

2016 PCDI Report

Another way to grow

A tool designed to observe and guide
the world down the path towards
sustainable human development



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Research coordinated by Pablo José Martínez Osés

And conducted by:

M^a Luisa Gil Payno
Ignacio Martínez Martínez
Pablo José Martínez Osés
Natalia Millán Acevedo
Shirley Yamilet Ospina Vargas
José Medina Mateos
Antonio Sanabria Martín
Héctor García

Editing coordinated by:

José Medina Mateos
Sílvia M. Pérez López

Copywriters:

Ignacio Martínez Martínez
José Medina Mateos
M^a Luisa Gil Payno
Pablo José Martínez Osés
Shirley Yamilet Ospina Vargas
Sílvia M. Pérez López

Translated by:

Beth Gelb

Design and layout:

Mejor
somosmejor.es

Printing:

Rotaclikc
rotaclikc.es

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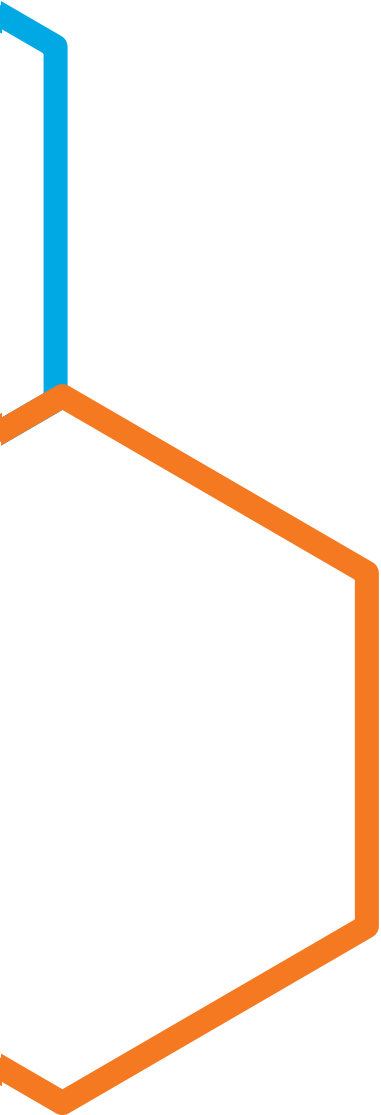
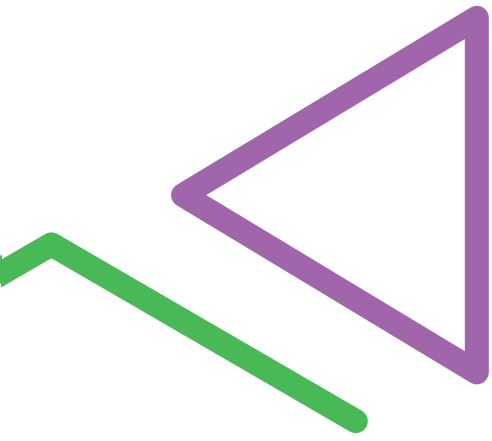
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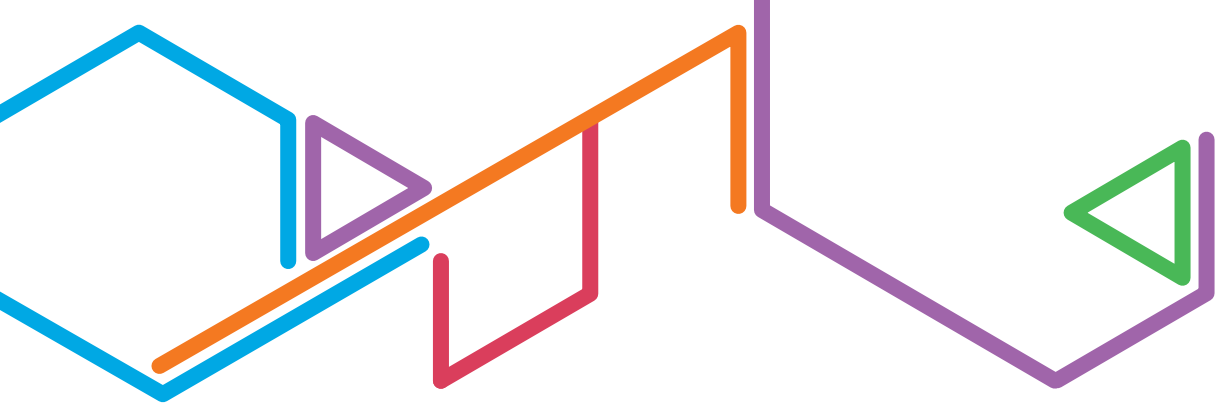
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1.	Beyond GDP	4 - 13
	1.1. An alternative to GDP to help build a fairer world	
	1.2. Towards a different development model	
	1.3. The policy coherence for development perspective	
	1.4. How to measure the impossible	
2.	2016 PCDI results	14 - 37
	2.1. The 2016 PCDI ranking	
	2.2. 2016 PCDI: All countries need to change their development models	
	2.3. The PCDI as compared to other ways of measuring development	
	2.4. Major policy coherence for development challenges facing the world	
3.	In depth	38 - 123
	3.1. The economic component	
	3.2. The social component	
	3.3. The global component	
	3.4. The environmental component	
	3.5. The production component	
	3.6. A glance at the regions	
	3.7. Spain in the 2016 PCDI	
4.	The tool	124 - 141
	4.1. The workings	
	4.2. The structure	
	4.3. Some basic data to understand the PCDI	
5.	Data	142 - 151
	5.1. Original sources of the PCDI variables	





