How Was Life?
Global Well-Being since 1820

Introduction by

Jan Luiten van Zanden

(Utrecht University)

2 October 2014

Cooperation of two projects

- **OECD: Better Life Initiative**: multi-dimensional approach to well-being, resulting a.o. in the *How's Life?* report

- **Clio Infra project**, global network of economic historians to measure various dimensions of long-term evolution of world economy 1500-2010.

CLIO INFRA

- Large 'research infrastructural' project funded by NWO

- Universities of Utrecht, Groningen, Tuebingen, International Institute for Social History

- Standardization historical statistics related to Global Inequality 1500-2010

- Linked to International Economic History Associaiton (IEHA)

CLIO INFRA

- Maddison project: historical national accounts; international team of experts

- Similar collabs for human capital, demography, institutions, biological standard of living, sustainability, institutions, wages and prices, gender inequality, income inequality

- Authors of the How Was Life? chapters

- Open access: www.clio-infra.eu

Aim of cooperation

- Present **state-of-the-art estimates** on various dimensions of development of well-being in *world economy from 1820 to present* ("GDP and beyond")

- **Contribute to the discussion** about the broadening of the welfare concept used to characterize socio-economic development

- Indicate **relevance** of going "beyond GDP", also in historical analysis

The importance of historical statistics
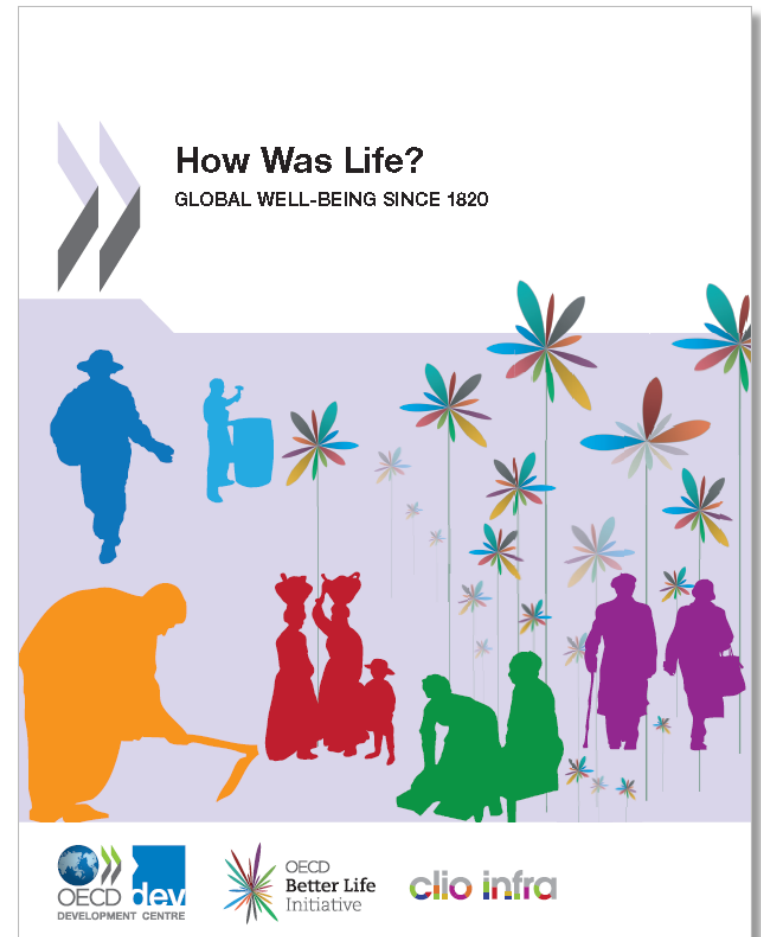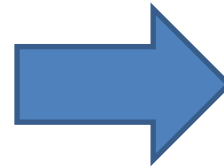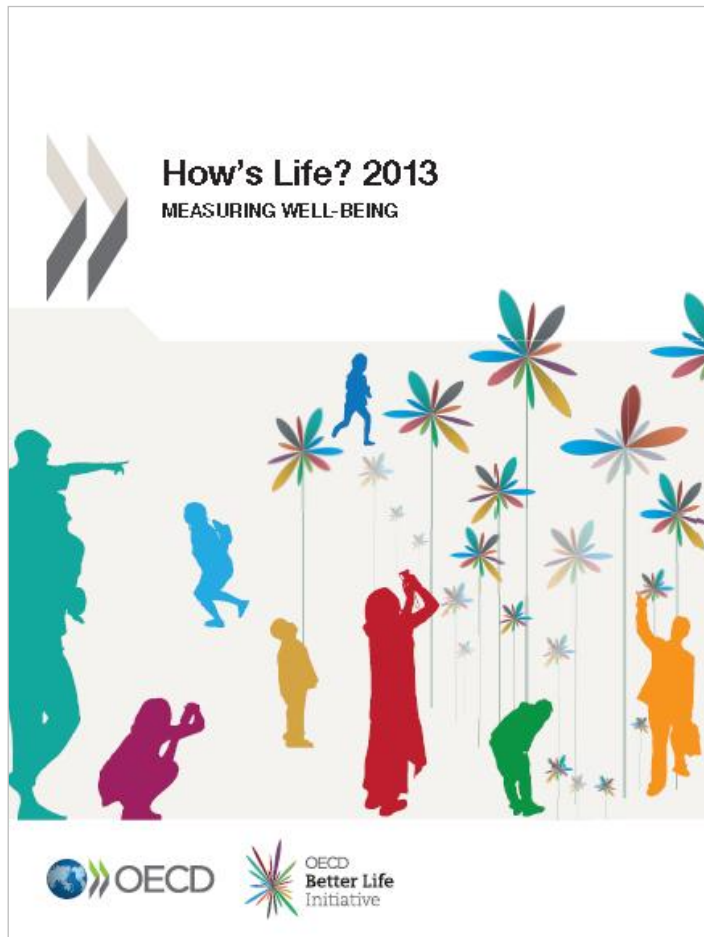
Dimensions covered in "How Was Life?" book

Dimension	Indicator(s)
Economic standard of living	GDP per capita
Inequality	Income inequality; Real unskilled wages
Health Status	Life Expectancy; Height
Education and Skills	Educational attainment
Personal security	Homicide
Civic Engagement and Governance	Political institutions
Environmental Quality	SO2; CO2; Species abundance
Gender Inequality	Various indicators + composite ind.
Overall indicator of Well-Being	Composite indicator (experimental)

Statistical Quality

- Data for 25 major countries and another 100+ since 1820….

- Important issue of quality of underlying sources

- Four levels of statistical quality indicated for each data point: based on credibility of source, accuracy of method and comparability across countries and over time

Some preliminary results

- In general very strong correlation of each indicator with GDP per capita,

- though less unequally distributed, in particular when composite indices are used (chapter 13)

- Exceptions: low/negative correlations in Inequality, Security, and Environmental quality domains

- For some indicators clear global trends ("technology") as they improve over time even without GDP per capita growth

