



# Social Progress Index 2016

## *SUMMARY REPORT*

SUDEEP UPRETY AND BIPUL LAMICHHANE

August, 2016

HERD

The Social Progress Index (SPI), measures the extent to which countries provide for the social and environmental needs of their citizens. Fifty-two indicators in the areas of basic human needs, foundations of well-being, and opportunity are used to elevate the national priorities and to guide social investment decisions.

The primary goal of the Social Progress Index is to provide a rigorous tool to benchmark progress and stimulate progress within countries. The Social Progress Index offers a rich framework for measuring the multiple dimensions of social progress, benchmarking success, and catalyzing greater human wellbeing. Social progress depends on the policy choices, investments, and implementation capabilities of multiple stakeholders (government, civil society, and business). Motivating and informing those stakeholders to work together and develop a more holistic approach to development, it is likely that social progress will accelerate.

The Social Progress Index is based exclusively on indicators of social and environmental outcomes that offer a revealing picture of countries' levels of development that is independent of traditional economic measures. Countries achieve very different overall levels of social progress and widely differing patterns of social progress by dimensions and components. A country's level of social progress is the result of cumulative incremental choices its governments, communities, citizens, and businesses make about how to invest limited resources and how to integrate and work with each other. In general terms, the Index reveals that high-income countries tend to achieve higher social progress than low-income countries. Yet this relationship is neither simple nor linear.

## Measuring the Social Progress Index

The Social Progress Index focuses exclusively on indicators of social outcomes; rather than measuring inputs, the Social Progress Index focuses on what level of social progress has already been achieved within a particular country. This index is based on three dimensions, which is further based on 4 components:

1. **Basic Human Needs** comprising 4 indicators: Nutrition and Basic Medical Care, Air Water and Sanitation, Water, Personal Safety.
2. **Foundations of Well-Being** comprising 4 indicators: Access to Basic Knowledge, Access to Basic Information and Communication, Health and Wellness, Ecosystem Sustainability as its components
3. **Opportunity** comprising 4 indicators: with Personal Rights, Access to Higher Education, Personal Freedom and Choice, Equity and Inclusion as indicators.

## Why Measure Social Progress?

The Social Progress Index is the first comprehensive framework for measuring social progress that is independent of GDP. The Index provides a systematic, empirical foundation to guide strategy for inclusive growth and development. It was first implemented at the national level in 2014, and has been enhanced each year and expanded to regions, cities, and individual communities.

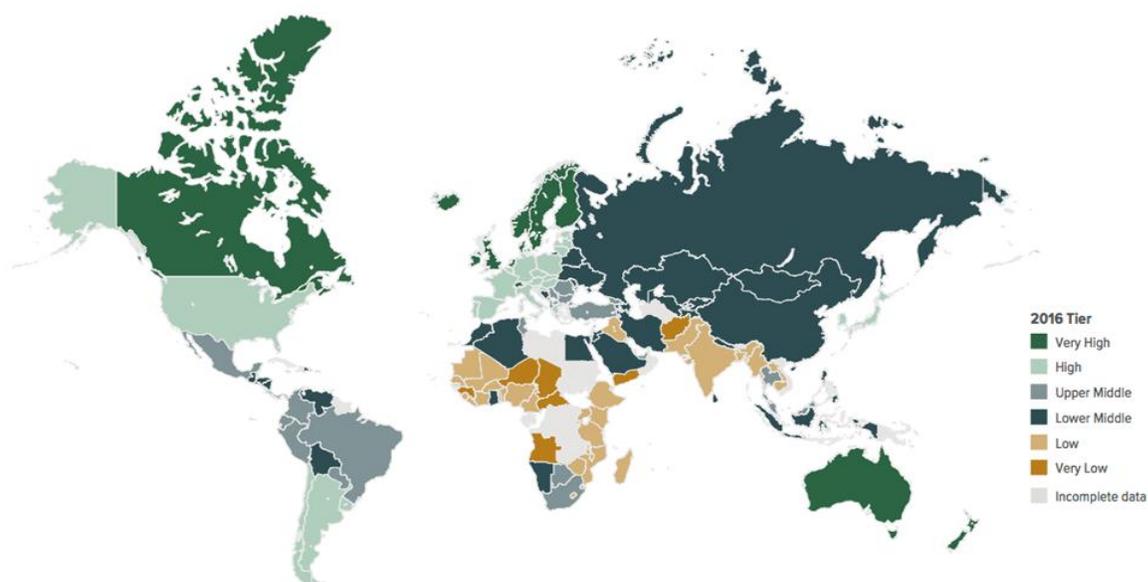
The Social Progress Index is not intended to replace GDP as a core national performance metric but to complement it. Measuring social progress offers citizens and leaders a more complete picture of how their country is developing. It helps societies make more informed choices, create stronger communities, and build better lives.

The Social Progress Index, by separating the measurement of social and environmental performance from economic performance, provides a practical understanding of the relationship between economic development and social progress. It can also inform our understanding of how social progress can drive economic growth. The Social Progress Index reveals the variation in performance across countries, providing a tool for government, civil society and business to assess and prioritize country needs. The Social Progress Index is more than a measurement tool but aims to build a common language that supports collaboration and drives change.

## Global Highlights

The 2016 Social Progress Index includes 133 countries covering 94 percent of the world's population. An additional 27 countries are included with results for 9 to 11 of the total 12 components. This brings total coverage to 99 percent of the world's population.

