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RE-DEFINING PROGRESS: THE WELL-BEING OBJECTIVE

Well-being Foresight Study

There is growing consensus around the normative assumption that growth in economic output is better understood as a means to an end, and that end is "well-being".

ACKNOWLEDGEMENTS

The pressures that could drive a well-being approach onto the Canadian policy agenda are explored in this report, with ideas drawn from a survey of international literature on well-being as well as key expert interviews and dialogues with other federal government departments. For a topic as broad as well-being, it was illuminating to share mental models with people in such varied fields as sustainability to community development to inequality and from the perspectives of academia, think tanks, municipal politics, advocacy sectors and government. With system maps, influence diagrams and scenario exercises as tools for communication, these conversations explored assumptions about the future and cross-impacts that could shape future well-being outcomes.

These discussions of the future, with no stakes attached — no current policy, mandates or program dollars on the line — allowed for truly open, collaborative conversations. We are grateful for the experience and the insight of our participants, and pleased to find the feeling was mutual.

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WHY WELL-BEING?

Countries generally measure their progress through a straight-forward and easily comparable economic metric of Gross Domestic Product (GDP). The origins of GDP can be traced back to the early 1930's when the US federal government asked economist Simon Kuznets to develop the indicator amidst the confusion of the Great Depression. As a composite index of all of the economic output of a country — later standardized by the United Nations in 1953 — GDP has

“The welfare of a nation can scarcely be inferred from a measure of national income.”

- Simon Kuznets, 1934

remained the mainstay for assessing standard of living ever since.

While GDP was never intended to serve as a proxy for societal progress, economic growth, as measured by GDP, nevertheless was positioned as a core

objective of organizations such as the Organization for Economic Co-operation and Development (OECD). However, with persistent social problems and growing environmental ones, the question of how to comprehensively understand societal progress is being re-evaluated by major international and governmental organizations including the OECD (Green Growth and Your Better Life Index) and the European Union (Beyond GDP). It has also been a topic of debate in the popular press (e.g. NY Times, The Economist). There is growing consensus around the normative assumption that growth in economic output is better understood as a means to an end, and that end is "well-being".

A persistent challenge is how to define well-being and thus make it a measurable goal for policy. Much ink has been spilt over developing a common understanding of the term. Common use suggests that when people speak of their well-being, they are referring to their general health and quality of life.

“Well-being is made up of ten areas or domains: learning, work, housing, family life, social participation, leisure, health, security, environment and financial security.”

- HRSDC definition of well-being

This is distinct from a person's standard of living, which is generally determined exclusively by material wealth. In well-being discourses the concept is a broad analytic framework encompassing both health and material wealth as well as other elements such as the quality of social relationships and of the natural environment, and the level of social inclusiveness. The definitions of well-being adopted by various organizations share many common elements; though the language may vary (related notions include subjective well-being, life satisfaction and happiness which take into account peoples' own life evaluations). Rather than delve into which well-being framework might be best, this paper focuses on the strategic question of why the current well-being movement has relevance to Canada's future.

During its 65th session, the UN General Assembly passed resolution A/65/L.86, "Happiness: towards a holistic approach to development" with several recommendations, the first of which, "Invites Member States to pursue the elaboration of additional measures that better capture the importance of the pursuit of happiness and well-being in development with a view to guiding their public policies..."

- July 13, 2011

WHAT'S NEW IN THE INTERNATIONAL WELL-BEING MOVEMENT?

There are a number of important pressure points that are challenging or competing with the imperative of economic growth as a prime objective. Among others, these include:

- the recent financial crisis, which illustrated the vulnerability of the global economy;
- rising inequality;
- heightened demand for health care and a greater value of work-life balance; and
- climate change, which is illustrating vividly that some forms of economic activity undermine well-being.

GDP is not itself the final objective of policy, just as an increase in income may not be a good enough reason for you to change jobs. Obtaining broader measures of human welfare is challenging, but not impossible.
- Ben Bernanke, Chairman, Board of Governors of the Federal Reserve, May 8, 2010.

