



Asia-Pacific Conference on Measuring Well-Being and Fostering the Progress of Societies

Setting the scene

Martine Durand

OECD Chief Statistician and Director of Statistics

Tokyo, 5 December 2011

Presentation outline

- **Need for better measures of well-being and progress**
- **OECD response and other initiatives**
- **OECD Better Life Initiative**
- **What's next?**



Need for better measures....

GDP is a key economic measure....

... for monitoring macro-economic activity

- **Needed for macro-economic policies**
- **Output and productivity, capacity utilisation**
- **Competitiveness**
- **Demand for jobs**

.... but not a metric of well-being

GDP is not a good measure of well-being because:

- It includes economic activities that either **reduce well-being** or that **remedy the costs** of economic growth
- It does not reflect **households'** economic resources well
- It excludes many of the dimensions that matter for well-being (e.g. **people's attributes, non-market activities**)
- It does not inform on whether well-being can **last over time**

GDP may rise faster (or slower) than household disposable income

