

Beyond GDP: Discovering new political dimensions with well-being

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on Measuring Well-Being and Fostering
the Progress of Societies
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Saamah Abdallah
Centre for Well-being

nef (the new economics foundation)



Outline

- Different measures of well-being
- Different patterns of well-being
- Different policies for well-being

About nef



An *independent* UK think-and-do-tank since 1986

Inspired by 3 principles

Sustainable development

Social justice

People's well-being

Aim of the centre for well-being:

“Enhance individual and collective well-being in ways that are environmentally sustainable and socially just”

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Measures of well-being

Preference Satisfaction

Income as proxy for ability to satisfy wants and desires

Objective lists

e.g. education, freedom, safety

Functioning accounts

Experiences associated with good life (e.g. meaning, engagement, social relations)

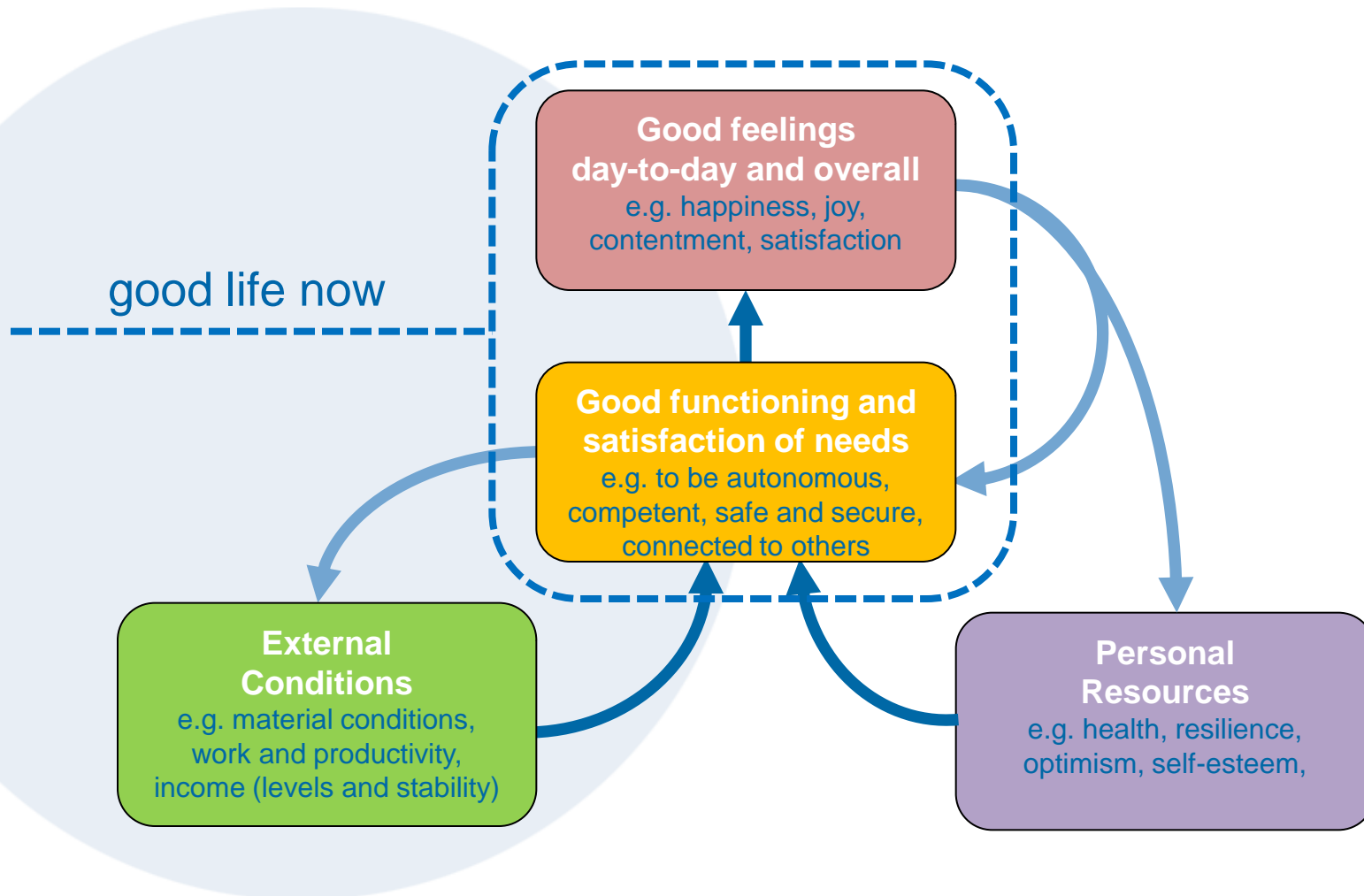
Hedonic accounts

Positive and negative emotions, over short period

Evaluative accounts

Assessment of life, judgements *about* feelings

Dynamic model of well-being

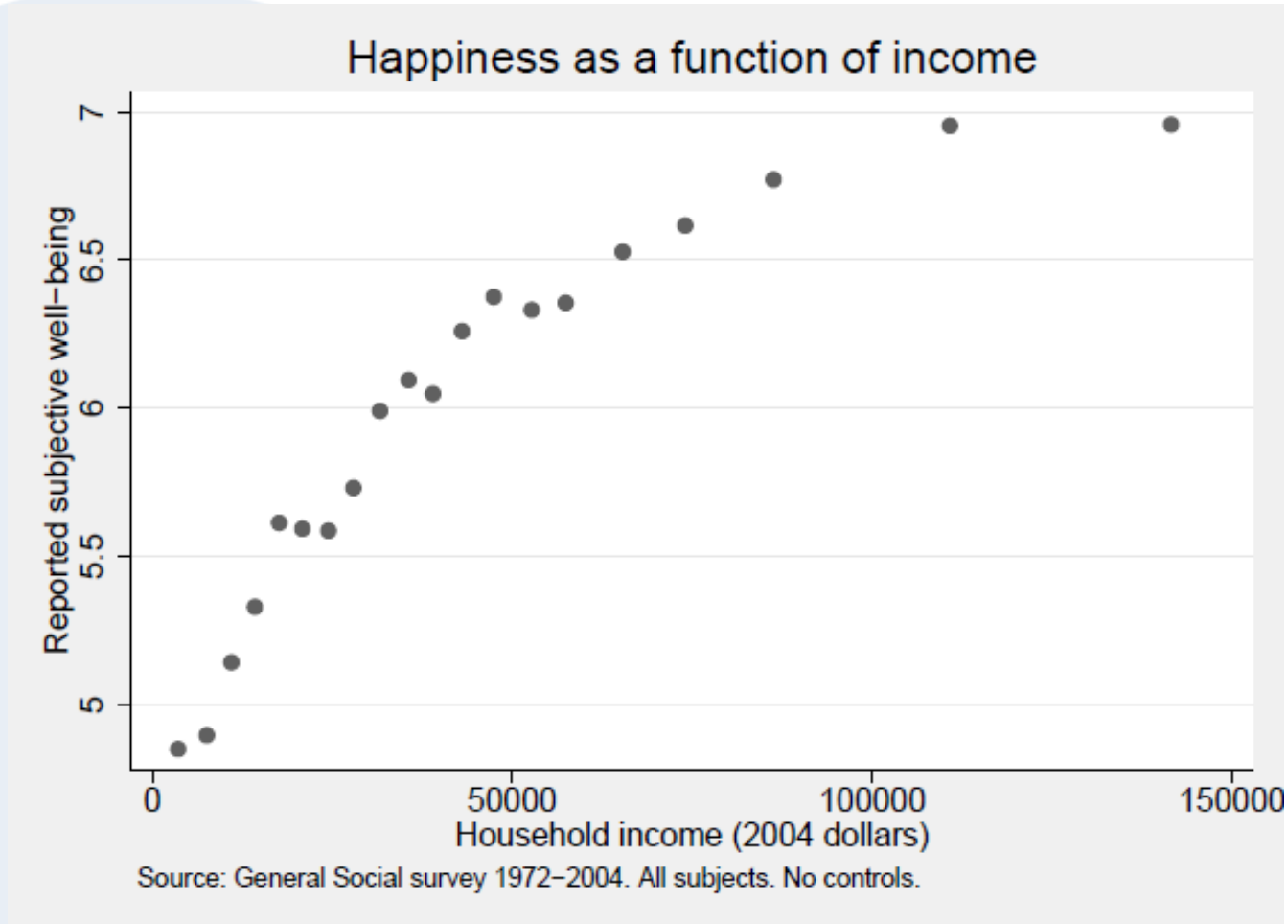


Why flourishing?

