



## **Wellbeing Concepts and Challenges**

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## Summary

This paper provides an initial overview of the research regarding wellbeing as a concept and its utility in future policy making. Key messages emerging from this review include:

- Wellbeing remains a contested concept, enjoying a wide variety of definitions. The paper draws on the common ground which indicates that: wellbeing is more than the absence of illness or pathology; it has subjective (self-assessed) and objective (ascribed) dimensions; it can be measured at the level of individuals or society; it accounts for elements of life satisfaction that cannot be defined, explained or primarily influenced by economic growth.
- Objective measures of wellbeing consist of survey data related to material and social circumstances which may foster – or detract – from wellbeing. These include income, housing, educational attainment, access to, and use of, public services.
- Objective measures have not provided a coherent explanation for trends in wellbeing. Notably, rising economic growth and GDP per capita in developed countries have not been accompanied by commensurate increases in reported life satisfaction.
- Subjective measures are usually based on survey questions asking respondents to rate their own happiness or satisfaction with life as a whole. These measures have been shown to be statistically robust and have largely superseded more specific measures of subjective wellbeing and emotional state.
- Research has shown that income (especially *relative* income); personal and social relationships; employment factors; and quality of political life all affect individual and social wellbeing.
- However, the connections between the wellbeing literature and environmental and sustainable development studies are often weak, and require further development.
- Specific recommendations emerging from the research literature are relatively scarce, but tend to emphasise promoting positive personal and social relationships; achieving better work/life balance; and encouraging participation in communities and political life.
- Research that would enhance the utility of wellbeing in policy includes:
- A review of wellbeing in policies in the UK and internationally. How is the concept already being measured and used? What concrete impact has been made on policymaking? What does best practice look like?

- Wellbeing in the community: what do we know about areas of high and low wellbeing and their social characteristics? Are community-level initiatives important in improving individual and social wellbeing? Is there evidence regarding effective community projects in producing greater wellbeing, cohesion and sustainability?
- To fully understand the relationship between wellbeing and sustainable development we need to examine the trade-offs between wellbeing now and later (intergenerational conflict); individual and social wellbeing (conflicts related to individualism and relative deprivation); the interaction between human, economic, and ecological wellbeing (how to achieve a sustainable balance).

## **1. Introduction**

In order to get a better understanding and focus on wellbeing the Government's new sustainable development strategy, *Securing the Future* (2005), includes a commitment that:

*'...by the end of 2006 the Government will sponsor cross-disciplinary work to bring together existing research and international experience and to explore how policies might change with an explicit wellbeing focus.'*

*(Securing the Future, p 23)*

Moreover, the strategy suggests that this work could be used to inform future policy development and spending decisions, and, if supported by the evidence, could be used as basis for a more comprehensive set of wellbeing indicators to support the UK's policy and priorities for sustainable development. Lead responsibility for taking forward this strategy commitment lies with Defra. This paper was commissioned by the Sustainable Development Research Network to help inform Defra's programme of research into wellbeing, commencing in 2006, and policy discussions.

Current interest in the issues of wellbeing span a wide range of policy arenas, from local government, health, and education to the work of the devolved administrations, and this reflects the recent growth in academic work in this area. However, the wellbeing research has yet to produce many specific policy recommendations.

This paper therefore seeks to provide an overview of the research evidence regarding wellbeing as a concept and its utility in future policymaking. It provides an introduction to the different definitions and conceptualisations of wellbeing, the research approaches employed and their main strengths and weaknesses. It then goes on to begin to address the issue of how public policy might be changed by a more explicit focus on wellbeing.

## **2. What is wellbeing?**

The selection of quotes below illustrates that wellbeing is a complex construct whose meaning remains contested. They also serve to highlight the key distinctions between: i) objective and subjective measures; and ii) *hedonic and eudaimonic* wellbeing.

Felce and Perry (1995) mention objective domains of wellbeing and subjective evaluations of wellbeing, the two main approaches to measuring wellbeing in research. They see individuals as ascribing relative importance to these aspects of wellbeing within a set of values.

In the hedonic tradition presented by Ryan and Deci (2001), psychologists have concentrated on the assessment of 'subjective wellbeing'. This is seen to consist of three elements: *'life satisfaction; the presence of positive mood; and the absence of negative mood. Together [these] are often summarized as happiness'* (ibid: 144).

### **Box 1: Definitions of wellbeing**

*'...comprises objective descriptors and subjective evaluations of physical, material, social and emotional wellbeing, together with the extent of personal development and purposeful activity, all weighted by a set of values'*

Felce and Perry (1995)

*'Paradigms for empirical enquiry into wellbeing ...revolve around two distinct philosophies. The first of these can be broadly labelled hedonism...and reflects the view that wellbeing consists of pleasure or happiness. The second view...is that wellbeing consists of more than just happiness. It lies instead in the actualization of human potentials. This view has been called eudaimonism...The two traditions – hedonism and eudaimonism – are founded on distinct views of human nature and what constitutes a good society'*

Ryan and Deci (2001)

*'a positive and sustainable state that allows individuals, groups or nations to thrive and flourish'. This means at the level of an individual, wellbeing refers to psychological, physical and social states that are distinctively positive*

Huppert, Baylis and Keverne (2004)

*'I take the terms wellbeing, utility, happiness, life satisfaction and welfare to be interchangeable'*

Easterlin (2003)

*'There is no accepted definition of wellbeing'*

Hird (2003)

On the other hand, the eudaimonic theorists argue that wellbeing and happiness are distinct, for not all sources of pleasure foster wellbeing. One response to this dilemma has been the development of 'self-determination theory'. This posits that there are *'three basic psychological needs – autonomy, competence and relatedness – and theorizes that fulfilment of these needs is essential for psychological growth...and wellbeing'* (Ryan and Deci, 2001: 146/7).

