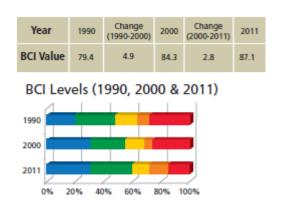


PRESS RELEASE – For immediate publication

Social Watch launchs 2011 Basic Capabilities Index

Economic growth does not ensure human well-being

Far from improving the quality of life of the world population, increased trade and per capita income have not resulted in reduced poverty, according to the most recent Basic Capabilities Index (BCI) published by Social Watch, an the international network of civil society organizations.



The index was launched on Friday 14, in the Netherlands, on the eve of the international days against hunger and poverty. October 16 commemorates the creation of the United Nations Food and Agriculture Organization (FAO) and October 17 is international poverty day.

Global trade and average per capita income have grown faster in the first decade of the 21st century than the decades before, but

progress against poverty slowed down. World exports multiplied almost five times between 1990 and 2010 and income more than doubled, but the world average BCI only increased by one tenth in those same 20 years.

Macroeconomic performance and human well-being do not go hand in hand, concludes Roberto Bissio, coordinator of Social Watch.

The countries where the social situation is most critical are Chad, Sierra Leone, Niger, Somalia and Guinea Bissau, all of them in Africa. Afghanistan was the worse positioned ten years ago, but there are no reliable data to compute its BCI in 2011.

The index "shows that the last decade was a lost decade in the fight against poverty, in spite of the excellent performance of emerging economies," commented Bissio. The gap between the slow progress in social indicators and the rapid growth of world trade and per capita income is explained "by growing inequalities in distributing the benefits of economic prosperity", he added.

The BCI is based on key indicators that measure essential aspects of survival and human dignity: mortality among children under five, reproductive health (measured

by births attended by skilled personnel), and primary education (school enrolment, proportion of children reaching fifth grade and adult literacy rate).

The available figures do not allow to assess the whole impact of the crisis that started in 2008, because social indicators are gathered and published much slower than the economic numbers. Yet, Social Watch member organizations have already verified in their countries that the most vulnerable sectors of the population are the ones carrying the largest burden of the crisis.

Before the crisis, gross income was growing fast while progress in education, health and nutrition was already too slow. If industrialized countries enter into a prolonged period of stagnation or recession, the situation of the most vulnerable sectors at global level can only become worse.

More information:

The Basic Capabilities Index 2011 (in xls format):

http://www.socialwatch.org/sites/default/files/BCI country en.xls

The Basic Capabilities Index 2011 (in pdf format):

http://www.socialwatch.org/sites/default/files/BCI2011 eng.pdf

A lost decade in the fight against poverty: http://www.socialwatch.org/node/13749
BCI trends, 1990 to 2011 – Slowing down: http://www.socialwatch.org/sites/default/map/map
See the ICB in a interactive map: http://www.socialwatch.org/sites/default/map/map

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How the BCI is measured

All the indicators making up the BCI are expressed in percentages and they range from 0 to 100. Under-five mortality, which is usually expressed in number of deaths per thousand children born alive, is expressed as 100 minus that value. So that, for example, a value of 20 deaths per thousand becomes 2% and, when deducted from 100, yields a basic indicator value of 98. Thus, the theoretical maximum value in infant mortality is 100, which would mean that all children born alive survive until they are five years old. Reproductive health takes the maximum value of 100 when all women giving birth are attended by skilled health personnel. Similarly, the education indicator registers 100 when all the adults know to read and to write, and all school age children are enrolled in education and they all attain five years of schooling. These three indicators are then averaged, so the total value of the index will vary between 0% and 100%.

BCI values for 2011 were computed for 167 countries where data are available, i.e. the vast majority among the 193 member states of the United Nations.

Countries with a *basic* BCI level (98 points and over) have reached a reasonable human development level and most likely have met the Millennium Development Goals way ahead the 2015 deadline. Countries with a *medium* BCI level (91 to 97 points) have achieved a certain level of momentum to address key human development concerns and have a fair chance of meeting the MDGs by 2015.

Countries with a *low* BCI (81 to 90 points) are still struggling to provide basic services for their citizens and will more likely miss the MDGs by 2015.

Countries with *very low* (71 to 80 points) and *critical* (below 70) BCI levels will certainly miss MDGs. Most of these countries, particularly those in a critical situation, are experiencing severe economic difficulties, social unrest or wars. Some have just emerged from armed conflict and are still transitioning to normalize government operations and public services.

Basic Data

- —Chad is ranked at the bottom of the list, in 2011, along with Sierra Leone, Niger, Somalia and Guinea Bissau. Countries with the lowest BCI values are mostly from Sub-Saharan Africa and South Asia. Afghanistan had the lowest ranking in 2000 and the are not reliable data to make an assessment for 2011.
- Japan, Norway, Netherlands, Switzerland and Iceland are the countries holding the top positions in the NCI list according.
- —The global BCI has progressed slower between 1990 and 2011 than between 1990 and 2000. In 1990, the average BCI value (population weighted) for countries with available data was 79.4. In 2000, BCI increased by 4.9 points to 84.3. BCI further increased to 87.1 by 2011, an increment of 2.8 points, lower than the improvement posted in the previous decade.
- —Between 1990 and 2011, more countries have achieved basic and medium BCI levels. During the same period, the number of countries with critical BCI level has decreased from 42 in 1990 to only 28 by 2011. Some of these countries advanced to the next level while a few have actually moved two levels higher.
- —The number of countries with medium BCI levels increased from 44 in 1990 to 52 in 2011. Countries that have scaled up their BCI levels from low/very low to medium include the following: Algeria, Iran, Kuwait, Saudi Arabia, Syria and Tunisia (Middle East and North Africa); Azerbaijan, Tajikistan, Maldives and Vietnam (Asia); and Belize, Brazil, Colombia, El Salvador, Mexico, Paraguay, Peru and Suriname (Latin America). El Salvador registered the highest increase in BCI in this group accounting for a 17 point increase between 1990 and 2011. In contrast, countries such as Ukraine, Bosnia and Herzegovina, and Thailand have moved down from basic BCI to medium level.
- Nineteen countries registered low BCI levels in 2011. Bolivia, Honduras and Nicaragua (in Latin America), and Cape Verde, Zimbabwe, and Swaziland (Sub-Saharan Africa region), among others, improved their standing from very low/critical BCI level to low. Within this group of countries that registered low BCI levels, Bhutan in South Asia recorded the highest increase of 28 points, climbing up from critical to low BCI level.
- The number of countries in the critical BCI list has declined to 28 in 2011. Countries that moved up from their previous critical BCI levels include Cameroon, Eritrea, Ghana, Kenya, Malawi, Rwanda, Tanzania and Togo (in Sub-Saharan Africa); Guatemala (Latin America);

Djibouti, Egypt, Morocco and Yemen (Middle East and North Africa); Laos and Myanmar (East Asia); and Bhutan and India (South Asia).

— Sub-Saharan Africa is the only region where progress in social indicators has accelerated since 2000. In Latin America, East Asia, the Middle East and North Africa, the improvement in BCI slowed down during the period 2000 to 2011, compared to the previous decade.