For western countries witnessing the rise of emerging economies while their own populations age, a future of slower economic growth is likely. Bracing for this future further highlights the conclusion that economic growth — while still

Recognizing the limits of GDP, in 2008 French President Nicolas Sarkozy commissioned two Nobel Prize economists, Joseph Stiglitz and Amartya Sen, along with Jean-Paul Fitoussi to review other metrics to capture society's well-being.

important to maintain standards of living — will no longer be appropriate as a sole measure of societal progress. Governments in several countries and a number of multilateral agencies have already taken steps to re-define what progress means, for whom and by whom, and how it is measured (e.g. UK, France, US, China, the OECD and the UN Development Programme). Some countries are either formally including well-being in the policy process (e.g. China) or have taken steps to do so (e.g. UK and France). Others launched large-scale public consultations (the UK), Parliamentary Commissions (Germany, Norway), National Roundtables (Italy, Spain, Slovenia), initiatives for integrating and

disseminating statistics on a jurisdiction's economic, social and environmental conditions (the US), formally integrating well-being goals in the nation's objectives (China), and dedicated statistical reports (Australia, Ireland). ([*Better Life Initiative: Compendium of Better Life Indicators*](#) - 4.)

These actions of national governments and multi-lateral agencies are often following the lead of civil society, local governments and the private sector. In Canada, for example, the Canadian Index of Well-being has its origins in the 1990's and over 15 cities across Canada (and hundreds more worldwide) already use community indicator systems to help guide decisions. The private sector is rapidly, if unevenly, incorporating environmental and social considerations into brand identities (e.g. Body Shop, Patagonia), supply chain requirements (e.g. Wal-Mart, Home Depot), and even organizational purpose (e.g. social enterprise, B-corporations).

BY 2025: 7 FORCES THAT COULD MOVE WELL-BEING ONTO THE CANADIAN POLICY AGENDA

Beyond the international conversation on well-being, there are pressures at home that are framing the Canadian case for a well-being approach. Some of these pressures are well known, while others are only emerging. While some forces have contradictory implications (e.g. will there be labour shortages or job shortages?), all are believed to be driving interest in a well-being framework.

1. The Tectonic Plates of Demography

It's been 15 years since "Boom, Bust and Echo" raised awareness of the social and economic transformation that population aging would represent, particularly in Canada, where the longer duration of our baby boom and the subsequent dramatic drop off in fertility rates precipitated a pace of aging faster than elsewhere. While this change has been quite foreseeable, it remains a preoccupation of policy-makers for the implications are broad and the policy responses to adapt must be swift. Currently one of the youngest of industrialized countries, Canada will be among the oldest by 2025. The demographic dividend is currently supplying Canada with the greatest availability of labour ever. Heading out of this peak, it is often anticipated that future economic growth will be slower unless productivity gains can be realized; presenting a restriction of

resources at the same time they are needed for greater demands on the health system – and potentially crowding out the financing of other needs.

Immigration will prevent negative labour force growth, though the winding down of baby boomers from work could create greater workplace demands for the smaller cohort of workers to follow. If labour shortages do emerge, how will young workers reconcile this greater demand for their work time against their own desire for fulfillment of other priorities? An additional impetus for a well-being mindset may be shaped by the baby boomer cohort themselves as they leave the boardrooms and reconsider what makes the good life. Most baby boomers will be around 70 years of age, while the eldest will have reached 80. As the healthiest, best educated and wealthiest cohort of seniors, one might wonder what role this generation might bring to a well-being movement. Will some return to the earlier ideals of social movements past, active as socially responsible consumers, workers, volunteers, and donors?

2. Hypercompetition: A Game that Firms Increasingly Find themselves in

Hypercompetition describes a market condition where barriers to new entrants are low, rendering long-term competitive advantages to incumbents more difficult to come by and less sustainable over time. A future of more integrated global markets, savvy consumers, and an onslaught of game-changing technologies (e.g. 3D printers) all point to a future of ongoing hypercompetition. For many firms, the result is a resignation that short-term planning strategies are the only ones that make sense, for the future is too uncertain. The labour market impacts of this trend are felt in the ever more flexible employer-employee relationship and a need for talent that can both identify emerging opportunities and change course quickly as the market shifts. By 2025, while highly talented workers will see their skills valued, many workers will continue to feel pressure to frequently upgrade skills in order to remain competitive. Self-reliance will be an important attribute of future workers as they manage both career and financial planning with fewer in-company career ladders or pensions to support them. Further, the adaptability required by the workplace may place strains on work-life balance and family needs.

