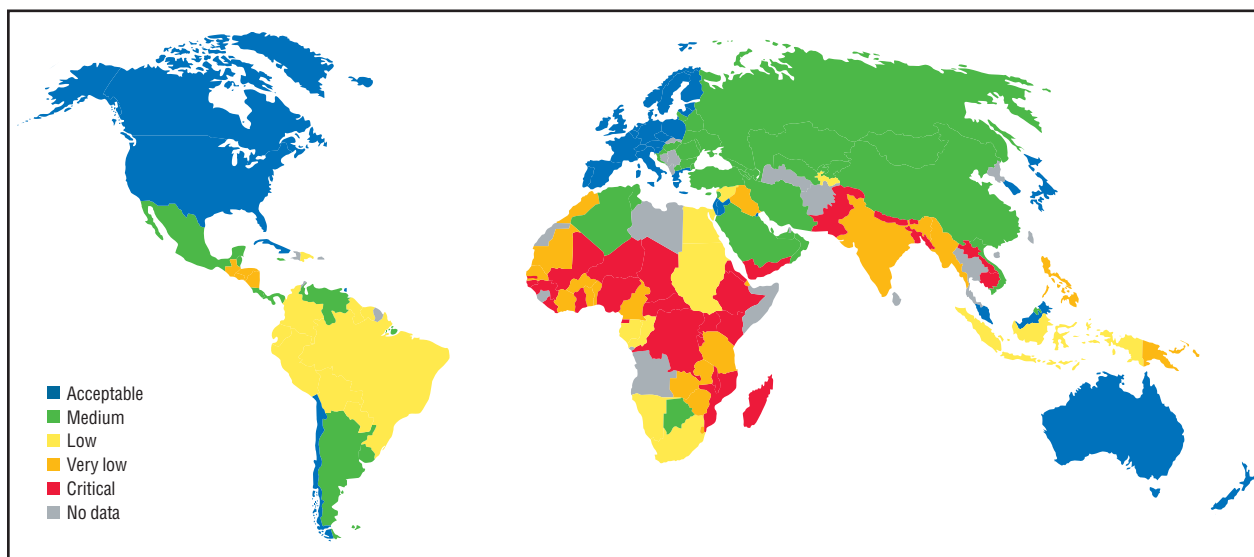


BASIC CAPABILITIES INDEX 2007

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

To reach an acceptable BCI does not imply a high level of social development. It merely signifies that the country has achieved universal coverage of minimum essential needs that are a prerequisite for advancing towards greater well-being. It is a departure point, not the destination. At the present rate of progress Sub-Saharan Africa will only arrive at this departure point in 2108. This is 93 years after the target date of 2015 set by the world leaders in 2000 to achieve basic social development goals. South Asia, with its significantly greater rate of progress, will only be arriving there 47 years after the Millennium Summit. And, except for Europe and North America, no region will be able to reach this minimum base level in less than 20 years if current rates of progress do not improve.



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 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 25 countries are in a *critical* situation

(Table 1). 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.¹ 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 United Nations Development Programme ranking based on the Human Development Index, which combines income figures with health and education related in-

dicators. The BCI is comparatively easier to build 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 fifth 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

