

Measuring Well-being

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1. Background¹

The overall aim of economic and social policy should be to resolve the problem of how to increase or at least maintain welfare (benefits) whilst reducing both ecological damage and risks of future damage and unnecessary and unpleasant work (costs). We believe that the case for reducing the ecological impact of economic activity is proven, so the issue is how to reduce economic activity and what would be the consequences of so doing. Much current employment has little measurable impact on welfare other than providing people with income which, with current employment, income and welfare policies, is nearly always higher when one has a job²; and the presumption that the additional consumption derived from an increased income generates increased welfare is very doubtful beyond a certain quite low level.³

In other words:

- Instead of the mantra of full employment and creation of useless jobs, we need to consider what tasks need to be performed, how these are distributed and how they improve the quality of life
- Instead of costing environmental damage into National Accounts, we need to consider the environment as a distinct resource, and source of utility or welfare, one that cannot be exchanged for other goods and services.

1 This paper is a précised version of a chapter in a book co-authored with John Lintott titled Consumption, Jobs and the Environment (2001) published by Macmillan. The book describes the problems with consumption, jobs and the environment, argues that a different approach to assessing policy is required, and this chapter discusses how welfare is to be measured.

2 Note that there are situations in which people are paid NOT to work – for example, EU subsidised farmers when there is over-production of certain foodstuffs

3 For example, even the UN Human Development Index acknowledges the strength of this argument by using the logarithm of national income rather than income itself.

- Instead of presuming that ‘more means better’ and that increases in overall levels of consumption can lead to improvements in welfare, we have to move towards ‘satisfying’ basic needs.

We believe that the important prior issue is to discuss the *criteria by which* policies might be judged and *demonstrate the implications* of adopting different criteria. We do not think there will be one single identifiable process of political change.

The crucial connecting question is: what do we mean by quality of life or welfare? The root cause of many of problems is the policy framework, in particular the presumption that welfare is maximised when profit is maximised through output growth. This leads to the fixation on a single measure of national output or national income (whether ‘greened’ or not) to guide policy, virtually excluding other measures of welfare. In contrast we adopt reasonably plausible but multidimensional definition of what counts as welfare and show that if this is adopted as the overall policy goal, many existing problems appear soluble.

The current indices used to measure economic welfare are Gross Domestic Product and Gross National Product that are based on the systems of national accounts, which measure aggregate demand including both intermediate and final consumption. These measures were not originally intended as a measure of welfare or even of economic welfare. Mainstream welfare economists recognised this and therefore thought it ‘natural’ to search for ways of extending the measures so as to better reflect real welfare. We don’t think these attempts get us very far (see Lintott 1999). Instead, this paper focuses on what we see as the various dimensions of welfare and how these could be measured.

2. Approaches: A Thousand Flowers Bloom

We take it as axiomatic that a credible framework has to be as comprehensive as possible including most aspects of welfare judged important by different interest groups in our societies. Any aspects of welfare left out of the framework will not easily be taken account of in decision-making. As such, there are a large number of candidates. Indeed, since the 1960s, there has been a florescence of different methods of measuring the quality of life in industrialised societies, so many that those developing Social Indicators talked of a ‘movement’ (Gross and Straussman, 1974).

These approaches may be categorised in terms of their methods, theory and policy, or of policy relevance.

Many emphasise the importance of measuring welfare along a single dimension. The majority of this work has been carried out by economists and have led to proposals either for methods of extending GNP to better reflect economic welfare; or for ways of valuing other, currently non-monetarised, components, using the measuring rod of money. This can entail: including non-marketed production and other "goods" such as leisure; making deductions for production which does not contribute to welfare or for social or environmental costs; reclassifying items among consumption and investment, or among intermediate and final production; and so on. These types of additions/adjustment all have problems for example because they do not and cannot easily take into account income distribution (see Lintott 1999). Similarly, whilst there has been interesting work carried out using time as the basis for valuation (Stone, 1964) we see the basic problem as being one of forcing the assessment of welfare into one dimension.

If we are not going to evaluate social progress on one dimension using something like output/GDP, then how *are* we going to do it?