Correlation with GDP/c over time
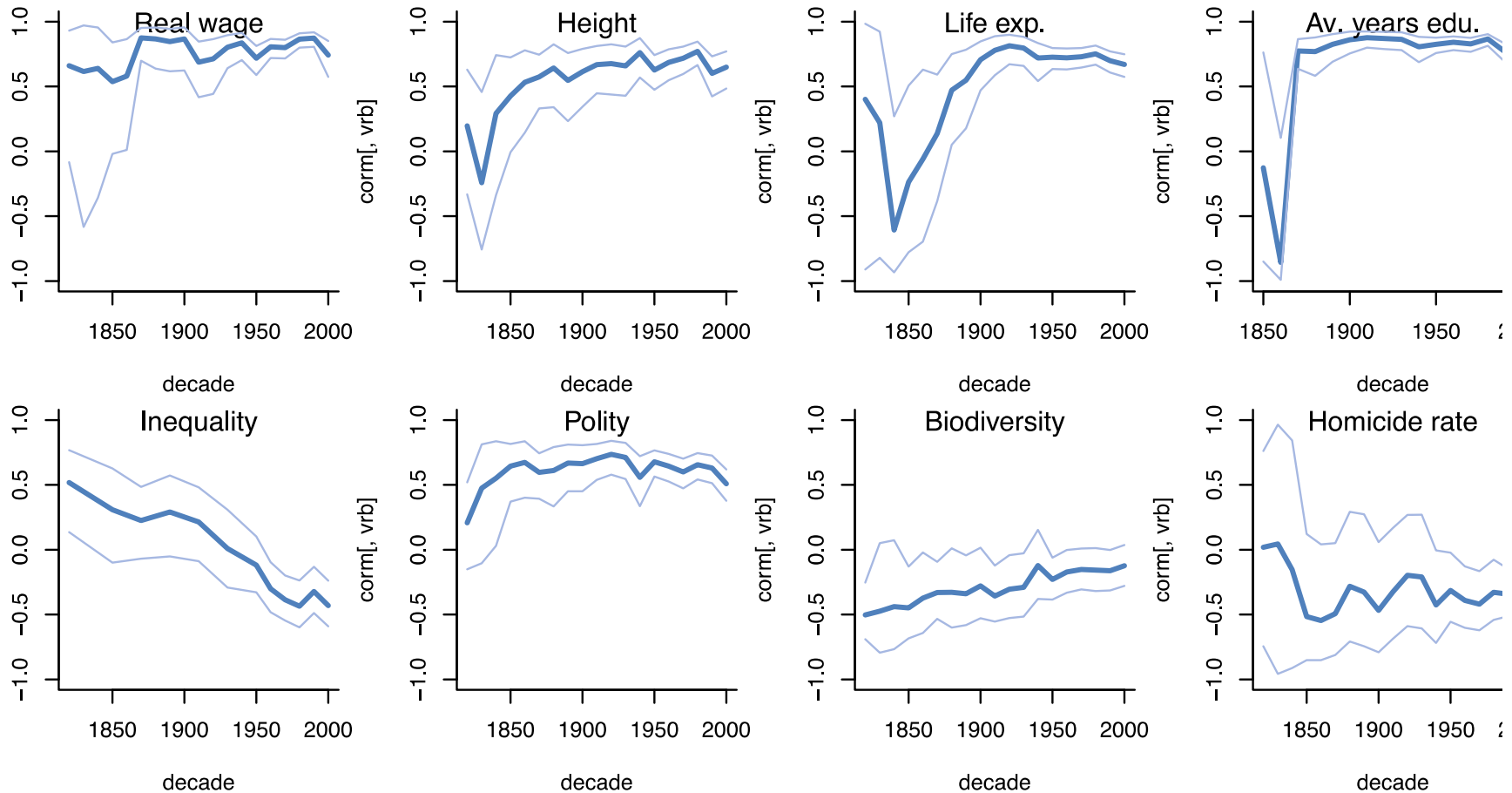
World averages (compared with GDP/c)
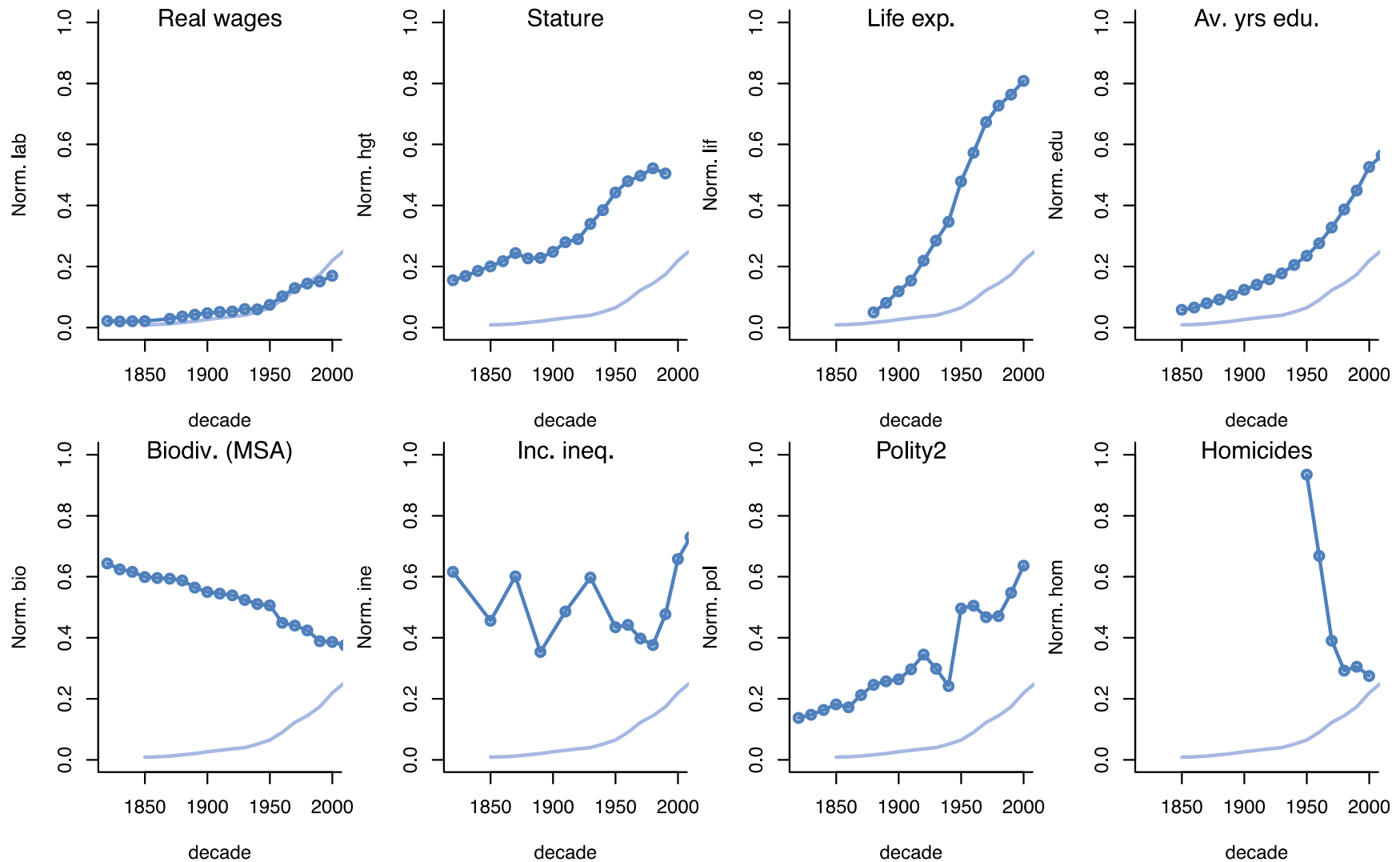
W. European averages (compared with GDP/c)
