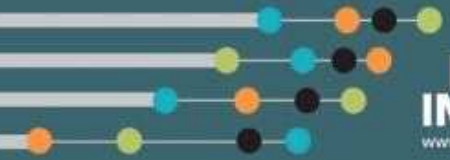
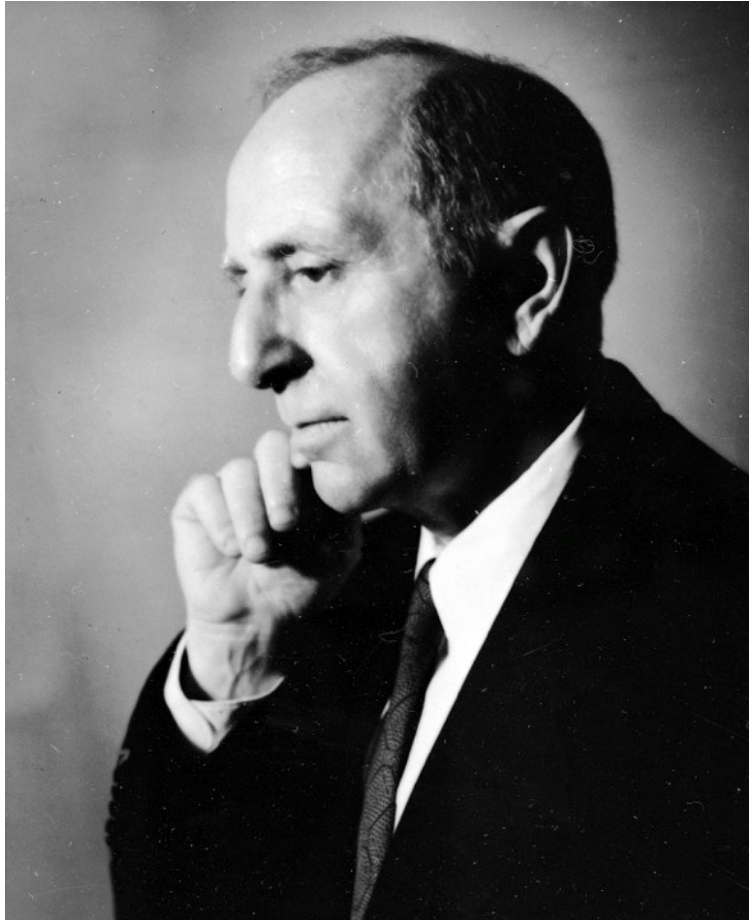




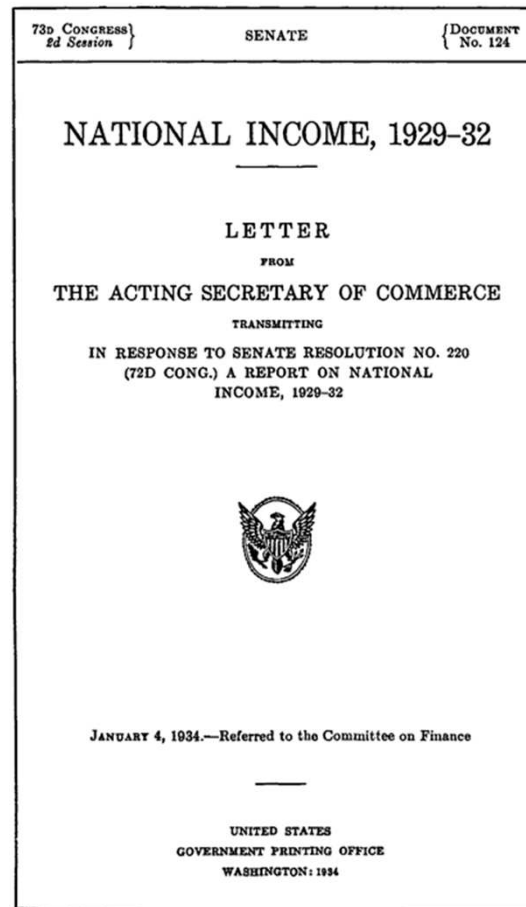
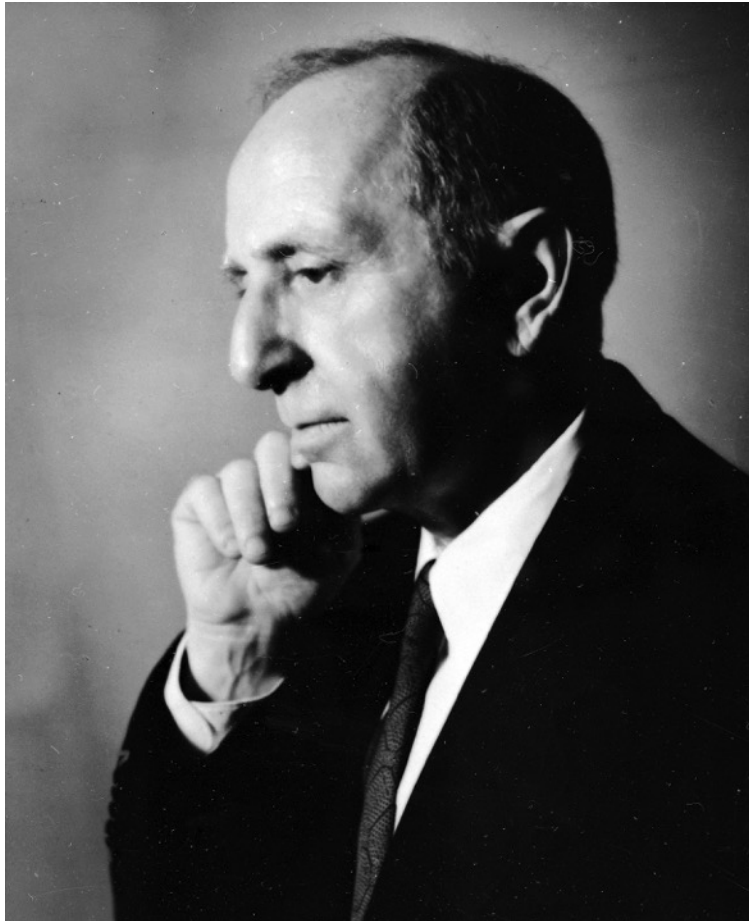
REFRAMING PROGRESS: THE SOCIAL PROGRESS INDEX

Michael Green, SEWF 2015, Milan, 1 July 2015





Simon Kuznets



KUZNETS' WARNING

CONCEPT, SCOPE, AND METHOD

7

intensity and unpleasantness of effort going into the earning of income. The welfare of a nation can, therefore, scarcely be inferred from a measurement of national income as defined above.

The abuses of national income estimates arise largely from a failure to take into account the precise definition of income and the methods of its evaluation which the estimator assumes in arriving at his final figures. Notions of productivity or welfare as understood by the user of the estimates are often read by him into the income measurement, regardless of the assumptions made by the income estimator in arriving at the figures. As a result we find all too commonly such inferences that a decline of 30 percent in the national income (in terms of "constant" dollars) means a 30 percent decline in the total productivity of the nation, and a corresponding decline in its welfare. Or that a nation whose total income is twice the size of the national income of another country is twice "as well off", can sustain payments abroad twice as large or can carry a debt burden double in size. Such statements can obviously be true only when qualified by a host of "ifs."

A similar failure to take into account the investigator's basic assumptions underlies another widely prevalent abuse of national income measures, involved in estimating the draft or "burden" which this or that particular type of expenses (e.g., government expenses, payments on bonded debt, etc.) constitutes of the country's total end-product. Every payment included in the national income is ipso facto a draft or a "burden" upon national income. For example, net receipts by physicians from medical practice, are both an addition to national income and a draft upon individual incomes from which such receipts originate. Since we estimate the value of personal services or commodities at their market value it follows that any payment for productive services contributes just as much to the national income total as it takes away from it. No items included in national income can, therefore, be conceived as "pure" draft.