Psychological studies of wellbeing draw the strongest distinctions between emotional states of happiness, and overall evaluations of wellbeing. Huppert, Baylis and Keverne (2004) note that advances in neurological scanning have allowed for objective measures of positive emotions or mental states. They observe that *'some would argue that while brain scans and other objective measures are valuable for advancing our understanding of the anatomy and physiology of emotions, the subjective experiences themselves remain the 'gold standard' units of measurement'*. In other words, whilst measuring the nature of emotions is a worthy pursuit, it is individuals' own view of their happiness or satisfaction which matters most.

Whilst defining wellbeing is therefore a complex matter, our survey of the wellbeing literature suggests the following points of common ground:

- Wellbeing is more than the absence of illness or pathology
- Wellbeing has both subjective and objective dimensions. It can be assessed in subjective terms (seeking individuals' views in surveys) or objective terms (by measuring access to physical, environmental, social and other resources). There are pros and cons to each approach. Both types of information are useful and together they provide a fuller picture of wellbeing.
- The terms 'life satisfaction', 'happiness', 'quality of life' and 'wellbeing' are often used interchangeably. The significance of seeing the terms as interchangeable is that they express a *global* assessment of satisfaction, rather than capturing a momentary mood. Such measures of wellbeing potentially give policymakers an indication of overall levels of satisfaction in the population and suggest the impact of living in the current regime.
- The burgeoning literature on happiness (e.g. Layard 2005, Nettle 2005, Martin 2005) is concerned with subjective wellbeing, and draws on the same pool of survey evidence regarding 'quality of life' and 'life satisfaction'.
- Most researchers agree about the domains that make up wellbeing: physical wellbeing; material wellbeing; social wellbeing; development and activity; emotional wellbeing. The elements can be paraphrased as physical health, income and wealth, relationships, meaningful work and leisure, personal stability and (lack of) depression. Mental health is increasingly seen as fundamental to overall health and wellbeing. These elements are sometimes viewed as 'drivers' of wellbeing.
- Both individual and societal wellbeing are important and measurable. Veenhoven (1997) describes quality of life as 'the presence of conditions deemed necessary for the good life, and the practice of good living as such'. The interaction between the two is where much of the link with policy comes: what enhances personal wellbeing may be negative for society, or possibly vice versa, and the balance of wellbeing now and wellbeing in future must be taken into account.
- Wellbeing is an important area for future policy as it accounts for elements in life experience that cannot be defined, explained, or primarily influenced by economic growth.

### **3. *Measuring Wellbeing***

Given the lack of consensus over the precise definition of wellbeing, researchers have devised a wide range of means to measure it. Broadly speaking these can be categorised as either objective or subjective measures,

although some indices combine both. The main advantages and disadvantages of objective and subjective measures of wellbeing are outlined below.

### **3.1. Objective measures of wellbeing**

Objective measures of wellbeing consist of survey data related to material and social circumstances that may foster- or detract - from wellbeing, e.g. housing standards, income and employment, educational attainment, poverty, etc. These are often referred to as 'social indicators' of wellbeing.

Such data are routinely collected through government statistical services, and already feature prominently in the UK Government's Sustainable Development Indicators alongside environmental and economic data.

Similarly the Audit Commission's Quality of Life indicator set includes 'health and social wellbeing' indicators for mortality, life expectancy and teenage pregnancy rates. These provide baseline information about the health of inhabitants of local areas, but do not cover individuals' *perception* of their own health or wellbeing. Elsewhere, the Audit Commission's Quality of Life indicators do measure individuals' perceptions of their circumstances – for example with respect to personal safety in the community.

Hence, whilst the objective approach is crucial to assessing the living conditions in a given area, it does not tell us how individuals perceive and experience living there. This highlights one of the major criticisms of objective measures – that they may be overly deterministic and neglect the experiential aspects of wellbeing.

Moreover, in working with objective measures of wellbeing, researchers and statisticians have also faced two problems of selectivity. Firstly, they have to choose (often arbitrarily) the range of domains to be measured from the universe of all possible influences on wellbeing. Secondly, they have sometimes ascribed subjective weights (usually based on expert judgement) to these domains when compiling aggregate indices, such as the UN Human Development Index (HDI), Index of Sustainable Economic Welfare (ISEW), the Economist Quality of Life Index, etc.

Historically of course many economists and politicians have often treated GDP as the principal objective measure of wellbeing. As we shall see below, however, changes in subjective wellbeing do not correlate well with increases in GDP in modern developed economies.

### **3.2. Subjective measures of wellbeing**

Subjective measurement of wellbeing is usually based on survey questions asking respondents to place themselves on scales that rate their satisfaction or happiness (see Box 2).