Many have argued that we must escape from a system of data which is dependent only or mainly on national accounts either through developing a system for monitoring (minimum) living standards; or through constructing a composite based on a selection of key indicators; or through social surveys of the quality of life whether 'objectively' measured (e.g. the numbers of households without basic amenities) or self-reported (e.g. happiness or satisfaction).

3. Socio-Economic Reporting Systems

We consider three approaches that have influenced our thinking: it is not meant to be a comprehensive review. The first is the postulate that there is a minimum set of basic needs, which should be satisfied for everyone which are, unfortunately, usually aggregated into an index; the second is the investigation into people's happiness, quality of life and/or satisfaction via structured questionnaires; and the third is the eclectic compilation of administrative and survey data according to a list of 'concerns'.

3.1 Theoretically Based Systems

Several proposals have suggested a theoretical framework which could structure a list of basic needs. We consider the basic needs framework (derived from Maslow 1954), proposed in the context of developing countries, and its extension by Doyal and Gough (1991) to industrialised societies.

Basic Needs

Abraham Maslow (1954) proposed that human needs could be put in a hierarchical structure from physiological needs (hunger and thirst), safety needs (for security and avoidance of anxiety), belongingness needs (desire for affectionate relations), esteem needs (the respectful evaluation of oneself); and that human beings would seek to satisfy them in ascending order.

There are difficulties with the hierarchical point of view⁴, because there are well-documented cases where people do not value survival above everything else. For example, the death of one partner in an elderly couple is often followed relatively rapidly by the death of the other; some prefer to die through starvation for a political cause, e.g. Bobby Sands in Ireland (see also the examples cited by Jackson and Marks 1999:427). Equally despite Thatcher's claim that "there is no such thing as society", we are not Hobbesian animals. Even residual Welfare States (as in the UK and the US) are based on the importance of taking care of the economically marginal and, of course, there has been a resurgence of interest in 'community' through the discourse on social capital.

Nevertheless, Maslow's framework was taken up in the Basic Needs approach to development and was defined in the Programme of Action at the 1976 ILO World Employment Conference. Basic needs were taken to include two elements:

- certain minimum requirements of a family for private consumption, as well as certain household equipment and furniture;
- essential services provided by, and for the community at large, such as safe drinking water, sanitation, public transport and health, educational and cultural facilities.

They argued that the following needs should be satisfied for everyone:

- i. security, food and water, clothing and shelter, sanitation (the survival needs);
- ii. access, knowledge, mobility and skills (to function in society);
- iii. equality, justice and self-reliance (to express a fundamental identity).

⁴ Maslow (1987) later revised the hierarchy to place the different sets of needs on an equal footing.

The importance of this approach was that, in contrast to previous emphases upon growth maximisation and industrialisation, the objectives were defined in physical terms. Neither a certain per-capita money income, nor full employment (the current means to such an income) can ensure that essential goods and services are produced in the right quantities at the right time and actually reach everyone.

The major problems are twofold: first, whilst everyone needs/wants a certain minimum of several different goods and services, few can agree on the optimum levels of each of the goods and services and on the weights that should be used for the different goods and services; second, most authors, whilst nodding in the direction of consumer sovereignty, do not in fact use consumer views as a basis for elaborating the detailed indicators.

A Theory of Need for Industrialised Societies

The Basic Needs Approach was, of course, developed in the context of developing countries. Doyal and Gough (1991) have attempted to elaborate a theory of need, more appropriate for industrialised societies.

Doyal and Gough reject arguments that "... basic human needs are nothing but a dangerous and dogmatic metaphysical fantasy" and that only expressed wants (or demands) are 'real'; equally, they highlight problems of relativism. They argue that, whilst there is much cultural variation, there is a rock-bottom set of needs defined by the following proposition:

"So you can need what you want, and want or not want what you need. What you cannot consistently do is not need what is required in order to avoid serious harm - whatever you may want" (Doyal and Gough 1991: 42).

This is consistent with our view that people 'need' a minimum along those dimensions that correspond to aspects of 'well-being' (see below).

