Measuring the Progress of Societies



Newsletter, Issue 9 July 2011

Dear Partners and Friends,

It is a pleasure to introduce this 9th issue of the Newsletter on Measuring the Progress of Societies. As you will see, countries continue to put measuring progress at the forefront of their agendas. From the United Kingdom, to Spain, to Italy, learn how they plan to move forward with measuring progress in their countries.

In addition, read about the Global Progress Research Network (GPRNet) which was recently launched. It brings together an international cross-disciplinary network of researchers, teachers, writers and research institutions, representing all major world regions, committed to promoting research and debate and to building knowledge, understanding and collaboration on the meaning, measurement and development of societal progress.

Don't forget to click on the Wikiprogress icon at the end of each article to access additional information and to learn more on progress-related initiatives.



We also invite you to regularly visit and contribute to Wikiprogress as it continues to grow with its 9 200 unique monthly visitors, 963 articles and 102 progress-related data sets. It is a great place to find information and exchange with those working in the area of measuring progress worldwide. Be sure to visit the newly re-designed community portal featuring our extensive ongoing global media review.

You will also have started receiving our monthly <u>eBrief</u> which gives an overview of recent news and initiatives in the progress world. If you would like to contribute or promote an area of interest to the progress community, please contact us at <u>info@wikiprogress.org</u>.

We look forward to seeing you soon on Wikiprogress.

The Global Office

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UK DEVELOPMENTS IN MEASURING NATIONAL WELL-BEING

By Victoria Miles-Keay, Measuring National Wellbeing Programme, Office for National Statistics, UK

In November 2010 the Office for National Statistics (ONS) launched the UK's Measuring National Wellbeing programme in response to the growing domestic and international need to develop measures of societal progress that go beyond traditional economic indicators such as GDP. In his speech at the launch of the programme the UK Prime Minister, David Cameron, outlined his ambitions for the UK to "start measuring our progress as a country, not just by how our economy is growing, but by how our lives are improving; not just by our standard of living, but by our quality of life." The UK National Statistician, Jil Matheson, set out her vision to deliver an agreed and trusted set of National Statistics which people turn to first to understand and monitor national well-being.

The ONS approached this challenge by initiating a National Well-being Debate, seeking to establish the key areas that most impacted people's well-being. This was an opportunity to consult with the nation about the subject of well-being, gather views about what it meant to them and what affected it. As Jil Matheson put it "we want to develop measures based on what people tell us matters most" and use this to generate statistics that "people recognise as telling a story which reflects their experiences". The debate was the opening phase in the development of broader progress measures, engaging with a wide spectrum of the general public. Some 30,000 responses were collected by visiting a range of communities as well as generating open discussion remotely via innovative use of website, social and online media. While around three quarters of responses were made online, ONS held 175 events across England, Wales, Scotland and Northern Ireland to find out what the nation had to say, attended by over 7,000 people in total.

The National Statistician also convened a Measuring National Well-being Forum to engage directly with key stakeholders, including policy makers, analysts, business leaders, academics, the Third Sector and other influencers in the UK and abroad. The Forum's role was to discuss the main themes emerging from the national debate and to help design the new measures. Some themes already apparent from the debate indicate the importance of job security, health and the future of our children. Public consultation closed on April 15th and the National

Statistician will be publishing a report on the findings of the debate, and on the way forward, in late July.

ONS has already been producing data that attempts to 'fill in the gaps' that GDP does not fully capture about national well-being. Extensions to the national accounts have been proposed to produce additional measures of welfare. One example of this is the improved measures of income which include the benefits people receive from public services such as education and health care. In 2009, ONS also published the findings from its first Wealth and Assets Survey that collects information to estimate household and personal wealth. This highlighted how people's economic well-being is determined by their wealth as well as their income, with significance placed on how this is distributed across the population.

In recent years, there are has been increasing recognition that financial wealth is not the only indicator of a nation's assets. The skills of a country's workers and the environment are also important determinants of a nation's future prosperity. In 2010, ONS published its first estimates of the UK's human capital stock. These showed that the knowledge, skills and talents of the UK's workers was worth more than three times the combined value of all the buildings, machines, vehicles, etc. in the UK. Every year since 2002, ONS has published environmental accounts showing data on the environmental impact of UK economic activity and the use of the environment by the economy.

Another important strand of this work is the measurement of subjective well-being. Capturing how people think and feel about their own wellbeing is being increasingly recognised as an important measure alongside more objective ones, which are based on assumptions about basic human rights and needs. The ONS has already made significant progress in this area, drawing on established academic research to develop a series of subjective well-being questions that have now been added to our Integrated Household Survey which provides a huge sample of 200,000.

A number of options for measuring well-being have been identified, one approach being to build indicator sets. There is a wide range of existing statistical data and analysis already available which is relevant to measuring national well-being. Social Trends has been published for forty years, mapping the changing picture of UK society by drawing together social and economic data. Sustainable

<u>Development Indicators</u> (SDIs) published annually by the UK Department for Environment, Food and Rural Affairs also provide a large set of indicators, increasingly directed towards "measuring progress".

