Towards a National Framework for Prosperity

Intergenerational Equity

Research Report

2019
Together we will continue building our country until it becomes as we all wish: prosperous and strong”.

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Saudi Vision 2030
# Contents

4 Executive Summary
6 Introduction
8 What is Beyond GDP?
10 Available Key Indices for Measuring Prosperity
14 National Framework for Measuring Prosperity in the Kingdom

## Chapter I: Current Prosperity
16 Safety
18 Income, Expenditure and Wealth
20 Jobs and Earnings
22 Life-Work Balance
24 Health
26 Education
28 Housing
30 Environment
32 Civic Engagement and Governance
34 Social Connections
36 Life Satisfaction
38 Culture

## Chapter II: The Future of Prosperity
44 Natural Wealth
46 Economic Wealth
50 Human Wealth
52 Social Wealth

## Chapter III: Assessment of the Quality of Life and Sustainability of Prosperity in the Kingdom
58 Uses of Prosperity Index Dashboard in Government

## Chapter IV: Policy-Making
64 Prosperity in Saudi Vision 2030 and its Operational Programs

## Chapter V: Recommendations
68
74

76 Glossary of Terms
78 List of References

For a Saudi society with equal opportunities striving towards prosperity.
Executive Summary

It is now high time to go beyond traditional macroeconomic indicators in order to measure progress and move into a comprehensive national framework of prosperity that measures the quality of life for society members and the level of preservation of national wealth and its sustainability for future generations. King Khalid Foundation (KKF) believes in a Saudi society with equal opportunities striving for prosperity. In this report, KKF presents its concept of prosperity within a national framework that includes a dashboard of indicators to measure quality of life and sustainability of national wealth. The report aims to provide tools to interpret the aspirations of Saudi Arabia’s Vision 2030, which aims to make our country prosperous and strong, as we all wish.

The Kingdom’s Vision 2030 paves the way for the sustainability of wealth for future generations, in addition to its commitment to raising the quality of life for the current generation. However, there is a need to establish clear determinants of the quality of life and follow-up indicators for the sustainability of the Kingdom’s national resources. The proposed framework covers all aspects of the quality of life, such as safety, health, education, social connections and life-work balance. The framework also provides a model for monitoring national assets that serve as a driving force of the quality of life, such as natural, economic, social and human resources.

The proposed national framework is also characterized by its consistency with the established international literature on beyond-GDP alternatives, as it is based on the standards of international organizations and relevant country experiences. At the same time, it takes into account the consistency between such standards and the local context, the goals of the Kingdom’s Vision 2030 and the data gap currently experienced by the Kingdom. The national framework also carefully selects a limited number of indicators for each area, mainly highlighting the household perspective, selecting quality-adjusted indicators, and using a mix of objective and subjective indicators.

The report provides an explanation of the disparities in the quality of life opportunities among society members and refers to underprivileged groups with regard to prosperity opportunities, pointing out in particular the impacts on women, youth, children rural households, and non-Saudis. The framework allows for observation of the disparities and inequalities within the society, as it includes disaggregated data by gender, nationality, region, age and other variables. The indicators dashboard demonstrates a gap in equal opportunities in education, employment and training for young people, as well as a large disparity in economic participation indicators, unemployment and earnings between males and females. Women’s status, when compared with that of men, shows an overall gap of 22 percentage points in the economic participation, 26 percentage points in unemployment, and SR 12,916 a year in gender pay gap. Examining the various indicators with regard to the different regions, we see a low equity level in terms of distribution of spending among Saudi families in the regions of Medina, Riyadh, Qassim, Sharqiya (Eastern Region), Al-Baha and Al-Jouf, in comparison to other regions. In addition, the inequality in household spending rates has increased since 2013 in both the regions of Qassim and Sharqiya and improved in the rest of the regions.

The national framework highlights the various losses in the health, education and environment sectors and their financial implications. For example, the economic losses arising out of the decline in the quality of health, environment and education amount to 300 billion Saudi riyals, which is equivalent to 10% of GDP. Saudis lose 9 disability-adjusted healthy life years on average. An analysis of the report shows that mental disorders result in the loss of 19 healthy life years per 1,000 population, and that air pollution comes in the seventh place among risk factors that contribute to the burden of diseases, ahead of smoking.

The report also highlights the decline in the quality of education in the Kingdom despite the high rates of enrollment in and access to education opportunities. Students lose 4 years of schooling, thus leading to a waste of 67 billion riyals annually. These losses in health and education bring about a real threat to the Saudi human capital.

Analysis of the report demonstrates the need to raise social capital in the Kingdom. Despite the high levels of confidence on the part of the society members with regard to the institutions and individuals around them and the high levels of life satisfaction, relations and ties outside the scope of the family are limited, especially in terms of voluntary and non-profit activities. The Kingdom continues to have a low rate of non-profit organizations per capita (1 organization for 10,000 population).

With regard to natural resources in the Kingdom, the report highlights the Kingdom’s success in maintaining high levels of oil and gas reserves against a huge decline in other natural assets, resulting in air pollution, endangering people’s health, negatively affecting the quality of life, and leading to environmental degradation.

Furthermore, the report addresses the threats of the expected actuarial deficits in the Saudi pension funds on the sustainability of social protection for future generations. The sustainability of Saudi pension funds is a key pillar to maintaining a strong social protection system that ensures social security for pensioners and their dependents. Any deficit in pension funds raises a serious threat to the coming generations of elderly people.

The report also highlights the central role that the national framework for prosperity can play in policy-making if supported by political will, adequate data, supportive institutional environment and practical tools that incorporate the framework in the decision-making cycle, particularly at the center of government and national development funds. The report reviews relevant national policies as well, with special focus on the Kingdom’s Vision 2030, the Quality of Life 2020 Program, the Public Investment Fund and the National Development Fund. The report concludes with a number of recommendations aimed at adopting the national framework by the Strategic Committee of the Saudi Council of Economic and Development Affairs and mainstreaming it to existing and expected executive programs in the second phase of Vision Realization Programs. The report also calls for activating the role of the National Development Fund as a fundamental tool to preserve the Kingdom’s resources and for attaching a number of existing development funds to the Fund. It also calls for addressing the projected deficits in pension funds and considering the merger of pension funds in one social security institution. Finally, the report calls for supporting the General Authority for Statistics to continue its efforts with regard to releasing prosperity-related surveys and indicators.

Finally, it can be said that the prosperity of states cannot be achieved by targets, frameworks and indicators alone, but is the outcome of a shared responsibility between policy-makers and the citizens’ pursuit of opportunities to improve the quality of their life. The report sheds light on the low agency in Saudi people’s pursuit of opportunities and their keenness on improving the quality of their life in several areas. This decline is made clear by the weak economic participation in the job market compared to international rates. It also appears in the decline in the quality of health and education due to poor health awareness and people’s failure to make optimal use of the available education and training opportunities. Needless to say, the individual has an important role to play in rationalizing the consumption of wealth, especially in conserving the environment, raising personal awareness of the concept of social insurance, and contributing to promoting the rights of the future generation of pensioners. With this report, KKF aspires to present a different picture of Saudi Arabia by highlighting the state of progress and prosperity currently prevailing in the Kingdom. At the heart of this picture lies the idea that the economic growth reflected by GDP does not meet the aspirations of the Kingdom’s Vision 2030, namely to provide a high quality of life for the current generation and equal opportunities across generations.
Introduction

The Kingdom’s Vision 2030 has emphasized the building of a strong and prosperous country that provides a high standard of living for the current generation, guarantees the rights of future generations, and seeks to maintain the assets and resources of the nation’s wealth. The Vision is committed to providing the fundamentals of the quality of life for Saudis and residents. It seeks not only to improve GDP, but also to set other targets, such as diversifying the economy, increasing non-oil revenues, improving society’s health, promoting sports activities, empowering women and increasing their share in senior leadership positions and other targets that affect the quality of life.

The vision of the King Khalid Foundation (KKF) is to build a Saudi society with equal opportunities and prosperity that leaves no one behind. KKF believes that equal opportunities are not supposed to be limited to the current generation, but that equity and prosperity must be sustained across generations. Prosperity in this sense does not refer to an abstract context of economic growth, progress and achievement, but means taking the Kingdom to a new realm where individuals enjoy a high quality of life as a result of their sustainable consumption of the Kingdom’s resources, as well as investing their wealth to ensure equal opportunities for future generations. This concept requires us to look beyond economic growth, because the growth of national income does not necessarily mean growth in wealth and assets. We need to take a closer look at our production base and our economic, human, natural and social resources.

Limitations of GDP

The world is currently witnessing a debate on the limitations of GDP as a measure of prosperity for nations, and its inability to provide detailed readings of the living conditions of individuals and the level of inequality and equality within societies. It is also a misleading indicator, since it provides a retrospective reading of economic production and assumes that economic growth is associated with a rise in living standards of families and individuals within society. GDP does not take into consideration the sustainability of national resources and is limited to the total flows of goods and services. In addition, it cannot provide an accurate assessment of many services, such as tourism, and excludes activities that do not entail financial value, such as volunteering and other non-profit sector activities. One of the main disadvantages of relying on GDP as a measure of prosperity is that it provides a retrospective aggregate reading of economic growth and deals with all economic activities on an equal basis; it makes no difference between building a school and developing weapons. GDP does not account for impacts on assets and resources, especially the impact on natural and social wealth, often leading to excessive consumption of such resources and to lack of investment and conservation to ensure prosperity for future generations. A major shortfall of GDP is its inability to provide a clear picture on the distribution of economic growth within societies, nor to indicate whether certain groups or regions within countries benefit from the returns on growth. Therefore, over-reliance on GDP has led to the failure of many development programs in different countries, because GDP does not provide an accurate picture of the state of prosperity of societies in terms of health, education, environment and other areas that GDP is unable to measure and evaluate, and consequently weakens the decision-makers ability to draw up the appropriate policy tools and assess their impact.
**Introduction**

**What is beyond GDP?**

In 2008, during the global economic crisis, a commission of economic scholars and thinkers was formed to study the measures of economic performance and social progress, as well as the shortcomings and limitations of GDP and the feasibility of looking for other types of data that could be used to forge indicators that are more capable of evaluating social progress. The recommendations made by the commission included, inter alia, the need to move from production and economic flow measurement indicators to broader indicators to measure prosperity and wealth for the current and future generations, by forming a multidimensional indicators dashboard covering the most significant aspects of the quality of life, in addition to setting meters to measure the level of preservation of assets and resources required to maintain the quality of life and sustain prosperity. The shortcomings of GDP have had negative impacts on political and economic decision-making at the international level. This restricts the ability of governments to anticipate and avoid economic crises because a flawed measurement process necessarily results in flawed decisions. In its final report, the said commission contributed to expanding the scope of the global debate, commonly referred to as “the Beyond GDP debate”.

Based on the findings and recommendations of the report, and the extended discussion before and after the report, some countries, such as New Zealand and the United Arab Emirates, and international organizations such as the Organization for Economic Cooperation and Development (OECD), have embarked on developing national frameworks for the assessment indicators of the current state of prosperity of their societies, as well as looking at the future of prosperity through an inventory of wealth and follow-up of its growth and preservation.

**New Zealand**

Since 2011, New Zealand has been developing a national Living Standards Framework, which considers the current living standards in (12 domains) and the future living standards by looking at (4 capitals).

**The United Arab Emirates**

The Government of the UAE has addressed the shortcomings of GDP by focusing on spreading the values of happiness and measuring its levels in the UAE society, in addition to promoting this perspective in the design of programs and plans. The Federal Government of the United Arab Emirates launched the National Program for Happiness and Positivity in 2018, which includes special programs to mainstream the values of happiness, positivity and satisfaction with life among the population. It has also sought to build a national index to measure people’s happiness in the society; Appointing a Minister of State for Happiness and Well-being; Establishing councils and offices for happiness at federal entities; Appointing CEOs for happiness and positivity at all government agencies.

**OECD's “Better Life” Initiative for Measuring Wellbeing and Progress**

This initiative, launched by the Organization for Economic Co-operation and Development (OECD), is based on providing indicators and statistics that address people's needs and the forces directly affecting their lives. It aims to look beyond what the traditional economic system provides and to take into account the diverse experiences of people and consider their living standards and quality of life.

The initiative provides data and indicators for all the OECD countries on an annual basis.
Introduction

Available Key Indices for Measuring Prosperity

Several international organizations have exerted great efforts to develop more comprehensive alternatives for measuring economic and social progress. Following is an account of such key indices and how KKF views each of them:

Human Development Index (HDI)

Developed by the United Nations Development Program (UNDP), the Human Development Index (HDI) was among the first indices to attempt to consider the dimensions of growth and prosperity that are not related to material aspects. The index measures three dimensions: a long and healthy life, access to knowledge, and a decent standard of living. According to the weights given to each of the three dimensions, the index provides a total value for the countries it measures. The HDI has been calculated for the Kingdom since 1990. Notably, the index value for the Kingdom increased from 0.697 to 0.853, an increase of 22%. The HDI places Saudi Arabia among the group of countries with high human development levels, ranking 39 out of a total of 189 countries in 2017.

In general, KKF believes that the HDI is confined to specific dimensions that do not generally cover other areas of direct impact on prosperity and wellbeing, such as the environment, housing, social connections, etc.

