Human development and decent work: why some concepts succeed and others fail to make an impact

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Human Development and Decent Work: Why some Concepts Succeed and Others Fail to Impact the Development Literature

Kirsten Sehnbruch, Brendan Burchell, Nurjk Agloni and Agnieszka Piasna

ABSTRACT

This article examines the impact of the International Labour Office’s (ILO) concept of Decent Work on development thinking and the associated literature. We attempt to answer the question of what makes a development initiative successful by comparing the decent work approach to the United Nation Development Programme’s (UNDP) Human Development concept (in conjunction with the human development indicator). We consider that the latter has been one of the most successful development concepts ever to have been launched, while the impact of decent work by comparison has been limited. Our hypothesis relating to the question of what makes a development initiative successful has three fundamental components: first, a solid theoretical foundation has to justify the launch of a development concept. A second vital factor is the availability of sufficient national and internationally comparable data that enables researchers and policy makers alike to apply the concept, preferably by means of a synthetic indicator. Third, the political will and institutional structure of the development institution that launches a concept is a key factor, particularly if data availability is limited as countries then have to be persuaded to generate new data.

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INTRODUCTION

[Decent Work] gives new public relevance to the facilities the International Labour Office (ILO) provides to the international community. ... However, the ILO has to overcome two persistent problems. The first is an institutional tendency to generate a widening range of programmes without a clear set of operational priorities to organize and integrate their activities. This has diluted the ILO’s impact, blurred its image, reduced its efficiency and confused the sense of direction of its staff. ... The decline of ideology and class conflict, the multiplication of social interaction beyond the workplace, and the trend towards enterprise-level bargaining, have all led to a greater fragility of consensus among the ILO’s tripartite membership. It has meant that, while constituents have strong interests in individual programmes, there are not many which attract active support and widespread commitment from all three groups. An ILO without internal consensus is an ILO without external influence.


In 1990, the United Nations Development Programme (UNDP) launched its first Human Development Report, which included a statistical appendix that introduced the Human Development Index. Within a few years human development became an influential academic discipline in its own right which generated a host of institutions, academic research and publications dedicated to furthering its goals.

By contrast, the International Labour Organization’s (ILO) concept of decent work was launched in 1999 based on an elaborate and extremely broad definition without any accompanying internationally comparable statistics. More than ten years later, decent work has had very little real impact on the international development or labour market literatures, and has generated no institutions dedicated to the study of the concept that are independent of the ILO.

This article examines which factors have contributed to the relative success or failure of human development and decent work in the context of development thinking and the associated literature. We consider that the human development approach illustrates why the decent work approach was relatively unsuccessful in this context, while decent work in turn explains why human development has had a significant impact. However, we would like to state explicitly that this article is limited to the analysis of the two approaches in terms of their impact on development thinking and the associated academic literature.
Another interesting question would be to consider their impact on public policy, international political debates, and on policy making in individual countries. Unfortunately, the scope of such a study would be almost unlimited and methodologically even more difficult to carry out than the study presented in this article. We have therefore restricted our analysis to a more limited subject for practical reasons, but also because historical evidence shows that a solid theoretical foundation is a good predictor of the long-term impact and sustainability of a development concept (Ward, 2004).

In addition, this comparison allows us to engage in a discussion of the relative merits of synthetic and dashboard indicators, although the two, of course, can perfectly well be complementary and do not necessarily have to be mutually exclusive. It is extremely important to understand the factors which determine the relative success or failure of development concepts as these not only determine the focus of international development institutions, but can also significantly influence the international development agenda (Ramos and Acosta, 2006; UNDP, 2004, 2006).¹ Our conclusions are relevant for the development context in general, especially at a time when environmental development indicators that penetrate the public consciousness need to be produced (Fitoussi et al., 2010).

The focus of this article is on a question that many readers will be able to answer intuitively, but that is nevertheless difficult to answer with any degree of precision. We use a mixed methodology that is based on a cybermetric analysis and fifty qualitative interviews with UN officials and development experts to provide as systematic an analysis as possible of the available evidence.² Our hypothesis relating to the question of what makes a development initiative successful has three fundamental components: first, a development concept requires a solid theoretical foundation that justifies its launch. A second vital factor is the availability of sufficient national and internationally comparable data that enables researchers and policy makers alike to apply the concept,

¹ We should perhaps add to this point that development approaches also use up significant resources. If the approach has little impact, much money is being wasted that could probably be better spent on other development priorities.

² This article is based on fifty interviews: half of them were undertaken with high-ranking officials from the ILO (in Geneva and three regional offices), and the other half with officials from the UNDP, other UN institutions, policy makers, EU officials and academic experts.
preferably by means of a compound or synthetic indicator. Third, the political will and determination as well as the institutional structure of the development institution that launches a concept is a key factor, particularly if data availability is limited and member countries have to be persuaded to generate new data.

This article proceeds as follows: we begin with an introductory discussion of the relative impact of the two approaches to illustrate the extent to which one has been more successful than the other. Next, we examine the conceptual and methodological differences between generating a coherent approach to measuring human development as compared to employment and labour market characteristics. We continue by comparing the theoretical frameworks that underlie decent work and human development, then analyse the institutional evolution of these approaches, and finally their empirical foundations. To conclude, we discuss the implications of our findings for policy makers.

However, before we begin, a discussion of the question whether it is fair to compare the human development approach with decent work is warranted. The most glaring difference between the two approaches is obviously that human development is a comprehensive approach to development, which has the objective of re-focusing development priorities on human issues, such as health and education. Decent work, of course, focuses mainly on employment-related issues. However, like human development, it also intends to change policy priorities within its field. The impact of human development on development issues in general, and on the relevant academic literature in particular, should therefore be relatively comparable to the impact of decent work on employment-related concerns as well as on the relevant academic literature.

We must also consider that the UNDP is a relatively small UN body with a limited budget, while the ILO is a significantly larger institution with more resources. In theory this puts the ILO at an advantage, which becomes apparent below when we discuss the results of our research methodology. Conversely, the UNDP is at an advantage in the comparisons we make in this article if we consider that the human development approach was launched ten years before the ILO’s decent work approach. However, since our methodology described below relies mainly on impact that can be observed through internet searches, this point seems to be irrelevant as the internet was not yet a widely used tool during the years following the launch of the human development approach.
There are further methodological differences between the two approaches that will be discussed below. However, overall, we therefore consider that it is fair to compare the two approaches, as long as we consider only their impact on the fields that they purported to influence.

