

INTRODUCTION TO THE SYMPOSIUM ON “NEW MEASURES OF WELL-BEING: PERSPECTIVES FROM STATISTICAL OFFICES”

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The International Association for Research in Income and Wealth (IARIW) was founded in September 1947, in conjunction with a meeting of the International Statistical Institute (ISI). Its organizers were individuals who were actively engaged in national income accounting research or who, in their official or academic positions, had been instrumental in developing important techniques in national accounts and national budgeting that had been implemented in a number of countries during World War II and the immediate post-war period.

In view of this past history and also in view of the IARIW objectives, it was agreed to re-establish and strengthen the cooperation between the ISI and the IARIW. As a start, a special IARIW-related session was organized at the World Statistics Conference of the International Statistical Institute (ISI) in Hong Kong (August 25–30, 2013). Regarding the content of this session, an obvious candidate was the development of new indicators for the measurement of well-being, to complement traditional national accounts measures. The measurement of well-being has clearly gained momentum in recent years, because of several international initiatives. To mention a few: the Stiglitz–Sen–Fitoussi report initiated by the former French President Sarkozy; “GDP and beyond,” initiated by the European Commission; and the “How’s Life” initiative of the OECD.

It is well recognized, also in the field of national accounts, that economic growth should not be put on a par with the improvement of well-being more generally. As the 2008 SNA, paragraph 1.75, states: “GDP is often taken as a measure of welfare, but the SNA makes no claim that this is so and indeed there are several conventions in the SNA that argue against the welfare interpretation of the accounts.” In paragraph 1.83, the 2008 SNA goes on to say that “An individual’s state of well-being, or welfare, is not determined by economic factors alone. Personal and family circumstances, quality of health, the satisfaction or lack of it derived from employment are just some other factors that affect welfare.” Economic growth or GDP is first and foremost a measure of economic activity and its income generating potential in a country. As such, it may be one of the vehicles to arrive at higher levels of well-being.

One question is how to arrive at an improved measurement of the more general notion of well-being. This symposium contains four contributions on the current state of affairs and the most promising future directions in the measurement of well-being:

- “The OECD Better Life Initiative ‘How’s Life’ and the Measurement of Well-Being” by Martine Durand (Organisation for Economic Co-operation and Development (OECD), France). This contribution presents the framework used by the OECD for defining and measuring well-being, developed as part of the *OECD Better Life Initiative* launched in 2011. The framework measures well-being by considering 11 dimensions covering both current material conditions and quality of life, while also recognizing the importance of taking account the sustainability of well-being in the future. The contribution also discusses the pros and cons of various approaches for presenting and disseminating information on multidimensional well-being to different audiences, illustrates the progress made in developing measures of well-being, and outlines the statistical agenda ahead to improve existing indicators and develop new ones.
- “Recent and Future Developments Related to ‘GDP and Beyond’ ” by Walter J. Radermacher (Eurostat, Luxembourg). Almost simultaneously with the release of the Stiglitz–Sen–Fitoussi report, the European Commission published—in August 2009—its Communication on “GDP and beyond: measuring progress in a changing world.” The recommendations from both documents have been translated into a plan with about 50 actions to be carried out by 2020 in the context of the European Statistical Programme. For most of these 50 actions, work has either been accomplished or is in good progress. Further challenges lie ahead, including reconciling macro- and micro-data sources on household economic resources and completing the indicators set on quality of life. The contribution provides an overview of the state of affairs.
- “Measurement of Quality of Life and Well-Being in France: The Drivers of Subjective Well-being” by Jean-Luc Tavernier, Philippe Cuneo, and Claire Plateau (Institut National de la Statistique et des Etudes Economiques (INSEE), France). Ever since the publication of the Stiglitz–Sen–Fitoussi report, France has been heavily involved in the measurement of well-being. In addition to expanding the scope of its existing surveys, it has also launched an innovative experimental survey to explore the different dimensions of both objective and subjective quality of life, and to study, at the individual level, correlations between these dimensions and the accumulation of deprivations. The contribution presents the main findings of the experimental survey.
- “Measuring National Well-Being: A U.K. Perspective” by Glenn Everett (Office for National Statistics (ONS), United Kingdom). The Measuring National Well-Being Programme began in the U.K. in November 2010. Following a six-month National Debate, ONS developed a framework for measuring national well-being, consisting of 10 domains and 40 headline indicators, to supplement existing economic measures with measures that reflect social and environmental well-being. The contribution describes the development of the framework of indicators, including developing subjective well-being measures, and the dissemination of this information using a range of interactive tools developed for this purpose.

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