Avoidance of physical harm cannot be the only 'need', otherwise Huxley's *Brave New World* allowing for some individual want satisfactions within a regimented system would be Utopian - and obviously it is not. They therefore argue for the importance of autonomous choices "to have the ability to make informed choices about what should be done and how to go about doing it" (Doyal and Gough, 1991 p53) even though this may result in some unhappiness. Like physical health, autonomy at its most basic level tends to be seen in negative terms - very much as a loss or lack of control. They argue - and we would agree - that what is crucial are real *opportunities* to act

and change one's life and conditions, both in day-to-day things and in the political arena.

Thus they argue that democratic structures, in addition to basic income and output, are a pre-requisite for optimising need-satisfaction; although, the extent of real democratic participation depends upon the flexibility of the state and its structures and the viability of other forms of participation. They also argue that the organisation of society has to assure human rights and eco-sustainability. These societal preconditions must be fulfilled order to achieve the universal goals of avoidance of harm and critical participation.

Table 1: Universal Satisfier Characteristics based on A Theory of Need

Main Headings	Components
Food and Water	Appropriate nutritional intake
Housing	Adequate shelter Adequate basic services Adequate space per person
Work	Non-hazardous work environment
Physical Environment	Non hazardous physical environment
Health Care	Provision of appropriate care Access to appropriate Care
Childhood Needs	Security in childhood Child development
Support Groups	Presence of significant others Primary support group
Economic Security	Economic Security
Physical Security	A safe citizenry A safe state
Education	Access to cultural skills Access to cross-cultural knowledge
Birth control and child-bearing	Safe birth control Safe child-bearing

Source: Doyal and Gough, 1991, Table 10.1:219-220.

They then extend their theory to a discussion of minimum and optimum need fulfilment and enumerate a set of what they call 'need-satisfiers' (or 'intermediate' needs for achieving first order needs such as health, autonomy). Whilst they are anxious to acknowledge cultural

relativity, they argue that these ‘needs satisfiers’ are somewhat universal.

Their final list that seeks to account for (1) basic needs and (2) intermediate needs appears in an abbreviated form above (Table 1). They also suggest possible social indicators to measure them.

Whilst starting from very different policy and theoretical premises, the hierarchical approach of Maslow, the ILO's Basic Needs approach and this theoretical approach to needs each generate a rather similar set of components.

3.2 Empirical Bases for Measuring the Quality of Life

In contrast to this theoretical basis for welfare criteria is empirical approaches. There has, of course, been a rapid growth in the numbers of surveys being carried out in EU member countries. In this brief section, we identify some of the reasons as to why surveys are only of limited use in defining or measuring the quality of life.

Subjective Happiness/Satisfaction

One group of surveys is concerned with deriving satisfaction measures. A systematic approach to measuring happiness and/or satisfaction has been developed in Michigan, the major exponents being Andrews and Withey (1976). They argue, on the basis of small scale survey work, that several domains contribute to the final outcome of happiness and that responses to questionnaires about satisfaction in respect of each of these domains can be used to generate a happiness scale. The fundamental issue is whether or not one believes that happiness may be expressed in terms of a simplistic equation such as: adequate income + good health + rewarding social relationships = happiness.

The ONS (Office for National Statistics) were asked to develop a module dealing with subjective well-being. From April 2012, the 200,000 people in the Integrated Household Survey (IHS)⁵ (carried out by the ONS) have been asked four extra questions, with answers on a scale of 0 to 10:

- how satisfied are you with your life nowadays?
- how happy did you feel yesterday?
- how anxious did you feel yesterday?

⁵ <http://www.esds.ac.uk/government/ihs/>

- to what extent do you feel the things you do in your life are worthwhile?

Whilst such satisfaction surveys – and they can sometimes be much more extensive and sophisticated – provide very good evidence that happiness isn't strongly linked to income, the problem is that subjective social indicators are not robust enough to monitor trends in welfare over time.

An illustration of this difficulty is that, despite objective indicators of health status improving over the last thirty years, the proportion of those *reporting* a long-standing illness in the 16-44 age group in the General household Survey has increased from 14% in 1972 to 24% today (see Walker et al, 2001).

