



ETUC EVENT ON RETHINKING OUR GROWTH MODEL AN ECONOMY OF WELL-BEING. SOCIAL RISKS AND GOVERNANCE TOOLS

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FOR WELL-BEING, INCLUSION, SUSTAINABILITY
AND EQUAL OPPORTUNITIES (WISE)



PART 1: BEYOND GDP AT THE OECD

Going beyond GDP: the OECD journey



The OECD well-being framework – used by more than half of oecd countries

Current Well-Being



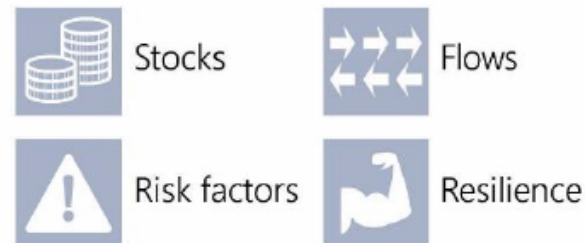
Inclusion



Connected to OECD evidence-based tools

- **Links with Growth** → OECD Framework for Policy Action on Inclusive Growth
- **Links with Climate** → A people-centred transition to the green economy
- **Links with SDGs** → Measurement, Modelling, Management

Sustainability



An economy for people's well-being: the OECD Framework for Policy Action on Inclusive Growth

Examples of policies along three pillars

Investing in people and places left behind:

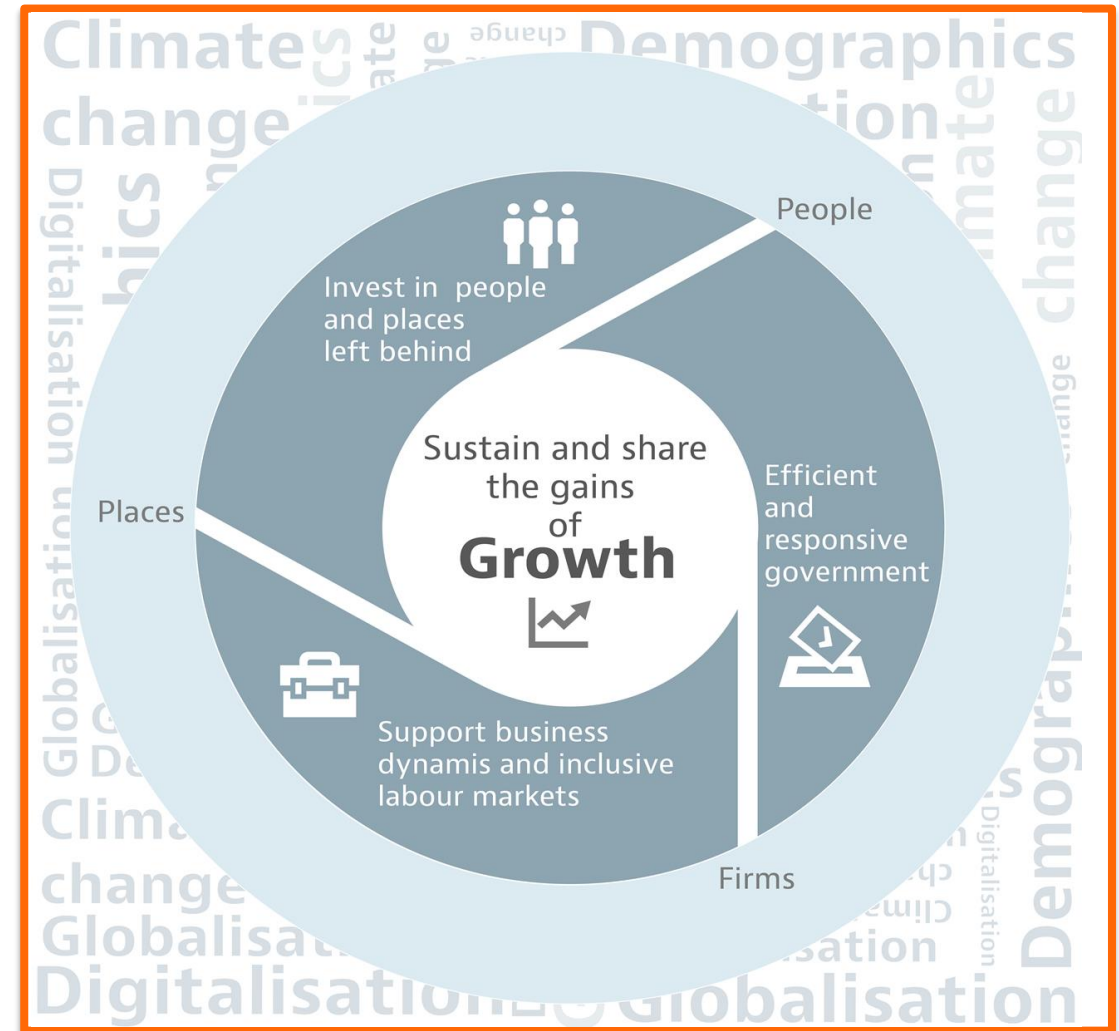
- Supporting families and women's participation in labour market through early childhood education and care
- Implementing whole-of-child well-being strategies