Bearing these restrictions in mind, our most important conclusion is that the failure of decent work to penetrate the academic literature and public policy debate has contributed to the neglect of labour-market concerns on the development agenda. Unlike human development, which has established a credible alternative to the lingering influence of the Washington Consensus, the decent work approach has merely provided policy makers with a rhetorical mantra, but not with a specific policy agenda. Labour markets all over the world, but especially in Latin America, have therefore been flexibilized to the extent that this was politically possible, and then left very much up to their own devices.3

THE IMPACT OF THE HUMAN DEVELOPMENT AND DECENT WORK APPROACH

Any impact evaluation of concepts such as human development and decent work faces important methodological challenges. First, we have to ask whom a particular development approach intends to impact. Second, there is the more complex question of how one defines and measures impact. Third, even once this methodology has been defined, we have to confront the problem of the limited amount of data available for such analysis and that search mechanisms cannot yet be filtered in the most appropriate way.

In terms of their intended influence, both the human development and the decent work approach first of all anticipated impacting their own institutions by serving as an organizing principle, as the opening quote of this article illustrates for the ILO.4 As

3 We use the term ‘Washington Consensus’ in this context to refer to its broader formulation propagated by the Washington based International Development and Financial Institutions, and the US Treasury (particularly for Latin America), as opposed to John Williamson’s original formulation, which does not include labour markets in its list of recommendations (Snowden, 2001; Williamson, 2004).

4 The opening quote was confirmed by the former Director General of the ILO, Juan Somavía, after his retirement from the position during 2013. According to Somavia, the decent work
regards the UNDP, one of its officials put it this way: ‘At the time when the Human Development reports were being launched, the UNDP was a small development institution that was on its way to becoming irrelevant. It had to find a new direction that would make it useful to the world’.  

By extension, the concepts decent work and human development also intended to serve as an organizing principle for other UN institutions in their discussions of human development and labour markets. Beyond the UN itself, both concepts clearly also intended to impact public policy making in both developed and developing countries (ILO, 2010a; UNDP, 2004, 2006). Where the two concepts differ is probably in their relationship with the academic community. In the case of human development, the approach was born out of decades of both institutional and academic work, while decent work from the outset did not interact to any noteworthy extent with the academic community and relied mostly on institutional literature from within the ILO.

Once this target audience for both approaches has been identified, we have to define ‘impact’ and develop a methodology for measuring it. For this purpose, we follow a methodology developed for the UNDP in its own reports that study the impact of the Human Development Indexes through cybermetric analysis, qualitative interviews with experts, and citation indices (Ramos and Acosta, 2006). Of these tools, the cybermetric analysis is perhaps the least accurate as search filters have not yet developed enough to distinguish between different types of results, such as documents that mention the concept of interest in passing and those of which it is the main subject. Similarly, we cannot exclude documents repeated in search results or those about an unrelated subject (for example, biological or evolutionary human development).

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5 Interview in 2012 with a director of a country-level human development report. His view was echoed by other UN officials from head office and other regional offices.

6 This point was put forward by numerous interviews undertaken with ILO officials, and was also evident from the work that ILO and UNDP officials cited during our interviews. While, with few exceptions, the former would cite the work of their colleagues, the latter would discuss both internal publications and extensive academic background work that fed into these publications as well as independent academic studies, especially independent methodological studies that influenced the work of the UNDP, such as the Alkire Foster method.

7 Unfortunately, a detailed and exhaustive cybermetric search would require revising all search results manually, which in turn would require extremely significant resources and manpower, particularly if such a search were extended beyond academic articles to government publications, press articles, and statements of public officials.
Nevertheless, the significant difference in search results between decent work and human development gives an idea of their widely differing impact. The ILO as an institution generates many more search results than the UNDP (Table 1). However, searches related to the specific concepts of human development and decent work show that the former has generated the overwhelming number of documents and hits. This is particularly noticeable if we compare the hits produced by Google Scholar, Google Books and JStor. The latter indicate that human development has penetrated the academic literature to a much greater extent than decent work.

Table 1. Cybermetric searches

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<tbody>
<tr>
<td>UNDP</td>
<td>38,100,000</td>
<td>425,000</td>
<td>3,100,000</td>
<td>2,378</td>
<td>1,412</td>
</tr>
<tr>
<td>ILO</td>
<td>50,900,000</td>
<td>553,000</td>
<td>10,700,000</td>
<td>6,040</td>
<td>1,719</td>
</tr>
<tr>
<td>Ratio UNDP/ILO</td>
<td>0,75</td>
<td>0,77</td>
<td>0,29</td>
<td>0,39</td>
<td>0,82</td>
</tr>
<tr>
<td>Human Development</td>
<td>20,300,000</td>
<td>1,850,000</td>
<td>4,690,000</td>
<td>10,767</td>
<td>4,980</td>
</tr>
<tr>
<td>Human Development Index</td>
<td>2,840,000</td>
<td>41,000</td>
<td>133,000</td>
<td>725</td>
<td>533</td>
</tr>
<tr>
<td>Human Development + UNDP</td>
<td>3,550,000</td>
<td>61,100</td>
<td>216,000</td>
<td>1,081</td>
<td>821</td>
</tr>
<tr>
<td>Decent Work</td>
<td>1,450,000</td>
<td>18,400</td>
<td>70,100</td>
<td>124</td>
<td>106</td>
</tr>
<tr>
<td>Decent Work + ILO</td>
<td>582,000</td>
<td>10,800</td>
<td>32,500</td>
<td>46</td>
<td>46</td>
</tr>
<tr>
<td>Ratio Human Dev/DW</td>
<td>14</td>
<td>100,54</td>
<td>66,90</td>
<td>86,83</td>
<td>46,98</td>
</tr>
<tr>
<td>Ratio Human Dev_UNDP/DW_ILO</td>
<td>6.10</td>
<td>5.66</td>
<td>6.65</td>
<td>23.5</td>
<td>17.85</td>
</tr>
</tbody>
</table>

Note:

Search date: 20-06-2013

Searches were undertaken for each search term in quotation marks found in any part of the document. Search on JSTOR was made for any year and from 1999 onwards (to ensure comparability between Human Development and Decent Work, that was launched that year), in all languages, in the following disciplines: Development Studies, b. Economics, c.

8 JSTOR is a digital library of more than 1,500 academic journals, books and primary sources. See http://about.jstor.org/about
Such widely different search results again prompt the question whether we are fair in our comparison. Perhaps human development is simply a much broader concept than decent work and has been around for a longer period of time, which would explain the differing results. To answer this question, we have examined results for other concepts and terminology. Human development, for instance, rivals with approaches such as basic needs, social exclusion or social capital. Decent work in turn rivals with informal sector, quality of employment and subjective measures of job quality such as job satisfaction. Table 2 illustrates the predominance of the UNDP’s approach in the area of human development. By contrast, decent work does not dominate the debate about labour markets and employment.  

