

**IJACHI IJACHI**

COVENANT UNIVERSITY, Nigeria

**UWUIGBE UWALOMWA**

COVENANT UNIVERSITY, Nigeria

**STEPHEN OJEKA**

COVENANT UNIVERSITY, Nigeria

**OLAOLUWA UMUKORO**

COVENANT UNIVERSITY, Nigeria

## **ACCOUNTING FOR SUSTAINABLE DEVELOPMENT: THE ENVIRONMENTALLY ADJUSTED HUMAN DEVELOPMENT INDEX**

### **Abstract:**

When it comes to accounting for sustainable development, the Human Development Index (HDI) has been used in the past but as a measure of sustainability. However, as a measure of sustainable development, HDI is incomplete as it only measures the social and economic dimensions of sustainability, leaving out the environmental dimension of sustainable development. The purpose of this research is to propose an Environmentally Adjusted Human Development Index (EaHDI) that will take into consideration the environmental dimension of sustainable development. The research also seeks to compute and rank the EaHDI for 178 countries in the world. The researchers employed a convenience sampling technique in selecting the 178 countries, based on the availability of data. The study made use of secondary data sourced from the Human Development Report (HDR) 2016 and Environmental Performance Index (EPI) Report 2016. The HDI was adjusted to incorporate the environmental dimension of sustainable development by computing the geometric mean of the product of EPI, Life Expectancy Index (LEI), Education Index (EI), and GNI Index (GNII), giving rise to a new index called the Environmentally adjusted Human Development Index (EaHDI). The researchers were able to compute and rank the EaHDI for 178 countries. The study concluded that while the EaHDI is a better measure of sustainability, there was room for improvement, especially in the area of availability of data for some countries, and consistency of methodologies in computing the some of the sub-indices.

### **Keywords:**

Human Development Index, Sustainable Development, Environmental Performance Index, Life Expectancy Index, Education Index, GNI Index

**JEL Classification:** Q56, Q56, Q56