The measures developed should be fit for purpose, relevant for both the public and policy. This connects with action by government departments to ensure that policies implemented aim to ultimately improve well-being. The statistics on well-being produced by the ONS in the future will have been shaped by the public. This will be achieved by accurately portraying the public's experiences and sense of their own quality of life through consultation. In policy terms, the public are the end-users and it is they who will feel the impact in their day to day lives and environments.

We recognise the challenges of international comparability and understand the need to collaborate on these issues. The UK hopes to contribute to the continued endeavours of the worldwide 'GDP and beyond' campaign and recognise the importance of working with international partners, working groups and organisations to take this work forward. This is an exciting long term programme that marks a determined UK strategy to build on previous research in acknowledging and measuring the wider impact and context of societal progress.

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WHY SOCIAL COHESION MATTERS FOR PROGRESS?

by Laure Brillaud and Johannes Jütting, OECD Development Centre

Preliminary findings from the forthcoming "OECD *Perspectives of Global Development 2011*: Social Cohesion"

Social cohesion in a shifting world

The economic developments of the last two decades were characterised by a major realignment of the global economy towards emerging and developing countries. The second issue of the forthcoming *OECD's Perspectives on Global Development* addresses the topic of how the phenomenon of "Shifting wealth" impacts on social cohesion.

Recent events in fast growing countries in different parts of the world (e.g. political protests in Thailand,

the Arab spring revolutions, labour disputes in China, trade unionists' street protests in India) seem to suggest that the "pro-poor growth" pattern of many emerging countries is not automatically transformed into higher life satisfaction and progress. In fact, our work shows that while shifting wealth offers ample opportunities to develop a cohesive society, specific challenges of developing countries such as informal employment and institutional rigidities need to be overcome. What is more, the rising expectations of citizens beyond the fulfillment of basic needs, call for a more comprehensive development approach in which citizens can raise their voice and take actively part in the development of their societies.

Measuring social cohesion, three axes of analysis

We call a society "cohesive" if it works towards the well-being of all its members, fights exclusion and the marginalisation of people, creates a sense of belonging, promotes trust and offers the opportunity for upward social mobility to all its members. The question that this report asks is how the structural transformations that are affecting these fast growing economies affect their social cohesion.

Social cohesion has three different but overlapping dimensions:

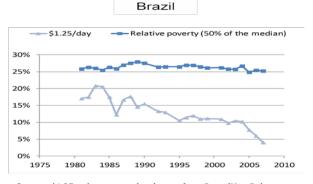
- social inclusion, which is measured by various shortfalls in meeting societal standards (perceived or real);
- social capital, which combines measures of trust (interpersonal and societal) with various forms of civic engagement;
- social mobility, which measures the degree to which people believe or are capable of changing their position in their society.

How can these dimensions be translated into actual measures? Data availability in particular for developing countries, is a major challenge. However, in recent years we have witnessed a blossoming of initiatives aiming at improving and diversifying the available measures of progress. For instance, the Institute of Social Studies based in the Hague has just released an extensive set of 200 Indices of Social Development (ISD) that allow measuring civic activism, membership of clubs and associations, intergroup cohesion, interpersonal safety, trust and gender equality.

Social inclusion: mitigating the vulnerabilities of the emerging middle class

A useful measure of social inclusion is provided by comparing data on the prevalence of relative and absolute poverty. The gap between the two sets of data provides essential information on the size and characteristics of an intermediary social class that, although not counted as poor based on an 'absolute definition', is vulnerable to hazards and vicissitudes of life. The risk of social exclusion is not only limited to people falling below conventional thresholds for absolute poverty but can affect a broader share of the population. Measures are required in order to protect this emerging middle class from falling back into poverty. As illustrated in Figure 1, a reduction in absolute poverty such as the one realised in Brazil does not necessarily translate into a reduction of relative poverty. While the pro-poor policies implemented in Brazil in recent years have proved successful they need to be complemented with measures targeting this vulnerable fringe of the emerging middle class.

Figure 1: Absolute vs. relative poverty



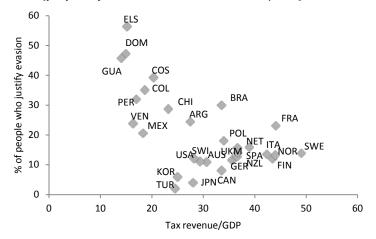
Sources: \$1.25 a day poverty headcount from PovcalNet. Relative poverty calculated by Garroway and de Laiglesia (2011) from PovcalNet distributions.

Social capital: trust and civic participation for more policy effectiveness

Social capital encompasses various dimensions ranging from interpersonal trust to confidence in institutions and civic participation in society. This aspect of social cohesion is key to improving policy effectiveness. Trust and engagement contribute to reinforcing the social contract between the state and the citizen. When both parties become accountable to one another, this triggers a virtuous circle where both social cohesion and policy effectiveness are mutually reinforced.

