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Paradigm Shift: Societal Progress Defined by Increasing Well-being

New research authored by Kelsey J. O'Connor of STATEC Research, the research department of Luxembourg (STATEC), argues that societal progress can be measured primarily using well-being. This differs from current practice, as most governments use national income, i.e., GDP, as their barometer for success.

O'Connor bases this argument on an extensive reading of the literature. Indeed, the United Nations views improving well-being as the purpose of development, and a set of 25 social scientists, including six Nobel laureates, commissioned to assess economic performance and social progress, recommended shifting focus from measuring economic production to measuring people's well-being.

Subjective well-being, based on individuals' evaluations of their life as a whole, is superior to alternative measures, according to O'Connor.

In evaluating their lives, individuals implicitly assess everything that is important to them, not just their economic circumstances. Ultimately, subjective well-being is the most representative, non-paternalistic, and holistic measure of quality-of-life that we have.

Governments around the world are increasingly recognizing the importance of subjective well-being. All European Union countries officially collect subjective well-being data in a harmonized manner. Nearly 20 countries have developed their own well-being frameworks, often based on public consultation and numerous indicators, including subjective well-being. Luxembourg is no exception. The PIBien-être project, whose <u>latest report</u> was released on March 20, monitors 63 indicators across 11 life domains.

Advantages and disadvantages of using subjective well-being to measure progress

Subjective well-being is a reliable and valid measure of well-being, which is supported by evidence, for instance, strong correlations with functional magnetic resonance imaging (fMRI) data. However, there is still an ongoing academic debate regarding how and when to use subjective well-being. Subjective well-being represents current not future well-being, and the national average score does not account for how it is distributed throughout society. Instead of raising average well-being, society may want to prioritize improving the well-being of the suffering. Subjective well-being is necessarily not the only indicator of progress, but is the most important.

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The article also briefly discusses: recent history of well-being measurement; what makes people better off in theory; the difference between subjective and 'objective' measures of well-being; their limitations; what we need to improve measures of progress, and examples of government implementation of well-being indicators.

The article argues for a paradigm shift in how we measure and think about societal progress. Shifting focus from economic growth towards subjective well-being may lead to greater well-being now and lead to a more socially and environmentally sustainable world.

For more information

This publication was produced by Kelsey O'Connor under the direction of Chiara Peroni.

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