



Whatever you picture as the perfect setting for your retirement, chance are you'll find it in Panama, this year's Index winner.

The Best Places in the World to Retire in 2025

Stephanie Reed

Before I came into the *International Living* fold, “retirement” was a four-letter word. That dreaded time in life when all I’d have to look forward to was a 20-minute shuffle to the mailbox to collect my Social Security check. Maybe the neighbor’s dog would wander over and pee on my polyester pants, adding some excitement to the day.

The reality is, few Americans today can afford to retire on Social Security alone. The cost of living in the US has exploded, led by healthcare and housing. “A \$100 dollar bill back in 2000 has the buying power of just 54 bucks today,” says *IL* Personal Finance Expert Jeff Opdyke, “and that was a period of mild inflation.”

The average American pays \$300 a month in utilities. The average price of a new house? Upwards of \$500,000. And the great American staple, peanut butter, costs 40% more than it did just four years ago.

Going forward, inflation is broadly

expected to worsen, putting an idyllic and leisurely retirement even further from reach. It’s no surprise Americans report their biggest fear is not having a nest egg large enough to cover their remaining life expectancy.

But here at *IL*, we have a solution: Go abroad. When you do—to the right places—you won’t have to scale back your retirement plans, absorbing the spiraling costs of North American living. Instead, you can watch your lifestyle expand.

Every month, *International Living* brings you news, reports, expat stories, and practical solutions about relocating overseas. We aim to inspire you, entertain you, and answer your questions.

Once a year, we do something extra. ***IL*’s Annual Global Retirement Index** is a tool we offer you—and to an extent, the ticket you need—to create the overseas life of your dreams. In the right places, it really is possible to live better for less. And this Index is designed to help you

find the place that’s the best fit for you.

It could be that you want more sunshine in your life, or the chance to swim in a warm ocean year-round. Perhaps you dream of starting a new business, growing your own food, or living more holistically. *IL* contributor Ben Morris achieved all three... by purchasing a 53-acre farm in Costa Rica (for \$175,000).

Maybe your dream is no longer needing a car, or living in a sophisticated, cosmopolitan city where you’ll never get bored—but you won’t need four housemates to afford it. Or maybe, you simply long for a laidback life beachcombing on a tropical Caribbean island.

The thing is, it’s your retirement, so you get to decide what it should be like. You can struggle on, living exactly how you’re living now for the rest of your life, or you can make your retirement the best, most enjoyable, and most comfortable stage of your life...

INTERNATIONAL LIVING'S 2025 GLOBAL RETIREMENT INDEX

Country	Housing	Visas/Benefits	Cost of Living	Affinity Rating	Development/ Governance	Climate	Healthcare	Average
Panama	77	98	80	86	86	79	82	84
Portugal	64	75	79	96	93	88	92	83.9
Costa Rica	66	94	74	86	82	82	89	81.9
Mexico	74	89	84	77	80	86	80	81.4
France	68	77	65	82	86	83	88	78.4
Spain	64	78	75	86	88	70	86	78.1
Malaysia	76	61	95	64	80	72	82	75.7
Greece	68	71	79	79	78	72	82	75.6
Italy	64	66	80	88	76	70	84	75.4
Thailand	60	60	97	80	79	72	74	74.6
Colombia	64	68	98	61	60	87	83	74.4
Ecuador	72	84	90	59	50	87	79	74.4
Malta	62	60	75	68	84	63	82	70.6
Uruguay	62	64	70	70	82	58	81	69.6
Ireland	56	66	56	76	90	58	81	69.0
Vietnam	50	40	96	66	70	74	82	68.3
Bali	52	60	94	60	68	68	70	67.4
Montenegro	60	56	79	70	68	78	60	67.3
Roatán	56	77	74	57	64	60	56	63.4
Belize	48	66	73	73	56	66	52	62.0

Boundless Opportunities to Take Back Control

For 45 years, *International Living* has been researching what makes a great retirement location. And with more and more individuals working remotely—and 66 countries now offering “digital nomad” visas—you don’t have to wait for retirement to live better.

We’ve found places where the climate is comfortable year-round, and where the cost of living is more affordable than anywhere in North America. We’ve found locales with communities of like-minded expats who made the move before you, and who can get you involved and connected from the moment you arrive. Places where healthcare that’s as good as—or better than—anything you’d get in the US or Canada, costs a fraction of the price. Or, it’s even free (no exaggeration).

We’ve found the spots around the globe that offer you all that: places where you can buy a comfortable three-bedroom, two-bathroom home for under \$150,000, or rent one for less than \$800 a month. Our editors and correspondents are on the lookout, year-round, for emerging destinations that hit all the right notes... where you can look around

and truly say to yourself, “This is so much better than what I could have had back home.”

And we never stop looking. Oloron-Sainte-Marie in France, Caminha in Portugal, and Volcán in Panama are just three wonderful, under-the-radar retirement destinations our on-the-ground experts have reported on over the last year.

We also sent our correspondents out to revisit spots we already knew were top picks, such as Samara and Nosara in Costa Rica. Why? Because it’s important to be sure that the places that were once attractive retirement locations remain attractive locations.

Today, 65 really is the new 45. Thanks to the stories in these pages, I envision retirement as an era of freedom... when I’ll join fellow expats in the joys of slow-travel, exploring where the wind carries me for several months at a time. Or, I’ll live year-round in one of the many countries that make up *IL*’s annual Index...

This year, we’ve listed 20 countries in the world where you can afford all the rich offerings of a global life. Places drenched in natural beauty, with top-notch (and lower-cost) healthcare, long-term residency options, and modern amenities.

In a few moments, I’ll introduce you to the top spots in Europe, Latin America, and Southeast Asia for 2025. And explain how we picked them. But by nature of our evaluation process, any country on our Index is a worthy contender for a dream retirement—or living and working abroad.

No. 1 in Latin America and Overall Winner: Panama

“Panama checks every box on my list... from beauty and warmth to safety and stability. I love my straightforward, “what you see is what you get” Panamanian friends—the kind of people who become family.”

—Jess Ramesch

Chances are, whatever you picture when you close your eyes and think of the perfect setting for your retirement—a fast-paced eclectic city, a palm-fringed beach, or a forested valley where the temperature is spring-like all year—you’ll find it in Panama.

This Central American country packs a lot into its small area. But what makes it truly special is its Pensionado program. To entice retirees to the country (you read