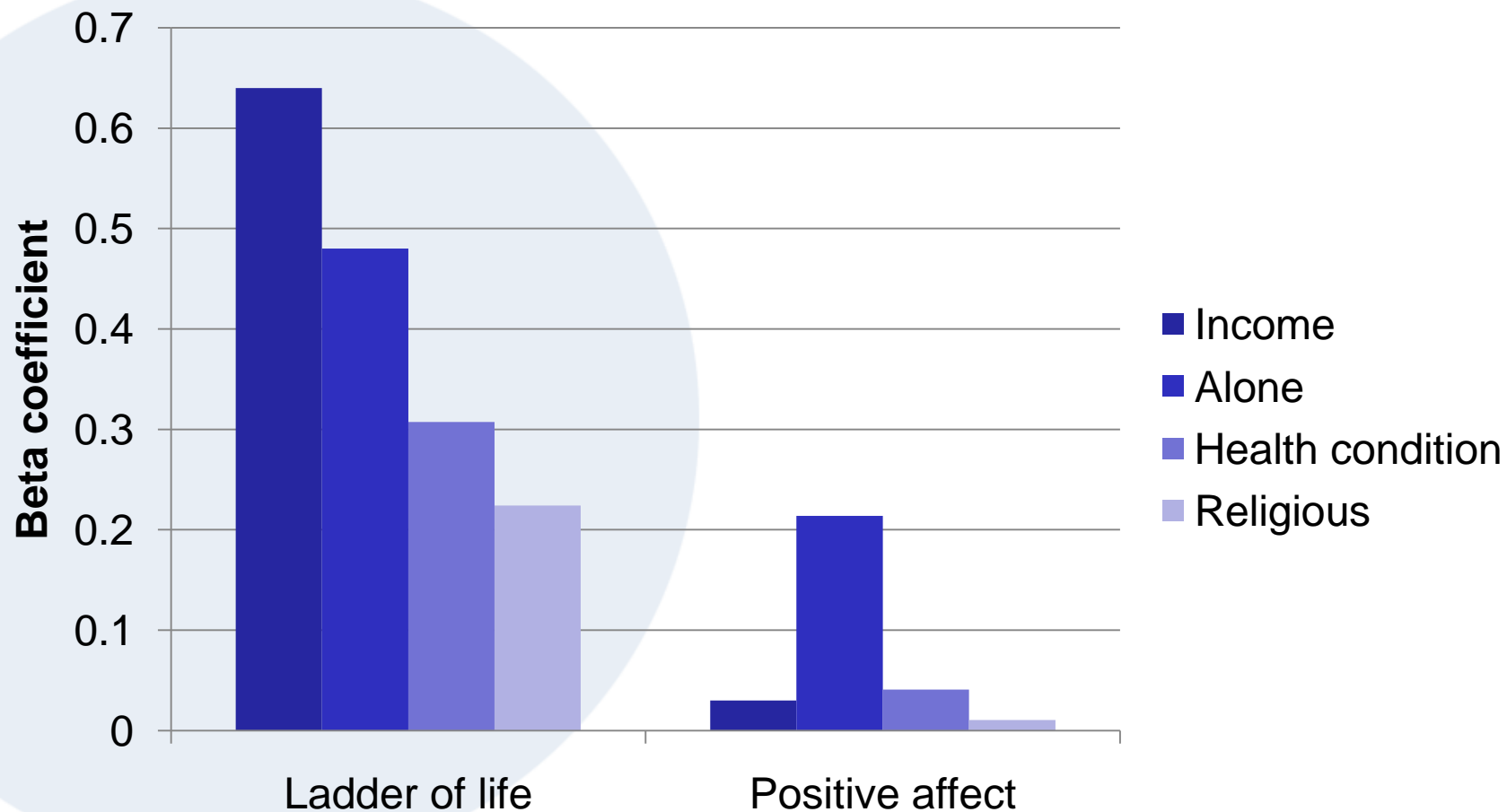
- Helps interpretation of data
- Relevant for long-term and other positive outcomes
- Increases sensitivity
- Recognises well-being is more than good feeling