Table 2. Search Results of Related Concepts

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</tr>
</thead>
<tbody>
<tr>
<td>Human Development</td>
<td>20,300,000</td>
<td>1,850,000</td>
<td>4,690,000</td>
<td>10,767</td>
<td>4,980</td>
</tr>
<tr>
<td>Basic Needs</td>
<td>8,740,000</td>
<td>354,000</td>
<td>1,720,000</td>
<td>4,593</td>
<td>1,194</td>
</tr>
<tr>
<td>Social Exclusion</td>
<td>3,310,000</td>
<td>196,000</td>
<td>513,000</td>
<td>1,273</td>
<td>1,052</td>
</tr>
<tr>
<td>Social Capital</td>
<td>11,100,000</td>
<td>1,060,000</td>
<td>1,480,000</td>
<td>7,125</td>
<td>5,454</td>
</tr>
<tr>
<td>Decent Work</td>
<td>1,450,000</td>
<td>18,400</td>
<td>70,100</td>
<td>124</td>
<td>106</td>
</tr>
<tr>
<td>Informal Sector</td>
<td>1,890,000</td>
<td>153,000</td>
<td>756,000</td>
<td>3,548</td>
<td>1,540</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>5,290,000</td>
<td>732,000</td>
<td>1,780,000</td>
<td>4,638</td>
<td>1,073</td>
</tr>
</tbody>
</table>

9 We should note that job satisfaction comes up particularly frequently in these searches because the concept has generated much research in the areas of psychology and management theory.
Search date: 20-06-2013

Searches were undertaken for each search term in quotation marks found in any part of the document. Search on JSTOR was made for any year and from 1999 onwards (to ensure comparability between Human Development and Decent Work that was launched that year), in all languages, in the following disciplines:


Another way of examining the impact of development concepts on academia, experts and the wider public is by searching for books published on the subject. Again, when comparing search outcomes, we find many more titles for human development than for decent work. As an example, when we look in Google Scholar for ‘decent work’ and sort the results by relevance, the first book to appear is *Decent Work: Objectives and Strategies* (2006) by Dharam Ghai and published by the ILO, which is cited thirty-nine times. When we do the same operation for ‘human development’, the first book on the list is Martha Nussbaum’s *Women and Human Development: The Capabilities Approach* (2011), cited more than 3,900 times.

It is noteworthy that almost without exception books about decent work are published by the ILO itself (and achieve very low citation indices in the independent literature), while books on human development are published both by the UNDP and independent publishers. Even independently published books on the capability approach by far outnumber those published on decent work. A notable exception to this is Standing’s *Work after Globalization* (2009, see also Standing, 2010), but rather than building on the ILO’s concept of decent work, he claims that the whole project of the ILO after the launch of Decent Work in 1999 was diverted from attempts to challenge the international structures that challenged the powerful interests that exploited poor, vulnerable and disadvantaged workers. "From the outset, the trouble with the term was its inherent vagueness. To some of those involved, that was seen as an advantage. To others, it left too much room for flabby platitudes. This timidity and lack of coherence

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10 The most frequently cited article on decent work is ‘Measuring Decent Work with Statistical Indicators’ (2003) by Anker et al., which is cited 145 times.

11 Again, the search results on human development are inflated by publications on biological and evolutionary human development, which constitute approximately 10 per cent of the total search results.
were demonstrated when efforts made to measure decent work were disparaged and discouraged" (Standing, 2008: 370).

Table 3. Results from Book Searches

<table>
<thead>
<tr>
<th>Search Term</th>
<th>Google Books</th>
<th>Amazon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decent Work + ILO</td>
<td>32,500</td>
<td>184</td>
</tr>
<tr>
<td>Human Development + UNDP</td>
<td>216,000</td>
<td>4,329</td>
</tr>
<tr>
<td>Capabilities Approach</td>
<td>23,000</td>
<td>859</td>
</tr>
</tbody>
</table>

*Note:*
Search Date: 20-06-2013

However, numbers are not the full story and the quality of publications matters. In the case of the human development approach there is an obvious and well-known list of publications associated with the approach that ranges from books by its original proponents and thinkers such as Martha Nussbaum and Amartya Sen (particularly his 1999 ‘academic bestseller’, *Development as Freedom*), to a steady production of ongoing publications that relate the capability approach to other subjects such as human rights, technology, education, particular geographical regions or groups of the population such as women or children.12

The progression of the capability approach (and with it, the human development approach) from a few initial key publications to a whole range of books and academic articles that expand into other subject areas is by no means a coincidence. Shortly after receiving his Nobel Prize, Amartya Sen took part in a conference held at the Van Hügel Institute at the University of Cambridge in which students and researchers from all over the world presented their work on applications of the capability approach. This conference eventually led to the foundation of the Human Development and Capabilities Association (HDCA), which now has approximately 700 members, organizes annual conferences on the capability approach attended by around 300 people, publishes its own academic journal (*The Journal of Human Development and*  

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12 The original members of the team that wrote the first HDR have also all been prolific writers and publishers on the subject of Human Development. See for example: Mahbuq ul Haq, Richard Jolly, Frances Stewart and Paul Streeten. More recent literature includes Comim et al., 2008; Deneulin and Shahani, 2009; Nussbaum, 2011, among others.
Unfortunately, the decent work approach has had no comparable impact on independent experts and academia, which in turn has limited the feedback into the approach and the number of publications.\(^\text{14}\)

In fact, even the United Nations does not always focus on decent work when it could. When the Millennium Development Goals (MDGs) were established in 2000, the goals did not include employment as it was argued that jobs were a means to achieving development, but not an end in themselves. It was not until 2005 that the Director General of the ILO and prominent development economist José Antonio Ocampo succeeded in including employment at least as a sub-indicator in the MDGs.

Perhaps one of the most telling cases that illustrates the limited impact of the decent work agenda is the debate which ensued when the European Union decided to measure the quality of employment. The European Union frequently uses the term ‘decent work’ in its official discourse and set the strategic goal of ‘more and better jobs’ in the Lisbon Treaty in 2000. The European Council, meeting in Laeken in 2001, agreed on a portfolio of eighteen statistical indicators of employment (known as the Laeken indicators) at a time when the ILO had not yet even begun to operationalize decent work (Bothfeld and Leschke, 2012; Davoine et al., 2008).

In parallel to the Laeken indicators, a dialogue has developed between major stakeholders (UNECE, ILO, Eurofound, trade unions, etc.) to elaborate a broader, multidimensional conceptual framework for the measurement of the quality of employment. It is due to this effort that a wider scope of employment data from the European Working Conditions Survey (EWCS), the European Social Survey (ESS) or the Statistics on Income and Living Conditions (EU-SILC) have been incorporated into the production of employment statistics, and various new indices of job quality have been proposed and refined in an ongoing debate (e.g. Eurofound, 2012; Leschke et al., 2008).

Although these efforts to measure the quality of employment have had to face similar obstacles to those that decent work has had to confront, they have produced a


\(^{14}\) There is an International Centre for Development and Decent Work based at the University of Kassel: [http://www.uni-kassel.de/einrichtungen/icdd/home.html](http://www.uni-kassel.de/einrichtungen/icdd/home.html). However, their brief is very broad and not particularly linked to the ILO’s definition of decent work and its operationalization.
rich literature, which explores different methods of conceptualization and measurement that are discussed by Burchell et al. (2013).

