

Measuring Wellbeing beyond GDP: Adoption Politics and Impact

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ABSTRACT

Gross Domestic Product (GDP) has long served as the dominant indicator of economic performance, yet its inability to capture social, environmental, and distributional dimensions of progress has intensified calls for broader measures of wellbeing. This narrative review examines the conceptual foundations, political dynamics, and policy impacts of measuring wellbeing beyond GDP. It synthesizes literature on multidimensional wellbeing frameworks, theoretical approaches, indicator construction, methodological challenges, and the political economy influencing the adoption of alternative measurement systems. The review further explores the roles of governments, international organizations, and policy stakeholders in advancing wellbeing initiatives, alongside the effects of international normative pressures and institutional reforms on adoption. Evidence from national, subnational, and international case studies demonstrates that multidimensional wellbeing indicators improve policy prioritization by integrating economic, social, environmental, and governance dimensions into decision-making. However, implementation remains constrained by political resistance, limited institutional capacity, data quality concerns, methodological inconsistencies, and tensions between standardized and localized measurement approaches. While countries adopting wellbeing frameworks have reported improvements in evidence-based policymaking, public engagement, and broader social outcomes, the long-term causal impacts remain insufficiently understood. The review concludes that effective wellbeing measurement requires robust theoretical foundations, high-quality and comparable data, transparent governance, and sustained political commitment. Future research should prioritize longitudinal evaluations, standardized yet context-sensitive indicators, and comparative analyses to strengthen the role of wellbeing metrics in promoting inclusive, equitable, and sustainable development beyond conventional economic growth.

Keywords: Wellbeing measurement, Beyond GDP, Political economy, Multidimensional indicators and Public policy

INTRODUCTION

Within the last two decades, an increasing number of countries and international organizations have begun measuring aspects of wellbeing beyond GDP [1]. Economic indicators often drive public policy through their formal representation in economic and financial statistics. In principal knowledge-based economies, a trend towards measuring, presenting and transmitting reference frameworks for wellbeing is emerging [2]. However, understanding the opportunity, conditions and actual impacts of such initiatives is still limited [3]. Using a simple breakdown of the political economy of measurement reform complemented by Bureau and van der Ploeg Frameworks, significant insights can be derived about confrontations, shaping forces and the resulting pathways regulating the emergence of alternative systems of measurements [1, 2, 3].

Conceptual Frameworks for Wellbeing Measurement

Gross Domestic Product (GDP) continues to be the primary indicator of progress among national economies [4]. However, GDP overlooks social and environmental costs and benefits of economic activity, and is irrelevant to individual well-being. GDP remains over-relied upon in international comparisons despite its severe limitations [5]. These criticisms favour the adoption of broader indicators that reflect aspects of social well-being, human development and sustainability [4]. Definitions of well-being have expanded from a focus on happiness and satisfaction, to greater appreciation of intangible assets and socio-political dimensions [6]. Development has shifted from a linear process of accumulation to a more holistic perspective rooted in local priorities and exogenous

shocks [7]. The OECD defined well-being in terms of material conditions, health, education, environmental quality, interpersonal connections, civic engagement and life satisfaction; the UN and World Bank highlighted freedom, safety, identity and social cohesion, among others [5].

Beyond GDP: Theoretical Foundations

Wellbeing is an elusive concept that lacks consensus on its definition and suitable indicators [1] and is still underfunded in research. Current indicators are limited in treating wellbeing a multi-faceted and complex concept as a one-dimensional issue [2]. There is inconsistency among indicators in terms of choice, data limitations, and varying underlying constructs [6]. Measuring wellbeing beyond GDP is a challenge for theoretical, empirical, and data collection. Wellbeing remains politically contested, leading to weak capability measures and a lack of metrics for societal wellbeing [7]. Wellbeing measurement vigour and breadth are inadequate at country, regional, and local levels. In this context, timeliness of theoretical and methodological assessments of wellbeing emerges as a pressing need [8].

