

How's Life in Costa Rica?

The figure below shows Costa Rica's relative strengths and weaknesses in well-being with reference to both the OECD average and the average of the OECD partner countries considered in *How's Life? 2017* (i.e. Brazil, Colombia, Costa Rica, Lithuania, the Russian Federation and South Africa).

Costa Rica has several areas of strength relative to both the OECD and partner countries: At 1.6% in 2016, the **long-term unemployment** rate stood below both the OECD average (2%) and the average for the partner countries (4.5%). About 85% of Costa Ricans are satisfied with their local **water quality**, above the OECD average (81%), and well above that of the partner countries (66%). **Air quality** (measured as the mean exposure to outdoor air pollution by fine particulate matter, PM_{2.5}) is also better than the average in both the OECD and partner countries.

With around 89% of the population reporting that they have friends or relatives whom they can count on in case of need, **social support** in Costa Rica is in line with the average in both the OECD (89%) and partner countries (90%).

There are also several outcomes where Costa Rica is above the average for the partner countries, but below the OECD average: **Life expectancy** at birth is 79.6 years, almost in line with the OECD average, but well above the average in the partner countries (71). A relatively low share of Costa Ricans live in housing without **basic sanitation** (2.2%) compared to the partner country average (13.1%). The **homicide rate** is almost twice as high as the OECD average, but remains one of the lowest across the partner countries. 46% of Costa Ricans feel **safe walking alone at night** in the area where they live, very slightly higher than the 43% partner country average, but below the OECD average of almost 69%.

Costa Rica also has some areas of weakness compared to both the OECD and other partner countries: In 2016, the **employment rate** was 58.7%, below both the OECD average (67%) and the average among the partner countries (63.9%), and almost 28% of employees **worked very long hours**, among the highest in both the OECD and partner countries. Adults' upper secondary **educational attainment** (40%) and students' **cognitive skills at age 15** are among the lowest in both the OECD and partner countries. **Voter turnout** (around 68% in 2014) falls marginally below the OECD average of 69% and the average among the partner countries (70%). **Housing affordability** is also worse than both the OECD average and the average for partner countries.

Current well-being strengths and weaknesses in Costa Rica

Strengths	Strengths relative to the OECD average	Strengths relative to partner countries	Weaknesses
Above average for both the OECD and partner countries	Above the OECD average, but below partner countries' average	Above partner countries' average, but below the OECD average	Below average for both the OECD and partner countries
<ul style="list-style-type: none">  Long-term unemployment  Water quality  Air quality 		<ul style="list-style-type: none">  Basic sanitation  Life expectancy  Homicides  Feeling safe at night 	<ul style="list-style-type: none">  Employment  Housing affordability  Working hours  Educational attainment  Cognitive skills at 15  Voter turnout

Note: Both the OECD and partner country averages are typically population-weighted (see the online data annex for further details). Only headline well-being indicators with a complete or almost complete coverage of the OECD partner countries are considered (i.e. one or no missing countries per indicator).

Additional information, including the data used in this country note, can be found at:

www.oecd.org/statistics/Better-Life-Initiative-2017-country-notes-data.xlsx

Change in Costa Rica's average well-being over the past 10 years

Dimension	Description	Change
 Income and wealth	[No time series data available]	..
 Jobs and earnings	Contrary to the OECD average trend, the employment rate dropped overall in the past 10 years in Costa Rica. The long-term unemployment rate has also worsened, from 1.0% in 2012 (the earliest available year) to 1.6% in 2016.	↘ ↘
 Housing conditions	Since 2005, the number of rooms per person has moderately improved in Costa Rica, from 1.1 to 1.2. Housing affordability has also improved slightly in recent years, with the share of income spent on housing costs falling from 20.1% in 2012 to 19.7% in 2014. Basic sanitation has become more widespread, and the share of people living without basic sanitary facilities between 2011 and 2015 was over a third lower than between 2005 and 2010.	↗ ↗ ↗
 Work-life balance	Since 2010 there has been a large fall in the percentage of employees working 50 hours or more per week in Costa Rica, from 32.8% in 2010 to 27.6% in 2016.	↗
 Health status	Life expectancy at birth in Costa Rica has increased by one-and-a-half years since 2005.	↗
 Education and skills	The share of the adult working-age population having attained at least an upper secondary education has increased from 35% in 2005 to 39% in 2015.	↗
 Social connections	The share of people who have relatives or friends whom they can count on to help in case of need has remained stable in Costa Rica since 2005, in contrast with the slight decrease recorded for the OECD average.	↔
 Civic engagement	The percentage of votes cast among the population registered to vote has improved in Costa Rica in the past decade, from 65% in the 2006 presidential elections to 68% in 2014.	↗
 Environmental quality	Satisfaction with local water quality has remained stable since 2005-07, and is still above the OECD average. Annual exposure to PM _{2.5} air pollution has risen by 23% since 2005, peaking in 2013.	↔ ↘
 Personal security	The rate of deaths due to assault in Costa Rica has risen slightly since 2005, and is now just over 1 percentage point higher. The share of the population who report feeling safe when walking alone at night has fallen to 46%, 4 percentage points lower than a decade earlier.	↘ ↘
 Subjective well-being	In Costa Rica, life satisfaction has remained relatively stable since 2005, but current levels are still above the OECD average.	↔

