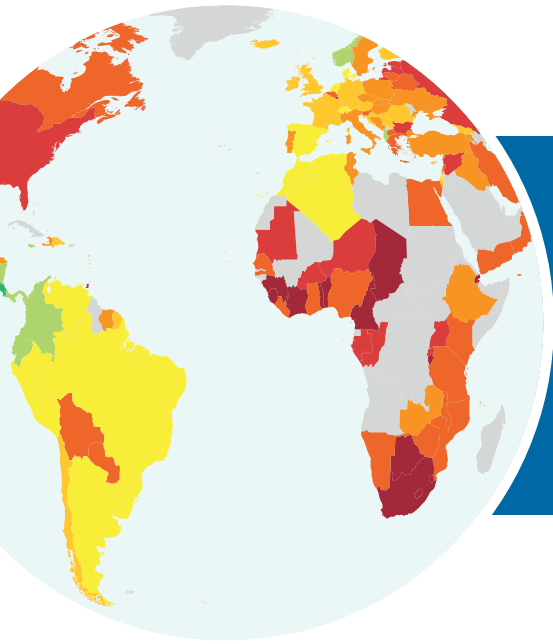




The Happy Planet Index 2016

A global index of sustainable wellbeing

The Happy Planet Index (HPI) measures what matters: sustainable wellbeing for all. It tells us how well nations are doing at achieving long, happy, sustainable lives.

Wealthy Western countries, often seen globally as representing success, do not rank highly on the Happy Planet Index. Instead, several countries in Latin America and the Asia Pacific region lead the way by achieving relatively high and fairly distributed life expectancy and wellbeing with much smaller Ecological Footprints.

The Happy Planet Index provides a compass to guide nations, and shows that it is possible to live good lives without costing the Earth.

Calculating the Happy Planet Index results

The Happy Planet Index combines four elements to show how efficiently residents of different countries are using environmental resources to lead long, happy lives. Figure 1 shows, approximately, how those elements are brought together to calculate the HPI scores.¹

☺ **Wellbeing:** How satisfied the residents of each country feel with life overall, on a scale from zero to ten, based on data collected as part of the Gallup World Poll.²

👤 **Life expectancy:** The average number of years a person is expected to live in each country based on data collected by the United Nations.³

⚖️ **Inequality of outcomes:** The inequalities between people within a country in terms of how long they live, and how happy they feel, based on the distribution in each country's life expectancy and wellbeing data.⁴

🌍 **Ecological Footprint:** The average impact that each resident of a country places on the environment, based on data prepared by the Global Footprint Network.⁵

Figure 1: The Happy Planet Index formula

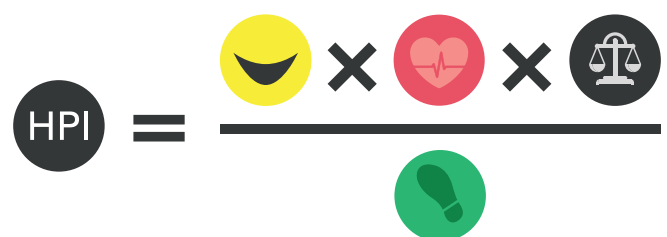
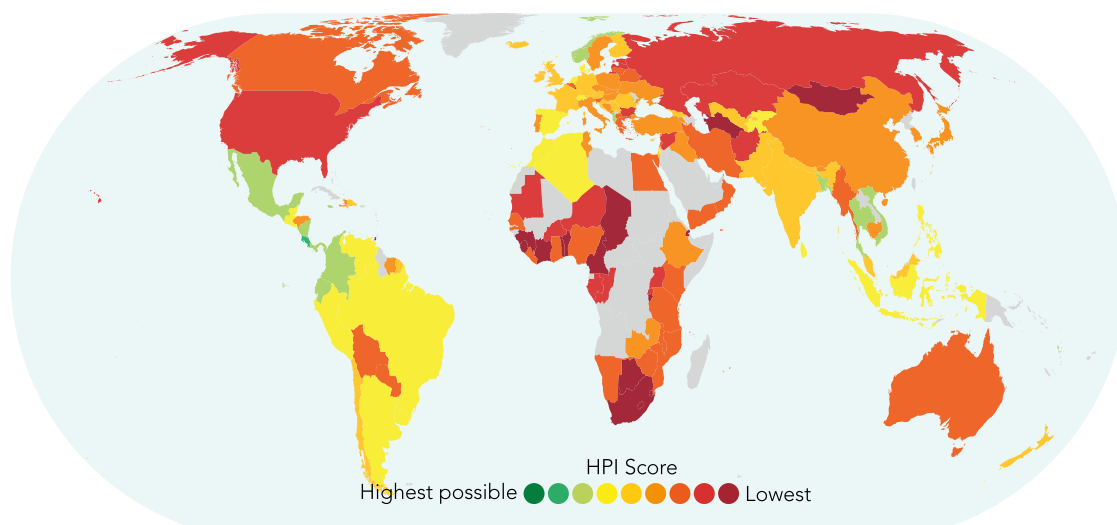
$$\text{HPI} = \frac{\text{Wellbeing} \times \text{Life expectancy} \times \text{Inequality of outcomes}}{\text{Ecological Footprint}}$$