Outline

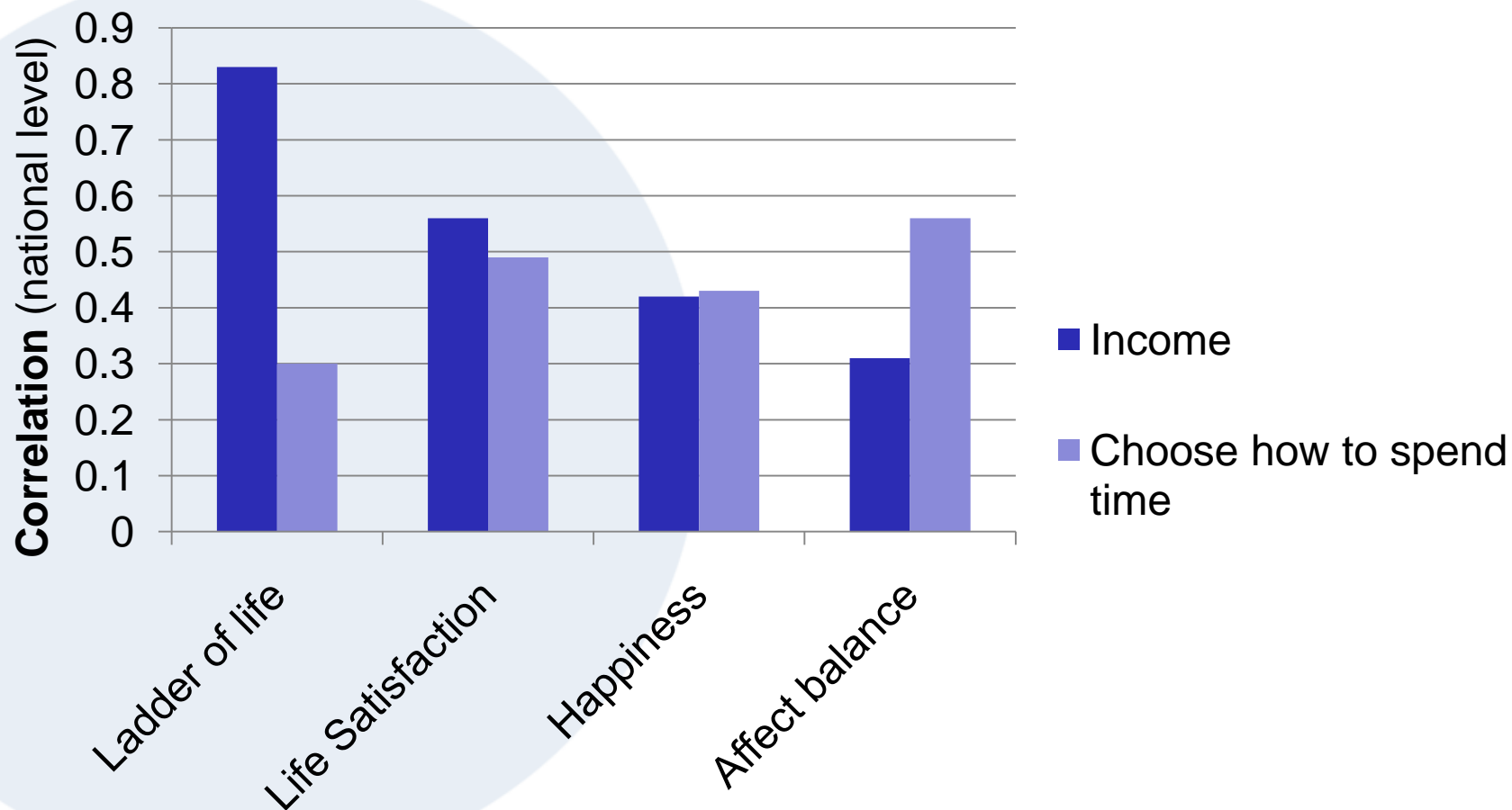
- Different measures of well-being
- **Different patterns of well-being**
- Different policies for well-being