Human Capital Index (HCI)

The Human Capital Index (HCI) was released by the World Bank in 2016 to measure the amount of human capital that a child born today could expect to attain by the age of 18. The Index measures this by considering a number of indicators, including child survival up to the age of five years, expected years of schooling at birth, and expected quality-adjusted years of learning. The index provides very valuable information regarding the education dimension as part of the human capital, which has been used and incorporated into the national framework for prosperity proposed in this report. However, HCI remains a one-dimensional indicator, and hence cannot be used alone to measure natural, social and economic capital.

Environmental Performance Index (EPI)

Issued by Yale and Columbia Universities in collaboration with the World Economic Forum (WEF), the Environmental Performance Index (EPI) is an effort aiming to measure the environmental performance of world countries. It mainly relies on a number of indicators issued by international organizations such as the World Bank and the United Nations Food and Agriculture Organization, in addition to digital satellite data. EPI measures environmental performance through two dimensions: environmental health and ecosystem vitality. It provides important sub-indicators to assess the environmental situation of the Kingdom. In this report, we used these indicators related to the percentage of the population exposed to dangerous air pollution levels as an indicator of air quality assessment within the national prosperity framework.

Social Progress Index (SPI)

The Social Progress Index (SPI) has been issued by the Social Progress Imperative since 2014. It measures the wellbeing and progress of societies through three areas: basic needs, well-being (including access to knowledge and information, health and environment), and available opportunities (rights, freedoms, inclusiveness and access to higher education). In light of the weights given to the index, a total value is given to each country, then countries are ranked according to these results. The SPI value for the Kingdom in 2018 was 0.6475, positioning it at 65 out of 146 countries. Although the SPI attempts to provide measurements of different dimensions, the data sources and sub-indicators used to construct the composite index are not updated frequently, and they do not rely on official and national data. For this reason, it is difficult to rely on this index.

World Happiness Report (WER)

Issued by the Sustainable Development Solutions Network, a United Nations initiative, since 2012, the World Happiness Report (WER) ranks 156 countries by how happy their citizens perceive themselves to be. This index is based on six components: GDP, social support and connections, charitable giving, confidence in the governance of public and private institutions, freedom of personal decision-making, and health. The Kingdom ranked 28th among world countries in 2018. The index shows that happiness is not linked to GDP growth. It is worth noting that the index does not measure many important dimensions required to assess the quality of life and social prosperity, with no mention of wealth and the sustainability of prosperity.

Inclusive Wealth Index (IWI)

The Inclusive Wealth Index (IWI) is released by the United Nations Environment Program biannually. These reports have been issued on IWI since 2010. The index assesses the wealth of 140 countries and the long-term sustainability of these assets to ensure equity across generations. It presents the concept of inclusive wealth, namely the (non-financial) social value of manufactured, natural and human resources over an entire generation from 1992 to 2014. The index tracks each country’s stock of assets over these years to assess the changing health of such assets. It shows that 4.4 out of the 140 countries have suffered a decline in inclusive wealth since 1998, despite the growth of their GDP. Besides, global growth of inclusive wealth during the period measured by the index stands at 1.8% per annum, compared with a 3.4% annual growth of GDP during the same period. Overall, the index has found an increase over the years in the value of produced and human wealth around the world, compared to deterioration of natural wealth. We believe that this unique effort to identify the wealth of countries and consequently to build and observe a large database over the years deserves support. Yet, IWI does not follow up or measure social capital, nor considers the current indicators of the quality of life. Besides, the index has come under strong criticism since it seeks to provide a monetary value for capitals. That is, it is quite hard to estimate a logical amount of money as a value of intangible or unexploited wealth.

Conclusion

Prosperity is an essential component of everyday life for every person, regardless of their location or country. As such, KKF is committed to working towards the prosperity of the Kingdom and its people, taking into consideration all aspects of development, including economic, social, and environmental components. Consequently, KKF has recognized that prosperity is a multi-dimensional concept that includes several factors, such as education, health, income, and environment. Thus, KKF has adopted a comprehensive approach to address these factors, with a focus on economic growth, social progress, and environmental sustainability. This approach is guided by the principles of sustainability, equity, and partnership, with a commitment to ensuring that the benefits of prosperity are shared equitably by all members of the Kingdom’s community. The report offers a number of recommendations and initiatives that can be implemented to achieve this goal, and KKF encourages the Kingdom’s government, private sector, and citizens to work together to ensure the prosperity of the Kingdom and its people. This requires a sustained commitment to develop and implement policies and programs that promote economic growth, social progress, and environmental sustainability, as well as to ensure that the benefits of prosperity are shared equitably by all members of the Kingdom’s community.
Available Key Indices for Measuring Prosperity

Introduction

The Sustainable Development Goals (SDG) Index is based on sub-indicators that measure the achievement of the UN 2030 sustainable development goals by 124 out of 154 countries. The Kingdom of Saudi Arabia scored 62.7 out of 100 points in 2017, and in 2018 scored higher at 62.9. According to a report released by the United Nations Sustainable Development Solutions Network in 2018, the Kingdom is moving in a positive direction, and is now in the process of achieving Goal no. 4, which focuses on quality education, and Goal no. 9, which relates to industry, innovation and infrastructure, by 2030. However, there are still some challenges concerning the achievement of other goals, such as Goal no. 16, which is related to peace, justice, strong institutions, and Goal no. 8, which is concerned with decent work and economic growth. KKF continually advocates institutions and organizations in the different sectors to align their activities to the United Nations Sustainable Development Goals. However, the SDG index methodology is subject to constant review and its data for previous years cannot be compared or monitored to provide different trends due to the large data gap and the changing calculation methodology from year to year.

KKF believes that despite the commendable efforts behind these global indices, they remain insufficient to provide a sound and complete picture of the economic and social progress of countries. These indices offer a somewhat poor coverage of the situation in many countries, including Saudi Arabia, and are lacking in considerably large data gaps. These indices also focus on the ranking of countries into advanced and late positions and aggregate a large number of indicators into a single result, thus ending in providing a composite value of their indicators or a particular ranking of countries. These types of indices thus limit the ability of decision-makers and stakeholders to monitor variation in performance with regard to national priorities as well as the disparity of status among groups of people in the society. These indices, in their current form, are divided into sporadic efforts, some of which focus on education and health, and others tend to cover environmental performance or monitor parts of wealth. Currently, there is no indicator that combines the assessment and sustainability of the various aspects of the quality of life into a single dashboard.

These indicators can be collectively used to serve the efforts of each country to build its own national dashboard of indicators within a local framework of prosperity and sustainability that conforms with its development context, utilizes available data and statistics, and monitors the stock of wealth and resources required to achieve intergenerational equity. This is what KKF is trying to present through this publication, based on reviewing international literature, relevant reports and indicators, and national framework experiences of other countries; engaging a wide range of stakeholders and specialists in the Kingdom; and consulting international experts about KKF’s proposed framework for prosperity. The latest draft of this National Framework was reviewed at a special session of the World Economic Forum (WEF) on the Middle East and North Africa, held in Jordan in April 2019.
Through this publication, KKF seeks to provide a well-defined and measurable national framework for prosperity for the Kingdom of Saudi Arabia. We have set the following considerations and parameters for the design of the national framework and its indicators:

1. Dividing the framework into two components to ensure that the quality of life and current prosperity are pursued against the sustainability of the quality of life in the future by linking it to wealth:
   - (a) Current prosperity: To measure the different dimensions of the quality of life and living standard by identifying 12 domains;
   - (b) Future of prosperity: To define and maintain wealth across generations, focusing on 4 resources.

2. Selecting follow-up indicators for each domain and wealth to include the different aspects of individuals and their basic needs.

3. Using disaggregated indicators by gender, age and income level, in order to monitor inequalities and income distribution and identify the different experiences of segments of society, especially vulnerable groups.

4. In line with global trends, a mix of objective and subjective indicators has been used. Subjective indicators include those derived from self-assessment surveys of life satisfaction with different areas of life (housing, health, education, etc.). Governments and international organizations now tend to take into consideration individuals’ life evaluations and their confidence in others and in public, private and non-profit institutions, as well as their feelings of security and belonging. In subjective indicators, we have drawn on surveys conducted by the National Center for Public Opinion Polls at the King Abdulaziz Center for National Dialogue (KACND). There is a need to develop representative large-sample subjective assessment surveys at the national level, since they serve as an important reference for decision-makers to measure the level of individuals’ satisfaction with their lives and with the services provided to them.

5. As for objective indicators, we have mainly relied on surveys and indicators issued by the General Authority for Statistics, being the official reference agency for data in the Kingdom. In general, the Authority issues qualitative and periodic data and indicators that make it possible to update the national framework on a continuous basis. Such updates support the process of monitoring current and future prosperity. We have also made use of urban observatory indicators for a number of cities, as they monitor the quality of life aspects at the local level. However, there is a need to provide urban indicators at the national level as well.

6. A key feature of the national framework is its inclusion of quality-adjusted measures. For example, the framework not only considers the number of years of schooling, but also examines the number of school years adjusted by education quality (years of learning). The importance of these indicators lies in the fact that they measure the quality of life more accurately than do other unadjusted objective indicators.

7. Selecting indicators that are comparable with international ones, so that we can monitor the state of prosperity in the Kingdom compared to that of other countries.

8. Avoiding compound indices that classify countries or rank them according to a certain order.

In the following chapters, we will outline the components and status of the current prosperity, as well as the components of future prosperity and how to sustain it.
We will open a wide door **to the future**, and from this moment we are going to start working for tomorrow, for you ... and for your **children and our future generations**.

We aspire not only to make up for the shortfall in income or maintain the gains and achievements, but also to **build a more prosperous country** where every citizen finds whatever he/she wishes. We will not be satisfied except when the future of our homeland, which we will be building together, brings it to the forefront of world countries **through education and qualification, opportunities available and accessible to all, and advanced services in employment, health care, housing, entertainment and others.**

**HRH Mohammed bin Salman**

Saudi Vision 2030
Safety

The sense of security and safety is a cornerstone of prosperity, as it provides people with a feeling of reassurance and a safe life, protecting them from any threat or risk to self or possessions. Victims of violence and crime become subject to loss of life and property and are exposed to varying degrees of physical and mental damage such as post-traumatic stress disorder and anxiety that negatively affect their quality of life.

The Saudi population enjoys a high degree of safety and security from violence as crime rates are low. The vast majority of Saudis feel assured about their personal safety from crime and violence and feel safe walking alone at night in the Kingdom. However, data and statistics on vulnerability to violence and crime is limited in this field, either through victimization household surveys or administrative data on violence, victim records and related vital and medical statistics.

The average number of victims of intentional homicide was 0.67 per 100,000 population in 2018, compared with a global average of 6.4 per 100,000 population in 2015. The index scored low in the Kingdom due to the low number of victims of intentional homicide, which amounted to 196 victims in the Kingdom in 2015, out of 470,000 homicide victims around the world in the same year, according to WHO estimates.

The Kingdom lacks a large number of indicators, studies and data on exposure to violence and crime, especially those based on household victimization surveys reporting personal accounts by the population of their exposure to any kind of violence, abuse or crime inside or outside the household, including all members of the family; children, women, young and elderly people. Such indicators are required to be collected while maintaining privacy and confidentiality and to observe the sensitivity of their contents. The collection of such data and the proper composition of their indicators are necessary to monitor the progress in national plans and interventions intended to reduce victimization and combat harassment and human trafficking.

The availability of indicators and accurate data in the field of safety make it possible to monitor the progress in national plans and interventions intended to achieve criminal justice, as well as to help to measure the level of progress in the implementation of the United Nations sustainable development goals for 2030, particularly Goal (16), which aims to reduce all forms of violence and related death rates, eliminate abuse, exploitation and trafficking in persons, and all forms of violence and torture against children, and to promote the rule of law and ensure equal access to justice for all. Survey data are not sufficient to fill in this data gap; therefore, it is necessary to increase the frequency, quality and diversity of administrative data on violence, victims’ records and related vital and medical statistics.
Material wellbeing is an essential contributor to the quality of life and is closely related to the improvement of living and housing standards. It also improves access to better education and health services and higher quality of living and housing standards. It also improves access to better education and health services and higher quality of living and housing standards.

It is noticeable that the average income and expenditure of Saudi households has increased over the years at encouraging rates. Besides, inequalities have decreased, based on the fall in the indicators of household expenditure distribution among households in the Kingdom. However, the indicators still exhibit a significant disparity between female-headed households and those headed by a male, and between households headed by an educated versus an illiterate person. In addition, the indicators showed a continued disparity between regions with regard to expenditure and income levels, and even to the level of improvement of equality indicators. The absence of household wealth data has restricted our ability to provide a balanced reading of this domain without filling in the current data gap.

- The Household Expenditure and Income Survey (HIES) of 2018 issued by the General Authority for Statistics showed an increase in the average monthly income of Saudi households in the Kingdom to SR 11,494 in 2018, compared to SR 10,723 in 2013. The average monthly income is higher among male-headed households at SR 15,132 compared to female-headed households at SR 8,606.

- The median monthly household expenditure of Saudi households rose from SR 9662 in 2013 to SR 11,189 in 2018. The average expenditure ranges from SR 7,099 for lower Saudi households to SAR 24,029 for higher Saudi families.