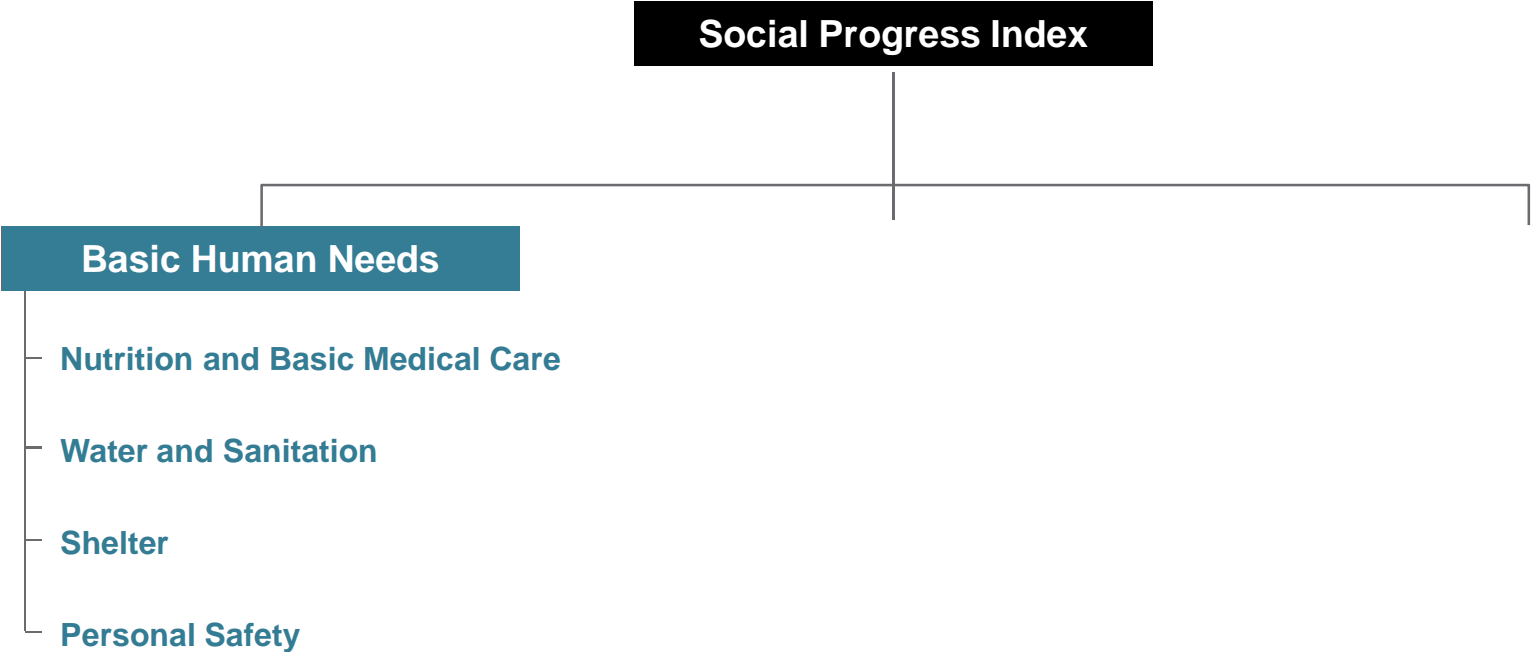
The full meaning of a statement that such payments as interest on bonds or taxes for government services are a "burden" or draft upon national income is that actually no services are being rendered in return for these payments. That an increasing weight in the national income of payments on fixed debt or of salaries of government officials is not hailed as an increased contribution to national income lies in the implicit assumption, not always true, that the services contributed by creditors or government officials have not increased proportionately, and that, therefore, a heavier burden was added upon other income recipients without an increased benefit.

Such assumptions are accepted all too easily because they are based upon a natural but erroneous identification of national income with business or personal income. From the standpoint of a business firm or person, the income of employees, private or public, is likely to appear as a draft. But from the vantage point of national economy as a whole, which is used by a national income investigator, no payment that is included in national income can be considered as a pure draft upon the country's end-product. This can be true only of payments not included, such as charity, earnings from illegal pursuits, and the like. All that the national income estimator can say is that this or the other part of the national total has increased or declined more than the others. That this rise or decline implies a larger or smaller burden upon the national economy can be established

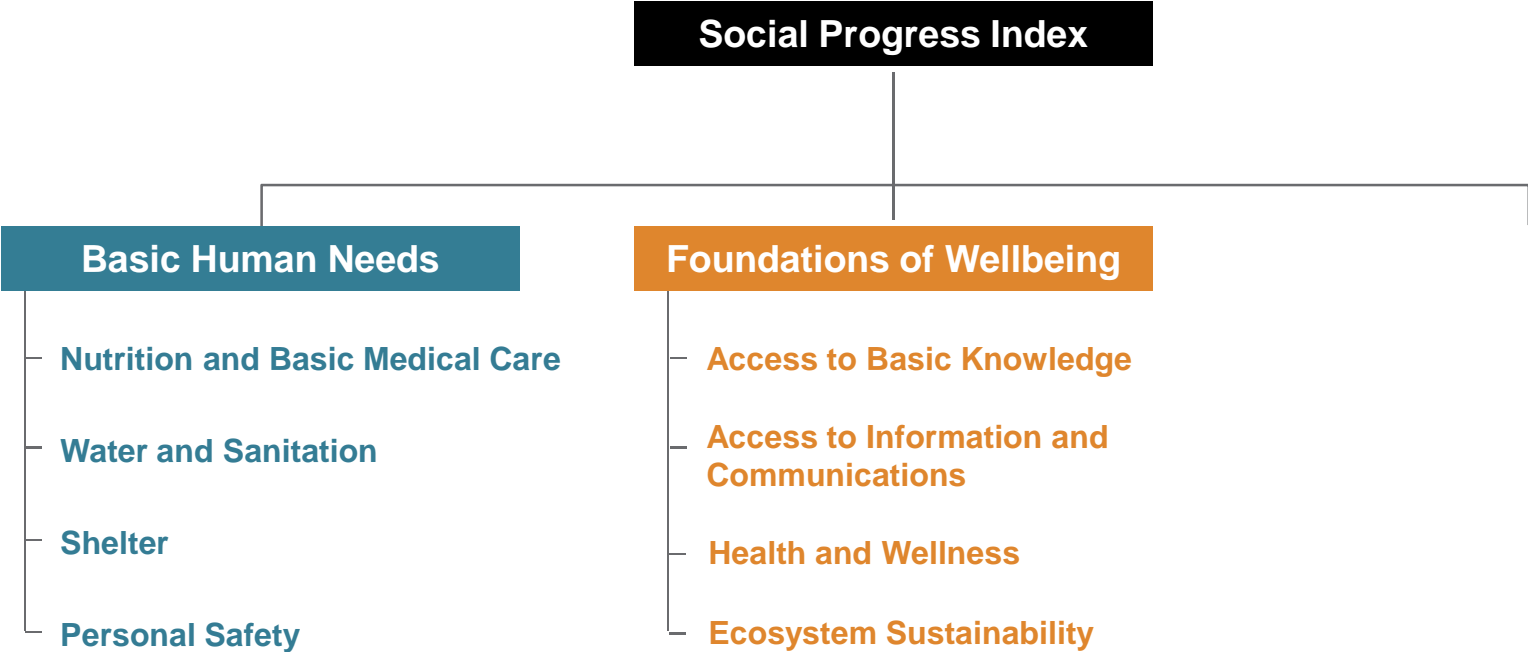
"The welfare of a nation can, therefore, scarcely be inferred from a measurement of national income as defined above."

