



## A Behavioural Approach towards Human Development: An Insight into the World Development Report 2015.

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### ABSTRACT

*A behavioural approach towards human development leads to a better and clear understanding of the core process of human development. Human development encircles itself within the boundaries of human behaviour. The human behaviour, as a matter of fact, is influenced by various factors such as decision making, economic development, poverty and early childhood development (ECD) et cetera. These factors are, in response, affected by the process of human development. The present paper seeks to deal with the two-way relationship that exists between human development and various factors mentioned above. It envisages learning the impacts of these factors affecting human development through an influential and well established behavioural approach. The paper has tried to access an insight into the World Development Report (WDR) 2015.*

**KEYWORDS :** Behavioural approach, Human development, Decision making, Poverty, ECD, WDR.

### 1. Introduction and Survey of Existing Literature.

A behavioural approach towards any subject or field helps in getting a deeper insight into it. Human behaviour is a set of experiences gathered over a period of time. Many new things are learned and these learning are helpful in the process of improvement. A behavioural approach towards human development helps us in understanding how the human race has attained the levels of development over a period of time via a set of learned experiences. Such an approach tends to take the support of various factors that are indeed the most important ingredients of human behaviour in general and of human development in particular. It becomes vital to understand that both behavioural approach and human development are continuous in nature.

Decision making is one of the core aspects of human behaviour. Our decisions determine the directions of our lives. What we decide to choose today influences our tomorrow. Similarly our decisions determine the levels of human development that we attain. There are three principles of decision making-thinking automatically, thinking socially and thinking with mental models (World Development Report, 2015) that influence our decisions and choices. An unbiased and a reason based decision helps individuals to achieve better results than a biased and non-reason based decision.

While carrying out a behavioural approach towards human development, the relationship between human development and economic development has to be looked into. Giving due preference to human development (Ranis, et al., 2000), they have carved out a two-way relationship between human development and economic growth. According to their study, it has been seen that countries favouring economic growth falls from virtuous to vicious cycle whereas countries favouring human development over economic growth eventually fall into the virtuous cycle. They have stated that human development should be given sequencing priority where the role of the choice becomes vital.

Poverty has a negative relationship with human progress. The vicious circle of poverty continues reducing the status of human development. It further strengthens itself and ultimately leads to the worries for mankind. Poverty traps the human communities and pushes them to lower standards of living. The percentage of people in India living under poverty line (Shah) has declined from 54% in 1950s to around 33% in the year 2000. Poverty eradication is an important but insufficient condition for development. However, it's importance in modern times can't be overlooked to attain handsome levels of human progress

Early childhood development through early learning (French, 2007) has been essential for development and progress of human beings. His study has focused on the vitality of a question, "How should we envision and understand the child as a young learner? ". Principle of equality is incorporated in his study to bring together the children with varied abilities from diverse backgrounds. Children must be in-

involved in the active learning process and meaning making must be taught to them.

### 2. Prime Objectives of Study

- To study the principles of human decision making incorporated in WDR 2015.
- To trace a relationship between human behaviour and economic development.
- To analyse the role of poverty in framing poor frames.
- To put forward the importance of early childhood development (ECD).

### 3. An Interpretation of Some of the Key Areas incorporated in WDR 2015

WDR 2015 has incorporated various key areas. The present paper has selected the following important areas and has tried to carry out discussions over these core areas:

#### 3.1. Three Principles of Human Decision Making.

Decisions are taken by human beings so as to make a better way to carry out the process of formulation of policies and implementation of the same. The decision making process assists us to get an insight of the human behaviour and pursue developmental policies. World Development Report (WDR) 2015 has talked about the three principles of human decision making. These principles are **thinking automatically, thinking socially and thinking with mental models.**

#### 3.1.1. Thinking Automatically.

This principle of human decision making gives a partial view of the world. The principle of 'thinking automatically' includes biases. Such decisions are often made automatically and quickly and not deliberately. Thus it is effortless, intuitive and associative in nature. This is so as a consequence of thoughts coming quickly and automatically to minds of the individuals. Kahneman 2003 and Evans 2008 have differentiated the automatic and deliberative systems of thinking. This can be observed in table 3.1.1.

