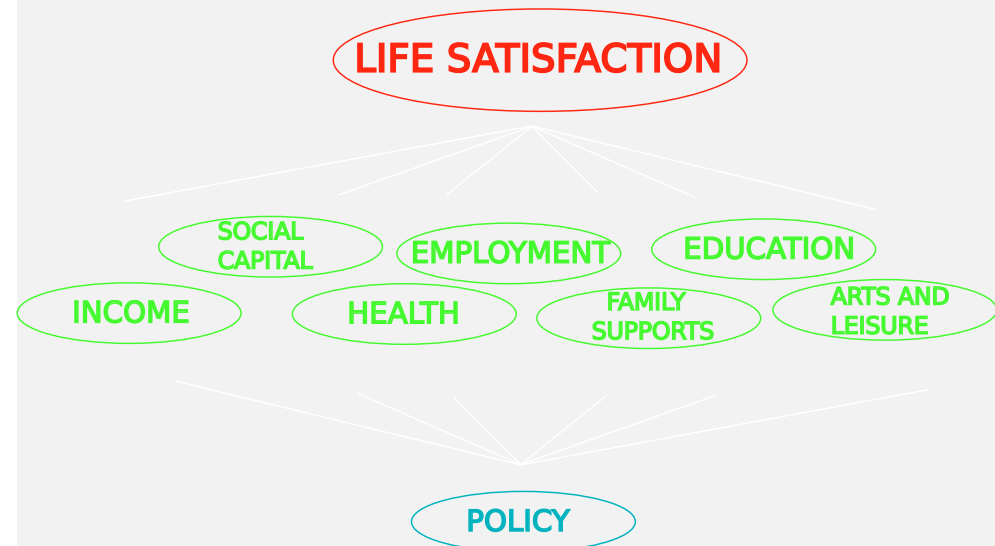


Wellbeing budgeting: Reframing policy around life satisfaction

NCCHPP/CCNPPS webinar, 25 Nov 2020

Chris Barrington-Leigh
IHSP, MSE — McGill University
wellbeing.research.mcgill.ca



What counts as “budgeting”?

Requires:

- framework for making decisions
- empirical, reproducible, captures human experience

What do we mean by ...

Well-being	Social welfare
Wellness	Quality of life
Happiness	Wellbeing
Progress	...

Quantifying life quality

Question: **Satisfaction with life (SWL)**

“Taking all things into account, how satisfied are you with your life these days, on a scale from 0 to 10?”

0: very dissatisfied

⋮

10: very satisfied

→ **not:** “How are you feeling at the moment?”

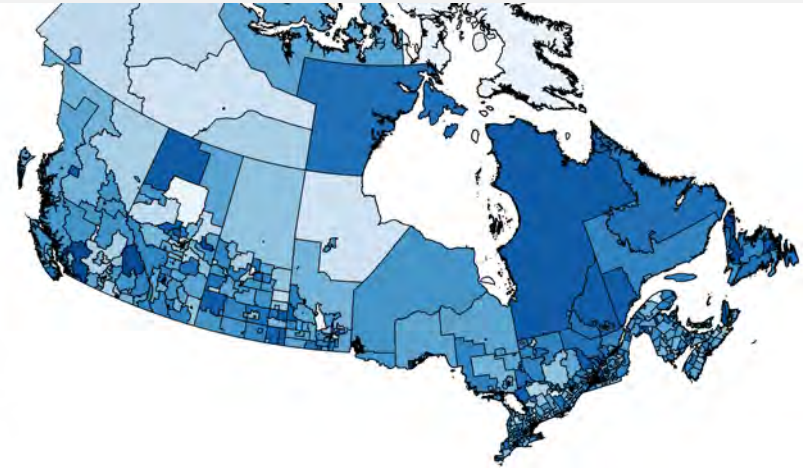
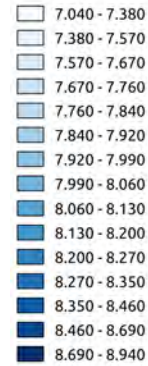
→ **not:** “What makes for a satisfying life?”

How do people make this *cognitive evaluation*?

