comparing with people who stay single, people who marry are likely to be more satisfied with life in the first place, long before they marry (Lucas et al., 2003). Also, Cunningham (1988a, 1988b) reported evidence that people put into a pleasant mood became more sociable.

Several lines of evidence, however, point also to a causal arrow going from relationships to well-being. First, there is longitudinal evidence (e.g., Fig. 4) showing that people who lose an important relationship experience lower well-being, and that it takes them years to return near baseline. Second, data from controlled experiments isolate social exclusion or ostracism as causal. Third, a suggestive but interesting finding concerns individuals whose hearing is restored. Nehra, Mann, Sharma, and Verma (1997) found that after people with moderate to high hearing loss acquired hearing aids, their subjective well-being improved, and symptoms of anxiety and depression decreased. These results might have been due to better social involvement, at least in part. Finally, within-person data indicate that it is not just that happy people have better relationships than unhappy people. Rather, the same individuals are happier on average when they are with others than when they are alone (Pavot et al., 1990). These results again suggest that positive social contact causes well-being. Indeed, Kahneman et al. (in press) found that in only 1 of 15 activities of daily living (i.e., praying) was affect balance (positive minus negative emotions) greater when people were alone rather than with others. People seemed to enjoy the other 14 activities, such as exercising, resting, commuting, and working around the house, more when others were present than when they were alone.

Watson (2000) concluded that the relation between social relationships and mood is much stronger for positive moods than for negative ones: He found a within-person correlation of .24 between pleasant affect and social interaction, but only a .08 correlation between unpleasant moods and social interaction. He also reviewed evidence of causality: For example, when people interacted with others in assigned social relationships, their positive affect increased (see also McIntyre, Watson, Clark, & Cross, 1991).

Thus, the causal path from social relationships to well-being moves in both directions. Our focus here, though, is on fostering well-being, and although it is clear that positive social relationships are an important cause of well-being, they are largely missed by economic indicators. Furthermore, it could be that some societal characteristics that foster economic growth in fact interfere with social relationships and therefore lower well-being. Again, it is clear that well-being indicators are a needed complement to current economic and social indicators.

Policy Implications

Current social indicators can capture phenomena such as crime, marriage and divorce, environmental problems (such as pollution), longevity and infant mortality, gender equality in schools, and the amount of land devoted to parks. Thus, social indicators can capture aspects of quality of life that add to the portrait drawn by economic indicators. Nevertheless, these social indicators fail to fully capture the well-being of nations because they do not reflect people’s actual experiences—the quality of their relationships, the regulation of their emotions, whether they experience work as engaging, and whether feelings of isolation and depression permeate their daily living. In other words, the social indicators are important, but they do not fully capture well-being.

We do not mean to oversimplify the relation between social contact and well-being. People differ in their need for companions, and social relationships can be controlling and negative rather than rewarding. There are many open questions, such as what the most important aspects of social contact are, and whether the rewarding nature of friendships is absolute or depends on people’s expectations. Another question is whether other forms of companionship can take the place of traditional marriage in modern societies. It does appear, however, that social relationships are centrally important to well-being.

Governments cannot solve most problems of social relationships. For example, they cannot prevent widowhood. Nevertheless, because strong social relationships are critical to well-being, there are policies that businesses, governments, and other institutions should consider. For example, the military and corporations should relocate employees and their families only when it is absolutely essential to do so, or when an employee requests it. Automatic moves every few years leave individuals without strong community ties, and with fewer close friends in times of crisis. Also, organizations should respect people’s friendship patterns at work, and not try to eliminate friendship opportunities in the mistaken idea that employees will work harder if they are not distracted by the presence of friends. Indeed, research by the Gallup Organization shows that people who work in units where they have a “best friend” perform better than those who do not have a best friend in their unit (Harter et al., 2002). Recognizing the profit in having happy workers, companies are increasingly implementing policies that recognize the family needs of employees, such as their need for bereavement and parental leaves of absence.

