

# The 5 Key Index<sup>1</sup>

Anna Popova

## Content

1. The introduction
2. My index
3. How it works
4. The experiment
5. Differences with other indexes
6. Conclusion

## **The introduction**

Our world is rapidly changing, it is not the same as it was 100 years and even 10 years ago. To find out the progress, scientists from all over the world created different various tools to measure country's progress or development. It is hard to use just one indicator to implement it for each country, that's why when we measure development, we include many different indicators. Usually, we look at the economy of the country, the well-being of the citizens, all sorts of rates such as birth rate, death rate, literacy rate etc., we consider the ecology, the social aspects. The application of various indicators allows to represent a wide-ranged data including many aspects of human life.

The indexes we studied during this course such as HDI, Bhutan GHI, OECD better life index all in different ways measure the standards and the situation in a particular country. The 5 Key Index chooses a approach which combines different dimensions while also producing a single number, which can be used to rank different countries at one point in time and to track developments over time.

## **My Index 5KI (5 Key Index)**

My index is based on the 5 key points of human life. It is looking at life's different dimensions, because I believe we cannot exclude any of them, they all matter.

1. the economic one allows us to understand how wealthy the people are, their abilities to provide decent standards of living such as housing, the ability to have disposable income. We cannot exclude this dimension because it still plays a major role for measuring how

---

<sup>1</sup> This index was developed as an assignment for the class of Measuring Development.

people live or even survive. Some people might argue it is not the right indicator to implement, however in my opinion we do need to measure the income.

2. The second aspect is social. It is the summary of how people are satisfied with their community life, how well the government is performing in satisfying people's needs, the ecological situation in the district such as the access to clear water, how polluted the air is. This aspect is basically showing the conditions of people living in a particular country or a community.
3. The next one is the physical health aspect. It expresses the physical state of the people. The health of the people is an important measurement to look at, as it is the representation of people's physical wellbeing. It is directly connected to life expectancy, the better the health the longer the life expectancy.
4. The fourth aspect is mental. The mental state of people in the modern society is just as important as the physical one. Most people are facing mental pressure every single day. Moreover, the suicide rates, which I include as a sub-aspect, will indicate the percentage of people who cannot cope with their mental problems.
5. The last dimension to consider is education. It is vital to measure the literacy rate of the people to get an idea of how well the country is paying attention to that. To assess knowledge, I suggest measuring the proportion of people with completed tertiary education. Since progress will generally require education and knowledge, this is also one of the important aspects of human development.

### **How it works**

My index is divided into 5 aspects and each of them has two indicators. Each indicator is measured on a scale of 1 to 5. The summary of all ten indicators provides the overall score. The highest we can get is 50, the lowest is 10.

### **5 dimensions of human life and their indicators:**

1. Economic:GDP, housing
2. Social: governance, ecology
3. Physical: life expectancy, health state
4. Mental: mental health, suicide rate
5. Education: literacy, knowledge

### **The experiment**

To verify my index, I decided to carry an experiment and asked my 5 friends all over the world to help me and provide some data.

All of the people who were taking the survey are 20-22 years old



I prepared 9 questions (the suicide rates I decided to check online and rate myself (the higher the rate, the lower the score in my index)), each question was rated on the scale of 1 to 5

1. economic  
(GDP (the satisfaction with income?) housing (what is the housing condition?))
2. social  
(governance (How satisfied the people are with the government?) ecology (what is the ecological situation?))
3. physical  
(life expectancy (the average length of life?) health state (What is the health situation?))
4. mental  
(mental health (Are people mentally stable?) suicide rate)
5. education  
(literacy (How literate are the people?) knowledge (How many people are with tertiary education?))

	Gdp, housing	Governance, ecology	Life expectancy, health state	Mental health, suicide rate	Literacy, knowledge	total
Canada	5, 4	4, 4	5, 4	4, 3	5, 5	43
Brazil	3, 3	3, 2	4, 3	4, 5	4, 3	34
Uzbekistan	2, 4	2, 4	3, 2	4, 5	5, 3	34
Russia	2, 4	1, 2	3, 2	3, 3	5, 3	28
Japan	3, 4	4, 3	5, 5	3, 2	5, 4	38

In my experiment the countries were placed in such order:

1. Canada
2. Japan
3. Brazil, Uzbekistan
4. Russia

The results didn't surprise me, but my friends were quite shocked. Especially the one from Russia, he didn't expect it to be that bad. Canada is doing pretty good with all these aspects; the quality of life is definitely high. I would also like to mention Japan, because of their mentality, how they were raised, the competitiveness of the society, people are too introverted and this is where all the problems occur. Japan has a high suicide rate. In Uzbekistan, tertiary education is lowered by the large gender difference: a large majority of people with university education are men. In Brazil, negative aspects such as the lack of clean water and high crime rates are indirectly captured by the physical and mental health indicators.

Overall, of course this experiment is subjective and not statistically representative, but it shows how the index could be used and how it produces results in a limited group of people.

### **Differences with other indexes**

My index doesn't cover as many aspects as other indexes, such as the OECD Better Life or the Bhutan Global Happiness Index. I guess having more dimensions would show a clearer overall picture, but still my index did work just with 10 of them.

I didn't include happiness as I felt like I would copy the Bhutan GHI, also I didn't pay too much attention to the planet, as HPI did. To be fair, I wanted my index to cover the key points of our life, the ones that really matter for me.

### **Conclusion**

To conclude, this assignment is big experience, a step out of the comfort zone. I am proud of my index and how I managed to deal with it. The whole sphere of measuring, indexes and so on is extremely important as it allows to track down how countries are down, what is great and what needs to be improved.