A measure of how social capital can improve both social cohesion and policy effectiveness is the level of tax morale in a society. Figure 2 shows a negative correlation between the tax revenue/GDP ratio and the justification of tax evasion. The propensity to evade taxes is higher in those countries that have the lowest tax rates and thus the least redistribution. This highlights the key role of social capital in enabling the state to collect taxes and increase both the quantity and quality of public spending.

Figure 2: Tax morale (propensity to tax evasion vs. tax revenue/GDP)



Source: OECD Development Centre's elaboration from Daude and Melguizo (2010)

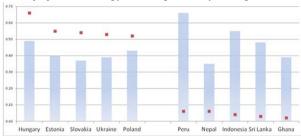
Social mobility through education, ascendance or ascent?

The last dimension of social cohesion, social mobility, looks at opportunities for people to change position in the social hierarchy. One way of measuring it is by looking at intergenerational mobility and to assess whether the education system offers equal opportunities to children to move up the social ladder. Social cohesion is a concept that lends itself to measurement through both perceptions as well as more "traditional" data. Figure 3 displays for a selected number of countries the average parentchild schooling correlation and the proportion of people believing that they cannot get ahead by working hard. For example, while a strong parentchild schooling correlation suggests intergenerational mobility in Peru, the majority of people in this country believe that they can move ahead by working hard, despite educational or other barriers (Figure 3). Gaining a full picture of the state of social cohesion requires a combined assessment of traditional and subjective measures.

Figure 3: Real vs. perceived mobility

Top 5 and bottom 5 countries for perceived social mobility

average parent-child schooling correlation, 20-69 yearsproportion believing you cannot get ahead by working hard



Source: OECD Development Centre's elaboration using Gallup World Poll (2010) and Herz et al. cited in OECD (2010)

What have we learnt? Social cohesion is both a means and an end of development, and it exemplifies the opportunities and challenges of measuring progress. Recent events in the Arab world and beyond show that traditional approaches to measuring success of development efforts have their limits. "Something" is obviously missing from these measures. The concept of social cohesion is an example of what traditional measures are leaving out of the screen. We simply cannot afford to ignore any longer that social relations are critical for development and that they need to be measured in a sound manner. The increasing availability of subjective measures is one step in this direction. However, most of the work to make better use of the new type of data that are becoming available still lies ahead of us. Moving 'from better data to better policies to better lives' can be a very long way - but it is worthwhile.

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A GLOBAL RESEARCH NETWORK ON MEASURING PROGRESS

by Mike Salvaris, Adjunct Professor, School of Global Studies, Social Science and Planning, RMIT University, Melbourne, Australia

Two years ago at the 3rd OECD World Forum in Busan, a small workshop discussed a paper commissioned by then Statistics Director, Enrico Giovannini, and agreed to take the first steps towards forming a Global Progress Research Network (or GPRNet, as it became known). The network's stated aim was to bring together researchers and practitioners from around the world by:

- (a) setting up branches or nodes of the network in each global region;
- (b) reinforcing a shared commitment to the goals and values of the Global Project on Measuring the Progress of Societies, and the paradigm change it represents;
- (c) building agreement to work together (collaboratively and through network members' own organisations) on a common research and action agenda.

In this article, the first of two, we examine the background to the GPRNet and the need for and role of such a network. The following article will review the network's development and plans for the next five years. GPRNet now has its own section on Wikiprogress.



Background: a global movement for a global issue

In 2011, we can say that the search for better measures of progress by citizens and policy-makers is truly a global movement. More than this, it may change the way people and nations around the world think about progress – from a model focused predominantly on economic growth to one that is more just, balanced and sustainable, and that better reflects the values and aspirations of people and the actual conditions of social, economic and environmental life.

This search had been well underway several decades before the launch of the Global Project, and long before the most recent global crises – climate change, global financial crisis — which have given it a greater urgency. But it is fair to say that the Global Project has been the most important single factor in

shaping many diverse projects at levels from national to local community into a coherent global movement with a global platform.

In seven years since the Global Project was informally conceived at the 1st OECD World Forum in Palermo, Italy (2004), it has generated remarkable activity and support around the world.

It has driven a series of major initiatives from international and regional to national and local community level: sponsoring conferences and workshops on all aspects of measuring progress from ideas, statistics, and communication to community engagement and democracy; hosting two more remarkable global conferences in Istanbul and Busan (with 1200 and 1500 participants); producing a widely supported global manifesto and call for action (the Istanbul Declaration); attracting considerable media coverage; produced a short film, handbooks and guidelines, and a series of training courses. The OECD is currently planning a 4th OECD World Forum in Delhi in October 2012.

Perhaps most importantly, the Global Project has provided a platform to demonstrate that the issue of 'rethinking progress' is common across many different cultures, that it is as relevant in Bhutan, Thailand and Japan as in France and Germany and Canada.