Multidimensional Wellbeing Indicators

A commonly employed reason for extending the GDP framework is multidimensionality. According to 3, well-being encompasses positive emotions, development of potential, functioning, control over life, purpose and positive relationships [9]. Consequently, measuring well-being through multiple dimensions generates meaningful insights for policy. Relying solely on happiness and life satisfaction leads to ignoring key aspects. To explore policies, a broader framework is necessary [10]. Analysing European Social Survey data across 21 countries identified ten dimensions that together form a standardized composite score, enabling broad comparisons and guiding targeted interventions [11]. The composite score reveals insights missed when focusing on individual dimensions; nevertheless, investigating both the score and its components proves useful for improving well-being. Interest in extending the GDP framework is high. Metrics proposed explicitly focus on extending GDP with existing methodologies or indicators. Indicators suggested for these frameworks are already monitored in numerous countries and at different levels of government [12]. Theoretical foundations of selected frameworks are described, highlighting conceptual differences between them. While GDP automatically excludes environmental degradation, indicators neglecting the information economy remain economically incomplete [13]. A simplified breakdown of well-being covering tenure, environmental quality, earnings and social support receives wide support [7]. Determining the fundamental properties, characteristics and theoretical foundations that form a coherent and cohesive construct of human well-being remains an open issue [14].

Policy Adoption Dynamics

Decisions on whether to adopt wellbeing measurement are determined by specific political conditions that favour rapid and broad implementation [15]. Efforts to institute measures of wellbeing have primarily occurred in initiatives led by governments, especially at the national level. Local or sectoral wellbeing initiatives have emerged more or less independently of national developments, but political conditions at higher levels continue to exert strong influence [16]. Mid-level and more generalisable exploration of higher-level conditions, as well as methods for signalling and responding to broadly similar options at lower levels, are therefore central [1]. Two main conditions significantly favour the adoption of some form of wellbeing measurement: exposure to broad international normative pressures; and the circumstances commonly defined as “preference alignment” regarding the equation of wider interests with a more comprehensive conception of welfare [2]. An effective signal for a wider measure of welfare is an accompanying commitment to policy evaluation alongside of “measurement”. These considerations and the political economy of broader well-being measurement more generally, are usefully illuminated by the deployment of strategic activity frameworks, revealing the use of prevailing measurement conventions as self-fulfilling incentives for their maintenance [8].

Political Economy of Measurement Reform

Although the general consensus is that the adoption of beyond-GDP measurement for well-being does not lead to significant political resistance or pushback, a systematic assessment of the political economy surrounding the wider adoption of complementary metrics remains sparse [3]. Systematic examination of political economy strategies could therefore provide greater clarity regarding the broader appeal of complementary well-being initiatives and their implementation at the national level [1]. Theoretical and empirical contributions examining these questions are therefore warranted. At the conceptual level, the multifaceted nature of [2] public policy objectives with regard to beyond-GDP initiatives including national well-being policies; [3] the public-policy processes by which indicators designed to complement GDP are constructed, communicated, and subjected to revision; and [4] the temporal dynamics of the adoption and promotion of alternative indicators and indices provide a more nuanced understanding of the broader agenda surrounding complementary measures of well-being. Empirically, comparison of the longevity and drought of beyond-GDP initiatives across 36 countries provides further insight into the political economy surrounding the wider adoption of these measures [5, 6].

Institutions and Stakeholders in Adoption

Framing a multi-dimensional conceptualisation of individual and collective wellbeing comes naturally to institutions and policy stakeholders, offering a better articulation of nuanced narratives underlying the proposal to measure well-being beyond GDP [7]. Tackling the politics of adoption necessitates an understanding of persuasive political processes and institutions, and the complementary roles of epistemic and social authority [9]. Policies matter for the wellbeing growth nexus, and the nature of the political settlement shapes the prospective pathways through which the economy influences well-being indicators; hence the relevance of the political economy of measurement reform [8]. The politics of adoption also incentivise technical and conceptual selection in how wellbeing is framed, thus highlighting the importance of minimal guidance regarding indicator selection [9]. Formal institutions, laws and public policies shape incentive structures, affecting public behaviour and wellbeing, and specifying the relationship between economic growth and individual or societal wellbeing; yet wellbeing is also embedded in collective interaction [10]. Participation in blood donation, volunteering or public protest reflects an individual's capacity to become involved in civic life and connect with others. Collective commitment to compatible social goals, civic values and local networks tends to foster productive behaviours and mutual support, facilitating the attainment of personal goals, wellbeing and progress; yet monitoring collective material wealth and governance remains vital [11]. Political systems, state structures, regulatory agencies, laws, and formal and informal enforcement surrounding these have changed markedly [12].