Halo Effect

There is a 'halo' effect in that people tend to respond in the same kind of way to quite different questions, whatever their objective situation. Empirically, it is true that a person's quality of life in one dimension tends to be associated with their quality of life on another, so that 'disadvantages' in respect of a whole range of indicators will be concentrated among particular groups in society. But the *extent* to which this happens is a very important question. Otherwise - that is, if we take it as *axiomatic* that a person who is unemployed will also be ignorant and in poor health - then we shall be falling into the same GNP trap that we are trying to avoid through distinguishing between different dimensions of well-being.

More generally, if direct questions about satisfaction are asked, nearly everybody responds 'satisfied', and a large proportion 'very satisfied'; this is partly because responses appear to measure social norms (of the 'can't complain' variety) rather than self-ratings of well-being.

3.3 The Eclectic Approach: a List of Concerns

Distinct from either of these approaches has been the eclecticism of, for example, UNRISD in developing 56 indicators of the level of living in the 1950s (UNRISD 1953). This was later developed into a more systematic schema for the observation of socio-economic conditions (McGranahan, Pizarro and Richard, 1985). The major difficulty faced by the compilers of these lists of indicators is the quality of data typically available in developing countries.

Miles and Irvine (1982) ALSO argued that there has been a tendency towards 'cultural' bifurcation in modern technologically-advanced industrial societies in that there are different Ways of Life (WOL) with different priorities and different value systems.

The interest here is more mundane: the issue is whether or not it is sensible to *develop* indicators along one dimension of well-being independently of another (leaving aside the empirical question of associations between dimensions mentioned above). The proponents of a WOL approach argue that tendencies in respect of one aspect of the quality of life can only be assessed in terms of an overall paradigm: a Dominant WOL or an alternative WOL. On the whole, whilst we agree with Galtung et al. (1977) that there is a Dominant Way of Life in modern industrial societies, we do not think that it can be defined solely in terms of over-consumption and social pathologies. For us, the Dominant Way of Life is partly characterised by an over emphasis on technocratic relations between means and end and partly by a devaluation of the multiple ends that the individual can pursue. These tendencies can perhaps be *illustrated* in terms of over-consumption and social pathologies, the attempt to force all aspects of the quality of our life into either a Dominant WOL or an Alternative WOL does injustice to the complexity of the components of the quality of life.

We tend to the view that individuals' quality of life should be assessed not in terms of one or two overarching theoretical designs, but in terms which reflect the variety of ways in which people order their lives. We do not want to deny that there are some overbearing constraints, such as the threat of poverty or war, on the possibilities for individuals to play or to participate in projects -. But, *within* those constraints, there are a variety of modes of living which give different emphases to different aspects of well-being. We therefore argue that it is best to approach the definition and specification of the elements of well-being from a variety of perspectives and that, with certain limitations, each perspective is coherent in and of itself.

Such an approach means that some phenomena will appear in more than one area. On the whole, we would argue that these overlaps are not serious.

In the 1970s governments started to prepare 'Social Reports' (the UK example is *Social Trends*). Originally, but briefly, these were supposed to provide information as to how the fruits of never-ending economic growth were being used. But these 'optimistic' motivations were rapidly submerged by growing awareness of crisis in the development of capitalism. Not only were there some 'dysfunctions of growth' (e.g. pollution, traffic, mental illness), but evidence began to accumulate that, despite increasing national prosperity, Marx's prediction of the impoverishment of the proletariat (Marx and Engels, 1848) was certainly true on an international scale and still worth debating within developed countries. Moreover, many of the younger generation were clearly alienated from the system. These problems of inequality,

mental illness, pollution, etc. began to dominate statistical work in advanced capitalist countries.

A number of administrative approaches to social reporting have been used:

- component based living conditions approaches, based on objective statistical information;
- level of living, emphasising access to resources and inequalities of distribution. The presumption is that, given adequate resources, people will dispose of them wisely for their optimal need satisfaction as autonomous individuals, although subjective evaluations of living conditions may also be included;
- quality of life research, focusing on need fulfilment in relation to a predefined set of desirable goals;
- social indicator systems, based on a set of policy concerns;
- other systems, including Social Accounting Matrices and Satellite Systems.

