# **Policy**

Adam Okulicz-Kozaryn

adam.okulicz.kozaryn@gmail.com

beyond GDP, back to Bentham (or Aristotle!)

SWB as ultimate outcome of policy process

lets discuss readings from syllabus for today!

# Robert Kennedy 1968

 Even if we act to erase material poverty, there is another greater task, it is to confront the poverty of satisfaction purpose and dignity—that afflicts us all.

- Too much and for too long, we seemed to have surrendered personal excellence and community values in the mere accumulation of material things.
- Our Gross National Product, now, is over \$800 billion dollars a year, but that Gross National Product if we judge the United States of America by that that Gross National Product counts air pollution and cigarette advertising, and ambulances to clear our highways of carnage.

- It counts special locks for our doors and the jails for the people who break them.
- It counts the destruction of the redwood and the loss of our natural wonder in chaotic sprawl.

- It counts napalm and counts nuclear warheads and armored cars for the police to fight the riots in our cities.
- It counts Whitman's rifle and Speck's knife, and the television programs which glorify violence in order to sell toys to our children.

- Yet the gross national product does not allow for the health of our children, the quality of their education or the joy of their play.
- It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials.

 It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country, it measures everything in short, except that which makes life worthwhile.

### UN: MDG->SDG

- UN went from GDP/poverty to broader goals
- o first eradicate poverty (increase GDP and equality)
- othen care about other things

```
https://www.economist.com/open-future/2018/09/19/growth-can-overcome-the-loss-of-faith-in-global-co-operation https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4746946/http://wikiprogress.org/articles/poverty-development/how-do-the-sdgs-differ-from-the-mdgs/
https://advocacy.thp.org/2014/08/08/mdgs-to-sdgs/
```

### GDP->HDI->SWB

- after WWII we started with GDP
- oit made sense: to rebuild the world after the WWII with material things
- ocities, highways, buildings, etc
- then we realized that other things matter
- ohence HDI=GDP+Educ+lexp
- now we're realizing that even more matters
- hence SWB=everything that matters!

# why SWB?

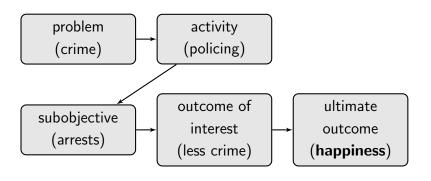
- end in itself
- a measure of utility/well-being/quality of life/standard of living
- a better, more comprehensive and precise measure than individual or national income/consumption
- the ultimate outcome in public policy/adm process>

beyond GDP, back to Bentham (or Aristotle!)

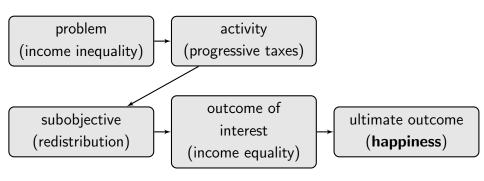
SWB as ultimate outcome of policy process

lets discuss readings from syllabus for today!

# the outcome line (easy)



# the outcome line (not easy!)



# needs/livability theory (?)

- humans, like other animals have certain needs
- physiological needs like water, food, sleep; and other needs:
- eg contact with other living organisms (biophilia, social capital, nature, etc)
- o and higher (human) needs eg belonging, selfactualization
- kind of like Maslow's Hierarchy of Needsif needs are satisfied, then happiness follows
- then there are attr of places, environment, or ecology
- if it is "livable" then happiness follows
- this is optimistic for public policy—we can change needs and livability provision

beyond GDP, back to Bentham (or Aristotle!)

SWB as ultimate outcome of policy process

lets discuss readings from syllabus for today!

beyond GDP, back to Bentham (or Aristotle!)

SWB as ultimate outcome of policy process

lets discuss readings from syllabus for today!

# unemployment and welfare (?)

ullet  $H_0$ : decrease unemployment benefits to decrease unemployment rate

[in Europe] the relatively generous level of unemployment benefits has made workers unwilling to accept the kinds of low-wage jobs that help keep unemployment comparatively low in the united states.

#### Paul Krugman cited in ?

 happiness gap between employed and unemployed, however, did not narrow with increases in benefits in Europe from 1975 to 1992.

# direct democracy (?)

- happiness and direct democracy (referenda) are positively related, but...
- direct democracy makes citizens happier than non-citizens
- it is not the policy outcome that matters (foreigners cannot be excluded) but the process of participating in decision-making itself
  - the process of participating in decision-making itself