Figure 2: Countries of the world by Happy Planet Index score

Why do we need the Happy Planet Index?

We're facing tough times. The crises that dominate the media today are set against a background of an increasingly unstable global economy, rising inequalities, and the ever-present challenges of climate change. Recent surveys reveal that majorities in both the USA and Europe have said they no longer think life is getting better.⁶⁻⁷

One cause of these interlinked crises is the stubborn prioritisation of economic growth as the central objective of government, trumping all other objectives. People vote for political parties that they perceive to be most capable of delivering a strong economy, and policy makers prioritise policies that increase Gross Domestic Product (GDP) – the standard measure of economic growth above other goals. Doing so has led to short-termism, deteriorating social conditions, and paralysis in the face of climate change.⁸⁻⁹

In fact, GDP growth on its own does not mean a better life for everyone, particularly in countries that are already wealthy. It does not reflect inequalities in material conditions between people in a country. It does not properly value the things that really matter to people like social relations, health, or how they spend their free time. And crucially, ever-more economic growth is incompatible with the planetary limits we are up against.¹⁰⁻¹²

An alternative vision of success

The Happy Planet Index gives us a clearer picture of how people's lives are going. It does this by measuring how long people live, how people are experiencing their lives directly, and by capturing the inequalities in those distributions instead of just relying on the averages.

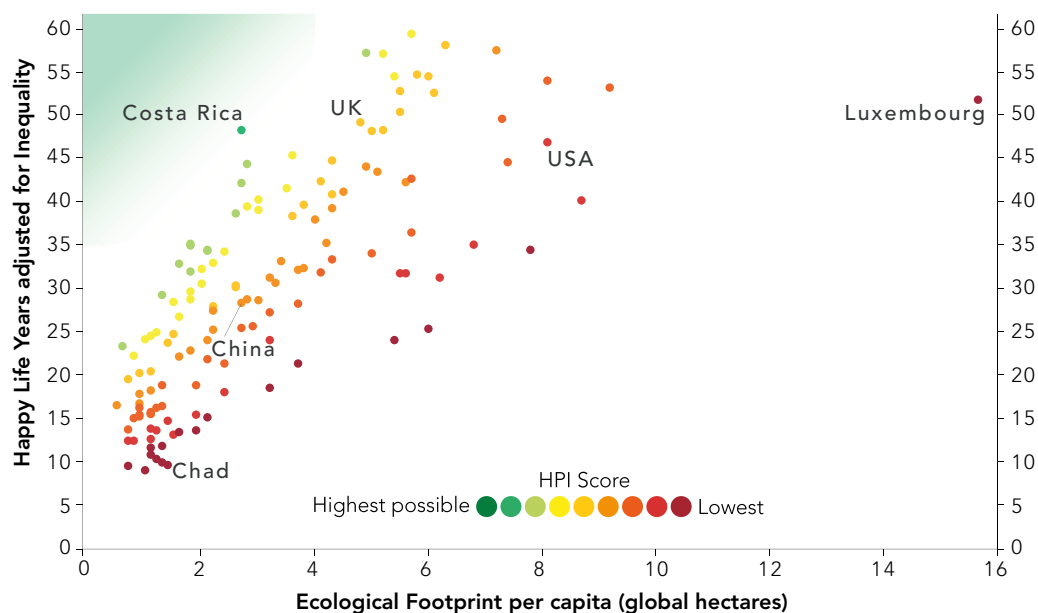
By also measuring how much natural resources countries use to achieve those outcomes, the Happy Planet Index shows where in the world wellbeing is being achieved sustainably. Countries like Costa Rica are already well on their way to achieving sustainable wellbeing for all, though other countries have some way to go.