International Comparisons and Normative Pressures

International comparisons and normative pressures shape the political economy of measurement reform. Despite a high degree of awareness of the limitations of GDP, real adoption is limited to a small group of countries [13]. Globally, only a few countries have adopted wellbeing indicators alongside GDP. Countries with dedicated sub-national indicators may adopt a national framework, but no formal activity is documented at the international level [14]. Widespread interest in alternative national wellbeing indicators has emerged, not accompanied by significant changes in measurement at the international level instead; the number of countries suffering economic crises and demand for comparative indicators has increased [15]. Demonstrated the link between economic performance and human wellbeing with alternate multidimensional measures of wellbeing in Central and Eastern Europe [1]. The Organisation for Economic Co-operation and Development (OECD)'s Better Life Index establishes wide-ranging data for ten variables housing, income, jobs, community, education, environment, governance, health, life satisfaction, and safety and uses a composite indicator to compare, across, and within countries [2]. However, demand for better international measures continues, focused on quantitative analysis of multidimensionality and treatment of institutional variables driving relative wellbeing. 2 extended OECD wellbeing indicators for the Netherlands based on these meta-observations and a call for complementary frameworks [3]. The OECD approach encompassed decisions on variables, aggregation, and choice of peer country (a complex challenge for small countries with heterogeneous population) and regarded national choice of dimensions, introduction of ordinal variables, socio-economic determinants, and time resolution and lag of both socio-economic and mental wellbeing post-financial crisis as additional issues [4].

Methodological Approaches and Data Sources

Beyond GDP diagnostics encompass a diverse and expanding array of wellbeing frameworks, yet the complexity of indicator systems, data constraints, and context-specific nuances limit comprehensive understanding of whose theoretical concepts, empirical formulations, and policy impacts resonate locally [5]. The majority of measurement approaches centre on indicator construction rather than data systematising; the latter warrants precedence to delineate analytical scope and guide tracking efforts [6]. Indicator construction typically proceeds from (independent) theoretical fundamentals of wellbeing and assumes aggregate measurement fidelity; by comparison, data selection ignores foundational considerations while revealing (intervening) analytical priorities. Three country-level frameworks underline distinct instrument choice and theory data interplay [7]. Anecdotal accounts, narrative case studies, large-N cross-country comparisons, and econometric modelling all examine the consequences of measurement policymaking. Yesterday's collation adhered to the directive "Document and defend the decision to collect smart data; detail how one can simultaneously account for the fact that economic performance is not necessarily one's only concern"[8, 9]. The anecdotal nature of these investigations obstructs cumulative knowledge transfer, whereas the existing literature lacks comprehensive evidentiary overview, coordination among interested stakeholders, or adequate consideration of instrument choice whether measurement ambitions or narrower data systems at initiation [10, 11]. New case studies, informed by the foregoing groundwork and precision-setting frameworks, undertake systematic investigation of the rollout, evolution, and fulfilment of national- and global-level wellbeing datasets [12]. Evidence of both adoption and societal returns to wellbeing measurement exists; pursuit of international frameworks during measurement-planning stages appears conducive to statistical harmonisation and analytic buy-in. Scrutiny of national and local initiatives within the broader sectoral activity around Beyond-GDP diagnostics aids theoretical understanding of the influences shaping measurement and modelling decisions [3].

Indicator Construction and Aggregation

The preparation of aggregate wellbeing measures calls for a set of indicators that jointly constitute the concept of material living standards [4]. While GDP per capita and its distribution through a suitable concept of income remains one of the most universal and easily communicated indicator sets, many countries and international organisations include additional indicators such as income poverty, durable consumption, housing cost overburden, or housing deprivation to reflect the situation of the less well-off or to acknowledge that wellbeing is broader than purely monetary premises [4]. A suitable set of closely-related indicators is economic, environmental, and social sustainability. Economic sustainability aims at maintaining a high and improving standard of living [5]. Environmental sustainability is concerned with the preservation and restoration of natural capital, advocating that today's generation should preserve to future generations the possibility for a quality environment adapted to their preferences [6]. Social sustainability promotes justice and equitable access to opportunities, seeking to decrease the risk of social exclusion to specific groups such as the working poor, the elderly in low-income households, or children, while also preserving cultural heritage and linguistic knowledge [7]. Eventually, a specific measure of the overall economic, environmental, and social balance may directly indicate whether developments in the three domains favour the preservation of a high and improved standard of living for future generations [8]. Such a measure for the overall balance should however adhere precisely to the same principles as the measure for material living standards: elicit a clear theoretical foundation, focus on actual rather than on potential or ideal states in the three domains, and allow for the exploration of the intra-domain and temporal dimensions required for a comprehensive understanding of wellbeing evolution [12, 2].

