

Wellbeing and public policy in New Zealand

DR DAN WEIJERS (UNIVERSITY OF WAIKATO)

ASSOCIATE PROFESSOR AARON JARDEN (UNIVERSITY OF MELBOURNE)

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Positive Psychology is growing in New Zealand...

- ▶ Caring professions
- ▶ Positive education
- ▶ Positive organisations
- ▶ Positive leadership
- ▶ Positive parenting
- ▶ Focus on mental wellbeing



But what
influence is it
having and
should it have
on public
policy?

A large, stylized red thought bubble with a white outline, containing the text. The bubble is positioned on the right side of the slide. It has several smaller red circles and lines around it, suggesting a thought process. A yellow arrow points from the list of bullet points towards the bubble, and an orange arrow points from the bubble towards the right edge of the slide.

Wellbeing is growing in New Zealand...

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- ▶ A lot is happening in terms of wellbeing and public policy in NZ right now.
- ▶ The 2019 wellbeing budget and some related legislation are world-firsts: Lord Layard said, there has been “*no other major country that has so explicitly adopted well-being as its objective.*” – NYTimes.



Wellbeing is growing in New Zealand...

- ▶ But what is the connection between the positive psychology and wellbeing policy?
 - ▶ Is positive psychology playing a role in the recent developments in public policy?
 - ▶ And should it play a greater role?
 - ▶ Is policy the mechanism to take wellbeing science and positive psychology to great scale?

Wellbeing and public policy in NZ:

The goal

- ▶ At the heart of the renewed focus on wellbeing in NZ public policy is the [Living Standards Framework](#) (LSF), which was created by the NZ Treasury.
- ▶ The underlying goal of the LSF is to direct all NZ public policy towards promoting the wellbeing of all NZers, now and in the future.
- ▶ NZ Treasury: Living Standards Framework ~ [public policies should aim at equitable and sustainable wellbeing for all New Zealanders](#)
- ▶ Wellbeing ~ *prudentially good lives* for individuals (and groups)

Wellbeing and public policy in NZ:

The goal

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- ▶ But what is the *prudential good life*?
 - ▶ Wealth, power, & longevity?
 - ▶ Health, safety, & freedom,?
 - ▶ Happiness, meaning, & respect?