School curricula can explicitly educate young people about the importance of long-lasting social relationships and how to increase their chances for a rewarding marriage. Given that not every student will enter a traditional marriage, education about how to develop and nurture supportive and intimate social relationships in general is an educational imperative. Social skills should be a standard component of primary and secondary education.

Mobility is now a hallmark of American society. Yet this mobility has costs in the form of loosened social ties, reduced community involvement, and lower trust. A number of pathologies seem to spring from the lack of a “moral net,” the extended family that reinforces and enforces cultural norms (Narr, 1983). Marginal individuals such as the chronically mentally ill may suffer the most from the lack of strong and extended family ties. Twenge (2002) concluded that increasing levels of dysphoria in modern societies are due not only to environmental stressors, but also to decreasing social connectedness. Thus, policies that encourage long-distance mobility and discourage individuals from forming long-lasting community ties can be dangerous to well-being. Similarly, socialization that emphasizes individual entitlements in lieu of aiding family, friends, and community will likely harm the well-being of society.

A SYSTEM OF NATIONAL INDICATORS

There was a time, when many basic needs were unmet, that economic indicators were a very good first approximation of how well a nation was doing. As nations became wealthier and basic needs were largely met, economic indicators increasingly missed their target. We have argued to this point that national economic indicators alone are now “out of sync” with national well-being in the developed nations. While
wealth has trebled over the past 50 years, for example, well-being has been flat, mental illness has increased at an even more rapid rate, and data, not just nostalgic reminiscences, indicate that the social fabric is more frayed than it was in leaner times. These inadequacies lead us to advocate that an ongoing system of indicators be instituted by governments and organizations to track well-being over time. It is clear that policymakers now care about well-being, in addition to economics, because policies are being created on the basis of mere guesses and romantic sentiments about what will enhance well-being (e.g., family leave). These guesses are undoubtedly correct in some cases, but they are incorrect in other cases. For this reason, ongoing measurement of well-being in representative samples and in diverse domains of life is required to confirm or disconfirm the efficacy of policies instituted to increase well-being.

The precursors of national well-being measures are in place. These nascent measures are emerging from large-scale national surveys of well-being, surveys of mental health, and many smaller studies focused on particular groups and specific domains of life. For example, the German Socioeconomic Panel, which is a large, ongoing annual survey of life satisfaction in Germany, and the Eurobarometer, which is conducted at regular intervals in the European Union nations, include well-being questions. However, we are proposing something much more ambitious and deep—a full-scale set of measures, including experience sampling of certain subsamples, that will be sensitive to changes of well-being and ill-being in the major domains of life, such as work and health, as well as narrower measures of trust, stress, meaning, and other components of well-being. We can now outline the scope of this project in broad terms. Although large, it will cost only a tiny fraction of what the current system of economic indicators costs. A set of national indicators of well-being should

- Include questions that are relevant to policy
- Broadly and representatively sample various stakeholder groups in a nation
- Include measures of broad facets of well-being, such as life satisfaction, having purpose and meaning in life, trust, engagement, depression, and positive and negative emotions
- Include narrower well-being measures related to different aspects of life, such as work, health, family, community, and leisure
- Include permanent measures that are used in all samples, as well as topical measures and samples that focus on specific current policy issues
- Include in-depth measures over time on subsamples in order to measure experience as it occurs and not rely on people's recall of that experience
- Track subsamples longitudinally to provide a better understanding of changes across time

In our review, we did not systematically discuss the various aspects of well-being (e.g., pleasant emotions vs. engagement or finding meaning and purpose in life) in each domain. Not only would this be beyond the scope of this report, but rarely have studies used a full set of measures. Although we often discussed “life satisfaction,” this was primarily because a measure of this global construct is most often included in existing surveys, not because we want to promote life satisfaction as the key well-being variable. A national indicator should include several global indicators, such as life satisfaction, but it should also target positive and negative emotions in specific areas, such as work life, health, social relationships, and mental health, and it should be fine-grained, breaking life satisfaction down into its constituent parts.