There therefore appear to be 'areas of concern' which are more or less common across all these lists (see for example, the comparison in Carr-Hill et al. 1995). Hence the relative ease with which the OECD (1970) were able to agree on a List of Social Concerns. Perhaps not surprisingly the List of Social Concerns agreed by the OECD governments was grouped in a way that closely corresponded to the cabinet portfolios of the typical (OECD) government (health, education, employment, etc). But at the same time the programme emphasised the measurement of well-being, so that it tried to proceed by breaking well-being down into various components and sub-components, until a precise concept resulted which was capable of measurement.

There was high-level commitment during the completion of the first stage - leading to the publication of *Measuring Social Well Being* (OECD 1976) - but the programme fizzled out during the 1980s. This was partly because governments became more concerned with the consequences of the oil price hike; and, more importantly, partly because it became obvious that very substantial statistical resources would be required to provide systematic data for many of the indicators proposed. The gap between the proposals and what could be derived from existing statistical series was well illustrated by the limited number of series that were included in the final publication of the programme in 1986. As Seers said:

“there are virtually no statistics anywhere on most of the aspects of life that really matter – the average distance people have to carry water and food; the number without shoes; the extent of overcrowding; the prevalence of violence; how many are unable to multiply one number by another, or summarize their own country’s history.” (Seers 1983:5-6)

From the beginning the OECD programme was rooted in the conflict between concern for social well-being which, although aggregated, was defined exclusively in individual terms, and concern to elaborate a statistical framework that could serve as an instrument for social planning and therefore for social control. This results in a curious hybrid of indicators. For example, the elaboration of indicators for ‘the availability of gainful employment for those who desire it’ is transformed into ‘unemployment rates’ in a way that can only be useful to a Keynesian manager of the economy (see also *Radical Statistics*, 1979).

3.4 Our Way Forward

There are a variety of approaches and theories of what constitutes well-being, but they tend to converge on a similar list of its main constituents, while of course varying in the way these are organised, the emphasis, weight or rank given to each, and so on. The Basic Needs approach is quite consistent with the social concerns found in government social reports, although it emphasises the achievement of minimum standards in a way that the reports do not.

In other words, there appears to be a considerable degree of consensus about what are the major areas of social concern, notwithstanding different views about what exactly to include in each and about their relative importance⁶. Equally, the social reports of different governments tend to be very similar to each other in including data on employment, education and health, the environment, and other sectors (see Carr Hill et al, 1995). This is not surprising as the areas broadly follow the administrative division of governments, and thus the way that government statistical systems are organised.

On the whole therefore, we follow the ‘eclectic’ approach: but with three rather distinctive characteristics that distinguishes our approach from that of other ‘eclectic’ lists. First, we argue, consistent with the basic needs approach that, beyond certain minima, it is not

⁶ See for example, the arguments over the WHO’s Index of Health System Performance

always clear how 'more' consumption adds to welfare (although it clearly adds to profit). Second, we argue that a wide variety of perspectives need to be taken into account, in order that, as far as is possible, every group's welfare is considered. Third, we place more emphasis on monitoring collective well-being both in terms of inequality and human rights and in terms of reducing ecological damage.

Whilst we do not believe that it is possible to lay down a universal set of basic needs except at the most abstract or general level, we do believe that the concerns with survival and health, autonomy and self-esteem, and many of the other dimensions cited above, generate a set of minima. Accordingly, we shall, in the elaboration of indicators, include many concerns with the minimum conditions for leading an independent social existence that will be similar to those proposed by the theoreticians and International organisations.

We think our specification of minima would not be seen as unusual. This is based on the evidence from the series of Poor Britain surveys, in which a random sample of the population are asked which items in a long list, should count as *necessities* - and then they are then asked if their household has those goods or access to those services. In the surveys conducted to date in England (Mack and Lansley 1985; Halleröd et al 1997), there has been a broad consensus as to what counts as the reasonable minima, rather similar to what we are proposing.

