

Editorial: Achieving Well-Being for All

Well-being cannot prosper in divided societies. Nearly ten years since the start of the global financial crisis, the world economy is regaining momentum. Yet the crisis has left behind scars of uncertainty about the future, and after a period of widening income inequalities, there is a sense of deepening divisions in several OECD countries. In particular, there is concern that the economic shifts in the last 30-40 years have left too many people behind. With the crisis as its backdrop, the “beyond GDP” movement has drawn attention to the limits of macroeconomic statistics in describing what matters most to the quality of people’s lives. This has encouraged us to ask both *who* and *what aspects of life* are missing from the traditional indicators that policy-makers most often use to guide their decisions. The OECD well-being framework and the statistics we have been compiling since 2011 offer a unique way to approach these issues directly, injecting some hard-won evidence into the heated debate on inclusiveness.

As economies gain strength, well-being needs reinforcement

After a turbulent decade in many OECD countries, is life today any better than it was in 2005, well before the crisis began? The picture is not all doom-and-gloom. Most OECD countries now have higher average household incomes, higher annual earnings, and a longer life expectancy than in 2005. In around half of all OECD countries, the employment rate has risen since 2005; the incidence of long working hours has fallen; more people say they feel safe when walking alone at night; and there are fewer homicides. Yet in some of these outcomes, progress has often been slow, unsteady or unevenly distributed. In addition, several other elements of people’s well-being have been left behind: voter turnout, long-term unemployment and housing affordability have each worsened in around half of all OECD countries since 2005, while labour-market insecurity is higher in four-fifths. Feelings of life satisfaction and social support have also fallen in at least one-quarter of OECD countries. So as economies begin to regain their momentum after the crisis, there are many people who are not yet feeling the benefits, in several aspects of their lives.

We need to look at inequalities beyond income

The OECD average is often a poor guide to understanding the well-being of individual people and that of their families and communities – particularly when gains and losses in well-being are unequally shared, both within and across countries. The special focus on inequalities in this edition sheds light on who is getting left behind. While much of the recent debate on inequality has centred on income, Chapter 2 reveals a large number of dividing lines across many aspects of people’s well-being, and among many groups of people – including between men and women, young and old, and people with different levels of education. Countries with comparatively small gaps between people by some measures (such as the gap between men and women, or the size of income inequalities) can have much

larger inequalities in other respects (such as the gap between young and old, or the size of health disparities). This emphasises the need to consider inequalities from more than one angle, and in more than one outcome. Chapter 3 expands the analysis of inequalities further, by exploring the well-being experiences of migrants in OECD countries. When compared to the native-born, they face a number of disadvantages, ranging from lower quality jobs, to greater exposure to air and noise pollution where they live. Migration also takes a toll on emotional well-being: in over two-thirds of European OECD countries, migrants report lower life satisfaction than natives, and are more likely to feel downhearted or depressed.

Barriers to social mobility today may widen well-being gaps tomorrow

Inequalities in outcomes are of greatest concern when they reflect and translate into inequalities of opportunity. Several forces are putting the brakes on social mobility in OECD countries. They start early, with children from income-poor families being much more likely to fall into poverty later in life. They are then compounded by patterns of family formation, since – while opposites attract – like still marries like: more than one-third of wage earners live with partners in the same earnings quintile. In addition, patterns of inheritance reinforce existing divides: while around 10% of households in the lower wealth quintile receive inheritances or gifts, more than half of those in the upper quintile do. Meanwhile, not everyone has an equal chance to make the most of their skills in today's labour markets. For example, migrants with a higher education are more likely to be overqualified for their jobs, when compared to the native-born. And despite being more educated than the generations that preceded them, younger adults face particularly large gaps on jobs outcomes, relative to older adults.

Putting the “public” back into public institutions

Divided societies create problems for democracy and social trust. Many people living in OECD countries feel distant from the public institutions that serve them. On average, only 33% of people feel that they have a say in what the government does, and in more than half of OECD countries people's trust in government has fallen since 2005. Although survey respondents in European countries say they are generally happy about the fairness of elections, they are much less satisfied with policy actions to reduce inequalities. Data on the occupational background of parliamentarians in 11 countries also suggests they are not “representative” of the people they serve – instead they are much more likely to have had a professional or senior management career. At the same time, citizens are less civically engaged: voter turnout is falling, and some of the groups least well-represented in public life (the young, people with lower income, and those with less education) are both among the least likely to vote, and the least likely to feel they have a say in policy decisions. This implies that governments increasingly risk “ruling in the void”. We need to find new ways to engage citizens, particularly those most on the margins, in order to restore trust and prevent these divides from widening further.

Bridging the gap between better data and better lives

In focusing on who and what has been left behind, it is important not to lose sight of what lies ahead. Six years since the OECD launched the Better Life Initiative, good progress has been made in expanding the well-being evidence base, giving us a better handle on what is needed to make lives better. At the same time, there is much unfinished business. There are large gaps in our knowledge of change over time, and in particular of whether well-being

divisions in society are growing wider. So well-being statistics need continuous investment. But beyond this, there is an urgent need to bridge the gap between better data and better lives. This means greater commitment from decision-makers to use the data that we already have. This is not simply a question of statistics: it means linking numbers to real-world impact and experience, and developing policies that can bridge well-being divides. Indeed, the question now is not just: how big are the gaps? – but rather, how can we design policies that will close the gaps that matter most, and deliver well-being for all.



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From:
How's Life? 2017
Measuring Well-being

Access the complete publication at:
https://doi.org/10.1787/how_life-2017-en

Please cite this chapter as:

OECD (2017), "Editorial: Achieving Well-Being for All", in *How's Life? 2017: Measuring Well-being*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/how_life-2017-2-en

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