Supporting business dynamism and inclusive labour markets:

- Providing upskilling and reskilling opportunities to support a fair green transition
- Supporting productivity diffusion

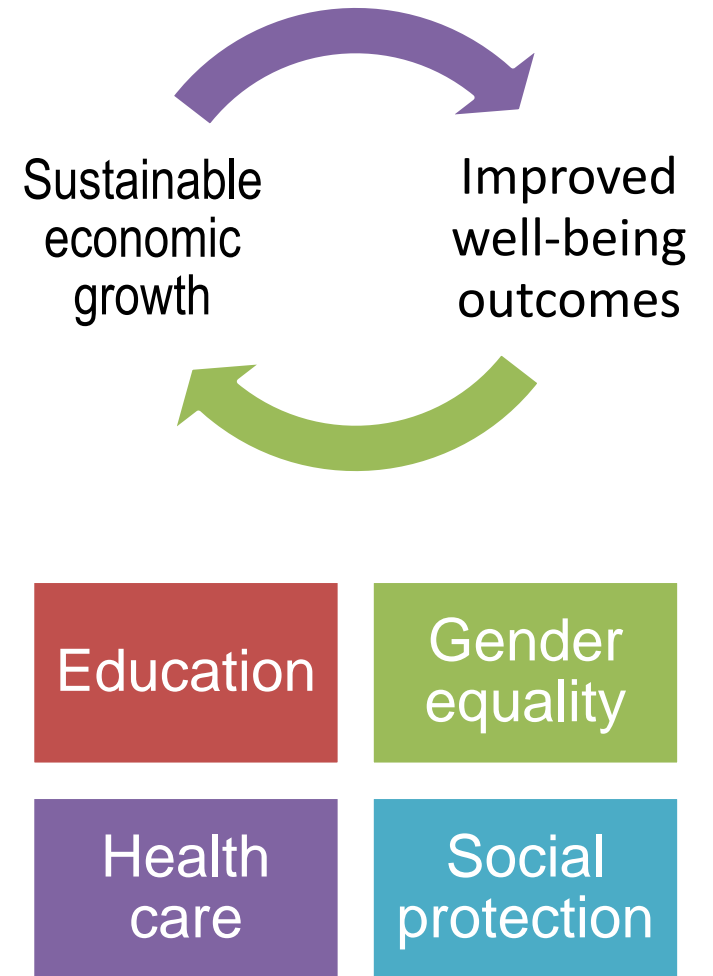
Effective and responsive government:

- Monitoring and addressing preferences for redistribution
- Embedding stakeholder consultations in the policy-making process



Economy of Well-being Approach

- Mutually enforces well-being outcomes and sustainable growth through **key channels**
- Expands opportunities available to people for **upward social mobility** and improving their lives in the dimensions that matter most to them
- Ensures **opportunities translate into well-being outcomes** for all segments of the population, including those at the bottom of the distribution
- **Reduces inequalities**
- Ensures **environmental and social sustainability**