- The Gini coefficient for monthly expenditure of Saudi households decreased from 45.9% in 2013 to 42.2% in 2018. This indicator is an important statistical tool to find out the extent of inequality in expenditure distribution among Saudi households in percentage terms. A rate of 0% would mean perfect equality, whereas a 100% rate indicates that one person undertakes the entire expenditure. The rate of equality rises with the decrease in percentage.

- The median household expenditure of Saudi households at SR 24,029 in 2018, compared to SR 23,594 in 2017, indicating an increase in spending by Saudi households. This increase reflects the continuous growth of the Saudi economy and the increase in household income.

- The continued absence of household wealth data limits the ability of stakeholders and decision-makers to monitor the level of household wealth and capital in the Kingdom. Household wealth indicators are so significant in assessing the material wellbeing of individuals, since income and expenditure data would not be useful without considering the level of increase or decrease in household wealth at current expenditure or income levels.

- Households with higher spending due to withdrawals from savings certainly lose the ability to sustain future spending and suffer from a decline in their material resources. This is an important accounting process similar to that conducted by companies when calculating their financial position, and similar to what the national framework seeks to achieve at the national level by considering the current consumption (level of quality of life), compared to future prosperity (level of national wealth and assets).
Jobs and Earnings

Engaging in the job market contributes to greater levels of self-confidence and belonging and to enabling social integration. It also helps to refine skills and abilities, as well as to achieve financial returns for the individual and the family. Having a job is one of the most important means of achieving financial independence and improving living conditions. It is important to consider the quality of jobs in the labor market and the decency of earnings and working conditions, in a way that corresponds with decent job standards and achieves satisfactory quality of life levels.

The Saudi job market suffers from structural distortions, in addition to cultural and social factors, that have led over the years to unequal participation in and benefit from such market by all segments of society, especially Saudis, females and young people. The job market needs to bridge the gap with regard to providing equal opportunities of education, employment and training available to young people, and to address the disparities in indicators of economic participation, unemployment and earnings between males and females. Such indicators demonstrate a considerable decline in the status of women when compared to that of men, amounting to 22 percentage points in the economic participation gap, 26 percentage points in the unemployment gap, and SR 12,816 per annum in the gender pay gap.

The rate of economic participation among the working population is one of the most important indicators of the job market, and its importance increases in the Kingdom because of the limited participation of the different segments of society in the job market for various social and economic reasons. The indicator measures the ratio of employed persons and unemployed persons who have the desire, ability and willingness to work out of the total working age population. This indicator is regularly published by the General Authority for Statistics in the Kingdom. By the end of 2018, the rate of economic participation of Saudis rose to 42% compared to 36% in 2008. Moreover, there is a significant disparity in economic participation between Saudi males and females. In 2018, 63% of working-age males and 20% only of working-age females were active economic participants, indicating a significantly low level of participation and willingness to enter the job market. More attention should be paid to raising the level of the indicator further with the publication of the ILOs expectations of a further decline in economic participation around the world until 2030.

Much attention is paid to the rate of unemployment by the different segments of society. It is necessary to monitor unemployment for a follow-up of the percentage of unemployed people, despite their ability and their serious search for a job opportunity. The rate of unemployment among Saudis rose to 12.7% by the end of 2018 (6.6% among males and 32.5% among females) up from 10% in 2008 (6.8% among males and 29.9% among females).

The International Labor Organization (ILO) has provided a list of key labor market indicators for measuring and assessing decent work, which are consistent with the Sustainable Development Goal no. 8 and which measure social protection guarantees in the job market by considering fair employment opportunities, decent working hours, adequate pay and labor productivity, social insurance, and safe working environment.

We would specifically like to draw attention to the rate of young people (between 15 and 24 years) who are not in education, employment, or training (NEET), which is an important indicator for measuring the untapped potential of young people and the limited opportunities for training and education. The total rate in the Kingdom in 2016 amounted to 20% of young people, with a gender gap, as the rate among young women was 29% compared to 8% among young men.
Life-Work Balance

Decent working hours are one of the guarantees of social protection that provide a decent and prosperous life for workers, where work, life, and family, social and personal needs are balanced. Balanced working hours limit the employers’ infringement on the workers’ right to rest and protect their health from forced labor and excessive working hours. The International Labor Organization (ILO) considers working hours exceeding 48 hours per week as excessive working time. Yet, working hours constitute one part of the life-work balance. That an individual devotes more time for sleep, recreation, personal care, and with family and friends is an important factor for the quality of life.

It is difficult to assess the quality of life of individuals in the Kingdom at present, in terms of the distribution of their time between different work and life activities due to lack of a wide range of essential data. Since the fourth quarter of 2016, the General Authority for Statistics ceased to release detailed data on actual working hours due to an update of the Labor Market Bulletin, which resulted in more accurate data by linking the job market survey to administrative records. It also contributed to reducing the size of detailed data available to researchers and stakeholders, including disaggregated data on working hours. Analysis of the activities of individuals out of work requires another type of statistical surveys not currently available, namely, the time use survey that the General Authority for Statistics seeks to issue for the first time in the Kingdom soon.

<table>
<thead>
<tr>
<th>average actual working hours per week</th>
<th>daily hours dedicated by Saudis to recreation and self-care</th>
</tr>
</thead>
<tbody>
<tr>
<td>43 hours (2019)</td>
<td>--</td>
</tr>
<tr>
<td>daily hours dedicated by Saudis to sleeping</td>
<td>--</td>
</tr>
<tr>
<td>percentage of males in jobs with indecent working hours (+55 hours per week)</td>
<td>--</td>
</tr>
<tr>
<td>percentage of females in jobs with indecent working hours (+55 hours per week)</td>
<td>14% (2016)</td>
</tr>
<tr>
<td>percentage of workers in jobs with indecent working hours (+55 hours per week)</td>
<td>--</td>
</tr>
</tbody>
</table>

According to the latest available data on working hours in the Kingdom, the average amount of actual working hours was (45) hours per week in 2016, but this number varies by occupation. By distributing working hours to major groups of occupation (ISCO), we find out that excessive working hours increase among low-paid jobs, reaching 50 hours per week in fields such as sales, plant and machine operators, and assemblers, food operations, and elementary occupations, compared with an average of 39 working hours for technicians, associate professionals, and clerical support workers. Female participation in the Saudi job market is also higher in technician and clerical professionals since they have the lowest working hours average. This means that providing job opportunities with decent working hours promotes women’s employment and economic participation.

14% of employed persons in Saudi Arabia work for more than 55 hours per week, exceeding international standards of decent work and the provisions of the Saudi Labor Law, namely that workers may not be employed for more than 48 hours per week.

Working hours are only one part of the life-work balance. Assessment of the quality of life outside of working hours requires analysis of other types of activities performed by the population in their everyday lives. Time use surveys are highly popular in developed countries because they provide detailed data on activities, tasks and responsibilities in which their citizens spend their lifetime. This type of data allows researchers to measure gender disparities concerning the nature of unpaid jobs they perform, such as home care, child rearing, and care for the elderly. The importance of unpaid work in global research is also growing because of the failure of traditional economic indicators such as the GDP to recognize the value of unpaid work and the importance of calculating its economic and social impact. For example, the GDP accounts for housekeeping services done outside the family home (when paid) and babysitting others’ children (in return for money) but excludes these same services when done at one’s own household on the assumption that they do not constitute an economic activity. However, failing to provide such services would bring about an additional replacement cost for buying the service from another provider. This is one of the most popular criticisms of GDP, which requires searching for better indicators that contribute to a true estimate of social and economic value and progress on quality of life and sustainability.

Time use surveys also go beyond this, by analyzing the increase in activities such as entertainment, culture, recreation, personal care and sleep as they have a positive impact on the quality of life. Currently, we cannot provide any quality-of-life assessment in this area until the time use survey currently being prepared by the General Authority for Statistics is ready.
Life expectancy at birth\(^{(24)}\): 74.8 years (2016)  
Healthy life expectancy (HALE) at birth\(^{(25)}\): 65.7 years (2016)  

**percentage of people perceiving themselves to be in good or very good health\(^{(26)}\): 94% (2017)  
Lost healthy life years due to mental disorders per 100,000 population\(^{(27)}\): 1889 years (2017)  

- Although life expectancy at birth in the Kingdom has reached 74.8 years, the adjustment of this indicator after exclusion of years of disability and ill-health (healthy life expectancy at birth indicator (HALE)) is 65.7 years\(^{(28)}\). This difference constitutes a gap of up to 9.1 years between life expectancy at birth and healthy life expectancy in the Kingdom, compared with 8.7 years worldwide. Saudis lose an average of 9.1 years of their lives due to ill-health and disability.  
- Saudis perceive themselves to be much healthier than they actually are; such perception exceeds to a large extent the average self-assessment of OECD citizens. 94% of Saudis believe that they are in good or very good health, although their healthy life expectancy stands at 65.7 years, whereas 69% of the OECD population perceive themselves to be in good or very good health despite the fact that their healthy life expectancy stands at 71 years.  
- Air pollution in the Kingdom is the seventh largest risk factor to health, ahead of smoking, causing diseases leading to the largest number of lost life years due to disability, ill-health and early death.
Every 1,000 people in the Kingdom lose 19 healthy life years due to mental disorders.

Mental Health

The Hidden Burden

Every 100,000 population of the Kingdom lost 1889 years of their healthy life due to mental disorders in 2017. The index rose from 1488 healthy life years in 1990. Such results for 2017 can be compared to 1074 healthy life years lost per 100,000 population due to diabetes and kidney disease, illnesses which cause relatively fewer health burdens to the population.

45% of Saudis would suffer from a mental disorder at some stage in their lives. The mental disorders prevail more among women and young people, mainly including panic attacks, fear of public places (agoraphobia), depression, and social phobia.[30]

The 2018 Global Happiness Policy Report suggests that mental disorders are a major obstacle to the economy and, when treated, can save billions of people around the world. Mental disorders cause a 5% loss in GDP due to unemployment, absenteeism, low productivity, and additional costs of physical health care.[30] Using GDP data for 2018, Saudi Arabia would lose SR 147 billion of its GDP each year as a result of failure to respond to mental disorders.[30]

Despite their huge impact on the economy and society, mental disorders receive a poor response from governments, charities, and international aid. Such weakness, compared with the response to other health issues, has reached a deplorable and disproportionate degree. Mental disorders cause double the global burden caused by AIDS at the international level yet receive less than 2% of the aid dedicated to AIDS, namely $0.1 billion for mental disorders, compared to $6.8 billion for AIDS. Researchers remark that such disparity reflects the discrimination practiced by governments (and insurance companies) around the world against mental disorders.[33]

45% of Saudis would suffer from a mental disorder at some stage in their lives. The mental disorders prevail more among women and young people, mainly including panic attacks, fear of public places (agoraphobia), depression, and social phobia.[30]

How AIDS and mental disorders were differently treated in 2010[34]

<table>
<thead>
<tr>
<th>Annual foreign aid (in billion dollars)</th>
<th>Millions of lost life years due to disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIDS</td>
<td>6.8</td>
</tr>
<tr>
<td>Mental disorders</td>
<td>0.1</td>
</tr>
<tr>
<td>AIDS</td>
<td>82</td>
</tr>
<tr>
<td>Mental disorders</td>
<td>184</td>
</tr>
</tbody>
</table>

After an extensive analysis of more than 200 scientific studies comparing deaths resulting from mental disorders versus others, the 2018 Global Happiness Policy Report could estimate the average number of years of life lost due to premature death of each person suffering from mental disorders at 10 years lost due to schizophrenia and bipolar disorder, and 5 years lost to stress and depression as a result of premature death.[35]

How AIDS and mental disorders were differently treated in 2010[34]

<table>
<thead>
<tr>
<th>2017 rank</th>
<th>1990 rank</th>
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</thead>
<tbody>
<tr>
<td>Cardiovascular diseases</td>
<td>Maternal &amp; neonatal</td>
</tr>
<tr>
<td>Musculoskeletal disorders</td>
<td>Other non-communicable</td>
</tr>
<tr>
<td>Transport injuries</td>
<td>Unintentional injuries</td>
</tr>
<tr>
<td>Mental disorders</td>
<td>Cardiovascular diseases</td>
</tr>
<tr>
<td>Neurological disorders</td>
<td>Transport injuries</td>
</tr>
<tr>
<td>Unintentional injuries</td>
<td>Enteric infections</td>
</tr>
<tr>
<td>Neoplasms</td>
<td>Mental disorders</td>
</tr>
<tr>
<td>Other non-communicable</td>
<td>Respiratory infections &amp; TB</td>
</tr>
<tr>
<td>Diabetes &amp; CKD</td>
<td>Musculoskeletal disorders</td>
</tr>
<tr>
<td>Substance use</td>
<td>Other infectious</td>
</tr>
</tbody>
</table>

Classification of DALYs for every 100,000 population, for all age and gender categories in Saudi Arabia

Because persons with mental disorders suffer from more days of disability, ill-health, and premature death, in 2017 mental disorders ranked fourth in the classification of the most burdensome diseases in Saudi Arabia, three places ahead of its seventh ranking in 1990. This global classification by the University of Washington Institute for Health Metrics and Evaluation (IHME) provides a comprehensive assessment of premature deaths and disabilities resulting from 350 diseases and injuries and 10 risk factors through 3600 researchers covering 195 countries, including Saudi Arabia.
Education

Education is one of the most important elements of the quality of life. It helps people to develop their skills and abilities and enable them to make the optimum use of their resources; it contributes to providing more high-paid job opportunities. A high level of education is closely related to a high level of health and life satisfaction.

