

# Ensuring basic capabilities, an essential task for development

... the ideal of free human beings enjoying freedom from fear and want can only be achieved if conditions are created whereby everyone may enjoy his economic, social and cultural rights, as well as his civil and political rights...

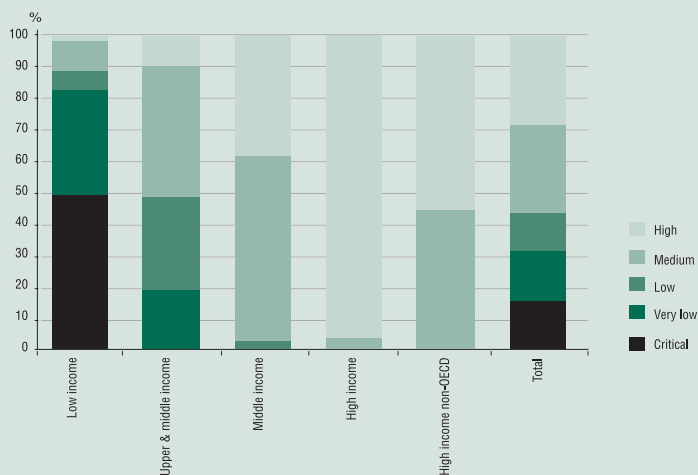
Preamble of the International Covenant on Economic, Social and Cultural Rights

Social Watch Research Team<sup>1</sup>

The multiple dimensions of the notions of development and poverty imply taking into consideration a very large set of elements in order to evaluate the degree in which a country or community progress toward the well-being of their population. However, minimum basic capabilities have to be met in order to stride toward that goal. Those requirements are associated to capabilities that members of a society must have and that are reciprocally strengthened in order to enable their individual and collective performance. They refer, especially, to the capabilities achieved by their younger members, who are the driving force in the future of their countries.

Social Watch has developed the Basic Capabilities Index (BCI)<sup>2</sup> as an approach to measure poverty and well-being based solely on capabilities.<sup>3</sup> Each of its three indicators (percentage of children enrolled in first grade that reach 5th grade, malnutrition in children under 5, percentage of deliveries attended by skilled health personnel) express results in different dimensions of the human condition included in the development goals (education, children's health and reproductive health). The BCI as a summary-measure is able to summarize, in general, the sanitary status and the basic educational performance of a population. Also, it has shown it is highly correlated with the measure of other human capabilities related to the social development of countries.

## SATISFACTION OF BASIC NEEDS: A REFLECTION OF WEALTH INEQUALITIES AMONG COUNTRIES



The level of satisfaction of basic needs clearly shows the inequalities in wealth among countries, measured through the Gross National Income (GNI) per capita.

Half of the countries with the lowest level of income<sup>1</sup> are in the most critical situation in satisfying their basic capabilities. Furthermore, none of the countries with *Very Low* or *Critical* BCI rankings are above the middle low income level.

In the other end, only high income countries belonging to the Organization for Economic Cooperation and Development are almost completely in the highest BCI category, with the full or almost full satisfaction of their basic capabilities. Meanwhile, the remaining high income countries are close to satisfying their basic capabilities, ranking all of them in the two higher BCI categories. In short, among high income countries the level of unsatisfied basic needs is minimum or inexistent.

However, some low income countries have achieved a *Medium* or even *High* BCI ranking. Almost 15% of those countries are placed in the category with the highest satisfaction of capabilities, showing that overcoming a population's basic needs is possible beyond the wealth of those countries. ■

<sup>1</sup> World Bank country classification by GNI per capita.

<sup>1</sup> The members of the Social Watch Social Sciences Research Team are listed in the credits at the start of this book.

<sup>2</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).

<sup>3</sup> In contrast with the HDI, which combines capability indicators with income measurements.

Through this index it is possible to assign a value to each country that ranks them in relation with the other countries.<sup>4</sup> This ranking was possible for 162 countries.

Likewise, with the goal of analysis, the countries were grouped in categories with similar conditions in relation to the degree of satisfaction of

