Well-Being and Policy Evaluation

Despite longstanding reservations by economists there is growing interest by policy makers and social scientists in using measures of subjective well-being to evaluate public policy initiatives and assess society’s welfare. This interest is partly reflected in efforts by some governments to develop "National Well-Being Accounts", designed to complement National Income and Product Accounts. Even a growing number of economists are relying on data on subjective well being to draw policy conclusions.

Alan Krueger, Director of the Princeton Survey Research Centre and the Industrial Relations Section at Princeton University, will present a paper on ‘Well-Being and Policy Evaluation’ as one of four Institute for Fiscal Studies Lunchtime Policy Sessions at the Econometric Society World Congress, due to take place 19 – 24 August 2005. This lecture will provide an assessment of the potential for using measures of subjective well-being in the policy arena. The talk will summarize findings on the validity of subjective well-being measures and known biases. It will also emphasize results of time-based measures of subjective well-being and consider the extent to which findings from research on subjective well-being challenge standard welfare analyses.

Finally, Professor Krueger will introduce and define a family of "Dismal Affect Rate" measures. The new measures, which provide an indication of the fraction of time people spend in a dismal or unpleasant state, avoid some of the inconveniences of existing measures and provide a measure of a feature of a society's well-being that might be of interest to policy makers and researchers.

ENDS

Notes to editors:

1. Alan Krueger, Princeton University, will present ‘Well-being and Policy Evaluation’ from 1pm – 2pm on Monday 22nd August as part of the Econometric Society World Congress 2005 in London. Please contact Bonnie Brimstone on 020 7291 4800 to reserve a place.

2. Sir Michael Marmot, Professor of Epidemiology and Public Health at UCL, Chair of the WHO Commission on Social Determinants of Health and author of Status Syndrome, will act as Discussant during this session.

3. The Institute for Fiscal Studies Lunchtime Policy Sessions are supported by Blackwell Publishing and the ESRC