**Box 2: Subjective measures of wellbeing: examples of social survey questions**

*Taken all together, how would you say things are these days – would you say that you are very happy, pretty happy, or not too happy?*

US General Social Survey, Question 157

*On the whole, are you very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the life you lead?*

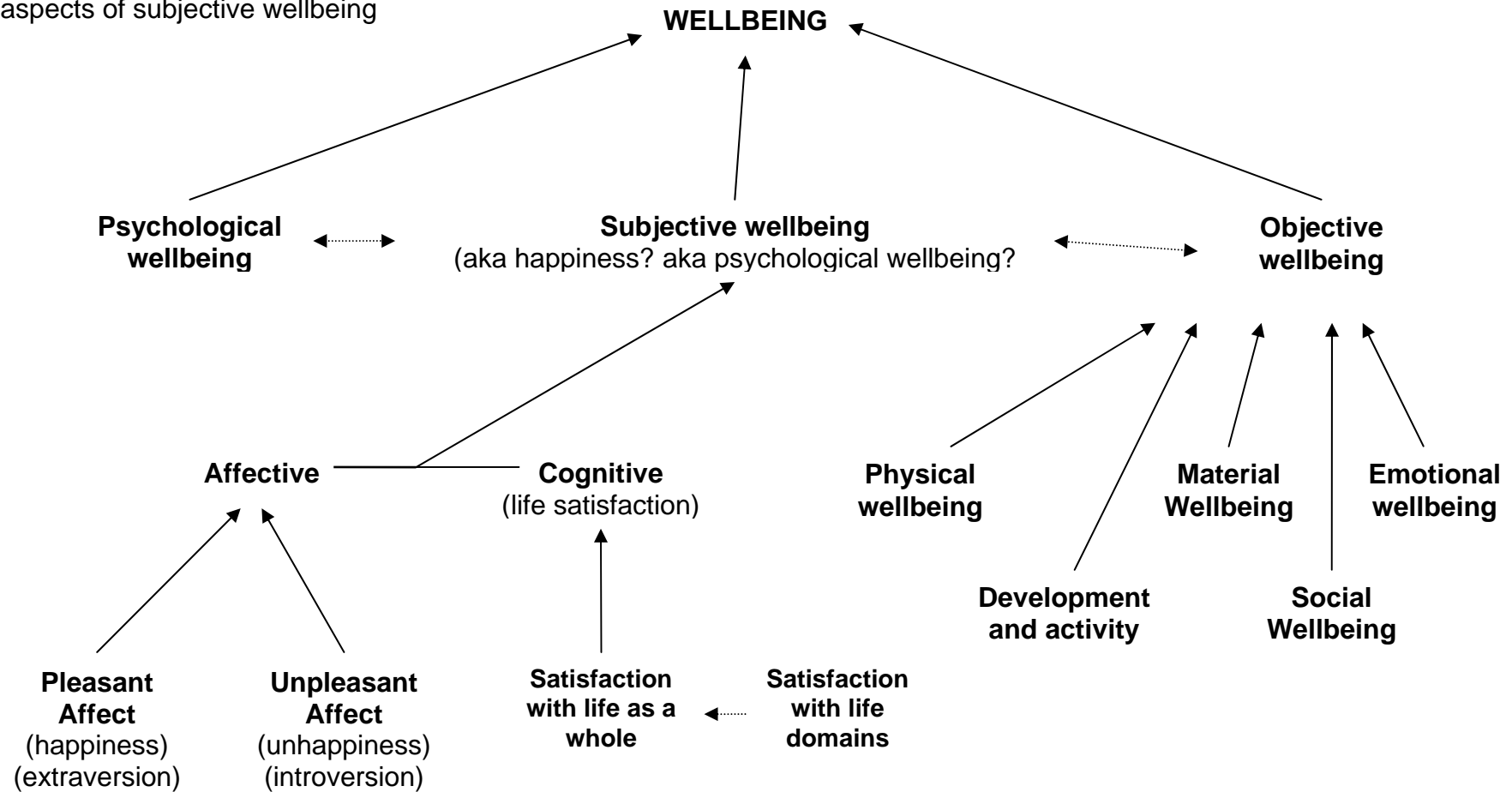
Eurobarometer Survey Series

A growing consensus has emerged within the research community regarding the robustness of such global measures for accurately reflect individuals' feelings about their own lives. However, there remains a lack of agreement concerning precisely how the emotional aspects of wellbeing relate to the overall definition and measurement of subjective wellbeing. The relationship between these aspects of subjective wellbeing is best summarised by the following diagram adapted from Hird's (2003) review (See Fig.1).

This diagram shows how psychological definitions of subjective wellbeing occupy a grey area, with some viewing psychological wellbeing as synonymous with subjective wellbeing, and others seeing it as distinct. Whilst sensing value in models which measure wellbeing in terms of the balance between positive and negative feelings, and affect, Hird (2003) concludes that in practice the distinctions drawn between 'happiness' 'affect' and 'life satisfaction' may not be so important.

Economists and sociologists also use data related to individuals' *perception* of their circumstances, such as self-rated physical healthiness or whether individuals think that they have a lot of money or live in a safe neighbourhood. These somewhat disparate approaches to subjective wellbeing reflect the breadth of definitions given to it, and the large number of potential influences upon it.