Data Availability, Quality, and Gaps

Data availability and quality are critical determinants of whether a well-being index is feasible and impactful. In constructing a well-being index for the Netherlands found that data coverage was a crucial pre-requisite, even before addressing the methodological issues of imputation, scaling, aggregation and weighting [9]. They employed data from the OECD's Better Life initiative to compute indicator weights objectively, using weights reported by users and ensuring comparably defined indicators [8]. These choices were informed by a concern that the financial crisis had affected well-being measures more gradually than GDP per capita a hypothesis that could only be tested if the data structure was suitable for that level of analysis [10]. Extant work suggests that high-quality well-being or related measures require reliable data collection methods, as well as sufficiently representative coverage across countries to support the type of analyses that inform public policy [3]. Analysis across 21 countries highlighted the importance of addressing missing data, especially in large-scale surveys, for performing high-quality policy analysis [11]. In addition, theoretically motivated hypotheses about the socio-economic, psychological, cultural and health factors that drive change in well-being demand high-quality data [12]. Comprehensive cross-country analyses revealed persistent gaps in cross-cultural comparisons and in longitudinal data that prevent understanding of drivers of change or of causal pathways to well-being [13]. High-quality cross-national databases addressing these cross-cultural and longitudinal gaps, together with comprehensive inclusion of measures of social, economic and health conditions remain vital to establishing a sound empirical understanding of the determinants of well-being across countries [14]. Interdisciplinary approaches hold promise for bridging remaining conceptual and empirical divides and for addressing the gaps in cross-country complementary data that would enhance the utility of global well-being data and frameworks [15].

Causality and Impact Evaluation

Adoption of national well-being measures facilitates a transformation of government practices leading to improved social outcomes [1]. Multi-dimensional measurements of performance and their adoption by prominent countries represent a boundary object in global policy discussions, allowing states to exchange information without delving into sensitive normative assessments [16]. Measurements enable governments to signal desired priorities and engage citizens in national debates [13]. Certain measurement choices attract different stakeholders; for example, appointing independent institutions and non-traditional indicators encourages diverse perspectives, whereas aggregate rankings tend to foster a narrow focus on select dimensions [14]. The open-source availability of data enhances adaptability across political contexts and guards against direct instrumentalization [1]. Different international initiatives promote specific frameworks for measuring development, representing state-of-the-art concepts aligned with contemporary global challenges [15]. These frameworks, recognized worldwide, bolster domestic adoption as political leaders seek to affirm compliance with widely accepted standards [16].

Case Analyses of Adoption and Impact

Measurement traditions of societies' progress and wellbeing have evolved in focus and indicators used as the complexity and interrelatedness of multi-dimensional development have risen [1]. Programs and frameworks providing a systematic foundation to the analysis and evaluation of measures of wellbeing adopted since approximately 2010, the 'measuring what matters' concept covering multi-dimensional wellbeing indicators beyond GDP, and insights into countries adopting such measures inform analysis of measuring wellbeing beyond GDP [2]. Consider Adoption no straightforward, uniform model governs its diffusion. Societies have neither

history nor existing program offering strategic plan, formal assessment, or systematic options [3]. Measuring what matters: theoretical foundations, indicator prioritisation, data sources, and methodological approaches identify point of departure, gauge likely trajectory, propose reasonable time frame, and clarify theoretical, technical, and practical implications of adopting multi-dimensional wellbeing indicators beyond GDP [4]. Contribution analytical frameworks capturing and comparing strategic options across separate national, sub-national, and policy domains offer insight into conditions shaping, influences encouraging, and developments enabling societal evaluation of wellbeing measurement beyond GDP [5].