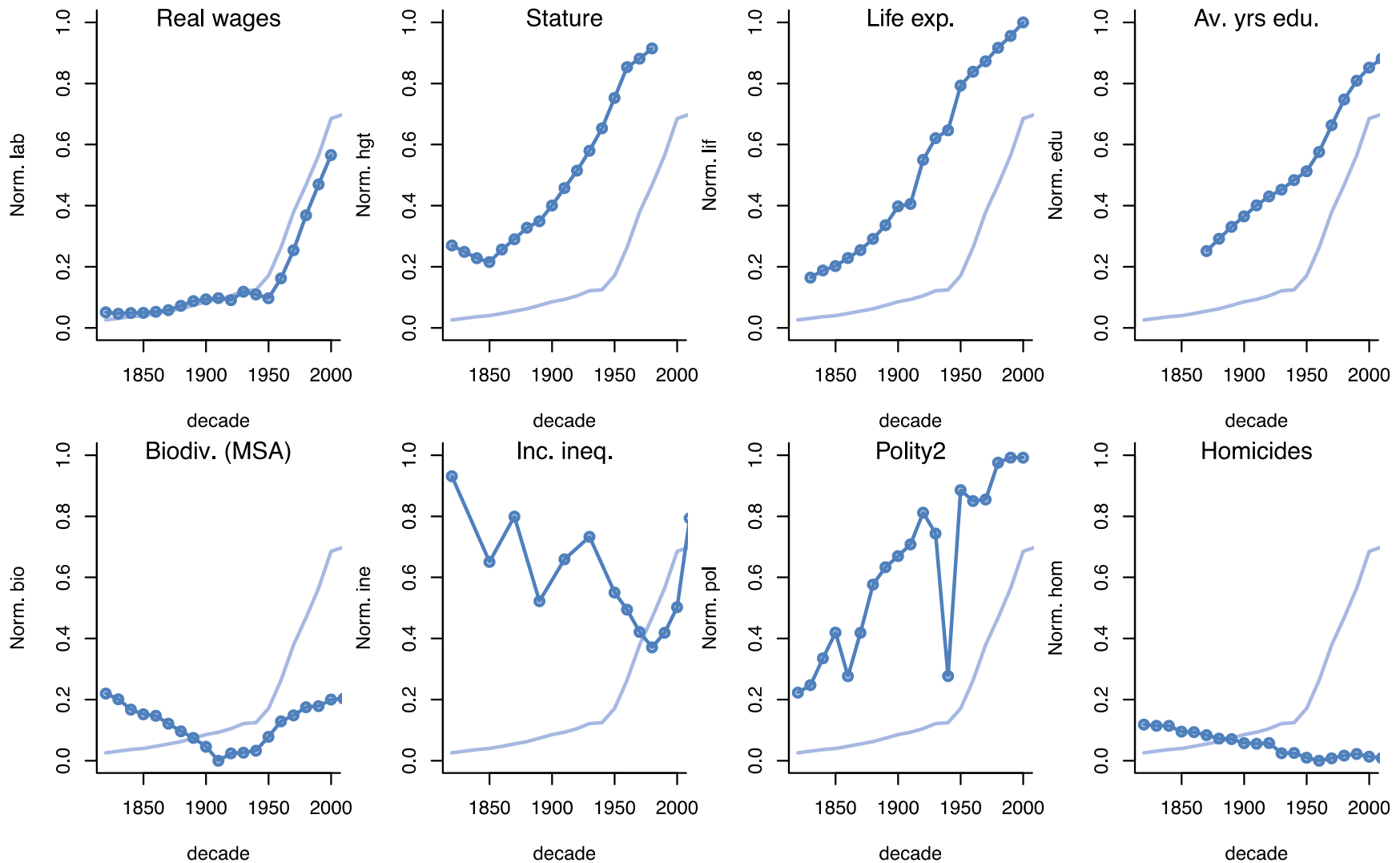
East Asian averages (compared with GDP/c)
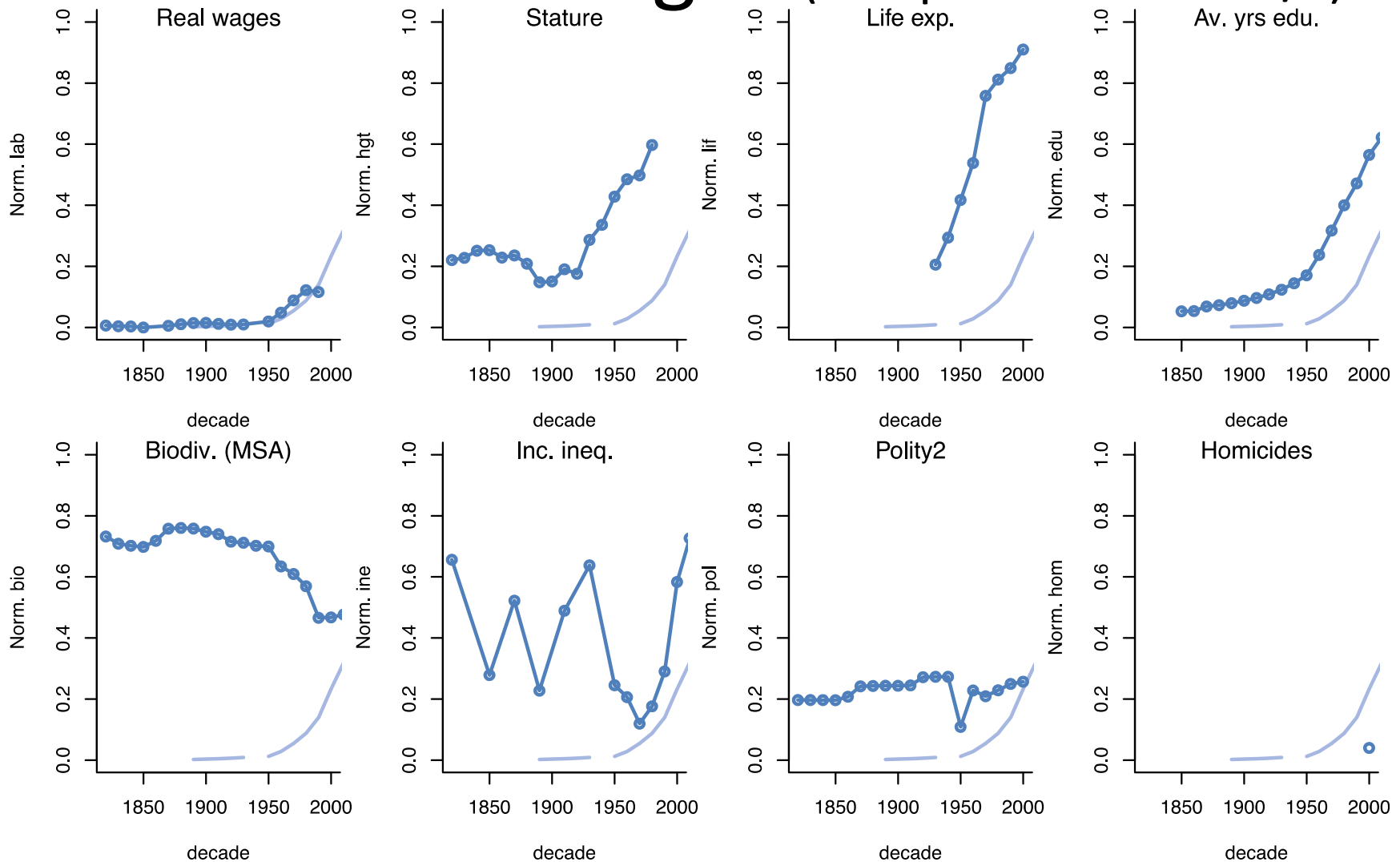
E. Europe + form. SU (compared with GDP/c)