Traditional first world and current developing world foci

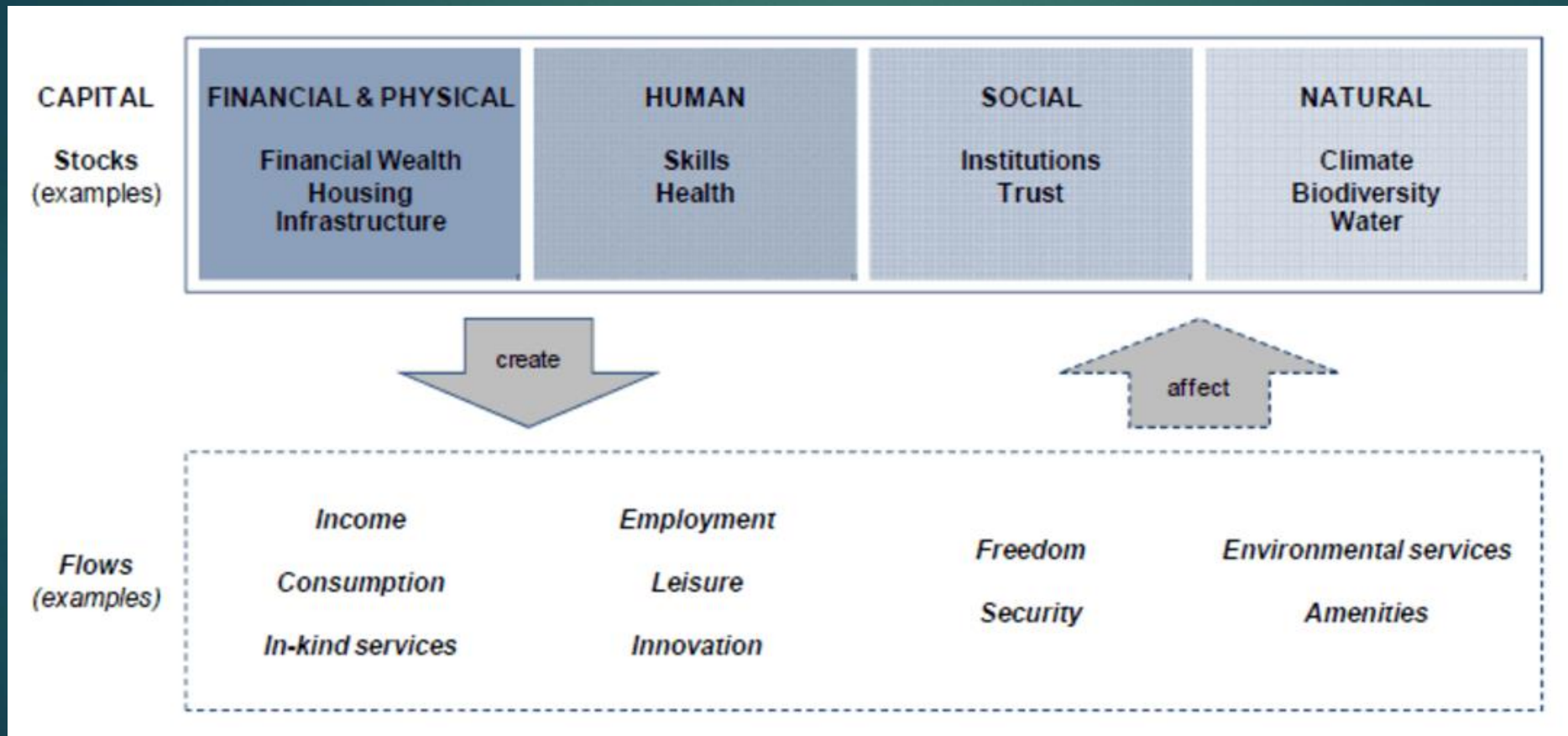
Emerging goals for policymakers

Over the last 10 years, some governments and policymakers are starting to conceive of wellbeing more like most philosophers and psychologists do, including happiness, meaning in life, and self respect, etc. Clearly, this is an opportunity for positive psychologists to help with measures and policies...

NZ Treasury's (old-2011) Living Standards Framework (Sen's Capabilities)



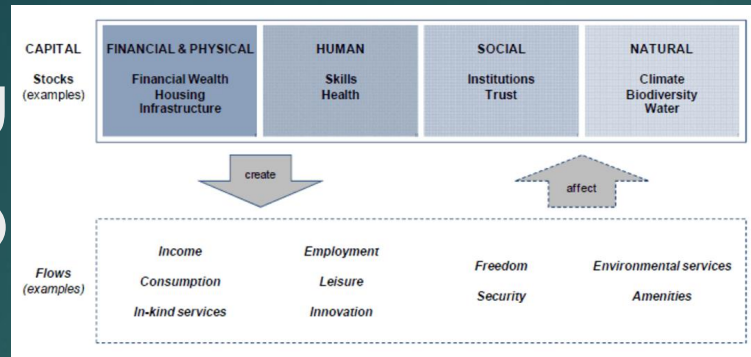
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These stocks and flows are probably instrumental prudential goods.

Where is mental wellbeing?

NZ Treasury Framework



Living Standards Framework (LSF)



- ▶ This is the 2011 era LSF. It shows stocks of goods that promote wellbeing into the future and flows of goods that promote wellbeing in the short-term.
- ▶ Importantly, **subjective wellbeing was not included** in the 2011 era version of the Living Standards Framework. The justification was that all of the stocks and flows contribute to subjective wellbeing, so we didn't need to include it.
 - ▶ This was likely a bogus explanation designed to hide traditional economists' and policy makers' fear of subjective indicators - that happiness (measured subjectively) can be measured and used for policy.
- ▶ Gabriel Malhouf, the current Treasury Secretary/lead was very reluctant to mention subjective wellbeing in 2018 when discussing the LSF! Perhaps because economists (even welfare economists) feared any step in the direction of "flakey science" like subjective measures of wellbeing.
- ▶ With just a few exceptions, this is likely the reason that psychologists have found it hard to influence national policy related to wellbeing... or even get into the room with top level finance ministers.

