

HAQ, MAHBUB UL (1934 – 1998)

Mahbub ul Haq was one of the most influential economists of his time. He contributed to putting human priorities – equity, poverty, education, health, peace, employment, equal rights of women, political freedom and social justice – on the agenda of development strategies. He was a visionary who led his life as a mission, challenging entrenched power structures. He deployed the tools of economics – concepts, data and analysis – with immense creativity, coupled with personal powers of persuasion to influence policies in his own country and elsewhere. He is best known for having created the concept of human development and the Human Development Index.

### **Evolution of life and work**

Mahbub ul Haq was born on 22 February 1934 in Jammu. His father was a school teacher who valued learning and independent thinking. Mahbub received his first BA in Economics from Government College, Lahore, Pakistan, after which he took a second BA at Cambridge University. There, fellow students first thought Mahbub shy. But they soon realised that they were utterly mistaken. In his soft voice, he began to take on Harry Johnson on trade cycle theories, Nicholas Kaldor on the relevance of expenditure tax to finance a welfare state for Pakistan, and Joan Robinson on the Maoist model. After Cambridge, Mahbub went on to Yale University to study for his doctorate (Sen, 1998).

Mahbub returned to Pakistan in 1957 at the age of 23, to join the Planning Commission of Pakistan. This experience deepened his appreciation that the real obstacles to progress lay in widespread poverty, illiteracy and ill health, concentration of wealth, the counterproductive regulations to which the political elites were wedded. Yet in those days, he was an unreconstructed growth man (Streeten, 2004). He wrote: ‘The underdeveloped countries must consciously accept a philosophy of growth and shelve for the distant future all ideas of equitable distribution and welfare state. It should be recognized that these are luxuries which only developed countries can afford’ (Haq, 1966, p. 30). This was written under Ayub Khan’s military regime which was in power between 1958 and 1969. Later he wrote: ‘I expressed my views with a certain exuberance

which is the privilege of youth, arguing that GNP growth must supersede all other goals. Though I have written much else since then, my detractors have seldom allowed me to forget my original writings, perhaps believing that evolution of ideas is an unforgivable sin' (Haq, 1976 p. 8).

His experience with practical planning led to his first book, *The Strategy of Economic Planning*, published in 1963. This was a major contribution to development studies, which contained one of the first systematic accounts of the widening economic gulf between East and West Pakistan – an issue that would receive much attention soon afterwards (Haq, 1963).

In 1970, still in his 30s, Mahbub joined the World Bank, where he soon became a close friend and influential adviser to Robert McNamara. He crafted McNamara's famous 'Nairobi speech' – the 1973 Presidential address that brought poverty to the forefront of the agenda of the World Bank and consequently of international development more generally. Mahbub's attention focused on poverty and inequality both across and within countries as a central moral issue of the time. His second book, *The Poverty Curtain: Choices for the Third World*, published in 1976, provides a graphic, disturbing, picture of two worlds – 'one embarrassingly rich and the other desperately poor' – separated by what he termed *the poverty curtain* (Haq, 1976). The book argued that growth strategies adopted in most developing countries enriched the elite and failed to benefit the masses. He then set out to define new development strategies for a direct attack on mass poverty, with fundamental reforms in national and international economic systems. The following book, *First Things First*, which he co-authored with Paul Streeten and others, put forward meeting the basic needs of all people as a central objective of development (Streeten et al, 1981). The Basic Needs Approach became an influential concept in shaping policy agendas of national governments and donor programmes of the 1970s.

In 1982 Mahbub returned to public life in Pakistan, first as Deputy Chairman of the Planning Commission, then becoming Minister for Planning and Development in 1983 and Minister for Finance, Planning and Economic Affairs in 1985. During this time, he

was quite frustrated; the feudal landed gentry, the elite class, the bureaucracy, and military rule were major barriers to his reform agenda.

But these frustrations did not stop Mahbub from extending the frontiers of his creative thinking and influence as he turned to international debates. The 1980s was a time when developing countries faced economic crises of growing debt and sharp declines in world commodity prices. Leading economists, the World Bank and the IMF argued for macroeconomic balances and structural adjustments as key priorities for developing countries. Mahbub played a pioneering role in the North-South Roundtable that sought an alternative to these policies. The Roundtable brought together leading progressive economists of the North and South starting with Barbara Ward, his mentor since Cambridge days, as well as Richard Jolly, Paul Streeten, and Lal Jayawardena, who met annually for open debate on global policy challenges and policy choices. It was through this process that many of the ideas that came to be defined as of human development were articulated. Central to these debates was the idea that development was about people, and that improvements in human living conditions and life chances can be improved quite dramatically and rapidly even in poor countries through properly targeted social intervention, and did not depend entirely on growth of GDP.