Despite the generous social spending on education, the Kingdom still suffers from a decline in indicators of education quality and learning outcomes. This has led to a waste of several years of schooling years costing the Saudi economy a loss of 67 billion riyals a year. The Kingdom also experiences a significant decline in the rates of child enrollment in organized early childhood learning programs and development, compared to the world average, and even below the average rates in low-income countries.

To measure the status of learning for the future generation, we can consider the indicator of enrollment of 5-year-old Saudi children in early organized learning programs, namely the year immediately preceding the official primary school entry age. 37% of 5-year-old Saudi children enroll in early childhood development and education programs. Female children outnumber males by 3 percentage points. This percentage is highest in Al-Baha region (at around 52% of children), and lowest in Asir region (at about 15% of children). However, the indicator is significantly lower than that of the rest of the world. Participation rate in organized learning one year before the official primary entry age is about 42% in low-income countries and 93% in high-income countries. The global average is 69% and it continues to improve.

Children in Saudi Arabia are expected to attend school for more than 12 years, which is expected to exceed the global average of 11 years. However, children benefit only from 8 years of schooling. The gap between the number of years of schooling and the number of years of actual learning is 4.3 years, standing for educational wastage. Although the actual years of learning have become globally fewer than years of schooling, the global gap has reached (3.3) years only; that is, the Kingdom loses an additional year in comparison to the rest of the world because of the wasted years of schooling.

Male children lose almost an additional year of wasted education compared to females in the Kingdom. Although male children are expected to attend school for longer periods, female children are more likely to benefit more from their study, to such a degree that they compensate for the fewer number of school days. Female children in the Kingdom benefit from learning for 8.6 years (despite their enrollment for 12.3 years). Male children benefit from learning for 7.7 years (despite their enrollment for 12.6 years).

This is explainable by the higher achievement of females in international tests of educational attainment with an average of (436 out of 625) in the total learning tests, compared to the average male score (380 out of 625).

To measure the educational level among adults, we have observed that the percentage of Saudi adults (between 25 and 64 years) who have attained secondary school education or higher reached 64%, which is 10 percentage points lower than that of the OECD average at 74%.

The amount of financial losses due to the decline in the quality of education in the Kingdom can be estimated at SR 67 billion per year, forming the percentage of financial loss equivalent to the last years of learning out of total government expenditure on education.
Decent housing at an affordable cost is one of the necessities of a quality life, as it provides a safe shelter for the family where they can spend most of their time. The importance of a house is not limited to it being a place for shelter, as it provides a comfortable space for rest and privacy and a special place for raising children, family intimacy and personal care.

Regardless of the widespread interest in housing ownership indicators, an assessment of the housing status of the Saudi family requires looking further. Indicators of overcrowding, although limited, indicate a low level of crowding in Saudi homes, despite the negative trend of the indicator. Most households in the Kingdom also enjoy excellent access to water and electricity services, but suffer from poor access to sanitary sewer, which is an important element of the quality of a house. Housing affordability in the Kingdom is not at best, compared with previous years and other countries; such costs account for an increasing share of the Saudi household budget, after calculating the operating expenses of housing such as water, electricity, gas, furnishing and maintenance.

The quality of life and prosperity of an individual in his house goes beyond possession and ownership, despite the great concern with the indicators of the Saudi ownership of their homes. More important, however, is the quality of that house and how much it provides for family needs. International indicators on housing quality monitor the characteristics of such dwellings, such as access to services and adequate space for residents. Worthy of note is the importance of the «crowding» indicators, which measure the number of persons per living rooms. However, these indicators are not available in the Kingdom at the national level, unfortunately, although the General Authority for Statistics releases a housing survey on a regular basis.

As noted in the Introduction, it is possible to collect and analyze a wide range of indicators of urban prosperity and quality of life through urban observatories. Such observatories play an effective role in monitoring the quality of life within their local area, especially those related to municipal and residential services. The Urban Observatory in Riyadh, for example, released the crowding and overcrowding indicator within the city, which in 2017 reached 1.3 persons per room, slightly higher than its 2013 level of 1.2 persons per room. Nevertheless, the upward trend of the index calls for attention in order to limit its growth to inappropriate levels. The health and housing standards released by the World Health Organization (WHO) suggest that crowding becomes excessive when the indicator reaches 1.5 and severe when it exceeds this rate; it turns into overcrowding when it exceeds the 3-person per room limit. According to the World Health Organization, high crowding inside a house increases the risks associated with the limited space for sleeping and family needs. Crowding leads to high levels of anxiety and stress and weakens mental health and quality of life in all its aspects. WHO also noted a number of studies showing that crowding is associated with negative health effects such as increased incidence of infectious diseases and mental health disorders in addition to contributing to the decline of educational achievement. (48)

In addition, the indicators for housing costs and availability at reasonable and affordable prices can be viewed as among the most important indicators of the quality of life. Housing costs account for a large portion of the household budget and constitute the highest cost to many individuals and communities, especially after calculating the home operating costs, including water, electricity, gas, furnishing and maintenance. These costs constituted 31.5% of Saudi household income in 2018, which is significantly higher than its 2007 level of 22% of household income. This can be compared to its current level among the OECD countries at 27% of household income in 2017.

Although most households in the Kingdom enjoy excellent access to water and electricity services, they suffer from poor access to sanitary sewer, which is an important factor for quality housing. 43% of houses in the Kingdom currently suffer from lack of access to sewage networks.
Human beings are greatly influenced by their natural surroundings. Clean air and water and a coastal and wild environment free from waste and damage contribute to improving the quality of life. In contrast, environmental degradation causes increasing damage to health and economy and leads to natural disasters such as floods, droughts, sea-level rise, declining food production, migration and extinction of living creatures.

Most of the Kingdom’s population is exposed to health-threatening levels of air pollution. 85% of Saudi people are exposed to high levels of particulate matter (PM2.5) in the air that exceed WHO standards. Besides, particulate matter (PM10) exceed the General Meteorological and Environmental Protection Authority standard all over the Kingdom except for Tabuk and Hail. Air pollution is considered as one of the aspects of environmental degradation from which the Kingdom suffers. The annual cost of total environmental degradation is estimated at 86 billion riyals, equivalent to 3% of GDP.

The World Health Organization (WHO) notes that air pollutants are associated with a range of adverse health effects, including the risk of premature death, communicable respiratory diseases, cardiovascular diseases and lung cancer. Reducing air pollution levels helps to reduce the global burden of disease caused by such illnesses. To combat pollution and its negative effects, comprehensive air quality policies should be developed through laws to combat urban air pollution. Moreover, it is necessary to set up controls on emissions in industry and transportation, promote the use of renewable clean energy sources and combat smoking. The efforts exerted to significantly eliminate air pollutants also contribute to reducing greenhouse gas emissions and mitigating the effects of global warming.

85% of the Kingdom’s population are exposed to health-threatening levels of air pollution by being exposed to high levels of PM2.5 in the air that exceed WHO standards. The average annual concentration of particulate matter (PM10) in the air reached 100 μg/m³ on average in all regions of the Kingdom, exceeding the General Meteorological and Environmental Protection Authority standard of 80 μg/m³ in Riyadh, Mecca, Medina, Qassim and Abha. Air pollution is seen as one aspect of the environmental degradation experienced by the Kingdom. The annual cost of total environmental degradation in 2014 was estimated at 86 billion riyals, equivalent to 3% of GDP. This includes SR 23 billion as a result of climate change, SR 37 billion as a result of air pollution and SR 13 billion as a result of water degradation.
### Civic Engagement and Governance

Civic engagement contributes to enhancing the quality of human life, as it provides people with a space for self-expression, a sense of belonging and citizenship, social connection, and participation in expressing opinions about the forces affecting their personal life. In contrast, people become less satisfied with their lives when their confidence in public institutions around them diminishes, especially with the spread of corruption and the decline of the principles of governance, accountability, and transparency; this leads to a feeling of exclusion and powerlessness.

Although Saudi people have limited opportunities to participate in decision-making around them, municipal elections witness a low turnout and participation is even weaker in workshops and public opinion polls related to laws and legislations with governmental agencies. Over the past few years, the importance of governance and civic engagement statistics has increased since they help to measure the levels of trust, citizenship and participation among society members. This type of statistics is still considered as new and so lacks many international standards and suffers from large data gaps. Despite the multiplicity of governance systems in the world, the different cultures of the electorate, the type and role of organizations, and the voters’ trust in such agencies, there is a general agreement that voter turnout is the best measure of civic engagement. Despite the accuracy and high-quality collection of voting, registration and election data, such data do not fully reflect the extent of civic engagement in societies because of the wide disparity in laws to such an extent that a number of states mandate voting at elections by the force of law.

As for the Kingdom of Saudi Arabia, the recent years have witnessed an increase in people’s participation in a limited number of opportunities to engage in the decision-making process related to their interests, such as municipal councils, chambers of commerce, professional agencies and sports federations. Municipal elections remain the most prominent in terms of participation, coverage and access to a large number of the population. By looking at election data, it becomes possible to assess the actual community participation. The turnout rate for registered voters reached 47.4% of 1,486,477 voters, both male and female, which is low in proportion to the number of voters and indicates a low level of civic engagement.

A number of countries are also trying to measure the extent to which stakeholders engage in the development of laws, legislations and regulations related to them. The Saudi Council of Ministers, in its Resolution no. 713, dated 30/1438/1439, approved the controls to be observed in preparing and studying draft laws and regulations. The said Resolution ordered government bodies, upon preparing any proposal related to economic and development affairs, to consult with stakeholders online on draft rules, regulations, decisions or other equivalent documents of a regulatory nature, which are covered by their jurisdiction and not required to be submitted to senior authorities, or upon proposing draft laws and regulations and the like, or the amendment of laws and regulations in force which are required to be submitted to senior authorities. This is intended to allow concerned agencies and individuals to express their opinions and observations on such proposed laws. It has been found that only 35% of Saudi adults participate in workshops and consultations related to the development of government laws or services in general.

Moreover, a wide range of governance statistics is related to integrity, transparency, anti-corruption and public confidence in government, private and non-profit sectors. 34% of Saudis believe in the spread of bribery and embezzlement in the private sector; to a lesser extent, 28% of the population adopt the same view concerning the government sector, and finally, only 17% of the population hold the same view with regard to the non-profit sector. Saudis’ confidence in public agencies also varies, with 94% trusting security services, compared to 86% trusting other government services, and only 59% trusting the Shura Council.

#### Table: Percentage of Participants in Workshops or Public Opinion Polls Related to Laws and Legislations with Governmental Agencies

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage of Saudis Who Trust Government Services (Agree and Strongly Agree)</th>
<th>Percentage of Saudis Who Trust Security Services (Agree and Strongly Agree)</th>
<th>Voter Turnout to Registered Voters</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>85.5%</td>
<td>94%</td>
<td>47.4%</td>
</tr>
<tr>
<td>2019</td>
<td>35%</td>
<td>59%</td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The data is sourced from various government agencies and opinion polls organized by government agencies to develop government laws and regulations, and services. The data reflects the percentage of participants in workshops or public opinion polls related to laws and legislations with governmental agencies.
Social Connections

The interdependence of people creates a sense of belonging to the social fabric, promotes connection and solidarity among society members, contributes to the dissemination of positivity, cohesion and satisfaction, and improves the quality of life. Loneliness, isolation, and lack of human trust in people around us create feelings of passivity, indignation and unhappiness.

Due to limited and poor-quality data, as well as possible methodological deficiencies in data collection, we cannot provide a complete assessment of the level of social connections among the members of the Saudi society. Although available data demonstrate a positive connection generally consistent with the levels prevailing in the counterpart countries at the international level, this finding cannot be easily concluded. It requires further testing and development of statistical and psychometric procedures to ensure the accuracy of such measurement and its collection. However, the most important conclusion is that this field must be taken into consideration; it also must be accurately and constantly measured as one of the aspects of the quality of life.

- A person’s confidence in people around them and in the whole society, their feeling of loneliness, and even their confidence in the existence of people whom they can resort to when in need are all important indicators of the level of social connection among individuals. However, the challenge with this type of data is that the methods invented to monitor and measure such indicators among the population and over the years are innovative and new and that they rely on subjective assessment of people. They are also much difficult to measure between different countries and cultures due to the difference in people’s perception of their values and principles and their multilingualism. Each country must search for the most suitable format to provide a sound reading and accurate measurement of these types of indicators by using the best statistical and psychometric methods to ensure the optimization of measurement tools and increase their effectiveness and accuracy and ensure their reliability. Respondents are usually affected by the way the question is asked and the language used, which negatively affects the quality of data and thus weakens the feasibility and building of the indicator. However, we tried to simulate and localize the best internationally recommended formats for the questions, while trying to improve the data collection process. However, the procedures require further testing to ensure their reliability. The results in this field or in fields that rely heavily on subjective assessment data can only be considered by looking at the level of potential methodological deficiency and can only be deemed as important indicators to draw attention to the measurement of such data, with an initial attempt to determine their baseline.

