

For many decades, gross domestic product-- or in short, GDP-- has been the single most important yardstick for assessing a country's success. And although GDP was never meant to measure wellbeing, in theory there is actually a connection between higher economic growth and higher wellbeing.

The way that economic growth is measured means that a rise in GDP shows that there is more value added to the economy, or a rise in expenditure, or there is a higher income. Yet it has long been recognised that GDP is only an imperfect proxy to measure a nation's wellbeing.

Economic growth is generally a good thing, but it's not the whole story. For example, it seems that just by getting richer we are not going to make our societies more tolerant or more inclusive.

In 2008, at the beginning of the global financial crisis, the then-French president set up a commission led by a number of Nobel Prize-winning economists to report on the measurement of economic performance and social progress, in which they argued that GDP is only to a limited extent telling us something about the quality of life in a country.

Various international and supranational organisations have picked up this need to get away from GDP as the only measure of success. The United Nations has been publishing a Human Development Index already since 1990, in which GDP is but one measure next to life expectancy, and knowledge and education measures.

In addition UNICEF reports on child wellbeing through regular international rankings. In 2000, the Millennium Development Goals - a set of eight measures- were agreed. These were replaced in 2015 when the UN General Assembly formally accepted a new set of 17 measurable sustainable development goals, in short SDGs. The OECD has been producing a better life index since 2011. There are also some private and third-sector examples, which combine traditional economic indicators with new measures of well-being.

The UK environmentalist think tank New Economics Foundation has been running its Happy Planet Index since 2006. The Happy Planet Index is explicitly focusing on sustainability issues, and uses global data on life expectancy, subjective wellbeing, and ecological footprint, to calculate a ranking of over 150 countries.

Another notable third-sector initiative is the Oxfam Humankind Index, developed in collaboration with the New Economics Foundation, the Carnegie UK Trust, and others to measure prosperity in Scotland. Based on a large-scale consultation involving around 3,000 people, it sets out 18 factors of prosperity, which the people of Scotland consider relevant. In particular, they emphasise the need for better indicators for good quality work, and to take into account the relationship between family and friends.

As we have learned, wellbeing is commonly understood as a multi-dimensional concept, consisting of both objective, for example, life expectancy in a country, and subjective dimensions, for example, self-rated health. Yet there is no consensus on how many dimensions of wellbeing there are.

While there will not be a definite answer on how many dimensions wellbeing has, a wellbeing lens nevertheless offers a useful approach for capturing the complex relationship of issues around social, economic, and environmental sustainability.

A large number of countries have also followed the Stiglitz report's recommendations, and tasked their national statistical offices with developing wellbeing measures. For example, since 2011, the UK Office for National Statistics is collecting data through its national wellbeing programme across 10 domains. The devolved government in Scotland is measuring wellbeing since 2007 through its National Performance Framework, also known as the NPF, or Scotland Performs. The Scottish NPF focuses on outcomes that improve the quality of life for people in Scotland, and sets out a vision for the country.

Scotland Performs represents a dashboard or scorecard system that measures the direction of change on every indicator over time without aggregating groups of indicators, or arriving at an overall score, as done by index approaches. Scotland Performs is a life document, with information and assessments being continuously updated when new data comes in.

However, since there is no regular report summarising the overall progress towards the government's purpose, there is no equivalent to the quarterly announcements of the latest GDP development or the publication of country rankings according to some wellbeing indices. These releases always attract significant media attention, and hence an important opportunity is missed to start a high-profile debate on the current trends.

Whatever approach is taken, in order to not undermine the wellbeing agenda, the quality of the use data needs to be high, and the underlying methodology robust. The included indicators need to really measure multiple aspects of well-being, and not simply be the easiest available data at hand. That the new attempts to measure how countries are performing on wellbeing are using the most appropriate indicators is really relevant, because what gets measured influences what policymakers do. If we overlook important aspects of quality of life, we will end up giving the wrong advice to those in charge.