What variables should be assessed in a national index? This will require serious discussion among scholars, as well as further research. We (Seligman, 2002) have suggested that well-being includes positive emotions and moods (The Pleasant Life), engagement (The Good Life), and having meaning in life (The Meaningful Life).

Other investigators have outlined well-being components using statistical approaches, such as factor analysis. For example, Lucas et al. (1996) found that life satisfaction, positive affect, and negative affect are separable but related concepts when assessed by multiple methods. There are many additional variables that might be desirable in a set of national well-being indicators, including pleasant emotions within domains such as work and marriage, trust in strangers versus friends, depression and anxiety, and moods during various activities of daily life.

Economic indicators have evolved over many decades through collaborations among many economists. In contrast, there have been very few systematic research projects to refine well-being measures and fully validate their meaning. Thus, we propose not only the implementation of a beginning set of national measures, but also a large-scale research program to refine indicators of well-being.

A national system of well-being measures will cost millions of dollars each year. This cost, however, is tiny compared with the cost of economic measures, which are now glaringly inadequate as measures of how developed nations are doing. The benefits promise to be enormous. They will include policy changes that over time will increase most people’s well-being. If such a system works even to a small degree in the United States, the total benefits would be large in a nation of 280 million people.

Revisiting the Advantages of Well-Being Measures and Shortcomings of Economic Measures

If a national system of well-being indicators were instituted, what new information would be obtained that is not already captured in economic indicators? After all, mental disorders produce lower productivity as well as lower well-being, and thus perhaps economic indicators suffice to alert policymakers to the problems in this area, as well as in other areas. The most important contribution of a national system of well-being indicators would be that they could focus the attention of policymakers and the public specifically on well-being, and not simply on the production of goods and services; one of the main benefits of well-being measures is that they add a valuable perspective beyond a cost-benefit market analysis in evaluating societal structures and interventions.

Not only would a set of national well-being indicators provide answers to important questions, but they would ensure that certain questions were addressed by policymakers. In Table 2, we show some issues that are addressed by economists in our six domains, and examples of questions that the well-being approach would raise about these same domains. The examples illustrate how national indicators of well-being would draw interest to a new set of questions that complement those issues that are framed by economists. These questions would reframe some policy questions, and in some cases raise new questions.

In the realm of mental health, for example, policymakers would be led by well-being indicators to consider family suffering and burden, as well as the suffering of the individuals involved, when evaluating...
TABLE 2
Examples of the Types of Questions Stimulated by the Economic and Well-Being Approaches

<table>
<thead>
<tr>
<th>Domain</th>
<th>Economic approach</th>
<th>Well-being approach</th>
</tr>
</thead>
<tbody>
<tr>
<td>Society</td>
<td>How can the government stimulate economic growth?</td>
<td>How does economic growth influence well-being?</td>
</tr>
<tr>
<td></td>
<td>How does central bank policy influence unemployment and inflation?</td>
<td>How does governance influence well-being?</td>
</tr>
<tr>
<td>Income</td>
<td>How does income inequality influence economic growth?</td>
<td>Does income inequality influence well-being?</td>
</tr>
<tr>
<td></td>
<td>How do tax rates influence economic growth?</td>
<td>How does unemployment affect well-being?</td>
</tr>
<tr>
<td>Work</td>
<td>How does pay influence productivity?</td>
<td>What makes a job enjoyable and engaging?</td>
</tr>
<tr>
<td></td>
<td>What are the causes of unemployment?</td>
<td>Are happy workers more or less productive than unhappy workers?</td>
</tr>
<tr>
<td>Physical health</td>
<td>How much is productivity reduced by illness?</td>
<td>Do individuals who report high well-being have better health than those who report low well-being?</td>
</tr>
<tr>
<td></td>
<td>What are the monetary costs and benefits of various treatments for diseases?</td>
<td>What illnesses most interfere with happiness?</td>
</tr>
<tr>
<td>Mental disorders</td>
<td>How do mental disorders interfere with productivity?</td>
<td>How much misery do mental disorders cause?</td>
</tr>
<tr>
<td></td>
<td>How costly are mental disorders to society?</td>
<td>Does therapy enhance the well-being of persons with mental disorders?</td>
</tr>
<tr>
<td>Social relationships</td>
<td>How do couples jointly determine their participation in the labor market?</td>
<td>Why are married people on average happier than unmarried people?</td>
</tr>
<tr>
<td></td>
<td>How are resources distributed within a household?</td>
<td>How does geographic mobility influence well-being?</td>
</tr>
</tbody>
</table>