Subjective & mixed approaches

Alex Michalos

Low objective living conditions

High objective living conditions

Low subjective wellbeing



High subjective wellbeing

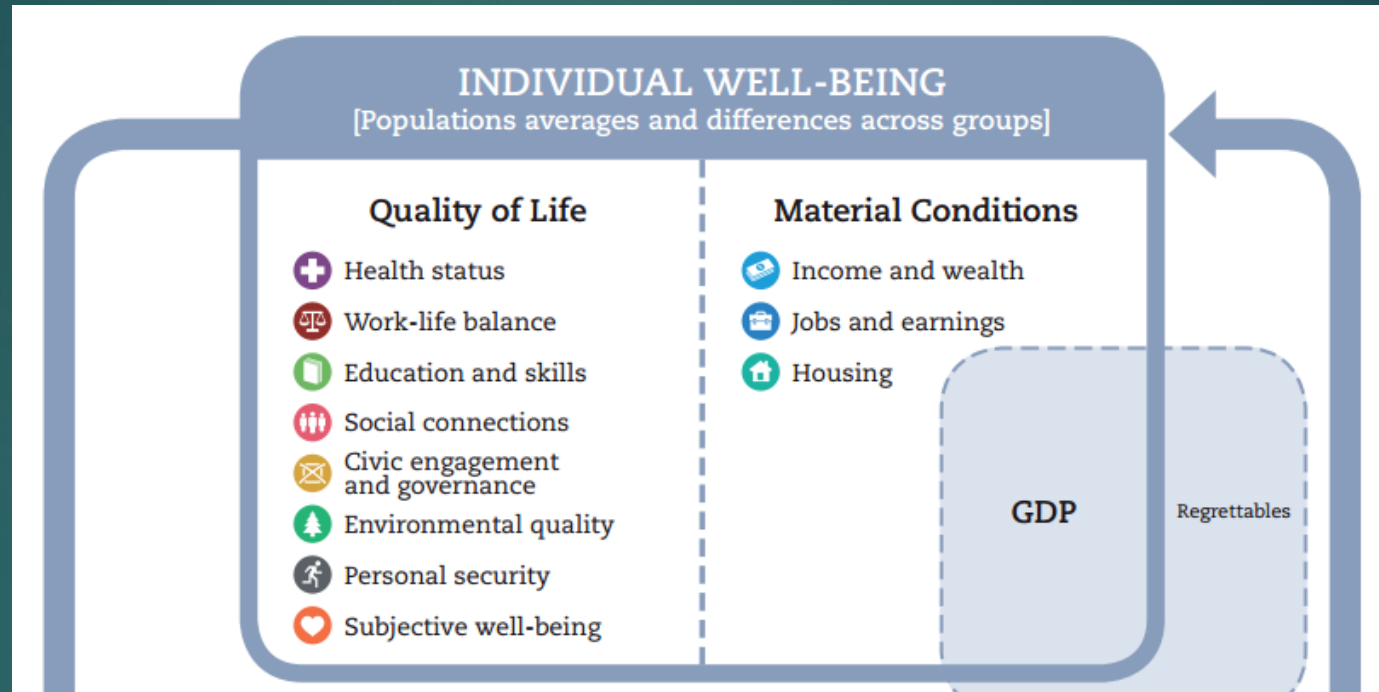


Why it is important to include subjective wellbeing in any central model of wellbeing and public policy? Consider this simple framework devised by Alex Michalos. The basic point of this table is that SURELY having good objective living conditions and high subjective wellbeing is better than any of the other quadrants... so shouldn't policy aim at that?

OECD Better Life (dashboard)

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Includes objective and subjective measures + mental wellbeing



The new LSF is heavily influenced by the OECD Better Life Dashboard. But this needed to be adapted to suit NZ. Conal Smith (previously of the OECD wellbeing team) was commissioned to create a proposal for the LSF dashboard. His proposal was then assessed in several ways by experts, lay people and various organisations before the final LSF dashboard was created.

What about cultural factors?
What about religion?

Table 3: Influences that have shaped the LSF and LSF Dashboard

	Level	Definition	Influences	Alternatives (examples)
LSF	Worldview	Overarching philosophical approach that motivates our work	The Treasury's strategy The capability approach The Treasury's role as a public agency	Sir Mason Durie's four pillars (Te Whare Tapa Whā) [3] Fuiomaono Karl Pulotu-Endemann's Fonofale Model of Health [4]
	Elements	Conceptual elements of the wellbeing framework derived from the worldview	Domains, capitals and risk and resilience	Spirituality, family
LSF Dashboard	Indicators	What we measure to assess wellbeing	Numerical dashboard with measureable indicators (eg, unemployment rate)	
	Data	The technical definition and dataset for indicators	Statistic and source (eg, unemployed people as a percentage of the labour force, Household Labour Force Survey, Stats NZ)	

Note the importance of Maori and Pacific conceptions of health and wellbeing, elements of spirituality and family connectedness need to be added for the framework to fit the NZ context.

