

SOCIAL PROGRESS IMPERATIVE

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GDP “NO GUARANTEE” OF QUALITY OF LIFE: MAJOR NEW REPORT

- *Finland tops 2016 Social Progress Index + Canada, Australia and UK also perform well*
- *U.S. slips to 19th with “disappointing” score: joins China, Russia + Iran among weakest performers*
 - *Costa Rica, Uruguay, Ghana + Senegal exceed expectations*

(21:00, June 28th 2016, US EDT) Higher GDP per capita alone does not determine real quality of life. This is according to the [Social Progress Index](#) (SPI) 2016 published today by US-based nonprofit, the Social Progress Imperative. The Index ranks Finland the world’s most socially progressive country, Canada in second place tops the G7 nations.

Economic growth is not the sole determinant of quality of life

The 2016 Index finds that whilst social progress - which includes measures of opportunity, healthcare, education and tolerance - does tend to rise as GDP increases, economic wealth on its own does not explain social progress outcomes.

As well as measuring absolute performance on social progress, the report compares each country to 15 other nations with similar GDP per capita to establish strengths and weaknesses relative to those countries with broadly equivalent national wealth. Against this benchmark Costa Rica, Uruguay, Ghana and Senegal are among the countries classed as ‘overperformers’ on social progress this year. Costa Rica - the world’s biggest overperformer and with a GDP per capita of \$14,232, achieves a level of social progress almost as high as the Republic of Korea at less than half its GDP per capita (\$33,629).

Michael Green, Executive Director of the Social Progress Imperative said: **“The Social Progress Index proves that GDP is not destiny. We need more countries to be like Costa Rica, which squeezes a lot of social progress out of its modest GDP.”**

At the other end of the scale, the United States - with a GDP per capita of \$52,118 - finishes “a disappointing” 19th on the 2016 Index and is classed as one of the significant underperformers relative to its wealth. The US is the only major Western democracy among the world’s most significant underperformers (relative to its GDP), alongside China, Russia, Iran, Nigeria and Saudi Arabia. Finland (\$38,535 GDP per capita) and Canada (\$42,778 GDP per capita) both outperform the US across a wide range of components including on health, tolerance and personal rights despite lower national wealth. Michael Green, Executive Director of the Social Progress Imperative said: **“It’s difficult to escape the conclusion that this is yet another disappointing result for the US and that citizens are getting a pretty raw deal when it comes to translating the country’s wealth into social progress.”**

We are Mongolian - average human lived experience is same as Central Asian country

The ‘average’ social progress of every citizen on the planet is equivalent to that of Mongolia. The Central Asian nation, bordering China and Russia, is the most sparsely populated country in the world. The 2016 Index measured the social progress of 99% of the world’s population. The SPI assesses social progress independently of GDP and includes measures of healthcare, education, housing, policing, rights and tolerance, using a total of 53 separate indicators to arrive at a ranking for the issues that matter most to people.

The world as a whole performs best on issues such as hunger, child mortality, and primary school enrollment, showing the impact of the UN Millennium Development Goals. The world struggles most with issues of personal rights and tolerance and inclusion. The toughest challenges for social progress are on environmental quality and health and wellness, which do not tend to improve as countries get richer.

Social progress across the globe is worse for younger people

By dividing the world into three age groups (under-25s, over-55s and those in-between), the SPI 2016 is able to examine the social progress gap across generations. Young people, overall, experience relatively low social progress, with a weighted score of 60.15 (corresponding to a rank of 93), while the oldest population group has a weighted score of 67.63 (rank of 59). The youngest age group lives in countries lagging in nearly every social progress component, particularly in 'water and sanitation' and 'access to advanced education'.

Canada, Australia & UK rival Nordic model for social progress success

Five of the twelve countries that achieve 'Very High' SPI scores are from the Nordic region - Finland (1st), Denmark (3rd), Sweden (6th), Norway (7th) and Iceland (10th=). But the Nordic model is not the only route to success. Canada (2nd), Australia (4th), Switzerland (5th), Netherlands (8th), UK (9th), New Zealand (10th=) and Ireland (12th) all achieve 'Very High' social progress too. Michael Green Executive Director of the Social Progress Imperative, said: ***"Whilst the Nordic model of social responsibility is rightly seen as a world-beater, in fact, this year's Index demonstrates that you don't need to be from a Nordic nation to enjoy very high levels of social progress. Policy-makers around the world do well to look at countries like Canada and Australia to learn what leaders are successfully doing to improve the lives of their citizens."***

David Cruickshank, Deloitte Global Chairman, said: ***"As the world faces an increasingly complex set of global challenges, the Social Progress Index serves as a roadmap that can guide policy investments, business decisions, and resources."*** He added, ***"At Deloitte, we believe that business has both the expertise and the imperative to help address these challenges and improve societal well-being. Our sponsorship of SPI aligns with our belief that the business community has much to give, and benefit from, by working with government and civil society to help drive social progress and achieve growth that is more inclusive and sustainable."***