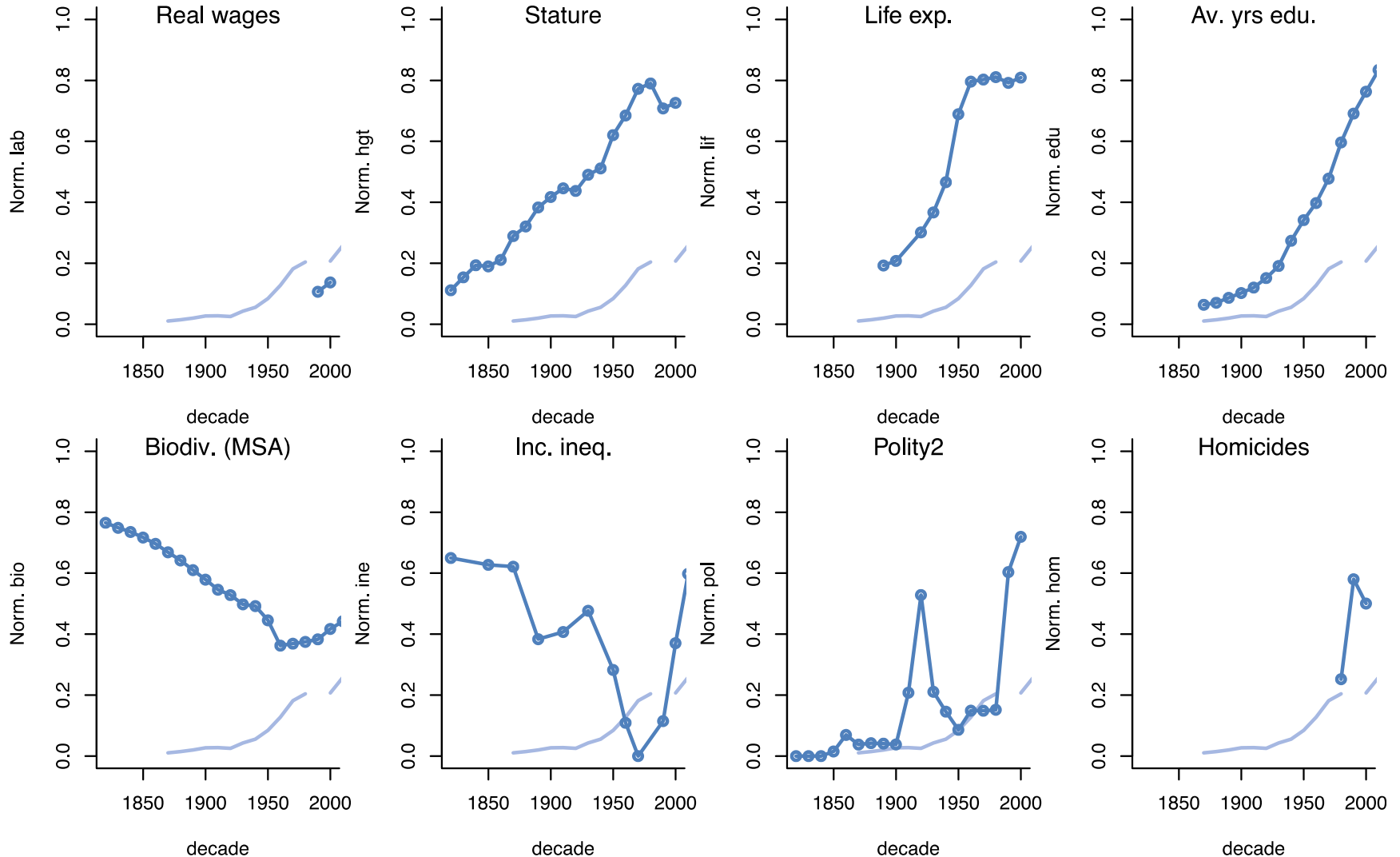
World income inequality
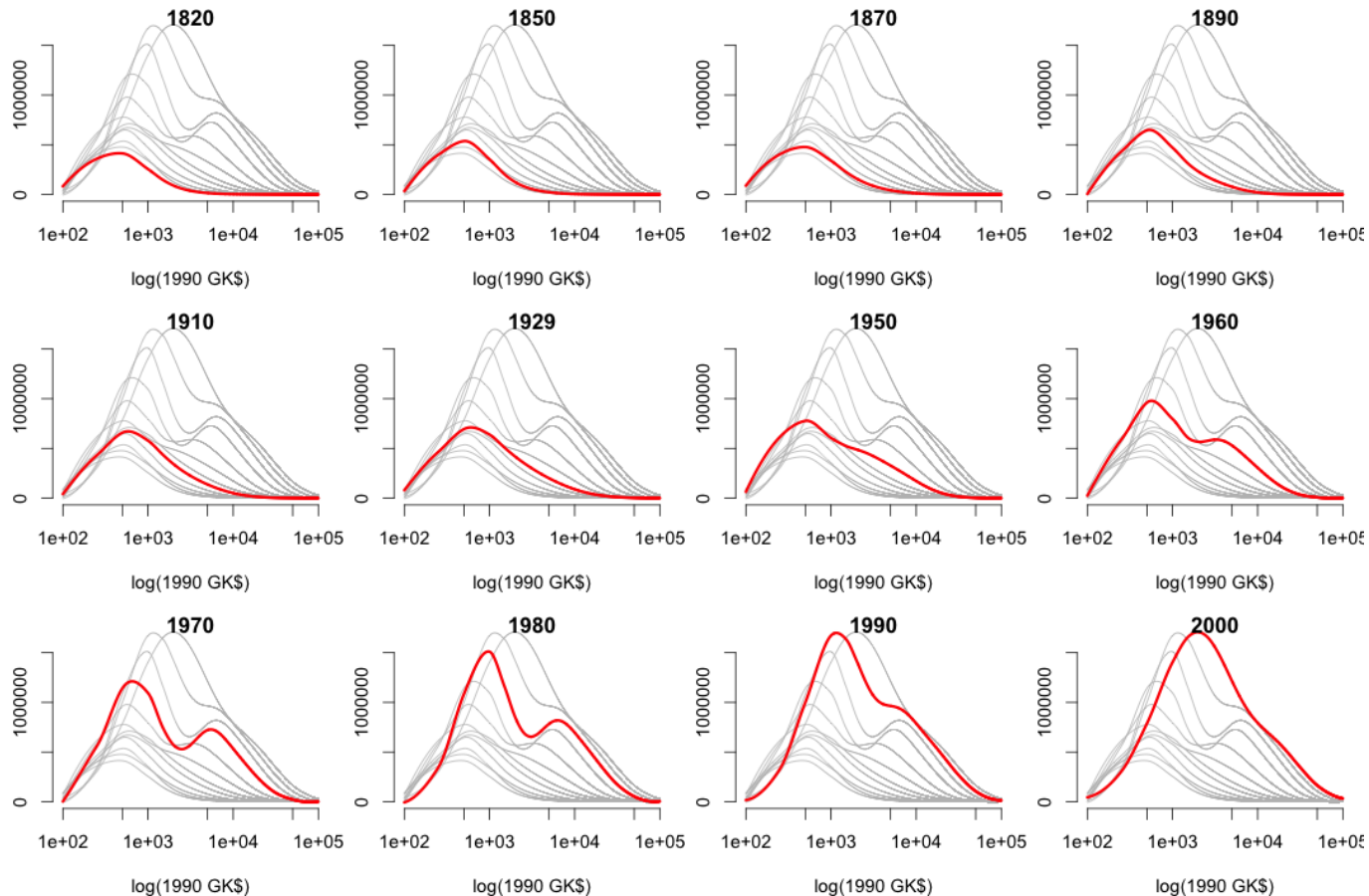
Within-country income inequality
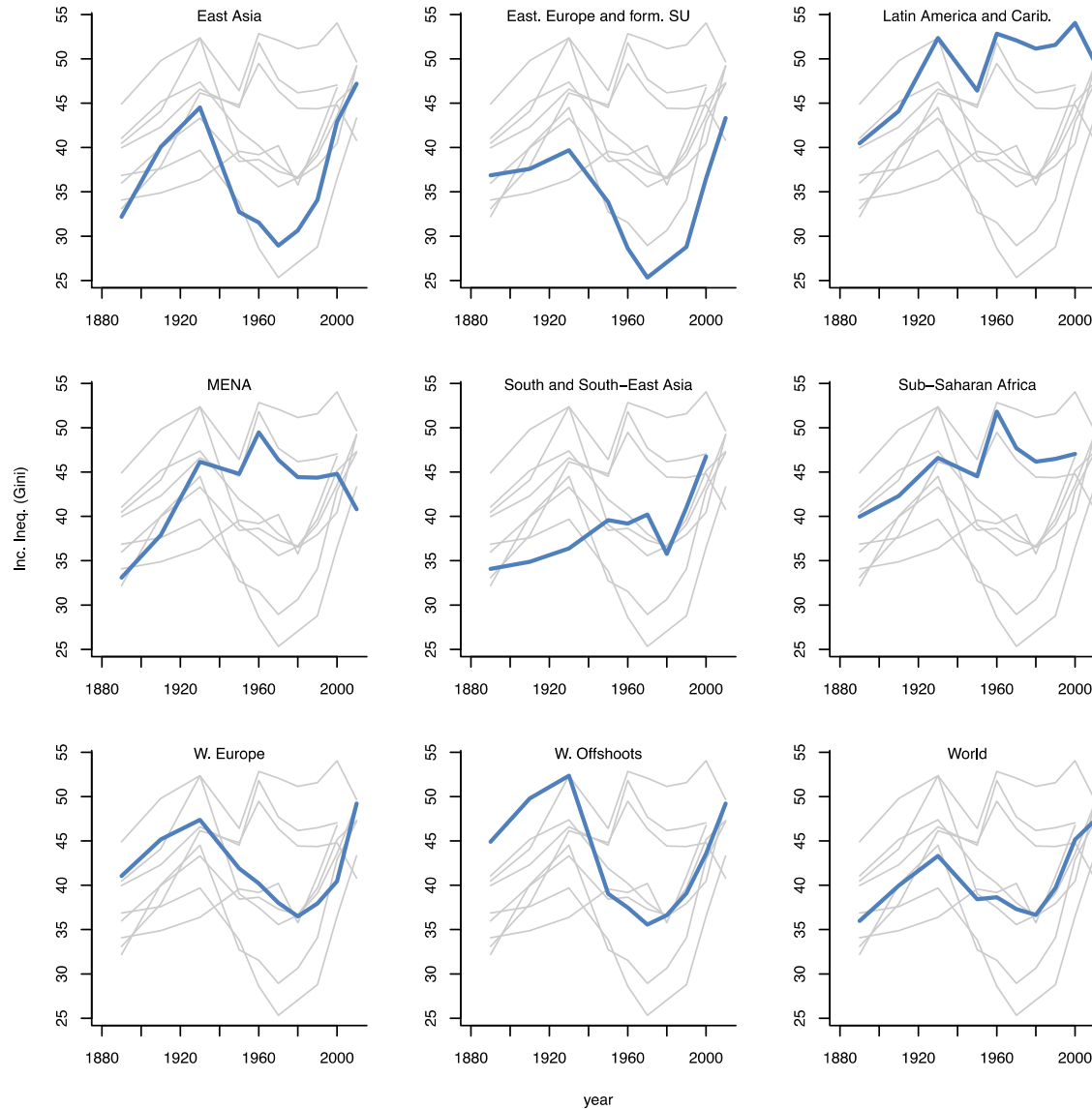
Gender equality: parliamentary seats