Indicators Aotearoa New Zealand – Ngā Tūtohu Aotearoa

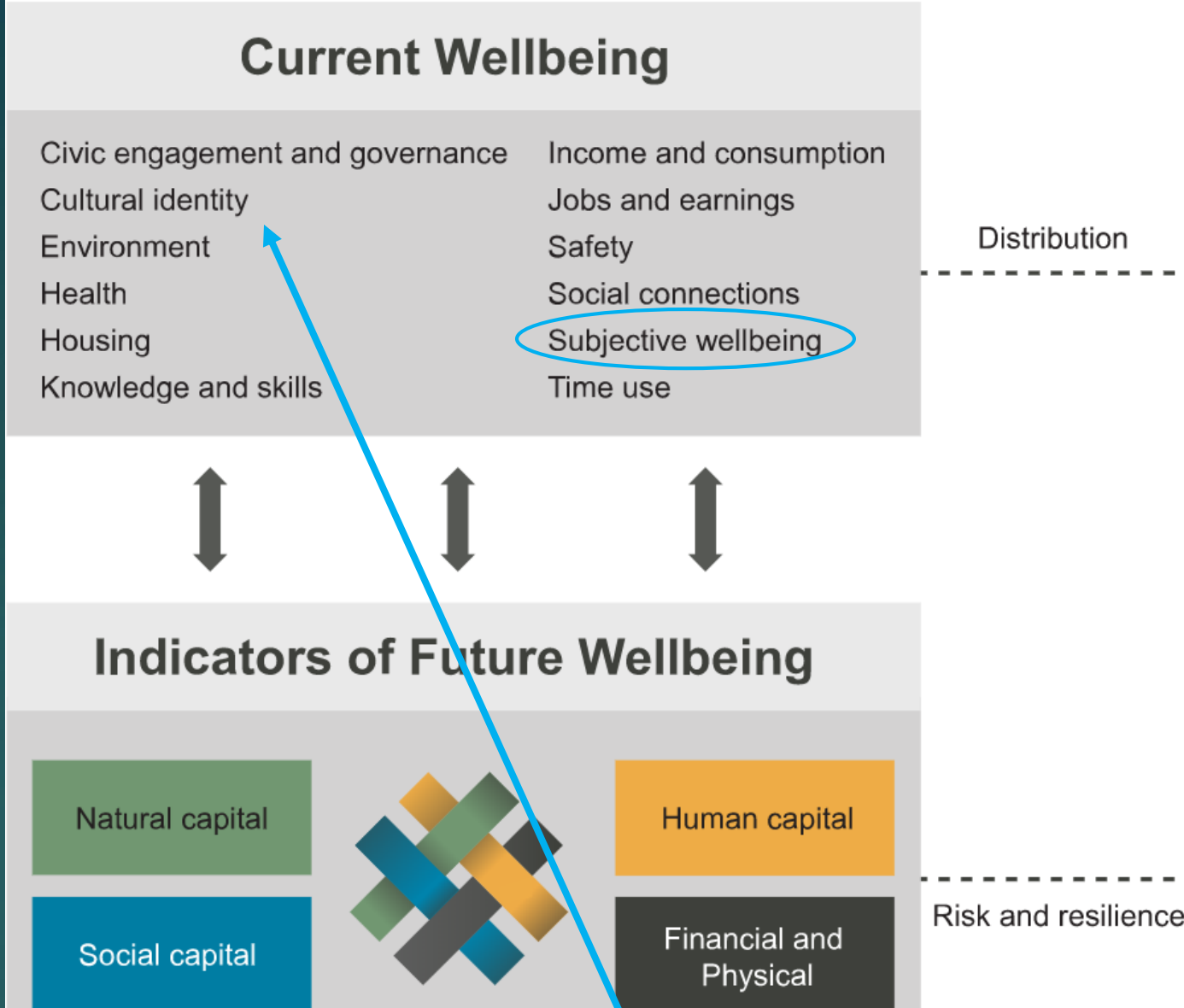
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- ▶ At the same time as Treasury was developing the new LSF dashboard, Stats NZ was engaging with the public to find out what matters to NZers. This exercise was intended to ensure that NZ will collect data on everything that is directly relevant to wellbeing in the NZ context.
- ▶ What is important for your wellbeing, the wellbeing of your whānau, your hapū, your iwi?
- ▶ Currently in Phase 3 “Data expert input”, but it will still take your view on wellbeing.



