

POLICY DIALOGUE – INEQUALITY AND THE OBSTACLES TO HUMAN DEVELOPMENT IN THE SOUTH EAST ASIA REGION

VENUE: SINGAPORE

DATE: 28 July 2011

SCOPE: ASEAN

1. BACKGROUND

The 20th anniversary edition of the UNDP Human Development Report 2010 (HDR 2010) was launched globally on 4 November 2010 in New York by UN Secretary-General Ban Ki-Moon together with Ms Helen Clark, UNDP Administrator and Nobel Economics Laureate, Prof. Dr. Amartya Sen. Simultaneous launches took place in capitals around the world. In Toronto, UNDP co-organized the HDR launch with the International Development Research Centre (IDRC). The findings of the HDR and the related policy implications of the HDR has been widely covered by the media including by the Economist, New York Times, BBC and by media organizations across the globe.

The HDR 2010 examines Human Development data trends over the last 4 decades and refines the original Human Development Index (HDI) with new databases and methodologies and introduces three new measures – the *Inequality-Adjusted Human Development Index*, the *Gender Inequality Index* and the *Multidimensional Poverty Index*. These state-of-the-art measures incorporate recent advances in theory and measurement and support the centrality of inequality and poverty in the human development framework. The new Multidimensional Poverty Index (MPI) which was developed by the Oxford Poverty and Human Development Initiative (OHPI) with UNDP support is designed to provide a more comprehensive picture of acute poverty on the household level than traditional ‘dollar-a-day’ formulas. UNDP introduced these new measures with the intention of stimulating public debate beyond the traditional focus on aggregates.

The 2010 edition of the HDR has found that within the last four decades there has been increasing inequality— both within and across countries— as well as production and consumption patterns that have increasingly been revealed as unsustainable. Progress has varied, and people in some regions have experienced periods of regress, especially in health. New vulnerabilities require innovative public policies to confront risk and inequalities while harnessing dynamic market forces for the benefit of all. The report concludes that many challenges lie ahead. Some are related to policy: development policies must be based on the local context and sound overarching principles; numerous problems go beyond the capacity of individual states and require democratically accountable global institutions. There are also implications for research: deeper analysis of the surprisingly weak relationship between economic growth and improvements in health and education and careful consideration of how the multidimensionality of development objectives affects development thinking are just two examples.

On the regional findings, the HDR 2010 notes that countries such as Singapore continue to rank in the very high human development category, and those that are rapidly progressing - countries such as Indonesia and Lao PDR are among the best performers as measured by the HDI in recent decades¹. At the same time there are wide disparities within and across countries – for example Cambodia and Lao PDR are affected by insufficient progress in child malnutrition and primary school completion². More

¹ UNDP 2010. *Human Development Report 2010 - The Real Wealth of Nations: Pathways to Human Development*. New York: Palgrave Macmillan

² UNESCAP, ADB and UNDP. 2010. *Asia-Pacific MDG Report 2010/11 - Paths to 2015: MDG Priorities in Asia and the Pacific*. Bangkok: UNESCAP

inclusive economic growth, social protection, closing gender gaps and responding to the increasing threats of climate change are widely seen as key drivers for sustained human development.

2. INITIATIVE

UNDP will be organizing together with the Institute of Southeast Asian Studies (ISEAS), which also houses the ASEAN Studies Centre, and the International Development Research Centre (IDRC) Regional Office for South East and East Asia a regional policy dialogue titled *"Inequality and the Obstacles to Human Development in the South East Asia Region"*. The overall objective is to promote human development approaches to inform policy development in the South East Asia region. The event is proposed to take place in Singapore in the first half of 2011.

The event will feature a policy round-table discussion centred around the Human Development Report 2010 on the issues of inequality in the South East Asia region. It is proposed that the event will feature a keynote address from the ASEAN Secretariat. The event will also discuss the new methodologies and measures introduced by UNDP through HDR 2010 and the findings for the South East Asia region and also allow some discussion on the appropriateness and relevance of the Multidimensional Poverty Index as a development planning tool for countries and development partners in the South East Asian region.

The event presents a strategic opportunity for UNDP, ISEAS and the International Development Research Centre to facilitate a regional dialogue on the trends of human development in the ASEAN region in the last 40 years and share common concerns and strategies on moving forward. This event would build on UNDP – IDRC partnership established through the joint 2010 HDR launch event in Toronto, Canada at the global level on 4 November 2010 as well as other UNDP initiatives with ASEAN.

3. PARTICIPANTS

The event will involve the participation of approximately 20 stakeholders from governments, civil society, academia and research institutions from ASEAN countries or those with expertise on ASEAN countries.

4. PROGRAMME STRUCTURE: (09.00AM-17:00PM)

Session 1: Human Development Report (HDR) 2010 Presentation: *The development trends and progress over the last 40 years – with a regional perspective.*

Session 2: Moderated Open Dialogue: Inequality Adjusted Human Development Index (IAHDI) and Multidimensional Poverty Index (MPI) Presentation: *IAHD and MPI and lessons learned from the 104 countries included in the sample. Briefing of experiences by government representatives on human development and multi-dimensional poverty tools used in their countries for national planning.*

Session 3: Moderated Discussion on Lessons for ASEAN and the Way Forward: *Discussions on the development of the MPI, lessons learned for policy-makers in ASEAN and the challenges of measurement. Roadmap for future engagement.*

5. OUTPUT

This event is an opportunity for policy advocacy that is intended to promote greater awareness and sharing of experiences among senior decision makers on addressing inequality within the region by addressing the obstacles to human development.

The meeting will produce an executive summary report which will contain:

1. a set of recommendations for the consideration of the ASEAN secretariat on the analysis of the trends and progress of human development in the region; and
2. a set of policy recommendations for the further deliberations and potential follow up of ASEAN member countries and respective development partners, particularly on the development of a country specific Inequality Adjusted Human Development Index (IAHDI) as well as a Multidimensional Poverty Index (MPI).

The executive summary report will be published and distributed to all relevant partners and policy makers in ASEAN for their information and consideration for further action.