National Wellbeing Programs

Measuring human wellbeing is crucial for informing policymaking. Such systems directly influence the policies they are designed to improve, and thus it is important to understand the adoption and subsequent effect of national wellbeing initiatives [6]. National wellbeing programs have gained prominence as a response to shortcomings in GDP as a measure of progress, rendering it a relevant case study in countries seeking to adopt or strengthen their initiatives [7]. The adoption trajectory mirrors the political economy of measurement reform by illustrating movement among indicator types in the broader evolution of national accounting systems. Interest in national wellbeing programs has surged globally in the wake of the COVID-19 pandemic, which has exposed vulnerabilities in existing systems of public management. National programs often occupy a central position in such systems [8]. The emergence of national wellbeing programs has been accompanied by the development of complementary theoretical frameworks and significant advances in specific domains, such as environmental indicators and measurement systems for the care economy [9, 14]. International initiatives to support the measurement of wellbeing at various levels exist and help articulate the theoretical and empirical contributions associated with specific adoption cases [10]. Although the United Nations and the Organisation for Economic Co-operation and Development (OECD) have articulated normative frameworks for measuring wellbeing, few countries have adopted systematic measurement programs at the national level [11].

Subnational and Sectoral Initiatives

Subnational and sectoral initiatives frequently seek to create alternative metrics for societal progress that extend beyond GDP [12]. A notable example is the construction of a composite wellbeing index for the Netherlands, encompassing indicators such as income, education, safety, life satisfaction, environment, jobs, social trust, health, civic engagement, work-life balance, and housing [13]. This methodology addresses GDP's limitations by offering a more comprehensive perspective on social wellbeing. Key methodological hurdles include the selection of suitable weighting schemas and the maintenance of comparability across nations [14]. Substantial effort is devoted to integrating international benchmarks and user-reported weights, thereby limiting subjectivity. Such initiatives contribute to a deeper understanding of economic and social policies' effects on overall societal wellbeing [2, 15]. Beyond GDP, Measuring the Wealth of Nations examines GDP's limitations as an indicator and considers alternative measures of wealth [16]. The work stresses the necessity of comprehensive indicators that encompass environmental sustainability, social wellbeing, and economic stability. Acknowledging GDP's shortcomings, subnational and sectoral initiatives pursue the incorporation of broader metrics into policy-making [1].

International initiatives and frameworks

Well-being initiatives at the international level are closely linked to the notion of happiness, which emerged in international political discussions shortly after the Occupy Wall Street protests in 2011–12 that focused on inequalities [15]. Aimed at advancing an economy and a mode of societal organization centered on well-being for all, the movement received formal impetus via a United Nations event in April 2012; a subsequent UN General Assembly resolution invited member states to consider the pursuit of happiness as an aspiration in public policy. The proposed conceptualization of happiness functions as a jurisprudential interpretation of well-being and underscores the need to shift from GDP, as a measure of economic output, to indicators more closely aligned with people's well-being [3]. In this context, the 2015 World Happiness Report recommended a broad set of metrics as alternatives to GDP for accompanying country-level policy decisions [16]. The report explicitly recognized happiness, understood in a broad sense to include life satisfaction, affect, and eudaimonia, as a measure of social progress and as a substantive public policy goal [2]. The Netherlands initiated the Netherlands Beyond GDP initiative and developed a composite well-being Index that consolidates multiple aspects into a single metric intended to indicate where policy efforts might be most effectively directed [1]. Different facets of well-being income, education, safety, life satisfaction, emission reduction, biodiversity, jobs, social connections and trust, health, civic engagement, work-life balance, and housing became equally available across societal segments and exhibited visible changes during the aftermath of the recent financial crisis; the well-being index evolution and the countercyclical character of the socio-economic sector also contrasted with the GDP development [2]. User-specified indicator weights and a freely available online tool for interactive recalibration of the index and weights were incorporated to foster further discussion around it [3].