- 24.7% of Saudis feel always or sometimes lonely, out of whom 6.4% always feel lonely. Saudis also have confidence in community members whom they know personally more than in others. On a scale of 10 points (where 10 stands for full confidence and 0 represents no confidence at all), Saudis scored 6.6 for confidence in others and 7.8% for confidence in persons whom they know personally.

- The percentage of individuals who have people to depend on when in need is one of the most important indicators of the quality of social support and solidarity. In Saudi Arabia, such percentage among Saudi adults has reached 87.8%, which is close to the average rate among OECD citizens at 89%.

- Volunteering, as a time contribution to society and its needs for free, is also a key indicator of connection and solidarity in society. Volunteering can be measured by looking at the percentage of Saudis who have participated in volunteering activities over the past 12 months. 27% of Saudi adults, constituting about a quarter of the population, participated in volunteering activities in 2018. Those volunteers participated in an average of 100 volunteer hours per person, per year. 60% of them volunteered independently, whereas 40% volunteered through a civil institution or NGO.
Life Satisfaction

Satisfaction with life gives a person a feeling of gratitude, happiness and comfort. It is closely and steadily associated with all areas of the quality of life and is seen as a reflection of the improvement of the condition and essential components of life. Satisfaction with life is an internal feeling that cannot be measured by any objective indicator. It is a subjective assessment that reflects satisfaction with the quality of life in general and the level of peoples assessment of their lives and feelings of happiness, sadness or tension, and how people see life as meaningful, satisfying and worthy of being lived.

Because data are limited and of a poor quality, and due to the potential methodological deficiency in data collection, we cannot provide a complete assessment of the level of satisfaction, happiness, stress, and meaningfulness of life among the members of the Saudi society. Although available data indicate high satisfaction rates among Saudis compared to the rest of the world countries, this result cannot be easily obtained. It requires further testing and development of statistical and psychometric procedures to ensure the accuracy of such measurement and its aspects. However, the most important conclusion is that this field must be taken into consideration; it also must be accurately and constantly measured as one of the most important aspects of the quality of life.

<table>
<thead>
<tr>
<th>Saudis’ assessment of their satisfaction with life in general</th>
<th>Saudis’ assessment of the extent to which they see their lives as meaningful and worthwhile</th>
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<tbody>
<tr>
<td>(0-10)</td>
<td>(0-10)</td>
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</table>

percentage of Saudis who felt very happy during the past day (score of 8 and higher) percentage of Saudis who felt very stressed during the past day (score of 8 and higher)

57% (2019) 17.5% (2019)

Most Saudis feel satisfied with their lives at an average of 8.47 out of 10. Nearly 50% of Saudi respondents reported their full satisfaction, at 10 out of 10, with their lives. These high results signify that satisfaction rates have reached levels close to those of the happiest peoples around the world; the average of OECD countries is 6.5 out of 10. Saudis also see their lives as meaningful and worthwhile, with a response rate of 8.39 out of 10.

A number of questions have tackled people’s feelings during the past day, due to the respondents’ ability to recall their close feelings more accurately. 57% of Saudis responded that they felt happy during the past day (with a score of 8 or higher out of 10), 17.5% reported that they felt very stressed during the past day (with a score of 8 or higher out of 10).
Culture

Culture forms an integral part of human identity and affects ways of dealing with life. It contributes to the formation of convictions, perceptions and feelings of communities and groups. It also encourages intergenerational dialogue, preserves social and local heritage, and promotes national belonging and social connections. Culture provides means of expression that enhance a person’s ability to share ideas and feelings and cope with place, time and others around them through language, art, literature, reading, lifestyles, coexistence, value system and convictions.

The Kingdom has a great cultural heritage that is worthy of additional protection, preservation and promotion. Cultural and heritage sites and items registered on the World Heritage List are still limited. The data gap limits our ability to measure the level of conservation or misuse of Arabic language among young people. Data on household spending on entertainment and culture indicate continued low spending levels between 2007 and 2018, at only 3% of total household spending.

The national interest in culture and its sectors is increasing with the launch of the Kingdom’s Vision 2030 and the establishment of the Ministry of Culture, whose vision and orientation document confirms its close association with prosperity and happiness. It states: “At the local level, the prosperity of the cultural sector will have a positive impact on national identity, drive economic growth and improve the quality of life of citizens and residents in the Kingdom. It will also increase job opportunities, strengthen the social fabric, and raise the levels of happiness.”

The Kingdom’s Vision 2030 aims to increase household spending on culture and entertainment within the Kingdom from 2.9% to 6%, and to raise the number of archaeological sites registered with UNESCO to at least double the current number. These are suitable indicators to monitor the level of improvement in this area, in addition to other indicators proposed in this publication.

The share of culture and entertainment in household spending in the Kingdom since 2007 has remained at the same level (3% of total household spending), which is a low rate compared to the average household spending at 8.5% in EU states.

The global registered Saudi items on the List of Intangible Cultural Heritage is equally important to the list of World Heritage Sites. The United Nations Educational, Scientific and Cultural Organization (UNESCO) keeps the two lists. UNESCO has included Al-Qatt Al-Asiri, female traditional interior wall decoration in Asir, Saudi Arabia; Alardah Alnajdiyah, dance, drumming and poetry in the Najd Region; Almezmar, drumming and dancing with sticks; Arabic coffee; Majlis, a cultural and social space; and falconry in the global List of Intangible Cultural Heritage. UNESCO has also recorded Al-Hijr Archaeological Site (Madain Salih), Historic ad-Dir’iyah, Historic Jeddah, Rock Art of the Hail Region, and Al-Ahsa Oasis within the list of World Heritage Sites.

The Arabic language is considered one of the most important pillars of cultural identity in the Kingdom; hence the need to conserve it. To monitor the level of interest, conservation and use of Arabic among young people and future generations, it is necessary to observe the percentage of young people between 15 and 24 years who prefer to speak, write or read in languages other than Arabic. The General Authority for Statistics is now seeking to prepare an account of such indicators through surveys of culture and family entertainment.
“We do not feel worried about the future of the Kingdom, but rather aspire to achieve a brighter future that we are capable of making with the help of God, and with the human, natural and acquired wealth that God has bestowed on our country. We will not look back to what we lost in the past or now, but we will always move forward”.

HRH Mohammed bin Salman
Kingdom’s Vision 2030
The natural wealth that God has bestowed on countries is considered a basis for establishing a development and production base. Natural wealth can be defined as the sum of resources found in nature in its raw form. As for the Kingdom, we highlight in this report natural resources that include crude oil and gas reserves and total forest areas. We also provide an account of the development of greenhouse gas emissions (as a threat and an outcome of the degradation of Saudi and global natural resources). It is of great importance to monitor such resources and assets and preserve them for future generations. That is, natural wealth, unlike other resources, is non-renewable and thus requires maximum rationalization of consumption, and alternate investment in other resources to compensate for such deficiency.

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</tr>
</thead>
<tbody>
<tr>
<td>Crude oil inventories</td>
<td>268.5 (billion barrels)</td>
<td>266 (billion barrels)</td>
<td>264 (billion barrels)</td>
<td>262 (billion barrels)</td>
<td>260 (billion barrels)</td>
<td>270 (billion barrels)</td>
<td>280 (billion barrels)</td>
<td>290 (billion barrels)</td>
</tr>
<tr>
<td>Natural gas inventories</td>
<td>340 (Tcf)</td>
<td>320 (Tcf)</td>
<td>300 (Tcf)</td>
<td>280 (Tcf)</td>
<td>260 (Tcf)</td>
<td>270 (Tcf)</td>
<td>280 (Tcf)</td>
<td>290 (Tcf)</td>
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<tr>
<td>Greenhouse gas emissions</td>
<td>601 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>500 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>400 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>300 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>200 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>100 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td>0 (million tons of Carbon dioxide equivalent (CO2 eq))</td>
<td></td>
</tr>
<tr>
<td>Forest area out of total land area</td>
<td>0.013</td>
<td>0.012</td>
<td>0.011</td>
<td>0.010</td>
<td>0.009</td>
<td>0.008</td>
<td>0.007</td>
<td>0.006</td>
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</table>

The Kingdom owns a large stock of crude oil, the second largest in the world after Venezuela, with 22% of the reserves of the Organization of Petroleum Exporting Countries (OPEC). It also has a high natural gas stockpile, the fifth largest in the world. Worthy of note is that oil and gas reserves in the Kingdom are continuing to rise due to reduction of oil and gas extraction as against successful reserve replacement operations, which positively affects the Kingdom’s natural wealth.

In 2017, the Kingdom produced 9.96 million barrels per day (bpd), higher than in 2010 when production reached 8.2 million bpd. It remains that the Kingdom’s oil consumption and production is met by an increase in oil reserves and inventories as a result of oil exploration and drilling. Should oil stocks and production continue at their current rates, it is expected that oil production will continue for 73 consecutive years, representing the remaining years of consumption of this wealth.

Natural gas reserves in the Kingdom rose to 325.1 trillion standard cubic feet in 2017, with an extraction rate of 1.47% of the total stockpile. Should gas inventories and production continue at their current rates, it is expected that gas production will continue for 68 consecutive years, representing the remaining years of consumption of this wealth.
The National Environment Strategy has indicated a weak knowledge base on the impacts of climate change in the Kingdom, posing a real threat to the future prosperity of natural wealth in the Kingdom. Greenhouse gas emissions are among the most significant threats to the erosion and decline of natural capital. Besides, such emissions affect not only the prosperity of the Kingdom, but also global prosperity as a whole. Similarly, the Kingdom is affected by the emissions of other countries.

In 2014, the Kingdom released 601 million tons of carbon dioxide emissions, three times higher than the 1990 levels at 200 million tons. The two sectors of electricity and water are the largest contributors to greenhouse gas emissions.

Although greenhouse gas emissions are among the threats to natural capital and are not considered as a natural wealth per se, we have included it in the list of natural wealth indicators for its direct correlation with the level of degradation of such wealth. Emissions increase with the degradation of the elements of the environment as natural carbon sinks such as trees, oceans and soil. These elements contribute to reducing absolute carbon levels in the air produced by each country. Global consensus is growing that global warming should be kept to 1.5 to 2 degrees Celsius above pre-industrial times. These targets will not be achieved in the coming years if world countries fail to collaborate to reduce their accumulated emissions. Therefore, scientists have introduced the term “carbon budget” to calculate the number of years (and the accumulated gasses during such years) until we reach a dangerous level of global temperature that exceeds the targeted global limit. This method is similar to the calculation of assets and resources that enables us to view the indicator as a deduction from the remaining stock of the Earth’s ability to withstand emissions until reaching a dangerous level.

According to the assessment of the current situation in the National Environment Strategy, forests account for 1.1% of the Kingdom’s area; more than 6,000 hectares of forests are exposed annually to problems caused by pests and diseases. Desertification also threatens 70% of the pastures in the Kingdom, causing them to suffer from soil erosion and drought. There is also a real threat of loss of tree cover and biodiversity. For example, Al-Baha region lost 10% of its juniper forests between 1984 and 2014. In addition, the coastal and marine ecosystems were subject to degradation, causing the number of mangroves to fall by 75% between 1985 and 2013.

In the face of this real threat to the environment, we are in dire need to issue more updated and accurate indicators to clearly determine the environmental situation in the Kingdom and monitor its natural inventory. Climate change is not the only threat and cause of such negative effects on the environment. Other threats include a number of human behaviors such as land filling, dredging, overgrazing, logging, indiscriminate hiking, growth of maritime transport activities, industrial facilities, and mining, in addition to malpractices in fishing, agriculture and handling liquid and solid wastes.
Economic Wealth

The economic wealth of countries includes tangible fixed assets (such as housing, buildings, construction and infrastructure) and intangible assets (such as intellectual property and software), as well as financial wealth and capitals owned by governments, the private sector and households. National frameworks differ in their way of determining such wealth and what it includes. We suggest that economic wealth could be monitored by watching the assets of government lending institutions, sovereign investment funds, and public debt as a percentage of GDP, as well as the expected number of years of pension deficits and the number of factories operating in the Kingdom.

The Kingdom has maintained increasing levels of financial wealth, reflected in economic growth, increase in the number of factories and economic establishments. The volume of these assets and capital formation rates is expected to increase with the launch of various Vision 2030 realization programs aimed at developing national industries and logistic services, as well as developing the financial sector and the Public Investment Fund. However, the challenge lies in how to address the projected deficit in pension funds to ensure their sustainability across generations, and to provide statistical data on household wealth in the Kingdom.

- Pension funds are considered as one of the most important guarantees of the rights of future generations. Contributions to these funds will benefit the successive generations of future retirees, as is the case with current retirees who have benefited from the contributions of the previous generations of employees. Like any insurance system, contributions do not necessarily mean coverage of all the individual’s needs at retirement. The sustainability of pension funds is so important to maintain a solid social protection system that provides a high degree of security for pensioners. The deficit in pension funds poses a real threat to future generations of retirees, which could greatly harm the financial solvency of individuals, in addition to the financial risks posed by the deficit for the state treasury. There are no official figures on the actuarial deficit in retirement accounts in the Kingdom. Besides, there is a great reservation on announcing such figures despite conducting many government studies for reviewing and calculating them. Pension funds are an embodiment of the principle of social insurance for society members; it means that individuals carry out a long-term investment today to secure their retirement life in the future. While social awareness of the concept of social insurance must be increased, the projected deficits in pension funds should be seriously considered; there is a need to set up a plan to avoid deficits as much as possible and ensure sustainability of the retirement accounts.