SOCIAL PROGRESS INDEX

SOCIAL PROGRESS INDEX FRAMEWORK



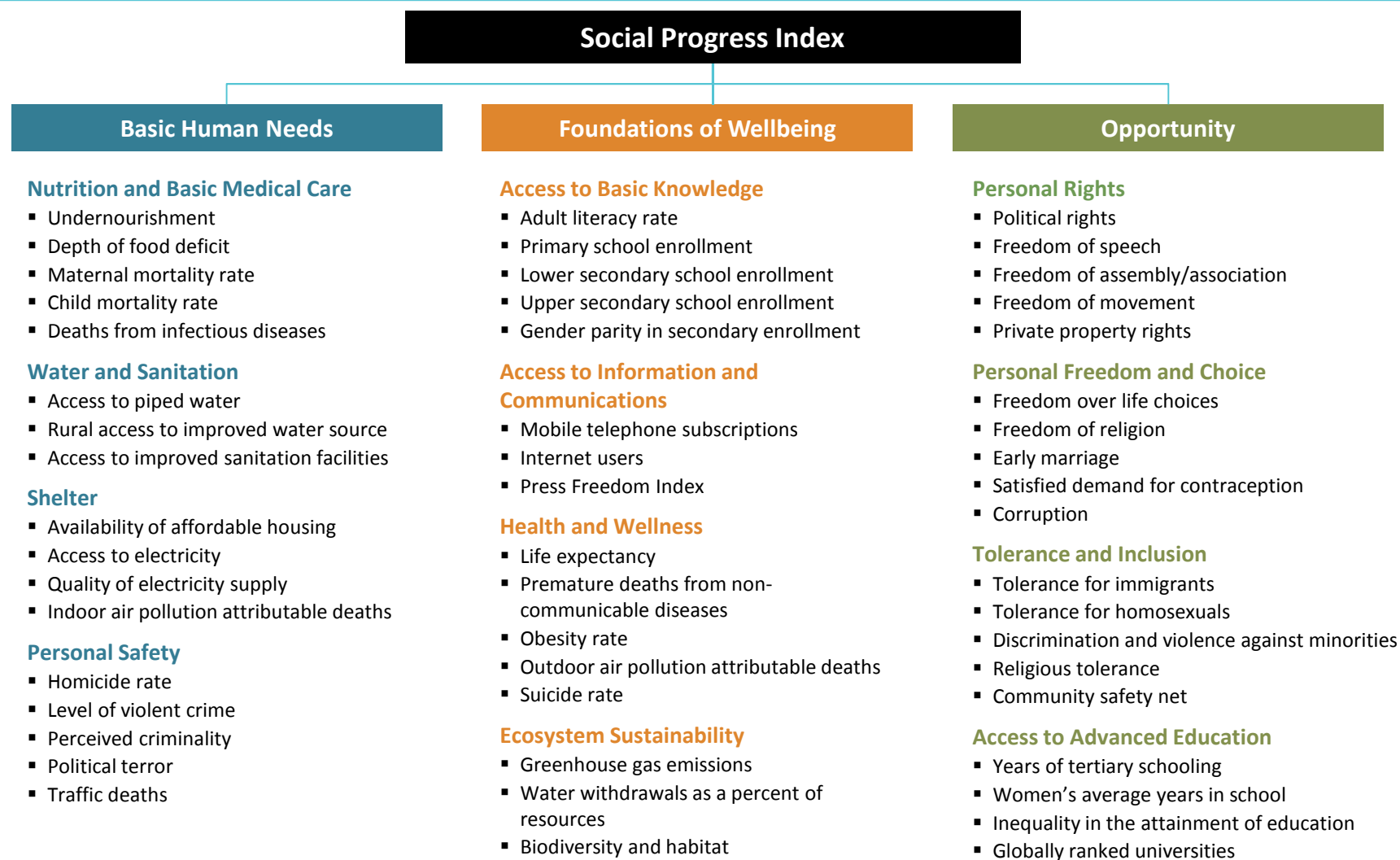
SOCIAL PROGRESS INDEX FRAMEWORK



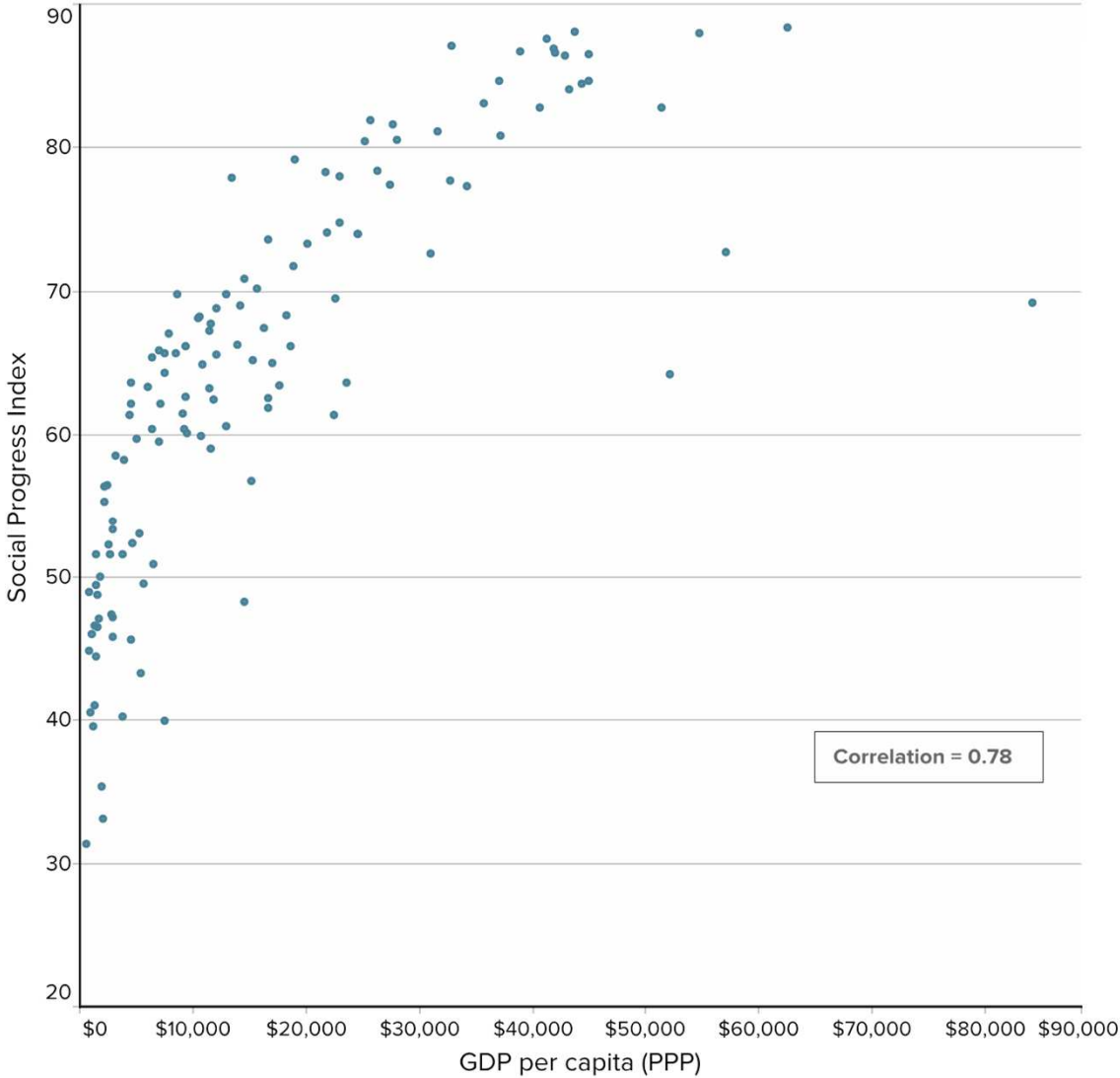
SOCIAL PROGRESS INDEX FRAMEWORK



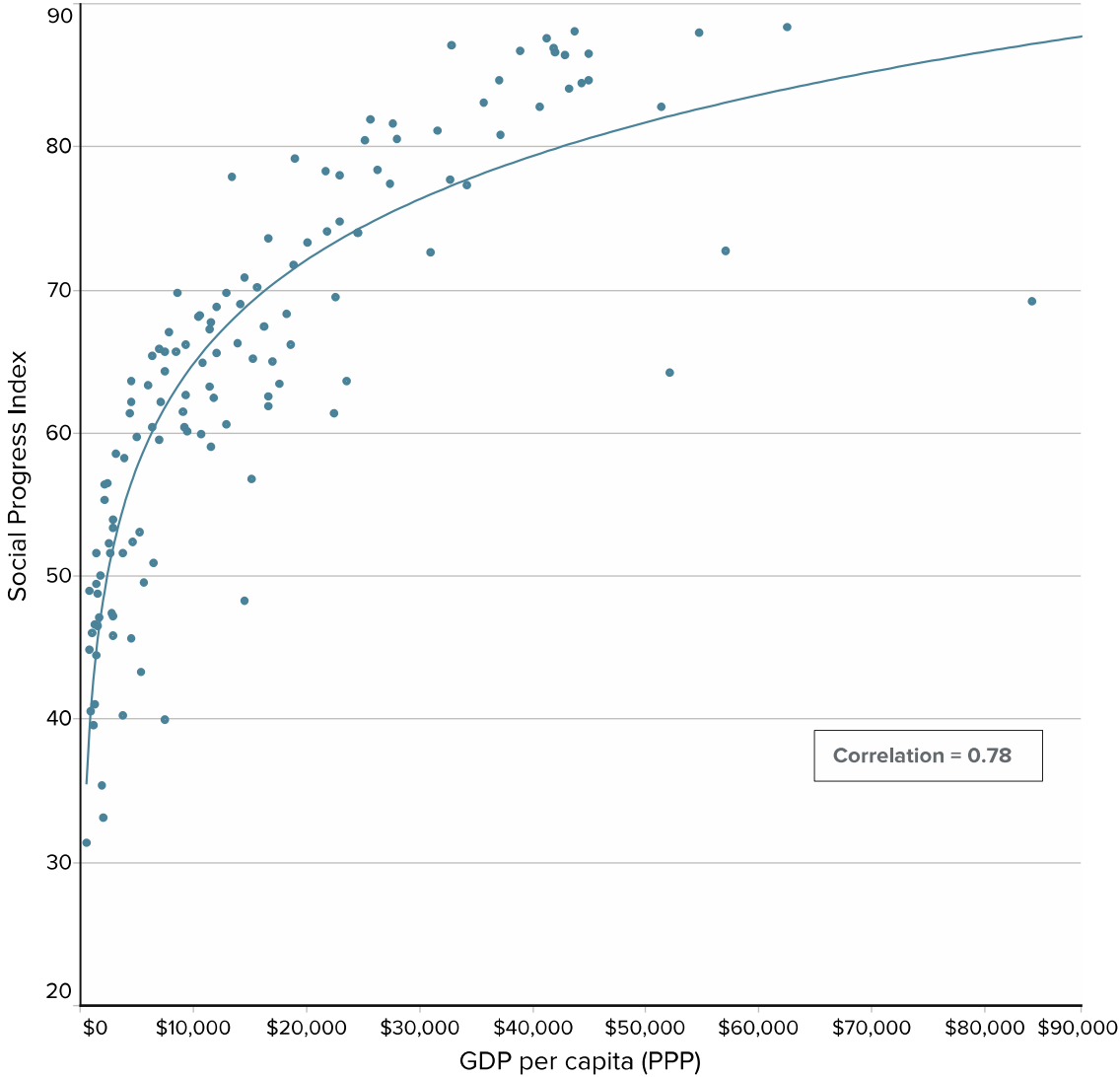
SOCIAL PROGRESS INDEX FRAMEWORK INDICATORS 2015