However unsatisfactory or inaccurate the above analysis may be, it does reveal significant differences in impact, which force us to ask what the reasons for these differences could be.

There are clear distinctions between decent work and human development. The most obvious, and perhaps the most important, is that it is easier to achieve a universally acceptable definition of what the objective of human development should be, while it is more difficult to reach such a consensus on employment issues. Few people would object to the goal of lowering infant mortality, increasing levels of education, generating higher incomes and living longer lives.\textsuperscript{15}

In the area of employment, it is more difficult to reach a universally valued consensus. Workers and employers consistently have different objectives as regards wages, employment stability, types of employment contracts and investment in vocational training. While we may be able to agree that lower accident rates are preferable, this variable probably constitutes the limits of achievable consensus. Other employment variables are contestable given the frequently contradictory interests of employers and workers. And the more variables a concept such as decent work incorporates, the more complicated this debate becomes.

In addition, the policy debate about employment is often characterized by ideological differences between employers and workers, which compounds the difficulty of reaching any kind of consensus. Furthermore, we have to consider that the interests of governments may conflict with those of employers or workers, or both.

There are also significant methodological differences between measuring the concepts of human development and decent work. While human development can be measured by continuous and aggregate numerical indicators (years, percentage, income), which can be standardized easily, decent work combines both numerical and categorical indicators at the individual and macro level (income, type of contract, labour rights and levels of unionization and unemployment), which are methodologically more difficult to summarise. And the more variables have to be considered, the more complex this

\textsuperscript{15} Although one could argue that higher levels of income do not necessarily generate higher levels of happiness (Rojas, 2011; Wilkinson and Picket, 2009), or that a longer life is pointless if the person concerned cannot live it to the full (for example, a person who is in a vegetative state). However, these arguments do not detract from the basic principles underlying human development, which are considered universally valued.
process becomes. This issue is further complicated by the fact that a particular variable may mean different things in different countries: for example contributing to a social security system is more important in a country where there is no universal provision of benefits. Similarly, contractual employment conditions may vary significantly from one country to another, both in terms of the de jure rights they grant as well as de facto compliance.

Measuring human development and decent work in both cases also requires a discussion of whether the concepts should summarize national indicators (such as the unemployment rate, participation rate, average wage, percentage of workers contributing to social security or the proportion of informal workers), or whether it should summarize individual indicators (such as individual types of contract, job tenure, social security contributions or wages). In the case of human development, the decision was taken to work with national statistics, which would simplify the data gathering and allow for the inclusion of infant mortality and life expectancy. Human development, according to established definitions, can at best be analysed at a regional, or perhaps local, level. However, collating data at the individual level is methodologically more demanding.

In the decent work debate this methodological discussion is still ongoing. So far, the ILO has used a mixture of both national, firm-level and individual indicators. Individual data, of course, allows for a much more detailed analysis of employment conditions, and also has the advantage of gathering data on both the formal and informal sectors (as opposed to firm-level data, which tends to be limited to the former).

THE COMPARATIVE THEORETICAL FRAMEWORK OF THE HUMAN DEVELOPMENT APPROACH AND DECENT WORK

Both the decent work and the human development approaches are based on extensive bodies of literature which developed both organically and through academic studies, and through the UN institutions that backed them. However, there are several important distinctions between the two approaches in terms of their theoretical background that merit consideration. The first relates to the question of whether the approaches are rooted in established theoretical foundations. The second relates to their theoretical development once launched.
In the case of the human development approach, its theoretical basis is well known. Although developed by a team of experts led by Mahbub ul Haq, it was almost completely rooted in Sen’s theory of capabilities and functionings, later to be expressed as freedoms, which by 1990 had already generated a significant body of academic literature (Fukuda-Parr, 2003; Kuonqui, 2006; Stanton, 2007; Welzel et al., 2003).¹⁶

In his extensive publications on the subject, Sen engages with a history of economic thought that goes back to Adam Smith. He explicitly challenges utilitarian approaches to economic development and proposes his concept of human capabilities (later freedoms) as an alternative approach (Sen, 1989; 1999; 2010). Translated into practical terms, Sen’s theoretical arguments challenge traditional development thinking that looks to GDP growth as a principal vehicle of progress. This approach considers human beings as nothing more than an input into a given productive structure, in which increased basic capabilities (improved health and education) are considered valuable because they increase productivity. Sen argues from a position of Ethics that these capabilities have intrinsic value to human beings and that well-being should be evaluated in terms of capabilities (Anand and Sen, 1994; Streeten, 1994; Ul Haq, 1992, 1995).

There are two additional concepts of Sen’s approach which have served as a basis for the theory of human development: these are what Sen calls the evaluative and the agency aspects of human behaviour (Sen, 2002). While the evaluative aspect refers to the ability of human beings to evaluate progress in their lives based on explicit development objectives, the capacity of agency relates to what people can undertake to achieve these improvements through individual and collective political and social action (Sen, 2002). Sen’s framework thus not only provides a flexible approach for analysing development concerns as an alternative to the traditional utilitarian approach, but it also understands people as the protagonists of their own development, giving them a responsibility in the process rather than a prescription of what they should do or be (Fukuda-Parr, 2003; Sen, 1989).

The theoretical grounding in ethics and philosophy that the capability approach gives the human development approach allowed the latter to challenge and construct an articulated alternative to the Washington Consensus policies which at the time were about to reach the apogee of their influence in developing countries, especially in Latin America.

America (Hershberg and Rosen, 2007; Williamson, 2004). Although the capability approach never explicitly engaged with or criticized the Washington consensus, it did present opposing views on the objectives, assumptions, public policy priorities, as well as on the indicators of development achievements (Jolly, 2003).

Another important consideration is that both the capability approach and the human development approach continued to develop both organically and institutionally throughout recent decades. In 2010, Sen brought his ideas together in a coherent theory of justice (Sen, 2010), while the UNDP has progressively incorporated additional concepts from the capability approach (such as gender equality, human rights and freedoms, multi-dimensional poverty, etc.) into its reports and indicators (see Appendix 1).

The organic development of both the human development and capability approaches has multiplied its theoretical, empirical, philosophical and mathematical applications. Institutes such as the Oxford Poverty and Human Development Initiative (OPHI) are dedicated to developing the approaches further, for instance, by designing and testing methods of operationalization or identifying the so-called ‘missing dimensions’, which go beyond the traditional dimensions included in the Human Development Reports (Alkire, 2007; Diprose, 2007; Samman, 2007, among others). In addition, the Alkire Foster method, developed by OPHI researchers, has set a new standard for the measurement of multidimensional poverty in the human development literature (Alkire and Foster, 2011). Other centres working from the same perspective include the Human Development and Capability Association with its regional networks such as the Latin American and Caribbean Association for Human Development and the Capabilities Approach (ALCADECA),17 or country-based initiatives such as the Peruvian Grupo de Desarrollo Humano como Ampliación de Libertades18 (Group for


The HDCA over the years has constituted the main forum in which new developments in the capability approach have been presented. The HDCA currently has four regional networks (the Francophone West Africa and Madagascar Network, the Latin American Network, the Oceanic Network and the Southern Africa Network).