- In general, the Kingdom’s financial base is strong and solid. It is noticeable that the assets of the specialized lending institutions, sovereign investment funds, and public debt as a percentage of GDP, as well as the expected number of years of pension deficits and the number of factories operating in the Kingdom reached 7630 in 2018; the share of national factories amounts to 83%, foreign factories, 8%, and co-owned factories, 9%. The value of the assets under management that fall within the supervision of the Saudi Public Investment Fund amounted to 0.84 trillion riyals in 2017, with an objective to reaching 1.5 trillion riyals in 2020.22

- Worthy of note is that the public debt has risen as a percentage of GDP since 2014 but remained at good levels. The Fiscal Balance Program (FBP) 2020 aims to keep the public debt below 30% of GDP through the Public Debt Management Office at the Ministry of Finance. FBP is one of the most important guarantees of the stability of financial wealth in the Kingdom since it stresses the importance of financial planning and efficiency of spending and increase of non-oil government revenues in the long and medium run, which is a new approach in the Kingdom’s fiscal policy.
Human Wealth

Human wealth represents the total capabilities of the people of a particular country, including skills, abilities, knowledge, health and education. This wealth is clearly a reflection of people’s skills, competencies and health in society, and so is difficult to evaluate or even measure. However, this wealth is the main driver and has the greatest impact on the sustainability of the prosperity of nations. The Inclusive Wealth Index (IWI), released by the United Nations, provides an estimate of human capital in the Kingdom.

<table>
<thead>
<tr>
<th>Saudi Economic Participation Index</th>
<th>Number of school years adjusted by education quality indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>42% (2018)</td>
<td>8.1 Years (2017)</td>
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</table>

<table>
<thead>
<tr>
<th>Percentage of Saudi males enrolled in technical and vocational education</th>
<th>Saudi Unemployment Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>1% (2017)</td>
<td>12.7% (2018)</td>
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</tbody>
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<tr>
<th>Healthy life expectancy (HALE) at birth indicator</th>
<th>Indicator of Saudi Children’s (5 years) admission to early childhood education</th>
</tr>
</thead>
<tbody>
<tr>
<td>65.7 Year (2018)</td>
<td>37% (2017)</td>
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</table>

The rise in human capital demonstrates a steady increase in school enrollment, higher life expectancy, and increase of knowledge and skills in the Saudi society. Following is an overview of the most important indicators showing high improvement in the level of enrollment in all stages of education, increase of educational and vocational achievement and improvement of health conditions.

- **Sharp decline in the number of children out of education since 2009; all children were enrolled in education in 2012**
  - Males: 280,000 in 2009, 240,000 in 2010, 200,000 in 2011, 160,000 in 2012, 120,000 in 2013, 80,000 in 2014, 40,000 in 2015, 0 in 2016.
  - Females: 280,000 in 2009, 240,000 in 2010, 200,000 in 2011, 160,000 in 2012, 120,000 in 2013, 80,000 in 2014, 40,000 in 2015, 0 in 2016.

- **Modest rate of five-year-old children’s enrollment in early childhood programs in most regions**
Given the skills and competencies in the Kingdom, we find high levels of educational achievement concentrated among secondary and university stages, accounting for half of the Saudi population.

- Low levels of enrollment in technical and vocational education (104).
- Females account for only 4% of total enrollments in this type of education, and therefore no statistics are provided for their enrollment in technical and vocational education.

- Training courses at the workplace are found to be the most widespread in the Kingdom (105).

- Rise in primary, intermediate and higher education enrollment in the Kingdom.

- Percentage distribution of Saudi population aged 35 years and above by educational level and gender.

- Rise in public health indicators in the Kingdom.

- Life expectancy in the Kingdom: 74.8 years compared to a global average of 72 years.

- Probability of premature death due to non-communicable diseases (%).

- Previous rates, Future expectations, Global target.
Social Wealth

Although social wealth is of critical importance to the prosperity of a state since it represents common values among society members, the level of belonging, solidarity and trust within society, it is very difficult to measure because of the lack of indicators that can measure values, and social cohesion and connections. As previously discussed in this publication, statisticians are now working on developing the measures and indicators required to assess such important aspects. Participation is considered as the overarching basis of social wealth, because the society members’ participation in decision-making or in taking the initiative to improve social conditions through volunteering or non-profit activities necessarily reflects on the quality of life as discussed in the “current prosperity” section of this publication. Social participation also has a positive impact on the prosperity of future generations since social heritage provides values, traditions and connections essential for maintaining the stability and prosperity of the social fabric in the future.

Given the analysis provided by the indicators below, considering the inability of such indicators to provide accurate measurements, the overall picture of social wealth is positive with respect to the indicators of individual trust in each other and in the different institutions in the Kingdom. However, we still need more opportunities to participate in making decisions that affect people’s lives and surroundings and to promote social participation through volunteering and other forms of voluntary work, such as nonprofit organizations and social initiatives.
Assessment of the Quality of Life and Sustainability of Prosperity in the Kingdom

In this chapter, KKF presents its vision of the current state of the quality of life in the Kingdom and an assessment of the status and sustainability of wealth for future generations. KKF also demonstrates the different ways in which the national framework for prosperity can be used, particularly to find out the aspects of inequality and disparity in society.
The National Framework for Prosperity allows for monitoring disparity and inequality among sections of society, because it incorporates disaggregated indicators based on gender, nationality, region, age and others. It is important for the National Framework for Prosperity to enable researchers and decision makers to measure the quality of life and its sustainability for the different groups of society, along with ensuring that everyone is prosperous, aiding in the implementation of the principle of "Leaving no one behind".

The dashboard of indicators shows that the following categories account for the less prosperous groups in society:
- Young people who are not in education, employment, or training (NEET),
- Women in the job market,
- Households in Riyadh, Medina, Qassim, Shangay, Al-Baha and Al-Jouf regions in terms of the spending gap,
- Children in education and early education,
- Non-Saudis workers.

The dashboard of indicators identifies problems related to the gap in providing equal opportunities for education, employment and training for young people, as well as the large disparity in indicators of economic participation, unemployment and earnings between males and females. Women's status, when compared with that of men, shows an overall decline of 22 percentage points in the economic participation gap, 26 percentage points in the unemployment gap, and SR 2,258.3 a year in the gender earning gap.

Looking at the various indicators between the regions, we see a low level of distribution of household spending among the Saudi society members, the reader can go back to the previous chapters of this publication dealing with education, jobs and earnings, life-work balance, income, expenditure and wealth.

### First: The Less Prosperous Groups of Society

- Around 52% of children, and lowest in Asir region (at about 15% of children).
- Around 52% of children, and lowest in Asir region (at about 15% of children).

The report presents an account of the condition of human wealth in the Kingdom, while noting the increase in the assets of human wealth by virtue of the increase in enrollment rates and academic achievement and the rise in public health indicators. However, looking at the areas of current prosperity and the patterns of human capital consumption through the job market, health and education requires us to make a stand and indicates a great waste of our human resources.

As for health, Saudis lose 9 years of age to disability and illness, yet they perceive themselves to be in good health, which indicates a weak health awareness. We need to revisit the quality of health in our society and confront the real threats to health. For example, analysis of the report shows that mental disorders lead to a loss of 10 healthy life years per 1,000 population and that air pollution ranks as the seventh threat to health, ahead of smoking. These issues and threats are rarely or never discussed in the Kingdom.

People feel embarrassed about discussing the issue of mental disorders despite their spread on a wide scale in the Saudi society. 45% of Saudis suffer from a mental disorder during their lifetime. It is now high time to improve the health life of individuals in Saudi Arabia, particularly if we manage to discuss all the threats and health risks without embarrassment and address the quality of health in both its physical and mental dimensions.

Education is one of the main drivers towards increasing human capital assets. The increase in enrollment and academic achievement indicators has helped to create a solid foundation for human capital in the Kingdom. Looking at the years of educational waste in the Kingdom, we detect a decline in the quality of our education. The student loses 4 years of learning, which costs about 67 billion riyals annually. These losses pose a real threat to human capital and clearly indicate a decline in the quality of education in the Kingdom.

The most significant manifestation of human capital negligence appears in the Saudi job market, where young people's capacities are not properly exploited, thus making them among the most vulnerable groups in the job market. 20% of young people aged 15-24 are outside the seats of employment, education and training. This means that the programs directed at young people, which are supposed to qualify them for career opportunities, waste their energies and abilities and cause our economy to miss out on the opportunity to invest such human resources.

### Second: GDP Losses due to the Decline in Prosperity Indicators

Although moving from macroeconomic indicators to a dashboard of various prosperity indicators means to bypass the accounting adjustment attempts of the gross domestic product (GDP) and to deal cautiously with the monetary valuation attempts for each decline in prosperity, presenting a quick overview of the potential economic impacts is useful in this context, at least to bring the reader and decision maker closer to the magnitude of such impacts. For example, the estimated costs in this publication in the field of health (a loss of 147 billion riyals of GDP due to poor response to mental disorders and environmental field (a loss of 86 billion riyals of GDP due to environmental degradation) and the field of education (a loss of 67 billion riyals of GDP due to the decline in the quality of education. The results are accumulated costs of approximately SR 300 billion, equivalent to 10% of the Kingdom's GDP.

### Third: Neglecting Human Capital

The availability of educational and health opportunities is not properly reflected in the Saudi job market. One out of every five young people is still out of education, training and also out of the labor market. A closer look at the economic participation index gives us some interesting readings. The rate of economic participation in the Kingdom according to the latest Labor Market Survey by the end of 2018, scored 42%, reporting a decline from the global average of 61%. This means that 58% of the working age population in the Kingdom are not willing to work! There is a significant disparity in economic participation between Saudi males and females. In 2018, 63% of working-age males and only 20% of working-age females participated in economic activities, indicating low levels of participation and willingness to engage in the job market on the part of females. ILO projections suggest a decline in economic participation rates at the global level in the coming years.

In the light of the readings provided by such indicators, we are in dire need to review the threats to human capital in the Kingdom. It is noticeable that we have many available opportunities for education, health and employment, but we need to review the quality of such opportunities and to what extent they correspond to our basic needs and help to achieve the quality of life. We also need to address society members' behaviors and practices in the fields of health, education and the labor market. KKF believes that achieving prosperity is a shared responsibility between the individual and the decision maker. Analysis of human wealth indicates a plenty of available opportunities, but the negative behaviors of the society sometimes lead to wasting such opportunities. In the job market, for example, people do not want to participate; therefore, it is imperative that we address these behaviors and activate the role of responsible citizenship in order to build a Saudi society that provides equal opportunities for all and strives to achieve prosperity.
Fourth: Need to Promote Social Wealth

As a society, we pride ourselves on our national and social cohesion and our deep connections and solidarity. The Kingdom’s Vision is keen to enhance the national identity and has devoted to this goal a special implementing program. The Kingdom’s Vision 2030 considers culture as one of the elements of the quality of life. The Ministry of Culture’s vision and orientations document elaborately highlights the cultural realities of the Saudi society and promises to preserve them for future generations.

Social wealth is the outcome of common relationships, values, concepts and customs that enable individuals and groups in society to trust one another and work together. Social exchange between individuals and groups leads to the enrichment of shared values and networks that enable individuals and groups to work and produce.

The report addresses the difficulty of measuring social dimensions in a number of areas and fields. There is no doubt we need to keep an eye on the cultural and social scene in the Kingdom and to develop psychometric measures that help us to closely monitor our social determinants. In general, the indicators demonstrate high levels of confidence in institutions and individuals in the Saudi society and of satisfaction with life. These results are not surprising to our society, which has a high social balance of connections and solidarity within the nuclear and extended family. Other societies, particularly Western ones, suffer from family disintegration and excessive individualism. It is necessary as well to encourage ties and gatherings outside the family, especially through volunteering and non-profit work, and to promote the establishment of more non-profit organizations. The Kingdom continues to have low rates of non-profit organizations per population; we have one non-profit organization for every 10,000 population. We should also encourage participation in local and regional councils.

Among the methods to promote social capital is combatting all forms of discrimination against and humiliation of others, as well as striving towards openness to all parts of the Kingdom to participate in the cultural and social change led by Kingdom’s Vision. Other methods include providing channels and means of expression to all regions of the Kingdom. This would make it possible to highlight the diverse picture of the tangible and intangible history of the Kingdom and to nurture the individual and collective conscience in pursuit of a collective national identity for the coming generations through a vibrant society with well-established values, as the cultural strategy of the Kingdom aspires to achieve. Therefore, the promotion of social capital is necessary for attaining prosperity both in the present and the future.

Fifth: Negative Growth of Natural Resources

Since the current and future drivers of prosperity are interconnected, any change in future wealth stocks and assets will necessarily reflect on the current prosperity level. For example, we can reveal the interconnectedness between the change in the level of natural wealth, as assets of future prosperity, and its impact on the environmental and health areas which determine the current quality of life of individuals.