The effects of national well-being measures would go beyond the effects on government policymakers. A well-being approach to the assessment of people with mental disorders could lead to strong public sentiment to include adequate treatment for mental disorders in health insurance and health-maintenance organization plans. In focusing attention on the immense suffering and lack of functioning caused by mental disorders, well-being measures would serve to highlight the need for multiple approaches and large-scale interventions to help individuals with mental disorders and perhaps reduce the frequency of such disorders.

Social relationships is an area that shows the importance of a variable that has not been captured by economic indicators. Many people intuitively realize that family and friends are important to happiness, but national attention continually gets focused on economic indicators that are widely reported in the media. In considering what vocation to pursue, for example, students easily can obtain extensive information about potential income, but very little information about how meaningful or engaging particular jobs will be. Indeed, because of the lack of systematic well-being indicators, young adults might not systematically compare professions and consider how engaging the work is or how much stress it involves. If they do consider how engaging, meaningful, or stressful the work is, they are likely to have garnered this information from a favorite television drama series rather than from systematic research findings.

Economic models are built on the assumption that people choose alternatives to maximize their well-being. But one problem with these models is that people do not necessarily realize what might enhance their well-being best; instead, they make choices on the basis of hunches and cultural prescriptions. Thus, a system of well-being indicators would make economic indicators more efficient by providing better information that people could use to make choices. Currently, people have clear information on how to pursue their economic goals. By understanding some of the limitations of economic indicators, one can better appreciate the complementary role of well-being indicators. In some cases, economic measures are assumed to serve as a proxy for well-being. However, if certain types of consumption enhance well-being and other types of consumption do not, this fact is lost when all goods and services are lumped together. For example,
the consumption of certain status goods might not enhance well-being among people who have a competitive nature, because relative position will remain the same despite the growth of these goods; in contrast, the well-being provided by public parks and green spaces might not be constrained by relative position. Direct measures of well-being will allow researchers to examine how various forms of consumption enhance quality of life. For example, it might be that better schools and reduced commuting enhance well-being, whereas status goods, construction of prisons, and cigarette consumption decrease well-being in the long run, but all are given equal weight in national GDP. Direct measures of well-being will allow analysis of these effects.

Well-being indicators can supplement economic indicators, particularly when the economic indicators have large blind spots. For example, GDP is used as a measure of the material well-being of a society because it is designed to capture market production and therefore the goods and services that are produced and consumed in a society. But, for example, GDP substantially underestimates levels of well-being in a society because it does not fully capture production and consumption in some important areas. Housework and other household production (e.g., cooking, laundry, and child care) are not included in these indicators, and are counted in GDP only when they are purchased outside the home. Thus, a rise in GDP in this sector might not signify an actual rise in material quality of life, but might signify only altered lifestyles (e.g., hiring child care rather than providing it oneself) that might or might not represent improving quality of life (and does not even necessarily indicate that the amount of goods and services produced and consumed has even risen). We are not arguing that household production should be compensated by the government, or that it is necessarily better for well-being than services provided outside the home. What we are describing is the paradox that the very same types of activities and services may or may not count in GDP, depending on who performs them. Because household production can represent as much as 25 to 50% of an economy (Frey & Stutzer, 2002a), it is widely recognized by economists that this represents a blind spot in the GDP measure. Household production and leisure can add approximately 150% to the conventional GDP measures, although this figure varies dramatically across societies and across time, making it difficult to make comparisons.

