

# Quality of Life Vs Economic Growth: Experience from India and Bangladesh

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## Introduction

The connotation of 'Development' has changed over a period of time since the end of Second World War. Initially the attention was drawn mainly on economic growth and economic development of any country to scrutinize their condition of development and now slowly moved on to include human perspective into the notion of development. Mahabub-ul-Haq and Amartya Sen has reinstated the importance of analysing development from human development perspective. The concept of Human Development is not a new invention but a rediscovery and it is tribute to the philosophers of early political and economic thought. Aristotle has argued that wealth is evidently not the good we are seeking, for it is merely useful and for the sake of something else. Immanuel Kant further stated that human being should be treated as the real end of all activities and never only as means. Adam Smith showed his concern that economic development should enable a person to mix freely with others without being ashamed to appear in public. A similar perspective was reflected in the writings of Malthus, Karl Marx and J.S.Mill. Mahabub-ul-Haq along with Amartya Sen rediscovered this human development approach from ancient philosophers.

One way of seeing development is in terms of the expansion of the real freedoms that the citizens enjoy to pursue the objectives they have reason to value, and in this sense the expansion of human capability can be, broadly, seen as the central feature of the process of development (UNDP, 1990, 1994). The basic objective of development as the expansion of human capabilities was never completely overlooked in the modern development literature, but the focus has been mainly on the generation of economic growth, in the sense of expanding gross national product and related variables (Lewis, 1955). The expansion of human capabilities can clearly be enhanced by economic

growth (even in the limited sense of growth of real income per head), but (1) there are many influences other than economic growth that work in that direction, and (2) the impact of economic growth on human capabilities can be extremely variable, depending on the nature of that growth (Dreze and Sen, 2010).

On the whole the quality of life of people what they value is quite important. Quality of life is a broader concept than economic production and living standards. It includes the full range of factors that influences what we value in living, reaching beyond its material side (Stiglitz, Sen and Fitoussi, 2009).

Based on this premise this paper tries to analyse the importance of better standard of living of people in terms of their quality of life rather than the economic growth of the country. Experiences from India and Bangladesh are taken as the focus of analysis. India, off-late, remains the largest growing economies in the world as all major countries including the fast growing emerging economies are seeing a significant slowdown (Economic survey 2011-2012). The Economic Survey expects the growth rate of real GDP to pick up to 7.6% in 2012-13 and faster beyond that. But, the level of inequality is rising as the income share of richest 20 per cent to poorest 20 per cent has increased from 4.7 to 4.9. It is argued that the annual rate of reduction in poverty during the last decade has been less than that observed during 1970s and 1980s (Human Development in South Asia, 2007). Whereas in Bangladesh certain indicators of social and human development are laudable despite their poor economic performance. The decline in infant mortality and child mortality in Bangladesh has been among the fastest in the developing world and hopefully they will achieve their Millennium development Goal (MDG) of reducing infant and child mortality by two-thirds by 2015 (Isher J Aluwalia and Zahid Hussain, 2004).

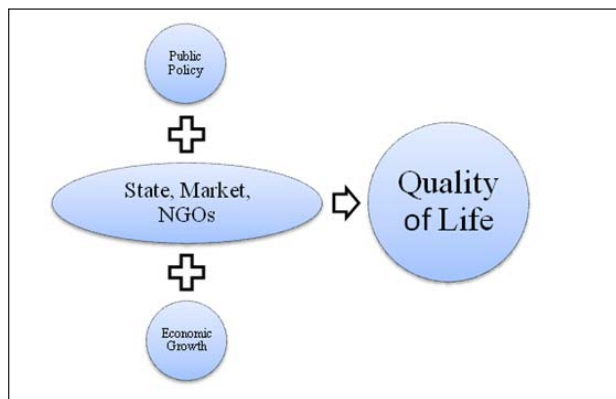
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However, this does not mean that Bangladesh fares well in all social and human development indicators and India fails miserably in all development indicators which determine the quality of life of its citizens. The argument here for analysis is that there is no direct correlation between economic growth and quality of life of people as stated by trickledown theory. Rather many factors are intertwined which decides the status and condition of people living in a country. The role of the State in its welfare functions, the nature of public policy, activities pursued by non-state actors and the market agenda determine the quality of life. At this backdrop, this paper examines how the state, market, non-state actors like NGOs and the kind of approach adopted in public policy is shaping the lives of people living in India and Bangladesh. This paper also tries to contribute to the knowledge of measuring and analysing quality of life in a comprehensive manner from human development perspective.