Any increase in the production of natural resources (such as oil and gas) inevitably leads to increased gas emissions (thus contributing to global warming), these are variables that may not be directly felt by humans. However, these changes have a significant impact on the increased consumption of energy and fuel and the high rates of manufacturing, electricity generation and exhausts of internal combustion engines, causing a rise in the level of release of pollutants in the air. (Here we only measure exposure to very fine particulates (PM2.5) resulting from emissions of exhausts, fires, factories, and power plants, but not including natural sources, such as dust, which affect the increase in different sizes of particulates, namely PM10). Therefore, a low air quality poses significant threats to the health of the population. Without looking at the sequence of impact from assets, to the environment, then to health, and their subsequent effects even on human capital, any other indicators alone will inevitably overlook key aspects of prosperity.

Despite the rise in oil and gas production and consumption in the Kingdom, the level of inventories, thankfully, remains stable and even continues to increase. Yet, this does not necessarily mean growth in natural assets, without looking at other types of natural resources which are important to our life and which do not provide an economic benefit similar to that of oil and gas resources. This can be seen in conjunction with the decline in the area of forests, grassland and arable land, tree cover loss, loss of biodiversity, and the threat to plants by pests, diseases and extinction, as recently outlined by the National Environment Strategy.

The Kingdom has maintained distinguished levels of oil and gas inventories, with a large decline in other natural assets causing degradation of air quality, threatening population health, harming the quality of life, and causing environmental degradation.

Sixth: Exhaustion of Social Insurance Portfolio

The projected fiscal deficits in the pension funds in the Kingdom threatens the future of the coming generations in terms of social protection. The sustainability of the Saudi pension funds (the Public Pension Agency and the General Organization for Social Insurance) is a key pillar to maintaining a strong social protection system that ensures social security for pensioners and their dependents. Any deficit in pension funds raises a serious threat to the coming generations of elderly people, harming to a great extent the financial solvency of families and individuals, in addition to the economic risks posed by the deficit for the state treasury. The report highlights the absence of official data on the size of actuarial deficit in pension accounts in the Kingdom due to reservation on announcing such figures designed to secure a decent life for citizens after they retire, regardless of the sum of their previous financial contributions.
Chapter IV

Uses of the National Prosperity Framework in Government Policy-Making

It is not sufficient to draw a dashboard of current and future prosperity for monitoring the asset inventory and the quality of life of the society. Rather the decision-making circles must adopt such dashboard by incorporating its indicators as inputs at every stage of the decision-making process. The prosperity framework thus can be translated into practical tools that support decision makers in identifying national priorities, channeling financial resources, designing government programs, monitoring the performance of public agencies, and assessing the impact of decisions on individual prosperity and sustainability of national wealth.
Intergenerational Equity
Towards a National Prosperity Framework
King Khalid Foundation

Uses of the National Prosperity Framework in Government Policy-Making

In this context, we have several examples derived from the experiences of a number of countries that have adopted national frameworks for prosperity and have applied to their entire government policies. Although the pursuit of prosperity and the quality of life recently as national approaches is rather new, there are signs of successful, and other less promising, experiences around the world. The Organization for Economic Co-operation and Development (OECD) has recently issued a special publication as a working paper for the policy uses of the quality of life indicators including a description of country experiences in this regard.(169) The said paper provides an outline of the experiences of a number of developed countries over the past decade in measuring the quality of life through national statistics, and to what extent this process has affected government use of these national indicators and frameworks in decision-making. The paper concluded that some of the surveyed countries have been able to mainstream these indicators by engaging a wide range of stakeholders and citizens in the process of adoption and prioritization, as well as by identifying and incorporating such indicators into all stages of the decision-making chain.

Various stages of decision making where the national prosperity framework can play a role

These countries have incorporated the indicators in the stages of defining national strategies and priorities, policy-building, and monitoring and evaluating the impact and outcomes of government interventions. In general, the paper has noted that these efforts have only been adopted recently over the past few years and need further institutional support to ensure sustainability of use and continuity of utilization over the years and at the various stages of the decision-making cycle. OECD also analyzed a number of constraints to the successful mainstreaming of these indicators, such as weak policy adoption because the decision makers lack the will and desire to bypass GDP indicators, in addition to weak demand for alternative data capable of providing a broader reading of prosperity in its various dimensions. Other constraints include data scarcity, weak statistical methodologies, and absence of sufficient information to build an updated, comprehensive and detailed dashboard of current and future prosperity. The biggest challenge was the absence of an institutional framework that is capable of stimulating the use of such indicators, such as attempts to resist change within the decision-making circles, poor communication, and failure to provide a strong content that serves to bypass traditional indicators to a more comprehensive dashboard of prosperity indicators.

We can also consider the experience of the United Arab Emirates in this field at the regional level. Through the National Program for Happiness and Wellbeing, the UAE government provided a number of tools to support mainstreaming the concept of prosperity and quality of life in decision making. Examples include the “Happiness Impact Assessment Tool,” an instrument that assesses the impact of government policies on happiness, cost-benefit analysis and cost-effectiveness by use of happiness data, in addition to devising methods for submitting and testing the implementation of proposals, and follow-up and evaluation mechanisms.

In general, we can conclude from the experiences of different countries, both globally and regionally, that national frameworks for prosperity can be meaningful and pivotal in the policy-making process if they are supported by a strong political will, adequate data, supportive institutional environment and practical tools to incorporate throughout the decision-making stages. By looking at the experiences of countries, we notice that the most successful among them are those who have been able to mainstream the concepts of prosperity and quality of life into the decision-making circles, especially in the center of government, (e.g. countries in which work was launched from prime ministers’ offices), as compared to other countries where the Ministry of Finance or the Ministry of Planning has led such efforts. In the experiences with the least impact on decision-making the efforts were launched by national statistics offices to provide benchmarks away from the decision-making context.

We believe that the dynamism underlying the national prosperity framework, as a result of two fundamental drivers: (a) the current areas of the quality of life of individuals, and (b) the level of preservation of national assets and wealth, should remain on top of the decision makers’ list of priorities. The excessive consumption of assets (even if it leads to a temporary rise in the current quality of life) would necessarily result in a decline in the assets available for the future and for the coming generations. Therefore, it is important to adopt this perspective by the national development funds, which are specifically established for this purpose, namely the development of financial, industrial, real estate, agricultural, human and social resources, as is taking place in the development policies of Saudi Arabia and through the newly established National Development Fund.
The aim of any development document is to achieve prosperity for its society. It is no secret that the Kingdom’s Vision 2030 provides guidelines and details of the notion of current prosperity of the Saudi society and the importance of preserving wealth and capabilities.
The aim of any national development document is to achieve prosperity for its society. It is no secret that the Kingdom’s Vision 2030 provides guidelines and details of the notion of current prosperity of the Saudi society and the importance of preserving wealth and capitals. Neither is it a secret that the Kingdom’s Vision and its realization programs are committed to achieving economic growth for the Kingdom and working to increase the size of the Kingdom’s economy and raise it from the 98th ranking to the first 15 positions at the global level by 2030. By looking at the objectives of the Kingdom’s Vision, we notice that a great number of such objectives monitor economic growth in particular, in addition to incorporating indicators for increasing life expectancy at birth and raising the levels of practice of sports. The majority of the objectives of the Vision are marked by their purely economic nature as against social, cultural and health objectives, as follows:

### Analysis of the objectives of the Kingdom’s Vision 2030 according to the type of indicators used

<table>
<thead>
<tr>
<th>GDP Indicators</th>
<th>Economic Indicators</th>
<th>Social, Cultural and Health Indicators</th>
<th>Composite International Indicators</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>To increase the size of the economy and move it to the world’s top 15 positions</td>
<td>To increase the localization of oil and gas sectors from 40% to 75%</td>
<td>To raise from our current position of 25 to the top 10 countries on the Global Competitiveness Index</td>
<td>To more than double the number of Saudi heritage sites registered with UNESCO</td>
<td>To raise our capacity to welcome Umrah visitors from 6 million to 30 million every year</td>
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<tr>
<td>To increase the proportion of foreign direct investments in the GDP from 3.6% to the international level of 5.7%</td>
<td>To increase the Public Investment Fund’s assets from SR 600 billion to over SR 7 trillion</td>
<td>To raise our global ranking in the Logistics Performance Index from 49 to 25 globally and 1 regionally</td>
<td>To increase the ratio of individuals exercising at least once a week from 19% of the population to 42%</td>
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<tr>
<td>To increase the private sector’s contribution to the GDP from 40% to 65%</td>
<td>To increase women’s participation in the job market from 22% to 30%</td>
<td>To have three Saudi cities be recognized in the top-ranked 100 cities in the world</td>
<td>To increase household savings from 6% to 10% of total household income</td>
<td></td>
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<tr>
<td>To raise the non-profit sector’s contribution to the GDP from less than 1% to 5%</td>
<td>To increase the government’s contribution to the GDP from 20% to 35%</td>
<td>To raise our position from 26 to 10 in the Social Capital index</td>
<td>To increase household spending on cultural and entertainment activities inside the Kingdom from 2.9% to 6%</td>
<td></td>
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<tr>
<td>To raise the share of non-oil exports in the non-oil GDP from 16% to at least 50%</td>
<td>To lower the rate of unemployment from 12% to 7%</td>
<td>To raise our ranking in the Government Effectiveness Index, from 80 to 20</td>
<td>To increase household spending on cultural and entertainment activities outside the Kingdom from 0.4% to 1%</td>
<td></td>
</tr>
</tbody>
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### Quality of Life program

The Kingdom’s Vision has designated, within its implementing programs, a special quality of life program aimed at:

- “Improving the individual’s lifestyle by developing the environmental system needed to support and introduce new options that enhance citizens and residents’ participation in cultural, entertainment, sports and other appropriate activities, that contribute to promoting the quality of life, creating jobs, diversifying economic activities, and enhancing the position of Saudi cities in the ranking of the best cities in the world.

The program aims to achieve a number of the Vision's objectives at the third level, most notably:

- 2.2.1 Promote the exercise of sports activities in society;
- 2.2.2 Achieve excellence in several sports regionally and globally;
- 2.2.3 Develop and diversify entertainment opportunities to meet the needs of the population;
- 2.2.4 Develop Saudi contribution to arts and culture.

It may be noted that the program's objectives intersect with many other implementing programs of the Kingdom. There may be a need to reconsider how to deal with the concept of the quality of life and concentrate it in an independent executive program and to consider the possibility of developing indicators for monitoring the quality of life and mainstreaming such indicators to all Vision realization programs.

### Public Investment Fund (PIF)

Sovereign funds are among of the most important tools to preserve financial wealth for future generations. The Public Investment Fund (PIF) 2020 program, one of the realization programs of the Kingdom’s Vision 2030, was released last year to underscore the principle of the sustainability of prosperity; it was included in the Public Investment Fund Law issued pursuant to Royal Decree no. M/92, dated 12/8/1440. Article (3) of the said Law stipulates that:

"The Fund aims to invest its funds, both cash and in kind, in accordance with the best standards to achieve returns that would serve the public interest and contribute to supporting the economic development in the Kingdom, diversifying its income sources, and observing the interest of future generations."

The PIF program is intended to preserve the Kingdom’s natural resources and conserve the environment by encouraging the companies that the Fund will encourage corporations that they invest in to adopt corporate sustainability standards. The Fund will also be committed to supporting the dissemination of the concept of recycling and sustainability, establishing the National Energy Efficiency Services Company and the Saudi Recycling Company. Worthy of note is that the Fund has co-founded the One Planet SWF Working Group around the world, through which Sovereign Wealth Funds (SWFs) comply with sustainability standards in their investments. Corporate sustainability measures refer to the criteria for non-financial disclosure of good governance, environmental and social practices. The Fund will play an active role in sustaining financial wealth in the Kingdom and other resources through sustainability practices.
Intergenerational Equity
Towards a National Prosperity Framework

King Khalid Foundation

Article IV of the National Development Fund Statute:

The Fund aims at raising the performance level of development funds and banks so that they can achieve the purposes of their establishment and keep pace with any advances that serve the priorities of development and economic needs in light of the objectives and pillars of the Kingdom’s Vision.

In order to achieve this, it may exercise the widest powers, and may particularly perform the following:

- Oversee the development funds and banks with regard to the organizational, regulatory, and executive aspects;
- Take whatever is necessary to achieve integration and coordination among development funds and banks in order achieve their goals;
- Take the necessary measures to raise the efficiency of financing and development lending and enhance their sustainability in development funds and banks;
- Review the competencies, strategies, regulations and structures of development funds and banks and their operational plans, financing and lending mechanisms in force at such funds and banks, and update the same to meet the requirements of development priorities, without prejudice to the powers of the supervisory authorities, and report any items that require further procedures;
- Participate in representing the Kingdom in regional and international organizations, agencies, forums and conferences relevant to the Fund’s area of competency.

In 2017, the Kingdom established the National Development Fund (NDF) to be the parent body of the current and future development funds in order to improve the performance of the development funds and banks. Linked to the Fund are all the development funds and banks in the Kingdom (except the Public Investment Fund), which in fact constitute the wealth of the Kingdom, as detected by the national framework for prosperity. KKF believes that the Fund is expected to play an important role in sustaining the Kingdom’s wealth and preserving it for future generations. It is important that the Fund’s organization includes a provision that aims at sustaining the capital of the Kingdom for the future and for the coming generations.

