Measuring a progressive society

June 29, 2016 – The Economist

It has long been said that economic output is too narrow a gauge by which to measure the progress of nations. One of the earliest alternative indicators of progress, the UN's Human Development Index, was first compiled in 1990 and combines wealth, education and life expectancy to give a broader comparison of living conditions in one country relative to another. But in recent years a plethora of new indices that go "beyond GDP" have emerged. One is the Social Progress Index (SPI), by the Social Progress Imperative, an American thinktank (whose advisory board includes Matthew Bishop, an Economist Group employee), which eschews GDP entirely and focuses on 53 social and environmental output indicators under three headings: basic needs, the foundations of well-being and opportunity.

The latest index, published on June 28th, springs few surprises in its main ranking. Nordic countries, western Europe, Canada and Australia gain the highest scores in fulfilling citizens' basic needs such as housing, sanitation, health outcomes, safety, access to the internet and also promoting tolerant, inclusive societies that offer opportunities for advanced education. The United States comes 19th, owing to poor scores on personal safety, health and environmental quality. African countries and conflict-ridden nations such as Yemen fare worst. And, as the chart shows, generally the richer a nation is the more socially progressive it is. But that progression is not linear, and there are notable exceptions. Gains in social progress appear to slow when a country enters middle-income status. It also becomes harder to improve at a high-income level as countries face rich-world problems such as obesity.

The nations above the trend line punch well above their weight in delivering services and

promoting equal and tolerant societies relative to their wealth. But because the line shows the statistical relationship between GDP and SPI scores, it is skewed by the wealth of the Gulf states. Thus the authors also benchmark the performance of a country relative to the 15 countries closest to it in GDP. On this measure, 19 countries overperform; Costa Rica and Uruguay do particularly well. Latin American countries' efforts to build democratic institutions that include human rights have helped the region considerably. Oil- and resource-rich Saudi Arabia, Oatar and the United Arab Emirates are the worst of the 35 underperforming nations, and fall spectacularly below the average owing to closed and restrictive cultures and poor scores on religious tolerance and personal freedom. The United States underperforms by around 5 points, between Venezuela and Egypt. Bulgaria has a similar level of GDP to Thailand, but the money contributed by the European Union pulls it considerably higher.

Social progress and economic development Social Progress Index, 100=most progressive