If population aging suggests that labour shortages will be more prevalent in Canada, hypercompetition presents the counter-point: what if the jobs aren't in Canada? Hypercompetition places pressure on host nations to create conditions that foster competitiveness for firms. As such, the screws will tighten on states

to make choices that balance considerations around labour, health, natural resource ownership, etc. that are supportive of both citizens as well as firms.

3. Triple-bottom Line: A Space of Competition

One way firms can differentiate themselves from the competition is by establishing niches that serve consumers with high demands for socially responsible consumption. At the level of the for-profit firm, “triple-bottom line” reporting refers to the inclusion of environmental sustainability and social equity/community engagement metrics alongside earning statements. As they are generally voluntary, and as regulators are expected to address environmental and social issues, not all firms currently report; and even among those who do, they

don't necessarily include comparable information. However, with a proliferation of supply chain imposed “requirements” (e.g. Wal-Mart’s fifteen questions for suppliers), and a rapid increase in direct civil society organization/business relationships (e.g. Loblaws and the Marine Stewardship Council), it is likely that by 2025 such metrics will be comparable and as such will become a space for competition across sectors. More subtle is the redefinition of quality and value-for-money as consumer values shift. (See *Leading the Pack or Lagging Behind: A Foresight Study on Environmental Sustainability and Competitiveness* for more details.)

By 2025, the increased penetration of information technologies that allow for real time and reciprocal communication (e.g. social media, smart code barcode scanning, RFID technologies, etc.) may precipitate higher levels of firm-level transparency. The role of civil society working with the private sector is set to evolve (e.g. as standard setters), with a foreseeable growing role for third-party auditors (e.g. Deloitte) to evaluate claims made by firms relating to environmental and socio-economic sustainability. The blurring of the lines

“This program first asks customers to not buy something if they don't need it. If they do need it, we ask that they buy what will last a long time — and to repair what breaks, reuse or resell whatever they don't wear any more. And, finally, recycle whatever's truly worn out.”

- Yvon Chouinard, Patagonia founder and owner, September 7, 2011 at NYC Fashion week

between the sectors is also likely to continue, as governments seek to support organizations which simultaneously advance multiple objectives.

Just as triple-bottom line reporting attracts socially responsible consumption and investment, it may also influence workers' choice of workplace, and even in what country they will live. In a time when keeping and attracting the best and brightest will be increasingly difficult, triple-bottom line reporting may give firms an edge. Similarly, it is through regulatory differences across countries that firms can sort themselves according to the environment that suits their goals. What type of firm does Canada want to attract?

4. A Changing Mix of Roles and Responsibilities

Fiscal constraints after the 2008 recession will likely limit the capacity for governments to respond to new risks. The management of social risk will likely be more firmly the responsibility of individuals and families. However, by 2025, the changing mix of roles and responsibilities also results from a values shift (with a more diverse population), growing public distrust in institutions (that will have difficulties adjusting fast enough to the changing needs of the population), the emergence of networked decision-making, the growing clout of consumers to express their tastes and make demands, and high expectations of personal autonomy (e.g. save for your own retirement).

5. Governing in a Diverse Identity Landscape

By 2025, roughly 25% of the Canadian population will be foreign born, compared to about 20% in 2010 (Wayne Smith, March 2, 2001 presentation to Social Trends, Policies and Institutions Committee). Through travel and social technologies, Canadians will also be much more connected and influenced by international networks than has been possible in the past. Most Canadians will likely remain proud of our multicultural heritage, though the question of social cohesion and national identity will be a recurring one in a nation that seeks to be adaptable and fair to the needs of its increasingly diverse citizens. What is it that keeps Canadians together? The pressures of diversity will not only be ethno-cultural, but also across numerous identity markers: including gender, age, class, occupation, consumption lifestyle, etc. Some groups may continue to face issues that are long lingering; among them the inadequate living standards in some aboriginal communities, and the lack of skills recognition among new immigrants. Others will be newer such as the concerns of workers in declining

industries, notably in manufacturing and most often affecting men. Canadian geography will also divide interests: urban/rural and east/west, while the north/south dynamic will take a new form as investment follows northern development. Rising income inequality and a weakening middle class are further threats to social cohesion. In this context, it will be important for policies to consider distributional impacts: who are harmed and who are helped by new measures. Governments may find competing claims to be more difficult to manage in the future, and policy makers may turn to a well-being framework as a reference point.