The new LSF

► <https://sfdashboard.treasury.govt.nz/wellbeing/>



Our people

Our people describes the current wellbeing of New Zealanders aged 15 and over across the LSF's **current wellbeing** domains.

Our country

Our country describes the progress we are making towards high wellbeing for all New Zealanders for each of the 12 LSF **current wellbeing** domains.

Our future

The only real difference is the addition of "Cultural identity" as a domain... but it is not clear which of the 4 capital stocks helps ensure this domain for future generations... think language protections, taonga preservations, and several environmental things that would be captured by environmental capital (e.g., clean rivers)

The Subjective wellbeing domain

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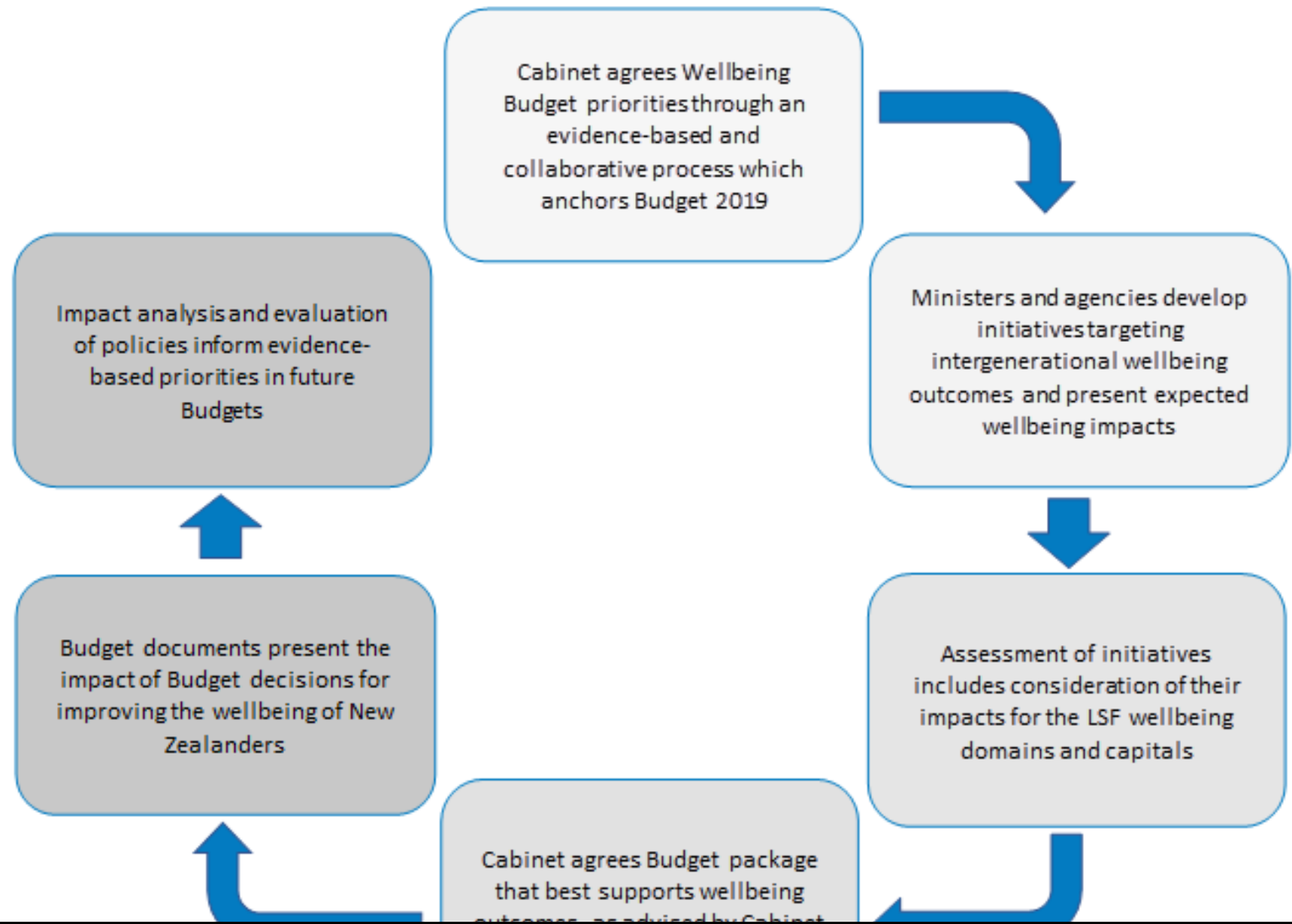
- ▶ “Overall life satisfaction and sense of meaning and self.”
- ▶ <https://treasury.govt.nz/publications/tp/living-standards-framework-background-and-future-work-html#section-5>
- ▶ But this description implies a limited range of subjective wellbeing indicators:
 - ▶ Life satisfaction
 - ▶ Meaning in life
 - ▶ Self-esteem (satisfied with who I am?)
- ▶ IS THIS ENOUGH? Probably not for positive psychologists...