Note: For each indicator in every dimension: ↗ refers to an improvement; ↔ indicates little or no change; and ↘ signals deterioration. This is based on a comparison of the starting year (2005 in most cases) and the latest available year (usually 2015 or 2016). The order of the arrows shown in column three corresponds to that of the indicators mentioned in column two.

Costa Rica's resources and risks for future well-being: Illustrative indicators

 Natural capital		
Indicator	Equivalent OECD tier	Change
Greenhouse gas emissions from domestic production	1	↔ 2005-2012
CO ₂ emissions from domestic consumption	1	↔ 2001-2011
Exposure to PM _{2.5} air pollution	1	↘ 2005-2013
Forest area	1	↔ 2005-2014
Renewable freshwater resources	1	.. Long-term annual avg
Freshwater abstractions	2	.. 2014
Threatened birds	1	.. Latest available
Threatened mammals	1	.. Latest available
Threatened plants	1	.. Latest available

 Economic capital		
Indicator	Equivalent OECD tier	Change
Gross fixed capital formation	1	↘ 2005-2015
Investment in R&D	3	.. 2013

No data available on produced fixed assets, financial net wealth of total economy, intellectual property assets, household debt, household net wealth, financial net worth of government and banking sector leverage.

1	Equivalent to the top-performing OECD tier, latest available year
2	Equivalent to the middle-performing OECD tier, latest available year
3	Equivalent to the bottom-performing OECD tier, latest available year

 Human capital		
Indicator	Equivalent OECD tier	Change
Young adult educational attainment	3	↗ 2005-2016
Educational expectancy	3	.. 2015
Cognitive skills at age 15	3	.. 2015
Long-term unemployment	2	↘ 2012-2016
Life expectancy at birth	3	↗ 2005-2015
Smoking prevalence	1	↗ 2005-2015
Obesity prevalence	3	.. 2014
No data available on adult skills.		

 Social capital		
Indicator	Equivalent OECD tier	Change
Trust in the national government	2	↘ 2005-2016
Voter turnout	2	↗ 2006-2014
Government stakeholder engagement	3	.. 2014
No data available on trust in others, trust in the police and volunteering in organisations.		

↗	Improving over time
↘	Worsening over time
↔	No change
..	No data available

HOW LARGE ARE WELL-BEING INEQUALITIES IN COSTA RICA?

What is inequality and how is it measured? Measuring inequality means trying to describe **how unevenly distributed** outcomes are in society. *How's Life? 2017* adopts several different approaches:

- Measures of “**vertical**” inequalities address how unequally outcomes are spread across all people in society – for example, by looking at the size of the gap between people at the bottom of the distribution and people at the top.
- Measures of “**horizontal**” inequalities focus on the gap between population groups defined by specific characteristics (such as men and women, young and old, people with higher and lower levels of education).
- Measures of “**deprivation**” report the share of people who live below a certain level of well-being (such as those who face income poverty or live in an overcrowded household).

The available indicators of **vertical inequality** suggest that income and earnings are unevenly spread across the population in Costa Rica – more so than in most OECD countries. Income inequality is particularly pronounced, with the top 20% receiving almost 15 times more than the bottom 20%, on average. On the other hand, the inequalities in cognitive skills at age 15 are smaller than the OECD average.

