

MR NIC MARKS:

Hi. I have got a different slide on mine, here we are, that's okay. Hi, I'm Nic Marks from the New Economics Foundation in London. The New Economics Foundation is a think tank, also a think and do tank. We actually put ideas into action, we don't just think about things, and I am the head of the Centre for Wellbeing there.

Today what I want to talk to you about is happiness and wellbeing. I am going to do what it says on the tin and talk about measuring happiness and wellbeing and just talk first about what we mean by "wellbeing" and how we measure happiness and wellbeing. Findings from wellbeing research, there is a lot of psychological research into wellbeing and I am just going to present a few of those findings.

Then I am going to do what really excites me which is actually rethinking progress. I am going to present a little bit of data from something we call the Happy Planet Index, which was launched this summer, and then I am going to talk at the end just a little bit about what governments can do to promote happiness/wellbeing.

What do we mean by "wellbeing"? Well, the first thing I want to do is ground our definition in psychology. Wellbeing we talk about as being people's experience of their quality of life, so the liveability stuff that Robert was talking about earlier is really important but this is slightly different. This is actually asking people what they feel about their lives. So, unlike the Chinese example we heard earlier, this is quite similar to the WHO definition of "health" which in 1946, quite obviously a particular moment in history just after the Second World War, they defined it as a state of complete physical, mental and social wellbeing and not merely an absence of disease or infirmity.

This is a very important idea, that wellbeing is not just about lack of disease, it's not about not having ill being, it's the flourishing, it's inspirational, it's about being

fully human. So that's sort of our working definition about it.

I am just going to talk briefly about measuring personal wellbeing and the first thing is that I am very keen that we don't just reduce this to a one dimensional concept of just sort of how happy you are. So the way we present this normally is in two dimensions. We talk about feelings. We also talk about what we call functionings, doings, so sort of wellbeing and good doing, going on at the same time.

If we look at the way data starts to spread itself out in a sort of two dimensional space we find things like pleasure go towards feeling and meaning, like the last speaker was talking about, going towards what we call functionings.

Now, pleasure. We are animals that have evolved in a certain way and a pleasure signal in our body is like a sort of hot/cold signal for us. So if it's pleasure we sort of stay where we are and if it's not we start moving. A frog will move ponds if it's in an unpleasant environment and we can see the way the positive emotions and negative emotions are like this. So we see pleasure is good and we see things like fear starts to make us want to flight, and anger will start to make us want to fight. So we are trying to change our environments from when these negative emotions come through, and the positive ones are there to nurture and nourish us to sort of broaden our horizons and deepen our skill bases.

We can look at other measures here. Satisfaction; we talked earlier about satisfaction measures. They tend to be slightly skewed towards the feeding side and they do hold some meaning in there of what people's purpose in life is but not all the way. A classic example -- this is like about childcare -- childcare is very meaningful to us but it isn't always very pleasant for those of you who are parents, so we can see this sort of split going on here and satisfaction measures will tend to pick up slightly more about recent experiences and our feelings and the development meaning ones

will do more longer term things.

We find things like interest, curiosity and challenge go and fit over on the right-hand side, and this is very interesting for the topic of what we are talking about today because creativity is over here, if we are going to measure it psychologically, creativity, sometimes in psychology they talk about what we call flow experiences and flow experiences are something that we all have. It's when we get so engaged in something we lose track of time and we all have that experience sometimes. Musicians have it when they play, tennis players have it when they are in the zone. I rather sadly have it when I look at statistics but that's my problem.

But creativity really comes out of those flow experiences and you tend to get flow experiences when you have got the right balance between your own competencies and skills and the challenges that you face and when that's a good fit you get into that flow experience. If your skills are too low for the challenge you get into anxiety. If your skills are too high for the challenge you get bored. So it's about that right balance, the individual fit between the individual and the challenges they are facing.

However, when we start looking at big amounts of data I'm afraid to say the field isn't quite up with me at the moment and that most data you get from big surveys is pretty limited to life satisfaction but I still want to say life satisfaction is a very useful indicator. It does what we call converges with other measures which means, you know, how satisfied you say your life is will converge with how other people consider you. It will converge with how much you smile in life and the right types of smiles using all the right facial muscles. It predicts people's behaviour.

People are more generous and they actually spectacularly live seven years longer than unhappy people and you can show that from the data; and many of the predictors of wellbeing and happiness are already policy issues, whether

they are inequality, whether they are unemployment, whether they are access to green spaces and liveability indicators like we have been talking about. These are policy issues and wellbeing is the sort of policy outcome that comes from that.

I won't use that graph. This is looking at life satisfaction GDP in Japan; I thought instead of using European data I would use some Asian data. So you can see from 1970 in Japan right the way through to 2004 we see more than a doubling of GDP but life satisfaction in Japan is totally flat, pretty much. I mean, there were some wiggles there but, effectively, that growth has not translated into people saying in surveys that they are more satisfied with their lives.

We see the same in Korea. We have only got data from 1990 for Korea and we only have three data points of life satisfaction, they are marked on the graph there. But it's pretty flat, even though Korea has been having spectacular growth with, of course, a bit of a dip in the Asian Crisis. We see in China exactly the same picture. China, we have got three World Value Surveys of China, 1990, 1995 and 2001. Very little change there.

So this growth is not translating into the average population saying they are more satisfied with their life. It's a very strong challenge to the status quo around growth.

But notice that these national averages hold a lot of variation so this is microdata; this is looking at people in panel surveys. So you are tracking the same people through time. This actually is German data from the German Household Panel Survey; it is a very good long-term survey. This is people losing a partner. Obviously, some people in the survey are going to be unfortunate enough to lose their spouse and we see that in the years before they lose their partner their life satisfaction is falling. It's because some of them will be dealing with long-term illnesses and going through quite a tense situation. They lose their partner and everybody has a massive hit to their wellbeing, and over a seven-year period

they start to return to where they were but they never completely get there. I don't know why that's missing but we won't worry about that because we're a bit short of time, okay.