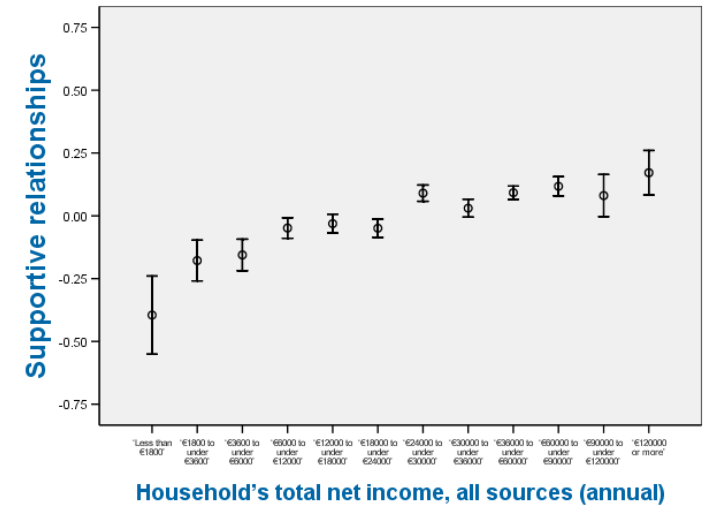
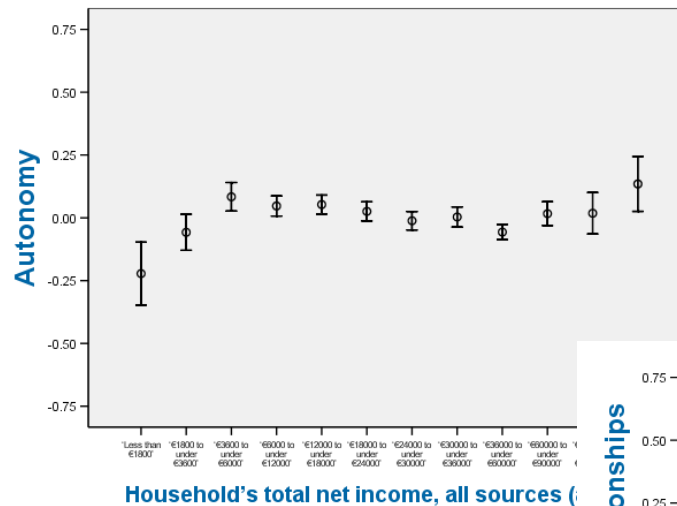
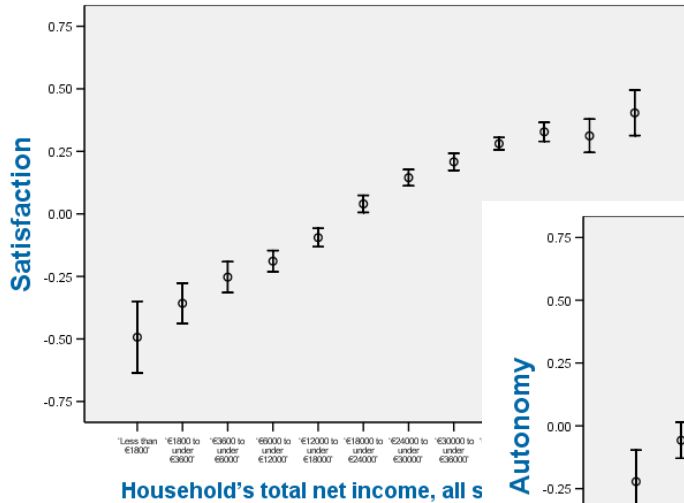
Depends what you ask...