Impacts on Policy and Social Outcomes

The long-discussed implications of wellbeing indicators have generally neglected the broader consequences of initiatives that have sought to institutionalise such indicators at the level of public policy. A systematic overview of the adoption of national wellbeing frameworks shows that countries engage with measurement reform primarily for normative, rather than technical, reasons [2]. By better understanding the on-the-ground impact of these frameworks, the influence of intentionality on the outcomes of initiative is clarified and illuminated. Since the focus on wider influences is relatively rare, the social implications of initiatives associated with the Organisation for Economic Co-operation and Development (OECD) are here examined [3]. Institutional complexities have resulted in significant variation across public experiments, rendering a unified response impossible [3]. Nonetheless, in comparison to experiences surrounding the OECD Better Life Initiative, the evidence indicates that National Accounts of Wellbeing adopted under a well-known and heavily publicised initiative, inspired by the Gallup World Poll, have had a decidedly stronger influence on public policy and social outcomes [8]. Countries have embraced initiatives promoting wellbeing indicators under OECD auspices, most notably the Better Life Initiative and the Your Better Life Index, primarily to reinforce efforts to reduce poverty, promote social integration, foster broader opportunities, and strengthen the institutional framework for improving environmental quality [9]. The Organisation has also underscored the pertinence of environmental quality to wellbeing, thereby confirming the importance of such factors to wellbeing measurement itself [10]. These initiatives are more closely aligned with the objectives of the OECD framework than those associated with the National Accounts of Wellbeing [11]. By exploring social outcomes explicitly associated with National Accounts of Wellbeing, efforts to demarcate the broader implications of the framework become more apparent. Public attention to the question of wellbeing and the consequences of national policy for various aspects of wellbeing has increased, and the share of citizens who report general satisfaction with their living conditions has grown significantly [12]. Economic inequality, as well as perceived unfairness in access to various goods, services, and opportunities, has also attracted greater scrutiny, prompting institutions to regularise the publication of specific indicators and forge additional links with other databases to enhance the overall policy dialogue surrounding these themes [12].

Economic Performance and Distributional Effects

The following economy-wide indicators are being used to provide a better understanding of economic performance and distributional effects: a national income measure, an adjusted disposable income measure, an incomplete measure of income distribution, and an indicator of poverty [6]. Montalvo and Ravallion provide estimates of how these indicators develop for each country and year in the full sample. The country averages are shown in the policy-relevant section of the project [7]. Data is collected on welfare-to-work strategies, income and effective tax rates, and welfare generosity, which serves to highlight the impact of these reforms on policy-related welfare distributions. Aggregate levels of economic activity, such as GDP, remain valuable indicators of market activity and economic performance [8]. However, they only offer a limited perspective on overall economic well-being. They do not capture the value of the unpaid domestic economy and the welfare derived from non-material aspects of life. Population trends also focus attention on distributional effects, income inequality, poverty, and regional disparities [9]. Policy decisions affect the distribution of income and wealth, the availability of material goods, and time sovereignty. Changes in policy in areas such as social policy, family policy, and housing policy are reflected in the indicators. By showing how these aspects of life prevail in a country relative to an international benchmark, the indicators may bring to light the role specific policies can play in facilitating economic and social well-being [10, 2].

Social Cohesion, Trust, and Governance

Good societies are ones where the population perceives them to be tolerant and fair, regardless of legal rights or income distribution [11]. Societal well-being reflects the evaluation of society as a whole, rather than individual attitudes toward the state or public services. GDP inadequately represents social progress; this was recognized as early as the 1960s [1]. The Stiglitz-Sen-Fitoussi report called for social well-being indicators, but many view their portfolios as unoriginal policy transfer. A well-established set of societal well-being indicators remains elusive due to a lack of high-quality cross-national data and the piecemeal nature of existing surveys. Consequently, most analyses focus on individual domains, such as social cohesion, social capital, trust, satisfaction with public services, and political participation [12].

Environmental Sustainability and Long-term Wellbeing

The concept of wellbeing encompasses various aspects of human existence, including society, economy, and environment. The challenge is to establish the relationships among economic activities, social stability, and environmental policies [13]. Prioritising wellbeing is not a straightforward replacement of material incomes or consumption, but rather an in-depth understanding of lives, welfare, conditions, and interrelationships in one person's life in this context. The extremely high proportion of people in the world who purchased products for greenhouse gas emission and for health behaviours prioritises the investigation [14]. The aim is not to justify or argue for or against any position, but just to explore the linkages among those phenomena and to understand as

much as possible. In Australia, the contemporary desire of people to maintain wellbeing has been clearly addressed since the year of 2000. The existing direction encourages policy formulation and implementation in proper ways, mitigating potential damage caused by the misunderstanding associated with words. Material consumption and environmental concern also play considerable role and weight, but less than wellbeing [15]. Transport and infrastructure, based on urban form, urban transport, and active travel, represent the most heavily weighted phenomenon in Australia. An integrated perspective combining sustainability, quality of life, wellbeing, and material consumption selection helps understanding people's actions, desires, and concerns. In particular, many Australians took economy and income into consideration when using the consumption for the first priority instead of purchasing environmental consumption, followed by green purchasing, other elements and wellness at the second priority [16].