### Conceptual Framework

**Fig.1: Conceptual Framework**



The conceptual movement from poverty to wellbeing in development thinking goes by various labels including quality of life, subjective wellbeing, life satisfaction, and happiness. This is often associated with the nature and functions of the state. The notion of welfare state and its role in public policy has varied over a period of time. Frank Nullmeier and Franz-Xaver Kaufman (2010) have illustrated the changes in the role of the welfare state based on specific set of criteria as following:

- The macro level of context factors - the economic,

social, and political challenges of social policy making;

- Social expenditure trends;
- The internal structure of social programmes, the generosity of social benefits, coverage, access, etc.
- The distribution of welfare production between state, market, family, and civil society, as well as governance types of social policy; the outcome of social policy interventions (e.g. poverty rates and measures of inequality);
- The public legitimation of social policy and the welfare state.

In these entire phases one can find a common interweaving thread, i.e., policy which is meant for development, in whatsoever way it is defined. Hence, the need for policy for the welfare of people is very much obvious.

Policies are essential for improving human development and overall policy making has become indispensable in influencing the quality of life of people. Analysis of policy and analysis for policy has become quite important in the arena of public policy. The analysis of policy consists of the studies of policy content, studies of policy outputs and studies of the policy process. 'Analysis for policy' consists of evaluation, information, process advocacy and policy advocacy. In modern parlance neoliberalism and the impact of globalization is significant in public policy and often they tend to get influenced by the market. Market oriented reforms and market favouring public policies is prevalent since the period of structural reform. It is believed that the problems of government can be tackled by the market solution. Reformers have introduced market forces into public social services alongside both increases and decreases in spending, regulation, consumer choice, and the role of state itself (Jane R. Gingrich, 2011). Critics say in the interest of market people's choices over better life are compromised. Market domination has created a situation, in the name of economic rationale, minimising the public financing of welfare services. Because the benefits of these services accrue to both the individual and society, if individuals must bear the

full cost of provision there will be a less than socially optimal amount of provision and consumption (Barr, 2004).

In addition to state and market in influencing the quality of life of people, Non-Governmental Organizations (NGOs) are also playing a crucial role. There has been a well-documented growth of Non-Governmental Organizations (NGOs) working broadly in the field of international development over the past two decades. They have begun to move away from a focus on mainly small-scale projects towards an increasing involvement in broader processes of development, including policy advocacy, and organizational and human capacity building (Edwards & Hulme, 1992). At the same time, finding themselves vulnerable to criticisms about their level of accountability to the poor, to governments, and to donors, many development NGOs are beginning to seek ways to increase their impact, effectiveness, and overall professionalism. Anyhow their contribution in the process of development cannot be ignored and denied, hence, NGOs are also included in analysing and examining the process of development and its bearing in the wellbeing of people. But to perform all activities, to run the institutions of state, market and NGO, and to perform functions money is required which can be obtained from the economic growth. Economic Growth refers to an increase in the productive capacity of an economy as a result of which the economy is capable of producing additional quantities of goods and services. These are measured in terms of Gross Domestic Product (GDP). Experience over a period of time shows that GDP has no significant direct relationship with the wellbeing of people measured in terms on on-monetary gains even though, they substantiate them till certain extent. Its share in contributing to the public spending is significant but its end result should be measured in terms of outcome rather than output. The coexistence of improved per capita income and pervasive poverty is not a welcome factor. Therefore the ultimate aim of development should be improved Quality of Life (QoL).

The term quality of life is used to evaluate the general well-being of individuals and societies. The term is

