

Development: From the Economic Concept to Human Resource Development

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Abstract :

After the economy and its material values were the focus of attention for a long time, humans became the centre of attention by issuing the first United Nations report on human development in 1990. With this, many countries, including Algeria, realized the importance of focusing on the human element as the central axis in the development process. Human development is defined not just as improving human capabilities through education, health, nutrition, etc., but also as humans benefiting from their capabilities and the improvements therein, whether in work or leisure time. Humans are not just a means or an element of production but also the goal of development, meaning that development aims to achieve human well-being .

Keywords: Development; Economic Development; Human Resource; Human Development

1. Introduction

Initially, the focus of development in all countries was to achieve economic development, aiming for it by working towards maintaining an appropriate rate of development in various aspects and making it a goal. In the long term, this was to increase the growth rates of the national income. The development process brings about a radical change in society that addresses the causes of backwardness and poverty.

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However, this concept has changed over time, shifting to human development, a composite concept consisting of a range of data, conditions, and dynamics. Human development is a process or process that occurs due to the interaction of a group of factors and inputs, diverse and varied, to achieve particular effects and formations in human life and its societal context. It is a continuous movement that goes on through generations over time and across geographical and environmental locations on this planet.

One of the most straightforward definitions of the term or concept of human development is that it refers to the increase in knowledge, skills, and abilities among individuals, meaning it is the science of learning skills to achieve success in any field. It is also a science concerned with self-development. The science of human development is a field aimed at improving human efficiency with those around him in various areas of interaction, whether psychological or social, freeing him from any negative feelings, behaviors, or aspects and trying to elevate his level of interaction with others.

Human development is concerned with the level of human growth at different stages of life to develop human capabilities and physical, mental, psychological, social, and skilful energies. Achieving stability in each aspect is central to achieving success and stability.

2. The Evolution of the Development Concept from Economic to Human

The term "development" was first used by Stelli Boujin when he proposed a global development plan in 1989. One of the most prominent economic development advocates was the British Adam Smith, who applied this concept to establishing economic and political systems collectively called the development process. The approach to development during the 1950s and 1960s was purely economic, based on the belief of those responsible for development issues that this approach could develop public life, and economists after World War II, following most developing countries gaining their independence, emphasized the necessity to adopt an economic development strategy. This strategy "represents a process of increasing the real national income and the steady increase of this income over a long period, so that this increase is greater than the population increase," thus aiming to use natural resources to achieve economic welfare for society members and exploit these resources in the best ways, focusing only on the material aspect. However, in the 1970s and 1980s, experts realized that a country could experience rapid economic growth but remain underdeveloped, reinforcing the belief that economic development alone is insufficient for the comprehensive development of any country. Hence, the necessity arose for multidisciplinary approaches that consider cultural, social, and human dimensions to move beyond reducing development to the growth of material wealth. The journey of human development reflected the evolution of development and economic growth theories. Human development was not proposed independently; the concept of human development evolved from one decade to another along with the original concept. From World War II until the end of the 1980s, development was limited to the quantity of goods and services an individual received. However, at the beginning of the 1990s, the term human development emerged, expanding and replacing various terms used to

describe the process of making humans the goal of development, such as human resource development, human element development, human capital development, etc. The birth of the human capital theory was announced at the beginning of the 1960s (1961) by Theodore W. Schultz, who explained that investment in human capital is the reason for the high productivity of technologically advanced countries. Studies evolved but continued to address the same dimensions under different titles. With the beginning of the 1970s, there was a sharp shift in defining development goals. After the focus had been primarily on the average per capita share of the gross domestic product as a goal for economic growth, calls increased to adopt other goals related to reducing poverty severity by achieving greater income distribution equity, increasing employment, satisfying basic needs, etc. The 1980s were years of economic crises, where the focus on reforms and economic growth was a top priority, and the various policymakers did not pay significant attention to the potential negative effects these reforms and policies could have on people. Through its Development Programme, the United Nations adopted the concept of human development as a new concept that views people more as ends than merely means to development. The first report was from 1990, titled Human Development, which means that the subject of human development was not born out of the United Nations Development Programme's report first issued in 1990. On the contrary, the United Nations' adoption of this topic resulted from the widespread interest in it during the 1970s and 1980s. The concept first appeared in the West in 1968 when youth rebelled due to the economic development in Western societies' failure to make people happy and satisfy their non-material needs. One of the clearest and most important studies explaining the concept of human development is by Paul Streeten in 1994, where he states: "The development of human potentials and the eradication of poverty are ends in themselves and means to increase production." He referred to means that increase productivity, such as education, healthy nutrition, skills, labour force activation, and family planning, as human resource developers and to other dimensions, such as the environment and poverty reduction, as human enhancers. Finally, another dimension was added to human development that combines two axes of development: meeting the current generations' needs fairly without compromising the needs of future generations, named sustainable human development. This evolution of the human development concept was reflected in the context of the United Nations Human Development Reports from 1990 to 2011, starting with clarifying the concept of development and its measures in 1990, then financing human development in 1991, setting development dimensions in 1992, emphasizing people's participation in development in 1993, then addressing human security dimensions in 1994, gender and human development in 1995, illustrating the relationship between human development and economic growth in 1996, combating human poverty in 1997, the topic of consumption in 1998, human development in the era of globalization in 1999, human rights in 2000, linking modern technology to development service in 2001, deepening democracy in a fragmented world in 2002, setting Millennium Development Goals in 2003, cultural freedom in a changing world in 2004, international cooperation at a crossroads in 2005, power and poverty and the global water crisis in 2006. In 2007 and 2008, the report content was about combating climate change and overcoming barriers and the mobility of individuals; in 2009, it was about the real wealth of nations, while in