Figure 1 : The relationship between different aspects of subjective wellbeing



Adapted from Hird, 2003

### **3.3. Challenges to the use of subjective measures of wellbeing**

#### *Reliability and validity doubts*

The principal questions arising are: how can we be sure that individuals understand 'satisfaction' and 'happiness' in the same way? When rating their own happiness and satisfaction, do individuals use scales in the same way? (i.e. could my 'fairly happy' be your 'very happy'?) Do cross-cultural differences make comparisons between groups or nations meaningless?

In fact, such issues are less problematic than they may intuitively appear. Donovan and Halpern (2003), Layard (2005), Veenhoven (1997, 2002), Easterlin (2003), and the New Economics Foundation (2004b) are among the authors who address these issues and conclude that the reliability of questions rating overall life satisfaction is good. This has been established in various ways including: comparing ratings given to an interviewer versus self-completion questionnaire; ratings of peers compared to that of an individual; measurement of physiological indicators of happiness compared to self-rating.

It has also been shown that *'the meaning of terms such as happiness or satisfaction is preserved across languages, but place and political regime affect individuals' rating of wellbeing'* (Donovan and Halpern (2003: 8).

There are also problems of consciousness with responses to surveys – e.g. people with an objective illness who currently enjoy good subjective wellbeing. Veenhoven (2002) concludes from his years of research that *'I have investigated the possible validity problems in the measure of happiness...and found no serious flaws'* (page 39).

However, the issue of inclusion in relation to questions concerning wellbeing remains less satisfactorily resolved. Vulnerable individuals, such as those with mental health or learning problems, or indeed, children, may have important insights into issues of wellbeing which are unlikely to be captured through survey questions. These groups may best be approached through qualitative research related to 'lay perceptions' of wellbeing, which Hird (2003) notes are currently lacking.

In order to expand on global measures of subjective wellbeing, the Australian Centre for Quality of Life has created the Australian Unity Wellbeing Index. This includes questions on perceptions of personal relationships, health and community safety, and personal views of the state of the economy and environment. Sharpe and Smith (2005: 49) report that the compliers have found their results to be statistically robust, and that the variance of the index items is greater than for global assessments of wellbeing. The index therefore offers an opportunity for policy makers to explore and assess subjective wellbeing more meaningfully.

#### *The role of genetics in subjective wellbeing*

A more fundamental problem may be to do with the genetic origins of subjective wellbeing. Psychological research has found that levels of self-reported happiness are influenced by inherited dispositions which affect how

happy or satisfied we feel. There is a lack of consensus as to how much of our happiness is genetically determined – nef (2004b) assert that research has indicated that around 50% of happiness is determined by genetics alongside background and upbringing; Donovan and Halpern (2003) cite early twins studies as *'implying that in the short-term roughly 40-50% of wellbeing is inherited, while perhaps as much as 80% of the baseline difference between people in life satisfaction is heritable... [but] subsequent analyses have modified these headline figures downwards'* (page 13). Layard (2005) sums up the role of genetics most succinctly, arguing that:

*'Since we vary in happiness it would be good to be able to say how much of the variation came from differences in genes and how much from differences in experience. Unfortunately this cannot be done in any neat way, for two reasons. First, people with good genes also tend to get good experiences. Their parents are good at parenting. Their own niceness elicits good treatment from other people.... Then there is the second reason: that many genetic effects are only triggered by bad situations and vice versa'* (page 58).

Happiness or wellbeing is hardly unique in having a genetic basis and being of interest to policy makers. For example, the heritable nature of intelligence does not stop social policy from constructing an education system aimed at fostering the best in people of all abilities.

#### **4. Wellbeing research: what is the evidence telling us?**

Research has revealed a number of variables which influence wellbeing and which may be susceptible to policy interventions.