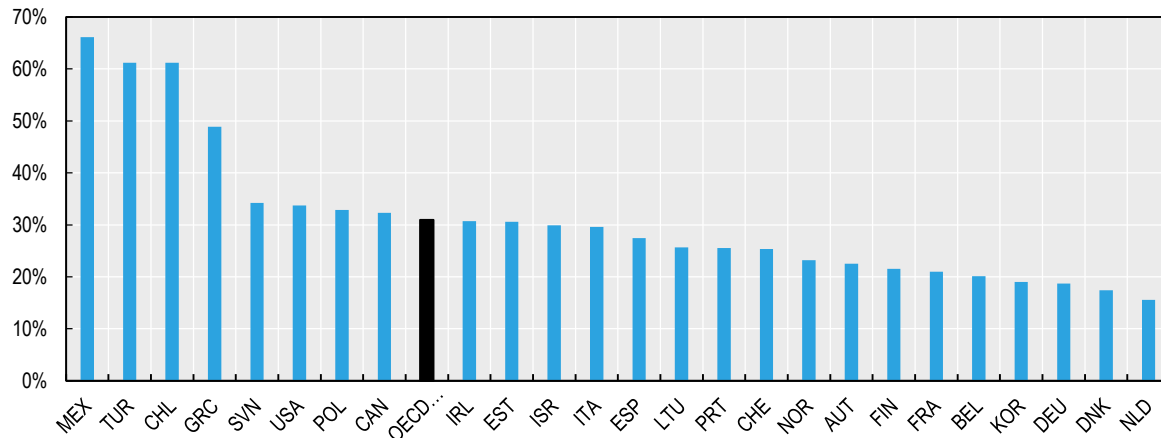


PART II: FRAMING THE RECOVERY FROM A WELL-BEING/BEYOND GDP PERSPECTIVE

Well-being impacts of Covid-19: a pandemic of financial insecurity

An average of 31% of respondents in 25 OECD countries have been struggling financially since outbreak of COVID-19

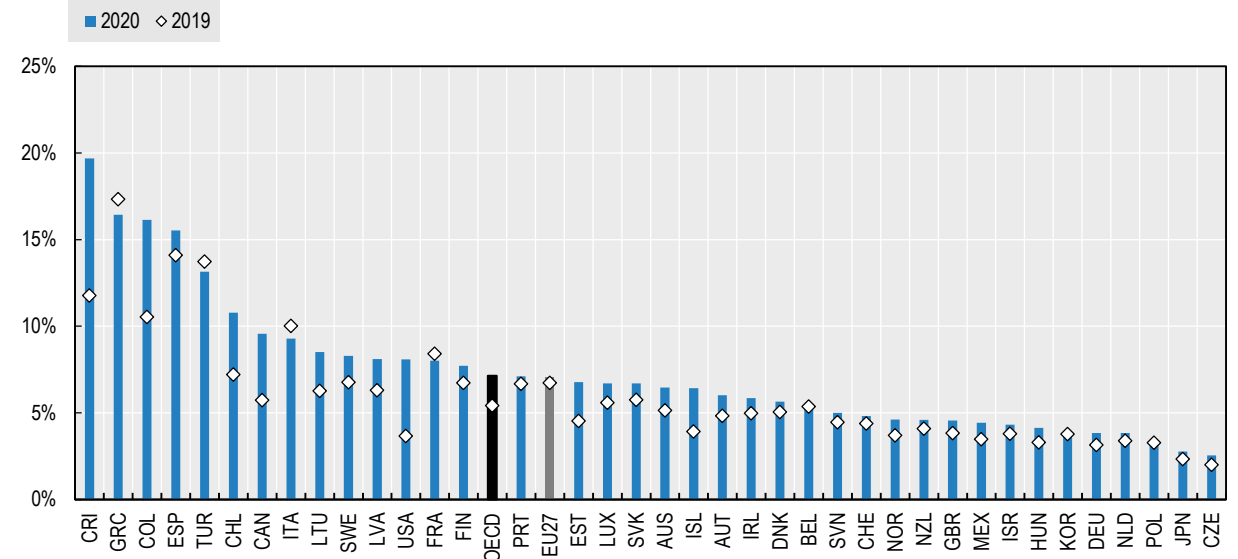
Percent of respondents reporting at least one financial difficulty since the start of the COVID-19 pandemic, Sept-Oct 2020



Source: OECD Risks That Matter 2020, <http://oe.cd/RTM>

The impact of COVID-19 on unemployment has varied across OECD countries

Unemployment rate, 2019 and 2020



Source: OECD Household Dashboard (database), www.oecd.org/sdd/na/household-dashboard.htm, accessed on August 5 2021

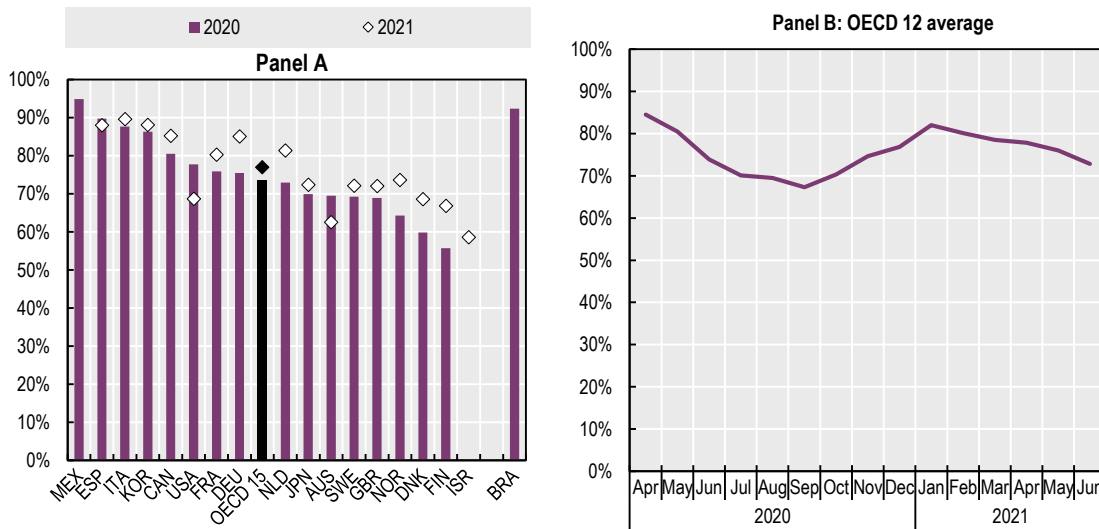
Younger, lower-income, less-educated individuals, as well as women, people of colour and people belonging to minority and LGBTQ+ communities are over-represented in the industries most exposed to government closures and containment measures, were less often able to telework, and were most likely to lose their jobs.