A bigger problem...

- ▶ Dashboards do tell policy makers which kinds of things to consider when making policy... but
 - ▶ They *don't* help make tradeoffs between domains
- ▶ This means that major budget priorities will be completely politically generated!
- ▶ The current govt. in NZ attempted to use wellbeing research to influence budget priorities in a way that didn't really use the LSF at all...

The 1st box says it all

- ▶ Source: New Zealand Government (2018), *Budget Policy Statement, Budget 2019*, www.budget.govt.nz/budget/2019/fiscal-strategy/bps2019



This is what the wellbeing budget policy priority process looked like for the 2019 wellbeing budget. The 1st box says that cabinet sets budget priorities using an “evidence-based” approach... Presumably wellbeing research was some of this evidence.

The resulting wellbeing budget priorities:

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1. Improving mental health
2. Reducing child poverty
3. Addressing the inequalities faced by indigenous Maori and Pacific islands people
4. Thriving in a digital age
5. Transitioning to a low-emission, sustainable economy

Wellbeing researchers have argued for this for a long time

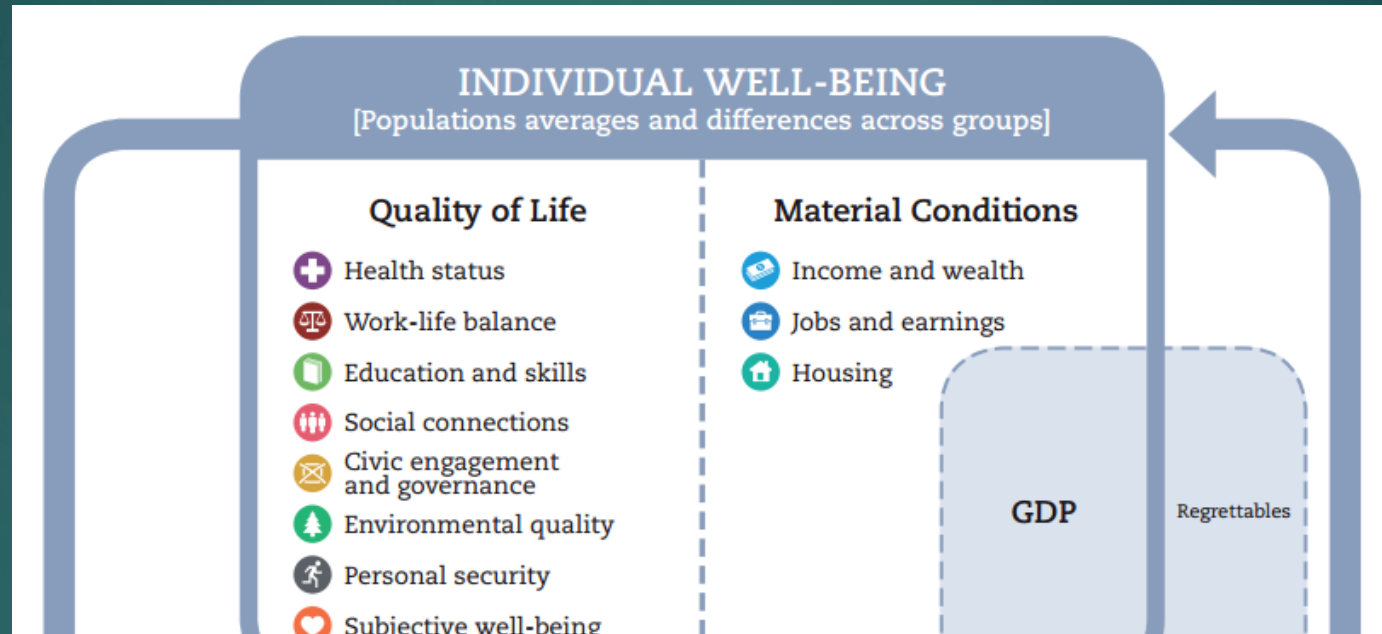
Eudaimonic wellbeing or faster wifi?