In 1989, Mahbub persuaded William Draper III, the UNDP Administrator, to sponsor the *Human Development Report*, as an alternative to the World Bank's *World Development Report* that monitored development trends and identified key global challenges. Mahbub asked Bill for one condition – freedom. Mahbub brought together a group of powerful economists and friends, notably – Amartya Sen, Frances Stewart, Gus Ranis, Keith Griffin, Sudhir Anand and Meghnad Desai. The Report was a daring venture. Not only did it argue that the ultimate end of development was to improve human well-being and economic growth was only a means, the Report made the argument on the basis of frank and objective analysis of development failures and successes (Haq, 1995a). This was unprecedented in UN reports that scrupulously avoid criticising governments. The report dared to rank countries by the Human Development Index (HDI) that estimated the progress of a country in expanding the capabilities that individuals have to lead lives to

their full potential (Anand and Sen, 1994; Haq, 1995b; Jahan, 2002). Governments were alarmed, yet the vast majority of delegates applauded the initiative, welcoming an analytical report that was objective rather than ideologically or politically mandated, and that provided valuable information, analysis, and policy options. The Report survived the controversy and a UN General Assembly resolution in 1994 endorsed its editorial independence. By the time Mahbub returned to Pakistan in 1996 to establish the new Human Development Centre in Islamabad, he had the satisfaction of seeing that the Human Development Report's were already well-established and well-respected across the world.

Mahbub ul Haq passed away on 16 July 1998, at the age of 64, leaving behind his wife, Khadija Haq, an accomplished economist, and two children – Toneema and Farhan.

### **Human development: concept, measurement, and development strategies**

Mahbub's goal in creating the *Human Development Report* and the HDI was to advocate a new development paradigm that recognised that the ultimate purpose of development was to improve peoples' lives, and that economic growth is only a means to this end. The concept of human development is simply defined as a process of enlarging choices. It builds on Mahbub's earlier work on Basic Needs. But human development is also a more elaborate and complete framework that is an attempt to apply the ideas about capabilities and functioning that the economist and philosopher Amartya Sen had been developing at the time. Human beings have and can expand their capabilities – and freedoms – to be and do what they value in life. Development is about expanding these capabilities to allow people to have more choices and freedoms to live full lives (UNDP, 1990; Sen, 1989). The *Human Development Reports* developed a body of concepts, measurement tools and policy strategies that operationalised Sen's ideas about development as expansion of capabilities and freedoms that formed a 'human development approach' to development (see Fukuda-Parr and Kumar, 2003; Fukuda-Parr, 2003).

Mahbub was a masterful communicator, able to explain complex concepts in simple terms. He explained human development as development *of, for, and by* the people. It is

about the development of people's capabilities through investing in their health and education. It is development for people where the benefits of growth are translated into the lives of people, of all people, rich and poor, men and women. And development is about action by people themselves to influence the processes that shape their lives whether it is economic entrepreneurship or political pressure for gender equity and social justice.

Mahbub used the power of numbers to persuade as well as to analyse the importance of economic trends that required priority attention. Quantitative information was a cornerstone of the *Human Development Reports*, which presented indicators of the many dimensions of human lives, in innovative ways, such as gender gaps in education, urban-rural divides in access to healthcare, north-south gaps in income, or contrasts between expenditures for education versus arms. He was also convinced that there was a need for a summary measure to monitor progress in 'human development' in contrast to GDP per capita. Amartya Sen recounts how he argued against this idea but was in the end persuaded by it, and agreed to help Mahbub develop the HDI, a composite measure that includes adjusted income, literacy, education and life expectancy and that ranks countries. This would be the only way to 'break the dominance of the GNP'. Otherwise, people will look at the multitude of human development indicators but would go back to GNP to assess progress (Sen, 1998).

The HDI had considerable impact on drawing the attention of Presidents, Ministers of Finance, journalists and others to their countries' literacy levels, educational attainment, child mortality and such social indicators that have been around but ignored over years. It led countries to do more – like Egypt to make their own analysis and give greater priority to girls' education; or Brazil to develop an HDI for each of the municipalities of the country, and develop major anti-poverty programmes to redress the vast disparities that exist within the country.

Mahbub was concerned with the importance of measuring inequality and political freedom in assessing the progress of human development. He made several attempts to

track these trends by supplementing the basic HDI with other measures, namely, the income adjusted HDI, gender adjusted HDI, human poverty index (HPI), gender empowerment measure (GEM), political freedom index, and human freedom index. While the gender and human poverty measures were successful, the distribution adjusted HDI and the freedom indexes contained technical weaknesses that could not be overcome (UNDP, 1993; 1994; 1995; 1997).

In addition to the HDI and associated measurement tools, the *Human Development Reports* 1990-96 created by Mahbub contained a wealth of innovative ideas on a wide range of policy issues. They include concepts such as *jobless growth* (1993) – economy grows through productivity gains, but without resultant job increases or benefits of growth being translated into the lives of poor people; *human security* (1994) – security is about people's lives and so should focus on defending people, not national borders and should extend to securing jobs, health, environment, personal safety and so on. Mahbub also used the *Human Development Reports* quite effectively during the early 1990s to put forward some of his innovative policy proposals. The 20:20 proposal, asked for 20 per cent of domestic resources and 20 per cent of official development assistance to be devoted to basic social services. He revived the idea of the Tobin Tax as a means for generating resources for human development in the developing world. He also talked of using the *peace dividend* for human development and proposed the creation of a global fund. He suggested major reforms in global institutions such as the creation of a global central bank or the Economic Security Council so that economic and social crises – such as HIV/AIDS pandemic – would receive the same attention as political security issues. He did not hesitate to call for change in the policies of governments, including those of the most powerful – such as in the closed markets of Europe and the US to developing country goods, the arms sales of the P-5 countries that fuel violent conflicts, the gender inequalities in Japan.