Well-being impacts of Covid-19: quality of life

On average in 2020, over 70% of those in 15 OECD countries avoided hospitals or health centres during the pandemic; this rate increased in the early months of 2021

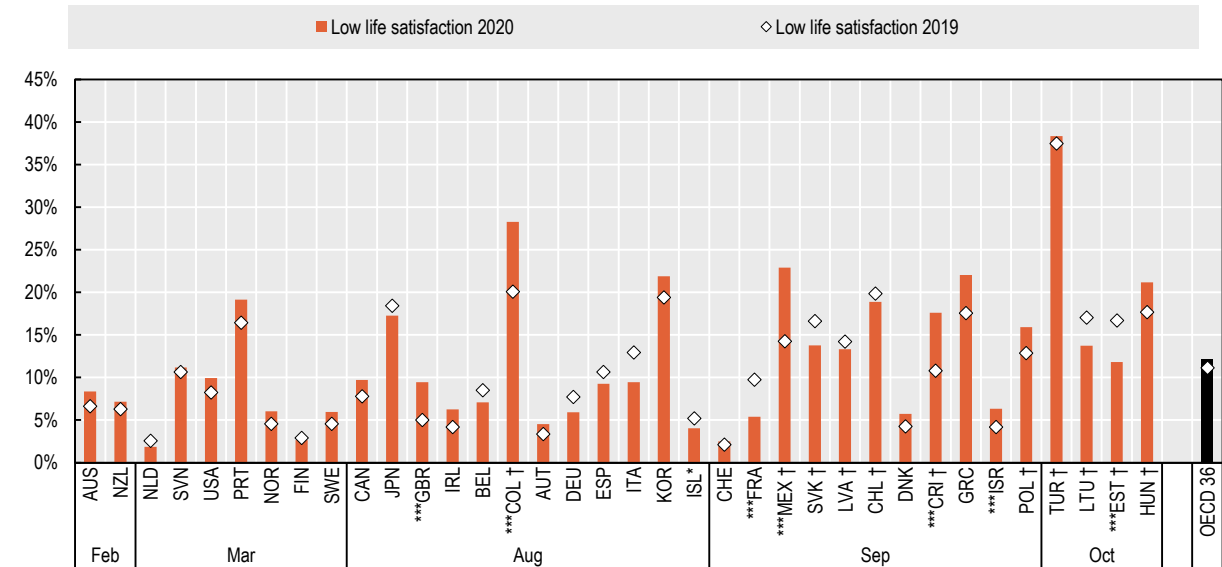
Share of the population who avoided health centres and hospitals over the past 7 days, April 2020 to June 2021



Source: OECD calculations based on Imperial College London YouGov (2020_[11]). Covid 19 Behaviour Tracker Data Hub (database), <https://github.com/YouGov-Data/covid-19-tracker>. Accessed 7 June 2021.

Deprivations in life satisfaction slightly increased on average in the OECD, though mixed patterns emerged across countries

Share of the population rating their life satisfaction as 4 or lower (on a 1-10 scale), 2019-2020



Source: Gallup World Poll (2021_[68]). <https://www.gallup.com/178667/gallup-world-poll-work.aspx>
Accessed 11 June 2021