18 See [http://dars.pucp.edu.pe/1197/noticias/grupo-interdisciplinario-de-desarrollo-humano-y-ampliacion-de-libertades-gridhal/](http://dars.pucp.edu.pe/1197/noticias/grupo-interdisciplinario-de-desarrollo-humano-y-ampliacion-de-libertades-gridhal/)
Human Development as the Expansion of Freedoms) and the Mahbub ul Haq Human Development Centre\(^\text{19}\) in Pakistan.

The upshot from this parallel development of the theoretical and institutional literature has been that the human development approach has generated not only an academic discipline in its own right, but also a significant institutional expansion of the UNDP as human development report offices have been added to local and regional UNDP offices to produce more than 600 human development reports for 140 countries in total.

The theoretical development of the decent work approach contrasts with that of human development. To begin with, decent work was born out of the institutional literature of the ILO that preceded its launch, which inevitably made it very self-referential and limited its potential impact from the outset (ILO, 1998 and 1999). Decent work did not engage with a particular body of theoretical literature from any of the social sciences. As a result, it did not challenge established theoretical labour market models that form the basis of economic and development thinking on employment issues, or justify itself with arguments grounded in ethical philosophy (Ramos and Acosta, 2006; Standing, 2008).

In fact, many of the ILO’s publications on decent work promote the concept not so much on ethical grounds as with the argument that decent work is good for all social actors, as it not only improves employment conditions for workers, but also enhances productivity levels for employers. This argument in particular satisfies the tripartite institutional structure of the ILO which will be discussed below.

The lack of a grounding in a substantive theoretical approach also meant that decent work never succeeded in constituting a credible and systematic alternative to those components of the Washington Consensus that focused on labour markets despite the fact that the ILO as an institution was always critical of the Washington Consensus, and engaged with its ideas from a highly critical perspective (ILO, 2004). In addition, since the ILO’s body of literature on decent work has been very theoretically diverse, if not contradictory, and since it did not present a clearly defined set of indicators for its measurement, this also prevented the approach from generating a coherent alternative to

\(^{19}\) See [http://www.mhhdc.org/html/history.htm](http://www.mhhdc.org/html/history.htm). The Mahbub ul Haq Human Development Centre is instrumental in the production of human development reports for the South Asian region.
established Washington Consensus thinking on employment-related development issues.

Along with a lack of grounding in independent literature, the decent work approach was born out of a conceptual vacuum, and has remained without a theoretical anchor ever since its launch (Standing, 2008). By contrast, when the ILO launched the basic needs concept in 1976, it was based on solid theoretical foundations that incorporated aspects of poverty (Reutlinger and Selowsky, 1976), economic growth and development (Scitovsky, 1976; Sen, 1976; Streeten, 1975) and the measurement of living standards (Drewnowski and Scott, 1966; Kravis et al., 1975).

One question that arises in this context is why the ILO did not tap into the capability and human development approaches as a theoretical foundation. Alternatively, it could have grounded decent work in its own basic needs approach, which was theoretically well developed and conceptualized (see references above). One of the criticisms that can be directed at both of these approaches is that they do not focus explicitly enough on employment as a vehicle for expanding individual and collective capabilities. In fact, this criticism has led to employment figuring on a list of ‘missing dimensions’ that has been established to expand on those aspects of capabilities that are neglected by the mainstream literature on the subject (Alkire, 2007; Cassar, 2010; Lugo, 2007). The ILO could easily have filled this gap.

While counterfactual arguments are always tricky, we consider that it would have helped the ILO to engage with both the ethical arguments of the capability approach, as well as with the latter’s critical analysis of utilitarianism and its implications for development thinking. A serious discussion of these issues, preferably through the involvement of high-profile academics independent of the ILO would have helped generate public debate about decent work outside of the institution itself, raised the question of how decent work could be operationalized, and encouraged independent experts to develop the approach further. One of the primary advantages of working with independent academics is that they can publish research and reach conclusions that the ILO would not be able to publish officially given the limitations imposed by its tripartite structure.

The question of operationalization is an important one which the ILO to this date has not resolved. The opposition of prominent governments and employers to measuring decent work led the ILO’s Director General to quash any publication of decent work indicators or ranking, independent analysts could have done so, especially
if the ILO had invested more sustained effort in producing internationally comparable data on labour markets.\textsuperscript{20}

THE INSTITUTIONAL EVOLUTION OF THE HUMAN DEVELOPMENT AND DECENT WORK APPROACHES

As we saw in the introduction, the institutional contexts in which the concept of decent work and human development were established were very different. In the case of the ILO, decent work was launched by its director-general, Juan Somavia, as an organizing principle that would structure the work of the entire agency (see the opening quote of this paper). The concept thus summarizes the principles that have traditionally guided the work of the ILO, and which crystallize the organization’s main objectives: the defence of human and labour rights, the preservation and creation of new jobs, social dialogue, and access to social protection.

Initially, the concept of decent work was launched with the intention of producing a broad range of employment indicators that would allow cross-country comparisons as well as the analysis of individual labour markets (ILO, 1999). However, when the first publications came out in 2003 and 2004 regarding the operationalization of decent work, these efforts were soon shot down (Anker et al., 2003; Bescond et al., 2003; Bonnet et al., 2003; Fields, 2003; Ghai, 2003, ILO, 2004). The ILO is unique among UN institutions given its tripartite organization, governed by donor governments, employer associations and workers representatives. In this case, employers and some governments (in particular those from less developed countries) who did not want their labour markets to be scrutinized too closely, blocked the initiative of measuring decent work. Employers, in particular, claimed that the parameters imposed by the concept were unattainable. In 2002 the International Organization of Employers expressed its disagreement with the ILO’s way of understanding employment, arguing that decent work expresses an ideal situation that ‘has no rooftop’ and is strongly determined by the social and economic context of each

\textsuperscript{20} By sustained effort, we mean the production of internationally comparable data through the regular application of labour force surveys across a broad range of countries. Even though the ILO did produce some decent work indicators, which are cited in the text, these were produced on an ad hoc basis and do not constitute a ‘sustained effort’.
country (IOE, 2002). This opposition therefore torpedoed any attempts to compare labour market outcomes across countries or regions. The ILO soon withdrew from any work relating to the comparison of individual countries.