Mahbub believed that the ideas presented in the global *Human Development Reports* had to be translated into national contexts. He piloted the National Human Development Reports in four countries in 1991. Today nearly 300 National Human Development

Reports have been produced in more than 120 countries. All these national reports have become important documents for national policies and strategies, for serving as a depository of innovative data and also crucial advocacy tools.

Before his premature death, Mahbub published two Human Development Reports for South Asia and started work on a third under the Human Development Centre in Islamabad. These reports, especially the third one on governance that was completed and published posthumously, boldly raised issues such as corruption and flaws in the functioning of democratic institutions. In the year he died, Pakistan and India undertook nuclear tests and the conflict over Kashmir flared up, while efforts to resolve sectarian violence in Sri Lanka and elsewhere were stymied. Mahbub ardently worked towards persuading politicians to join together to fight poverty rather than engage in self-destructing conflicts.

### **Mahbub the visionary**

Mahbub's vision was a world where, as he often used to say: security would be reflected in the lives of the people, not in the weapons of the countries; poverty would be tackled not as a mere flu, but as a body cancer; gender equality would not receive a band-aid approach, but would be mainstreamed; people would be empowered to guide both the state and the market, both of which, in the last analysis, must serve the interests of the people; poor nations would get an equitable access to global market opportunities, not charity; and peace and development would co-exist (Haq, 1993).

*'In decades ahead'*, Mahbub wrote, *'it is battle on freedom from want that will continue to challenge our most creative energies'* (Haq, 1993, p.3). For Mahbub the primary means to achieve change were ideas – *'Ideas were the prime movers of history; revolutions came thereafter'* (Haq, 1976, p.11). He believed that the evolution of a new idea had three stages: the first stage is characterised by organised resistance; the second stage could be described as widespread and uncritical acceptance of new ideas; and the third stage is where there is a critical evaluation of ideas and their practical implementation.

Courage was another crucial element in changing the world. In his final book, *Reflections on Human Development*, a collection of essays published in 1995, Mahbub wrote, ‘Throughout the time I have been associated with the production of the Human Development Reports, I have realized that what endeared them to the world was their raw courage, their ability to state facts professionally, but honestly, their refusal to make any intellectual compromises with institutional constraints’ (Haq, 1995a, p.11).

Mahbub was open minded, always ready to take on new ideas, and was excited to launch new ideas which would develop into ‘an intellectual journey’ as they would generate debate, and through that process, be strengthened or dropped. He kept a plaque, which said, ‘It is too late to agree with me, because I have already changed my mind’.

He had trust in hope and the vision of common people, because human progress towards social justice was ultimately won by the efforts and struggles of people. From the fall of the Berlin wall to the end of apartheid in South Africa, the unthinkable was happening as a result of people taking action in their own hands. He saw nothing good in pessimism and he used to say that pessimists should not be in the development business. Most people see things as they are and say ‘why’; but Mahbub was one of those few people who dreamed things that never were and ask ‘why not’.

### **Mahbub: the human being**

In his personal life, Mahbub was dedicated to his family. Khadija, his wife, was a constant intellectual companion and an integral part of what he accomplished in his life. He was very proud of his children – Toneema and Farhan. To his many friends, he was a pillar of strength, grace and consideration.

Mahbub valued knowledge, wisdom and honesty. He once said that, ‘Honesty is a gift that only friends can give to friends’. In the dedication of his last book, *Reflections on Human Development*, he wrote ‘To Toneema and Farhan, Let knowledge be your sword and wisdom be your shield’. Mahbub was a fighter who loved challenges.

Mahbub was very fond of poetry. His book *An Elusive Dawn* (1985) is a translation of works of Faiz Ahmed Faiz, the famous Pakistani poet and won critical acclaim, including from the poet himself. His two favourite poems were ‘*Do we dare?*’ by T. S. Elliot and ‘*The Road Not Taken*’ by Robert Frost. Mahbub’s life was about daring to disturb the world and take the road less travelled to change the world for humanity, and correct injustices.

Paul Streeten says that human beings are either a mollusk or a mammal. Mollusks are hard on the outside, unyielding and tough, but soft and musky underneath. Mammals are soft, warm and yielding outside, but firm inside held together with a strong backbone. Paul describes Mahbub as a quintessential mammal, whose gentle appearance concealed a tenacity and strength of character that was the core of the life he led as a mission.

Mahbub often said to his friends, ‘*in the ultimate analysis, human destiny is a choice, not a chance*’ – whether in his personal life or in his life as a public official this belief defined the way Mahbub ul Haq approached all challenges. It was by choice that he stood against sectarianism and bigotry, and fought for public intervention to promote peace, security and human well-being. In every aspect of life, Mahbub never let chance dictate his choices.

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