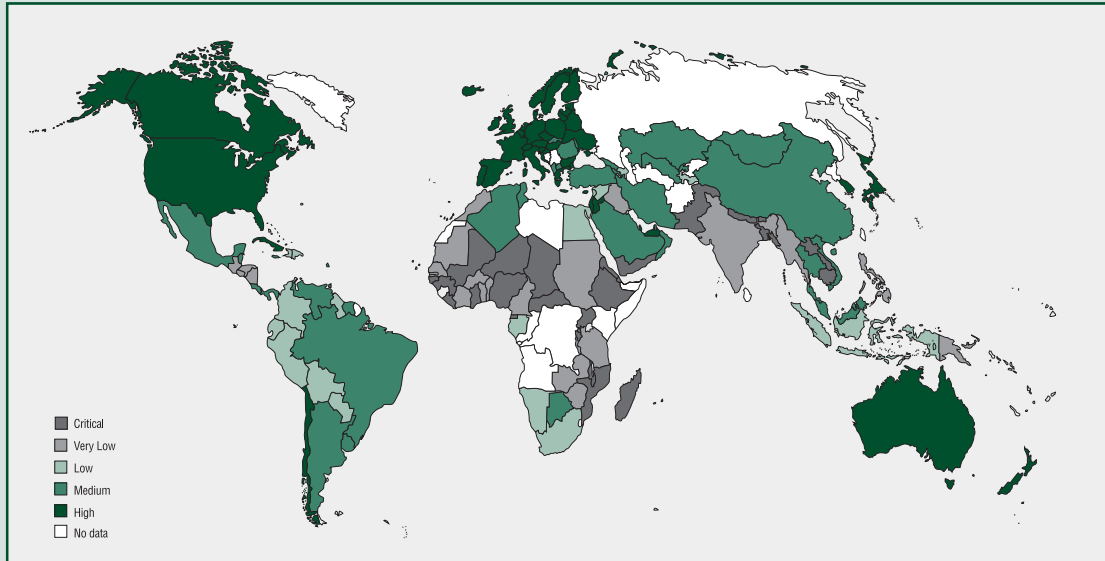
these basic capabilities. The most serious situations are concentrated in countries with *Critical BCI*. In the *Very Low BCI* category are countries that also show very significant obstacles to achieving the well-being of the population. Countries with *Low BCI* are at an intermediate level in the satisfaction of basic capabilities and their performance varies in some development dimensions.

The countries that have progressed to meet most or all of their population's basic capabilities are in the

<sup>4</sup> All the statistics tables in this Report include the BCI ranking in the row "BCI ranking (out of 162 countries)".

## GEOGRAPHY ACCORDING TO THE BCI

Sub-Saharan Africa and South Asia are the two regions with the highest concentration of basic needs



More than 7 in every 10 countries with a *Critical BCI* belong to sub-Saharan Africa. This region and South Asia make up 88% of the countries with highest basic needs (*Very Low BCI*).

From a regional perspective, South Asia and sub-Saharan Africa are the areas in the world with the largest percentage of countries in the lowest BCI categories (four of the South Asian countries are in the *Critical* level and two of them rank in the *Very Low* level).

In the sub-Saharan region, half the countries are in the *Critical* level and 36% are at the *Very Low* level in the BCI.

In an intermediate situation are some regions in which there are countries with very diverse behaviours. In Latin America, 11 of the 31 countries with available information have a *Low* or *Very Low* level

in the BCI, all of them in Central America and the Caribbean. Only Chile ranks among the *High* BCI level countries.

Among the East Asia and Pacific countries, five belong to the *Critical* or *Very Low* BCI, while four reach the *High* values in meeting their basic capabilities.

The Northern Africa and Middle East region also has countries with diverse performances. Although four countries have *Very Low* or *Critical* levels, five are in the group of higher BCI level.

More uniform is the performance of Central Asia, where the five countries with available information have *Low* or *Medium* BCI values.

In Europe and North America, the BCI shows *Medium* and *High* values for all of the countries with available information. ■

two categories with higher BCI values (*Medium* and *High BCI*). However, belonging to these groups does not imply a high level of development, but rather meeting the minimum essential requirements in order to progress towards higher levels of well-being.

In the *High BCI* group are the most developed countries and those without major problems to guarantee the satisfaction of the aforesaid capabilities.

### The BCI, a summary indicator for the multiple dimensions of development

The BCI is a summary index that efficiently ranks countries according to the basic dimensions usually associated to social development – and present in the goals pledged by the countries in their international commitments. Each country's ranking in the BCI categories is closely related to the ones

obtained as a summary of the current situation in the various areas of development that Social Watch analyzes based on a wider set of specific dimension indicators.<sup>5</sup> In each one, the situation improves in average as the countries rise in the BCI ranking.

The BCI's usefulness arises from an efficient identification of countries in more critical situations,

enabling a viewing of their situations in relation to their stages of development. According to the analysis shown in the following chapters, it is clearly visible that the group of *Critical BCI* countries have, in average, extreme insufficiencies in all of the social development dimensions assessed by Social Watch. This behaviour explains that the majority of these countries belong to the groups of "worse relative situation" in each of the areas under study. ■

5 Food security; Health; Reproductive Health; Education; Public Expenditure; Information, Science and Technology; Water and Sanitation, and Gender Equity. The tables in this Report assess countries according to the average performance of the set of specific indicators in each development dimension, ranking them among four categories: Countries in a better relative situation within the area, Countries above average, Countries below average, Countries in worse relative situation. For more details on this ranking, see the Methodology section in this Report.