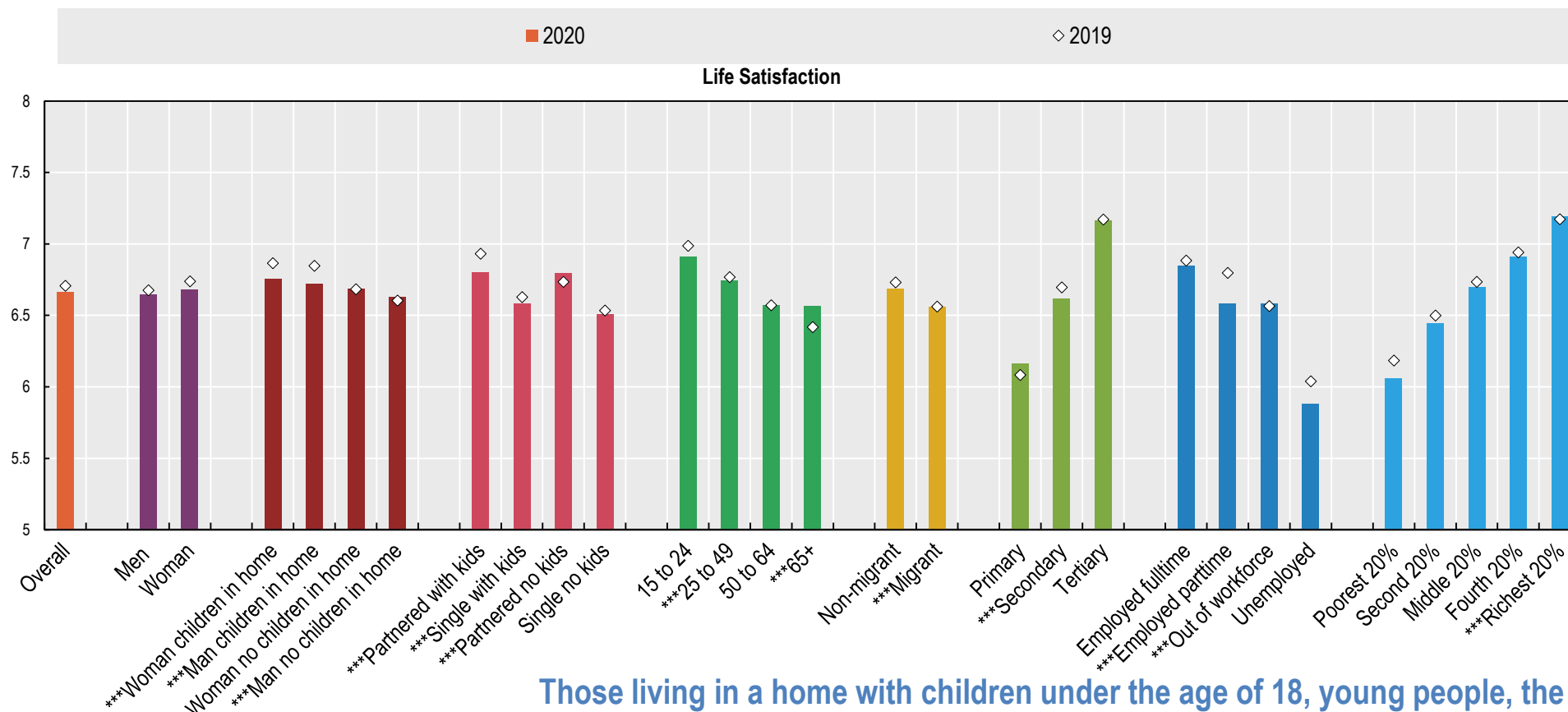
Both physical and mental health outcomes have declined. Preliminary research suggests that disruptions to schooling may be associated with serious long-term risks to children's life chances. Average life satisfaction has fallen slightly in most countries, but early evidence in some cases suggests a surprising level of resilience



Well-being impacts of Covid-19: Inequalities in life satisfaction

Though measures of subjective well-being were fairly resilient overall, certain groups saw larger deteriorations than others

Mean values for life satisfaction, from “worst” (0) to “best” (10) possible life



Source: Gallup World Poll (2021_[84])
<https://www.gallup.com/178667/gallup-world-poll-work.aspx> Accessed 11 June 2021.