Life Satisfaction in Canada

(lifesatisfaction.ca/map)

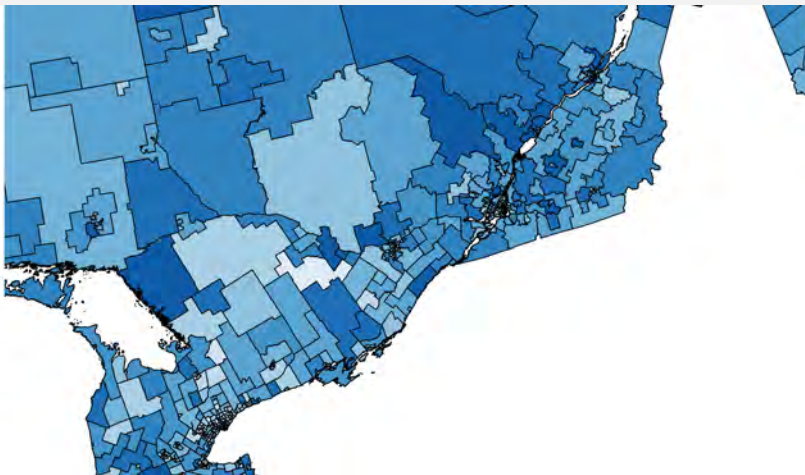
Life Satisfaction



Life Satisfaction in Canada

(lifesatisfaction.ca/map)

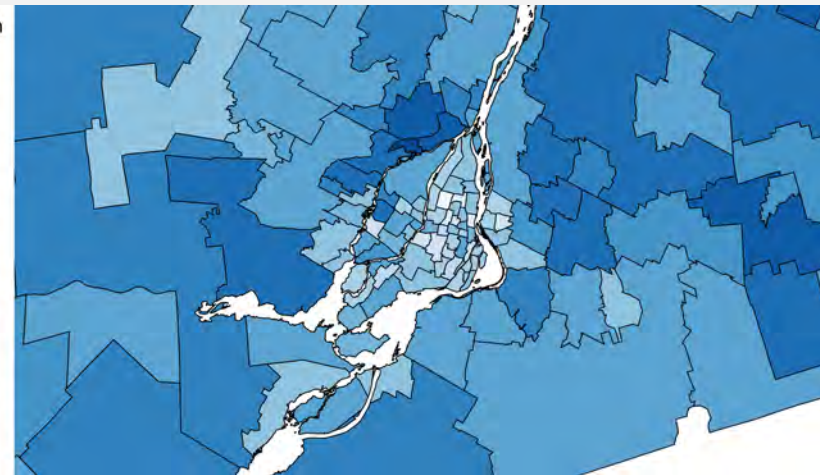
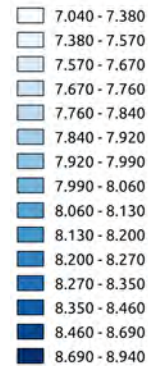
Life Satisfaction



