PRESS RELEASE
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REPORT CALLS FOR WELLBEING TO BE AT THE HEART OF PUBLIC POLICY DESIGN

Professor Lord Richard Layard of the Centre for Economic Performance is part of an independent commission established by The Legatum Institute, proposing a radical reform of public policy-making, targeted at “wellbeing”, or life satisfaction, not simply economic growth.

The commission’s report, Wellbeing and Policy, is published today. It concludes that GDP is too narrow a measure of prosperity. Instead, policy should aim at increasing people’s satisfaction with their lives, using measures of wellbeing as an indicator of success. The report explains how to define and measure wellbeing, and demonstrates how it can be used to measure the success of different policies and different countries.

By examining the most important influences on wellbeing, it identifies some startling new policy priorities:

**Mental Health:**
Mental ill health should be treated as professionally as physical ill health and people with depression or anxiety should have access to treatment on exactly the same basis as people with physical illness.

**Support for Parents:**
Parents should be offered parenting classes to cover emotional and physical aspects of child rearing and the emotional impact of children on the couple’s relationship, as well as couples therapy if they fall out.

**Character Building:**
Schools should explicitly teach life skills. Children’s wellbeing should be regularly measured and teachers should be trained in mental health and the management of child behaviour.

**Governance and Empowering Citizens:**
Citizens should be treated with respect; they should be empowered and feel empowered.

**Volunteering and Giving:**
Higher levels of volunteering and giving should be encouraged as they are a powerful way of increasing subjective wellbeing. Governments may have a role in presenting evidence on the positive effects of volunteering, and making it simple and attractive to give and volunteer.

**Maintaining a Stable Rate of Growth:**
Research shows that a fall in income lowers wellbeing more than an equal rise in income increases it. So reducing volatility, even at the cost of reducing the average rate of growth, should be the prime economic objective.

**Wellbeing at Work:**
Employers should be more sensitive to mental health problems in their workforce since these account for nearly half of all sickness absence.

Gus O’Donnell, Chair of the Commission and one of the authors of the report said:
“GDP alone is not enough. To measure a country’s progress, we also need to look at how satisfied we are with our lives and how worthwhile our lives are. Our report shows how to do this: how to measure wellbeing, how to analyse it and how to act on it. We show how governments and individuals can use this information to make better decisions and ultimately a better society.”
Graeme Leach, Director of Economics and Prosperity Studies at the Legatum Institute said: "The idea that there is more to life than money surely resonates with everyone. That is why the Legatum Institute's Prosperity Index is based on both wealth and wellbeing. But there is much less agreement about the implications of wellbeing for public policy. The Legatum Institute established the Commission on Wellbeing and Policy in order to help stimulate and encourage this debate. The report, produced by world renowned experts, is a fascinating insight into the potential impact of social wellbeing on public policy".

END

Notes:
1) The commission operated independently and all views expressed do not necessarily reflect those of the Legatum Institute.
2) A full copy of the report is available to download here and an executive summary is available to download here.
3) More information about the Commission and detailed biographies of the five Commissioners who are the authors of the report are available here.

About the Legatum Institute
The Legatum Institute (LI) is a non-partisan public policy think tank whose research, publications, and events advance ideas and policies in support of free and prosperous societies around the world. For more information, please go to www.li.com.

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