**Table 3.1.1.: Two Systems of Thinking.**

S. No.	Automatic System	Deliberative System
1	Considers what automatically comes to mind. (narrow frame)	Considers a broad set of relevant factors. (wide frame)
2	Effortless	Effortful
3	Associative	Based on reasoning
4	Intuitive	Reflective
Sources: Kahneman 2003; Evans 2008		

#### 3.1.2. Thinking Socially.

Human beings are considered as the social animals. Every individual is influenced by many other individuals of the society. What we think is influenced by what others think. Or simply we can say that an individ-

ual's thinking is influenced by the prevalent thoughts of the society. In the same fashion, the decision making process of every individual is influenced by the society. Humans are bound with social norms and networks. They have to prefer altruism, cooperation and reciprocity (WDR 2015). Therefore, the principle of 'thinking socially' has a great deal of impact over the decisions taken by the individuals in the society. In such a type of thinking, other's thinking and expectations influence one's thinking and decision making.

### 3.1.3. Thinking with Mental Models.

The principle of 'thinking with mental models' gives us a very clear view of the world. In such a principle of human decision making, every individual attempts to understand himself/herself and tries to carve out a sense and meaning of the world around him/her. This helps every individual to take decisions which are effortful, reflective and are based on reasoning (WDR 2015). A wide frame of view is formed while taking decisions. Every relevant factor is brought into consideration while taking decision. A deliberative system of thinking is adopted in the principle of 'thinking with mental models'. Past experiences help a lot in taking decisions and formulating and implementing developmental policies which are necessary for human progress.

### 3.2. Human Behaviour and Economic Development.

The three principles of human decision making are of great importance to the poverty alleviations and formulating developmental policies. It is the human behaviour with sets the boundaries of his development (social and economic). Developmental policies which focus on low-cost and high-efficacy (economic gains) are a result of rational human decision making (WDR 2015) which further a vital part is of human behaviour. Better human decision making processes are the core instruments of expanding the limits of the developmental policies. Thus human behaviour with rational decision making helps in attaining decent levels of economic and human development.

### 3.3. The Role of Poverty in Framing Poor Frames.

Poverty tends to prevent people, especially poor, from taking benefits from the developmental process in the economy. It can frame poor frames by convincing poor people that they are incompetent and are disrespected in the society. This may stop them from indulging in the developmental process. They may stop hoping for the decent standard of living and improved lives. As a consequence, poor people may not be able to take advantages from economic opportunities. When such poor frames are formed, the poor is further pushed into deep shackles of poverty. Empirical data (WDR 2015) reflects that poor people convince themselves as not being important and think that their lives are not worth living. Such frames force them to remain in poverty and the poor people are deprived of better employment and educational opportunities.

### 3.4. The Importance of Early Childhood Development (ECD).

Early childhood development (ECD) has been very vital in the determination of the overall development of an individual as well as in attaining decent levels of human development. It has been observed that children from poor families (WDR 2015) differ from the children from rich backgrounds by a very large margin. Such a difference leads to gaps between poor and rich children in terms of their cognitive and non-cognitive abilities which are a key to the ECD. Such gaps

result in a huge loss of human abilities. This affects both the society and themselves. Children with poor backgrounds, as a result of loss of human potential, fail to reach to the decent amounts of their developmental abilities and potentials in the early years of their lives. Such a scenario badly affects their years of lives at schools. Therefore, ECD is the prime requirement for the overall growth and development of an individual from childhood to the rest of his/her life. ECD also determines the levels of human development of any society or country. Therefore, handsome levels of ECD ultimately lead to decent levels of human development.

### 4. Concluding Remarks.

The present paper has tried to carry out a behavioural approach towards human development. The paper has been successful in working within the spheres of its prime objectives. It has figured out that a rational decision making system is a necessary condition for formulating and implementing developmental policies. This can be achieved only through past experiences, logical and deliberative thinking (thinking with mental models). Further, the study has achieved an insight into the matter that human behaviour, which incorporates human decision making processes, with logical and rational decision making systems can help in attaining decent levels of both economic and human development. It has been made possible through low-cost and high-efficacy which ultimately leads to economic gains. It has also found out that poverty is capable of framing and constructing poor frames which can convince poor to think that they are not worth living and thus they prevent themselves from getting gains from economic opportunities. Therefore, poverty-alleviating programmes must be run to uplift the poor and provide them with decent levels of human and economic development. The present paper makes us aware of the fact that ECD has been a necessary condition for overall development of the society and the individuals. The gaps between poor and rich children lead to the loss of cognitive and non-cognitive abilities of the former. It eventually leads to loss of a large amount of human potential which badly affects the overall development of the society and it's poor.

It can be illustrated that logical and deliberative thinking, economic development, poverty eradication, proper attention towards children and early childhood development are some of the important areas concerning human development and its spheres. The paper has attempted to highlight the importance of these areas, which are incorporated in WDR 2015, to attain higher levels of human development, through a behavioural approach. Such an approach helps us to have an insight of the human behaviour which has greater impact over levels of human development.

## REFERENCES

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