Another example of overlooked production in national accounts of GDP are the shadow economies in many nations, the production and exchange of goods and services that are not reported to government agencies (Frey & Stutzer, 2002a). For example, people might pay cash for services to avoid taxes, and these services could then go uncounted by authorities. In some nations, the shadow economy is as large as 75% of the economy reported to officials, making GDP a very inaccurate figure in these instances. Volunteer activity (e.g., in schools and among the poor) is also omitted from the GDP. “Regrettables” such as police protection, prisons, some legal services, mental health services, purchases of cigarettes, gambling, and commuting also are part of GDP even though high expenditures on these things do not necessarily mean a high quality of life. Although a nation’s expenditures on regrettables can be salutary in some respects, as is the case for money spent treating mental disorders, money spent on regrettables indexes problems that interfere with well-being.

Non-market goods in general, and social interventions in particular, are not counted in national income, although they can substantially influence well-being. As two economists, Frey and Stutzer (2002a), wrote: “These and other shortcomings of national product are generally known, but the concept is still the center of political, economic, and media attention” (p. 37).

The substantial limitations of GDP make it a measure with a large margin of error when it serves as an index of quality of life. Issues related to household production, volunteer activity, shadow economic activities, and spending on regrettables are known to economists, but not recognized by the public. Other economic indicators, such as the consumer price index, also have nontrivial limitations. The price of goods, for example, is based on marginal demand, so that goods with great value to well-being are given little value if they are plentiful, even though they may contribute substantially to well-being. Furthermore, practical measurement problems, such as how to value new goods, plague economic indicators.

Another limitation of indices of national income such as GDP is that they do not include externalities, side effects of production and consumption that do not result in market transactions. For example, the environmental costs of factories and consumption are not subtracted from national accounts. Another shortcoming of economic measures is that they rest on models of rational choice, which posit that people follow a set of logical rules when making economic choices. However, recent work in psychology and economics reveals that people do not always make rational choices, and that a surfeit of choices does not necessarily enhance well-being. Furthermore, people are not adept at predicting their future affect in different situations (Gilbert, Pinel, Wilson, Blumberg, & Wheatley, 1998), and therefore economic choices do not necessarily enhance well-being. Thus, measures of well-being are needed because of the inherent limitations of economic measures as reflections of well-being. Furthermore, it is possible that a strong emphasis on economic growth can interfere with well-being (Easterlin, 1996; Lane, 2000).

In sum, well-being measures will add information needed by leaders, as well as by all citizens, to make informed choices in a wealthy society. When people evaluate different possible courses of action—at the individual, corporate, and governmental levels—well-being measures can add a perspective that is not fully captured by existing indicators. In addition, well-being measures will prove important because the psychological Heisenberg principle is at work—what a society measures will in turn influence the things that it seeks. If a society takes great effort to measure productivity, people in the society are likely to focus more attention on productivity, sometimes to the detriment of other values. If a society systematically and regularly assesses well-being, people will focus more of their attention on well-being, and learn more about its causes.

The Desirable Outcomes of High Well-Being

Why is more well-being an important goal for a nation? First, existing evidence indicates that across the board, people high in well-being function more effectively than people low in well-being: They are likely to have more successful relationships, to be more productive at work, to have higher incomes, and to have better physical and mental health. Table 3 summarizes several benefits of high well-being reviewed earlier in this report—advantages that are valued by most individuals. Second, well-being is a meter that tells individuals that their lives are on track, and that they are achieving their goals and accomplishing valued ends. In a democratic society that respects the
Are Well-Being Indicators Politically Neutral?

