

# The Government should learn happiness is not all about money – and policy-making should work towards that end

12 April 2016

“Money alone has never made man happy”, to paraphrase Benjamin Franklin. It is something that rings true with most of us but it is rarely recognised by our governments who continue to use primarily economic metrics such as GDP for measuring a country’s success.

Yet in 2007, Scotland put itself ahead of most of its European counterparts, when it introduced the National Performance Framework (NPF). This aimed to capture a vision for the Scotland we want, and guide policy making towards that end, through a number of targets and indicators. The NPF was hailed by civil society, which fully supported the government’s intention to measure prosperity through metrics in addition to GDP and therefore provide a more complete picture of a country’s state. Indeed, over the last few years a lot of progress has been achieved: data have been gathered, indicators have been added and developed – among others, access to green space, natural capital, and the pay gap – giving us a more accurate view of how our country is faring.

However, as we are approaching the NPF’s ten-year mark, it is worth taking a step back and asking ourselves whether it is living up to its true potential. The discussions around creating a Fairer Scotland should also make us pause and consider whether the NPF is fit for delivering the kind of Scotland we want.

First, the NPF sets out the Scottish Government’s vision for Scotland and a range of indicators to monitor progress towards that. The vision, captured in the Purpose statement, calls for “a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth”. This has justified a focus on sustainable economic growth as the means to success, and GDP as the way to measure it. LINK members agree that economic activity is an important contributor to wellbeing and, if decoupled from environmental degradation, it can be sustainable. However, how and what we measure to track our success should relate to both what we are aiming for and the means of achieving that. In this respect, a diverse and resilient environment must be key in our aims.

Second, for the NPF to have any impact, it needs to be used. Policy makers need to support and be inspired by the vision towards which they are working and be aware of the indicators on which success will be measured. Additionally, parliamentarians need to use the NPF to scrutinise Government performance. However, the NPF’s link with policy development is still tenuous. To address this, LINK members would support launching a discussion on how the NPF can be better embedded in the Scottish Government’s policy decision-making process and used to its full potential.

Third, despite a lot of progress, there are some areas where we still do not have an accurate picture of what is happening on the ground as data is not available. This is especially true for the environment. LINK members are calling for improvements in data collection, especially to enable us to better measure our biodiversity and ecosystems health.

LINK members hope that a discussion on the above can be initiated with the Scottish Government in the context of the upcoming review of the NPF and in taking the Fairer Scotland agenda forward through the publication of an Action Plan for Social Justice.

*Matthew Crighton is Climate Job Campaigner at Friends of the Earth Scotland and Convenor of Scottish Environment LINK's Economics Group*