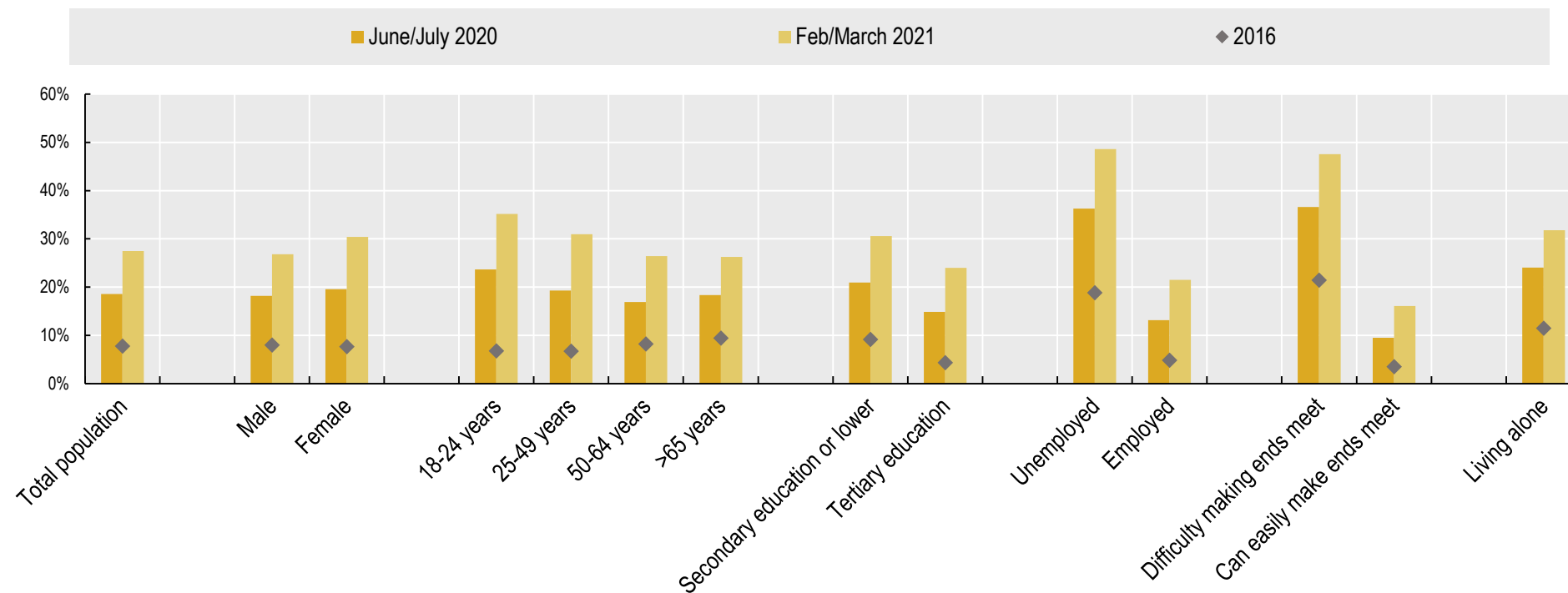
Those living in a home with children under the age of 18, young people, the unemployed, poorest 20% and those working part-time saw some of the largest significant declines in life satisfaction from 2019 to 2020.



Well-being impacts of Covid-19: Inequalities in voice

The unemployed, those with financial difficulties, less than university education and younger people were all more likely to feel left out of society in the first year of the pandemic

Share of people agreeing or strongly agreeing with the statement “I feel left out of society”, by gender, age, education, employment status and financial difficulty, OECD 22



Source: OECD calculations based on Eurofound (2018^[9]), European Quality of Life Survey (database), <https://www.eurofound.europa.eu/surveys/european-quality-of-life-surveys/european-quality-of-life-survey-2016>; Eurofound (2021^[11]), Living, working and COVID-19 e-survey (database), <https://www.eurofound.europa.eu/data/covid-19>.

In June-July 2020, when economies were temporarily reopening, 18.6% of respondents in European OECD countries agreed with the statement that they felt left out of their societies – a year onward, this share had risen to 27.5%