Costa Rica has mixed outcomes in terms of **gender inequality**. For example, the gaps between men and women are high for jobs and earnings: the unemployment rate is 50% higher among women relative to men, and the incidence of low pay among women is 80% higher than among men. By contrast, women perform better than men in educational attainment and skills at 15. And although women generally feel less safe than men when walking alone at night in Costa Rica, the gender gap is smaller than in the OECD on average.

Young Costa Ricans, on average, have a lower household income and are 3 times more at risk of unemployment than the **middle-aged** – with larger gaps than average. However, they fare better than the middle-aged in educational attainment and social support, by greater margins than in most OECD countries.

In several cases, the well-being gap between individuals having attained a **secondary versus a tertiary level of education** in Costa Rica is moderate compared to the gaps seen in OECD countries. For instance, while in all OECD countries the former group’s children are at a disadvantage in terms of cognitive skills at age 15, in Costa Rica this gap is narrower than on average in the OECD.

In many aspects of well-being, Costa Rica has a comparatively high share of people suffering from **deprivations**, including the incidence of income poverty (21.5%), low educational attainment (60.6%) and the share of people with no one to count on (10%). Air quality is one exception: Costa Rica has a comparatively small share of the population exposed to high levels of fine particulate matter (PM_{2.5}) air pollution.

Well-being inequalities in Costa Rica

● top third of OECD countries

● middle third of OECD countries

● bottom third of OECD countries

○ data gaps

■ no measures

	Vertical inequality	Horizontal inequality by			Deprivation
		Gender	Age	Education	
		Women relative to men	Young relative to middle-aged	Secondary relative to tertiary	
Household income	●	■	●	■	●
Household net wealth	○	■	○	○	○
Earnings	●	○	○	○	■
Low pay	■	●	■	■	●
Employment	■	●	●	●	■
Unemployment	■	●	●	●	●
Housing affordability	■	■	■	■	○
Rooms per person	■	■	■	■	○
Life expectancy	○	■	■	■	■
Perceived health	■	○	○	○	○
Working hours	○	○	○	○	○
Time off	■	○	○	■	■
Educational attainment	■	●	●	■	●
Cognitive skills at 15	●	●	■	●	●
Adult skills	○	○	○	○	○
Time spent socialising	■	○	○	■	■
Social support	■	●	●	●	●
Voter turnout	■	○	○	○	●
Having a say in government	○	○	○	○	○
Air quality	■	■	■	■	●
Water quality	■	●	●	●	●
Homicides	■	●	■	■	●
Feeling safe at night	■	●	●	●	●
Life satisfaction	○	○	○	○	○
Negative affect balance	■	■	■	■	○

BETTER LIFE INDEX

The **Better Life Index** is an interactive web application that allows users to compare well-being across OECD countries and beyond on the basis of the set of well-being indicators used in *How's Life?*. Users chose what weight to give to each of the eleven dimensions shown below and then see how countries perform, based on their own personal priorities in life.