The Happy Planet Index 2016 results

The Happy Planet Index 2016 results reveal how well countries across the world are delivering long, happy lives for their populations. Figure 2 shows that when we judge success in terms of people's ability to live good lives within environmental limits, countries in Latin America and the Asia Pacific region lead the way – rather than the wealthy western countries that are usually seen as the model for success.

Figure 3 separates out the Happy Planet Index into two parts. Each country's wellbeing, life expectancy, and inequality of outcomes scores are combined into a single measure of Happy Life Years, which is then plotted against Ecological Footprint. The closer a country plots to the green area in the top left corner of the

Figure 3: Happy Life Years against Ecological Footprint



graph the higher the high Happy Planet Index score. The green area is where environmental sustainability and high levels of wellbeing and life expectancy meet.

Wealthy, western nations tend to score highly on life expectancy and wellbeing, but do not score highly on the Happy Planet Index overall, because of the environmental costs of how their economy is run. The USA achieves a fairly high Happy Life Years score, but with an Ecological Footprint that is one of the largest in the world, and therefore a low Happy Planet Index score overall. Many other countries achieve a higher Happy Life Years score, with a smaller Ecological Footprint. Top-ranking country, Costa Rica, manages to achieve a slightly higher Happy Life Years score than the USA, with a significantly smaller Ecological Footprint.

Countries like Costa Rica, closest to the area marked in green in Figure 3, are managing to build sustainable economies that deliver relatively high wellbeing, and long life expectancy, without a large ecological footprint. Although no country is yet in the green area on the plot, the countries closest to this area offer valuable insights into the types of policies which would lead to sustainable wellbeing.

To read case studies from countries around the world, visit www.happyplanetindex.org

Country case study: Costa Rica #1

This year, Costa Rica has topped the Happy Planet Index rankings for the third time. Costa Ricans have higher wellbeing than the residents of many rich nations, including the USA and the UK, and live longer than people in the USA. This is achieved with a per capita Ecological Footprint that's just one third of the size of the USA's.

Costa Rica is a world leader when it comes to environmental protection. 99% of electricity used in Costa Rica comes from renewable sources¹³ and the government is far ahead of many wealthier nations, having committed the country to becoming carbon neutral by 2021.¹⁴

Since abolishing its army in 1949, the country has reallocated its defence budget to funding education, health and pensions.¹⁵ The culture of forming solid social networks of friends, families and neighbourhoods¹⁶ is another likely factor in Costa Rican's high wellbeing.

Despite this, Costa Rica also faces many problems. An unprogressive tax system means that income inequality is particularly high.¹⁷ While Costa Rica's commitment to environmental sustainability is impressive, it still has some way to go before it is completely sustainable.