used in a wide range of contexts, including the fields of international development, healthcare, and politics. Quality of life should not be confused with the concept of standard of living, which is based primarily on income. Instead, standard indicators of the quality of life include not only wealth and employment, but also the built environment, physical and mental health, education, recreation and leisure time, and social belonging (Gregory, Derek; Johnston, Ron; Pratt, Geraldine et al., 2009). QoL can be evaluated by the existing structural conditions of various institutions and policies which contain monitorable targets. In order to do this we need to know about various condition and position of people living in society. As Martha Nussbaum and Amartya Sen put it we need surely to know about their life expectancy. Need to know about their health services and medical facilities, to know about education and not only about its availability, but also about its nature and its quality, we need to know about labour; whether it is rewarding or grindingly monotonous, whether the workers enjoy any measure of dignity and control, whether relations between employers and 'hands' are human or debased. We need to know what political and legal privileges the citizens enjoy, what freedoms they have in the conduct of social and personal relations. We need to know how family relations and relations between the sexes are structured, and how these structures foster or impede other aspects of human activity. We need, perhaps above all, to know how people are enabled by the society in question to imagine, to wonder, to feel emotions such as love and gratitude, that presuppose that life is more than a set of commercial relations, and that the human being. Economists, policy-makers, social scientists, and philosophers are still faced with this problem of measurement and assessment. They need to know how people are doing in many different parts of the world, and they need to know what is really involved in asking that question. When they face the problem well, they face it, so to speak, with wonder with a sense, that is, of the profound complexity of assessing a human life, and with a desire to admit, at least initially, the widest possible range of accounts of how one might go about this, of what indicators one might trust (Nussbaum and Sen, 1993).

Centred on these conceptual arguments this paper analyses the need for better quality of life and suggest some ways to measure and monitor QoL besides sharing the experience of India and Bangladesh from human development perspective.

### Methodology

This study relies mainly on secondary source of information obtained from published reports of international organizations like UNDP, the World Bank, ADB; National reports prepared by Government of India and Bangladesh; and academic publications and reports.

### Experience from Bangladesh

Like most of the third world countries, Bangladesh has attained independence amidst war and poverty. Food shortages and famines are quite rampant during the time of its independence and have low level of social development indicators. According to some authors, Bangladesh was designed as a 'test case' for development and Henry Kissinger called it 'an international basket case' (Wahiduddin Mahmud, 2008). But after 1990s, their development in terms of social development indicators seems progressing and impressive which even outpaced the GDP growth.

This development surprise in Bangladesh is attributed to the major policy shifts, macroeconomic performance and governance which happened in 1990s. The early 1990s saw the launching of a more comprehensive program of macro economic reforms, which coincided with a transition to parliamentary democracy from a semi-autocratic rule (Mahmud, Ahmed and Mahajan, 2008). The reforms also included further relaxation of restrictions on private investment, such as opening up telecommunications and power generation to private investment, financial liberation with deregulation of interest rates, and fiscal reforms including the introduction of the value added tax (quoted in (Mahmud, Ahmed and Mahajan, 2008 originally from Ahmed 2005, World Bank 2007).

Other two major reasons also have causative relationship with development success of Bangladesh. One is flourishing of garment industry and the other is

rapid expansion of micro-credit. High rate of export rate has contributed to GDP growth and this provided stimulus to other parts of economy. Micro-credit, the well acclaimed Bangladesh model has contributed to the development of poor people across the country. In spite of these successes they have their own drawback and the growth in economy only through export-led is often criticized and it is considered as gender-blind policy.

Bangladesh's most striking development surprise is its rapid and spectacular improvements in human development indicators. Bangladesh now performs better than most of the Indian states and at larger extent South Asia itself in indicators like female school enrolment, child mortality and contraceptive adoption rates. The success in human development indicators show that public expenditure on human development is high in Bangladesh in spite of their low economic growth; adoption of low cost technology and the strong presence of NGOs.

The country has been successful in increasing life expectancy, reducing infant mortality, decreasing birth rate, spreading immunisation, improving child nutrition, and increasing girls education with overall increases in primary and secondary enrolments (Isher Ahulwalia and Zahid Hussain, 2004). In Bangladesh reforms under the structural adjustment programme were activated through a set of comprehensive economic policies through which the government (Mohammad Alauddin in Raghbendra Jha, 2005):

- Acted directly to restructure taxation and the provision of social services, and
- Intervened in the market to change pricing behaviour to create a favourable environment for investment and growth.

The policy base has primarily shifted from one of state interventionisms to one of greater reliance on the operation of the market forces.

Bangladesh remains a country with two parallel budgets, as revenue and development budgets both contains elements of recurrent and investment spending (World Bank). Development budget of the government of Bangladesh is a result of continuous



process of identifying new projects, review of project concept papers (PCPs), and vetting of the projects in ministries and in the Execution Committee of the National Economic Council (ECNEC). Usually by December, the economic Relations Division (ERD) prepares aid memorandum, circulates it to the ministries for their comments, and based on domestic resource projections by National Board of Revenue (NBR) and the internal resources division, the ERD revises the aid memorandum. The document is then sent to the cabinet for approval. Resource position for revenue expenditure and budget is then estimated and the programming committee finalizes eligible projects for inclusion in the Annual Development Programme (ADP). In fact ADP is the development budget, which, like revenue budget requires approval of the parliament.