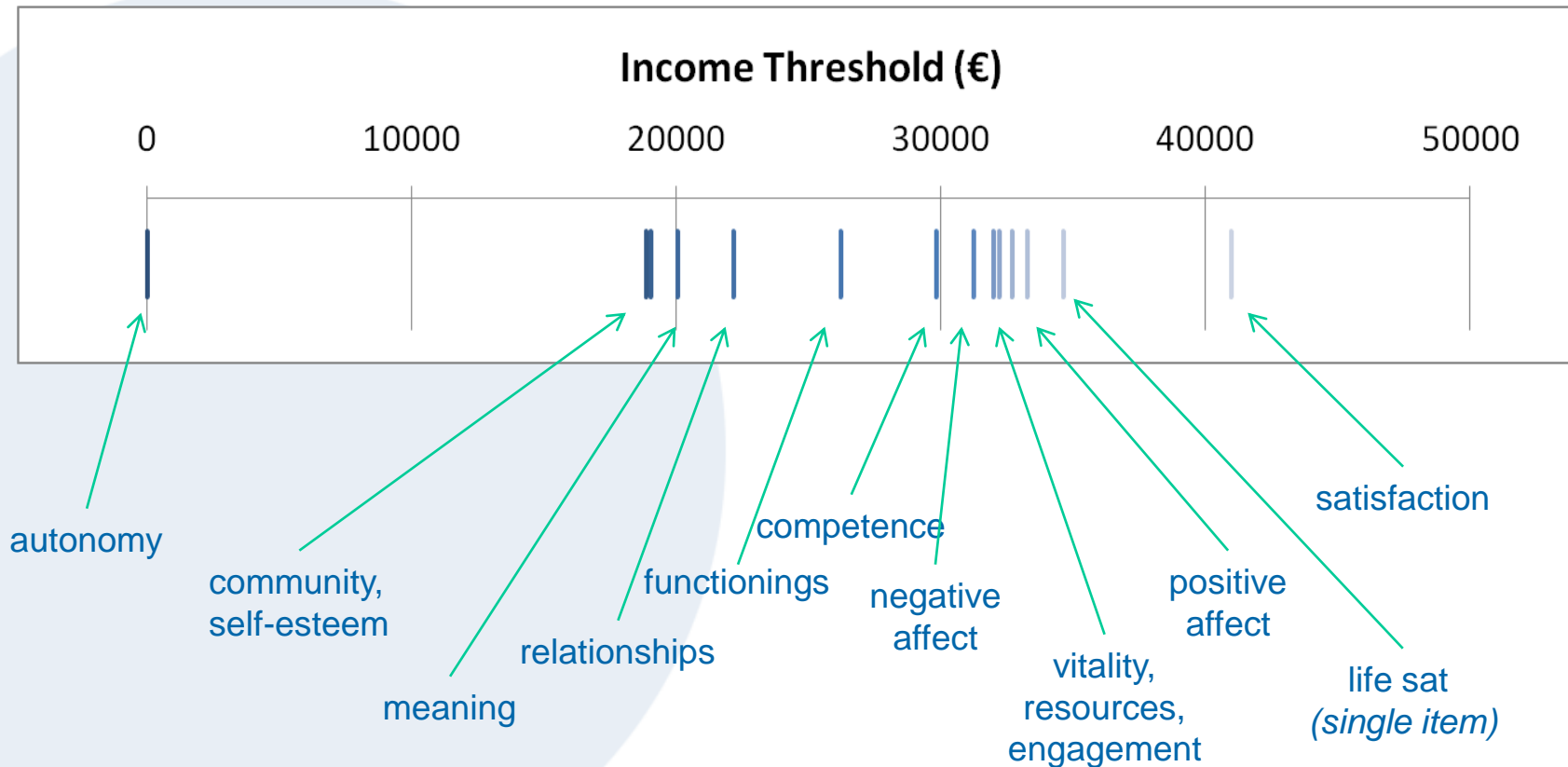
Depends what you ask...