Basic Capabilities Index (BCI) by country*														
CRITICAL LEVEL	PLACE	BCI	VERY LOW LEVEL	PLACE	BCI	LOW LEVEL	PLACE	BCI	MEDIUM LEVEL	PLACE	BCI	HIGH LEVEL	PLACE	BCI
Chad	162	47	Myanmar	136	70	Bolivia	110	80	Kuwait	92	90	Trinidad and Tobago	45	98
Ethiopia	161	49	Togo	135	70	Ecuador	109	81	Suriname	91	90	United Arab	42	98
Rwanda	160	52	Cameroon	134	70	Guyana	108	81	Belize	89	90	Ukraine	42	98
Bangladesh	159	53	Côte d'Ivoire	133	71	Paraguay	107	82	Cape Verde	89	90	Jordan	42	98
Niger	158	55	Burkina Faso	132	71	Gabon	106	82	Botswana	88	90	Bulgaria	41	98
Nepal	157	56	Guatemala	131	72	Cook Islands	105	82	Viet Nam	87	91	Italy	40	99
Burundi	156	56	Honduras	130	73	Tajikistan	103	83	Panama	86	92	Latvia	37	99
Lao PDR	155	58	Comoros	129	73	Azerbaijan	103	83	Mexico	85	92	Barbados	37	99
Equatorial G	154	59	India	128	73	Indonesia	102	84	Turkey	83	92	Belarus	37	99
Cambodia	153	59	Nicaragua	127	73	Peru	101	84	Grenada	83	92	Hungary	35	99
Pakistan	152	60	Benin	126	73	Dominican Republic	96	85	Brazil	82	92	Lithuania	35	99
Guinea-Bissau	151	60	Tanzania	125	74	Vanuatu	99	85	China	81	93	Croatia	33	99
Mozambique	150	61	Senegal	124	74	Namibia	98	86	Iran, Islamic Rep.	80	94	Mauritius	33	99
Yemen	149	61	Zambia	123	74	Syrian Arab	97	87	Tonga	79	94	Slovenia	32	99
Malawi	148	63	Papua New Guinea	122	75	South Africa	96	87	Georgia	78	94	Estonia	28	99
Uganda	146	63	Iraq	121	75	Marshall Islands	95	88	Palau	77	94	Cuba	28	99
Nigeria	146	63	Mauritania	120	76	Egypt	94	88	Albania	76	94	Australia	28	99
Liberia	145	64	Zimbabwe	119	77	Colombia	93	89	Dominica	75	94	Canada	28	99
Madagascar	144	65	Swaziland	118	77				Malaysia	73	94	France	26	99
Mali	143	66	Philippines	117	78				Jamaica	73	94	Czech Republic	26	99
Ghana	142	66	Sao Tome and Prin.	116	78				Venezuela	72	94	Bahrain	25	99
Eritrea	141	67	El Salvador	115	78				Mongolia	70	95	Chile	22	99
Guinea	140	67	Djibouti	114	79				Tunisia	70	95	Poland	22	99
Bhutan	139	69	Maldives	113	80				Algeria	69	95	United States	22	99
Gambia	138	69	Morocco	112	80				West Bank and Gaza	67	95	Ireland	17	99
Lesotho	137	70	Sudan	110	80				Saudi Arabia	67	95	Israel	17	99
									St. Kitts and Nevis	66	95	United Kingdom	17	99
									Romania	65	95	Malta	17	99
									St. Vincent	63	95	Cyprus	17	99+
									Moldova	63	95	Korea, Rep.	6	99+
									Macedonia	62	95	Netherlands	6	99+
									Fiji	61	96	New Zealand	6	99+
									Bahamas	60	96	Greece	6	99+
									Qatar	57	96	Spain	6	99+
									St. Lucia	57	96	Austria	6	99+
									Slovakia	57	96	Belgium	6	99+
									Lebanon	56	96	Switzerland	6	99+
									Kazakhstan	54	96	Germany	6	99+
									Costa Rica	54	96	Denmark	6	99+
									Argentina	53	96	Portugal	6	99+
									Uruguay	52	97	Finland	1	99+
									Armenia	51	97	Japan	1	99+
									Samoa	50	97	Norway	1	99+
									Luxembourg	49	97	Sweden	1	99+
									Oman	48	97	Iceland	1	99+
									Brunei Darussalam	47	97			
									Thailand	45	98			

\* Countries for which there is sufficient information available to construct the index. See the section on Methodology.