An important question is whether well-being indicators would foster a leftist (or rightist) agenda, and therefore represent a specific political agenda. For example, a number of findings on well-being point to government interventions that might alleviate suffering and increase well-being (e.g., more adequately subsidizing treatment of mental illness), and some interventions requiring government expenditures are associated with a liberal political philosophy. However, many well-being findings point to societal expenditures that are compatible with a conservative viewpoint. For example, market democracies have much more well-being than totalitarian dictatorships, so military expenditures that protect and extend democracy will increase global well-being. Another example is the well-being that rests on strong family and friendship ties. We are not advocating marriage for everyone just because married people on average are happier than unmarried people, but we do argue that government policies should be aimed at cementing strong social ties. This could mean offering tax breaks to married couples (a conservative proposal), and it could mean adopting marriage for gay and lesbian couples (a liberal position). The findings that religious individuals tend to report higher well-being than nonreligious people, that inequality does not invariably result in lower well-being, and that the offspring of stable and terminated marriages report lower life satisfaction than the offspring of intact marriages (Gohm, Oishi, Darlington, & Diener, 1998) are also congruent with conservative values. Conversely, liberals can take heart in other specific findings, such as that unemployment has lasting negative effects, that certain social-service programs offered by the government are likely to reduce ill-being, and that increased income is likely to raise the well-being of poor people more than it does the well-being of the well-off. Again, we do not mean to imply that governments should directly support religion, or that huge inequalities are fine; we do mean to say that well-being can add another perspective to policy debates in these areas.

So we believe that measures of well-being are—and must be—exactly as neutral politically as are economic indicators. The indicators are descriptive, not prescriptive, and must remain so. They simply yield facts that can be used either by the left or by the right, and therefore they provide an added way to better assess the claims of various political viewpoints by revealing how policies actually influence well-being. Furthermore, well-being is not the only criterion that liberals and conservatives use in deciding which policies to advocate. For instance, liberals might advocate for greater equality in society regardless of whether it increases well-being.

What of the noninterventionist view that the government that governs best governs least? Would this antipaternalism be not hostile to collecting well-being measures on a national level? First, it should be noted that taking economic indicators should be as antithetical or compatible with noninterventionist philosophy as taking well-being indicators. Second, of all people, noninterventionists would be well served by having available measures of well-being. After all, if lack of interventions enhances well-being, this ought to be manifested in the measures. Furthermore, even people who believe that governments should rarely intervene in everyday affairs might nevertheless accept that the measures have value to corporations for making work life more engaging and enjoyable, to local institutions for providing better parks and facilities, and to individuals for making informed choices about their well-being. What is appropriate for individuals and organizations might not be appropriate for central governments; yet measures of well-being can serve a wide constituency at multiple levels, and thus need not be connected with central-government interventions.

One objection to our argument is that the economy interconnects everyone, whereas happiness might be more of a private, individual affair. If so, it could be argued that it is more justifiable for governments to intervene in the economy than in matters related to well-being. However, well-being can be influenced strongly by what other people do, and by the conditions in society. Take the unhappy state of present-day Russia, for example. The loss of stability in that nation substantially depressed the well-being of the society. Although temperament and individual choices can strongly influence well-being, just as they can influence an individual’s economic prosperity, community and societal conditions can also substantially influence people’s well-being. As in all things political, balancing societal well-being against spending on luxury goods is likely to give rise to tensions, and well-being indicators will yield valuable information to help resolve such debates.

### TABLE 3

**Likely Advantages Accruing to Individuals With High Well-Being**

<table>
<thead>
<tr>
<th>Domain</th>
<th>Advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Society</td>
<td>Well-being of the populace might facilitate democratic governance.</td>
</tr>
<tr>
<td>Income</td>
<td>Happy people later earn higher incomes than unhappy people.</td>
</tr>
<tr>
<td>Work</td>
<td>Satisfied and happy workers are better organizational citizens than unhappy workers. Work units with high satisfaction have more satisfied customers than units with low satisfaction.</td>
</tr>
<tr>
<td>Physical health</td>
<td>High well-being may correlate with longevity. Individuals low in well-being have compromised immune systems and are more likely to have certain diseases compared with individuals high in well-being. Satisfaction of work units may correlate with productivity and profitability.</td>
</tr>
<tr>
<td>Mental disorders</td>
<td>The happiest individuals score low in psychopathology.</td>
</tr>
<tr>
<td>Social relationships</td>
<td>High well-being is associated with increased probability of marrying and staying happily married. It is also associated with increased numbers of friends and social support.</td>
</tr>
</tbody>
</table>