2010 and 2011, the content was about justice and sustainability in development (Halawa & Saleh, 2009, p. 65).

Thus, modern development has transcended the concept of economic growth to take another direction: human development, which considers humans not just as one of the development elements but as its aim and goal.

3. The Theoretical Framework for the Concept of Human Development

The concept of human development is employed in contemporary economic discourse to elevate developmental thought from the narrow economic field that prevailed over the past decades to a broader field: the field of human life in its various economic, social, political, and cultural dimensions. The concept of human development is an extension of economic development.

Human development is a contemporary term circulated in the last decades of the twentieth century, and studies are still required to clarify its meaning. Human development revolves around developing human capabilities to enable individuals to meet their material, moral, social, and mental needs, thus expanding the human capacity to reach the maximum potential, whether as individuals or as a society.

Abdul Karim Bakkar defined it: "Development is about moving a planned set of social and economic processes through a specific doctrine to achieve the targeted change with the aim of moving from an undesirable state to a desirable one." (Bakkar, 1999, p. 06).

Furthermore, the science of human development is a field aimed at improving human efficiency with those around him in various areas of interaction, whether psychological or social, freeing him from any negative feelings, behaviours, or aspects and trying to elevate his level of interaction with others.

4. Methods and Means of Human Development

Through the definition, it becomes clear that the target of the human development process is the individual with his/her energies and talents. These energies are developed through several means and methods the Prophet Muhammad uses. Peace be upon him, which we will detail in this study. Among the most important means used for human development are (Ahmad, 2011, p. 06):

Training and practice significantly change human behaviour by activating participation and training.

It uses the reinforcement method, which involves praise, appreciation, and recognition of human energies. This method has a significant effect on developing talent in individuals.

Brainstorming and stimulating imagination help in unleashing mental energies and generating new ideas.

Using the art of dialogue enables conveying one's idea to people without difficulty or hardship.

5. Human Development Index (HDI) and its Elements

The United Nations established a Human Development Index in 1990, which measures each country's level of human development annually. It consists of three components: health, education, and income, and four indicators related to these components as follows:

5.1 Health Component

The health index can be expressed or measured by more than one variable. The health level can be measured through the life expectancy at birth indicator, which is the primary indicator of health status, or through the infant mortality rate or the mortality of children under five years of age, as well as the maternal mortality rate.

These indicators are essential for measuring health levels, especially in developing countries, where there is an apparent disparity between them and developed countries. However, life expectancy at birth is the preferred variable for expressing health level.

A country's lack of attention to healthcare leads to numerous diseases, one of the triads of underdevelopment (poverty, disease, and ignorance). Health is affected by economic and social factors, and attention to public health is essential for increasing productivity for individuals and society. This contributes to addressing weakness, disease, and incapacity, all of which mean expanding and improving the human resources base and being a right for every human.

Many studies have demonstrated the positive relationship between healthcare spending, workforce productivity, and economic growth (Al-Najafi & Al-Damah, 2001, p. 75).

Poor health is caused by and results in poverty, weakening personal capacity, reducing productivity, and diminishing earnings. Workers with low wages and low educational levels often engage in unsafe work, can be easily replaced, and are typically more prone to disease (Abdullah, 2004, p. 157).