1 The BCI is based on 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).

TABLE 1. BCI and BCI evolution by countries' BCI level

CRITICAL LEVEL			VERY LOW LEVEL			LOW LEVEL			MEDIUM LEVEL			ACCEPTABLE LEVEL		
Country	BCI	BCI Evolution	Country	BCI	BCI Evolution	Country	BCI	BCI Evolution	Country	BCI	BCI Evolution	Country	BCI	BCI Evolution
Gambia	69.7	→	El Salvador	79.8	→	Egypt	89.8	→	United Arab Emirates	97.9		Japan	99.9	→
Bhutan	69.1		Iraq	79.0	→	Brazil	89.1	←	Croatia	97.4		Sweden	99.9	→
Lesotho	68.5	←	Djibouti	78.3		Tuvalu	88.7		Brunei Darussalam	97.4		Austria	99.8	→
Guinea	68.4	→	Morocco	78.1	→	Colombia	88.7	→	Lithuania	97.4		Belgium	99.8	→
Kenya	68.3	→	Sao Tomé and Prin.	77.8		Kiribati	88.1		Hungary	97.3		France	99.8	→
Eritrea	66.9	→	Philippines	77.3	→	South Africa	87.2		Belarus	97.2		Germany	99.8	→
Ghana	66.4		Swaziland	76.9		Syria	87.0	←	Luxembourg	97.1	←	Greece	99.8	→
Mali	65.8	→	Côte d'Ivoire	76.9	→	Maldives	86.4	→	Oman	97.0	→	Spain	99.8	→
Yemen	63.8	←	Zimbabwe	76.3	←	Peru	86.0	→	Qatar	97.0		Switzerland	99.8	→
Madagascar	63.5	→	Honduras	76.3	→	Namibia	85.8	←	Samoa	97.0		Denmark	99.8	
Uganda	63.0	→	Mauritania	75.3	→	Tajikistan	85.7		Bulgaria	96.9	→	Finland	99.8	
Nigeria	62.8		Zambia	74.6	→	Paraguay	85.5	→	Russian Federation	96.8		New Zealand	99.8	→
Malawi	62.8		Nicaragua	74.0	→	Suriname	85.4	←	Ukraine	96.8	→	Iceland	99.8	
Mozambique	60.8		Benin	73.3	←	Vanuatu	85.1	←	Macedonia	96.5		Israel	99.8	
Pakistan	60.4	→	Myanmar	73.1	→	Dominican Rep.	84.9	←	Romania	96.3		Portugal	99.7	→
Cambodia	59.1	←	Papua New Guinea	72.9	→	Indonesia	84.9	→	Costa Rica	96.2		Norway	99.7	
Equatorial G.	58.9	←	Comoros	72.5		Gabon	81.9	→	West Bank and Gaza	96.0		Ireland	99.7	
Lao, PDR	58.0	→	Senegal	72.2	→	Guyana	81.2	←	Moldova	96.0	←	Netherlands	99.7	
Bangladesh	57.1		Guatemala	71.7	→	Sudan	81.0	←	St. Lucia	95.9	←	Poland	99.6	
Burundi	56.4	→	India	71.3	→	Ecuador	80.8		Lebanon	95.9	→	Malta	99.6	
Nepal	54.8	→	Burkina Faso	71.1	→	Bolivia	80.2	→	Mongolia	95.8	→	Cyprus	99.6	
Niger	54.6		Togo	70.2		Congo, Rep.	80.0		Kyrgyzstan	95.7		United Kingdom	99.5	→
Rwanda	51.3	→	Cameroon	70.2	←				Armenia	95.6	→	Czech Republic	99.3	
Ethiopia	50.3	→	Tanzania	70.0	→				Uruguay	95.4		Chile	99.3	
Chad	43.0	←							St. Vincent and Gren.	95.3	→	Bahrain	99.2	
									Albania	95.1	←	Canada	99.2	→
									Georgia	95.0		United States	99.2	→
									Kazakhstan	94.9		Korea, Rep.	99.2	
									Algeria	94.8		Estonia	99.2	
									Saudi Arabia	94.7		Slovenia	99.1	→
									Tunisia	94.6	→	Australia	99.1	→
									Jamaica	94.6	→	Latvia	99.0	→
									Venezuela	94.3		Cuba	99.0	
									Dominica	94.3		Kuwait	98.7	→
									Marshall Islands	94.1		Italy	98.7	
									Mexico	94.0	→	St. Kitts and Nevis	98.7	→
									Tonga	94.0		Fiji	98.6	→
									Argentina	93.7	←	Mauritius	98.6	
									China	93.0	→	Jordan	98.6	→
									Grenada	92.3	←	Barbados	98.5	→
									Cape Verde	92.1		Malaysia	98.1	
									Turkey	91.6	→	Trinidad and Tobago	98.0	
									Panama	91.5				
									Iran	91.3	←			
									Azerbaijan	91.2				
									Botswana	91.1	←			
									Belize	91.0	→			
									Viet Nam	90.0	→			

References: ← Significant regression ← Slight regression || Stagnant → Slight progress → Significant progress

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 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). 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.

Recent evolution: growing gaps

The evolution of the BCI in each country since 2000² 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 seven 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).

2 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%).

TECHNICAL NOTES: BCI DESIGN IN COUNTRIES

Indicators that make up the BCI:

- Percentage of children in the first grade who reach the fifth grade
- Mortality among children under five
- Percentage of births assisted by skilled health personnel

To increase the number of countries, values were assigned for the indicators where information was lacking. This was done by assigning the average value of that indicator for the group the country was in as defined by its current situation in the thematic area in question.

The BCI was calculated using the non-weighted average of the original values of the three indicators in question (in the case of infant mortality a lineal transformation was previously applied to the indicator). To simplify the calculations all three indicators were given the same weight.

Child health is represented as I1 = (100 - M), where M is the under-5 mortality rate (expressed as a percentage) or the probability of death in the first five years of life expressed as per 1,000 live births.

Education is represented as I2, where I2 is the rate of school retention or the percentage of children enrolled in the first grade who reach the fifth grade in the required number of years.

Reproductive health is shown as I3, where I3 is the percentage of births assisted by skilled health personnel (doctors, nurses or midwives).

The Basic Capabilities Index value for a particular country is obtained by taking a simple average of the three components:

$$BCI = (I1 + I2 + I3) / 3$$

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
Total	24	22	21	46	43	156

TABLE 3. BCI change by region (%)

Region	BCI 2007	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

Critical level

Countries with a critical BCI show serious difficulties in all of their social development dimensions. On average, only one every three 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. On average, each year 142 out

of 1,000 children die before the age of five. Niger's situation is extreme, since each year one out of four children dies before the age of five. Education indicators show a similar scenario. In countries with a critical BCI, slightly more than half the children that start school remain in the education system until they reach fifth grade. Other indicators, such as enrolment rates, show other educational needs,

which compromise future chances of progressing toward higher development levels.

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 lowest average (South Asia, with 66).

Recent evolution has been very important in South Asian countries. This evolution is taking 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 (4.8%) their situation continues to be extremely critical (Table 3).

The situation of Sub-Saharan Africa is also critical since its BCI amounts to 70.6, while its average evolution does not forecast 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 an acceptable 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, on 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).

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. This is a race with hurdles hard to overcome if the international community's commitments are not honoured. ■

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		

ON THE EVOLUTION OF THREE 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 five 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 one in five women were attended 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 eight out of ten 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 1,000 births to 48 (1993-1995 to 2001-2003). 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 2005).

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 programmes for girls, compulsory female teachers in primary schools, tax exemptions for women when buying land, prohibition of socio-cultural discriminatory practices, affirmative action 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 2003-2004) this figure dropped to 31%. Probable reasons for this decline were: remittance-supported consumption, increased income from agricultural labour, a massive increment in the economically active population, rapid urbanization, and an increase in non-farm incomes (CBS/World Bank 2005, UNDP Nepal 2005).