In addition, the opposition of employers prevented the ILO from proposing a single synthetic indicator of decent work that would be comparable to the HDI. This decision was by no means uncontested within the ILO. Authors such as Ghai (2003, 2006) or Godfrey (2006) as well as official ILO reports (such as ILO, 2004) had repeatedly suggested the generation of a synthetic and/or comparable indicators that would be easy to understand and allow for comparisons between different countries. However, these discussions were brought to a definitive end when the ILO announced in 2008 that it did not have the intention of working on such an indicator (ILO, 2008b). It was argued that the generation of indicators by country underestimates the context of each country, and that it would be simplistic to give up the richness of individual employment indicators in favour of a single measure. Furthermore the ILO made the technical argument that choosing how to weight component indicators would contradict the essence of the concept of decent work, since all its components are considered of equal value. Moreover, a numerical value would be unable to provide information about key aspects of employment, such as the legal framework of national labour markets.

All these are valid objections to the creation of a synthetic indicator that would allow for cross-country comparisons and rankings. However, they also lead to the problem that in the absence of an indicator, decent work remains an undefined and unmeasurable concept with little applicability.

By contrast, the human development approach was developed under completely different institutional circumstances. Its main promoter, Mahbub Ul Haq, did not work at the UNDP. Instead, his position was more that of a special adviser, who although linked to the UNDP, did not have institutional commitments, and was therefore independent. Ul Haq convinced the director-general of the UNDP to set up a separate team independent from the UNDP’s main institutional body, to focus on human development. This team initially consisted of several renowned economists from the field of development theory working together to prepare annual human development reports, including Amartya Sen, Paul Streeten, Frances Stewart and Richard Jolly. The team produced a strong link between the UNDP with its newly launched concept of human development and the theoretical literature developed during previous decades (as discussed above).
At the time, this institutional separation between the UNDP and the team working on human development reports produced several advantages for both parties: the UNDP increased its prestige through the production of the new human development reports when its usefulness as a UN institution was strongly challenged. In addition, the independence of the human development team provided it with a ‘disclaimer’, which allowed the main UNDP office to disassociate itself from any controversial aspects of the report.

Conversely, ul Haq and his team were able to take advantage of the UNDP as a platform for influencing public policies, while at the same time maintaining a very high level of independence in setting their own agenda, defining how it would operate, and projecting the human development approach as born out of a neutral academic position that was independent of any political or institutional bias.

Ul Haq was an able diplomat in the pursuit of his objectives. Aware that a change of development paradigms of this magnitude would have only a marginal impact if it were launched independently or in conjunction with an academic institution, he played a key role as a catalyst able to connect the institutional advantages of the UNDP with the theoretical backing of a highly prestigious team of independent development experts. This structure made it much easier to promote a methodology for ranking developed and developing countries according to criteria that might leave many of them discomfited.

Ul Haq’s genius lies partly in his insistence on the need to generate a synthetic human development indicator from the outset in order to achieve the desired impact on public policies as well as development thinking. Despite all the criticisms and discussions that followed the launch of the human development indicators and the associated reports, ul Haq steadfastly maintained his position on the necessity for a measure that could rival GDP in its simplicity and marketability (UNDP, 1990).

In this sense, his alliance with Amartya Sen was crucial: while ul Haq was the ‘political operator’ and ‘marketer’ of the human development indicators, Sen represented their academic validity by linking them to solid theoretical foundations rooted in the literature on social justice, ethics, and Sen’s own capability approach.

UL Haq’s institutional approach was visionary and has been maintained since the human development reports and indicators were first launched. The UNDP maintains

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21 This point was highlighted by several high-ranking UNDP officials.
the same structure of a semi-independent human development report office not only in its headquarters, but also in its regional and local offices.

However, individual country reports on human development are financed in conjunction with resources from local governments. While local UNDP offices choose the subject of their report independently, and are responsible for collaboration as well as any data presentation, local governments can potentially interfere with this process.\textsuperscript{22} It is a measure of the UNDP’s prestige that the independence of human development reports has generally been maintained even at the country level.

From the account of these two different approaches we can deduce many of the factors that have contributed to the influence of the human development indicator and reports, while the ILO’s decent work approach has remained largely in the realm of public policy ‘lip service’. In short, decent work was not launched by a body that could claim any independence from the main institution, it was developed internally within the ILO without the input of a prestigious team of international experts, and it was not based on a solid theoretical foundation. The absence of these institutional and conceptual factors meant that it was easy for employer associations and governments to shoot the initiative down.

\textsuperscript{22} For example, the 1998 \textit{Human Development Report} for Chile was originally entitled \textit{El Malestar de la Modernización} (\textit{The Malaise of Uneasiness with Modernization}). Following the suggestion of the government at the time, this title was then changed to \textit{Las Paradojas de la Modernización} (\textit{The Contradictions of Modernization}).
THE EMPIRICAL FOUNDATIONS OF THE HUMAN DEVELOPMENT AND
DECENT WORK APPROACH

‘We need a measure of the same level of vulgarity as GNP — only a number — but a
measure which is not as blind to the social aspects of human life as is GNP’ (Human
Development Report, 1990: 23) are the famous words which the founder of the human
development reports and indicators, Mahbub ul Haq, wrote in order to convince his
colleagues of the need to establish a single indicator of human development. Many of
his colleagues, including Amartya Sen, doubted whether a concept as complex as
human development could be summarized in a single indicator. The history of
international development and public policy is full of theoretical concepts, slogans and
objectives that have been launched in order to further progress. Only some of these
initiatives have been truly successful (Ward, 2004). Time proved that Mahbub ul Haq
was right: Among successful development initiatives the human development approach
stands out.

The ILO’s approach to producing empirical evidence on decent work could not
be more different than the UNDP’s despite the latter having already achieved
considerable impact before the decent work launch in 1999. We believe that the
approach to empirical data is central to the impact of any concept and the international
development agenda. In this section we evaluate the two approaches with the objective
of explaining their differing impact.

As mentioned above, the 1990 human development indicator only included three
very basic items: life expectancy at birth, education measured in terms of the literacy
rate, and GNP per capita. Both the methodology and the results prompted immediate
critical responses from development experts. From the outset, the UNDP was very
responsive to criticisms, yet without abandoning the basic premises of the human
development approach. As Appendix 1 shows, there have been a total of six
methodological adjustments to the human development indicator between 1990 and
2010 in response to public and academic discussions. In addition, the UNDP launched
several new indicators to complement the initial Human Development Index. In 1999
for example, it produced the Human Freedom Index which responded to the critique of
Dasgupta (1990). In the 1995 the Gender-Related Development Index (GDI) was
launched, accounting for the impact of gender gaps on the components of the HDI, and
the Gender Empowerment Measure (GEM) of female income levels and the participation of women in economic and political positions of power.

In response to the criticism that the existing human development indicator did not analyse human poverty in sufficient detail, the UNDP launched a series of new indicators after 1997, beginning with the Human Poverty Index (HPI), which added participation and social exclusion to the traditional HDI indicator. In 2006 the HDI disaggregated by income groups was presented for thirteen developing countries (and the USA and Finland), while 2010 saw the launch of the Inequality Adjusted Human Development Index and the Multidimensional Poverty Index (MPI), which replaced the HPI of 1997.