Moving beyond Minima

A set of social indicators restricted only to these minima would, however, be very bare. Data can, of course, be compiled on the numbers of people disabled and/or homeless and/or illiterate, and/or poor and such compilations are useful in assessing social need (see, for example, Davies, Bebbington and Charnley (1990)). But these data only tell us about one - admittedly very important - extreme of the distribution of welfare. The purpose here is to develop a set of indicators which will comment on the whole of the distribution.

One possible approach would consider the same dimensions as were included in the minima (disability through illness through health; homeless through housing; illiteracy through knowledge; poor through rich) but there are two objections. First, like the discussion and measurement of national income, this presupposes that more means better. Whilst we could argue cynically that too much knowledge is a dangerous thing, there are difficulties in talking about 'increasing' levels of individual health. More seriously, if one person or group has more housing and/or income than within certain limits and within a

sensible time span another person or group has less - and, indeed, is more likely to fall below the minima. A second objection is that beyond quite a low level of satisfaction, it is difficult to develop a general criterion as to what would count as the satisfaction of need. As such it is difficult to specify measurable indicators or collect data.

At the same time, we want to avoid a categorisation which is simply *dictated by* the administrative structure of government as this structure reflects a concern with the preservation of the social fabric (from one particular point of view) and will emphasise those elements which correspond with this point of view, rather than with the enhancement of individual well-being.

A Variety of Perspectives

Rather than basing our framework upon cabinet profiles, we have stepped back to ask, in terms of a set of world views: what *are* the dimensions of interest about what constitutes the good life? For some, the human condition is defined in terms of a healthy body and mind. Obviously a Platonic emphasis on the constitution of the Republic so as to reach the higher ends of Truth and Beauty is one source. For others a (wo)man is defined by what (s)he does. In essence, this was Aristotle's view, echoed by Aquinas and, latterly, Marx (1973) along with several other early Socialist writers arguing for the ennoblement of creative activity. Finally, the growth of capitalism brought another definition to the fore: that a (wo)man was defined by what (s)he had. The clearest early exponent of this view was probably Locke (1694), but it is now essential for the continuation of capitalism that people hold this view and believe that they are what they own. These different perspectives on individual well-being can be summarised as Being, Doing and Having.

There is such a thing as Society...

...but it is equally important is to locate the individual in a social context. The quality of life in society is defined not only by what we are, what we do, or what we have, but also how we relate to each other in society and the extent to which we are free from arbitrary interference whether from other individuals, groups or, indeed, the State. Moreover, there have to be drastic changes in environmental policies for us to survive. We summarise these latter welfare concerns as: Relating and Surviving.

Superficially, these five concerns (being, doing, having, relating and surviving) are similar to systems that have been proposed by Allardt (1975) and by Ekins and Max-Neef (1992). Allardt's system is based on extensive survey work in Scandinavia asking about the following

dimensions of welfare: living standards, loyalties, experiences of self-realisation, alienation, happiness and dissatisfaction. Ekins and Max-Neef also have a 'being' category that represents the personal or collective attributes which might be required in the satisfaction of a given need; their 'having' category refers to the mechanism or tools (including institutions or norms as well as material things) which might be required; a 'doing' category reflects personal or collective actions necessary for the satisfaction of a need; and they chose the term 'interacting' to reflect exogenous factors relating to milieu and location (Max Neef 1992, cited in Jackson and Marks 1999: 427-8).

Our approach is somewhat different. We see 'being', 'doing', 'having' 'relating' and 'surviving' as different *perspectives* on the quality of life. Moreover, unlike Doyal and Gough (1991) we believe there are irreducible minima that can be established in each dimension, although the precise levels will be contentious. Beyond those minima, more might mean better for some along that dimension; but, from our point of view, the issue is whether or not a higher level on that particular dimension constitutes an *overall* improvement in welfare.

In addition to these specific perspectives, primarily focused on the individual's welfare, there are several 'cross-cutting' more 'societal' concerns, which can be grouped into two general themes. There are also constraints on economic activity implied by our earlier arguments.

One general theme is *inequality* between social groups within a country or region, whether defined by gender, generation or geography or by various measures of socio-economic status. This could be assessed in terms of the statistical combinations of inequality in respect of each of the specific series being considered but this is likely to be difficult to interpret. An alternative approach is to calculate the numbers who do not reach a basic minimum in respect of *each* or more than half of the series (although this requires data linkage between the series for each individual).