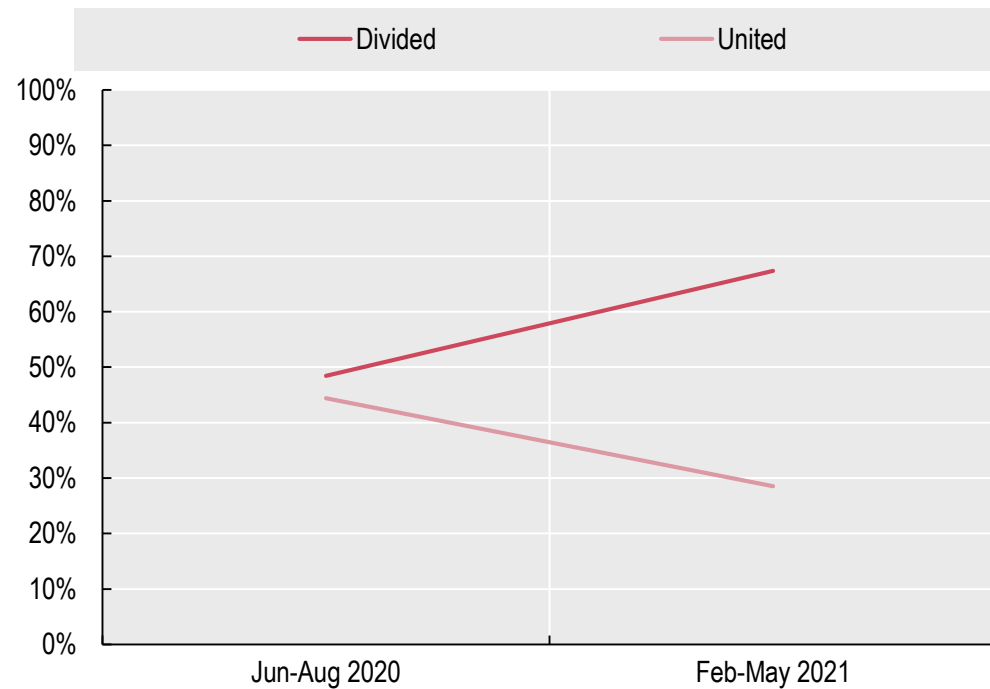


Long-term impacts of Covid-19 on well-being: example of social capital

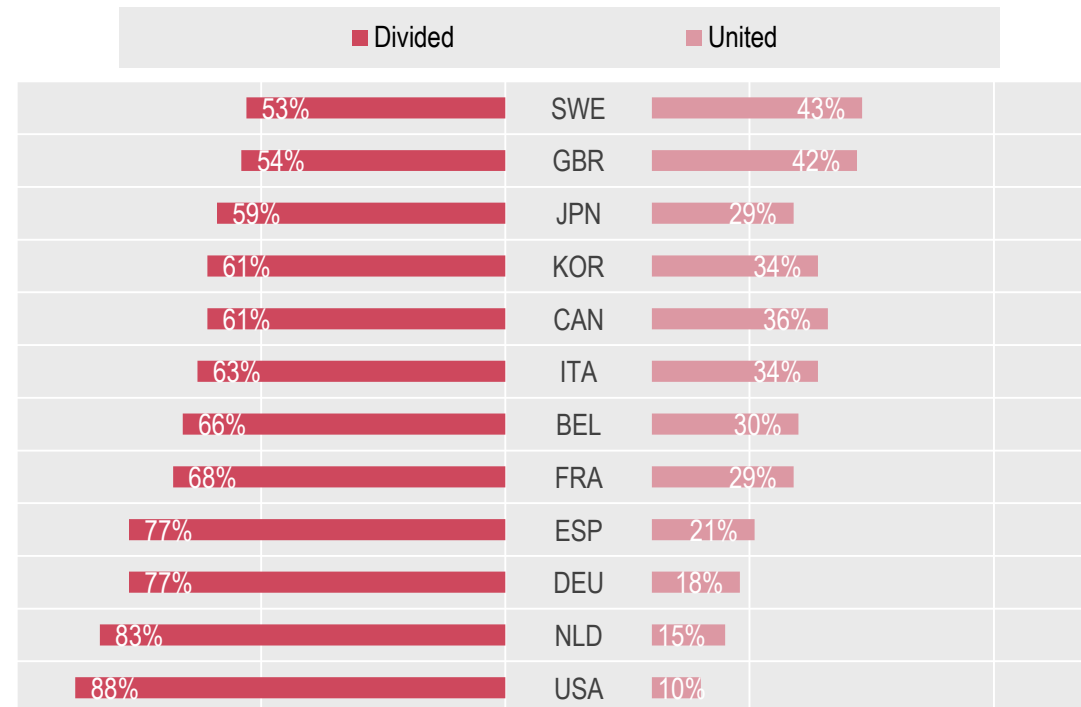
By early 2021, between 53% and 88% of adults felt their countries were more divided than before COVID-19, a perception partly tied to interpersonal distrust and political preferences

Selected indicators of social cohesion, June – August 2020 and February – May 2021

A. Share of adults who say their country is now more ___ than before the COVID-19 outbreak (OECD 12)



B. Share of adults in Feb-May 2021 who say their country is now more ___ than before the COVID-19 outbreak



Source: Pew Research Center (2020_[17]) *Most Approve of National Response to COVID-19 in 14 Advanced Economies*, <https://www.pewresearch.org/global/2020/08/27/most-approve-of-national-response-to-covid-19-in-14-advanced-economies/>; Pew Research Center (2021_[18]) *People in Advanced Economies Say Their Society Is More Divided Than Before Pandemic*, <https://www.pewresearch.org/global/2021/06/23/people-in-advanced-economies-say-their-society-is-more-divided-than-before-pandemic/>.



OECD Dashboard for strong, resilient, sustainable and inclusive recovery

How **robust** and **broad based** is the economic recovery – lending itself to further analysis on how **effective** and **responsive** is the management of COVID-19 pandemic?