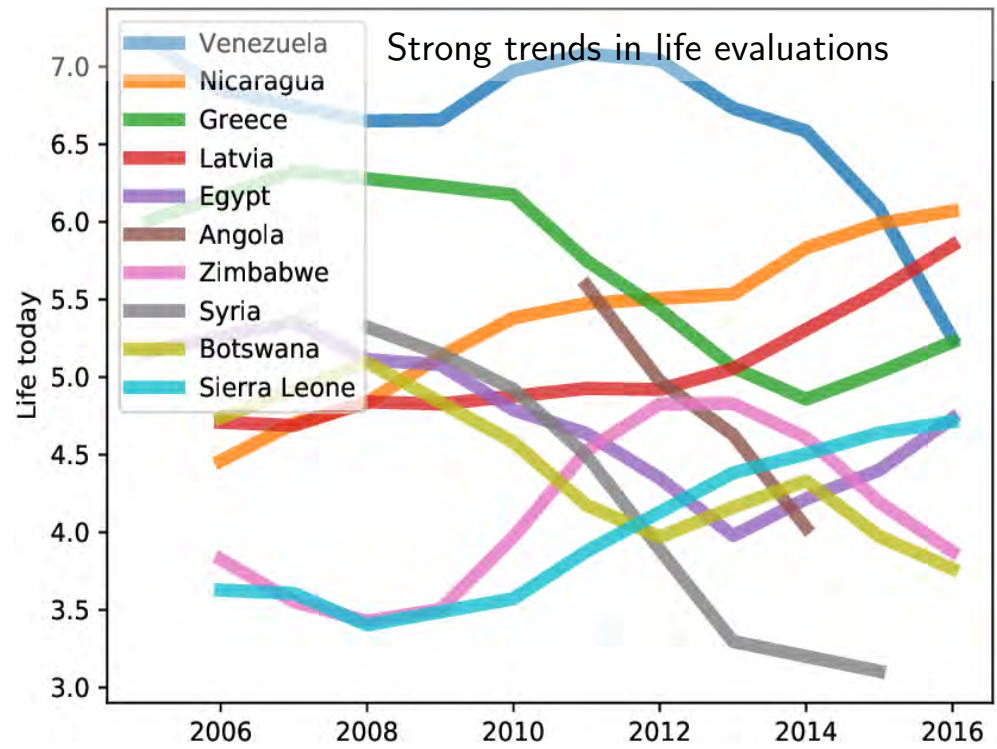
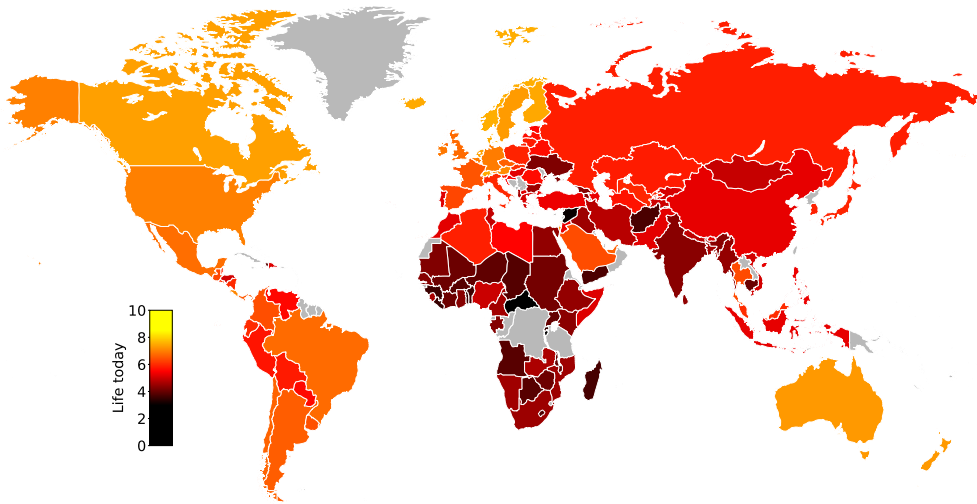
Life Satisfaction in Canada

(lifesatisfaction.ca/map)

Life Satisfaction



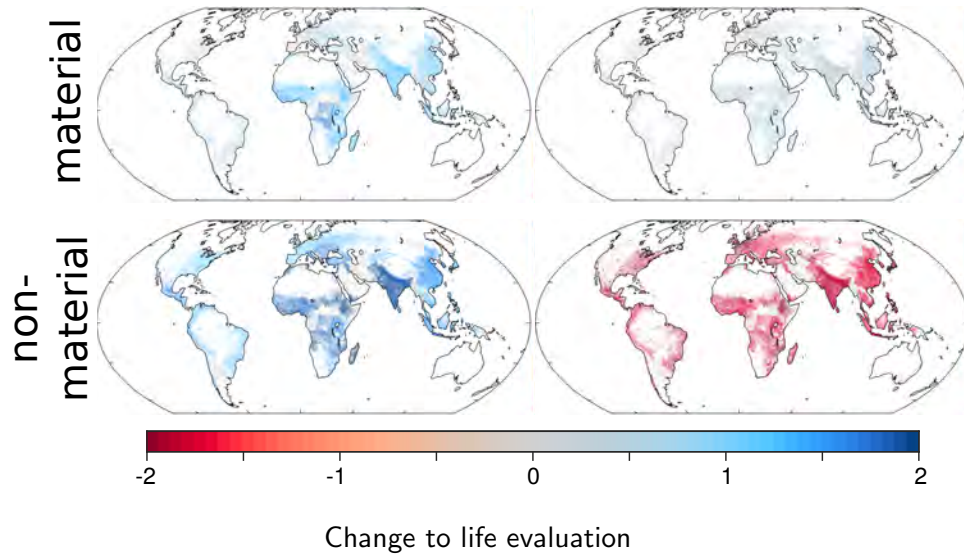
Average life evaluations



Change in life evaluation 2017-2050

Optimistic

Pessimistic



(Barrington-Leigh and Galbraith, Nature Comms 2019)