The MPI is perhaps the UNDP’s most sophisticated indicator to date. It was developed jointly by the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations, and defines poverty as the deprivation of basic services and core human functionings. It uses the same dimensions as the HDI (health, education and standard of living), but measures ten standardized variables: education (years of schooling and school attendance), health (child mortality and nutrition), and standard of living (electricity, sanitation, drinking water, floor covering, cooking fuel, and assets).

All of these indicators have not only had an impact of their own, but have also supported the role of the original HDI. They have all adhered to the basic principle of combining only the most essential variables in an index that is methodologically simple and easy to replicate and understand.

By contrast, when the ILO’s decent work approach was launched in 1999, it was presented only as a theoretical concept, without any guidance on how to apply it empirically: ‘From the outset, the trouble with the term was its inherent vagueness. To some of those involved, that was seen as an advantage. To others, it left too much room for flabby platitudes. This timidity and lack of coherence were demonstrated when efforts made to measure decent work were disparaged and discouraged’ (Standing, 2008: 370).

Initially this generated confusion even within the ILO. Individual analysts as well as local and regional offices saw the opportunity for measuring decent work, but did not know which methodology to use. Subsequent years have therefore seen the publication of various reports on decent work which use different variables and methodologies to measure decent work, different sources of data, and even confused theoretical and conceptual justifications.
A series of more sophisticated attempts to measure decent work was published in the *International Labour Review* (an academic journal published by the ILO) in 2003. The articles were prepared by individual experts from the ILO head office in Geneva, and cannot therefore be considered an official publication of the ILO. This volume illustrates the complexity of measuring decent work, the challenges it presents, as well as the difficulty of obtaining adequate data. Each article presents different methodologies with different input variables to measure decent work, which in turn show the extent of possibilities for the concept’s operationalization. Several conclusions can be drawn from these articles. The indicators that use fewer variables are significantly easier to construct across a broad range of countries (Bescond et al., 2003; ILO, 2001, 2002). Increasing the number of variables (and therefore their level of sophistication) limits the number of countries that a particular measure can be produced for (Anker et al., 2003; Bonnet et al., 2003). For example, one article summarizes eleven different dimensions of work (labour market security, employment security, job security, work security, skill reproduction security, income security and voice representation security), but then includes up to eleven variables in each dimension to produce an indicator that summarizes a total of seventy-one different input variables (Bonnet et al., 2003). Such a measurement is not feasible for developing countries.

The ILO’s own reports on labour markets and employment illustrate that such attempts to measure decent work are frankly absurd. To this date, the ILO’s flagship report *Global Employment Trends* only really reports on employment and unemployment rates, which illustrates how difficult it is to produce internationally comparable employment indicators across a broad range of countries (ILO, 2013). This point was also underscored by our interviews with experts from the ILO’s statistical division at both its central and regional offices.\(^{23}\) Furthermore, it is equally important that the results of any indicator make sense. This point may seem obvious, but nonetheless some cross-national rankings of decent work somewhat surprisingly position the Russian Federation, Tanzania or Lithuania higher than Italy or Spain (Bescond et al., 2003).

Following the 2008 decision not to measure decent work, the ILO’s solution to operationalizing the concept consisted of the launch of a series of Country Profiles

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\(^{23}\) Officials all highlighted the limited extent to which employment data is genuinely comparable across countries, and explained that the ILO runs multiple databases some of which are more complete and up-to-date than others.
which report on employment conditions. One of the problems with these reports is that they rely on existing information, rather than attempting to generate internationally comparable data. Their results cannot therefore be compared between countries. In addition, they constitute what one ILO official called ‘An exercise in social dialogue rather than a statistical effort’, as they are elaborated in conjunction with local governments.24

Overall, empirical and theoretical discussions on decent work published by the ILO confuse the concept of decent work. Few experts would admit to having a clear grasp of what decent work actually means and how it can be operationalized.25 Consequently, its public policy impact remains limited to rhetorical lip service. To date no individual country has taken up the decent work mantle and specified how it would be measured, and whether these measures would impact public policy decisions in any way, such as the distribution of resources for employment policies according to decent work indicators.

CONCLUSIONS FOR POLICY MAKERS

The analysis presented in this article indicates that there are multiple factors that determine whether a particular approach has impact or not. The theoretical foundation and ongoing theoretical development of the concept are key factors, not least because they facilitate achieving a consensus on its operationalization.

Institutional factors are also important. The political will and support that an organization can mobilize in order to launch a new development concept is fundamental. This is difficult to achieve if an organization’s constituents do not agree on necessary basic common denominators that allow a concept to be operationalized.

Finally, we have to consider the empirical foundation of the concept. In his extensive work on the UN’s history of statistics, Michael Ward highlights three key factors that

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24 Interview with an ILO official, who has been involved with the Country Profile reports since their launch. Twelve country profile reports have so far been published and several more are in different stages of progress. See, for example, the Decent Work Country Profile for Brazil (2009b), Ukraine (2011) and Tanzania (2010b).

25 One revealing outcome of our interviews is that few of the experts we spoke to had a clear idea of how to define decent work. Even ILO officials working on decent work country profiles had to look up the precise answer on the internet.
determine whether an indicator becomes successful or not. He concludes that only those indicators that are methodologically simple and easy to understand, that summarize only a few variables, and that are internationally comparable are ultimately successful (Ward, 2004). Ward’s analysis fits perfectly with the approach of the UNDP’s human development indicators, and contrasts sharply with that of the ILO. Thus, the ILO’s failure to conceptualize and measure decent work along these lines has limited its public and policy impact.

The contrast between HDI and decent work indicators also illustrates the advantages of synthetic indicators versus dashboard indicators: while synthetic indicators such as the HDI clearly constitute a simplistic formula that inevitably presents a superficial overview of a complex situation, they also constitute a very effective marketing tool for promoting issues onto the policy agenda. While dashboard indicators such as those proposed by some of the ILO’s theoretical discussions are undoubtedly more sophisticated, they are also too complex for communication with the general public. If, in addition, a dashboard consists of approximately thirty-five indicators (with sixteen referring to the socioeconomic context and some others to the legal framework for decent work) as the ILO has ended up proposing, its public impact is even more limited.

The empirical operationalization of the decent work approach is probably its biggest sticking point. Given its tripartite nature, it is extremely difficult for the ILO to achieve consensus on a simple synthetic indicator. This conclusion leads to the question of whether the ILO is really the most appropriate international institution for operationalising a concept such as decent work, which brings together highly contentious dimensions on which employers and workers are unlikely to agree. Unlike more straightforward concepts such as ‘basic needs’ or ‘informal sector’, which the ILO has successfully launched in the past, the definition of decent work was too complex from the outset. In addition, the subsequent development of the concept was mismanaged, leading to further confusion and difficulties in application and operationalization.