6. Technology: Changing how we relate

Information and communication technologies (ICTs), along with social media, are blurring the lines separating the worlds of work and life. In some cases, ICTs increase work-life balance issues; many employees are connected to work at all times through smart devices. In others, they help reduce it; people who work from home save the commuting time and can often prove more productive.

The use of collaborative tools will address social gaps by offering people new opportunities that they could not have afforded otherwise. For instance, for patients, these tools could connect them to health information networks of patients and doctors; or for seniors they can also reduce social isolation. Citizens will also benefit from social media through active participation in democratic life. However, these new services and opportunities will only be available to those with Internet access, leading to a potentially disruptive digital divide. Social media and ICTs are helpful in creating a sense of belonging to a particular community, but it can also lead to harmful consequences; Internet and gaming addictions, Facebook depression and cyber-bullying are more and more the day-to-day problems of many users. These issues, amongst others, are covered in the Foresight Study: *Governing by Wiki: Fast, Flat and Furious – Social Media Foresight Study*.

7. Intergenerational Equity: Can we continue to "Buy Now, Pay Later"?

How do decision-makers weigh the interests of those who are not yet of voting age — or who aren't even here yet? Politicians, firms, investors and consumers are all influenced by a bias to assign greater value to benefits and costs experienced today rather than in the future. A period of historically low interest rates has further shaped this preference, in addition to financial products (e.g. credit card cheques), and fringe financial institutions such as payday lenders, which fosters a climate of easy money. Can we, however, continue to "buy now, pay later"? High personal indebtedness, a growing public debt and threats to natural and environmental resources all raise concerns about what will remain for future generations.

By 2025, an intergenerational tension may loom larger from a growing perception from younger generations that the baby-boomer generation had it all — lifetime jobs, big pensions, low public education costs, etc. Younger generations may believe that they will not be able to achieve the same level of prosperity as achieved by their parents — hence a breach of the implicit intergenerational contract. In addition, they will feel that they will have to suffer the environmental consequences of the "misuse" of resources of their parents. However, perception is not necessarily always reality; nuancing the issue is the fact that boomers have significantly paid for the public debt their own parents incurred for them; for decades, if not throughout their working lives, boomers will have paid more in taxes of all sorts than they will have received in benefits. So, is perception reality or not? By fact, we do not know; this uncertainty points to the lack of appropriate public policy tools to account for the long-term allocation of resources between generations, and indeed for yet unborn generations. How should intergenerational risks/responsibilities be shared?

That said, by 2025 with most boomers enjoying retirement and still carrying an important political weight, while younger generations struggle to balance work and family in an hypercompetitive economic environment where instability is more the rule than the exception, there is a risk of an intergenerational fracture. The issue of intergenerational equity will likely be aggravated by the rising price of admission to the middle class. The growing cost of education, housing, energy and food have not been matched by rising income opportunities, and as global competition increases, it is uncertain if this situation will improve.

PIVOTAL QUESTIONS FOR THE FUTURE OF WELL-BEING IN CANADA

As the world considers how to recognize a broader set of societal objectives, there are a number of key uncertainties that could paint the path ahead. This section explores the uncertainties deemed most pivotal to the establishment and form of a well-being agenda. The first questions relate to future societal goals, the nature of the future economy and the toolkit of measurements that may be available to serve new objectives. The remaining questions relate to how well-being values might be encompassed: by whom and with what commitment.

Societal Goals

Will the GDP indicator remain the primary barometer of progress?

A central point in the well-being discourse is that “you manage what you measure”; in effect, the form of measurement is a reflection of priorities. Some argue that all that is needed in place of GDP is an expanded GDP that takes into account the externalities currently unmeasured. As such, this GDP-plus would retain roots in the paradigm that it is a nation’s production that matters. Alternatively, to replace GDP with a new composite indicator could introduce a question of how competing objectives should be weighed, e.g. how many ‘points’ for good health? Finally, a ‘dashboard of indicators’ is another means of capturing the many dimensions of well-being without assigning relative weights to their importance — much like a car indicates the level of gas, rpms and speed rather than produce a single overall indicator of functioning.