Yet, while these are undoubtedly great achievements and much to be proud of, there are limits to what international institutions can and should do. International organisations have a critical role to play in advocating and influencing national governments and other global bodies such as the UN and the EU; but in the end a global movement for change can only succeed if citizens and communities, researchers and writers, governments and policy makers all work together.

Developing new measures and models of progress is as much a democratic issue requiring community debate and education as it is a technical or statistical one. In short, the problem is not the kind of measures of progress we're using, but the kind of progress we're measuring. As the Global Project has evolved over seven years, it has increasingly recognised these realities.

In Palermo (2004), the key theme was 'Key indicators to inform decision making'. In Istanbul (2007), the conference declaration (adopted by international signatories including the European Commission, the United Nations and the World Bank) identified as the key goals of a long term global strategy: (a) to promote community and

international debate about the meaning and measurement of progress in the 21st century; (b) to share *knowledge* and best practice in social progress measurement; (c) to build shared public understanding of global and societal change; and (d) to build capacity to use and apply statistical measures of social progress, both generally and in developing countries. In Busan (2009), OECD Secretary-General Angel Gurría declared "We are facing both an opportunity and a duty to rethink what progress really means and to build stronger and more inclusive visions for the future of our societies ... We need committed citizens, scientists and well-informed leaders ready to engage the whole of society in an assessment of the challenges ahead."

The need for a global network

The development of a global network is now – for a number of reasons – a crucial step to broaden the reach of the Global Project and provide a platform for wider community and research action and participation.

Measuring the Progress of Societies' is ambitious and long term, and genuinely global in its operation and significance. It will require a major commitment of infrastructure, administration and resources, and the co-operation of many different organisations and people. But ultimately it is only partly a project about the practical questions of statistical techniques and policy-making. Like the wider global movement to redefine progress, it is essentially about ideas and values.

The project's success will therefore hinge as much on its global 'intellectual infrastructure and resources' as on its administrative base and physical resources: on its capacity to generate and communicate ideas, evidence and innovation; and to develop a network of active and influential 'ideas people' and communicators (thinkers, researchers, writers, etc.) to do its work and carry its message all over the world.

The development of a worldwide 'ideas' network – a Global Progress Research Network that is an active, committed, problem-focused and collaborating on agreed tasks – aims to fulfill these goals. Its role is to help spread ideas in centres of learning, research and policy development; to develop more effective underpinning and support material; to identify and fill holes in existing knowledge; to build a forward-looking research agenda, and a stronger evidence base, for the Global Project.

Now is the right time to develop such a network. Some of its key elements are already in place:

- (a) The nature of the idea: The idea of balanced and sustainable progress resonates with many people and across different cultures and religions. It is both a sensible and highly defensible notion; but also intuitively appealing to ordinary people and to thoughtful policymakers.
- (b) The global context: The importance of the idea will inevitably increase over the coming decade. As global problems such as climate change, economic and financial instability and social inequality worsen, 'balanced and humane progress' will present itself as an increasingly logical, and perhaps the only viable, solution.
- (c) International organisational support: The Global Project has already built impressive support from international organisations and some national governments.
- (d) Elements of a global network in place: The ideas behind the Global Project are spread around the world through the development of many practical projects at local, regional and national levels with their roots in real communities and organisations. Further, the Global Project itself is gradually bringing together many projects, participants, policymakers and academics all over the world, and so building up informally a virtual ideas and research network via Wikiprogress, the Prog Blog, the eBrief as well as social networks like Twitter and Facebook.
- (e) Research and intellectual appeal: From an academic and research standpoint, the essential appeal of the GPRNet is that it is fundamentally concerned with cross-disciplinary and applied research around a real global problem. It requires different disciplines and research centres to work together on a common problem that crosses many fields, but that is also of urgent global importance. Finding a new global paradigm for progress – a new way to think of, plan and measure human and global progress - is at least as important a task as finding solutions to climate change and the global financial crisis; perhaps more so, because the failure to develop such a paradigm has been a direct cause of these two crises. This is an exciting challenge, for those many academics and researchers who want their work to contribute to a better and fairer world.

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MEASURING WELLBEING IN ITALY, THE ISTAT-CNEL INITIATIVE

by Linda Laura Sabbadini and Tommaso Rondinella, Italian National Institute of Statistics

About

The <u>Italian national institute of statistics</u> (**Istat**) and the <u>National Council for the Economy and Labor</u> (**CNEL**, a constitutional body of the Italian Republic) launched, in December 2010, a national consultation to define a shared set of indicators of progress for Italy (see <u>press release</u>).

The initiative will be carried out over 18 months with the participation of all major representatives of Italian civil society. The initiative aims to identify the critical dimensions of progress for the Italian society as well as the specific indicators to represent them.

The initiative includes two components: a **Steering Group,** co-ordinated by CNEL and Istat, composed of 20 representatives of trade associations, trade unions and non-governmental organisations, is mandated to define a shared taxonomy for 'sustainable and equitable well-being' and to lead the whole process; and a **Scientific Committee**, hosted by Istat and composed of internal and external experts, is in charge of discussing which indicators should actually be used.