##### **4.1. GDP and national wellbeing; income and individual wellbeing**

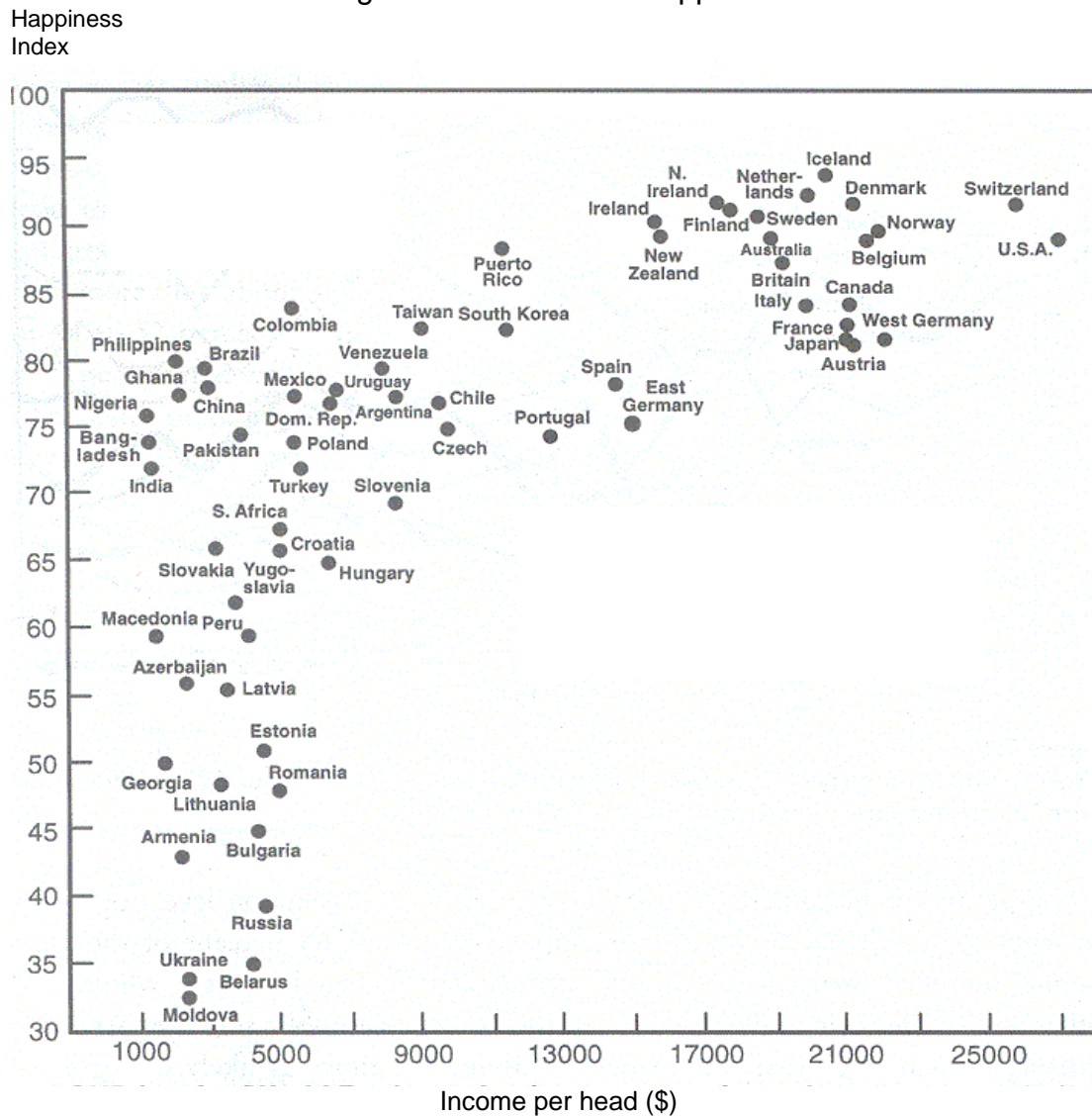
There is some disagreement concerning the nature of the disparity between changing levels of GDP, changing average income levels and changes in levels of wellbeing.

Whilst Easterlin (2003), Blanchflower and Oswald (2004), and Layard (2005) all see happiness in the US and Great Britain either plateauing or decreasing over time compared with rising average income, according to the Economist (2005) there has been a *'very modest upward trend in average life satisfaction scores in developed nations, whereas average income has grown substantially'*. Donovan and Halpern (2003) also report evidence that increases in GDP have been found to coincide with modest increases in happiness. Nonetheless it is clear that the two trends are far from moving in tandem: life satisfaction rates persistently fail to reflect the actual increases in income growth.

However, it would be naïve to conclude that income did not influence life satisfaction. It is widely reported that the satisfaction of those living above subsistence is significantly higher than for those in poverty; similarly in poorer countries, income increases make a bigger difference to satisfaction, both individually and nationally, because their impact is greatest at the lower end of

the scale. Layard (2005) has a useful graph showing that once average income in a country exceeds \$20,000 per head, increases in income are no longer associated with increase in happiness.

Figure 2. Income and Happiness



(Layard, 2005: 32)

As a result of these observations there has been a desire amongst economists to explain why the relationship between wealth and wellbeing is not straightforward.

*The role of relative income*

Economists have concluded that relative income is more important in explaining wellbeing than absolute wealth. This is because as individuals and societies grow wealthier, they adapt to new and higher living standards and adjust expectations upwards. This process, known as the 'hedonic treadmill' means that aspirations are never satisfied, and that at higher income levels, increases in income make less difference, as our basic needs are satisfied and consumption desires remain.

Direct social comparison also has a role. Layard cites various economic thought experiments which have shown that people prefer models where their relative status remains high, to those where absolute wealth is greater but their own income is more similar to others’.

Many commentators use the hedonic argument as a reason to steer policies towards equalizing living standards around the world, arguing that increases in income and economic growth will make a positive difference to wellbeing in developing countries at relatively little cost to developed countries. However, the extent to which we would accept a decline in our relative global status is a moot point. It is also important to remember that it is as yet unproven that lower economic growth or greater income equality would actually preserve or increase wellbeing, although this scenario is suggested by many writers cited here.

It has also been shown that the influence of income inequality on wellbeing appears to differ between countries. Donovan and Halpern (2003) note that life satisfaction is lower in European countries where income inequalities are greater, whilst in the US the level of income inequality over time is not associated with changes in life satisfaction. This may be explained through the ‘American dream’ whereby the belief is enshrined that anyone can make it in the United States, or it maybe because of more left-wing political beliefs in European societies which would interpret an unequal society as unjust.