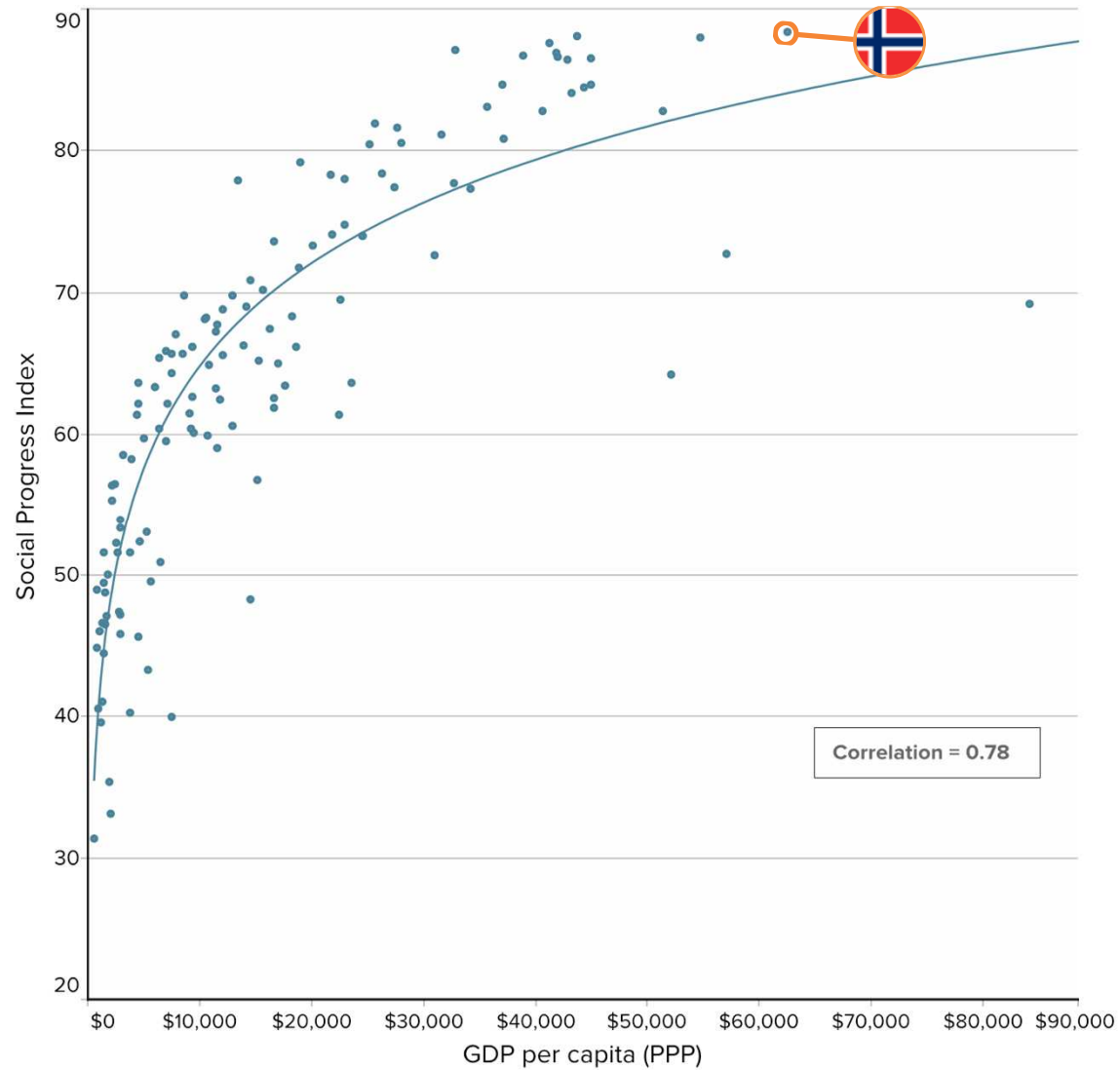
SOCIAL PROGRESS VS. GDP PER CAPITA



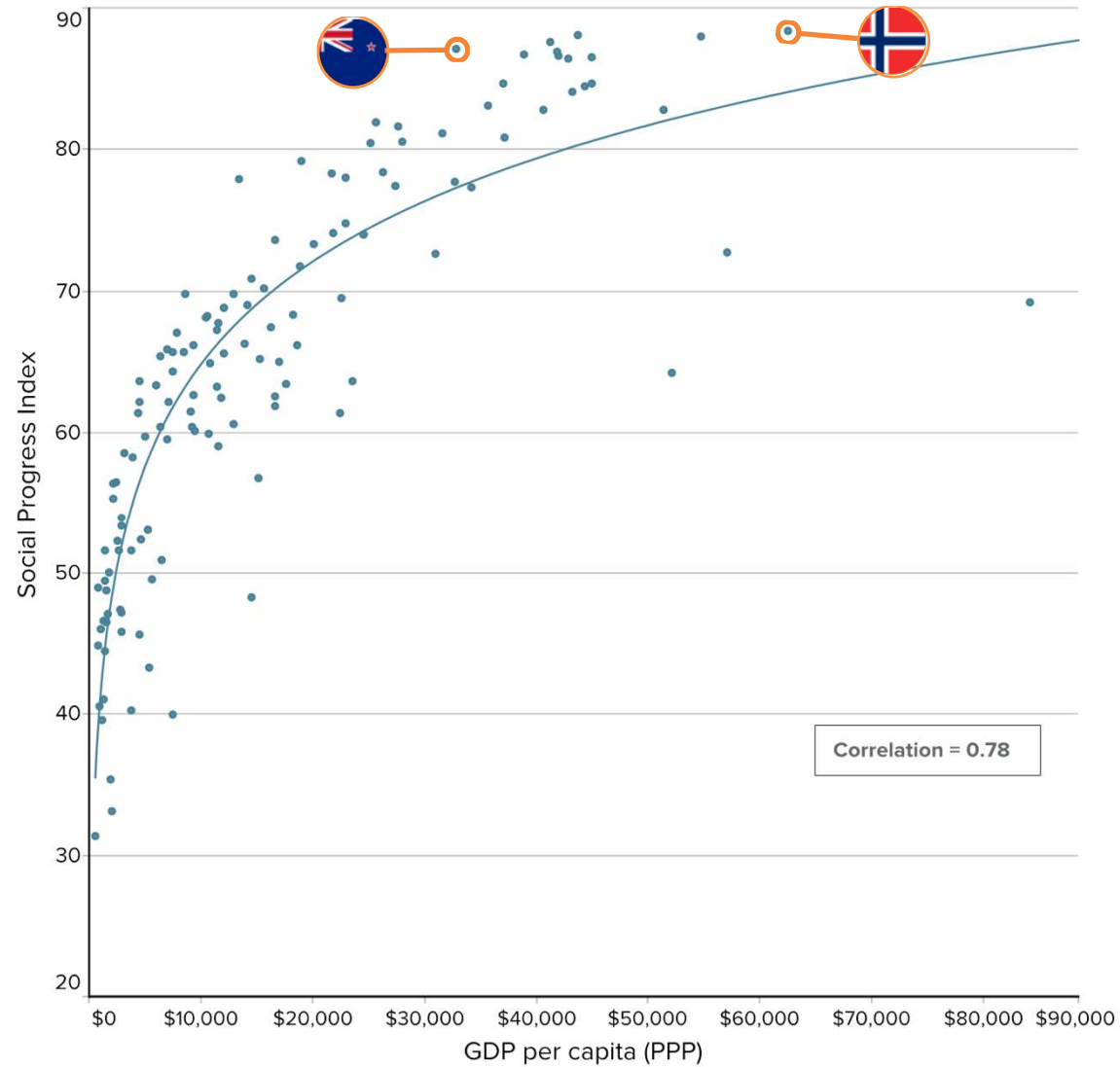
SOCIAL PROGRESS VS. GDP PER CAPITA



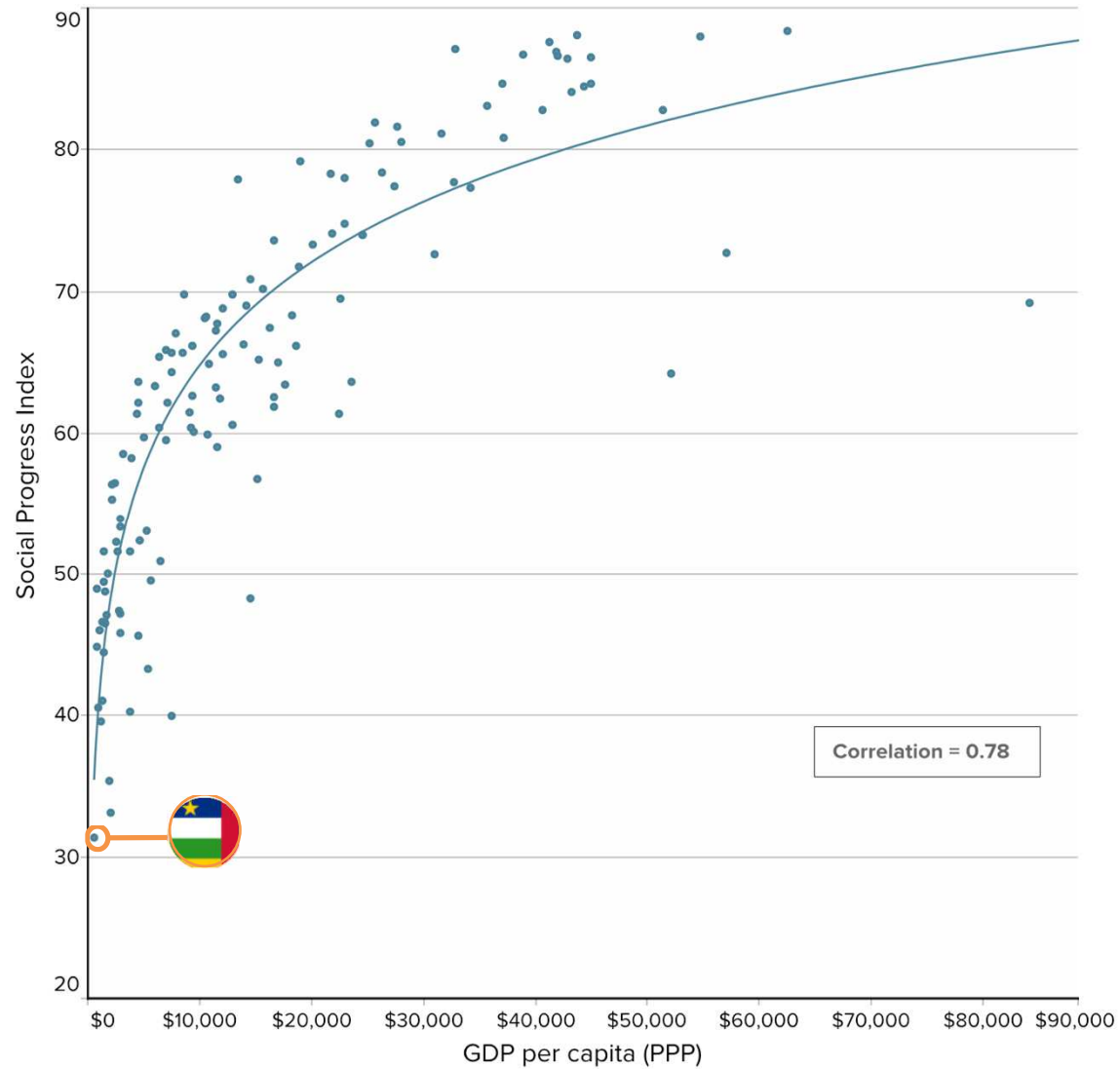
COUNTRIES CAN EXPERIENCE SIMILAR LEVELS