The initiative is expected to be finalised by **December 2012.**

Objectives

The initiative's **objectives** are to:

- develop a shared definition of progress for Italy by identifying the most relevant domains;
- select a set of high-quality indicators to represent the different domains;
- communicate the results of the process; the set of indicators to be defined by this consultation is in fact intended for a broad public audience as well as for policy users.

The process

The process is structured into three **phases**, which will partly overlap with each other:

- 1. In the first phase, the Steering Group will define the domains to be taken into account. Italian citizens will be able to express their priorities and their opinions through a consultation process organized by the Group; the Steering Group will also define which tools are the most fit-for-purpose, evaluating the degree of detail that the set of indicators should have, as well as their policy relevance.
- 2. The second phase will be devoted to the analysis of the available indicators that could be

used to represent the various domains, assessing their technical features and how they could be used. The indicators in the final set should be easy to understand for non-experts; the Scientific Committee will be responsible for this part of the work, and will also consider whether composite indexes could be built.

 The last phase will be dedicated to the drafting of a final report and to the development of different tools for dissemination and communication.

Legitimacy

Having CNEL in the lead of this initiative guarantees its **legitimacy**: CNEL is in fact a Council established by the Italian Constitution composed of representatives of all major categories, including entrepreneurs, trade unions and civil society, for a total of over 100 counselors representing different stakeholders. CNEL internal working groups and assembly are also places for deliberation over controversial issues and trade-offs.

Policy representatives are not taking part in this process. Nevertheless, after each phase of the initiative, the Parliament will be informed about the major results emerging from the process.

Consultation

Stakeholder discussions within CNEL will be reinforced by a **public consultation** run through three parallel streams. First, an on-line consultation in which experts, practitioners and anyone interested in the issue will provide their view on the relevant dimensions for monitoring progress and well-being in Italy. Second, the inclusion of a specific question in the Multipurpose survey "Aspects of daily life" which is submitted annually to 24 thousands households to assess the importance that people attribute to different dimensions of wellbeing. Third, the preliminary results of the initiative will be made available for comments through a public consultation and through the constitution of three territorial Fora.

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THE OECD BETTER LIFE INITIATIVE

by Romina Boarini, Head of Measuring Well-Being and Progress Section, Statistics Directorate, OECD

The OECD celebrates its 50th anniversary this year. Since its existence, this Organisation has worked to help governments of member countries deliver good policies and improve the economic well-being of nations. The health of economies is primordial. But what ultimately matters is the well-being of citizens. This is why the OECD, in line with a trend observed in many parts of the world, has been shifting the focus towards measuring the well-being of people.

Measuring well-being is, however, a considerable challenge. First, because well-being is multi-dimensional, as many factors matter to live a good life. Secondly, because to understand drivers of well-being, in particular from a policy perspective, it is important to compare well-being across countries; defining a common metrics for well-being requires identifying a set of dimensions relevant for all countries analysed, which is not an easy task given that culture and institutional contexts may influence these dimensions. Third, because a comparative assessment of well-being requires a large amount of comparable data in many domains and the existing indicators are often far from ideal.

The OECD work on Measuring Progress and Well-Being has been tackling these issues. Over the past vear, many efforts have been devoted to consolidate previous reflections and to assemble the data necessary to conduct such an ambitious exercise. These efforts have led to the OECD Better Life Initiative, launched at the end of May. The OECD Better Life Initiative provides a concrete tool for evaluating well-being in the 34 OECD countries. The Better Life Initiative, announced at the OECD Forum on 24 May, combines three main pieces of work: i) a comprehensive publication (How's Life?) presenting a selection of well-being indicators, to be released next October: ii) The Compendium of OECD Well-Being Indicators publication, a preview of How's Life?, released at the Forum; and iii) the interactive, web-based tool 'Your Better Life Index'.

The Compendium of OECD Well-Being Indicators and *How's Life?* offer an overview of well-being in OECD countries, by looking at 11 dimensions of wellbeing: income and wealth, jobs and earnings, housing, health status, education and skills, work and life balance, civic engagement and governance, social connections, personal security, environmental quality and subjective well-being.

These two reports put a strong focus on people and households, reporting on both 'average

achievements' for each country and inequalities in achievements between people with different characteristics. Looking at inequalities is important for at least two reasons: first, because "averages" provide a very incomplete picture of well-being of different groups of the population, especially so because achievements tend to be strongly correlated across dimensions (e.g. people with good education tend to access better jobs, earn higher income, have better housing conditions, live longer, etc.); second, to avoid that pro-growth policies leave some individuals behind, which would imply that average economic maximising performance decreases the well-being of part of the population.