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In this report, KKF has outlined the national framework for prosperity in the Kingdom with both its current and future aspects. In this regard, the Foundation’s purpose is to point out that the GDP index and macroeconomic indicators are not adequate per se, and that we need to look beyond economic growth to include the current status of the quality of life and to monitor the sustainability of the Kingdom’s wealth. KKF believes that the Kingdom’s Vision 2030, in terms of its long-term goals and objectives, provides a real opportunity to adopt a clear national framework that supports the decision-maker in determining the current level of the quality of life of individuals, while pursuing investment aspects of the Kingdom’s wealth for the future. If the Kingdom adopts this framework, it will join the G20 states in their adoption of a dashboard of indicators that measures the various dimensions of prosperity, including the economic aspect, an issue called for by economists and the various international organizations, especially the Organization for Economic Cooperation and Development and the United Nations Organization. In light of the statistical revolution that the Kingdom is witnessing these days, there are great chances of remedying the lack of information, which will bring us to occupy a distinguished position among countries in terms of the current and future prosperity.

Accordingly, King Khalid Foundation recommends the following:

First:
The Strategic Committee of the Saudi Council of Economic and Development Affairs should adopt the National Framework for Prosperity as a tool to follow up on the implementation of the Kingdom’s Vision 2030 and mainstream it to existing and expected vision realization programs in the second in the second wave of the Kingdom’s Vision 2030 Realization Programs. This is to ensure the quality of life across the current prosperity axis and the sustainability of the Kingdom’s resources across the future prosperity axis; along with a review of the quality of life program.

Second:
To activate the role of the National Development Fund as the guardian of the Kingdom’s numerous wealths, as follows:
  - Amendment of Article 4 of the National Development Fund Statute issued by the Council of Ministers Resolution no. 132, dated 3/3/1439H, to include under its mandate the sustainability of development funds and banks so as to ensure preservation of the Kingdom’s human, social, natural, cultural and economic wealth for future generations;
  - Attaching the newly established Environment Fund and the Cultural Development Fund to the National Development Fund in order to realize the Fund’s essential role in pursuing the sustainability of the Kingdom’s various resources, including natural and social wealth.
  - Extending the scope of the Charity Fund to include the Non-Profit Sector Development Fund and attaching it to the National Development Fund so as to support promotion of social wealth in the Kingdom.

Third:
To address the problem of the projected actuarial deficit in pension accounts without delay, and to ensure the sustainability of such accounts over the generations, and to merge the Public Pension Agency and the General Organization for Social Insurance in one government agency that would be concerned with social insurance.

Fourth:
To support the General Authority for Statistics to complete its efforts in releasing surveys and indicators related to prosperity, namely the following:
  - Time use survey;
  - Criminalization survey;
  - Culture and entertainment survey;
  - Subjective life assessment survey (including life satisfaction indicators);
  - To develop a household income and spending survey to ensure coverage of household wealth data, not only income and spending, and to conduct the survey on a biennial basis instead of every five years as is currently done;
  - To develop the housing survey to include a special indicator for crowding and overcrowding;
  - To develop the environmental indicators of the quality of life and vegetation;
  - To complete the indicators of decent work in the Saudi job market to include: young people not in education, employment and training (NEET), and to provide details of weekly working hours (not just the average);
  - To cover and disseminate detailed data of persons with disabilities in all household surveys, especially the labor force survey.
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Beyond GDP

Gross Domestic Product (GDP)

The market value of all final goods and services produced in a given state over a specified period of time.

Beyond GDP

It is an expression used to describe scientific attempts to measure the different dimensions of development and prosperity that the GDP index cannot provide.

Kingdom of Saudi Arabia National Framework for Prosperity

An effort exerted by King Khalid Foundation to provide a national framework that includes measurement of the GDP index in addition to the two dimensions of prosperity included in the framework in order to ensure the current quality of life and prosperity as against the sustainability of the quality of life in the future by linking it to wealth:

- Current Prosperity: To measure the different dimensions of the quality of life and living standard by identifying 12 domains.
- The Future of prosperity: To provide a list of resources and monitor their preservation across generations, namely in 4 resources.

State of Inequality (Gini Coefficient)

The market value of all final goods and services produced in a specified period of time.

The index.

The state of inequality improves with the decline in the rate. The rate indicates that one person controls the entire income or spending. The state of inequality is measured by the Gini coefficient, a statistical tool to find out how fair the distribution of income or spending among people is in the form of a percentage. Whenever the rate is 0%, it means that all are equal, whereas the 100% rate is 0%, it means that all are equal, whereas the 100% rate indicates that one person controls the entire income or spending. The state of inequality improves with the decline in the index.

Non-oil Revenues

They refer to the non-oil revenues of a state, such as duties and taxes, SAMA revenues, sales of goods and services, returns of the Public Investment Fund, fines and penalties, and government share of telecommunications.

Government Spending

Total government expenditures during the fiscal year on the different sectors such as security, infrastructure, education, health care, housing and transport, including capital and operational expenditure.

Social Spending

Expenditures and investments spent by countries on social fields such as health, education, subsidies, housing and social development by the public sector firstly, and alternatively by the private and non-profit sectors.

Organization for Economic Cooperation and Development (OECD)

It is an international intergovernmental organization aimed at economic development and promotion of trade exchange. OECD consists of developed 34 member countries, that together work on development issues and free trade.

Social Protection

The international standards for the components of the social protection system include:

- Social protection floor: It involves protection policies, health care services, social benefits, and housing support, education, sheltering and social welfare services for persons with disabilities, persons with unknown origins, elderly people, persons exposed to violence, juveniles and others. Social protection is financed through social spending.
- Social insurance programs: programs financed through contributions such as health insurance, retirement and unemployment insurance.
- Labor market support programs: employment support programs and jobseekers’ subsidies.

Sustainable Development Goals (SDGs)

A plan for a better and more sustainable future for all, adopted by world leaders at the United Nations (including Saudi Arabia) in 2015. These 17 goals for 2030 address the global challenges we face, including the challenges of poverty, inequality, climate, environmental degradation, prosperity, peace and justice.

The Principle of “Leaving no one behind”

The approach underpinning the 17 United Nations SDGs, mainly because such goals, with their different dimensions, seek to achieve development for all and to bring prosperity to all segments of society, especially the less privileged groups.

Quality of life

It refers to the state where the society members enjoy a high level of security, health, education quality, job opportunities, life-work balance, culture, quality environment, social connections, civic engagement, decent housing, income, expenditure, wealth and wages, along with self-satisfaction with life.

Economic Participation

A measure of the participation of the working age population (15 years and above) in the labor force as employed or unemployed; it is the ratio of the labor force to the number of population (aged 15 and above).

Environmental Degradation

It is a process in which the natural environment is endangered in some way; this reduces biodiversity and overall environmental health. This process could be influenced by natural factors or may be accelerated by human intervention.

Healthy Life Expectancy (HALE)

An indicator issued by WHO to measure the projected number of healthy life years at birth, after excluding years of disability and illness.

Actuarial Deficit

It is a financial assessment intended to determine whether the available and projected future assets of pension funds are sufficient to cover liabilities in the coming years.

Quality-Adjusted Years of Learning Indicator

A World Bank Group index that measures the number of school years through which the student receives actual learning through adjusting the number of years of schooling by students’ performance in the international tests of educational attainment.

Particulate Matter 2.5 (PM2.5)

These are small particles suspended in the air, resulting from dust and natural factors suspended in the atmosphere; they are inhaled by humans and cause damage to the respiratory system.

Particulate Matter 10 (PM10)

These are small particles suspended in the air, resulting from dust and natural factors suspended in the atmosphere; they are inhaled by humans and cause damage to the respiratory system.

Global Burden of Disease (GBD)

It is a means to measure the extent of health losses caused by diseases, injuries and threats, with the aim of improving the health system and bridging the gap and disparity among patients. The Health Monitoring and Evaluation Center is one of the leading organizations that undertake the GBD.

Psychometric Indicators

These are indicators derived from tests or surveys that measure the mental and behavioral abilities of individuals and provide significant indicators of trends in public behavior and perceptions within society.

Greenhouse Gas Emissions

These are gases emitted due to human activity (due particularly to man’s consumption of fossil fuels); they are trapped within the atmosphere, reducing the emission of heat from Earth to space, thus causing global warming.

Subjective Indicators

They are indicators of self-assessment through which individuals evaluate different aspects of their lives and how satisfied they are with such aspects from their own perspective. Quantitative indicators that contrast with subjective indicators are known as objective indicators.

Disability-Adjusted Life Years (DALY)

It is a GBD measure expressed by the sum of the expected Years of Life Lost (YLL) due to premature death, ill health and disability.

Household Wealth

It is the sum of household possessions, including savings and assets (financial, real estate, property, durable goods, etc) minus obligations and liabilities (loans, expenses, etc.).

Glossary of Terms

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2. The Labour Market Bulletin for the first quarter of 2019: apps.who.int/gho/data/node.main.EMPLOY?lang=en


4. Details of the Kingdom’s profile can be found in the United Nations SDG Index at: sdgsindex.org/kSA/

5. The index was calculated through the data of the Ministry of the Interior (Public Security Department) based on the Statistical Handbook of 2018 of the General Authority for Statistics; Chapter 10; Table no. 10-10: Total Victims of Intentional and Unintentional Homicide for the years 1435-1439, available at: www.stats.gov.sa/en/kids/

6. More information, see the discussion paper: “Motivating decent job opportunities in the private sector” King Khalid Foundation, 2017, based on the labor force survey data conducted by the General Authority for Statistics for the third quarter of 2018, (p. 7)


8. Data on household income of the Saudi family (= 14823 riyals); results of a survey conducted by KKF through the Center for National Dialogue on a representative sample of the Saudi population to measure society members’ views on satisfaction, trust and solidarity (2017)

9. New metrics to measure the health of the environment


11. World Happiness Report 2019 p. 31

12. The index was calculated by dividing the amount of household spending on items like housing, water and electricity, gas and other fuels by the number of years since the last home purchase plus 4 years (i.e., average household income of the Saudi family = 14823 riyals); results of the Household Income and Spending Survey conducted by the General Authority for Statistics for the year 2017: www.statks.gov.sa/sites/default/files/mh_webt_2018.pdf


15. The index was calculated by dividing the average household income of the Saudi family (= 14823 riyals); results of a survey conducted by KKF through the Center for National Dialogue on a representative sample of the Saudi population to measure society members’ views on satisfaction, trust and solidarity (2017)


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23. All metrics related to the Environmental Performance Index can be found at: epi.envirocenter.yale.edu/epi-territories/saudi-arabia

24. All income and spending indicators were extracted from the results of the General Authority for Statistics “Housing Survey” for the year 2017: www.statks.gov.sa/sites/default/files/ltqryr lhsyy_llwd_lrhn_lhdf_ltnmy_lmstdm_2.pdf

25. The index was calculated by dividing the amount of household spending on items like housing, water and electricity, gas and other fuels for 2014: s3.amazonaws.com/ghc-2018/UAE/Global-%20Happiness-%20Policy-%20Report%20%202018.pdf

26. The index was calculated by dividing the amount of household spending on items like housing, water and electricity, gas and other fuels for 2017: s3.amazonaws.com/ghc-2018/UAE/Global-%20Happiness-%20Policy-%20Report%20%202018.pdf

27. The index was calculated by dividing the amount of household spending on items like housing, water and electricity, gas and other fuels for 2017: s3.amazonaws.com/ghc-2018/UAE/Global-%20Happiness-%20Policy-%20Report%20%202018.pdf

28. The index was calculated by dividing the average household income of the Saudi family (= 14823 riyals); results of a survey conducted by KKF through the Center for National Dialogue on a representative sample of the Saudi population to measure society members’ views on satisfaction, trust and solidarity (2017)


34. One of the sub-indicators of the Environmental Performance Index (EPI) designed to measure air quality and exposure to high levels of PM2.5 concentrations: gciw.sourceforge.net/en/gciw-indicators/PM25


36. A survey conducted by KKF through the Center for National Dialogue on a representative sample of the Saudi population to measure society members’ views on satisfaction, confidence and solidarity (2019)

37. A survey conducted by KKF through the Center for National Dialogue on a representative sample of the Saudi population to measure society members’ views on satisfaction, confidence and solidarity (2019)


40. One of the sub-indicators of the Environmental Performance Index

41. www.socialprogress.org/?code=SAU

42. Global Happiness Policy Report 2018 p. 31


45. www.ilo.org/wcmsp5/groups/public/@dgreports/@l@normalize/public@docs/2016-ILO-881.pdf

46. www.ilo.org/wcmsp5/groups/public/@dgreports/@l@normalize/public@docs/2016-ILO-881.pdf
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86. Based on the contents of the Vision Realization Program, document, by the Public Investment Fund: vision2030.gov.sa/en/pifprogram/about
92. Vision 2030 G200:
93. The National Development Fund Statute published in Umm Al Qura Newspaper can be found at: www.up.gov.sa/articles/71268290494345600