Really I just showed you that data to show you that the wellbeing data is holding a human story. We can see pictures of that, of actually what it's pointing to, and that's why I am very, very enthusiastic about these subjective indicators as I think they offer us a key of how to understand things.

I am now going to turn to rethinking progress. We launched this Happy Planet Index and we rather cheekily called it an Unhappy Planet Index because not many places were doing very well on it. It was launched this year in 2006 and it's like a human development style index. Human development has three indicators: it has education, it has health and it has wealth. So we chose three indicators but we chose three different ones which I will get to.

It's been spectacularly successful, this index. Normally our reports get about 20,000 or 30,000 downloads in a year. We have had 750,000 downloads of this report in two and a half, three months. So we have obviously hit a big nerve here.

Okay, what does the HPI do? Firstly it looks at what the ultimate end of society are and what we say is that the ultimate purpose of a success of a nation is how long and happy lives it produces for its people. We then look at what the fundamental input to society is, which is the amount of planetary resources or ecological footprints that they use. We strip out the whole middle. The indicators hold nothing about the economy, nothing about cultural industries. It says that everything that goes on in society is, when you can look at it, we are going to compare its ultimate outputs and its ultimate inputs and everything else becomes a means towards an end rather than an end itself, because one of the problems of GDP as an indicator is it's considered both a means and an end; all of its ends are defined in its own terms.

This gives us another way, another angle of looking at actually what we get out of an economy, what we get out of cultural industries. If cultural industries are not improving the happiness and wellbeing and, okay, health of people, then what are they doing? What are they there for? One of the great hopes is that cultural industries and those sorts of things will use a lot less resources to deliver those sorts of things than the sort of industrial model of development we have had.

The index is structured basically like this: we just stick human wellbeing over ecological resource. Quite a simple equation. We have three key indicators in there: life satisfaction and longevity. Longevity absolutely mirrors the human development index. We use ecological footprint which is the only international available data on sort of ecological resource use. It's important to realise that this is a resource use indicator, it does not measure biodiversity; that is outside of our model altogether.

So if you plot all the nations in the world, here are 178 countries in the world, each data point is a country, and you can see where we want to be in the graph, it's the green top left-hand corner. The green top left-hand corner is "high wellbeing, low footprints". Off to the right, that group of four countries off to the right is the USA and the Gulf States, who use huge amounts of resources. WWF would assess them as being five planet living which is that if everyone had their lifestyle we would need five planets the size of earth to sustain that lifestyle.

Roughly where the "2.0" figure is on the left is roughly one planet living, it's actually 1.8, and you will see there's a lot of countries that have actually left the one planet living and there is a massive variety in how much wellbeing they are delivering on that resource use. At the bottom, delivering virtually no wellbeing at all to sub-Saharan Africa who have basically what Hobbs would call short, brutish lives, life expectancy is like 34 years in Zimbabwe. It's shocking.

Zimbabwe used to have 55 years, 60 years and AIDS and poverty and internal strife in the country have really decimated development there.

What the index effectively does is if you think of this line here, where it cuts the data is the rank order it's going to put countries in. So the way it cuts across there is where it's going to rank order countries.

So you see what we are trying to do here? We are saying wellbeing is good. Too much footprint is bad. How much wellbeing are you getting for your footprint? Here is a map of the world. We also did another simpler traffic light system of giving colours for all of the ones and the only place you can see any green on the map there is Central America, and you can see the deep red countries are the ones that are doing poorly for different reasons.

The USA is doing poorly for its massive footprint. Africa is doing poorly for its total lack of delivery of wellbeing. Russia has neither wellbeing and the massive footprint.

You will see China is amber, it's yellow there. The only green light in Asia, and Tashi knows this, is Bhutan. Bhutan does very well on happiness and footprints but it actually has quite low longevity so it's only 66 years. To get a green light in longevity it would have to get 75 years. Japan has the longest lives in the world at 80 years. So it creates a very different map of the world about what progress is about and using the wellbeing indicators.

Okay, so what can governments do? In the UK wellbeing is becoming a policy focus. In 2001 we had a Local Government Act that put wellbeing at the heart of what local government does. We launched the Law Mini Manifesto which I meant to put in my pocket -- in 2004, my organisation, which I am going to claim credit for influencing the UK sustainable development strategy in 2005. We were cited in that and one of my colleagues was on the committee which drafted some of the

documents, and what that did was it actually made governments set targets on wellbeing indicators which they are now starting to implement.

Then recently you have had an unexpected wellbeing angle which is the Leader of the Opposition Party. The conservatives who are right wing, have started talking about GWB, general wellbeing, instead of GDP. He is talking in a very aspirational way. I don't know how he is actually going to convert that into indicators. But our policy, our idea and strategy really is that you need to measure what matters. Bhutan is an example.

There is a national wellbeing index group in Canada and the big piece of work we are doing around this is that I have been one of five or six people that have designed a wellbeing survey that's going right the way across Europe at the moment. There will be 50,000 people across Europe in 25 countries asking 50 questions on the feelings and functioning model that I talked about in the beginning. But we don't only ask them about their personal feelings and functionings; we also ask them about their social feelings, things like respect, fairness, fear of crime, feelings around progress and social support, and also their social functionings about their altruism, their generosity, their engagement in their communities and we will be creating what we will call national wellbeing accounts after that data later next year.

So thank you very much. Here are my contact details. You can download the Happy Planet Index from either of those websites and you can also go there and calculate your own Happy Planet Index score by filling out a questionnaire and it will give you feedback on how you are doing. Thank you.