Strong partnership developed between the public and private sectors in the delivery of family planning, basic health and basic education services. Bangladesh focused its limited public resources on areas that had the maximum impact on health outcomes. Governments focus on eliminating the urban-rural and gender gaps in education paid-off. (Sadiq Ahmed, 2006). Bangladesh has been successful thus far in converting the gains of economic stabilization and reforms into sustained and accelerated growth (Wahiduddin Mahmud, Sadiq Ahmed and Sandeep Mahajan, 2008).

During the past decade, the emphasis of public spending has shifted from agriculture and industries to the development of human resources and the rural economy. Recent budgetary allocations (FY03-07) have sustained these priorities, thus contributing to good social outcomes for which Bangladesh is becoming well-known in the developing world. By spending, on average, around one-quarter of its total government budget during FY03-FY07 on education, health, social security and welfare combined Bangladesh compares favourably to other countries with the same income level. Government spending in these sectors as a share of national income, however, remains small as a result of the low overall level of public spending. Within the social sector, education spending has taken the largest

share at around 14 percent of total expenditure, while health accounted for 6.5 percent of the total budget. Although expenditures in these sectors have remained constant in relative terms, they have experienced a real increase of almost 50 percent since 2000 due to the increase in national income (GDP).

### Health

Bangladesh, according to the WHO, has in the past decade seen a significant decline in infant and child mortality, due to control and prevention of diseases such as measles, poliomyelitis, and diphtheria along with diarrheal diseases. Bangladesh is also on the verge of polio eradication, and has already achieved the elimination goal for leprosy at the national level. People are living longer; the average life expectancy at birth in Bangladesh had increased to over 60 years in 2000. Population continues to grow at about 2.1 per cent and Total Fertility Rate (TFR) has remained around 3.3 for the last several years. The maternal death ratio, however, is still high at over 300 per 100,000 live births even though in the last decade substantial progress has been made in improving maternal health situations. An underlying cause of maternal deaths is that skilled attendants do not assist 87 per cent of women and only less than 10 per cent of births occur at health facilities. Also despite progress, levels of malnutrition in Bangladesh are amongst the highest in the world, and this is a major cause of death and disease in children and women.

### Child and Infant Mortality

About 2.5 million babies are born in Bangladesh each year but many of them die before they reach their fifth birthday. About two-thirds of infant mortality is accounted for by neonatal deaths - those that occur within a month of birth. The main causes are low birth weight and pre-term delivery, and non-communicable diseases, mainly birth-related ailments. Three other major factors that affect the rates of death and disease in children in Bangladesh are injury, malnutrition and public health, which include arsenic contamination of the water supply. After the first month of life, child malnutrition becomes an important contributing factor to infant and child mortality. Malnutrition is a major

cause of death and debility in children in Bangladesh.

Micro-nutrient deficiency is quite common; nearly 75 per cent of children's life is spent in illness mostly due to malnutrition-related debility and infections. Poor nutrition deters physical, cognitive and mental development. Low birth weight and malnourished children are susceptible to infections; roughly two-thirds of under-five deaths are attributed to malnutrition, 75 per cent of it being associated with mild and moderate malnutrition. The mortality of children is an important indicator of well being, as identified by the MDGs and the Interim PRSP IRSP to 'reduce infant and under five mortality rates by 65 per cent, and eliminate gender disparity in child mortality'. The MDG for Bangladesh is to reduce the under-five mortality rate from about 150 in 1990 to 50 by 2015. While mortality due to communicable and other vaccine preventable diseases has decreased significantly, deaths due to injuries, especially drowning, have remained constant over the last three decades. According to UNICEF, malnutrition is a silent and invisible emergency, exacting a terrible toll on women, children and their families. It is caused by a combination of lack of food, common preventable infections, inadequate hygiene and unsafe water. Malnutrition is associated with the deaths of 5 to 6 million children under five years of age each year, which represents more than half of all child deaths that occur in developing countries. The causes of malnutrition are themselves complex. Some of the links are: disease; inadequate food; poor water and sanitation; and other social, environmental, and political factors. Efforts to reduce malnutrition must therefore be multifaceted, requiring integrated work across sectors and at different levels, including efforts to promote food security.