#### **4.2. Non-material correlates of wellbeing**

Research on wellbeing has identified a range of social and political factors which affect how well, satisfied and happy we feel. These can generally be summarised in terms of: personal relationships; social and community relationships; employment; and political regimes. Less attention has generally been afforded within this literature to the role of the environmental factors in wellbeing. This is an issue to which we will return below.

##### *Personal relationships*

Blanchflower and Oswald (2004) find that the ‘*single greatest depressant of reported happiness is the variable “separated” followed by “widowed”*’ (page 11), suggesting a primacy of marital happiness in adult wellbeing. By looking at the relative size of coefficients in their regression equations (where happiness is the dependent variable) they posit that:

*‘to ‘compensate’ for a major life event such as being widowed or marital separation, it would be necessary – this calculation should be treated cautiously but it illustrates the size of the co-efficients – to provide an individual with approximately \$100, 000 extra per annum’*

Blanchflower and Oswald (2004:12).

There is a murky picture here in terms of ascribing causality, but Blanchflower and Oswald are by no means alone in seeing family relationships as central to wellbeing (e.g. Helliwell and Putnam, 2004).

Easterlin (2003) suggests that *'in contrast to the economic domain, hedonic adaptation seems to be occurring only to a limited extent with regard to marital circumstances'*. In other words, marriage appears to have lasting positive influence on our wellbeing, whilst those whose unions end, have lower rates of satisfaction over time. Many of the researchers cited emphasise the importance of marriage and family relationships to wellbeing.

#### *Social and community relationships*

A related area is that of social and community relationships. Measured in a range of ways, usually through levels of participation in various bodies (e.g. church, membership of political organisations, clubs and associations), this domain has been shown to influence wellbeing positively, both for individuals and societies. Keyes (1998) devised a model of 'social wellbeing' and found that individuals involved in their communities during the past 12 months, reported higher scores on key dimensions of social wellbeing than either non-participants or those who participated in the past. This finding is corroborated elsewhere in the literature regarding healthy communities, where analyses show that participation levels are positively associated with national levels of wellbeing.

#### *Employment*

Our working lives also influence wellbeing. The clearest finding in this respect is the detrimental effect of unemployment. The effects of unemployment on wellbeing are so large because of the social changes associated with it. This has been shown in a range of ways, including the finding that happiness is less affected by unemployment events if the person concerned lives in an area of high unemployment (see Layard (2005) and Donovan and Halpern (2003) amongst others). Once again relative status appears to have a role in wellbeing, and we can see how community and employment factors may interrelate to produce areas of high and low wellbeing.

On the positive side, 'meaningful work' is often cited as a contributor to better wellbeing, although precise demonstrations of this effect are difficult to find. Many writers point out the complexity of measuring aspects of gains from work, because they occur in so many different domains (including social connectedness; mastery of skills; self-esteem and social status) and are balanced in complex ways with downsides (e.g. commuting costs; deferred satisfaction; restrictive obligations such as imposed time away from family etc).

#### *Political regimes and wellbeing*

Research has shown that those living in unstable political environments, or nations characterised by high levels of corruption, have lower levels of wellbeing than those in countries where there is stability and accountability in public life. There is strong evidence from Switzerland that participation in democratic processes influences wellbeing positively. By measuring participation in cantonal referenda, researchers have shown that *'a one point increase in the direct democracy index raises the share of people indicating very happy with life by 2.8%'* (cited in Donovan and Halpern page 30). This is a very large effect.

However, again it is difficult to assert precise causalities. International evidence shows that levels of wellbeing do not automatically rise with moves towards democracy. For example, in the states of the former USSR, levels of wellbeing often remain well below those in less advanced countries, and are also lower than in Soviet times. This illustrates the difficulties experienced during times of social and economic upheaval, which appear to counteract the effects of moves towards increased democracy.

#### *Environmental factors*

As noted above, the importance of environmental factors has not generally been a central concern of much wellbeing research. It is at the local neighbourhood level where the links between the wellbeing and sustainable development literatures become clearest.

In her review of research into the relationship between access to greenspace and wellbeing, Morris concludes that '*relevant research activities are currently fragmentary and mono-disciplinary*' (Morris 2003:20), in spite of the multidisciplinary nature of the issues around access to green space and its proven health benefits. Green spaces have an important role in regeneration schemes, enhancing desirability of localities and encouraging inward investment. Morris wants the connection between physical and mental health and the use of green space to be highlighted in policy.

Access to good quality living environments is a central concern in the field of environmental justice. Recent Scottish research intriguingly suggests that problems of low wellbeing, environmental degradation and material deprivation may coincide in certain neighbourhoods. Scots living in neighbourhoods with 'high incidence of street level incivilities' (i.e. litter, dog fouling, graffiti) perceived their areas as less safe than those in well-kept neighbourhoods, and were also more likely to report anxiety and depression (23% compared to 13% in communities with low incidence of street-level problems) (Curtice et al, 2005).