In whatever ways GDP could be repositioned in practice, a key question is how far countries will be willing to prioritize objectives other than GDP. For instance, could a well-being focus permit GDP to grow more slowly, or to even contract? If so, this could have implications for the funding available for government services — services that would be serving a broader set of objectives. Might the scope of government activities be reduced through new arrangements with other sectors?

The well-being discourse brings up an important international political economy question: what if other countries adopt a well-being approach and Canada does

not? What could be the implications for Canada? Might we adopt similar policies and could the priorities of other countries be imposed on us?

Economic Foundations

Traditional capitalism, mass consumption/production, short-term thinking... Will some of the old economy foundations falter?

Aside from the re-contextualizing the role of economic growth for well-being, it is important to note that "the economy", too, may be a changing entity. Some current paradigms of the economic growth model derive from the cold-war era and are being re-examined: notions that mass production and consumption (enabled by a system of credit) would support a strong economy, a means of citizen empowerment and with positive spillover effects throughout society. The model was supported by a belief that a rising tide could raise all boats; with the right economic inputs, economic and social equality could result. It has underpinned the American Dream, but these fundamentals have also been shared to an extent in other industrialized countries.

Are we now experiencing a turning point for capitalism? For decades, detractors of capitalism and globalization have framed these systems as serving the economy at the expense of society and the environment. Furthermore, the latest financial crisis and recession revealed the vulnerability of the global economy, casting doubt as to whether the economy is even serving the economy. Careful not to throw out the baby with the bathwater, new models for re-inventing capitalism are du-jour; notable among them is Michael Porter's "Creating Shared Value", which advocates that firms can build advantage through long-term strategies and triple-bottom line thinking that encompass the interests of their current and future customers, local communities, workers, and investors.

Will hypercompetition, quick returns and short-term firm strategies continue their trajectory or cede to such an ethos of 'creating shared value' and long-term strategies? Will work grow ever more flexible: more temporary contracts, more part-time, more on-demand? How will the need for flexibility for firms be squared with the need for income security (if not job security) for workers?

A pivotal question about our economic growth potential pertains to how Canada will transition from a country of abundant labour supply to a trough in labour

supply as the baby-boom retirements set in. Will productivity gains compensate or should we brace for, and adapt to, a future of slower economic growth?

How will new trading partners influence Canada and its values? While the United States still remains Canada's most significant trading partner to date, the consistent economic growth of emerging economies (even through the latest recession) has substantiated the need to seek additional trading partnerships and opportunities overseas. With strengthened trade relationships also come increased cultural ties, as countries seek to learn from one another and create mutually beneficial agreements. Will a closer trade relationship with China result in a greater emphasis on Asian values and contributions to Canadian culture and society?

“Unpaid work makes all the rest of work possible.”

- Marilyn Waring, a former New Zealand cabinet minister and now professor of public policy at AUT University, Auckland

Consumption of domestic products and services amount to approximately 65% of the Canadian economy. As we move to an ever more open economy, will we unpack the old model that mass domestic consumption is necessary to economic growth? If so, what economic assumptions could replace it?

Measurement

Will new metrics serve a well-being approach in Canada? Will they be adopted?

Stiglitz, Sen and Fitoussi suggest a number of new metrics are needed to adequately capture a society's level of well-being, such as data around consumption and wealth and methods to impute in economic terms the value of publicly delivered services, of unpaid labour, and of leisure time. More broadly, accounting for the stock of resources (social, financial, environmental) is necessary to inform the investments and the belt-tightening that can balance the needs of current citizens and also future generations. If such data are applied, is the world ready for it? For instance, if the economic value of natural resources is properly accounted for, the consequent rise in food and consumer good prices

could, for many, render prohibitive the consumerist lifestyles currently known to the west.

Commitment

How deep is the commitment: Will the developed world accept tough choices in order to share wealth with the developing world and with future generations?

How committed are Canadians to international well-being if it costs us? How much are countries focusing on well-being as a way to detract from poor economic performance? Will Canada and other developed world countries be willing to reduce consumption? Will Canada, with its industrial strength in the energy sector, be willing to shift to cleaner technology, even if it means reduced income opportunities in the short-term? If production standards are raised in other countries, it may affect Canadian living standards through higher prices and perhaps restricted access to scarce materials. What are the costs if Canada does not join the movement?