OF SOCIAL PROGRESS AT DIFFERENT LEVELS OF GDP PER CAPITA: NORWAY



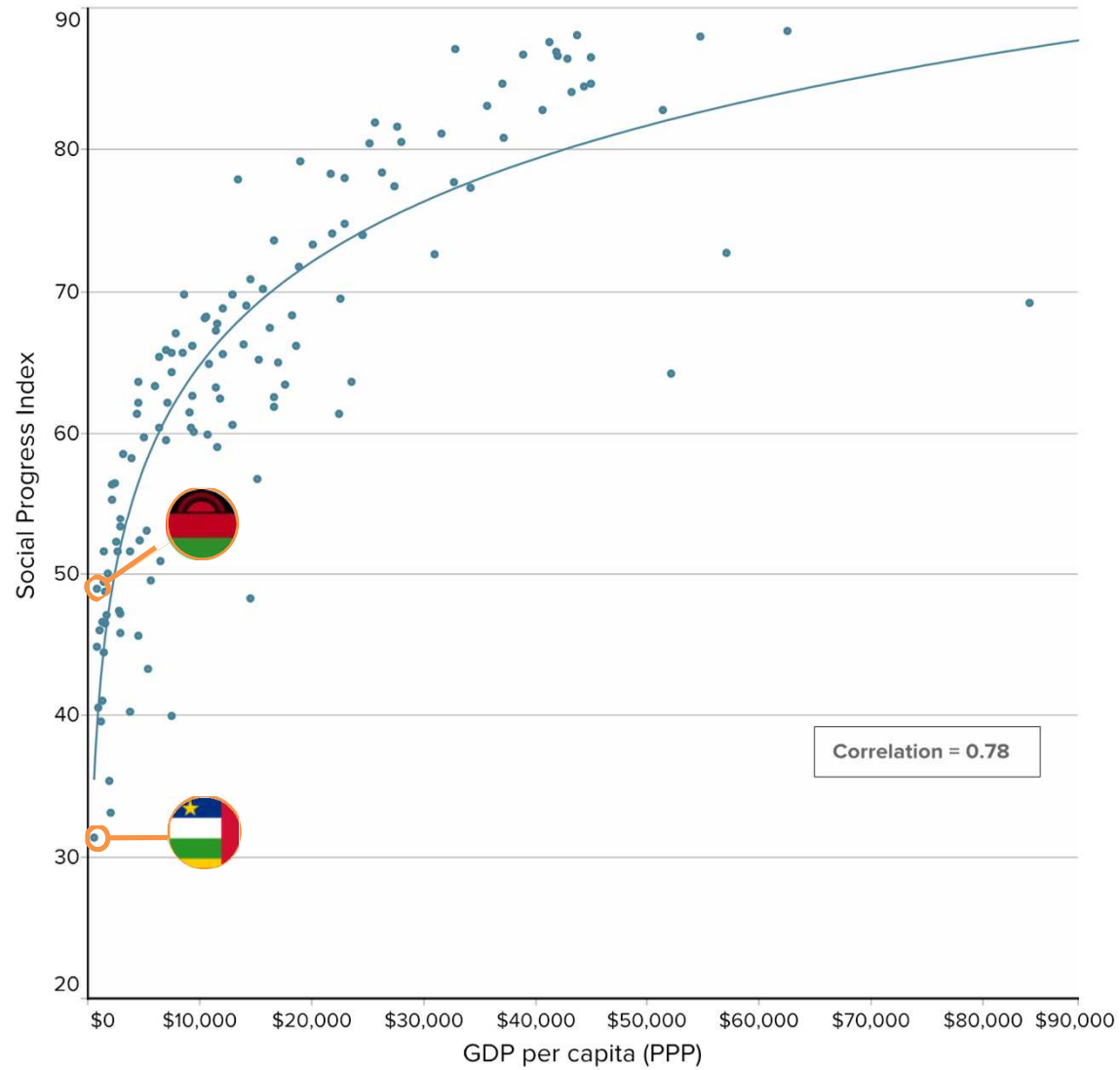
COUNTRIES CAN EXPERIENCE SIMILAR LEVELS OF SOCIAL PROGRESS AT DIFFERENT LEVELS OF GDP PER CAPITA: NORWAY VS. NEW ZEALAND