(Barrington-Leigh and Galbraith, Nature Comms 2019)

We are social beings

Growth and happiness in India % change since 2006



Group identity drives behaviour



Well-being: need for sense of belonging



Well-being: trust, engagement, giving



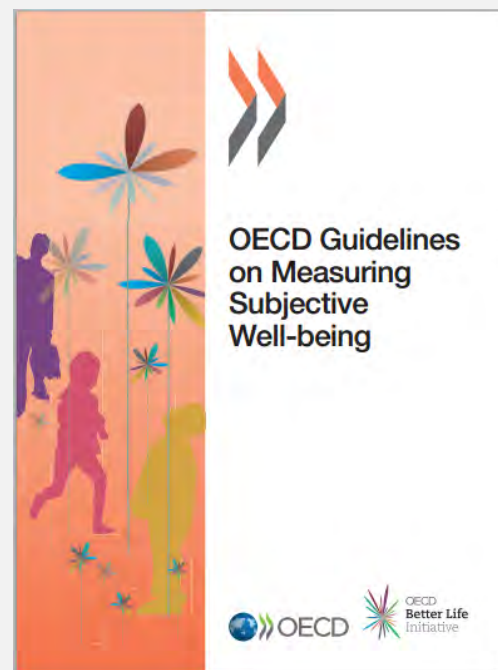
Dignity, inclusion, connection, efficacy

Budgeting insights from life satisfaction: examples

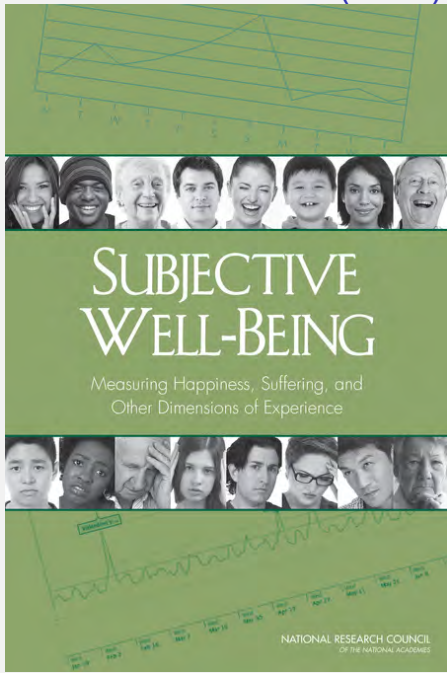
- improving lives versus fixing problems
- inequality
- unemployment
- public housing
- (mental) health
- non-market choice
- income (and social preferences)
- non-decisions (public goods, amenities, externalities)
- human mistakes
- contribution of firms which make harmful, addictive substances

What have we learned from understanding life satisfaction?

- 1 Strengthen civil society and active citizenship, participation and engagement
- 2 Limit materialistic advertisement
- 3 Foster happiness-boosting use of time
- 4 Reduce unemployment
- 5 Focus the health sector on complete health
- 6 Teach children non-cognitive skills
- 7 Need more measurements (social dimensions)
- 8 Doing good is rewarding
- 9 People underestimate trustworthiness
- 10 Process matters
- 11 Turn problem-management into positive-outcome building



U.S. National Academies of Science (2013)

