

Regional inequality is not decreasing in low and middle-income countries

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Data from the United Nations has shown that inequality in human development between countries has been decreasing at a global level for years. However, new research shows that major differences between regions of individual countries have continued to exist. Together with colleague Iñaki Permanyer, Professor Jeroen Smits has developed a new tool for making a more accurate analysis of wealth differences within countries: the Subnational Human Development Index (SHDI). Smits and Permanyer published an article on this new approach in *Population and Development Review*.

To assess development of a country, the current standard—the Human Development Index—looks at changes in the economy, education and health. Because this index only looks at the national level as a whole, Smits and Permanyer found that inequalities between regions within countries are hidden. Smits: "For prosperous countries, such as the Netherlands, France or Spain, a national index is perfectly adequate. These countries are so wealthy that they can provide reasonable healthcare and schools even in remote regions. But in poorer countries, national-level data says a lot less."

Less inequality

"The SHDI shows the level of Human Development for an average of ten regions per country," explains Smits. This index (publicly accessible via the Global Data Lab website) therefore enables observers to measure

[inequality](#) in the world with ten times as much detail. "In low and [middle income countries](#), inequality doubles when measured with the new index. In Tanzania, India or Colombia, the central regions and major cities have already reached a reasonable level of human development, but the more remote and rural areas have clearly lagged behind."

The differences in Human Development at the global scale have decreased in recent years. Smits and Permanyer have shown that this is mainly due decreased inequality between countries, and that inequality within individual countries has decreased much less. The growing world population also appears to be an inhibiting factor. Smits: "Population growth is higher in regions with the lowest level of development. This substantially slows the decline in inequality. Due to the strong [population growth](#) that is expected in sub-Saharan Africa, this effect will increase in the coming years."

Coronavirus hits development hard

The United Nations recently sounded the alarm because the impact of coronavirus threatens to reverse the progress in worldwide human development for the first time since measurements began. The UN warns that the virus could wipe out the gains made in recent years because it has a negative impact on all three pillars of [human development](#): health, education and economic growth. However, we also know that the impact of coronavirus can vary considerably between regions. The SHDI can therefore help researchers and policy makers to develop a more targeted approach.

Smits: "These regional differences can help researchers gain insight into factors that influence the spread of the disease. When analysing differences in corona infections between regions, they can use our regional data on education level, poverty and healthcare to refine their models. If we know why the virus strikes harder in certain regions than

elsewhere, more effective policies can be developed to prevent its spread."

More information: Iñaki Permanyer et al. Inequality in Human Development across the Globe, *Population and Development Review* (2020). [DOI: 10.1111/padr.12343](https://doi.org/10.1111/padr.12343)

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