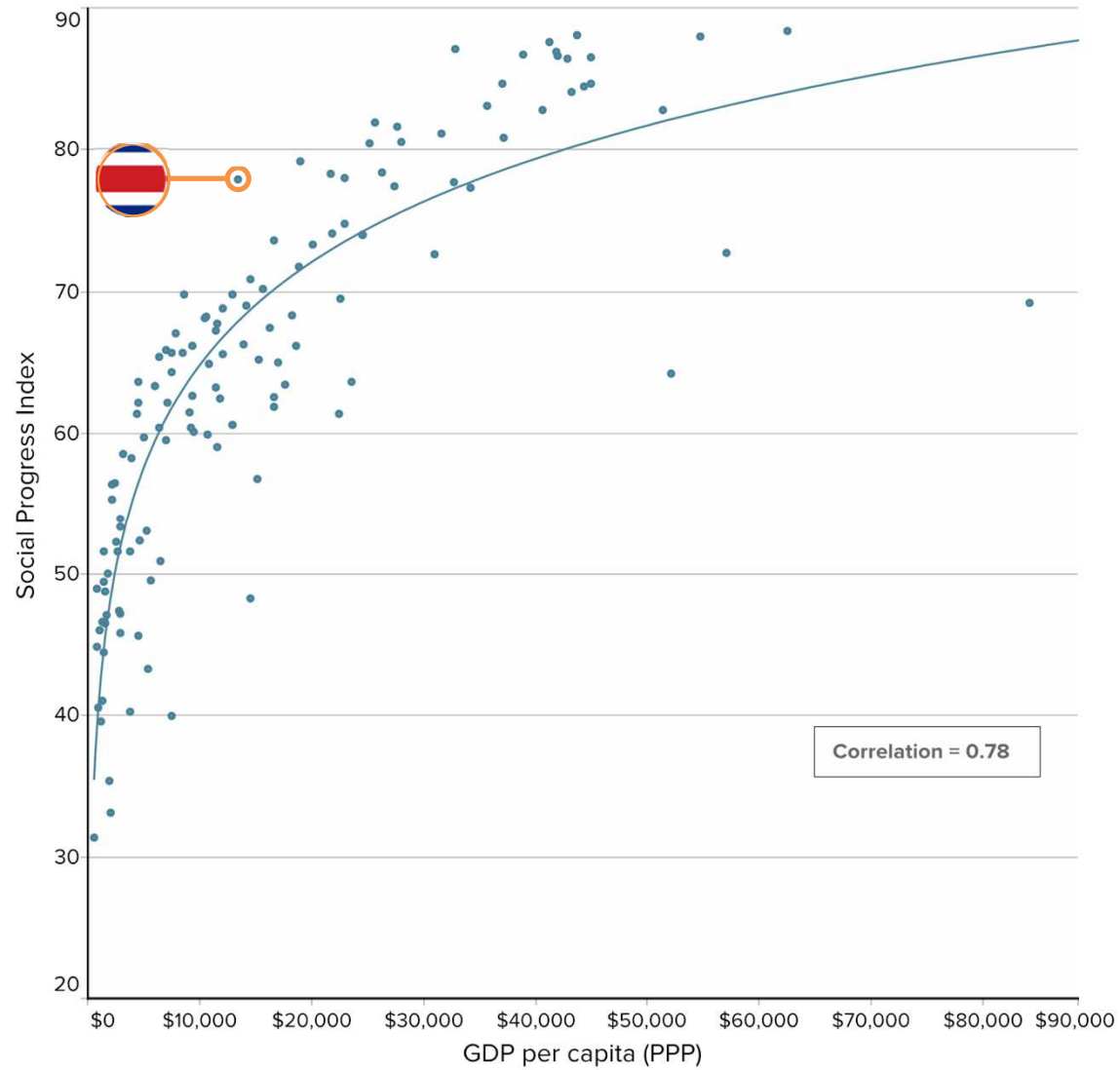
COUNTRIES CAN EXPERIENCE DIFFERENT LEVELS OF SOCIAL PROGRESS AT SIMILAR LEVELS OF GDP PER CAPITA: CENTRAL AFRICAN REPUBLIC



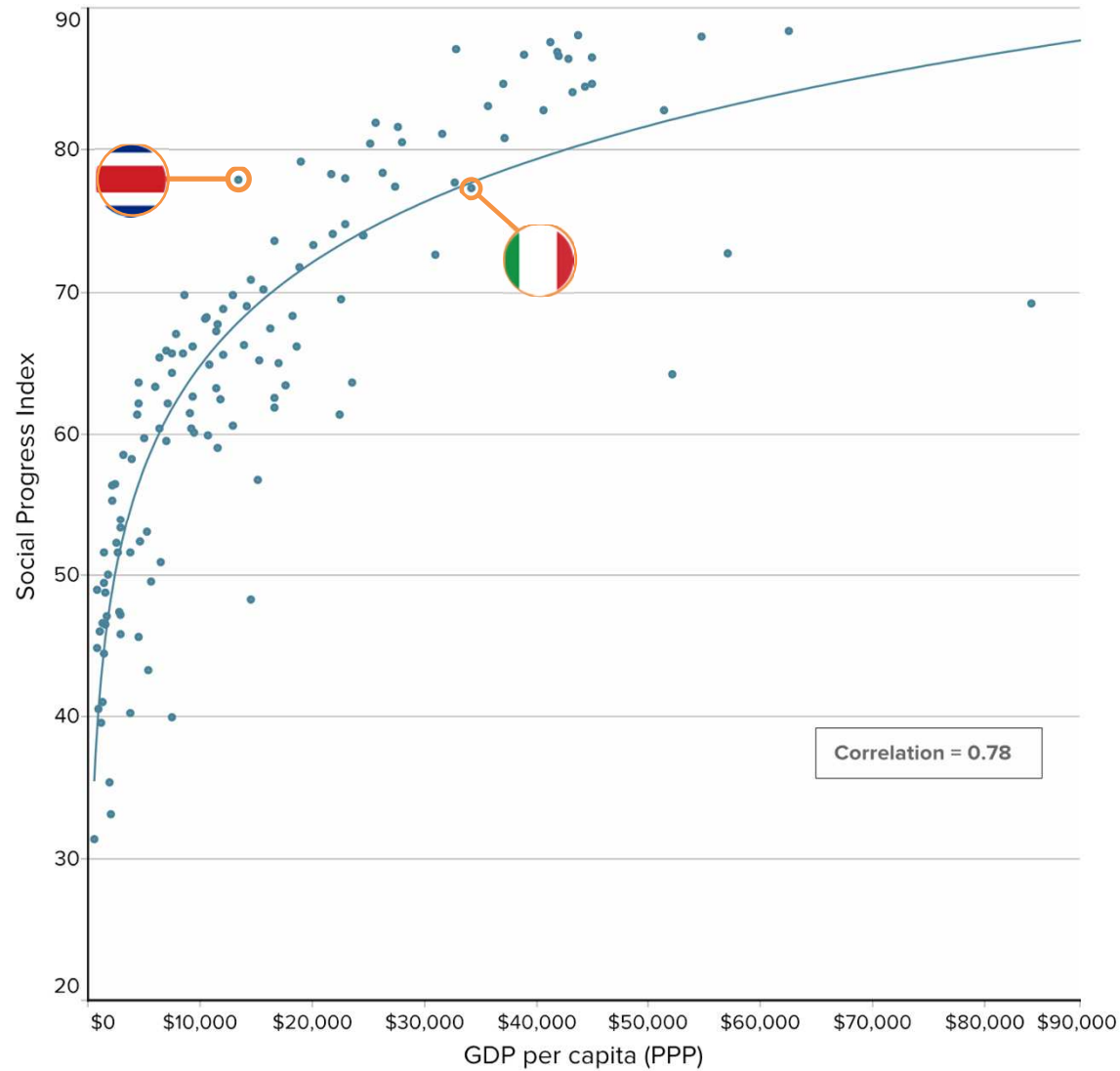
COUNTRIES CAN EXPERIENCE DIFFERENT LEVELS OF SOCIAL PROGRESS AT SIMILAR LEVELS OF GDP PER CAPITA: CAR VS. MALAWI



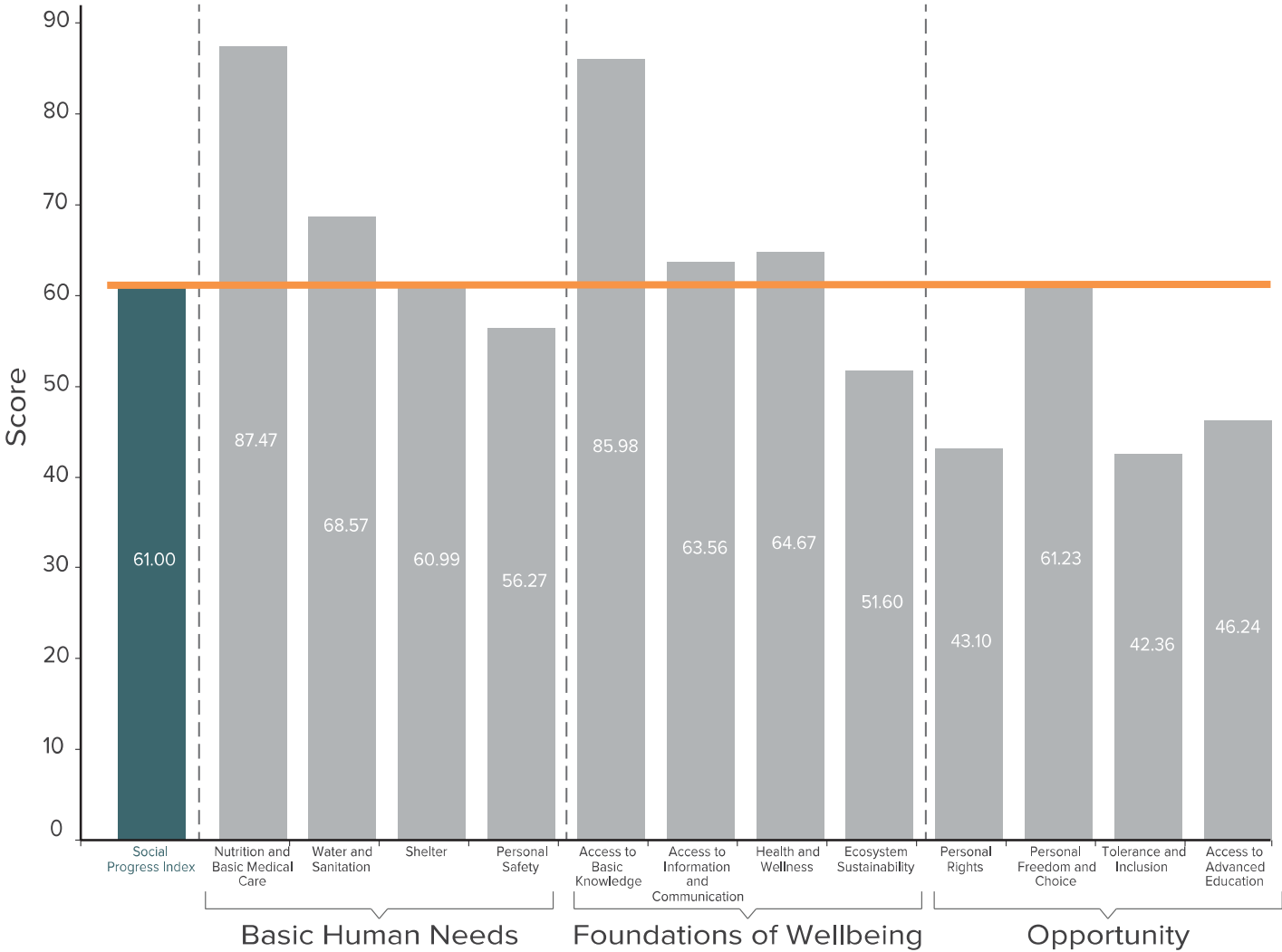
COUNTRIES CAN EXPERIENCE SIMILAR LEVELS OF SOCIAL PROGRESS AT DIFFERENT LEVELS OF GDP PER CAPITA: COSTA RICA