The importance of the local environment to wellbeing is also addressed by Barton, Grant and Guise (2003) who note that people's aspirations for their neighbourhoods are remarkably similar across social groups: '*We all want neighbourhoods that are attractive, safe, healthy and unpolluted, with high-quality local facilities, access to green spaces and excellent connections to other places*' (2003: 1). They see neighbourhood planning as resting on three principles: health and quality of life; environmental sustainability and economic and civic vitality. They describe health and quality of life as: '*a state of physical, mental and social well-being*' and argue that '*The physical environment of neighbourhoods affects health and well-being directly, through the quality of housing and public space, and indirectly through impact on behaviour and the sense of community. A key theme is the degree to which neighbourhoods provide for all groups – young and old, rich and poor*' (2003: 3). In order to create and maintain successful, mixed communities they recommend community participation in development decisions. This is particularly important given their belief that the built environment can and

should ‘*enhance quality of life, promote social inclusion and husband natural resources*’ (2003: x). These findings echo the concerns of social researchers working on wellbeing and social participation, and underline the need for a multidisciplinary approach.

## **5. Putting wellbeing research into practice: implications for future policy**

Perhaps the most important contribution of the research reviewed here is to highlight the importance of non-economic factors to wellbeing. Moreover, the research has broadly succeeded in demonstrating that it is possible to measure and monitor subjective wellbeing over time, as well as attending to objective measures of circumstances which contribute to life satisfaction. However, there are numerous issues relating to measurement and causality that mean that comparatively few specific recommendations for policy emerge. Nonetheless many researchers in this area suggest that radical changes may be necessary.

### *Implications of a wider view of progress*

As advocates such as the Sustainable Development Commission have pointed out, the critique of economic progress provided by wellbeing research presents an opportunity for sustainable development. It suggests that it is possible to disassociate levels of wellbeing from high levels of consumption and classical economic growth, and emphasises the importance of personal and social relationships, thus providing support for the ethos of more locally-based productive lives.

*‘studies...suggest that conventional economic growth produces many unwanted side-effects and is associated with diminishing returns in many respects. Together, these add up to a body of evidence that while not (yet) associating GDP growth with declines in overall quality of life, does associate it with limits to the satisfactions that can be gained from many forms of consumption growth, and with damage to the social and environmental basis of wellbeing’ (SDC, 2003:23)*

By this view it is *quality* of growth, not quantity which matters. Clearly wellbeing would not be enhanced in a climate of high unemployment: it is crucial that the economy continues to provide high number of (preferably meaningful) jobs. Rather, it is argued that it is the use of GDP as a proxy for wellbeing that is outdated, and that indices of progress must take account of the damage to the ‘social and environmental basis of wellbeing’ associated with continuing high levels of economic growth in developed countries.

These views are politically charged and contested. But the integration of diverse elements of wellbeing also offers more immediate pragmatic gains for policymaking.

### *Opportunities for interdepartmental policy work*

In Scotland, a review of policy across Departments of the Scottish Executive conducted as part of the National Programme for Improving Mental Health and Wellbeing, found that there was widespread support for interdepartmental working, but that this was sometimes difficult to achieve in a policy culture based on single department target-setting and delivery. Further, there were differences in the way the terms 'wellbeing' and 'mental health' were perceived, with some viewing policy as related to mental health disorders and their treatment, while others took a wider view and saw policy as working to promote positive wellbeing and prevent mental health problems (Platt et al, 2004).

### *The importance of subjective perspectives for policy*

Veenhoven (2002) argues for the primacy of subjective measures of wellbeing in policy-making. He sees subjective indicators as indispensable '*both for selecting policy goals and assessing policy success*'. This is because governments need support from the populus, and therefore need to monitor their needs and wants – hence the importance of opinion polling in registering views and putting new issues on the agenda. Policies do not always reflect individual preferences or problems adequately and so subjective data is essential. Ultimately, governments are there to ensure the wellbeing of their electorate, and so measures of satisfaction give an indication of how they are succeeding in this.

Another important piece of subjective evidence is that trust in government and institutions has been declining in the US and Europe, in spite of our prosperity. This fact requires political attention and ties in with the evidence regarding social participation and wellbeing. In order to engage the population a focus on wellbeing in social and economic life may be more fruitful than growth in GDP.

### **5.1. *Specific policies emerging from the literature***

The New Economics Foundation (nef) has set out the most explicit set of policies derived from a wellbeing perspective.

#### *Work/life balance*

They recommend that the UK improves work/life balance by signing up to the European Working Time Directive, which limits working hours to a maximum of 48 per week. This echoes Easterlin (2005) who argues that we should develop policies which support spending more time with our families, as these relationships are crucial to life satisfaction. Nef also advocate active support for civic and community participation, perhaps by extending Jury Service to cover a wider set of socially useful roles. However, introducing compulsion into the voluntary sphere may have consequences for wellbeing through removing personal choice, offsetting the laudable aims of such a scheme.

### *Mental health and wellbeing*

Life satisfaction has been shown (unsurprisingly) to be inversely related to depression, one of the most important illnesses in the developed world. Policies which support higher levels of wellbeing, through promoting participation in the areas of life which support it, could lead to lower rates of depression and mental health problems – a view deeply held by Layard. nef advocates a preventive health approach which attends much more to subjective perceptions of health and health services, and gives patients more stake in how they are treated. This ‘stakeholder’ perspective is an important strand in the emerging policy debate concerning wellbeing.