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under-five deaths are attributed to malnutrition.

About 25 per cent of maternal deaths are associated with anemia and haemorrhage. Women and adolescent girls mostly suffer from anemia owing to iron deficiency. Notably, rural women and the poor are the worst sufferers. In addition to causing individual tragedies like maternal and child mortality, malnutrition exacts heavy costs from the health care system through excess morbidity, increased premature delivery, and elevated risks of heart disease and diabetes. The economic consequences of Bangladesh's malnutrition problem are profound, resulting in lost productivity and reduced intellectual and learning capacity Nutrition

Integrated and targeted nutrition programs that simultaneously address food security, maternal and child care, and primary health care have been shown to have the most impact in reducing protein-energy malnutrition. In particular, protecting women's nutrition and improving child feeding practices (including the promotion of breast-feeding) are critical. Micro-nutrient supplementations are further efforts that are highly cost-effective: regular vitamin-A supplementation reduces child death rates by about 25 per cent; the iodisation of salt is wiping out iodine-deficiency disorders; and the addition of iron and other micro-nutrients to foods can have a profound impact on anemia, an important cause of ill health for women and a cause of mental impairment and low school performance in children.

### **Food security**

To contribute optimally to nutrition, food-security programming must be comprehensive in its approach, incorporating aspects of food availability, access, and use. In addition to having

access to high-quality food, people must have access to adequate social services (basic education, health, water, sanitation), and they must have the capacity to provide care for themselves and their families to effectively use available food.

Malnutrition, nutrition and food security are clearly linked to the determinants of health, particularly with issues of poverty and gender. Women are still largely responsible for nutrition and food care at the household

level. Food security is also a complex sustainable development issue, linked to health, but also to sustainable agriculture, sustainable economic development, environment, and trade. To comprehensively address malnutrition, nutrition and food security requires an intersectoral, coordinated approach. According to the WHO Dhaka

- Maternal mortality ratio 3.2:1000 live births
- 80% of such deaths occur at attempted home deliveries
- More than 90% of deliveries are still occurring at home
- Only 13% of deliveries are assisted by individuals with any medical training.

### Experience from India

The five year plans implemented in the economic reform era were largely driven by the notion of a 'trickle-down' mechanism to tackle problems of poverty and deprivation. The eighth and ninth five year plans focussed largely on stabilization of policies until 1995-96. Under these plans, structural adjustment policies were introduced to correct fiscal deficits and reduce inflationary pressures and a large component of fiscal control policies. Newer measures aimed at minimising fiscal subsidies were introduced (Sandhya Iyer, 2010).

Weak public service delivery- heavily centralized service delivery - poor quality, lack of incentives and low accountability of public providers. In spite of the decentralization of power, the local governance is often ignored and the complete devolution of power did not take place. The concept of decentralization which is based on the principle of subsidiarity is overlooked.

Rising per capita income with economic growth has meant that consumption expenditure has risen over the decade. As a result there has been a consistent decline in the proportion of population living below the poverty line: from 55 per cent in 1973 to 44.5 per cent in 1983, 36 per cent in 1993 and 27.5 per cent in 2004-2005. Over this period the size of the country's population increased from 584 million in 1973 to 1.1 billion in 2004-5. This is no mean achievement for a country whose total population has nearly doubled in three decades between 1973-4 and 2004-5.

However, the slow growth of the economy and the limited investment in health and education in the first four decades after independence has meant that the numbers of poor -- based on a consistent definition of, and a consistent method of collecting data (i.e. the uniform recall period) on poverty -- have remained stubbornly high at 320 mn between 1973/4 and 1993/4, falling to 302 million only by 2004/5. This latest fall in the absolute number of poor (18 mn) was due to the sharp increase in the economic growth rate. The growth rate has increased since 2004-5 and so has the investment in health and education.

The percentage of working children (5 - 14 years) declined from 6.2 per cent in 1993-4 to 3.3 per cent in 2004-5. And even more, the incidence of child labour fell to 2% of all children in the relevant age group by 2009-10. Most children who are still working are doing so as part of the family's own enterprises and farms.