Another feature of the framework behind these two reports is its emphasis on both objective and subjective aspects of well-being. Objective measures are needed in this type of analysis, as well-being is strongly influenced by living circumstances (e.g. overcrowding of dwelling, availability of jobs, air pollution, etc.). Subjective indicators provide complementary information on aspects of well-being which can only be measured through self-reported feelings and appreciations (e.g. life satisfaction). While subjective indicators are sometimes criticised for suffering from various biases, research has shown that they are valid and reliable.1 Considering both objective and subjective indicators helps understand the drivers of well-being and how subjective and objective well-being are intertwined.

The Compendium and *How's Life?* analyse a great number of aspects of well-being and their determinants, with the twofold objective of informing policy-making and moving the statistical agenda forward. Such level of analysis is indeed needed when designing policies as well as when developing the statistical information necessary to this task.

However, the OECD Better Life Initiative also recognises the big demand for summarising well-being information into one headline number, which would be easier to read and could potentially send a stronger message on well-being patterns. Composite indicators respond to this demand but are criticised for requiring arbitrary weights to balance their various components. To overcome the issue of arbitrary weights, but also because weights vary across countries and people, the OECD has created

Your Better Life Index, an interactive composite index of well-being that combines information on the 11 dimensions of well-being listed above, and which allows users to rate these dimensions. As a result, users can build their own ranking of countries and see which countries offer the highest quality of life, according to what matters most to them. Users can also share their Index with their friends and with the OECD. This web application is also an extraordinary gateway to the OECD work more generally, as the public can find a wealth of OECD data and analysis and access it freely.

The OECD Better Life Initiative innovates in many respects. First, it is the first time that comparable evidence on such a broad range of well-being components is produced for the 34 OECD countries. Second, the initiative has the potential to foster the debate on well-being among different audiences: statisticians, policy-makers and the general public, as each of its tools is conceived to meet the specific needs of these audiences. Third, the OECD plans to use the information collected through the sharing of Your Better Life Index to orient its future efforts towards improving the measurement of those aspects of well-being that count most to people.

The OECD Better Life Initiative has so far generated much interest, attracting a huge number of visits and media contacts. Many challenges remain, however, for the future. First, extending the range of indicators to additional aspects of well-being. Second, increasing the quality of the data, especially those pertaining to dimensions (e.g. social connections, security) where reporting by official statistics is less developed. Third, better taking into account inequalities within the population (notably in Your Better Life Index). Finally, including indicators on the sustainability of current living conditions and quality of life, which requires measuring the asset base of our economies and societies.

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² During its first week of life, the Better Life Initiative attracted around 300 000 people from all over the world through more than 2 300 sources and media; about 13 000 people shared their Better Life Index.

¹ Frey B. and Stutzer A. "Happiness & Economics", Princeton University Press, 2002.

THE SPANISH INITIATIVE AND THE OECD-HOSTED GLOBAL PROJECT ON MEASURING THE PROGRESS OF SOCIETIES

by Luis M. Jiménez Herrero, Observatory on Sustainability in Spain and J. Manuel Morán, Club of Rome, Spanish Chapter

Aim of the Spanish Initiative

Spain is now participating in the OECD-hosted Global Project on *Measuring the Progress of Societies*. With its own initiative, Spain joins the extensive network of partners who share the common aim of measuring progress and the quality of life from a different standpoint than that provided by traditional economic measures. Spain wishes to participate in the process for developing social progress indicators that go beyond GDP and include the various social and environmental dimensions while respecting the principles of sustainability.

Co-ordination of the project

With this overall goal, the Project in Spain has been led, in its preliminary stage, by the Spanish Delegation at the OECD with a **co-ordinating group** comprising the National Statistics Institute (INE), the Economic Office of the President (OEP), the Spanish Chapter of the Club of Rome (CECOR) and the Observatory on Sustainability in Spain (OSE). With the agreement of all partners, the latter two organisations act as Secretariat and took the lead in convening a meeting of key institutions, companies, trade unions, employers' associations, academic organisations, civil society organisations and public figures interested in the subject, inviting them to take part in developing the Spanish Initiative.

Constitution of the Spanish National Roundtable with the involvement of a wide range of social organisations

Following the presentation of the project in Barcelona in May 2009, a **National Roundtable** was set up to help society discuss, assess and put forward alternative choices based on Spain's own situation. This Roundtable is the mechanism through which Spain participates in the Global Project.

Following this initial meeting, a background paper entitled *A proposal for Spanish participation in the OECD-hosted Global Project on Measuring the Progress of Societies* was prepared and a meeting was called to present this initiative and establish the **National Roundtable**. The meeting, held in Madrid on 24 May 2010 at the headquarters of the Economic and Social Council, was attended by Martine Durand, Chief Statistician and Director of the Statistics Directorate at the OECD, who presented the latest developments of the Global Project and expressed the OECD support for the Spanish Initiative.

The methodology of the Roundtable is based on open participation, encouraging involvement by statistics offices, public and private organisations, communities and academics to achieve a common multidisciplinary view of well-being and social progress, and of how they evolve over time.

