

A Tribute to Mahbub ul Haq¹

After twelve years of preparing and presenting to you the annual report of Mahbub ul Haq Human Development Centre, it is time to give the founder a tribute before the new generation of Pakistani youth forgets Dr Haq's contribution to Pakistan, to South Asia, and to the world in general. What I propose to do is to present a brief overview of the evolution of Haq's own ideas on economic growth, poverty alleviation and social justice over the four decades from 1960s to 1990s that culminated into the human development revolution. Each decade witnessed Mahbub ul Haq learning lessons from his close encounter with the political reality of the day that made him evaluate some of his own assumptions and to refine his tools to achieve his ultimate goal – to make people the centre of all development policies, programs and actions.

First, I would like to quote from the Nobel Laureate Prof. A. K. Sen who was a great friend of Mahbub ul Haq during his lifetime and in his death.

“It is not easy to talk about a close friend when I consider what to say about Mahbub ul Haq, or even to talk on subjects that have been so radically influenced by Mahbub's contributions. My problems lie not only in the closeness of our personal ties, but also on the difficulty in getting an adequate understanding of the greatness of Mahbub ul Haq. Indeed, Mahbub ul Haq as a person was much larger than all the parts that combined to make him the person he was. He was, of course, an outstanding economist, a visionary social thinker, a global intellectual, a major innovator of ideas who bridged theory and practice, and the leading architect in the contemporary world of the assessment of the process of human development. These achievements are justly celebrated, but, going beyond the boundaries of each, this was a human being whose combination of curiosity, lucidity, open-mindedness, dedication, courage and creativity made all these diverse achievements possible.” (Amartya Sen, The Idea of Justice, *Journal of Human Development*, Vol. 9, No. 3. November 2008)

Mahbub ul Haq shaped development philosophy and practice in the four decades from 1960s to 1990s. He shifted the focus of development discourse from GDP growth only to people and their wellbeing, monitoring its progress through the Human Development Index (HDI). He initiated a global movement involving policymakers, scholars and activists who adopted his innovative ideas for people-centred development where economic and social development, and political empowerment became the yardstick through which to measure a country's true performance.

During the 1960s at a very young age, Dr. Haq became a successful economic development planner in Pakistan preparing the highly acclaimed Second Five-year Plan that led to a very high

¹ Tribute to Mahbub ul Haq by Khadija Haq at the launch of 2009 South Asia Human Development Report on June 15, 2010 in Islamabad

economic growth of 7 percent. But when the government of the time was celebrating the ‘Decade of Development’, the main planner came out with the findings of a recent study that empirically showed that the benefits of growth had not helped the poor but had created an economic monopoly of twenty family groups under the umbrella of government concessions and patronage. This was very embarrassing for the government, but it was devastating to Mahbub ul Haq, for his own faith in the growth only philosophy. He learnt his first lesson that there is no automatic link between economic growth and people’s wellbeing. Economic growth policies, in order to be sustainable and equitable, had to be combined with distribution policies and social sector development.

During the 1970s at the World Bank, Mahbub ul Haq started influencing the policies of the Bank by playing the role of chief policy adviser to then president of the World Bank Robert McNamara. This was the time when the World Bank, for the first time, started focusing on poverty alleviation by the Bank as a policy goal and started lending for education, health, water, sanitation and environment. Mahbub ul Haq was the most influential advocate for the Bank to lend to these sectors. But more important than Haq’s influence on the lending policies of the Bank was the fact that while he was in the Bank he started raising the issues of the failure of GNP as a real measure of economic growth. In May 1970, Mahbub ul Haq raised many eyebrows in the international community by declaring, ‘it is time to stand GNP on its head, since a rising GNP is no guarantee against worsening poverty.’ As long as Mahbub ul Haq was in the Bank, and McNamara was there to protect him, the Bank’s policies reflected Haq’s own philosophy of focusing on people. But as soon as Mahbub ul Haq left the World Bank, the poverty focus of the Bank was all but gone from the Bank’s policies for some years till James Wolfenshon became the president. Once again Mahbub ul Haq experienced the dominance of political reality over social justice.

Haq’s time with the World Bank also coincided with the role he played on the international stage on the issues of New International Economic Order (NIEO) and collective self reliance of developing countries. Those were days of great intellectual ferment among the political and social leaders of the world. Through Third World Forum, North South Roundtable, and the NIEO debates at the UN, many world leaders from both developing and developed countries, got involved in issues to make this world a better place for everybody and every nation. Mahbub ul Haq played a leading role in preparing papers and advocating the ideas in various forums. The reports of that period showed that the elements of human development were starting to get clarity in Haq’s own mind and in his writings.

But Mahbub ul Haq wanted to make things happen in his own country. So he tried various routes, including accepting ministerial positions in a military-led government. So in the 1980s Haq was back in Pakistan, as finance, planning and commerce minister at various times (or simultaneously). This was a government of a highly unpopular dictator, and yet for Haq, who wanted to make a difference to his country, this was a period of many innovative ideas that he introduced to promote human welfare. Many studies showed that during the period economic

growth went up, poverty went down, and resources were mobilized for education (Iqra surcharge). For the first time in Pakistan, there was a focus on women's development in the planning documents, thousands of villages got electricity, family planning was introduced and institutionalized. And yet, as soon as Mahbub ul Haq left Pakistan after the installation of a new government, all these policies were reversed and allocated funds for social sector got merged into the general budget. Once again politics trumped people's wellbeing!

In the 1990s, Mahbub ul Haq entered the international stage again – this time to UNDP at the request of the UNDP Administrator, William Draper. The seeds of human development that had been growing in Haq's mind over the previous 30 years blossomed as the human development report of UNDP with the collaboration of the greatest generation of socially and ethically conscious economists who were dear friends and colleagues of Mahbub ul Haq over the years. The production of HDR and HDI gave Haq the world stage to advocate for his ideas of human development, human security and women's empowerment. And the best thing that happened this time around was that these ideas got institutionalized in the UNDP headquarters and country offices, and in many forums and institutions around the world. Today over 100 countries around the world prepare national and regional human development reports, and every government is judged on the basis of its rank in HDI and GDI, however imperfect these indicators might be statistically. The fact that today Mahbub ul Haq's philosophy is dominating the world of economic development is no longer a matter of debate. Finally Mahbub ul Haq had succeeded in bringing the attention of the world to people and their empowerment!

With this success internationally, Mahbub ul Haq turned his attention towards Pakistan and South Asia and set up the Human Development Centre in Islamabad to produce annual South Asia Human Development Report. The South Asia reports triggered a great policy debate and public discussion among the policy makers and intellectuals in the region. The force of Haq's ideas and passion with which he communicated those, compelled his audience, particularly the South Asian policy makers, to look deeply into the reasons behind the delink between economic growth and people's wellbeing. Without the constraints of a public office, Mahbub ul Haq started talking about the taboo subjects – the rising costs of military expenditure, the futility of nuclear race, the lack of development cooperation within the region etc. Before he passed away, Haq talked passionately about what the seven independent political entities of South Asia could gain as one economic unit along the lines of the European Union. Today looking at South Asia that vision seems like an elusive dream.