Increasing participation of females in education is reducing female labour force participation. One of the factors behind the sharp decline in female labour force participation rate (15 years and above) was increasing participation of females in education, and this will improve the quality of employment for females in future.

Almost 60 per cent of the poor were concentrated in the States of Bihar (including Jharkhand), Orissa, Madhya Pradesh (including Chhattisgarh), and Uttar Pradesh (including Uttarakhand). Clearly, therefore, even though the divergence in the incidence of poverty has declined over the years across states, some states, particularly Uttar Pradesh, Bihar, Orissa, and Madhya Pradesh, have performed much worse than others in terms of poverty reduction.

Calorie consumption has been declining, and the poor are consuming calories way below the recommended norm (Calorie consumption in rural area has come down from 2221kcal/day in 1983 to 2047 kcal/day in 2004-5). Gender discrimination and lack of education has resulted in prevalence of severe anaemia among adolescent girls being significantly higher (21.1%). India is the worst performer in terms of low birth weight (28%), underweight and wasting among children in

BRIC and SAARC countries. Low birth weight children are born to mothers who are themselves malnourished or stunted, thus demonstrating the effect of discrimination over the life cycle.

Higher incidence of female malnutrition among states with higher concentration of SC and ST population results in adult female malnutrition for SCs and STs to diverge from the national average. Over half of Indian women suffer from anaemia (India Human Development Report, 2011).

### Integrated Analysis

There have been numerous attempts to construct alternative, non-monetary indices of social and economic-wellbeing by combining in a single static a variety of different factors that are thought to influence quality of life (EIU). Determinants of quality of life as indicated by Economist Intelligence Unit are material wellbeing, health, political stability and security, family life, community life, climate and geography, job security, political freedom and gender equality. Many of the determinants of human wellbeing are aspects of people's life circumstances: they cannot be described as resources with imputable prices, even if people do make trade-offs among them (Stiglitz, Sen and Fitoussi, 2009).

QoL measures, while not replacing conventional economic indicators, provide an opportunity to enrich policy discussions and to inform people's view of the conditions of the communities where they live. While some of the reflect structural conditions that are relatively invariant over time but that differ systematically across countries, others are more responsive to policies and more suitable for monitoring changes over shorter periods of time. Both types of indicator play an important role in evaluating QoL.

Report by the Commission on the Measurement of Economic Performance and Social Progress have suggested three conceptual approaches which are useful in thinking about how to measure QoL.

The first approach, developed in close connection with psychological research, is based on the notion of subjective well-being. A long philosophical tradition views individuals as the best judges of their own

conditions. This approach is closely linked to the utilitarian tradition but has a broader appeal due to the strong presumption in many streams of ancient and modern culture that enabling people to be "happy" and "satisfied" with their life is a universal goal of human existence.

The second approach is rooted in the notion of capabilities. This approach conceives a person's life as a combination of various "doings and beings" (functionings) and of his or her freedom to choose among these functionings (capabilities). Some of these capabilities may be quite elementary, such as being adequately nourished and escaping premature mortality, while others may be more complex, such as having the literacy required to participate actively in political life. The foundations of the capability approach, which has strong roots in philosophical notions of social justice, reflect a focus on human ends and on respecting the individual's ability to pursue and realise the goals that he or she values; a rejection of the economic model of individuals acting to maximise their self-interest heedless of relationships and emotions; an emphasis on the complementarities between various capabilities; and a recognition of human diversity, which draws attention to the role played by ethical principles in the design of the "good" society.

The third approach, developed within the economics tradition, is based on the notion of fair allocations. The basic idea, which is common to welfare economics, is that of weighting the various non-monetary dimensions of quality of life (beyond the goods and services that are traded in markets) in a way that respects people's preferences. This approach requires choosing a particular reference point for each of the various nonmonetary dimensions, and obtaining information on people's current situations and on their preferences with respect to these points. This approach avoids the pitfall of basing evaluations on an "average" willingness-to-pay that may disproportionately reflect the preferences of those who are better-off in society and focuses instead on equality among all of its members.

The major purpose of accounts of well-being, whether based on subjective or objective indicators, is to



provide valid and useful information about the quality of individuals' lives. Achieving high levels of well-being is an important goal for individuals as well as governments, but it is not the only objective that determines actions. Moral considerations and the question of sustainability-the extent to which current decisions affect the well-being of future generations-should also influence government actions (Ed Diener, Richard Lucas, Ulrich Schimmack, and John Helliwell, 2009).