Beyond **GDP**



1.1

An alternative to GDP to help build a fairer world

The Policy Coherence for Development Index (PCDI) is a tool designed to measure, evaluate and compare the behaviour of countries in terms of their sustainable, fair and equitable human development. It was conceived as an alternative to the limited, hegemonic view of the indicators typically used to measure progress, especially Gross Domestic Product (GDP). A country's progress can only be considered as such if it is compatible with that of other countries and the planet as a whole. It is precisely to measure this that the PCDI was built.

The tools typically used for this purpose are inadequate and sometimes misleading when it comes to properly measuring progress or development. GDP, for instance, measures a country's economic growth but overlooks what underlies this growth and its links to social rights. Other more complex indicators such as the Human Development Index (HDI) remain linked to a simplistic interpretation of development which is considered something that each country achieves on its own without taking into account the effect that the development of one country has on the population of another or on the entire planet.

In contrast, the PCDI analyses policies from a sustainable development perspective, bearing in mind not only the effects that these policies have on the country in question but also on third countries or the planet as a whole. The PCDI features a complete sustainable development map.

1
 Plataforma 2015 y más,
 a network of 11 NGOs
 devoted to research,
 communication and
 advocacy on issues of
 development and human
 rights, concluded its
 activities in December 2015.
 The social organisations
 promoting the PCDI
 belonged to that platform.

2
 The articles published
 from that research can be
 found at www.icpd.info and
www.2015ymas.org.

This map evaluates the performance of 133 countries by assessing 20 public policies focusing on 49 variables, grouped into five areas: social, environmental, economic, global and production (the last chapter of this report provides details on the structure and workings of the PCDI and the criteria underpinning its creation). Of the 49 variables, 18 are detrimental to sustainable development processes (i.e. early school drop-out, military spending or ecological footprint), while the other 31 favour such processes (i.e. inequality reduction, public spending on social protection and ratification of treaties on universal justice). The 2016 PCDI also includes a classification into eight regions showing how development breaks down geographically.

Just as other yardsticks such as GDP, Gross National Income (GNI) or the HDI, our index is not neutral. The PCDI sanctions and/or rewards the performance of countries in terms of their commitment to sustainable human development, gender perspective, human rights and being highly cosmopolitan, aware of the fact that the effects and impact of national policies are not limited to their own citizens. Our aim is to displace GDP and the HDI as the main benchmarks in determining government policy and provide a tool to facilitate public policy evaluation. We would like to see governments put the development of people and the planet at the forefront of the public policy agenda.

The PCDI is driven by social organisations devoted to development issues and was created to become a reliable alternative yardstick with which to evaluate, scrutinize and transform public policies both nationally and internationally to forge the way towards a fairer, more sustainable and equitable governance model. A multidisciplinary team of men and women researchers (sociologists, economists, political scientists, communicators...) was involved in its building in cooperation with a team of statisticians, computer experts, graphic designers, and experts in communications.

The PCDI is the result of ambitious applied research begun by the Plataforma 2015 y más¹ and carried out by their team of experts over a period of more than 5 years. The research² is the result of the Plataforma 2015 y más' firm belief in the potential for change that policy coherence for development has gained in recent years and in its ability to redefine public policies and address global challenges such as the fight against poverty and inequality, climate change and biodiversity loss, and the advancement of justice, human rights and equity.



1.2

Towards a different development model

Ongoing disputes remain regarding the concept of development, used by those who limit its meaning to a traditional view linked to economic growth and by others who prefer a more complex approach and propose a transformative notion of development by putting well-being, human rights and environmental sustainability at the heart of the model for co-existence on the planet.