Toward an Economy of Well-Being
Will Well-Being Replace Money?
We titled this monograph “Beyond Money,” not “Instead of Money.” It would be sophomoric to believe that people will soon forsake their desires for substantial amounts of goods and services. In the introduction, we suggested that economic models served well when needs went largely unmet, but that these models are less relevant in a time of plenty. However, the money economy has too strong a proven track record for either individuals or nations to quickly abandon it. Not only have capitalism and the industrial revolution at times led to rampant consumerism, but they have allowed large advances in sanitation, education, health, parks, and even, perhaps, virtue (Easterbrook, 2003). At the individual level, the economic model allows people to structure their time in the pursuit of concrete goals, and to ready track progress toward specific goals. It is possible that people derive considerable well-being from goal pursuits related to earning income, and from the activities of consumption, and therefore even a well-being economy will include these activities. Thus, although lamentations about how economic activity can interfere with family and religion are often heard, it is likely that the economic model will remain dominant for many decades to come. We do not contest this fact of life.

Well-being is not a panacea that will in itself solve all of the world’s problems. Even if well-being one day becomes the dominant paradigm, it must be supplemented by other values of societies, and people must be socialized for humane values for the well-being economy to be a desirable concept.

One challenge for a society based on well-being is that individuals do not have ready and concrete models of how to pursue the goal of greater well-being, other than following the economic model. When people are asked what would improve the quality of their lives, the most frequent response is higher income (Campbell, 1981). It is not clear to people how they would achieve greater positive emotions and life satisfaction. Until there are concrete and proven steps toward these noneconomic aims, people are unlikely to abandon the dominant economic paradigm. Thus, psychologists need to demonstrate compellingly the malleable factors that can increase well-being before the well-being paradigm can replace the economic one. In addition, it should not be forgotten that the theoretical models on which the economic model is based are in many cases more sophisticated than current scientific models of well-being. Therefore, although an economy focused on well-being might be an important long-term goal, in the short term it is sufficient to suggest that well-being indicators will complement economic ones.

THE CENTRAL PLACE OF PSYCHOLOGY IN CREATING NATIONAL WELL-BEING
We reviewed in the previous sections several of the factors that lead to well-being—to frequent pleasant emotions and engagement, to finding meaning and satisfaction in life, and to low levels of stress and depression. The existing findings suggest the following partial formula for high well-being:

- Live in a democratic and stable society that provides material resources to meet needs
- Have supportive friends and family
- Have rewarding and engaging work and an adequate income
- Be reasonably healthy and have treatment available in case of mental problems
- Have important goals related to one’s values
- Have a philosophy or religion that provides guidance, purpose, and meaning to one’s life

CONCLUDING REMARKS
If high well-being is the overarching goal of all nations, national indicators of well-being are crucial to assessing the impact of national and corporate policies. Rudimentary indicators of well-being are now available, and they provide the fascinating findings reviewed here. But much better measures are needed.

Economic indicators have for the most part served society well. However, these indicators have glaring shortcomings as approximations, even first approximations, of well-being. Scientists are now in the position to assess well-being directly, and therefore should establish a system of national measures of well-being to supplement the economic measures. Indeed, it can be argued that the well-being measures should be the central ones, and that the economic indices are best understood in their relation to enhancing well-being. We have reviewed a number of important factors that influence well-being but are not captured by existing indicators, and we have shown the benefits of well-being in producing a successful society. It is time to grant well-being a prominent place in policy discussions.

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