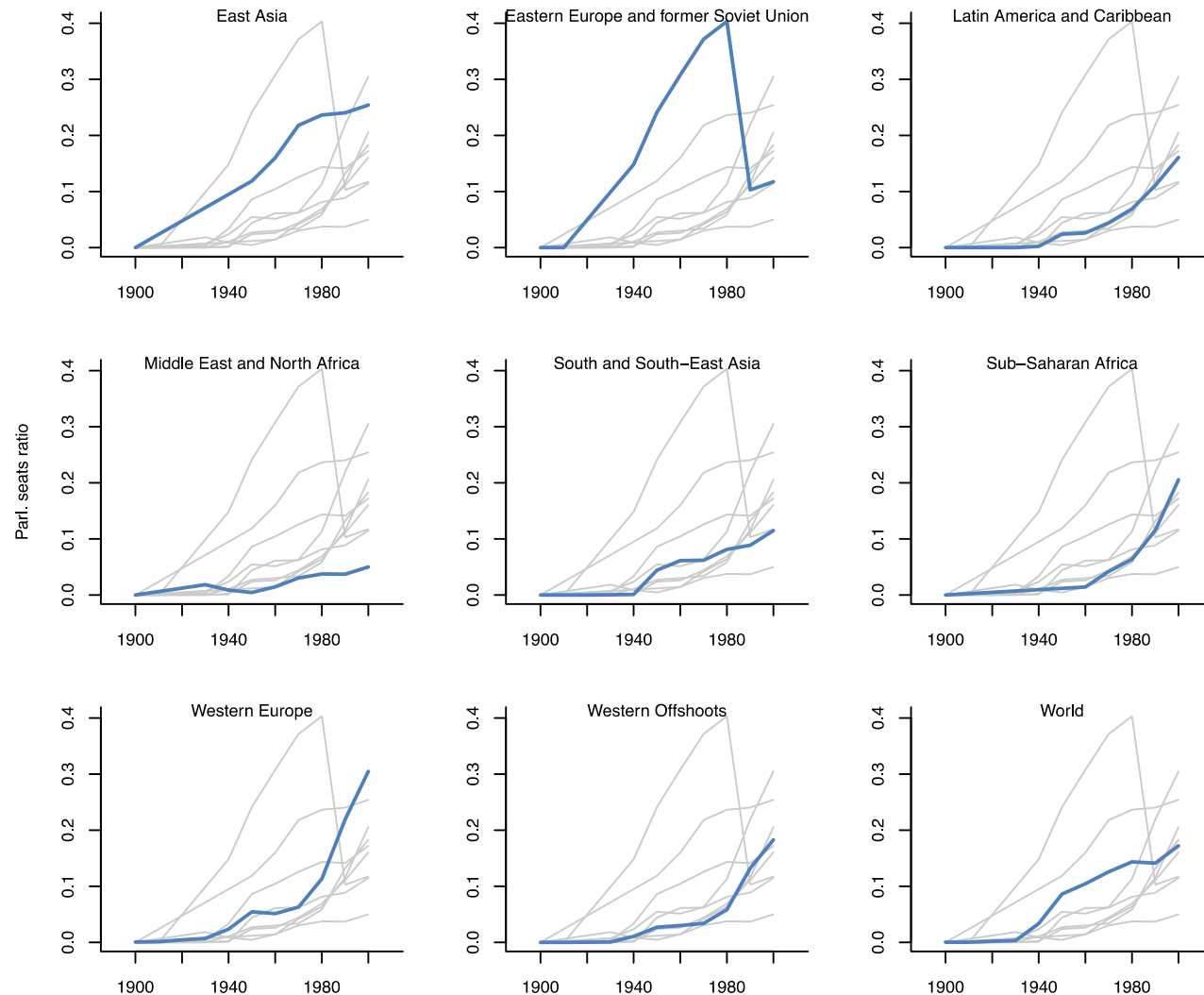
Gender Inequality index
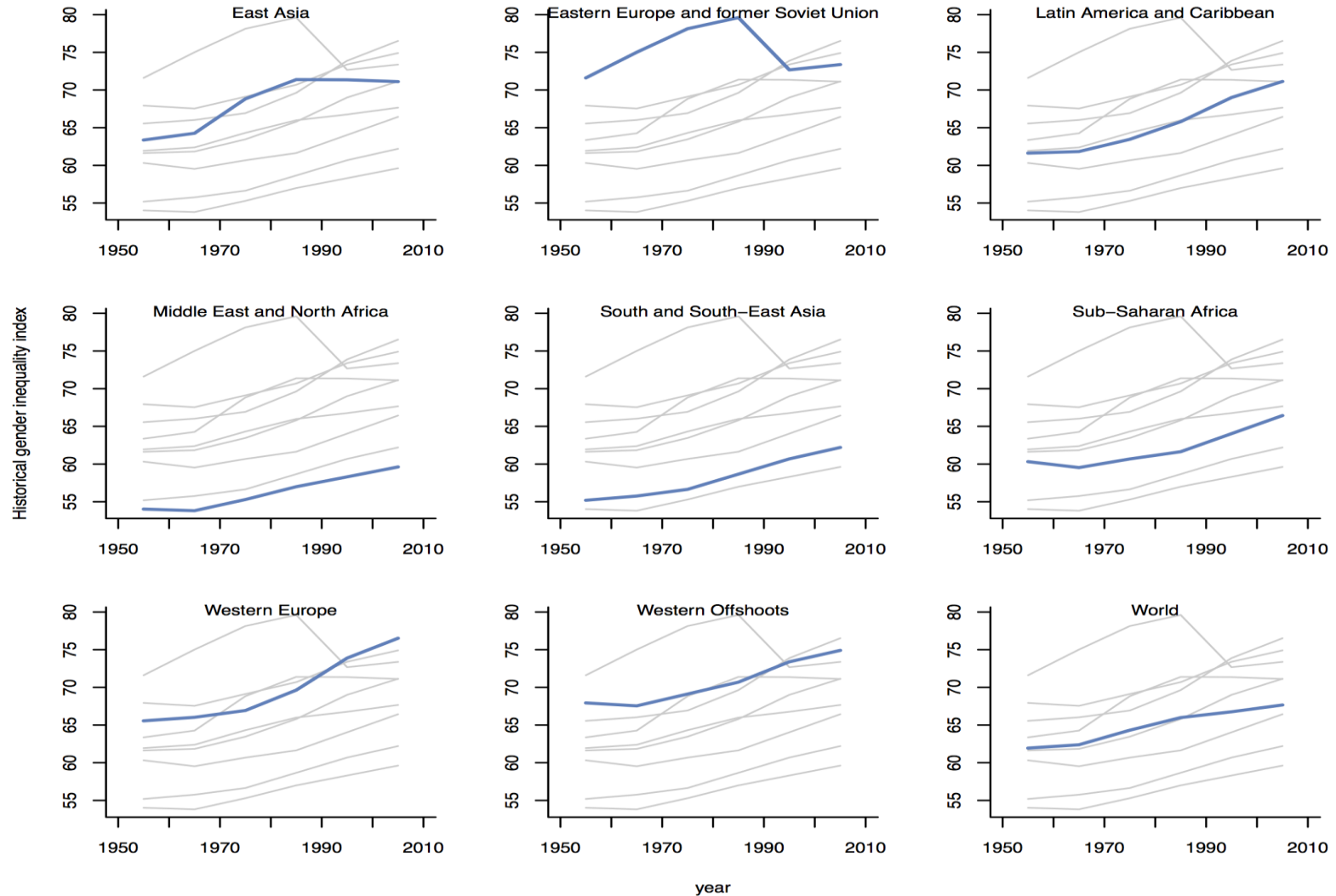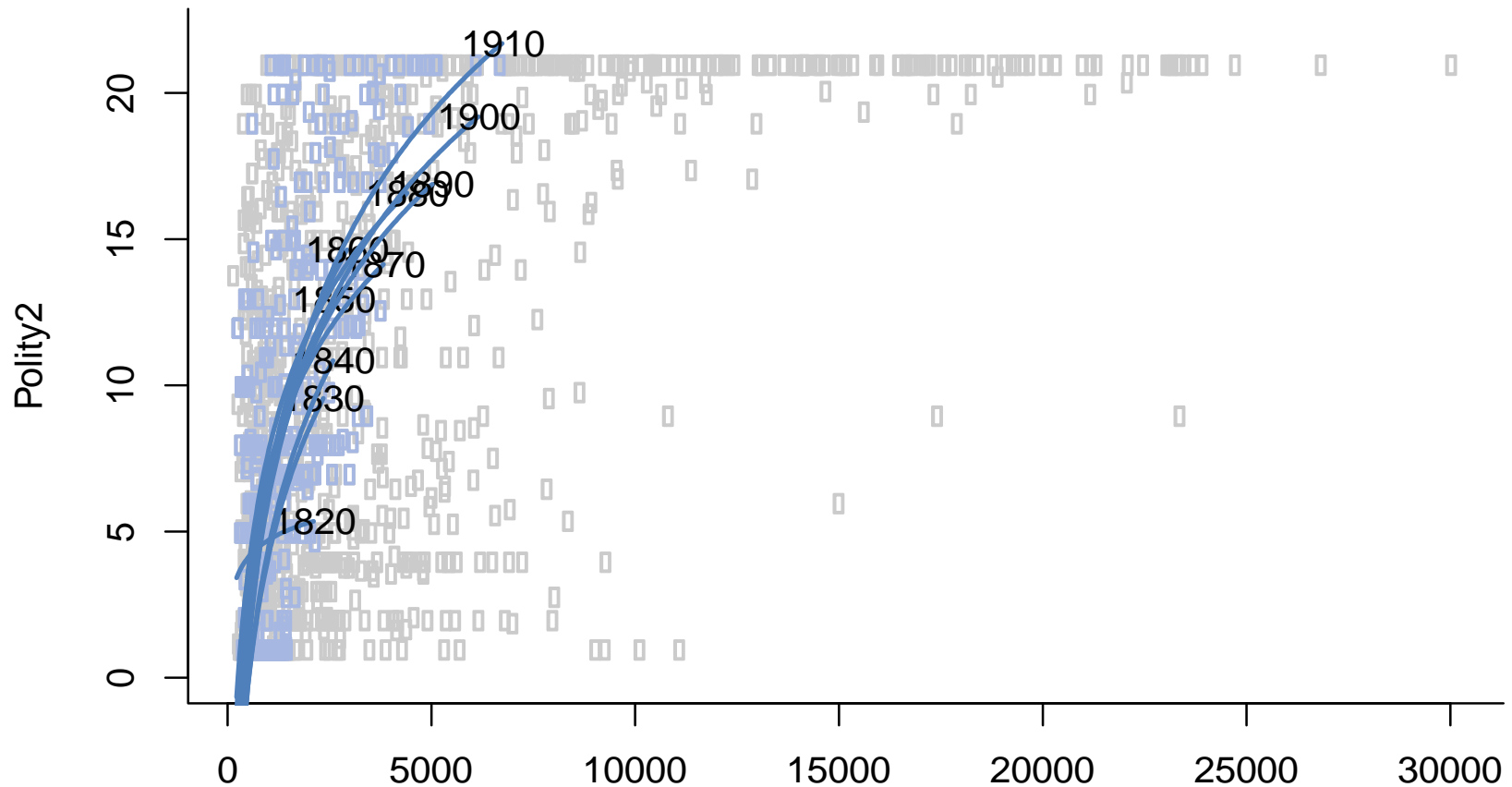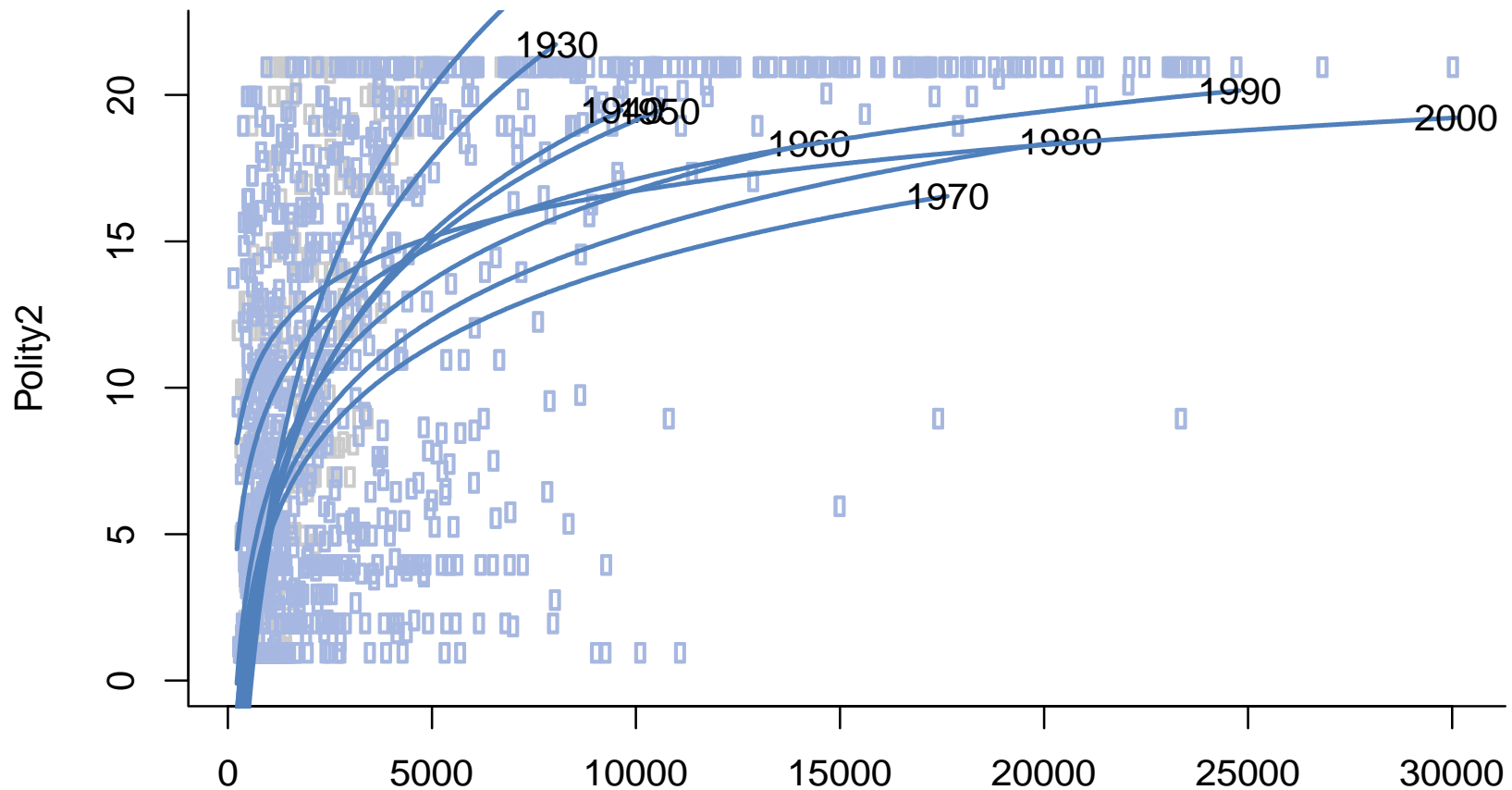