[Going for Growth framework]

STRONG

INCLUSIVE

What is the effect of crisis on **income, jobs and well-being of vulnerable** populations; and what is needed to build back **more equal societies and economies?**

[Inclusive Growth & Well-Being frameworks]

How is progress towards **green transition** and **mitigation of** climate and environmental **risks?**

[Green Growth framework]

GREEN

RESILIENT

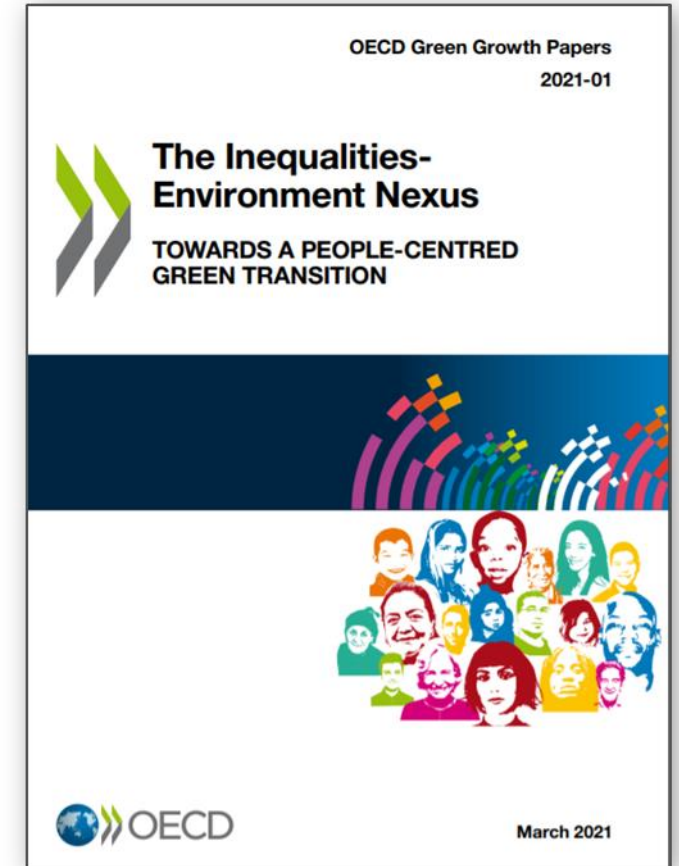
Which factors aided economies and societies **withstand this crisis and can help prepare** for future challenges using the approach of **absorb, adapt, transform?**

[Well-Being framework, New Resilience framework?]



Ensuring that recovery crowds in action in line with SDGs: powering a just transition

- The shift to a greener economy has important **distributional implications at household, business and regional/local levels**.
- The **costs of environmental action often fall on the most vulnerable**, while the benefit from action are not evenly distributed.
- The report focuses on
 - **air pollution and climate change impacts** on different population groups,
 - **distributional impacts of policies** addressing these environmental challenges, and
 - **policy packages that can address both inequalities and environmental challenges together**.
- The report helps to consolidate consistently the main policy approaches of the OECD Inclusive Growth and Green Growth frameworks.





PART III: ACTORS AND ALLIANCES

The role of social dialogue and the private sector in supporting inclusive growth

- **Social dialogue** has been key during the crisis, helping shape the policies that supported workers and sustained the economy, helping to maintain confidence and curbing the most immediate welfare effects of the crisis.
- Since 2017, the OECD hosts the support unit to the **Global Deal**, a multi-stakeholder initiative for social dialogue and inclusive growth with over 100 partners coming from governments, business, trade unions and civil society organisations.
- The OECD is a Strategic Partner of the **Business for Inclusive Growth** coalition, launched by the G7 French Presidency in 2019, and contributes relevant data and analysis. The WISE Centre is working on topics such as **living wage, fair/just transition, and impact measurement** to incorporate non-financial performance of business into business models and standardise the way governments, businesses and other stakeholders measure non-financial performance.
- The WISE Centre is also supporting the **Council for Inclusive Capitalism** through expertise on inclusive growth, impact measurement and environmental sustainability.

The role of finance in delivering well-being

- The **Impact Management Project (IMP)** structured network: an unprecedented collaboration of standard-setting organisations, including the OECD, to support enterprises and investors to develop more complete impact measurement, management and reporting practices.
- **G7 UK Impact Measurement Taskforce (ITF)**: an industry-led taskforce to propose solutions to harness private capital at scale for public good, in the context of facilitating a just transition, for example creation of quality jobs, education and health.



Thank you!

Stay in touch with OECD WISE

- Find out more about WISE's work: <https://www.oecd.org/wise>
- Read WISE's mission: <https://www.oecd.org/wise/Peoples-well-being-at-the-top-of-the-agenda-WISE-mission.pdf>
- Consult WISE's upcoming events: <https://www.oecd.org/wise/events/>
- Subscribe to WISE's newsletter: <https://oe.cd/wellbeingnews>
- Contact us: wellbeing@oecd.org