Quality of life embraces the multiple dimensions of human experience that affect well-being. QoL is captured in both objective and subjective indicators. Objective indicators are those external to the individual and encompass measures of material living levels and their components, as well as family life, physical and mental health, work, environment, and so on. The measures relate both to circumstances whose increase raises QoL, such as level of nutrition or life expectancy, and to "bads", like pollutants and crime, whose increase lowers QoL. Subjective measures are self-reports of personal wellbeing, as obtained in surveys of happiness, general life satisfaction, prevalence of positive and negative moods, and the like (Richard A. Easterlin Laura Angelescu, April 2007, *Modern Economic Growth and Quality of Life: Cross Sectional and Time Series Evidence*, IZA DP No. 2755).

### **Welfare State**

Market reforms initially arose the political prominence of welfare services grew. Politicians across the political spectrum faced new incentives to turn "inward" and directly reform service delivery as a way of addressing public concerns about quality and costs in a fiscally constrained environment (Jane R. Gingrich, 2011). The poor performance in these two countries in human and especially in child development contrasts with two factors. Firstly, the region is vibrant in terms of its visions and commitments, such as to human development goals, human rights, and the Millennium Declaration and the Millennium Development Goals. The latter are increasingly used as a normative and policy point of reference for the development planning process. The SAARC has adopted a broadly cast Social Charter 13 as well as a Decade on the Rights of the Child, which

demonstrate a commitment to human development and child rights at the regional level.

This prompts a closer look at their social policy against the backdrop of the discourse on the welfare state, and its cultural geography. This is particularly interesting since the region has the economic and financial potential to perform better on social development, considering its economic performance and technological performance. It features a number of economically and advanced countries - several in South Asian region are currently achieving per capita growth rates of 4.5 per cent (Gabriele Kohler, 2006).

India in particular has emerged as an "Asian driver". The smaller economies too are registering satisfactory macroeconomic economic growth. The broad, human-development oriented position combined with the potential to perform well drives an enquiry into the nature of social policy and the role of government. A first pointer suggesting that South Asia offers its own welfare state model - one that is distinct from the other welfare states - lies in the institutions that shape policy in the South Asian countries: since the 1950s, they have been working along five year development plans, which lay out socio-economic priorities, and define the direction of government fiscal investment. These plans are increasingly merging with the World Bank-led Poverty Reduction Strategies, and also increasingly building on the MDG methodology. The notion of multi-year planning of government budgets has multiple roots in colonial administration and Soviet planning techniques. Inherent in this planning has been the understanding of a government role not merely for welfare - citizens' well-being, but also for the economic development of the country concerned (Gabriele Kohler, 2006).

A second pointer is the understanding of public goods. There is a consistent commitment to free basic social services. These countries each have a policy on free primary education, thus casting it as a public good, and primary education is compulsory. India also offer free primary health care, delivered "universally" by roving health care workers who are salaried by the government. India offers school meals at no charge to parents, an intervention that, by intention, brings

together support to child health and education, and has become an entitlement (Gabriele Kohler, 2006).

### NGOs and Development

Today, ideas about NGOs are firmly embedded in contemporary concepts of development. But theoretically speaking some types of development theory have largely ignored NGOs, while others have attributed significant roles to them. A key area of development to which NGOs have contributed is that of 'people-centred' development, reflecting recent shifts away from heavily theoretical ideas about development, to more pragmatic 'theories about practice' (Davis Lewis and Nazneen Kanji, 2009).

### Conclusion

The pressing demand for the inclusion of wide range of indicators to measure the QoL of people is gaining momentum and also at the same time the availability of data sets on various indicators of QoL as well as its measurement is becoming complex. Because, these are considered essential for making public policy. There is a need for a consideration of how QoL should be measured for policy purposes. Developed country like the UK has already started developing broader indicators of well being and sustainability (Dolan and Metcalfe, 2012). Dolan and Metcalfe (2012) have suggested evaluation, experience and eudemonic measures of subjective wellbeing and its utility in informing policy design and policy appraisal. Similarly, developing countries like India and Bangladesh should have their own measures of wellbeing. Adapting from developed countries will be useful but still due to their vast regional disparity and cultural diversity developing their own measures would be quite useful. More attention is needed to the subjective and relational domains of human wellbeing.

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### JKSHIM Contribution