GDP/c & life expectancy
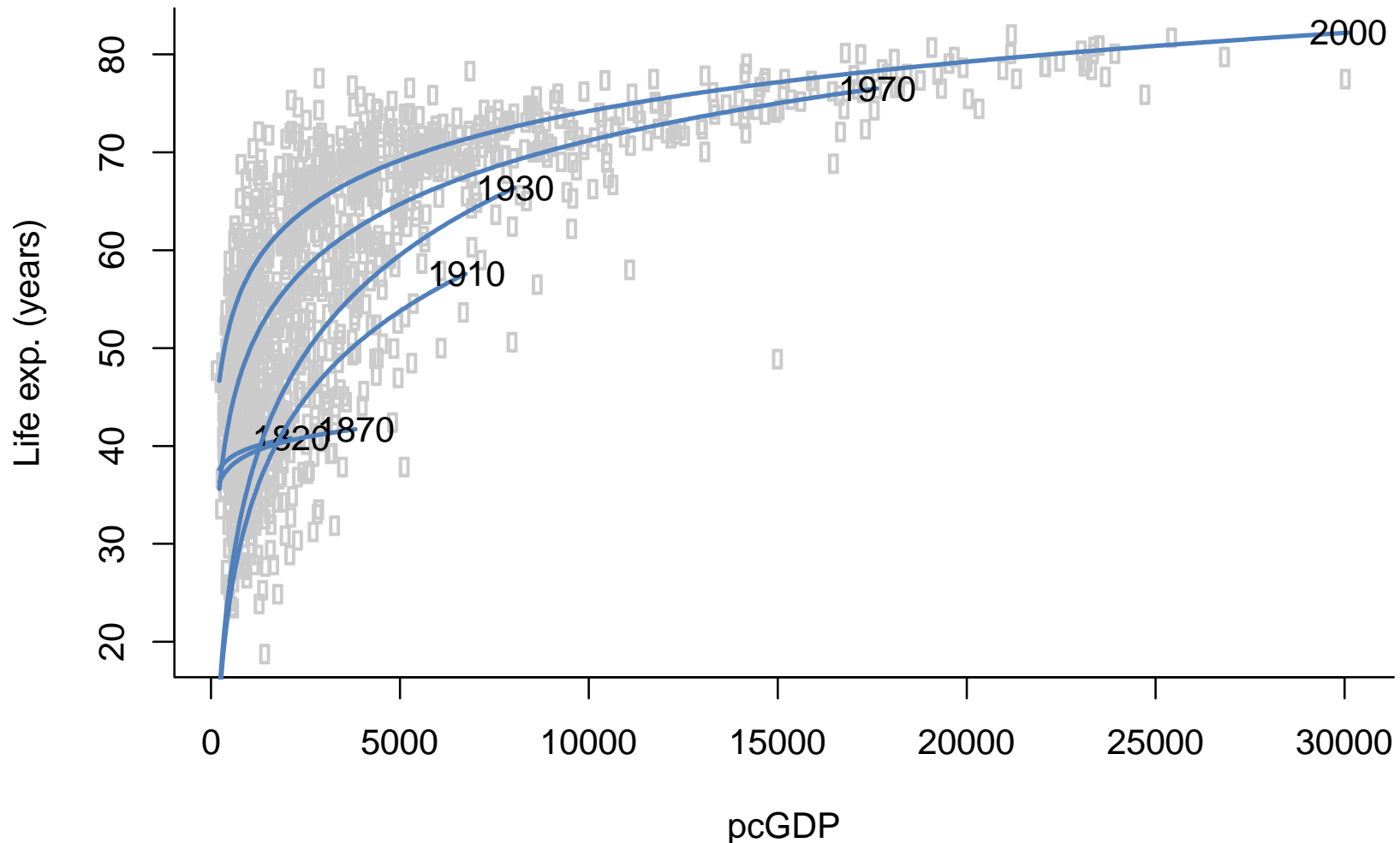
GDP/c & SO2 emissions
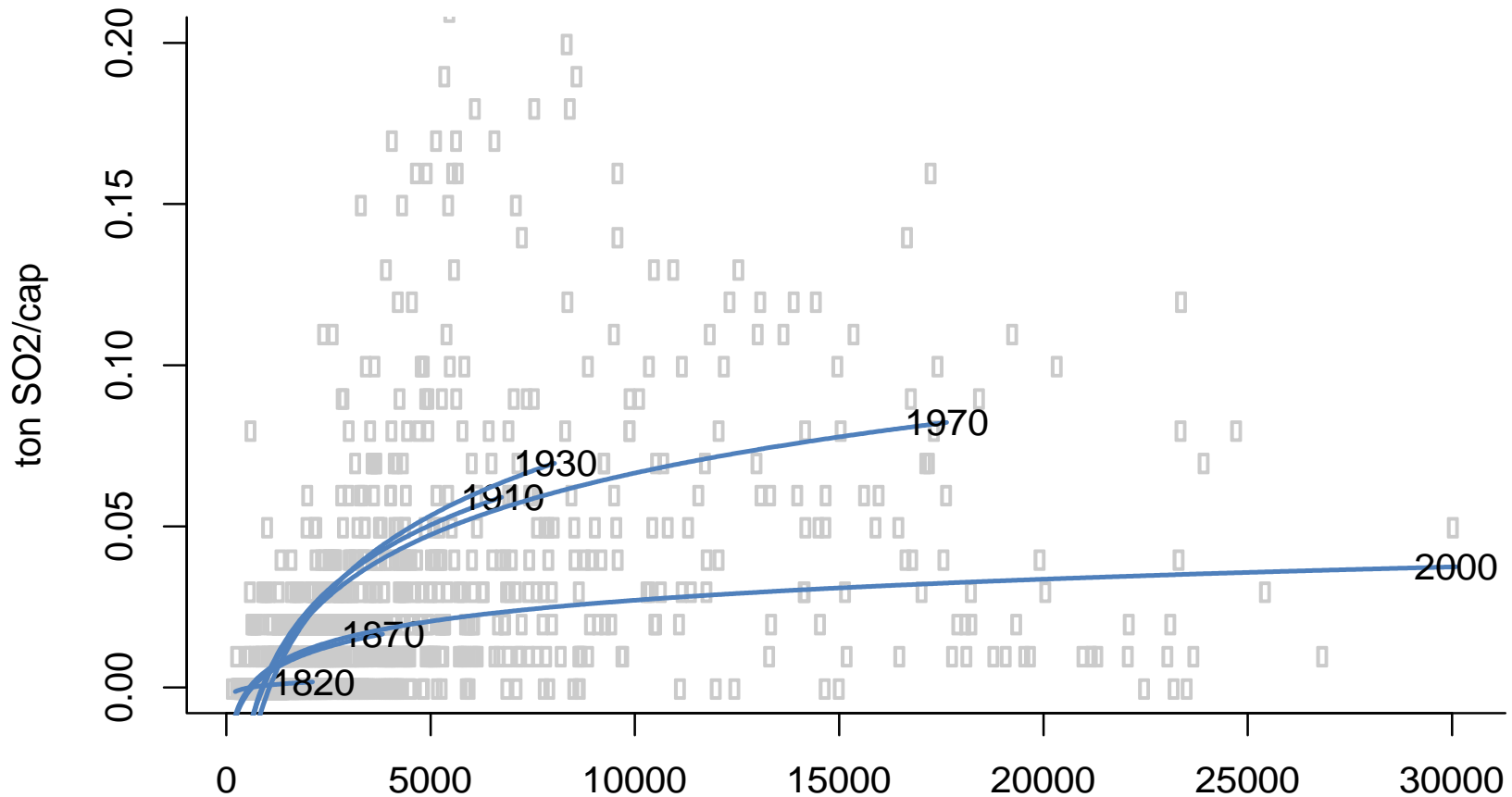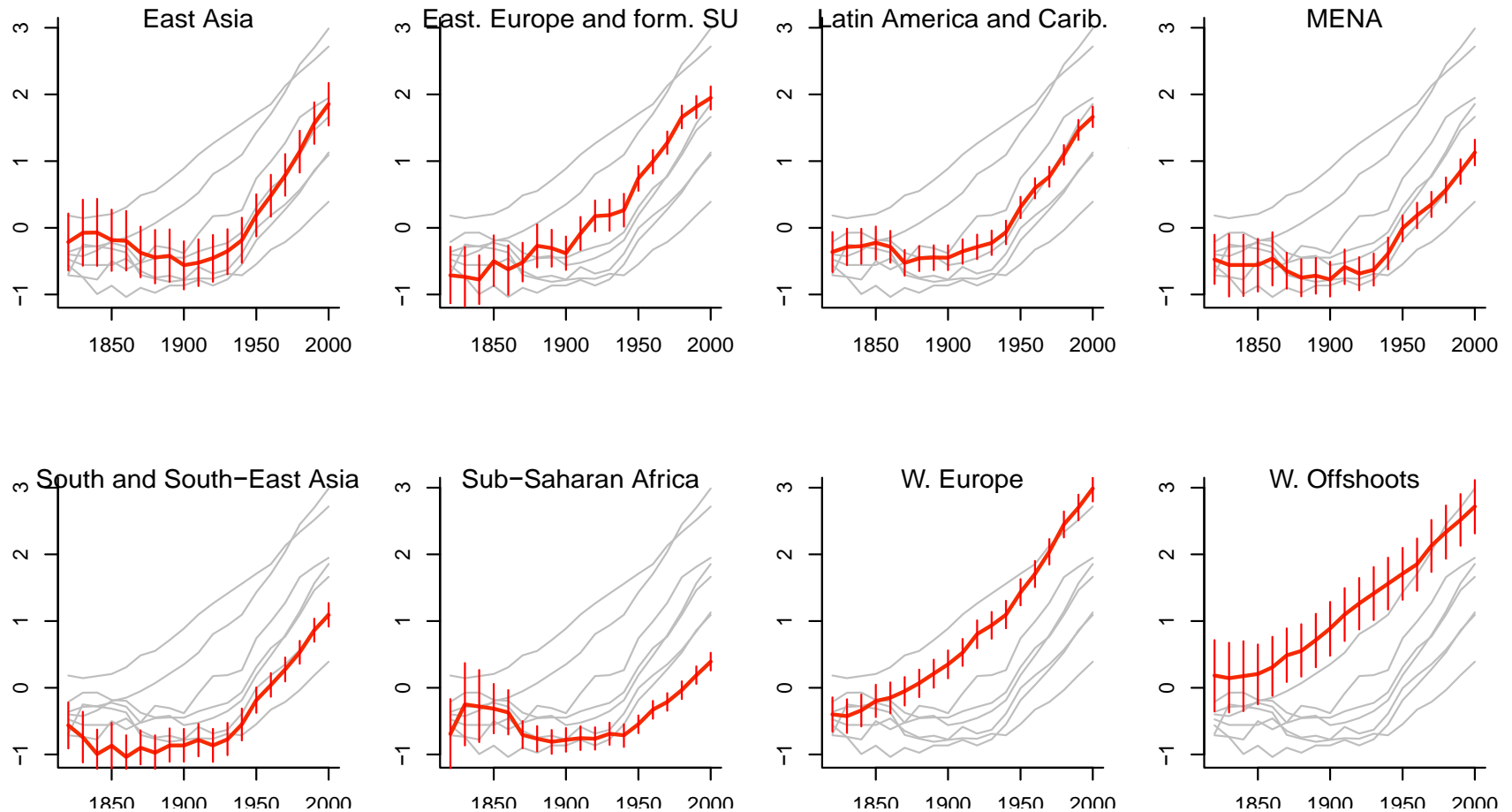