With a combined population of over 2 billion people, China (lower middle social progress) and India (low social progress) strongly influence the overall world score. High-performing countries, on the other hand, have populations that are both smaller and older than lower performing countries. Overall, high and very high social progress countries have age-balanced populations, with roughly an equal number of people who are younger than 25, between 25 and 54, and over 55. In lower social progress countries, life expectancy is shorter and birth rates are higher. Social progress in the world looks different for younger people than for older people. Among countries for which Social Progress Index data are available, nearly 40 percent of the world's people who are older than 55 live in countries classified as upper middle social progress or better, while just 22 percent of people aged below 25 do. As a result, the distribution of population experiencing lower social progress is skewed toward youth. Over half the people living in low and very low social progress countries are under the age of 25.



According to data from the latest Social Progress Index (SPI), a country having vast economic wealth does not necessarily guarantee a greater quality of life for its citizens. Rich countries tend to do better than poorer countries but wealth alone does not explain the rankings. For example, Finland and Canada have lower GDP per capita than the US but significantly outperform it. Increased GDP may actually set countries backwards on environmental performance, or may lead to new problems in health and wellness, such as obesity.

The most significant underperformers are the Gulf States: Saudi Arabia ranks 65<sup>th</sup> with a GDP per capita of \$49,537 while Kuwait, with a GDP per capita of \$69,878, ranks 45<sup>th</sup>. Several other resource rich countries perform poorly as well, including Russia and Nigeria.

Finland came top of the index, which ranked 133 countries on the extent to which they meet the social and environmental needs of their citizens. It was followed by Canada, Denmark, Australia, Switzerland, Sweden, Norway, Netherlands, the UK, Iceland, New Zealand and Ireland.

Central African Republic, which has been dogged by decades of violence culminating in a 2013 coup that exposed deep ethnic, political and sectarian rivalries, was in last place, just below Afghanistan. The US was the most significant underperformer among industrialized nations, ranking 19<sup>th</sup> in the index, which was created to provide an alternative to measurements of progress based solely on gross domestic product, or economic output.

### **Social Progress Index in Nepal**

Nepal ranks second among six South Asian countries and 95<sup>th</sup> among 133 countries assessed worldwide. Nepal has a score of 57.4/100 and is only slightly behind Sri Lanka, and well ahead of India, Bangladesh and Pakistan in the region. In the Basic Human Needs Dimension, Nepal performs best on Nutrition and Basic Medical Care and has most opportunity to improve on the Shelter component. In the Foundations of Wellbeing Dimension, Nepal scores highest on Access to Basic Knowledge but lags on the Health and Wellness component. In the Opportunity Dimension, Nepal is strongest on Personal Rights and has the most room to improve on Access to Advanced Education.

Nepal has the second lowest GDP per capita in the region based on purchasing power at \$2,265 compared to \$5,439, \$4,590 and \$2,979 for India, Pakistan and Bangladesh, respectively. Yet, Nepal beats all three on social progress. Comparing China, the second largest economy, with Sri Lanka also delinks economic and social progress: While China is ranked 84<sup>th</sup>, below Sri Lanka, its per capita income exceeds that of Sri Lanka by \$2,000.

Among the 12 components, Nepal is far ahead in tolerance and inclusion compared to other South Asian countries. Nepal's score in this component is 53.4 compared to 32.85, 24.91, 32.39, 18.86, and 18.65 in Sri Lanka, India, Bangladesh, Pakistan and Afghanistan, respectively. The index confirms, however, that Nepal substantially lags in the 'Access to Advanced Education' component. The suicide rate in Nepal, as reported in SPI, appears to be alarmingly high.

Nepal is a low income country; however is one of the top over-performers in social progress index. It has low rates of undernourishment of 7.8%. Nepal's deaths from infectious diseases have historically been lower than countries at a similar income level. Despite concerns about outbreaks of infectious diseases following the April 2015 earthquake, effective relief efforts contained their spread.

## Lessons Learned

The Social Progress Index, based exclusively on indicators of social and environmental outcomes, offers a revealing picture of countries' levels of development that is independent of traditional economic measures. Countries achieve very different overall levels of social progress and widely differing patterns of social progress by dimensions and components. A country's level of social progress is the result of cumulative incremental choices its governments, communities, citizens, and businesses make about how to invest limited resources and how to integrate and work with each other. In general terms, the Index reveals that high-income countries tend to achieve higher social progress than low-income countries. Yet this relationship is neither simple nor linear.

Social Progress Index is not just an index; it is a new paradigm and a practical tool. The Social Progress Imperative's approach enables the creation of a customized index that corresponds to a respected, credible international measure of development. This provides a global and comprehensive framework for development tailored to reflect local priorities and issues in a set of concrete and practical indicators. The Index also establishes a common global language about social progress, creating a means to communicate our own local vision and share stories globally.

The Social Progress Index is a powerful tool for social change, innovation, policymaking, and an amazing opportunity for this world to advance social progress in different contexts and sectors. The real power of the Index is embodied in the hundreds of social innovators all around the world that are committed to the cause, who are empowered to lead the change, and who have found in the Index the missing piece to their work. The stories that have been shared above are only the beginning of a global movement. More stories are yet to come, more lives are about to change, and more opportunities are about to emerge thanks to the work of the Social Progress Network and its partners.

## Reference:

Social Progress Imperative. Retrieved from <http://www.socialprogressimperative.org/global-index/>