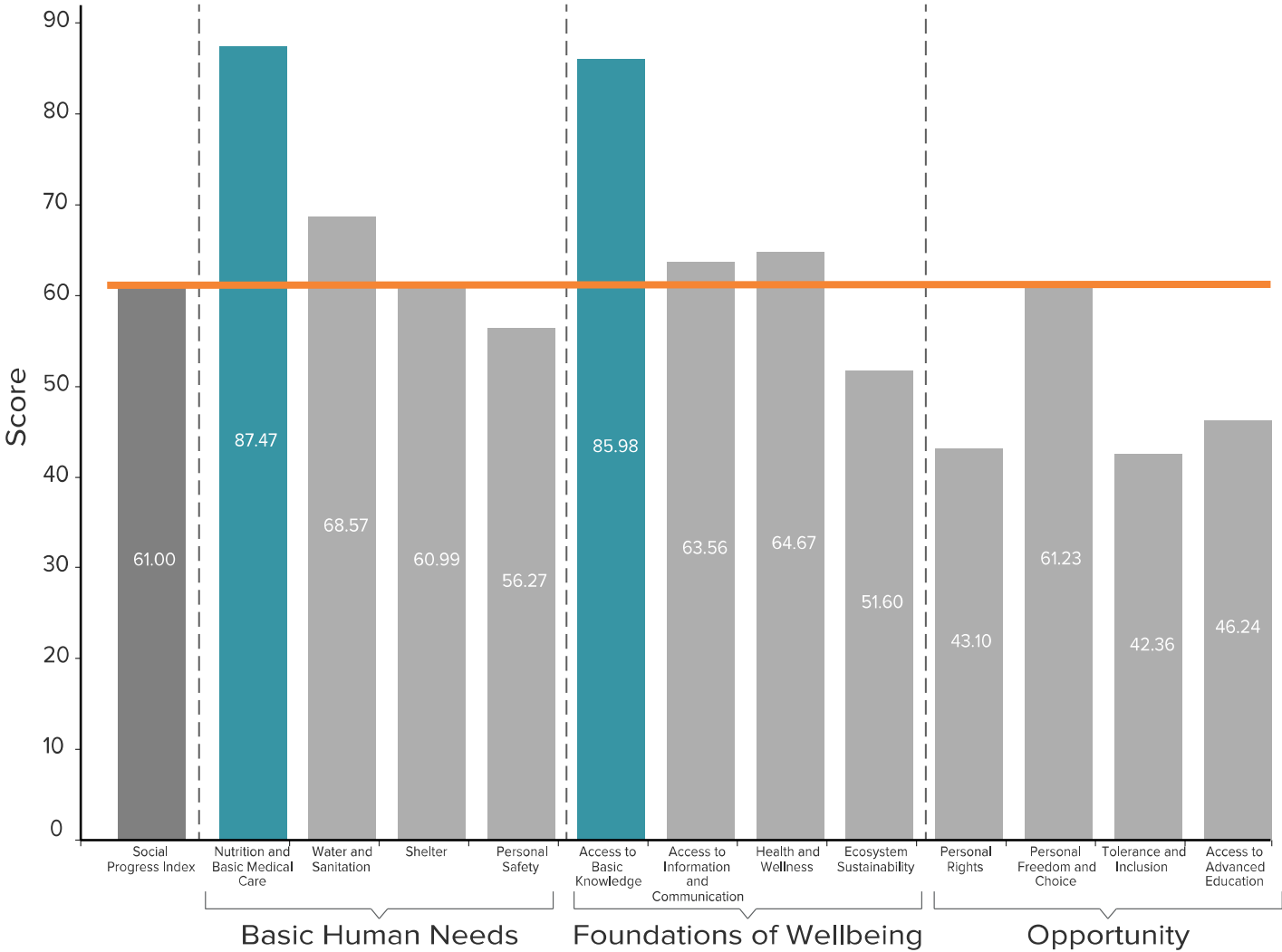
COUNTRIES CAN EXPERIENCE SIMILAR LEVELS OF SOCIAL PROGRESS AT DIFFERENT LEVELS OF GDP PER CAPITA: COSTA RICA VS. ITALY



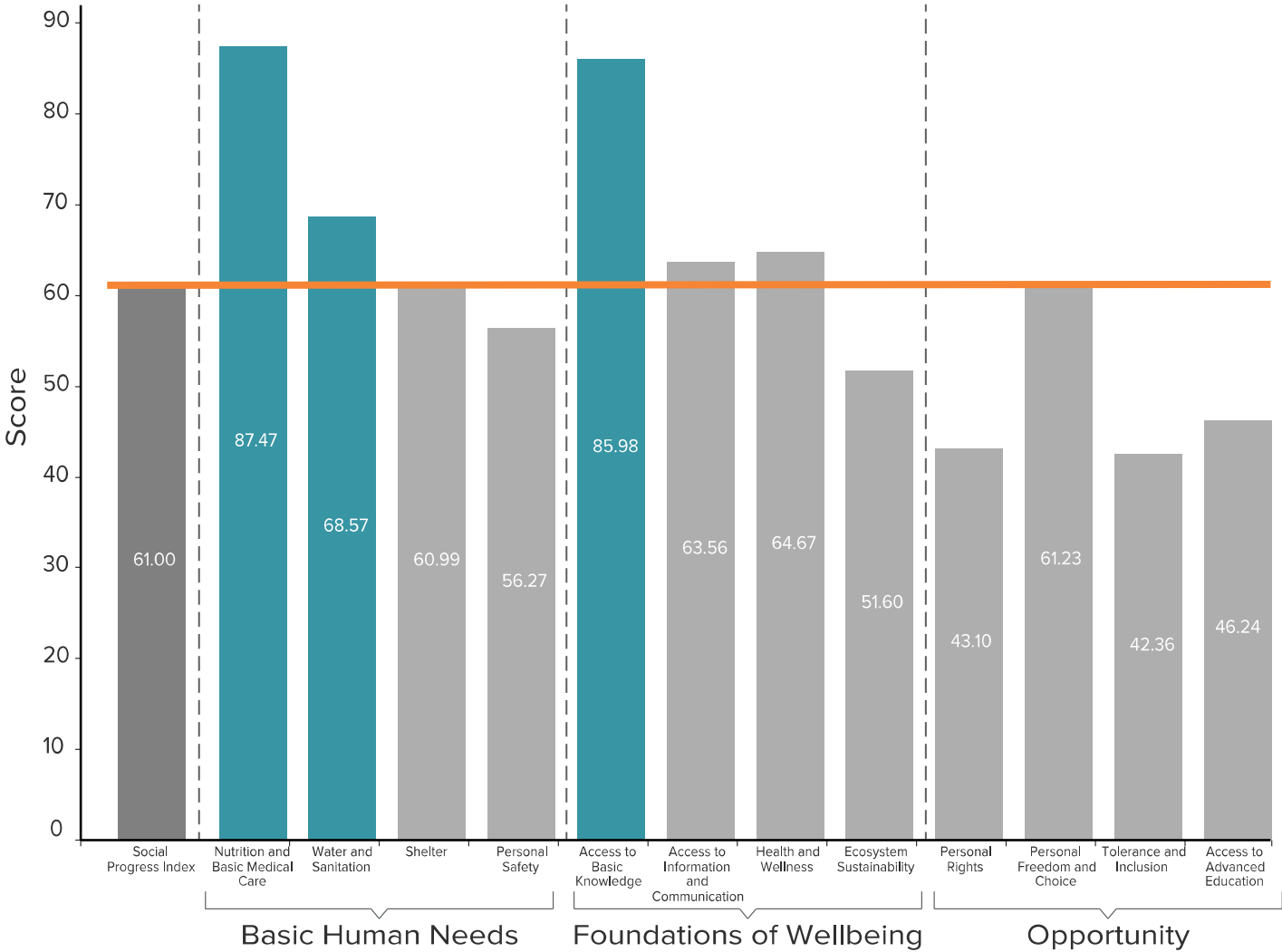
THE AVERAGE LEVEL OF SOCIAL PROGRESS GLOBALLY IS 61.00/100



