

Finland is most prosperous nation

Top of index for wealth and health

By Julie Macintosh
in New York

Finland is the world's most prosperous nation, not only in monetary matters but in the quality of its democracy and governance, according to the latest Prosperity Index, to be launched by Legatum, the London-based think-tank, this week.

Finland took first prize – up from third last year – and is followed by Switzerland and the Scandinavian countries of Sweden, Denmark and Norway. Zimbabwe ranks last, just ahead of Sudan and Yemen.

The United States comes in ninth, beating Britain, Germany and France, which all ranked in the top 20. Four-fifths of the top 20-ranked countries are in North America and Europe.

Legatum says it is trying to encourage the consideration of factors such as health, freedom, security and political governance as keys to prosperity, rather than material wealth alone.

Its report follows a proclamation in September by a commission created by Nicolas Sarkozy, the French

president, which said a country's gross domestic product is an insufficient measure of wellbeing.

"The Sarkozy commission has helped advance the debate," said Dr William Inboden, senior vice-president at Legatum. "We need broader measurements of what is working and what isn't."

The Prosperity Index found a separation between growing prosperity in India and Brazil compared with the progress measured in fellow "Brics" China and Russia, both of which lag behind on issues of governance and political freedom.

"We think there may be some warning signs for Russia and China versus some more positive indicators for Brazil and India," said Dr Inboden.

"We see a real divide. The rule of law, transparency and accountability are important for sustainable growth."

The results lend legitimacy to the adage that "money can't buy happiness". In the world's poorest countries, money has a far greater effect on satisfaction than in the wealthier countries.

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