The health indicator is life expectancy at birth, representing the average years a person from a particular birth cohort is expected to live at a specific time. This indicator represents the average years a person is expected to live after theoretically being exposed to the probabilities of death at every age from birth. Suppose the estimated value of the indicator for a country is 65 years. In that case, it means that a cohort of children born alive at a particular time is expected to live an average of 65 years, considering the probability of death in each subsequent year of life.

5.2 Education Component

Education is one of the critical indicators reflecting the level of human development achieved by society. Literacy and eradication of illiteracy are the first steps in acquiring knowledge. As technological change began to affect all aspects of daily life, education gained particular importance as a foundation for achieving economic growth and human development simultaneously.

Human development approached education from three central angles. The first angle focused on providing education to acquire modern technology. The second angle concentrated on linking education to labour market needs, while the third angle

presented education as a fundamental human right aimed at improving human conditions, not just preparing them for work.

Focusing on technical education and vocational training instead of expanding general education was recommended because it linked education with acquiring modern technology. By the end of the 1960s and the 1970s, questions arose about the relationship between increased investments in education, training, and skills and the limited professions required by a productive society (Al-Qasfi, 1990, p. 92).

The expansion of industrial countries' educational systems towards continuous and open education, in response to the rapid pace of technological change in the second half of the twentieth century, was to accommodate and participate in it (Al-Najafi & Al-Damah, 2001, p. 107).

It must be emphasized that the technological advancements achieved by the economies of developed countries are the result of the educational process and training, which improves human capabilities and contributes to economic growth, benefiting human development. The continuous rise in the education and skill level of the workforce is no longer just a social reflection of the growth movement. However, it has become, due to the significant technological progress experienced by humanity in this era, one of the requirements for increasing productivity and, thus, continuing growth (Al-Najafi & Al-Damah, 2001, p. 89).

Education helps improve the human condition and the ability to access and use information to influence economic growth. It increases human capabilities, helps meet their needs, and boosts productivity. The importance of education as one of the factors affecting economic growth has been confirmed, as it generates knowledge among people. Thus, education fuels human development in all dimensions, especially in increasing production and income and eradicating poverty. Education is a fundamental human right, an end in itself, and a means to improve well-being through its impact on productivity, income, and health.

There are two indicators for education:

The first is literacy, representing the proportion of literate adults to the total adult population. While this variable may not be a sensitive measure in highly developed countries, where the average rate exceeds 97%, it remains important for other countries, especially those with lower levels where the average rate is below 50%.

The second is the enrollment rate for the three educational stages (primary, secondary, and higher), representing the proportion of children enrolled in schools for different educational levels to the corresponding number of individuals in each age group, taking the average of these rates to represent the total enrollment rate.

5.3 Income Component

This initiative to establish the annual Human Development Index came after experiences since the 1970s showed that high economic growth in some developing countries did not reduce the number of poor people; on the contrary, in some cases,

measuring the Gross Domestic Product (GDP) per capita was not sufficient to indicate development and wealth distribution among the population.

The Human Development Index is a composite measure that aims to show the average state of human development a country achieves compared to others. It does not, in itself, reflect the differences in human development conditions within the same country. Indeed, the Human Development Index gained this characteristic from its third component, the average income per capita, which varies significantly among individuals and communities. In contrast, the other two components, life expectancy at birth and education level, have a natural distribution and are more equal (Al-Qasfi, 1990, p. 124).

The income indicator is a fundamental element in human development and uses the GDP per capita. Despite the reservations raised by this indicator when used to express the level of people's welfare, due to the variation in social groups that enjoy this level of welfare, obtaining income is one of the options that people wish to have. It is an important choice but not the most important of all. Human development includes increasing income and wealth, but it also encompasses many other valuable things that people consider essential, such as education, health, freedom, and more (Abdullah, 2004, p. 24).

It is clear that income is just one of the options people want to achieve, and while it is an important choice, it does not constitute the entirety of their lives. Income is a means, and human development is the goal. The purpose of development is to expand people's choices, not just to increase income, although economic growth is considered fundamental. However, there is an emphasis on the need to pay attention to its quality, distribution, and use from one generation to another (Abdullah, 2004, p. 26).

6. Islamic Human Development and its Characteristics

Islamic development has characteristics that distinguish it from all other forms of human development, summarized as follows:

6.1 Divine Nature

The Creator inspires it, as it is based on connecting the human being with its supreme goals for which it was created, namely, populating and stewarding the Earth to achieve the principle of servitude and elevate the human being in thought, spirit, and belief.

6.2 Change

Despite the constancy, there is a general evolution in the universe and societies within the limits of the development of branches, not fundamentals, because this is indeed the field of evolution and nothing else. Islam recognizes and advocates for this through its call to discover the laws of life and harness them for one's happiness and the development of civilization. To accommodate the change in life, a vast space allows the human mind to move and exert effort within the general controls that form the aforementioned fixed axis (Hamid, 1983, pp. 17-55).