Happy Planet Index: 2016 Results

Rank	Country	HPI	Wellbeing (out of 10)	Life Expectancy (years)	Inequality of outcomes	Ecological Footprint (global hectares/person)
1	Costa Rica	44.7	7.3	79.1	15%	2.8
2	Mexico	40.7	7.3	76.4	19%	2.9
3	Colombia	40.7	6.4	73.7	24%	1.9
4	Vanuatu	40.6	6.5	71.3	22%	1.9
5	Vietnam	40.3	5.5	75.5	19%	1.7
6	Panama	39.5	6.9	77.2	19%	2.8
7	Nicaragua	38.7	5.4	74.3	25%	1.4
8	Bangladesh	38.4	4.7	70.8	27%	0.7
9	Thailand	37.3	6.3	74.1	15%	2.7
10	Ecuador	37.0	6.0	75.4	22%	2.2
11	Jamaica	36.9	5.6	75.3	21%	1.9
12	Norway	36.8	7.7	81.3	7%	5.0
13	Albania	36.8	5.5	77.3	17%	2.2
14	Uruguay	36.1	6.4	76.9	18%	2.9
15	Spain	36.0	6.3	82.2	10%	3.7
16	Indonesia	35.7	5.4	68.5	21%	1.6
17	El Salvador	35.6	5.9	72.5	22%	2.1
18	Netherlands	35.3	7.5	81.2	4%	5.3
19	Argentina	35.2	6.5	75.9	16%	3.1
20	Philippines	35.0	5.0	67.9	26%	1.1
21	Peru	34.6	5.8	74.1	21%	2.3
22	Palestine	34.5	4.6	72.6	24%	1.2
23	Brazil	34.3	6.9	73.9	22%	3.1
24	Switzerland	34.3	7.8	82.6	6%	5.8
25	Tajikistan	34.2	4.5	69.0	26%	0.9
26	Guatemala	34.2	5.9	71.4	27%	1.9
27	Belize	33.8	6.1	69.8	18%	2.5
28	Sri Lanka	33.8	4.2	74.6	17%	1.3
29	Venezuela	33.6	7.1	73.9	19%	3.6
30	Algeria	33.3	5.6	74.3	24%	2.1
31	Kyrgyzstan	33.1	5.2	69.7	18%	1.9
32	Denmark	32.7	7.5	79.8	7%	5.5
33	Morocco	32.7	5.0	73.4	25%	1.7
34	United Kingdom	31.9	6.9	80.4	9%	4.9
35	Chile	31.7	6.6	81.1	14%	4.4
36	Pakistan	31.5	5.1	65.7	40%	0.8
37	Finland	31.3	7.4	80.4	6%	5.9
38	New Zealand	31.3	7.2	81.4	8%	5.6
39	Iceland	31.1	7.6	82.2	5%	6.4
40	Georgia	31.1	4.3	74.6	20%	1.6
41	Cyprus	30.7	6.2	79.8	12%	4.2
42	Nepal	30.5	4.2	68.8	27%	1.0
43	Austria	30.5	7.4	81.0	7%	6.1
44	France	30.4	6.6	81.8	9%	5.1
45	Dominican Republic	30.3	4.8	73.1	30%	1.5
46	Malaysia	30.3	5.9	74.4	10%	3.7
47	Croatia	30.2	6.0	77.0	12%	3.9
48	Ireland	30.0	7.0	80.5	8%	5.6
49	Germany	29.8	6.7	80.6	8%	5.3
50	India	29.2	4.6	67.3	31%	1.2
51	Uzbekistan	29.1	6.0	68.2	30%	2.3
52	Serbia	29.0	5.2	74.5	19%	2.7
53	Malta	29.0	6.0	80.2	13%	4.4
54	Israel	28.8	7.1	81.9	8%	6.2
55	Romania	28.8	5.2	74.3	19%	2.7
56	Bhutan	28.6	5.6	68.7	27%	2.3
57	Haiti	28.6	4.4	62.1	37%	0.6
58	Japan	28.3	6.0	83.2	9%	5.0
59	Slovakia	28.2	5.9	75.9	13%	4.1
60	Italy	28.1	5.8	82.7	12%	4.6
61	Sweden	28.0	7.6	81.8	6%	7.3
62	Poland	27.5	5.9	76.9	11%	4.4
63	Mauritius	27.4	5.5	74.0	17%	3.5
64	Czech Republic	27.3	6.3	78.2	9%	5.2
65	Honduras	27.2	4.6	72.8	31%	1.7
66	Ethiopia	26.7	4.6	62.8	36%	1.0
67	Iraq	26.5	4.7	69.0	27%	1.9
68	Turkey	26.4	5.3	74.7	19%	3.3
69	Hungary	26.4	4.7	74.9	15%	2.9
70	Ukraine	26.4	5.0	70.3	17%	2.8
71	Tunisia	26.2	4.5	74.6	22%	2.3
72	China	25.7	5.1	75.4	17%	3.4
73	Armenia	25.7	4.3	74.4	22%	2.2
74	Cambodia	25.6	3.9	67.5	28%	1.2
75	Suriname	25.4	6.3	70.8	19%	4.3
76	Bosnia and Herzegovina	25.3	4.8	76.2	19%	3.1
77	Zambia	25.2	5.0	58.4	41%	1.0
78	Montenegro	25.1	5.2	75.8	16%	3.8
79	Portugal	24.8	5.0	80.3	16%	3.9
80	South Korea	24.8	6.0	81.3	11%	5.7
81	Myanmar	24.7	4.4	65.5	32%	1.4
82	Slovenia	24.6	6.1	80.0	10%	5.8
83	Kenya	24.2	4.5	60.3	38%	1.0