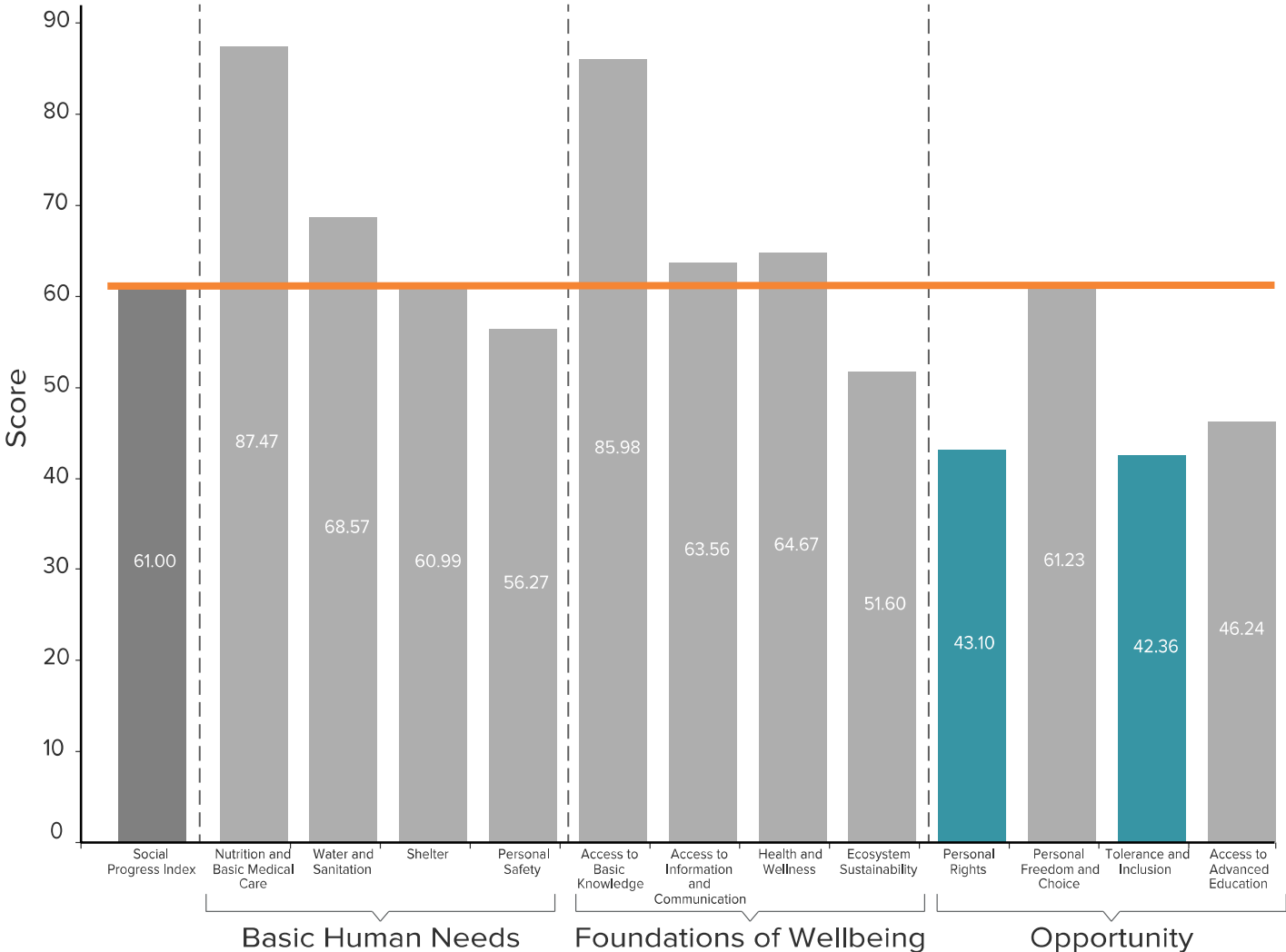
THE WORLD IS DOING BEST IN AREAS THAT HAVE BEEN THE FOCUS OF THE MILLENIUM DEVELOPMENT GOALS



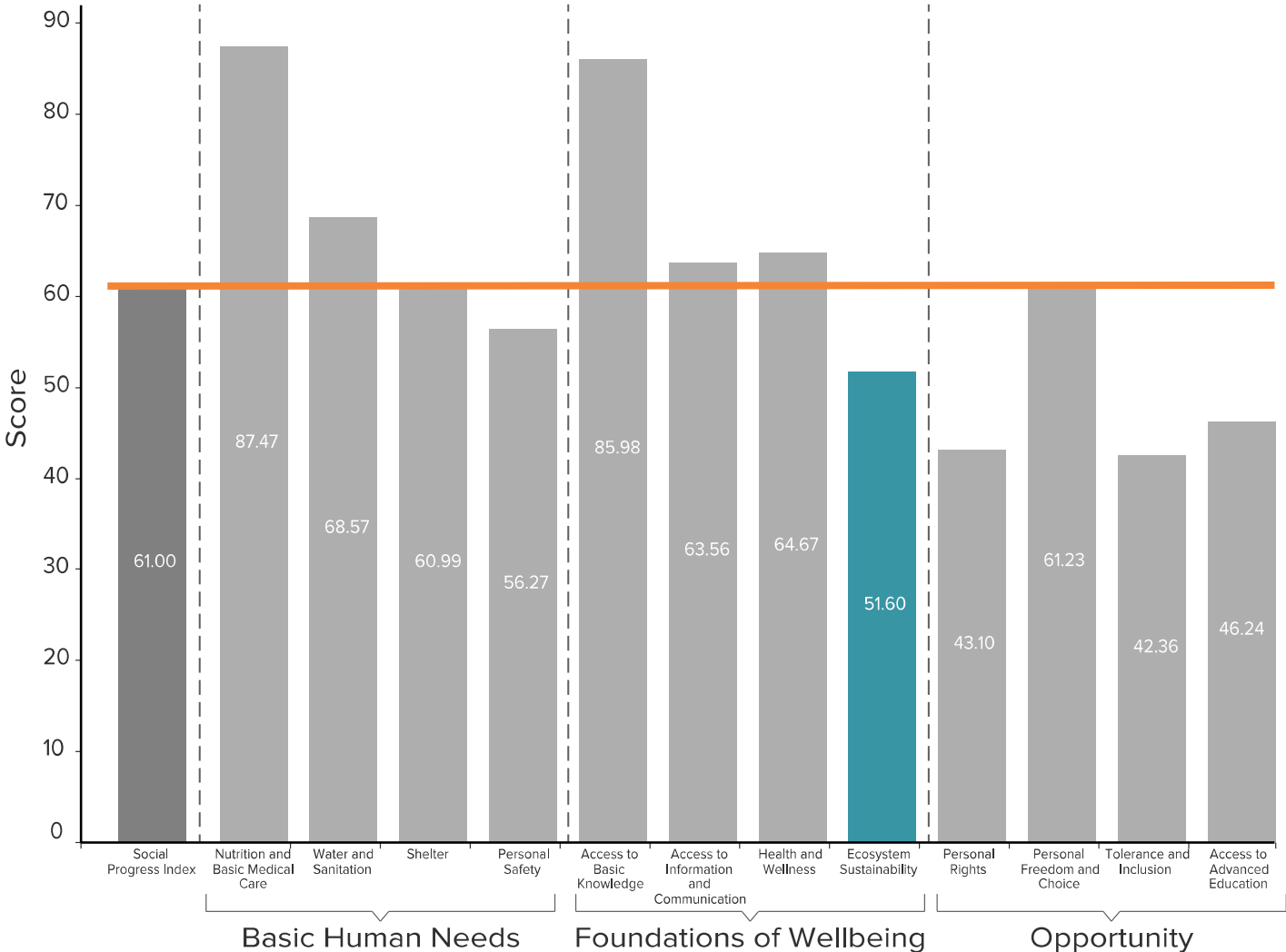
BUT NOT ALL MDGS ARE DOING SO WELL



THE WORLD STRUGGLES MOST WITH PERSONAL RIGHTS AND TOLERANCE AND INCLUSION



THOUGH NOT THE WORST AREA OF PERFORMANCE, ECOSYSTEM SUSTAINABILITY MUST BE A MAJOR CONCERN



HEALTH AND WELLNESS IS ALSO AT RISK