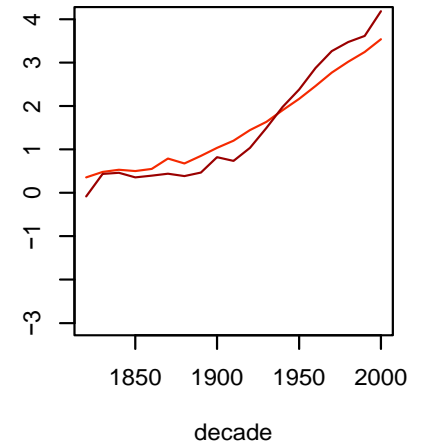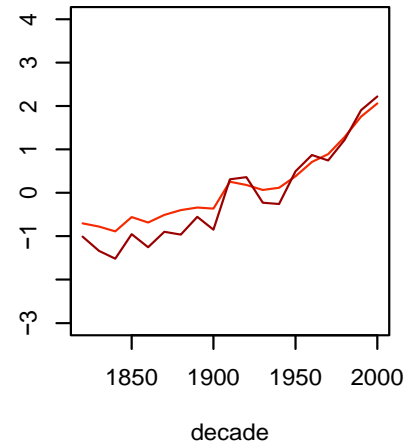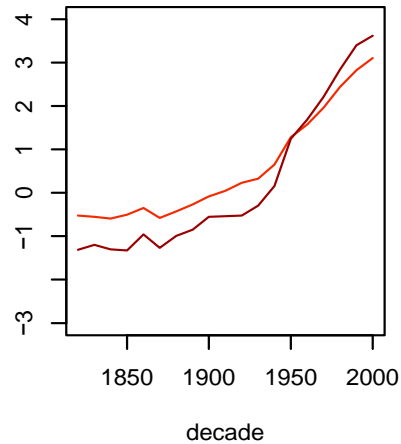# GDP/c & CO2 emissions
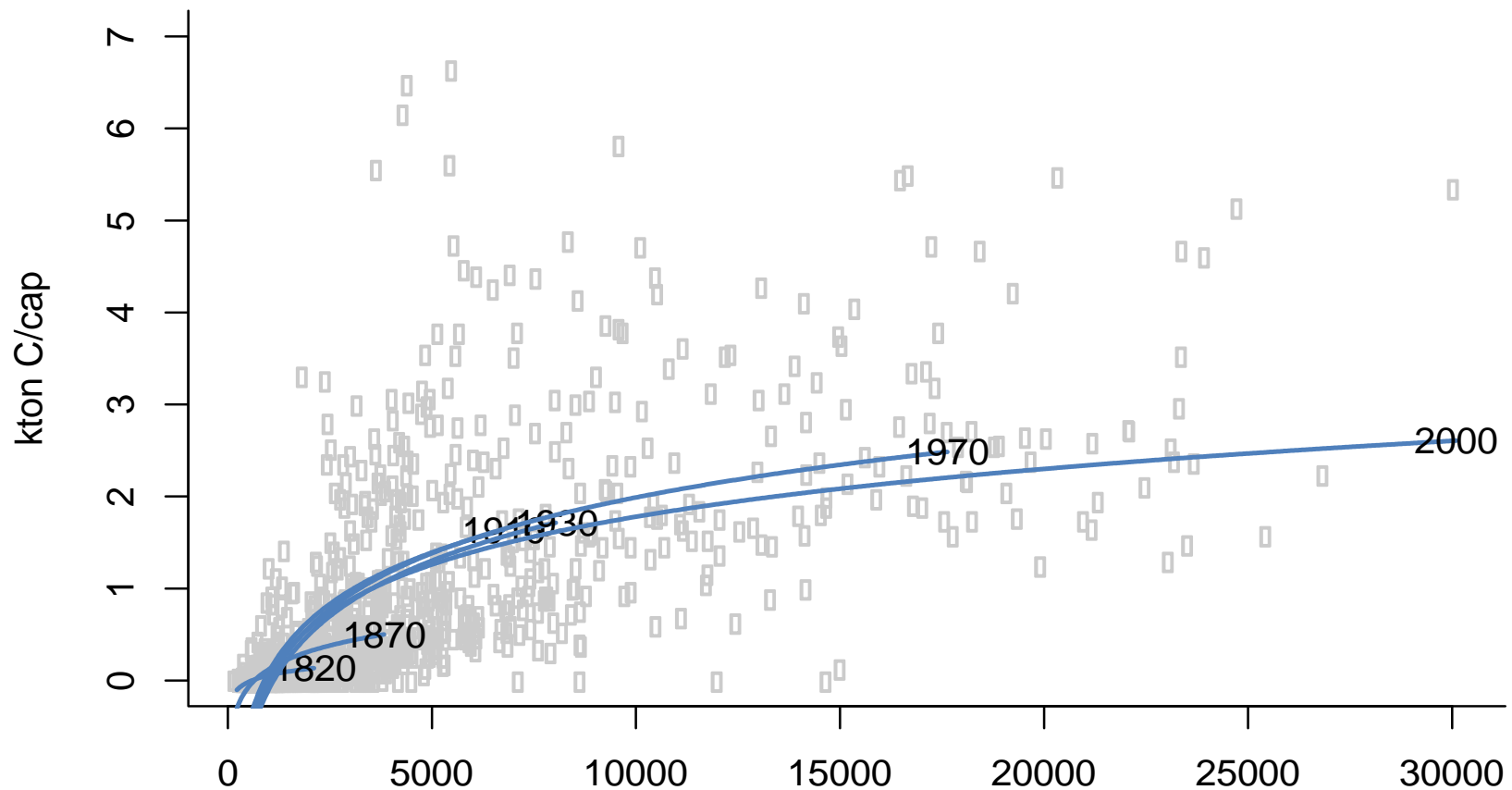
GDP/c & democracy <1920