The more hegemonic vision places economic growth, perceived to be either a prerequisite or the only possible measurement, at the heart of development. Thus, for decades development has been evaluated considering only monetizable activities without considering other elements such as environmental sustainability, gender equality, redistribution of wealth or the quality of institutions (Unceta, 2009)³. According to these approaches, development basically means increasing per capita income.

In contrast to this view, others propose incorporating elements such as environmental sustainability, gender equality, human rights or the redistribution of wealth into the concept of development. Here, the notion of human development refers to capacity-building, greater freedom and enhancing choices for all people on the planet and for future generations. If governments are to set their sights on this view of development, beyond lip service, they must reset the economic, social and political stages to ensure human development for all people worldwide.

3

Quote from Millán, N. et al., "Programa de investigación para el análisis de la coherencia de políticas para el desarrollo", in *Y después de 2015, ¿qué hacemos? XII Annual Report of Plataforma 2015 y más*, Madrid, 2015 y más, 2015, pp. 75-87.

In this dispute, the PCDI aims to break with standard concepts when it comes to development issues. Our notion of human development is multidimensional, including environmental sustainability, a cosmopolitan and also gender perspective, and aims to safeguard human rights for all.

HUMAN development. The PCDI aims to put caring for people at the heart of policy. The well-being of citizens both within and beyond our borders should be the central focus of public action.

SUSTAINABLE development. We believe that personal well-being is inextricably linked to the welfare of the planet we inhabit. Thus, our index analyses and assesses the impact of policy actions on social and environmental constraints and the future of the planet.

COSMOPOLITAN development. We view development as a social process that goes beyond governments' domestic responsibilities and forces them to also consider global issues (i.e. those affecting the whole planet) and the link between their domestic development and that of other countries. From this vantage point, no country can be considered developed if its development is not 'universalizable', i.e. compatible with that of other peoples and countries and with human and environmental development overall around the planet.

RIGHTS-BASED development. Capabilities and assets are not considered ex gratia services but rather as people's innate rights. The aim is to view people as global citizens, and this implies building strong institutions able to develop effective policies with accountability to citizens.

Development based on **GENDER EQUALITY**. The PCDI not only seeks to rate government policy action (or lack thereof) specifically devoted to the prevention of discrimination between men and women, but also tries to assess the impact that policies in all areas have on gender equality. Furthermore, the PCDI seeks to assess governments' commitment (or lack of interest) to drawing attention to and placing value on care-taking and reproduction, missing from most of the standard indicators. Our index is also critical of the structural domination exercised by the values and interests of the patriarchal system.



1.3

The policy coherence for development perspective

The PCDI is based on the premise that all public policies, irrespective of their sector or whether they are domestic or international, are development policies. This implies that all policies can be analysed on the basis of the type of development they produce, who benefits from the development model they propose and the rights and interests they deem most important.

Now that we have described our development approach in the previous section, we turn our attention to understanding the extent to which the PCDI and, more generally, policy coherence for development, can help transform the current development model, which is ecologically unsustainable and generates inequality and a growing lack of democracy for most of the planet's inhabitants, placing the priority on the interests and lives of people worldwide.

Policy coherence for development as prescribed in the PCDI prioritises the well-being of people and the planet over economic growth

Policy coherence for development is a technique to bring about political change and help reorient public policies towards sustainable development. This implies at least two things:

1. It is a mechanism for change. This means that it has a critical component and is based on the premise that, for different reasons, current policies fail to contribute to sustainable human development.
2. It is a political tool. This means that it is based on inherent political conflict between the interests of different social groups. Policy coherence for development as the ultimate goal of the political process thus implies always choosing the public policies that best promote sustainable development.

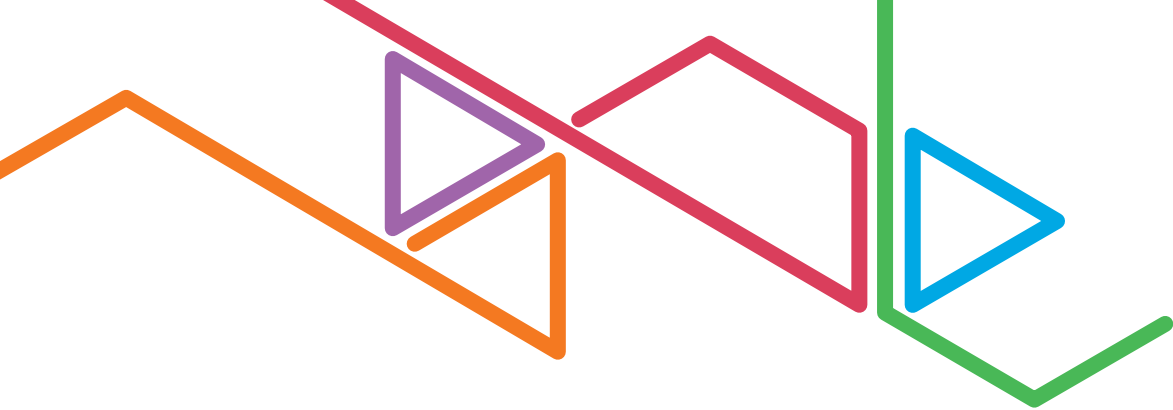
Therefore, the PCDI is a tool designed to determine which countries implement public policies that support sustainable development to a greater or lesser degree and also which public policies most urgently need to be changed or redefined.