The Spanish Initiative is committed to include various viewpoints, and has sought the involvement of representative stakeholders such as private enterprises, trade unions, civil society and the academic community.

Instruments for carrying out the project: Working Groups, Digital Communication Platform, Citizen Survey and Scientific Committee

A number of mechanisms and instruments have been put in place to aid the National Roundtable in its work. **Three Working Groups** were formally constituted on 21 December 2010 at a well-attended meeting held at the *Caixa Forum* headquarters in Madrid. Each group will examine a particular dimension of societies' well-being and progress, and propose new ways of approaching and measuring it.

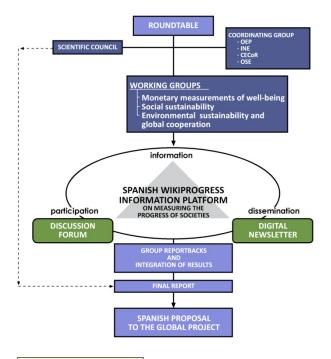
Working Group 1: *Economic measurements of well-being* and updated macroeconomic indicators, led by the National Statistics Institute (INE).

Working Group 2: *The social dimension* and the different measures for assessing it, led by the Spanish Chapter of the Club of Rome (CECOR).

Working Group 3: *Environmental sustainability and global co-operation*, led by the Observatory on Sustainability in Spain (OSE).

In order to ensure that the Spanish Initiative is efficient and that the working groups can communicate effectively, a **Digital Communication Platform** was set up to facilitate participation, consultation and networking. This Platform will have a Permanent Discussion Forum for each working group where the topics and key issues will be set out. Members and co-ordinators of the working groups have access to the Forums. This Forum will be complimented by a Digital Newsletter including the most relevant information available on the subject and information on the progress of the Global Project and of the Spanish Initiative. This platform will be linked to the Global Project's own platform, Wikiprogress.

Lastly, the Spanish Initiative aim to achieve strict standards in the debate and analysis on how to measure progress, so that the scientific community and the leading institutions could play a major role in channelling the contributions by civil society and the social and economic players involved.



OEP - Economic Office of the President INE - National Statistics Institute CECoR - Spanish Chapter of the Club of Rome OSE - Observatory on Sustainability in Spain

This initiative seeks to contribute to informing citizens about matters directly affecting their quality of life, and to inform public policies so that our societies move towards more sustainable patterns of production and consumption, and greater well-being with a new sense of progress.

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THE LATIN AMERICAN CONFERENCE MARKS A FIRST STEP TOWARDS THE 4TH OECD WORLD FORUM ON "STATISTICS, KNOWLEDGE AND POLICIES"

by Marco Mira D'Ercole, Head of Household Statistics and Progress Measurement Division, Statistics Directorate, OECD

The Latin American Conference on Measuring Well-Being and Fostering the Progress of Societies was held in Mexico City on 11-13 May 2011 and was the first of a series of events that will take place in 2011 and 2012 in various regions of the world to pave the way towards the 4th OECD World Forum (New Delhi, India, October 2012).

The Conference was hosted by the Mexican Institute of Statistics and Geography (INEGI) and the National Consultative Forum on Science and Technology (FCCT) at the Palace of Minería and was jointly

organized with the Inter-American Development Bank (IDB), the UN Economic Commission for Latin America and the Caribbean (ECLAC), the Organisation for Economic Co-operation and Development (OECD) and the OECD Development Centre.

The Conference was intended to promote concrete policy-oriented work on measuring well-being and fostering the progress of societies at the regional and national levels. It aimed at deepening on-going reflection on how to measure well-being and social progress in Latin America, exploring relevant measures and analysis for addressing key policy issues, discussing statistical and analytical frameworks and opening avenues for future work. To prepare this conference, a large workshop of Latin American academic researchers was organised by the FCCT in Mexico City in October 2010.

With 57 leading speakers and more than 550 attendants from 21 countries, the Conference was successful in gathering, for the first time, various communities of experts and key actors of the region who rarely interact on measurement issues: policy makers, official statisticians, leading academics, opinion leaders and key civil society actors. This multi-disciplinary and trans-institutional gathering was essential to build on the conclusions of the 3rd OECD World Forum, the recommendations of the Commission on the Measurement of Economic Performance and Social Progress (the "Stiglitz-Sen-Fitoussi Commission"), recent innovative research and analysis on well-being, equity and development in Latin America (by IDB and ECLAC), as well as on measurements by National Statistical Institutes and private opinion poll institutes such as Gallup and Latinobarómetro.