Rank	Country	HPI	Wellbeing (out of 10)	Life Expectancy (years)	Inequality of outcomes	Ecological Footprint (global hectares/person)
84	Iran	24.0	4.6	74.8	23%	2.8
85	Canada	23.9	7.4	81.7	9%	8.2
86	Egypt	23.8	4.2	70.7	23%	2.2
87	Belgium	23.7	6.9	80.4	9%	7.4
88	Mozambique	23.7	5.0	54.3	43%	0.9
89	Greece	23.6	5.1	80.5	16%	4.4
90	Macedonia	23.4	4.6	75.1	18%	3.3
91	Paraguay	23.3	5.8	72.6	22%	4.2
92	Bolivia	23.3	6.0	67.5	35%	3.0
93	Comoros	23.1	4.0	62.6	36%	1.0
94	Yemen	22.8	4.1	63.3	39%	1.0
95	Nigeria	22.2	5.5	52.1	44%	1.2
96	Liberia	22.2	4.4	60.2	38%	1.2
97	Tanzania	22.1	4.0	63.5	33%	1.3
98	Malawi	22.1	4.3	60.1	45%	0.8
99	Zimbabwe	22.1	5.0	53.7	37%	1.4
100	Lebanon	21.9	4.6	78.8	19%	3.8
101	Senegal	21.9	3.7	65.4	33%	1.2
102	Belarus	21.7	5.7	70.9	13%	5.1
103	Namibia	21.6	4.7	64.0	26%	2.5
104	Ghana	21.4	5.1	61.0	38%	2.0
105	Australia	21.2	7.2	82.1	8%	9.3
106	Oman	21.1	6.9	76.3	13%	7.5
107	Lithuania	21.0	5.8	72.8	11%	5.8
108	United States of America	20.7	7.0	78.8	13%	8.2
109	Bulgaria	20.4	4.2	73.9	19%	3.3
110	Afghanistan	20.2	3.8	59.7	43%	0.8
111	Rwanda	19.6	3.3	63.1	37%	0.9
112	Uganda	19.4	4.3	57.1	41%	1.2
113	Syria	19.1	3.2	70.4	30%	1.5
114	Kazakhstan	19.1	5.8	68.6	18%	5.6
115	Republic of Congo	18.8	3.9	61.0	40%	1.3
116	Russia	18.7	5.6	69.5	16%	5.7
117	Mauritania	18.0	4.7	62.6	37%	2.5
118	Estonia	17.9	5.4	76.2	12%	6.9
119	Burkina Faso	17.9	4.0	58.0	43%	1.2
120	Gabon	17.5	4.0	63.3	36%	2.0
121	Latvia	17.1	5.1	73.6	14%	6.3
122	Niger	16.8	3.8	60.0	40%	1.6
123	Hong Kong	16.8	5.5	83.6	10%	8.8
124	Cameroon	16.7	4.2	54.6	47%	1.2
125	Lesotho	16.7	4.9	48.9	42%	1.7
126	Botswana	16.6	4.8	64.2	28%	3.8
127	Djibouti	16.4	4.4	61.3	42%	2.2
128	South Africa	15.9	5.1	56.3	33%	3.3
129	Guinea	15.9	3.7	57.7	42%	1.4
130	Trinidad and Tobago	15.7	6.4	70.1	21%	7.9
131	Burundi	15.6	3.4	55.8	48%	0.8
132	Swaziland	15.5	4.9	48.9	41%	2.0
133	Sierra Leone	15.3	4.5	49.8	50%	1.2
134	Turkmenistan	14.6	5.5	65.3	31%	5.5
135	Cote d'Ivoire	14.4	3.8	50.8	45%	1.3
136	Mongolia	14.3	4.9	68.6	22%	6.1
137	Benin	13.4	3.2	59.2	44%	1.4
138	Togo	13.2	2.9	58.6	43%	1.1
139	Luxembourg	13.2	7.0	81.1	7%	15.8
140	Chad	12.8	4.0	50.8	51%	1.5