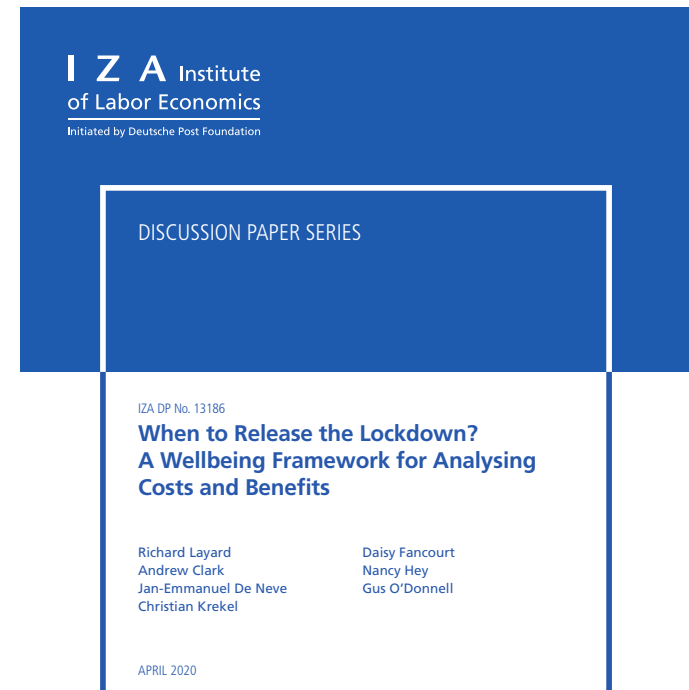


Redirecting health policy (GHWPR 2019)

- DALYs and QALYs problematic
- Measure what matters (life satisfaction); consider **carers, family, patients**
- Consider opportunity costs
- anxiety and pain more important than mobility (and usual activities)
- Greater priority to **mental health**
- school-based **social/emotional learning**
- address loneliness
- Improved **end-of-life care**

Redirecting education (GHWPR 2019)

- **Social and emotional (non-cognitive) skills** managing emotions, **mental first-aid, empathy**, positive relationships, goal-setting, intimate relationships, leadership, management, . . .
- “positive education” goes further: **mindfulness**, happiness skills, character, morality, meaning and purpose, and physical health
→ Measurement of well-being outcomes (SWL)



“When to release the lockdown?”

(Layard et al, 2002)

Table 4. Net benefits of releasing the UK lockdown on the stated date rather than one month later (in WELLBYs, 10k)

	May 1	June 1	July 1	August 1
Benefits				
Income (increase)	48	66	86	103
Unemployment (reduction)	79	82	84	86
Mental health (improvement)	20	23	26	30
Confidence in government	9	13	22	32
Schooling (more)	5	5	3	0
Costs				
COVID-19 deaths (more)	-158	-158	-158	-158
Road deaths (more)	-5	-5	-5	-5
Commuting (more)	-10	-10	-10	-10
CO ₂ emissions (more)	-7	-7	-7	-7
Air quality (worse)	-8	-8	-8	-8
Net benefits	-27	1	33	63

Three roles for life satisfaction in guiding governance

1 Communication / headline indicator

“Here, we value building better lives for people”

“Government is accountable to the real experience of Canadians”

2 Organizing concept for objective indicators

- Selection of indicators
- Weights of indicators
- Justification, accountability, transparency, adaptability, longevity/sustainability

3 Decision making (Cost/benefit or cost-effectiveness)

What matters? → What works? (evidence-based policy-making) → What is cost-effective?

A positive future . . .
(a fortuitous truth of wellbeing)



Thank you!

<http://wellbeing.research.mcgill.ca>

<http://lifesatisfaction.ca>

<https://www.psychologytoday.com/ca/blog/the-economics-happiness>

John F. Helliwell and C P Barrington-Leigh, “Measuring and Understanding Subjective Well-Being,” *Canadian Journal of Economics*, Vol. 43, Issue 3, pp. 729-753, August 2010.

Barrington-Leigh, C P and Eric Galbraith, “Feasible future global scenarios for human life evaluations,” *Nature Communications*, doi:10.1038/s41467-018-08002-2, 2019 (33 pp).

Barrington-Leigh, C P, “The role of subjective well-being as an organizing concept for community indicators,” in *Community Quality of Life and Wellbeing: Best Cases VII*, Meg Holden, Rhonda Phillips and Chantal Stevens (Eds.), Springer, 2017. (20 pp)

Barrington-Leigh, C P and Alice Escande, “Measuring progress and well-being: A comparative review of indicators,” *Social Indicators Research*, doi:10.1007/s11205-016-1505-0, 2017. (48 pp)

Barrington-Leigh, C P, “Sustainability and Well-Being: A Happy Synergy,” *Development*, Vol. 59, No. 3, pp 292-298, July 2017 (also published by Great Transition Initiative, Apr 2017.)

Barrington-Leigh, C P, “Reframing policy around life satisfaction and sustainability: a quantitative framework for wellbeing”, whitepaper, June 2020.

Also see: <http://happinesscouncil.org>