The Conference included welcome addresses by Rogelio Granguillome (Secretary of Foreign Affairs), Eduardo Sojo (President of INEGI) and Juan Pedro Laclette (General Co-ordinator of FCCT), as well as introductory speeches by Mario Amano (OECD Deputy Secretary-General), Antonio Prado (Deputy Executive Secretary of ECLAC) and Ellis Juan (Representative of IDB in Mexico) and five keynote addresses (by Antonio Prado, Martine Durand, Ellis Juan, Juan Ramón de la Fuente and Edward F. Diener). Under three main thematic sessions - on i) measuring well-being and progress in Latin America; ii) education, health and working conditions; and iii) quality of life: time use, social relations and citizenship, breakout sessions (e.g. on subjective well-being, social inequity, physical and mental social relations, citizenship participation)- offered the opportunity to deepen the reflection on particular aspects. These sessions

were, followed by a general discussion in plenary to build common ground, with summaries from each session's chairperson.

On the basis of these summaries from the various sessions, Tentative Conclusions were presented in the last session of the Conference, highlighting issues of special importance for well-being in the region (i.e. inequalities in income and wealth, education, health, access to quality services, security, time use, exercising citizenship, gender gaps, social mobility, etc.) as well as concrete initiatives to move the measuring agenda forward (as part of the work agenda of National Statistical Institutes and of the Statistical Conference of the Americas). Participants were asked to provide written comments which will be taken into account in the final conclusions of the Conference. These conclusions will be part of the background documents prepared for the 4th OECD World Forum in New Delhi.

One of the outcomes of the conference which has a direct impact on the Global Project on Measuring the Progress of Societies was the decision to create a Latin American research network hosted by Wikiprogress in order to leverage the contribution of the scientific community in the region. This research network will aim to multidisciplinary discussion and exchange of knowledge and information among academics, analysts, politicians, opinion leaders and citizens on well-being measurement in Latin American countries and on how measurement can contribute to public policy.

The next regional conference paving the way towards the 4th OECD World Forum in New Delhi will take place in Tokyo, Japan, on 5-6 December 2011, gathering actors in the Asian and Pacific region. This conference will be co-organised by the Economic and Social Research Institute of Japan and the OECD, in collaboration with the United Nations Economic and Social Commission for Asia and the Pacific, the Asian Development Bank and the OECD Development Centre.

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REDEFINING PROSPERITY: MILESTONES FOR PUBLIC DEBATE

by Isabelle Cassiers, Economics Professor, Louvain University

What does prosperity express? In common parlance, the word prosperity is ambivalent, which in itself renders the concept interesting to investigate. Current definitions vary between two types of understanding referring either to being or to having. On the one hand, prosperity signifies a happy state and refers therefore to notions of well-being, happiness, felicity and even beatitude. Such a evokes a state of being, definition accomplishment rooted in the present. On the other hand, prosperity means an increase in wealth, the path towards abundance, opulence or success, and refers then to economic activity, its expansion, its progress. This second interpretation relates to the frenzy associated with material possession and its growth.

The co-existence of these two understandings raises **Prosperity** questions. comes from the Latin prosperus: in line with or in favor of our hopes and expectations. Our continuous aspirations towards the accumulation of wealth might have concealed the expectations and aspirations rooted in "being" aspect of



prosperity. The progressive erosion of the first definition by the second may be the origin of the major problems faced by our civilizations today. The assimilation between "happy state" and "wealth increase" could be a useful key to understanding the multidimensional crisis we are facing.

These are the questions raised in the book *Redéfinir la Prospérité. Jalons pour un débat public* (*Redefining Prosperity: Milestones for public debate*). Around 20 scholars, from various disciplines – philosophy, economics, economic history, sociology, political sciences, law, environmental sciences, agronomy, biology, medicine – mostly but not exclusively academics, have taken time to share and confront their knowledge and doubts, and to open themselves up to radical questioning.

Gathering various disciplines seemed essential to understand the philosophical and historical origins of the definition of prosperity which was implicitly ours over three centuries and which has imposed itself to a broader extent during the last sixty years. It was also essential to identify the complex processes from which the current problems result; to clarify the interactivity between the various dimensions of a crisis which is ecological, social, alimentary, economic, political and cultural all at once; for understanding why sixty years of economic growth has neither increased life satisfaction in the West nor swept away the world's misery. Grouping various perspectives would possibly reveal solutions and paths to be explored in order to ensure that our development meets the fundamental values expressed by populations; to propose adjustments to our way of life, to our behaviors, to our society's organisation and to the collective action that could respond, on an equitable basis to our deepest aspirations.

Redefining prosperity is, in our view, an urgent, essential and complex task, whose intrinsic political dimension calls for a public debate. Our book aims to foster this debate and to offer some milestones.

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PROGRESS EVENTS

Measuring well-being and sustainability to address policies at the local level 13-15 July 2011

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Well-being 2011 18-19 July 2011

Read more here

3rd International Conference of the International Society for Child Indicators 27-29 July 2011

Read more <u>here</u>

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Wikichild has joined Wikiprogress



We are delighted to announce that the wiki dedicated to child well-being, Wikichild, has been integrated into Wikiprogress to further complete the picture on progress and to better collect and communicate information on issues relating to child well-being.

Work is on-going and can be **followed here**.

If you are interested in contributing to this new section, please email us at info@wikiprogress.org.