GDP/c & democracy >1910

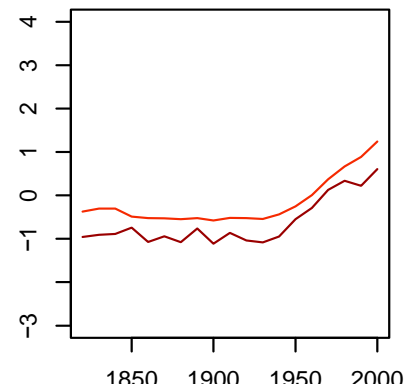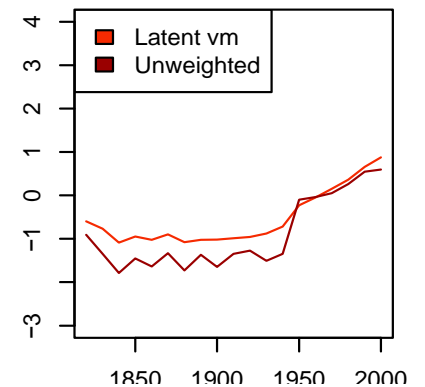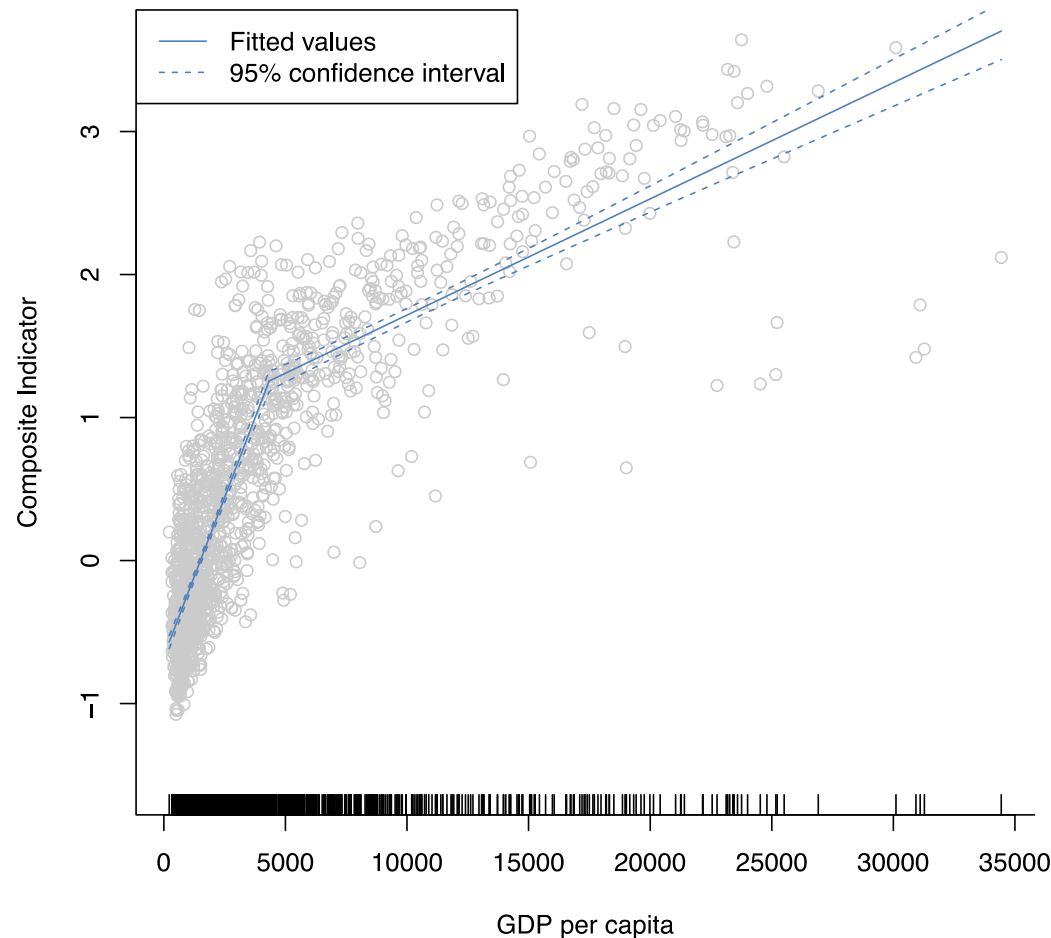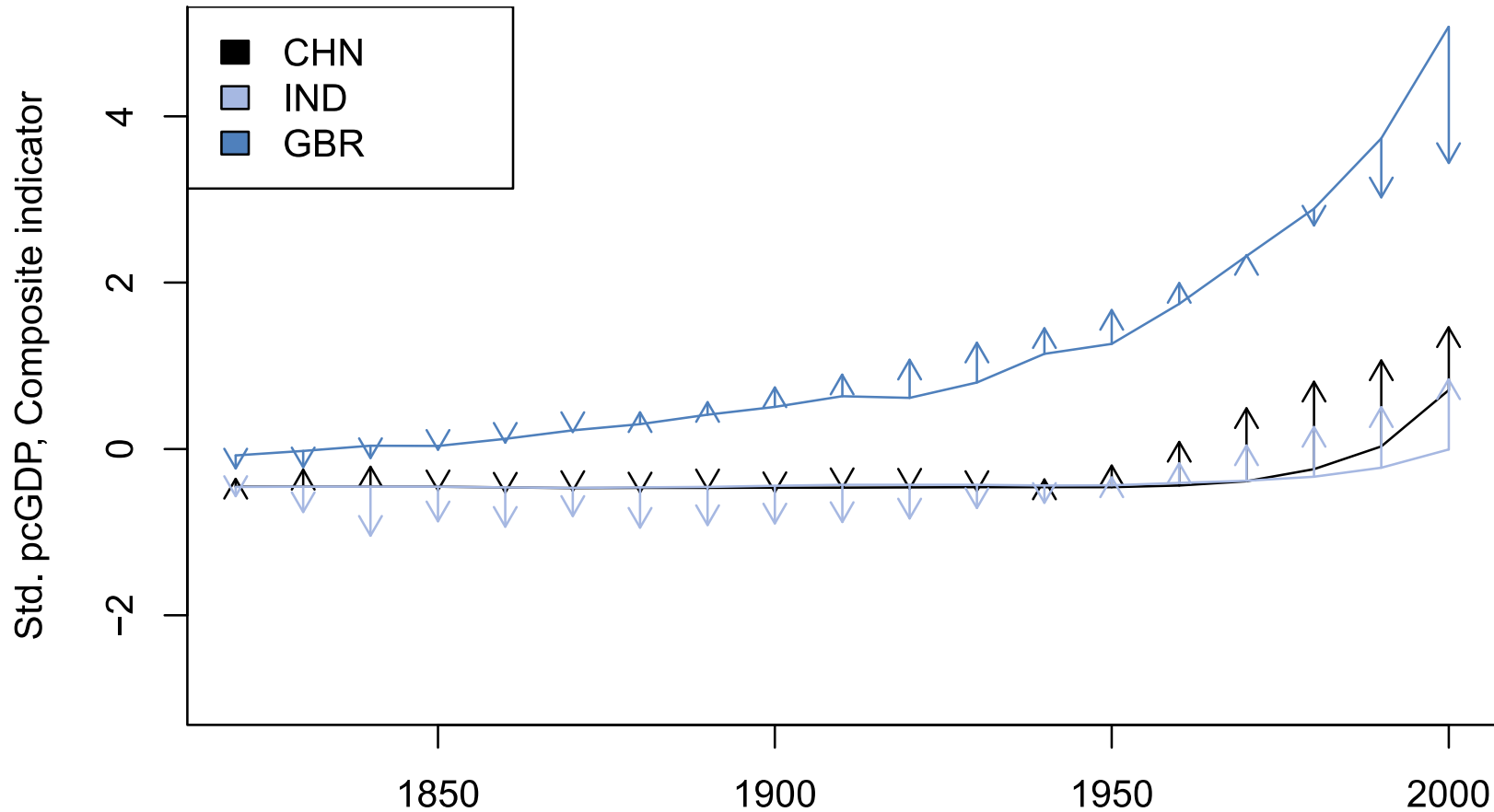# Composite variable/region

Two composite indicators
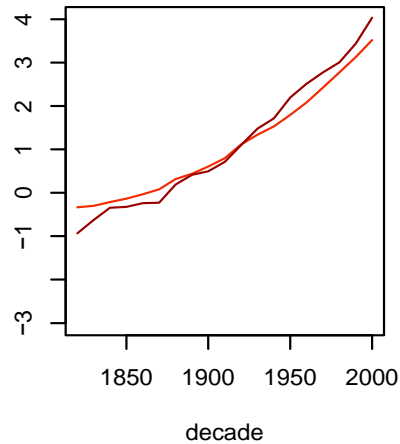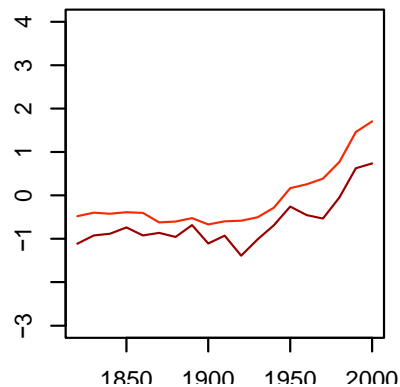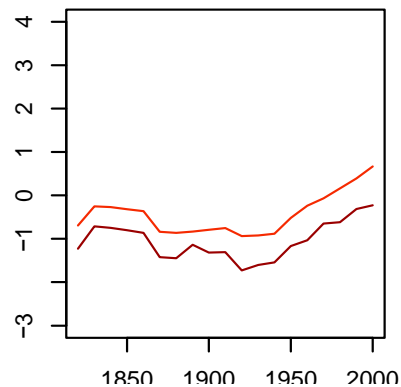
Segmented relation per capita GDP & combined wellbeing indicators

"Great divergence"

Conclusions

- Rich harvest of new data
- Available October 3rd on OECD website.
- Wealth of data available (StatLink & www.clio-infra.eu)
- Future: move to microdata with Clariah project.