

Shorter Notices

United Nations Development Programme (UNDP). *Human Development Report 2013.* The Rise of the South: Human Progress in a Diverse World. New York, USA: UNDP. X+203.

The 2013 Human Development Report shows that despite the developed world growing at a slow pace during the past few years, the developing countries have grown at an admirable rate. The Report calls it the “rise of the South”, with not only big countries, such as Brazil, India, China, and Mexico growing rapidly but the smaller countries, including Bangladesh, Ghana and Rwanda also showing considerable improvements in their human development indicators. The drivers of growth in these countries include a proactive developmental state, tapping of global markets, and determined social policy and innovation. Nevertheless, the Report warns that rapid growth of the developing world not only presents opportunities, it also poses challenges as there is more to be achieved yet, especially in terms of human development. Interestingly, the Report argues that the growth experience of the South shows that neither collectivist, central management approach works nor the unbridled liberalisation advocated by the Washington Consensus. The Human Development Report, 2013 however warns that future success is not guaranteed, not even for the high achievers. The Report suggests four areas to keep the momentum going in economic growth and facilitate more progress in human development. These areas are greater equity not only between men and women but also across groups, peoples’ participation in the events and processes that shape their lives, tackling environmental challenges, and managing demographic change. It is projected that in near future, the combined output of Brazil, China, and India will overtake the combined output of Canada, France, Germany, Italy, and the United States. Furthermore, the share of Brazil, China, and India in the total global output will rise from 10 percent in 1950 to over 40 percent by 2050. The rise in the economic importance of the South and with changing developmental structures, the challenge is now to shape the global institutions so that the progress becomes sustainable. The Report calls for reforms in the global institutions and stronger regional cooperation. The success of the emerging economies of the South at multiple fronts can be beneficial for other less developed countries as there are many lessons to be learnt from the South’s experience. At the end, the Report argues that global issues, such as climate change, international financial instability, terrorism, nuclear proliferation, etc. have proliferated and the global response has been sluggish. But, according to the Report, the rise of the South presents new opportunities for the provision of public goods at the global level and breaking the stalemate on the global issues. (*Ahmed Waqar Qasim*).

Kahnemann, Daniel. *Thinking, Fast and Slow*. New York, USA: Farrar, Straus, and Giroux. 2011. 512 pages. US \$ 16.00.

Thinking, Fast and Slow is a fascinating book by the psychologist and Nobel Laureate in Economics, Daniel Kahnemann. The book draws on his lifelong research carried out with his longtime collaborator, Amos Tversky. The author argues that our beliefs, preferences, and actions are usually justified. But sometimes there are biases in human intuition and this is what the book is about. The idea is not to belittle human intelligence but to show how systematic errors in our judgments—the biases—arise. Drawing on the research in cognitive and social psychology, this book attempts to explain how the mind works. The book is divided into five parts. The first part discusses the rich and complex, often unconscious, process of intuitive thinking leading to judgments. Part 2 deals with the problems we have with thinking statistically even though we can think associatively, metaphorically, and causally quite easily. The problem perhaps lies in the fact that statistical thinking requires thinking about many things at once, which our mind is not designed to do. In the third part, Kahnemann argues that our overconfidence in what we know and believe contributes to our inability to think statistically. In reality, we do not know as much as we would like to believe about the uncertainty surrounding us. Part 4 deals with the decision-making in economics, with the focus on the assumption of rationality. This part draws on the prospect theory, put forth jointly by Kahnemann and Amos Tversky in 1970s. The fifth part of the book discusses conflict between our two selves—the experiencing self and the remembering self. The two selves do not have the same interests. The discussion is important because it explores a difficult question of how to pursue happiness for an individual and the society at large. The existence of two selves in a single body makes the pursuance of happiness difficult. In the concluding chapter, Kahnemann draws implications from discussion on the concepts explored in first five parts of the book. (*Omer Siddique*).