The PCDI stresses the issue of political change because, in many cases, policy coherence for development is viewed as an approach to improve the coordination of public policies or simply to eliminate contradictions among them.

In the face of a global development model giving rise to growing inequality, it is vital to choose policies geared towards different interests based on other notions of what is desirable in terms of development. And as in any political choice, this is subject to conflict. In this sense, policy coherence for development as prescribed in the PCDI prioritises the well-being of people and the planet over economic growth, which will necessarily lead to conflict as this involves overhauling the statu quo.

More conventional analysis of development issues is based on the premise that some countries are developed while others are not, with the “less developed” ones being urged to implement public policies that put them on a par with their more developed counterparts. In our view, no country is sufficiently developed and therefore no country can serve as a model for development. Quite the contrary. All countries must take steps to transform their development model.

The PCDI takes the approach that all countries can be considered developing countries because development is precisely the course, the social process they are on. The PCDI puts forward an interdependent world where development is a global process in which all countries take part and domestic and international actions are intertwined and impact one another.



1.4

How to measure the impossible

MEASURING TO TRANSFORM

Policy coherence for development is a political approach conceived to bring about change and entails choosing amongst policies that defend different interests and visions. Measuring sustainable development from this perspective requires taking a critical look at reality in order to see what lies behind what seems to be obvious at first glance.

This critical approach must be taken with a willingness to transform things by identifying what has the greatest potential for improvement and change. The PCDI is based on this premise. It was put together taking into account not only the aspects of development that other indicators ignore but also those with the greatest potential to generate change.

This perspective has led us, for example, to leave out a typical variable such as economic growth in our measurement of development. Economic growth is structurally limited in terms of the planet's ecological resources. Therefore, from a sustainable development approach, economic growth in today's world may not be compatible with economic development in the future or for future generations.

Furthermore, while economic growth may be a very important factor for human development in some countries, it tells us nothing about the nature of that growth which could be the result of activities that debase human rights or thwart social rights, such as when they are based on a high level of indebtedness.

We believe that economic growth typically masks true sustainable development. The PCDI aims to scrutinise progress made by countries without taking this type of growth into account as a positive feature of development per se. A shift in public policy focus away from economic growth and towards rights-based development will be more likely if the PCDI is used as a starting point.

We would do things differently if we took into account aspects of our reality that are normally not shown to us. Measuring social reality provides a perspective that can guide action, and because the PCDI is a political effort to do so, it stands as a way of building a different sort of society.

MEASURING TO MAKE SENSE OF THE WORLD

Each phenomenon taking place within a given country is somehow intertwined with the rest of the world. Development, and all other social phenomena for that matter, can never be only “domestic”. It will always be global. Development in one single country is impossible. Development and all the components contributing to it are global public goods.

This leads to the need to incorporate a cosmopolitan vision into the policies we analyse. The PCDI takes account of both the extent to which countries contribute to building international mechanisms that promote global development and the contradictions between a country’s domestic development and what we see when we expand our view.

How does one “measure” contradictions? By bearing the inherent contradictions of development in mind. A country such as Switzerland, with a very high degree of human development, performs very poorly on the PCDI because its high level of development contradicts the price paid by the rest of the world for it to maintain that level of development, for instance in terms of financial opacity.

Therefore, no matter how good a country’s social indicators are, we cannot assert that its public policy is coherent for development if it has a very large ecological footprint or bases its economic model on irresponsible banking. These indicators bring to light public policies that fail to take account of other countries’ potential for development.

The PCDI does not fall into the nation-state trap, i.e. the idea that the nation-state implements its policies in a vacuum. Environmental sustainability, one of the central issues on any development agenda, is impossible to tackle from an individual country perspective because the problems that need solving (i.e. climate change, fossil fuels, etc.) are global. Today it is also undeniable that issues relating to such things as financial markets, the expansion of rights and freedoms and access to goods and services have reached a planetary or global dimension, calling on all States to devise global governance mechanisms regarding major development issues.