6.3 Comprehensiveness

Islamic development is not derived from human thought, limited by time, place, and interest, but is based on Allah, the Creator of existence. Thus, humans do not find themselves lost, confused, or disconnected from their surroundings but feel comfort in their hearts and minds because they attribute all aspects of the universe to His supervision and dominion, Glorified and Exalted Be He. This prevents humans from giving their finite minds infinite scope in cosmic movement so they do not get lost or misguided, resort to imagination, or end in confusion and insanity. With all this, humans move to comprehensiveness because life and its movement turn into a series of continuous worship of Allah, the Creator, Lord of the Worlds (Al-Ani, 2002, pp. 30-36).

6.4 Balance

This balance is evident between the will of Allah, the Creator, which necessitated the creation of man, and his capacity for action, and between human will, to affirm his choice, thus defining his responsibility, eliminating the alleged contradiction between the two wills, as well as between human suffering and the feeling of worldly and otherworldly reward, and between the absolute servitude of humans to Allah and the dignified status of humans in the universe. Thus, human development balances inclinations and desires without excess or negligence (Qutb, 2003, p. 41).

6.5 Positivity

The positivity of human development is evident in Allah's care for His creation and his perfect and comprehensive management of existence. This characteristic provides humanity with all ethical feelings and standards. The second axis embodies the positivity of human life, which moves to realize its significance in an effective and impactful way, both within itself and in the universe around it. Therefore, it does not know idleness or negativity but strives for continuous change to achieve its faithful self (Tawfiq, 2006, p. 56).

6.6 Realism

Human development deals with human reality as represented by individuals as they are in the real world, dealing with human nature and the circumstances surrounding his life in the universe, within the limits of his nature, predispositions, energies, virtues, vices, strengths, and weaknesses. It does not misjudge, underestimate his role on Earth, waste his value, or elevate him to divine status in any of his attributes (Al-Nur, 1995, p. 106).

7. Leadership Development "As an Aspect of Human Development"

7.1 Developing Leadership Skills

There is no doubt that the presence of leadership in any society significantly impacts its righteousness or corruption, success or failure, progress or decline due to its strong authority and effective influence in various aspects of human life, where all matters are under its control and disposal.

Thus, the pristine Sharia emphasized creating influential leaders in the Muslim community, as stated in the verse of the Quran: **" O believers! Obey Allah and obey the Messenger and those in authority among you. If you disagree on anything,**

refer it to Allah and His Messenger if you truly believe in Allah and the Last Day. This is the best and fairest resolution" (Quran 4:59).

Given the importance of this issue in people's lives, Allah has mandated obedience to the believing leader, responding to his command, and adhering to his instructions.

The Prophet Muhammad, peace be upon him, in his training and preparation for leaders, ensured that it stemmed from their belief in their significant responsibility in building the grand edifice of Islam and was in line with the concepts and beliefs of the nation, to deepen people's trust in them and rally around them, thereby achieving the desired goal.

7.2 Preparing Leaders

Creating leadership and having a good leader at the helm is paramount. Indeed, it is the axis of a nation's advancement and progress in various fields. The primary starting point for correct leadership development is preparing leaders and working on their creation. Peace be upon Those who follow the Prophet Muhammad's guidance. His noble teachings will find that he gave particular importance to this issue, preparing the Companions for unique leadership roles that covered different aspects of life, whether intellectual, political, military, economic, and others, resulting in the emergence of intellectual, political, military, and economic leaders among the Companions, and even those who were leaders in all aspects of life.

From another perspective, we see that the Prophet Muhammad, peace be upon him, did not leave any small or big matter without highlighting the importance of having a leader at the head of every planned and organized work. For example, he said: **"When three people go on a journey, they should appoint one of them as their leader"**.

This hadith shows us the importance and benefit of having a leader, even if the number is small, as there must be a leader to care for and manage their affairs, which helps regulate their situation.

Those who act upon this hadith and apply it in their lives will find themselves oriented towards training themselves in leadership. This indicates that leadership is not limited to significant governance but encompasses everything required by people's interests and facilitates their affairs.

8. CONCLUSION

From what has been mentioned, it becomes clear that humans are the real wealth of nations and the secret to their elevation and progress. They can acquire knowledge and skills. In a world dominated by globalization and the melting of identities, accompanied by transformations at all levels, investing in human capital remains the best investment to achieve well-being and a good life.

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