Key

HPI Score
 Highest     Lowest possible

-  Happy Planet Index score
-  Life Expectancy (years)
-  Wellbeing (out of 10)
-  Ecological Footprint (global hectares/person)
-  Inequality of outcomes

For more information and to explore the data, visit www.happyplanetindex.org

Endnotes

1. For a detailed explanation of how Happy Planet Index scores are calculated, see our Methods Paper [<http://www.neweconomics.org/hpimethodspaper>]
2. Ladder of Life question in the Gallup World Poll. Latest data for each country as of 2012, retrieved from <http://worlddatabaseofhappiness.eur.nl/>
3. United Nations, Department of Economic and Social Affairs, Population Division. (2015). *World Population Prospects: The 2015 Revision*. Retrieved from <https://esa.un.org/unpd/wpp/Download/Standard/Mortality/>
4. Calculated by NEF using UNDP methodology using 2012 life expectancy data prepared by the Population Division of the Department of Economic and Social Affairs of the United Nations, and Gallup World Poll experienced wellbeing data from 2012, retrieved from <http://worlddatabaseofhappiness.eur.nl/>
5. Global Footprint Network. (2016). *National Footprint Accounts, 2016 Edition*. Retrieved from <http://www.footprintnetwork.org/en/index.php/GFN/>
6. NEF analysis of the European Social Survey, round 6 (2012). 65.5% of Europeans think that life in their country is getting worse, compared to only 15.2% that disagree.
7. Long, H. (2016, 28 January). 56% of Americans think their kids will be worse off, *CNN Money*. Retrieved from <http://money.cnn.com/2016/01/28/news/economy/donald-trump-bernie-sanders-us-economy/>
8. Fioramonti, L. (2013). *Gross domestic problem: The politics behind the world's most powerful number*. London: Zed Books.
9. Jeffrey, K. and Michaelson, J. (2015). *Five Headline Indicators of National Success : A clearer picture of how the UK is performing*. London: NEF.
10. Dietz, R., and O'Neill, D. (2013). *Enough is enough: Building a sustainable economy in a world of finite resources*. London: Routledge.
11. Jackson, T. (2011). *Prosperity without growth: Economics for a finite planet*. London: Routledge.
12. Victor, P. A. and Rosenbluth, G. (2007). Managing without growth. *Ecological Economics*, 61(2), 492-504.
13. Phys.org. (2015, October 23). Costa Rica boasts 99% renewable energy in 2015 [Phys.org] Retrieved from <http://phys.org/news/2015-12-costa-rica-renewable-energy.html>
14. Marshall, C. (2008, 11 August). Costa Rica bids to go carbon neutral. *BBC News*. Retrieved from <http://news.bbc.co.uk/1/hi/world/americas/7508107.stm>
15. Green, G. (2010, September). Imagine there's no Army. *Diplomat Magazine*. Retrieved from <http://www.diplomatmagazine.com/issues/2010/september/321-imagine-theres-no-army-v15-321.html>
16. Abdallah, S., Michaelson, J., Marks, N, Thompson, S. & Steuer, N. (2009). *The Happy Planet Index 2.0*. London: NEF. p.28.
17. OECD (2016). *OECD Economic Surveys: Costa Rica 2016: Economic Assessment*. Paris: OECD Publishing. p.68.

Written by: Karen Jeffrey, Hanna Wheatley and Saamah Abdallah

Design by: danfarleydesign.co.uk

With thanks to: Charlotte Thorpe, Juliet Michaelson and Ross Haig

New Economics Foundation
www.neweconomics.org
info@neweconomics.org
+44 (0)20 7820 6300
@NEF

© July 2016 New Economics Foundation (NEF)
Registered charity number 1055254