution: growing gaps

The evolution of the BCI in each country since 2000<sup>2</sup> shows that almost half of the countries have achieved some progress. However, 34% (54 countries) have regressed.

Countries with larger BCI regressions are mostly from Sub-Saharan Africa. Basic capabilities have also regressed in some countries from East Asia and the Pacific and Latin America and the Caribbean. In 7 cases, regression has been significant (more than 5% in the BCI score). This is worrisome since these countries are regressing from a *low*, *very low* and even *critical* BCI score. This means some countries keep falling back, which increases their gap with the rest of the world.

**Table 2. Number of countries by present BCI level according to evolution since 2000**

	CRITICAL LEVEL	VERY LOW LEVEL	LOW LEVEL	MEDIUM LEVEL	HIGH LEVEL	Total
SIGNIFICANT REGRESSION	2	1	4	0	0	7
SLIGHT REGRESSION	3	2	4	8	0	17
STAGNATION	6	3	5	23	21	58
SLIGHT PROGRESS	10	6	3	11	22	52
SIGNIFICANT PROGRESS	3	10	5	4	0	22
<b>Total</b>	24	22	21	46	43	156

### Critical level

Countries with a critical BCI show serious difficulties in all of their social development dimensions. In average, only 1 every 3 women from this group of countries are assisted by skilled personnel upon giving birth. In the country with the worst situation, Ethiopia, only 5% of births have specialized medical care. In average, each year die

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<sup>2</sup> The percent of change between the 2000 BCI and the BCI with latest available data was grouped in five categories: significant regression (more than 5%); slight regression (between 5% and 1%), stagnation (less than 1% change), slight progress (between 1% and 5%), and significant progress (more than 5%).

142 out of 1,000 children under 5. Niger's situation is extreme, since each year dies 1 out of 4 children under 5. Education indicators show a similar scenario. In countries with a critical BCI, slightly more than half the children that start school remain within the education system until they reach 5th grade. Other indicators, such as enrolment rates, show other educational needs, which compromise future chances of progressing toward higher development levels.

**On the evolution of 3 countries with critical BCI:  
Chad, Eritrea and Nepal**

**CHAD** (BCI =43) (% Change = -14.1%): **the country with the worst BCI, has also regressed more drastically.**

Poverty, food insecurity and lack of access to basic health and education services are setbacks against development in Chad, where more than 500,000 people suffer from food insecurity. The infant mortality rate is among the world's highest. Immunization coverage has not grown and children's critical situation is reflected in the percentage of children under 5 with malnourishment, which reached 37% in 2004. Maternal mortality rate has grown in the last decade, favoured by the undernourishment of pregnant women and the lack of access to health services. In 2004, only 1 in 5 women were cared by health personnel when giving birth, a proportion lower than one decade ago. The problems of access to education (aggravated by the inexistence of such services in many geographical areas) are compounded by a low survival rate in the education system. Overcrowding in schools (an average of 70 pupils per class) and a lack of resources cause 8 out of 10 children to take their classes standing up. The Education budget has remained at around 2.5% of the GDP since 1995, while the average for Sub-Saharan Africa countries is 3.4%. (UNDP Chad, 2005).

**ERITREA** (BCI = 66.9) (% Change = +16.3%): **a country with critical BCI and significant progress**

The net primary school enrolment ratio rose from 30% in 1993-95 to 44% in 2001-03, an increase of 47%. These figures show that progress has been made in increasing primary school enrolments. The *Education Sector Development Programme* focuses on school construction, curriculum development, textbook production, teacher training and capacity building. Adequate allocation of resources for the programme and its effective implementation would be key to increasing enrolment. The infant mortality rate declined from 72 deaths per 1000 births to 48 (1993-95 to 2001-03). These figures show that progress has been made in reducing child mortality.

Continuation of the comprehensive malaria control programme launched by the Government in 1999 is an important instrument for reducing child mortality. (UNDP, Eritrea)

**NEPAL** (BCI = 54.8) (% Change = +10.5%), **critical BCI and recovery: education policies and anti-discrimination**

The government has been undertaking various policy reforms such as scholarship programs for girls, compulsory female teachers in primary schools, tax exemptions for women when buying land, prohibition of socio-cultural discriminatory practices, positive discriminatory policies in the bureaucracy, and targeted and time-bound development programmes. In 1996, 42% of all Nepalese were living in poverty. Eight years later (in 2003/04) this figure dropped to 31%. Probable reasons for this decline were: remittance-supported consumption, increased income from agricultural labour, massive increment in the economically active population, rapid urbanization, and an increase in non-farm incomes. (CBS/World Bank 2005, UNDP Nepal 2005)

**Regional disparities**

World regions are deeply unequal in terms of living conditions. The BCI reflects these disparities. There is a very large gap between the region with the highest average BCI (North America, with 99) and the region with the worst average (South Asia, with 66.3).

**Table 3. BCI percent of change by region**

Region	BCI 2007	Per cent of change 2000-latest available data
North America	99.0	3.6
Europe	98.6	0.8
Central Asia	93.3	1.0
Middle East & North Africa	91.2	1.3
Latin America & Caribbean	89.5	1.7
East Asia & Pacific	88.3	2.1
Sub-Saharan Africa	70.6	1.6
South Asia	66.3	4.8

Recent evolution has been very important in South Asian countries. This evolution takes place in a regional context which concentrates the highest deficiencies in terms of living conditions as measured by

the BCI. Even with the progress of recent years (of 4.8%) their situation continues to be extremely critical.

Also, the situation of Sub-Saharan Africa is critical since its BCI amounts to 70.6, while its average evolution does not forecast a rapid improvement (1.6%).

The regions of Central Asia, Middle East & North Africa, Latin America & Caribbean, and East Asia & Pacific show worrisome average BCI scores. These regions have not fulfilled their minimum capabilities yet. The only regions with a high level in this index are Europe and North America.

### **The 2015 deadline and the BCI's stopwatch: Far away from the starting point**

Forecasts, based on the current rate of progress, show a discouraging scenario. By 2015 countries from South Asia and Sub-Saharan Africa will barely reach, in average, a *very low* level, with a BCI score of 73 points. The other regions will be at a *medium* level, far from reaching the *acceptable* level.

**Table 4. Year in which regions would reach an acceptable level**

Region	BCI 2007	BCI 2015	ACCEPTABLE LEVEL REACHED IN
Sub-Saharan Africa	71	73	2108
South Asia	66	73	2047
Middle East & North Africa	91	94	2032
Latin America & Caribbean	90	93	2032
East Asia & Pacific	88	92	2030
Central Asia	93	95	2030
North America	99		
Europe	99		

Stressing once again that an *acceptable* BCI level implies minimum conditions leading toward higher levels of development, it is extremely worrisome that at the current rate of progress, Sub-Saharan Africa would reach that '**starting point**' only in 2108. That is, 93 years after 2015, the deadline set by world leaders in 2000 to achieve basic social development goals. South Asia, whose rate of progress is significantly higher, would be reaching that point 47 years after the Millennium Summit. And, except for Europe and North America, no other region will be able to reach that basic minimum level before 20 years from now, if the current rate of progress does not improve. A race with hurdles hard to overcome if the international community's commitments are not honoured.