### *Education for life*

Both Easterlin and nef explicitly call for the education system to focus on the factors in life that promote wellbeing, rather than turning out pupils focussed on fulfilling roles as economic actors and consumers. The precise nature of this education remains to be developed, but it would enhance social and personal confidence and promote strong personal and social relationships. Layard (2005) also recommends a renewed interest in ‘moral education’, whose ‘*basic aim should be the sense of an overall purpose wider than oneself*’, and there is often mention of the importance of lifelong learning in improving quality of life for individuals and wider society.

## **5.2. Challenges for policy making centred on wellbeing**

### *Problems of measurement*

The first set of problems facing policymakers committed to using wellbeing research relates to the question of what ‘wellbeing’ or ‘happiness’ is. There is the problem that it can be seen as ‘all things to all people’ and trivialised in the public mind. If a survey shows Britons are unhappy, among the likely reactions could be ‘so what?’, or ‘what a surprise’ - dynamic action may be difficult to motivate from this base.

Moreover, survey data in developed countries shows that life satisfaction does not change markedly over time, leading to problems in observing changes and attributing them appropriately to policies. This is a good illustration of how subjective data may be robust in research terms, but difficult to use practically. The Australian finding that there was greater variance over time on the subjective measures in their Wellbeing Index suggests that a multidimensional approach may be better suited to policy work than single measures of subjective life satisfaction.

Furthermore, if the headline information people receive is that *Government* says most people are (un)happy, they may be unwilling to trust the information. This relates to the point made in Sharpe and Smith (2005) that there are stakeholders in the validity of particular indicators, which may influence the public (subjective) perception of them.

### *The ‘so what?’ factor*

We have seen how wellbeing is related to positive experiences in personal relationships, employment, health and material comfort. Policymakers in the

UK could respond by saying that we are currently living in a period of low unemployment with 'New Deals' for groups with intractable rates of worklessness; that there is a series of initiatives relating to neighbourhood regeneration and the fight against social exclusion; there is community-based health care for many vulnerable groups, and so on – in other words wellbeing is being fostered as things stand. The 'Citizenship education' in schools and the emphasis on Personal and Social Education in the curriculum may be viewed as at least a partial response to the ideas promoted in wellbeing research.

*Problems of intervening in areas of personal choice*

In terms of supporting family relationships and marriage in particular, Governments have learned that any exhortations to go 'Back to Basics' and re-value traditional forms of family life are highly unpopular and alienate many groups in society. Furthermore, the economists who have emphasised the importance of marriage for wellbeing have to contend with the baggage of being associated (perhaps not always fairly) with the conservative views of Becker's New Home Economics. A considerable sociological literature, for example, would take issue with the view that marital breakdown has permanent negative effects on wellbeing. Couple relationships remain a domain where the majority of people prefer to find their own solutions – however precarious their economic and social standing may sometimes become.

**5.3. Meeting the challenges: the way forward for wellbeing**

The response to these problems from those who advocate a wellbeing perspective is to suggest that a more fundamental paradigm shift is required.

Although current policies address many of the key areas identified in the wellbeing literature, they do so in a context of growing social and economic inequalities. The gap between rich and poor in the developed world is growing, and many of the authors cited see continuing emphasis on economic growth and consumption working to increase this gap and reduce wellbeing in society. For example, Layard (2005) recommends more redistributive taxation to reduce the income and wellbeing gap between rich and poor and to encourage all to devote more to their lives outside work. Environmentalists argue that we must account for the ecological costs of economic growth and recognise the value of non-traded commodities, such as domestic labour and caring work, and that only then will we have sustainable community life with high levels of wellbeing.

It is difficult to define exactly what a 'wellbeing society' might look like because we do not know how the world would look if we made economic equalisation (locally and globally) a priority, and took a long-term view of how education and community action could de-emphasise consumption and encourage the values of the 'true' good life.

A less radical, but nonetheless innovative view of the role of wellbeing in policy suggests that it presents the opportunity to properly assess the impact

of political and economic decisions on individuals' lives. A focus on wellbeing encourages the integration of social, economic and ecological policies and allows welfare to be examined as a thing in itself, rather than being subsumed under measures of economic growth. The wellbeing perspective also raises questions about the role of social inequalities in determining individual satisfaction.

To take these insights forward, research in the following areas is recommended to ensure that a focus on wellbeing can be meaningful in practice:

- Further work on the concept of wellbeing, in particular how the different aspects of subjective wellbeing can be more integrated and/or consistently described. In particular, the grey area occupied by psychological wellbeing, needs to be better explained.
- A review of wellbeing in policies in the UK and internationally. How is the concept already being measured and used? What concrete impact has been made on policymaking? What does best practice look like?
- Wellbeing in the community: what do we know about areas of high and low wellbeing and their social characteristics? Are community-level initiatives important in improving individual and social wellbeing? Is there evidence regarding effective community projects in producing greater wellbeing, cohesion and sustainability?
- How are wellbeing and sustainable development related? This question requires more research at both the theoretical and practical level, so that we can capitalise on the links established between life satisfaction and non-material quality-of-life, and also look at how practical policies aimed at wellbeing may increase sustainability and vice versa.
- To fully understand the relationship between wellbeing and sustainable development we need to examine the trade-offs between Wellbeing now and later (intergenerational conflict); individual and social wellbeing (conflicts related to individualism and relative deprivation); the interaction between human, economic, and ecological wellbeing (how to achieve a sustainable balance)

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