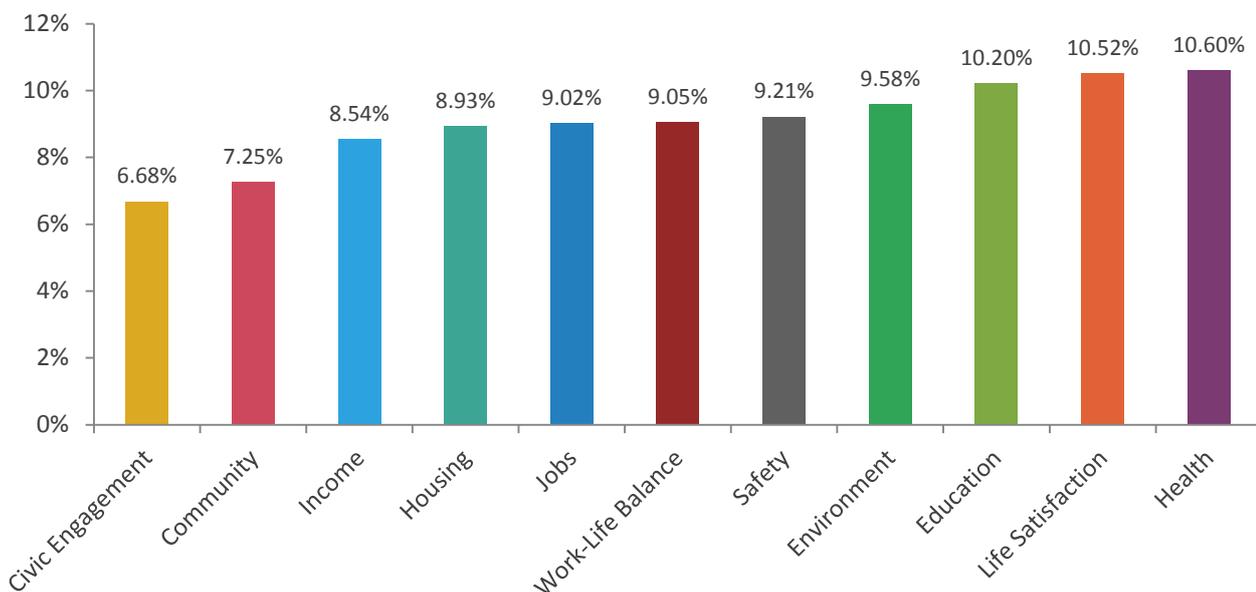


Users can also share their index with other people in their networks, as well as with the OECD. This allows the OECD to gather valuable information on the importance that users attach to various life dimensions, and how these preferences differ across countries and population groups.

WHAT MATTERS MOST TO PEOPLE IN COSTA RICA?

Since its launch in May 2011, the Better Life Index has attracted **over ten million visits from just about every country on the planet** and has received over **22 million page views**. To date, over 21,000 people in Costa Rica have visited the website making it the 57th country overall in traffic to the website. The top cities are San Jose (55% of visits), Alajuela, Heredia and San Pedro.

The following country findings reflect the ratings voluntarily shared with the OECD by 243 website visitors in Costa Rica. Findings are indicative and are not representative of the population at large. **For Costa Rican users of the Better Life Index, health, life satisfaction and education are the three most important aspects of their life** (shown below).¹ Up-to-date information, including a breakdown of participants in each country by gender and age can be found here: <http://www.oecdbetterlifeindex.org/responses/#CRI>.



¹ User information for Costa Rica is based on shared indexes submitted between May 2011 and September 2017.

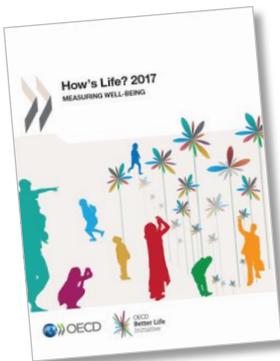
The **OECD Better Life Initiative**, launched in 2011, focuses on the aspects of life that matter the most to people and that shape the quality of their lives. The Initiative comprises a set of regularly updated well-being indicators and an in-depth analysis of specific topics, published in the *How's Life?* report. It also includes an interactive web application, the *Better Life Index*, and a number of *methodological and research projects* to improve the information base available to understand well-being levels, trends and their drivers.

The OECD Better Life Initiative:

- Helps to inform policy making to improve quality of life.
- Connects policies to people's lives.
- Generates support for needed policy measures.
- Improves civic engagement by encouraging the public to create their own *Better Life Index* and share their preferences about what matters most for well-being
- Empowers the public by improving their understanding of policy-making.

This note presents **selected findings for Costa Rica from the *How's Life? 2017* report** (pages 1-3) and shows what **Costa Rican users of the Better Life Index** are telling us about their **well-being priorities** (page 4).

HOW'S LIFE?



How's Life?, published every two years, provides a comprehensive picture of well-being in OECD and selected partner countries by bringing together an internationally comparable set of well-being indicators. It considers eleven dimensions of current well-being including: income and wealth; jobs and earnings; housing; health status; work-life balance; education and skills; social connections; civic engagement and governance; environmental quality; personal security; and subjective well-being. It also looks at four types of resources that help to sustain well-being over time: natural, human, economic and social capital.

The *How's Life? 2017* report presents the latest data on well-being in OECD and partner countries, including how lives have changed since 2005. It includes a special focus on inequalities, the well-being of migrants in OECD countries, and the issue of governance – particularly how people experience and engage with public institutions. To read more, visit: www.oecd.org/howslife.

For media requests contact:
news.contact@oecd.org or +33 1 45 24 97 00

For more information contact:
wellbeing@oecd.org