Will Canadian preferences blend with those of other industrialized countries?

How might Canadian preferences evolve around acceptable levels of income inequality within our society? These preferences can shape important national conversations to come, such as openness to two-tiered healthcare and the privatization of other public goods. How willing are Canadians to make tough choices for the sake of future generations (e.g. debt repayment and investments in education, infrastructure and environmental protection)? Will a workable intergenerational accounting framework develop? What is the future of Aboriginal youth in Canada?

What is the relationship between Canadian competitiveness and the maintenance of well-being standards?

What clout and mechanisms will Canada exercise to remain attractive to foreign investment while maintaining high environmental, health and employment standards? Will our standards be a source of competitive advantage, a means to attract international firms, or will they be a barrier to setting up business? Will

our well-being reputation be a source of attraction and retention, or repulsion, of immigrants? Will Canada's human capital be a source of competitive advantage in new industry areas?

Homo Economicus versus Homo Creativus

As resource constraints press upon us, will there be greater attempts to live within our means (conserve) or to turn to innovation in the hope to 'have it all'?

The stock of many natural resources is relatively bounded, but the demand is growing as incomes are rising around the world; even if stocks remain high, access may be limited, raising concerns over equity, security and ownership. How will the increasing scarcity of resources and their inequitable distribution affect citizens? Will the growing world middle class consume like the west? Through what mechanisms will citizens, states and non-state actors seek to protect or demand resources? As China continues to buy up resources, will it be willing to share? The West is bracing for a future of slower economic growth, suggesting that personal and public income may be more constrained in the future. At the same time, the West may be facing rising costs of commodities and expenses to support aging populations. Will dominant approaches focus on constraining consumption or turning to innovation to expand the use of available resources in a more sustainable way (e.g. Cleantech, biotech, nanotech)? Can innovation create more for all?

A related question is how personal consumption in Canada might evolve and with what lifestyle adjustments. A number of pressures could constrain future consumption: budget constraints, the servicing of high personal debt, uncertain future income in a globalizing economy, a potential rise in personal taxes, rising commodity prices. Also, value shifts could play a significant role: growing interest in sustainable consumption, interest in consuming experiences rather than products. On the other hand, 3D printers could be a household item within 10 years. If consumption demands change, how might this affect the need for income, and the availability of labour supply? Canadian pop band, Metric, point to this income-consumption interdependence with the lyrics "Buy this car to drive to work, drive to work to pay for this car". Life-style choices around

consumption will have knock-on effects on urban design and preferences for housing, employment and services.

Expression

How will Canadians express their well-being preferences: consumers or citizens?

Who leads? Which agents will be responsive to the well-being preferences of Canadians? Canadians have low levels of trust in governments and corporations and higher trust in the civil society sector. As firms move into triple-bottom line thinking, they are competing in policy spaces previously held by governments and civil society. Furthermore, while voter turnout rates are very low, Canadians are very engaged as consumers, increasingly exercising social responsibility as individuals through consumption choices, volunteer activity and networks of common interest. Will this change in a more virtual world? Will social media redefine and renew citizenship? How might trust in governments and private sector evolve? Who will the populace view as most effective in addressing societal needs? How will governments and public institutions change to more actively engage with their citizens?

Standards

Whose standards of well-being will lead and with what reach? Can we foresee global governance or corporate/state feudalism?

As government policies move slowly, while non-state actors are quickly changing entities, the well-being approach has been advanced by civil society organizations working with the private sector (e.g. FSC, MSC, Fairtrade, and ISO). Firms are finding their way into such voluntary standards as a means of competitive advantage, while governments are a lagging player in the updating of regulatory standards. While national governments aspire to establish standards for its citizens, they are reluctant to create barriers to international trade, desiring rather to support market efficiency. The absence of rigorous globally-recognized standards presents opportunities for externalities that cross

borders and social issues. In a globalizing era, a lack of consensus permits firms to choose production and consumption markets that meet their regulatory preferences (e.g. low/high eco-responsibility) or to choose some well-being objectives over others (e.g. high valuation of natural resource inputs, low valuation of labour), but while also addressing consumer demand. What are the implications of state vs. non-state led standards? Can either consider the broad range of well-being objectives equally well — and would they? As countries begin to discuss well-being, will they take back accountability for standards? Will they implement such standards unilaterally, in trade regions, or in a global governance manner? Can states assert their well-being standards without resorting to protectionism? Will international agreement on well-being priorities be possible without a race to the bottom? Will developing countries adopt a well-being approach? How will international standards of well-being influence Canadian policy (e.g. will Canada rest on its laurels as it ranked second on the OECD Your Better Life Index?). What forms of consequence and peer pressure will be influential for private-sector innovation towards higher well-being results?