Flourishing elements

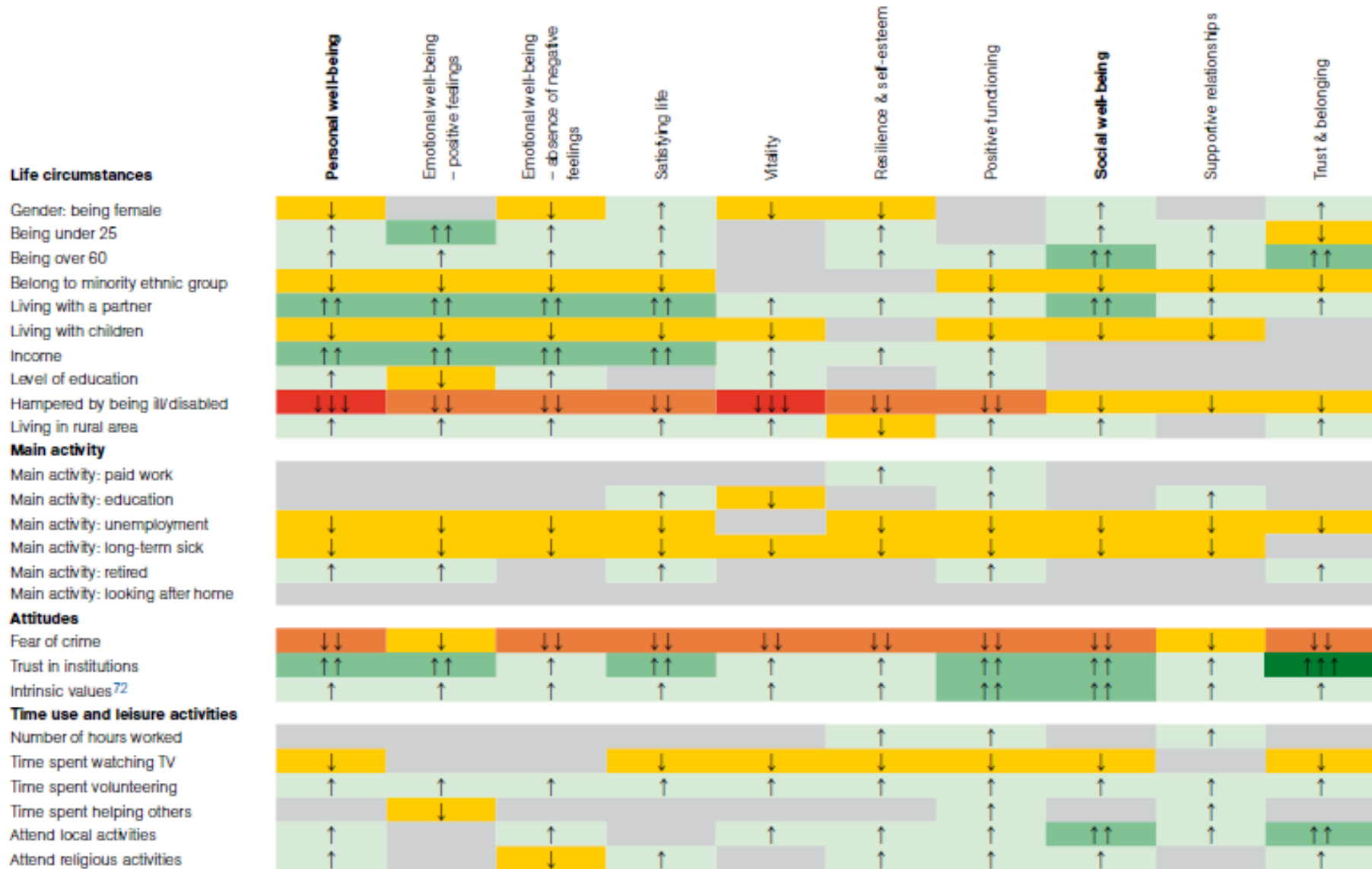


Flourishing elements



Income level at which change from additional €10,000 drops below 0.05 standard deviations

Abdallah & Thompson (2010)



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Can well-being shape policy?

“Next time we have a comprehensive spending review, let’s not just guess what effect various policies will have on people’s well-being. Let’s actually know.”

UK govt source, Nov 2010



“I would say that finding out what will really improve lives and acting on it is actually the serious business of government”

David Cameron, UK Prime Minister, Nov 2010

Can well-being shape policy?



*Well-being indicators are most valuable
“when they behave in ways that often match
our intuition, but also provide novel insights
about the relative importance of distinct life
circumstances”*

Diener et al. (2009) *Well-being for Public Policy*

Well-being in policy

- Understanding population
 - Identifying more drivers
 - Managing trade-offs
 - Identifying those in need
- Developing/advocating policy
- Design and implementation
- Evaluation
 - Versus WTP and market valuation

Measuring our Progress

The power of well-being



[www.neweconomics.org/publications/
measuring-our-progress](http://www.neweconomics.org/publications/measuring-our-progress)

Saamah Abdallah
00593 953 75216

saamah.abdallah@neweconomics.org