Is there a better (less political) way to generate budget priorities?

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- ▶ Maybe.
- ▶ It requires making a call about what wellbeing really is, or which aspects of wellbeing are the most important.

OECD Better Life (index/headline?)



A good measure of national progress, but how to use for policy-making?

You see, dashboards, like the OECD Better Life model and the new LSF that is based on it, are silent about the relative value of the domains – they say nothing about how much work-life balance should be swapped for income and wealth. But I would argue that there is an obvious way to work out that tradeoff – what would make you and the people you care about happier now and in the long-run? So it seems that subjective wellbeing might be the most important domain.

Too many non-fungible goods to effectively use cost benefit analysis

Solution?

Well-being

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Positive psychologists have argued for dashboards with many mental and subjective well-being measures

Instrumental prudential goods

That's why positive psychologists should argue for a multi-dimensional measure of subjective wellbeing to represent what ultimately makes our life go well for us and help us prioritise the budget so that it really aims at wellbeing and **not pandering to the groups with a lot of political power.**

We need to act fast because the happiness economists that agree subjective wellbeing should be the dominant domain often argue for a single indicator – satisfaction with life.

Natural capital
Economic capital

Human capital
Social capital

“Well-being economists” are starting to argue for a single ultimate measure of well-being:
Life satisfaction

Being precise about wellbeing has never been more important

- ▶ What should the **ultimate measure of well-being** be for policy?
 - ▶ Old school policymakers: *Money*
 - ▶ Well-being economists: *Life satisfaction*
 - ▶ Positive psychologists: *Mental well-being index? PERMA?*
- ▶ If life satisfaction is chosen as the only subjective wellbeing indicator, then few positive psychologists will be involved in top-level public policy.

So many important **interdisciplinary** questions

- ▶ Wellbeing of **who/what**?
- ▶ **One or many** ultimate prudential goods?
- ▶ Can the **goods change** over time?
- ▶ **Average, total**, lowest quintile?
- ▶ **Who** should **decide**?
- ▶ What are the **causes** of the ultimate prudential good/s?
- ▶ Can they be efficiently **measured**?
- ▶ Can **policies affect** the good or its causes?

We should work together!

Scales and impact

- ▶ But also no greater opportunity to have such a large and positive impact, to make life better, when positive psychology and wellbeing policy collide...

Further reading

- ▶ **Weijers**, Dan & Morrison, Philip (2018). Well-being and Public Policy: Can New Zealand be a Leading Light for the 'Well-being Approach'?, *Public Policy Quarterly*, 14(4): 3-12. https://www.victoria.ac.nz/_data/assets/pdf_file/0008/1713626/Weijers_Morrison.pdf
- ▶ Jarden, R., **Jarden**, A, & Oades, L. (2017). Wellbeing policy in Australia and New Zealand. In M. Slade, L. Oades, and A. Jarden (Eds.), *Wellbeing, recovery and mental health*, pp. 207-214. Cambridge University Press.
- ▶ **Weijers**, D., & **Jarden**, A. (2017). Wellbeing policy: An overview. In Slade, Oades, & Jarden (Eds.), *Wellbeing, recovery and mental health*, pp. 35-45. Cambridge University Press.
- ▶ **Weijers**, Dan & Mukherjee, Udayan (2016). Living Standards, Wellbeing, and Public Policy, *The New Zealand Treasury*, 1-32. Available from: <http://www.treasury.govt.nz/government/longterm/fiscalposition/2016/lfs-16-bg-lswpp.pdf>
- ▶ **Weijers**, Dan & **Jarden**, Aaron (2013). The Science of Happiness for Policymakers: An Overview, *Journal of Social Research and Policy*, 4(2): 21-40. https://sites.google.com/site/jrspone/content/JSRP_Vol4_Iss2_Weijers