Sally Osberg, President and CEO of the Skoll Foundation, said: ***"The issues the Social Progress Index identifies and tracks are the very issues people around the world care about because the quality of their lives hinges on them. The SPI has proven invaluable to governments, businesses, and philanthropies like the Skoll Foundation, which invests in social entrepreneurs driving solutions to the world's thorniest and most pressing problems. By shining a light on where we're advancing social progress and where we're still falling short, the SPI helps us all be more effective agents of change."***

Global highlights:

- Finland is this year's top performing country, followed by Canada (2nd), Denmark (3rd), Australia (4th) and Switzerland (5th). Though these countries' social progress scores are very similar their GDP per capita varies. 1st placed Finland in fact has the lowest GDP per capita (\$38,535) of the top 5 (Canada - \$42,778; Denmark - \$42,758; Australia - \$43,219; Switzerland - \$55,260), showing that higher GDP can help generate higher social progress but it is not the whole story.
- Canada (2nd) is the best performing G7 country, scoring significantly higher than the US (19th). This is despite the fact that US GDP per capita (\$52,118) is considerably higher than Canada's (\$42,778).
- Brazil (46th) is the best of the BRICS, followed by South Africa (59th), Russia (75th), China (84th) and India (98th). Russia has a much higher GDP per capita (\$23,293) than Brazil (\$15,110) and yet ranks much lower on the Social Progress Index.
- The most significant underperformers relative to GDP are the Gulf States: Saudi Arabia (65th, \$49,537); Kuwait (45th, \$69,878) and the UAE (39th, \$64,563). Countries of North Africa, such as Egypt and Algeria are also significant underperformers. Other resource rich countries perform poorly as well, including Russia, Kazakhstan, Nigeria and Venezuela. The US and China both also underperform.
- In general, the EU+EFTA group of countries perform well, even relative to their high GDP per capita. The strong performance of the first wave of Eastern European countries that were once part of the Communist Bloc suggests that EU Membership has been strongly beneficial to social progress.
- Latin America and Caribbean and Sub-Saharan Africa dominate the list of countries that perform well on SPI relative to GDP per capita, including Costa Rica, Uruguay, Nicaragua, Jamaica, Malawi, Rwanda, Ghana and Senegal. Nepal stands out as a strong over-performer in South Asia.

- It is possible to calculate a global social progress score, as a sum of country scores weighted by population. On this measure the world as a whole scores 62.88/100 on the Social Progress Index, equivalent to Kyrgyzstan or Mongolia.
- The Index, ranked 133 countries based on their social and environmental performance and, including countries for which partial data was found, measured the social progress of 99% of the world's population - using 53 separate indicators to arrive at a ranking for the issues that matter most to people.
- The world shows a markedly strong performance on two components of the Social Progress Index in particular: 'nutrition and basic medical care' and 'access to basic knowledge'. It is notable that these components encompass many of the priorities of the United Nations' Millennium Development Goals (now replaced by the Sustainable Development Goals) that have been a major focus of aid and development efforts for the past 15 years.
- The components of the Social Progress Index where the world fares worst are 'tolerance and inclusion,' 'personal rights,' 'access to advanced education,' and 'environmental quality.' These are issues where even the more advanced countries can struggle to score highly. 'Tolerance and inclusion' and 'personal rights' are also less correlated with GDP per capita while 'environmental quality' improves only marginally with GDP per capita rises.
- The Social Progress Index 2016 finds that there is a weak correlation between countries' Index scores and the standard measure of income inequality, the Gini Coefficient. For example, Ghana and Nigeria, which register the same level of income inequality attain markedly different results on the SPI 2016. Ghana ranks 92nd, scoring of 60.37/100 while Nigeria ranks 119th (scoring 46.49/100).

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Notes to editors:

2016 Results

The full, interactive dataset from the Index will be available from 21:00, June 28th 2016, US EDT at: <http://socialprogressimperative.org/global-index-overview/>. Please note that due to a variety of changes made to this year's index including the number of countries covered, the 2016 Social Progress Index is not comparable to the 2015 Social Progress Index.

About the Social Progress Imperative

The Social Progress Imperative's mission is to improve the lives of people around the world, particularly the least well off, by advancing global social progress by: providing a robust, holistic and innovative measurement tool—the Social Progress Index (SPI); fostering research and knowledge-sharing on social progress; and equipping leaders and change-makers in business, government and civil society with new tools to guide policies and programs. The SPI is being used extensively by Governments and businesses around the world to measure the social progress of states, cities and communities. The European Commission released an [SPI for Europe](#) in February 2015.

Financial Support

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What is social progress?

Social progress is defined as the capacity of a society to meet the basic human needs of its citizens, establish the building blocks that allow citizens to improve their lives, and create the conditions for individuals and communities to meet their full potential.

***GDP per capita definition**

The Social Progress Index uses the World Bank definition: "GDP per capita based on purchasing power parity (PPP). PPP GDP is gross domestic product converted to international dollars using purchasing power parity rates. An international dollar has the same purchasing power over GDP as the U.S. dollar has in the US. GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in constant 2011 international dollars."

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