Nation-State

Hollowed nationalism: What will be the relevance of the national government in the future?

Whose interests would the national government represent? Globalization has moved the location of policy issues up to international fora (as externalities are increasingly border-crossing); down to cities and economic regions as the consequences are felt at the local level; and out to private sector and civil society actors who've found their societal roles to be expanding (Jessop, *Towards a Schumpeterian Workfare State? Preliminary Remarks on Post-Fordist Political Economy*, 1993). The relevance of the nation state in the global era is further questioned by international movement of citizens and the multi-layered cultural identities of citizens and their networks, such that youth may increasingly identify less with their nation-states, but instead as "global citizen". Will national identities be sufficient to maintain cohesion and systemic stability? Will cities and economic regions develop new institutions to have their views heard? Does this challenge the traditional role of government as the guardian of the public interest?

Personal Autonomy & Consumer Sovereignty

What could a government well-being agenda mean for personal autonomy?

For some, moving from an economic focus to a well-being focus has the potential for government to encroach in very personal domains (e.g. social relations, family life, and health), raising concerns of a nanny state. What level of comfort will Canadians have with greater government interest in their well-being? In the domain of healthy eating, for instance, options to guide the choices of school children could be as soft as public education campaigns; or involve nudge mechanisms (e.g. cafeteria meals serve a side of salad by default, but students can ask to substitute for French fries); or go as far as choice editing (remove French fries from cafeterias). If governments move to a well-being agenda, it may require citizen engagement on the appropriate consideration of personal freedom vs. social responsibility.

As individual autonomy increases, individuals also bear a greater burden for social risk. As firms and civil society organizations increasingly attempt to inform individuals about these social and environmental risks, there remains a role for government as a trusted source of knowledge in the public interest to inform individual decision-making.

CONCLUSION

The international movement to redefine progress may have significant implications for Canada. At once Canada will have to consider both the well-being preferences of its citizens as well as the pressure to conform to positions set internationally. Where Canada lands on this question will have implications for its reputation internationally – our attractiveness, trade position and influence on the world – as well as the satisfaction of our citizens.

It is important to note that there is not yet agreement at the international level – or in Canada – on a common approach to advance well-being, or even on a set of indicators of well-being. There is time for Canada to influence the development of such a measurement of well-being so that it best represents Canadian values and interests.

Another area where further thinking is necessary is what policy tools will be needed to support and be evaluated against a well-being agenda.

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Annex A – Participants in Foresight Study

This foresight study has benefited from the contributions of many experts. The following experts were interviewed by Policy Horizons Canada:

	Interviewee	Organization	Date of Interview
1	Rob Beaujot	University of Western Ontario	May 26, 2011
2	Éric Noel	Oxford Analytica	June 3, 2011
3	Michael Pennock	Vancouver Island Health Authority	May 26, 2011
4	Keith Banting	Queen's University	June 15, 2011
5	Judith Maxwell	Economic Council of Canada, CPRN	May 25, 2011
6	Alex Munter	Champlain LHIN	
7	Mary Hebert-Copley	United Way	
8	Nicole Hurtubise	United Way	
9	Toby Heaps	Corporate Knights	May 31, 2011
10	Sherri Torjman	Caledon Institute	May 30, 2011
11	Armine Yalmizyan	CCPA	May 31, 2011
12	Hazel Henderson		

Policy Horizons Canada's Well-being Foresight Group was a collaborative, inter-departmental exercise that engaged invited experts from federal departments and agencies. Four group scanning events were held in May/June 2011. The exercises identified and challenged assumptions about the future and developed plausible scenarios. The departments and agencies included Canadian Heritage, Human Resources and Skills Development Canada, Statistic Canada, Privy Council Office, Public Health Agency of Canada, Environment Canada, Finance Canada and Aboriginal Affairs and Northern Development Canada.