Living Standards

In the simplest of terms, living standards may be best described as "the physical circumstances in which people live, the goods and services they are able to consume and the economic resources to which they have access" (New Zealand Economic Social Report 2010). Living standard indicators tend to be largely economic in nature, characterized by demography and geography. Income level is the most dominate class of metrics used for evaluating standard of living followed by living conditions which includes housing status, household crowding (rooms per person) and state of housing repair. Home ownership, household assets, and other measures of material affluence were used to evaluate wealth.

Courtesy of Microsoft.com

Economic and social services aim to improve the living standards of a population. Economic services provide a means to accumulate and distribute wealth while many social services help improve living conditions among the most impoverished within the community. Poverty metrics (e.g., income- and housing-related) figure prominently in living standard assessments because there is a close relationship between standards of living and attainment of basic human needs. However, wealth disparity alone cannot fully account for standards of living. Current research suggests that conceptualizing basic human needs in light of multi-dimensional well-being may provide a more comprehensive picture relative to living standards (Sen 1993, Sumner 2004, Waglé 2008). For example, indices that exclude time use measures may be missing non-market activities that may enhance standards of living without significantly contributing to household income (Folbre 2009). Further, the perception of living standards is often an overlooked influence on a population's overall well-being.

Relationship to the Environment:

Ecosystem services may greatly influence living standards both monetarily and non-monetarily. Coastal and Great Lake ecosystems, for example, create approximately 100 million jobs nationwide (National Ocean Economics Program 2009). Ecosystems such as wetlands or grasslands provide regulating services that may reduce infrastructure cost by using existing natural capacity for increasing the availability of clean and safe drinking and recreational water. Urban greenspace helps mitigate environmentally-borne health-related illness such as asthma thus reducing healthcare-related costs and stress. Easy access to natural space provides opportunities for culturally-fulfilling, quality recreational activities for those populations who are most likely to have the least amount of leisure-time available.

Courtesy of USDA NRCS

For more information and a complete list of citations: U.S. EPA. 2012. Indicators and Methods for Constructing a U.S. Human Well-being Index (HWBI) for Ecosystem Services Research.