A second general theme is *democracy*, or the extent to which people feel able to influence the decisions that affect them. What is crucial are real *opportunities to act* autonomously and change one's life and conditions both day-to-day and in the political arena.

Most importantly, as we argued in the background section, policies should be evaluated on a different basis, and specifically that in order to ensure that ecological damage is being reduced, we need a separate set of collective or *societal* concerns to monitor necessary constraints on economic activity in terms of reduced levels of consumption and production and in terms of environmental controls.

3.5 A Proposed Framework for Discussion

The resulting set of *individual* social concerns is set out in Table 2. It conforms broadly to the theoretical specification of needs, to the concerns raised in social surveys and, incidentally, to what was an inter-governmental consensus (see OECD 1970). The specification of collective social concerns and constraints on economic activity are set out in Tables 3 and 4 respectively.

Together, they represent a first step in moving from the very general notion of a citizen's well-being towards specific, operationally-defined social indicators that could be used to monitor levels of individual and societal welfare, but in the context of the reductions in consumption, employment and production that are required in order to ensure that the ecological impact of economic activity is reduced (see below).

Of course, the real test of their utility and comprehensiveness will be whether the indicators that are specified provide signals for policy that move institutions and people to behave in ways that help to resolve some of the problems about consumption, employment and the environment.

Table 2: A Possible Framework of Individual Social Concerns

General Theme	Suggested Concerns	Example Specifications
BEING	HEALTH	Length and Health-Related Quality of Life
		Potential for Children’s Development
	KNOWLEDGE	Level of Knowledge and Ignorance
		Opportunities for Life-Long Learning
DOING	USE OF TIME	Experience of School
		Working hours)
	QUALITY OF	Choice and Control over Use of Time
HAVING	NEEDS FULFILMENT	Fulfilment of Basic Needs (Adequate)
	BASIC MINIMA	Levels of Long Term Security
		Poverty lines
RELATING	SOCIAL CAPITAL	Family &/or Household Security
	SAFETY IN PUBLIC	Victimisation by strangers
SURVIVING	ENVIRONMENTAL	Adequate quality of air land and
	SAFETY	

Table 3: A Possible Framework of Collective Societal Concerns

Collective Concerns	Specifications
INEQUALITIES	Combination of Individual indicators
DEMOCRATIC RIGHTS	Restrictions on movement
	Due process and liberty of association

Table 4: A Possible Framework of Constraints on Economic Activity

Constraints On Activity	Specifications
CONSUMPTION	Progressive reductions in GDP
PRODUCTION	Reductions in production of goods and services with no utility
SUSTAINABILITY	Sustainable Energy Consumption Levels
	Pollution Levels

Assuming there is broad agreement that such a framework is needed – although other people’s priorities about the specific social concerns and how to specify them might be different – the political and policy implications are considerable. Essentially, the definition of a series of criteria which are *independent* of current macro-economic policies (about employment and growth) facilitates a whole new perspective. Among other policies, increasing employment and higher growth rates have to be evaluated in terms of their welfare gains (or lack thereof) and not applauded simply because they are increases; similarly, increasing access to qualifications has to be evaluated in terms of welfare gains (or lack thereof), both individually and for society, rather than applauding increases.

4. Conclusion

After reviewing theoretically based systems and empirically based systems, we argue for a more eclectic approach in which we should assess the impact of administrative, political and social arrangements on the individual quality of life in terms of:

- being (knowledge and health);
- having (basic necessities);
- doing (human activities);
- relating (social environment);

- surviving (environment, safety).

In addition we argue that collectively, we are concerned with inequality and human rights. And, whilst relatively uncontentious in terms of measurement, we must not forget to monitor levels of production, consumption and pollution, but should do so in the context of concerns about constraint.

We conclude by repeating that our definition of welfare, whilst relatively uncontroversial, will not be shared by everyone, but the aim was to illustrate the consequence of following an approach which focuses on (aggregate) human welfare rather than on macro-economic indicators.

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