



FOR IMMEDIATE RELEASE

FINLAND IS THE MOST PROSPEROUS COUNTRY IN THE WORLD, FINDS THE LEGATUM PROSPERITY INDEX

Combination of good governance, domestic security and high levels of education make Finland the world leader, with other Northern European countries strongly represented in top 10

LONDON, October 26, 2009 – The third edition of the Legatum Prosperity Index, published today, ranks 104 countries (covering 90% of the world's population), based on a definition of prosperity that combines economic growth together with measures of happiness and quality of life. Finland ranks first overall as a result of a very strong performance in each of the nine areas identified as the foundations of true prosperity. Switzerland, Sweden, Denmark, and Norway round out the top five positions in the Index. The largest nations to rank inside the top 10 are Australia (6th), Canada (7th), and the United States (9th).

“The Legatum Prosperity Index is the world’s only global assessment of wealth and wellbeing,” said Dr. William Inboden, Senior Vice President of the Legatum Institute. *“Finland scored highly in every area of prosperity to claim top spot in this year’s Index amid competition from several other Northern European countries,”* he continued, *“and Finland’s superior ranking can be attributed to its commitment to promoting freedom, security and good governance as well as fostering a sound economic environment. Maintaining such a balance will help Finland to consolidate its leadership position in future.”*

Key Findings from the 2009 Legatum Prosperity Index

- Finland tops the Index, followed by Switzerland, Sweden, and Denmark; the United States is 9th and the United Kingdom is 12th.
- Finland scores highest on the sub-indexes relating to security, governance and education for which it ranks 2nd, 2nd and 3rd respectively.
- Globally, Finland ranks 9th for measures of entrepreneurship and innovation.
- Finland ranks 2nd on the sub-index assessing safety and security reflecting comparatively low levels of internal conflict and crime.
- Finland ranks 6th in social capital. This measure considers factors such as the importance of friends and family, membership of civic organizations, and charitable giving.
- Northern Europe dominates the top five spots in the Index: Finland (1st), Sweden (3rd), Denmark (4th), and Norway (5th).
- Romania is the lowest ranked European Union country at 47th, and Belarus, at 85th, is the lowest-ranked European nation overall.
- Northern European nations, on average, perform better on measures related to quality of life than economic wellbeing; conversely, Eastern European nations perform better, without exception, on measures related to economic wellbeing than to quality of life.
- The top five most entrepreneurial and innovative countries in Europe are, in order of rank, the U.K., Sweden, the Netherlands, Denmark, and Germany.

The Index identified nine key factors that drive economic growth and personal wellbeing, which are foundations of prosperity. Each of these nine factors is represented in a sub-index and a country's final Prosperity Index ranking is generated by averaging its scores across all nine sub-indexes, equally weighted. **More information on the Prosperity Index, including full country rankings, background on data and methodology, and profiles of each country can be found at www.prosperity.com.**

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Notes to Editors:

About the Legatum Prosperity Index

The 2009 Legatum Prosperity Index is based on statistical analysis of more than 40 years of data for more than 100 countries worldwide, produced and supervised by the Legatum Institute, with input from the research consultancy Oxford Analytica and a panel of respected academic advisors in the fields of economics, history, development, sociology, and political science.

2009 Legatum Prosperity Index Rankings

Top Twenty Countries		Top European Countries	
1.	Finland	1.	Finland
2.	Switzerland	2.	Switzerland
3.	Sweden	3.	Sweden
4.	Denmark	4.	Denmark
5.	Norway	5.	Norway
6.	Australia	8.	Netherlands
7.	Canada	11.	Ireland
8.	Netherlands	12.	United Kingdom
9.	United States	13.	Belgium
10.	New Zealand	14.	Germany
11.	Ireland	15.	Austria
12.	United Kingdom	17.	France
13.	Belgium	19.	Spain
14.	Germany	20.	Slovenia
15.	Austria	21.	Italy
16.	Japan	22.	Portugal
17.	France	25.	Czech Republic
18.	Hong Kong	28.	Hungary
19.	Spain	29.	Poland
20.	Slovenia	30.	Greece

Bottom Ten Countries	
95.	Kenya
96.	Algeria
97.	Tanzania
98.	Nigeria
99.	Pakistan
100.	Cameroon
101.	Central African Republic
102.	Yemen
103.	Sudan
104.	Zimbabwe



How the Index is constructed

The Prosperity Index accounts for 90 percent of the world's population, using a combination of objective data and subjective responses to surveys. This data comprises 79 different variables, and each is then distilled into one of the nine different sub-indexes identified as a foundation of prosperity. A country's performance in each sub-index is given a score, and the overall Prosperity Index rankings are produced by averaging the equally-weighted scores of the 9 sub-indexes for each country. Those countries that perform well across each sub-index score highest in the overall rankings.

The nine foundations of prosperity that define successful nations include:

- **Economic Fundamentals** – a growing, sound economy that provides opportunities for wealth creation
- **Entrepreneurship and Innovation** – an environment friendly to new enterprises and the commercialisation of new ideas
- **Education** – an accessible, high-quality educational system that fosters human development
- **Democratic Institutions** – transparent and accountable governing institutions that promote economic growth
- **Governance** – an honest and effective government that preserves order and encourages productive citizenship
- **Health** – the physical well-being of the populace
- **Personal Freedom** – the degree to which individuals can choose the course of their lives
- **Security** – a safe environment in which people can pursue opportunity
- **Social Capital** – trustworthiness in relationships and strong communities

About the Legatum Institute

The Legatum Institute is an independent policy, advocacy and advisory organisation. The Institute's mission is to research and promote the principles that drive the creation of global prosperity and the expansion of human liberty and wellbeing.

For more information about the Legatum Institute, please visit www.li.com.

The Institute is part of the Legatum Group, a private global investment organization focused on investing in the international capital markets and the promotion of sustainable development.

For more information about the Legatum Group, please visit www.Legatum.com.

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