Perhaps a simpler measure, such as the quality of employment, can be established by a development institution that already has a recognized expertise in developing synthetic indicators. This would take the debate about conceptualization and measurement out of the political domain into more neutral territory, and allow for a focus on development priorities. However, most importantly, a concerted international
effort needs to be undertaken to generate internationally comparable data on labour markets. That this is not an unfeasible proposition has been amply demonstrated by Europe’s efforts to generate internationally comparable data, for instance through the European Working Conditions Surveys.

Probably the most serious consequence of the failure of decent work to have a significant impact on the development literature is that development institutions as well as governments of developing countries have systematically neglected the issue of employment as a policy priority in its own right. Two principal reactions can be identified among development institutions with regards to labour markets. While most UN institutions have shied away from undertaking serious work on labour markets and employment because they considered these subjects to pertain to the ILO’s domain, Washington-based development institutions (and many governments of developing countries) simply placed their faith in economic growth as the most efficient tool for improving employment conditions without considering that the latter, all other things being equal, may be responding more to exogeneous factors than to endogenous ones (World Bank, 2013).
## Appendix 1

### Table A.1. The Evolution of Human Development Indicators

<table>
<thead>
<tr>
<th>Year</th>
<th>Indicator</th>
<th>Modifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>Human Development Indicator</td>
<td>Life expectancy (at birth), educational attainment (literacy rate) and income (GNP)</td>
</tr>
</tbody>
</table>
| 1991 | Human Development Indicator | **Methodological Adjustment, HDI:**  
Life expectancy went from flexible posts (max and min values) to fixed posts of a maximum and minimum of 78.4 and 41.8 years respectively.  
1/3 weight of the knowledge dimension was attributed to the years of schooling.  
The way of calculating the income dimension was changed to Atkinson’s formula. The latter allows different weights to be assigned to different levels of income.  
| 1993 | Human Development Index | **Methodological Adjustment, HDI:**  
The HDR of 1993 presented an example of how to calculate country level HDIs, assuming data availability. This initiated the discussion of the differences in human development of sub-groups of the population: gender, ethnic origin, age groups, etc. |
| 1994 | Human Development Index | **Methodological Adjustment, HDI:**  
Values for maximum and minimum standards were fixed for each one of the variables considered; for life expectancy the range varied between 25–85 years, literacy from 0% to 100% and years of schooling from 0 to 15. For income the min and max were US$ 200 and US$ 40,000 PPP. |
| 1995 | Human Development Index | **Methodological Adjustment, HDI:**  
Years of schooling was replaced by enrolment ratios in primary, secondary and tertiary education.  
The minimum of the income dimension was changed from $200 to $100, to accommodate indicators of female income levels in the GDI and the GEM.  
Gender-related Development Index (GDI) | The GDI accounts for the human development impact of gender gaps in the components of the HDI (life expectancy, education and incomes). It is a distribution sensitive index, i.e. it accounts for variations of well-being and wealth of males and females in a given country. |
| 1995 | Gender Empowerment Measure (GEM) | The GEM aims to measure the extent of gender inequalities across countries. It estimates female income and participation in economic and political positions of power. |
| 1997 | Human Poverty Index (HPI) | HPI measures deficits in basic human development based on the same dimensions of the HDI. There are two versions of the index, one for developing countries (HPI-1) and the other for high-income OECD countries (HPI-2). |
| 1999 | Human Development Index | **Methodological Adjustment, HDI:**  
The Atkinson’s formula for income levels was no longer used and the logarithm of the GDP per capita was re-introduced. The modification was due to a problem with the formula that discounted the income above the threshold level, penalizing countries with incomes over the threshold level. |
| 2006 | Disaggregated HDI | A disaggregated HDI by income groups was presented for 13 developing countries along with the USA and Finland. |
| 2010 | Inequality-adjusted Human Development Index (IHDI) | The measure adjusts the HDI for inequality in the distribution of each one of its dimensions across the population by ‘discounting’ each dimension’s average value according to its level of inequality. In a country with perfect equality the HDI and the IHDI should be the same. The ‘loss’ in potential human development due to inequality is given by the difference between the HDI and the IHDI. |
| 2010 | Multi-dimensional Poverty Index (MPI) | The MPI replaced the HPI, and defines poverty as the deprivation of basic services and core human functioning; it uses the same dimensions of the HDI (health, education and living standard) measured using ten indicators (child mortality, nutrition, years of schooling, children enrolled, cooking fuel, toilet, water, electricity, floor, assets). The index analyses data from 104 countries (78% of the global population). |
Table A.2. The Evolution of Decent Work Conceptualization and Measures

<table>
<thead>
<tr>
<th>Year</th>
<th>Source</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>Report of the Director-General to the</td>
<td>The launch of Decent Work was based on four components: employment, social protection, workers’ rights and social dialogue. However, no indicators were proposed in this occasion.</td>
</tr>
<tr>
<td></td>
<td>International Labour Conference meeting in</td>
<td>its 87th Session.</td>
</tr>
<tr>
<td>1999</td>
<td>Key Indicators of the Labour Market (KILM)</td>
<td>The launch of the database is an effort to standardize 18 employment variables.</td>
</tr>
<tr>
<td></td>
<td>Caribbean, ILO, 2001</td>
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<tr>
<td></td>
<td>Caribbean, ILO, 2001</td>
<td></td>
</tr>
<tr>
<td>ILO, 2003</td>
<td>Report 17º International Labour Conference</td>
<td>This report identifies 29 indicators of decent work. During the conference, employer delegates express scepticism about measuring decent work, although a work group was formed to explore this issue.</td>
</tr>
<tr>
<td>Several authors</td>
<td>International Labour Review (ILR), 2003</td>
<td>This volume compiles a series of articles proposing different ways to operationalize and measure decent work. If well this is a progress, indicators proposed in most cases are complex and too numerous, which make practically impossible to monitor them.</td>
</tr>
<tr>
<td>Regional Office Asia and the Pacific, ILO, 2008a</td>
<td>Decent work indicators for Asia and the Pacific; a guidebook for policymakers and researchers (2008a)</td>
<td>The report proposes a set of 31 indicators for the measurement of decent work, based on the four dimensions proposed by the ILO.</td>
</tr>
<tr>
<td>ILO, 2008b</td>
<td>Measurement of Decent Work</td>
<td>An attempt to systematize the existent proposals for the measurement of decent work to set the outline for a global methodology.</td>
</tr>
<tr>
<td>ILO, 2009a</td>
<td>Guidance on the new indicators of employment of the millennium development goals, including the set of all indicators of decent work. Geneva, Switzerland: ILO.</td>
<td>The report explains how decent work is incorporated in the millennium development goals, and how it is measured in this context. The MDGs included the following target and a set of indicators related to employment: MDG 1B: Achieve full and productive employment and decent work for all, including women and young people. Indicators: Growth rate of labour productivity, employment-to-population ratio, proportion of employed people living below the poverty line, proportion of own-account and contributing family workers in total employment.</td>
</tr>
</tbody>
</table>
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