Challenges, Risks, and Ethical Considerations

The introduction of wellbeing measures in lieu of GDP involves numerous challenges, risks, and ethical dilemmas. One of the more technically demanding issues is ensuring that indicator selection and measurement remain statistically robust [1]. While the selection of indicators is often seen as a purely technical decision, empirical and theoretical work shows that it involves very different equity and normative choices [2]. Addressing a different concern, Wagner notes that broadening the scope of government statistics might spoil statistical ether; specific and standard-looking indicators would help avoid confusion [3]. Political economy and policy studies indicate that the politics of reform remain important and that countries do not enter or change indicators merely in response to the economic cycle [1]. Coupled with theoretical advances, such understanding is beginning to inform a more practical approach to adopting wellbeing accordingly; considerable cross-country variety indicates that large, difficult-to-handle wellbeing indexes might distract attention [4]. There are numerous challenges associated with defining and measuring wellbeing that give rise to serious challenges, risks, and ethical considerations [5]. Initial iterations of wellbeing frameworks were built on the idea of listing indicators or components expressed through a mixture of measures under a broad conceptual umbrella; although perfectly understandable, widespread dissatisfaction has followed this quest. Lembke et al. demonstrate the problems that arise from efforts to select and integrate indicators from existing statistical materials [6]. Such choices engage ethical and equity perspectives that mix social and other dimensions of wellbeing in contested and often highly local contexts [7]. As understanding of wellbeing and its practical significance is now widespread, countries are seeking to join an international normative movement based on wellbeing, raising yet more questions about setting and measuring meaningful standards at national or local levels, highlighting the need for explicit attention to conceptual foundations and a consistent theoretical framework [8].

Data Privacy and Representation

Measuring societal wellbeing is hindered by the challenge of ensuring data privacy and providing representative information [12]. Improvements in the quality and quantity of well-being indicators go hand-in-hand with the overarching wellbeing measurement agenda, motivating deep societal involvement with issues of significance to the population at large [13]. A prerequisite for progress is a commitment to a minimum standard, which explicates the required quality and forward-looking relevance information required to reinforce statistical confidentiality [2]. Apparent 'yet more fine-tuned specifications' serving the same functions are not normally put forward. However, in the spirit of the framework underpinning the generation of indicators on a half-dozen continents, provisional listings have been canvassed for indication [14]. To reflect both the fast-evolving nature of the agenda and the myriad aspects of society, the proposals seek to establish an initial foundation subsequently building new dimensions for consideration based on a 'core' provision [15]. Aggregate-directed measurements of societal wellbeing feature several attributes: a numerical form readily adaptable for calculation and graphical display, a coordinates system for the determination of representative yet generic substitute underlying overarching measures, a mathematical treatment applicable to circs with systematic formal descriptions on such settings, and formal treatment of disaggregative routes through the substitution mechanism that encourage inquiry into spacing, patterns and dynamics [16].

Standardization versus Localization

The widespread interest in the measurement of wellbeing has generated considerable attention on national and subnational policies, international initiatives, the adoption of measurement frameworks, and their social impact [5]. Rapid progress in measurement challenges has also emerged, focusing on data-predictability and the increasing intersection between wellbeing and environmental sustainability [6]. Despite these advances, one key issue remains insufficiently explored: the extent to which a measurement framework is adopted as standardized or localized in specific political contexts. Any policy initiative involves the interaction of content and context [7]; similarly wellbeing measurement frameworks can be imagined as a two-dimensional space, with one axis denoting the diversity of frameworks and the other axis representing the degree to which a framework is adopted in a non-standardized or localized fashion [8]. Standardized frameworks articulate a universalistic rationale, while localized frameworks embrace a differentialist rationality and cultural diversity [3]. The politics of wellbeing measurement

tend to exist within a tension between a pull towards standardization via framing and international norms, and the push towards localization embodied in the emphasis on local and nuanced data [16]. Both expansions of localized measurement beyond the OECD benchmark and claims of the necessity of such expansions witness considerable debates [9]. High-probability pathways towards an ultimate equilibrium or convergence still remain undetermined [10].

Political Economy Risks and Instrumentalization

Governance, social grievances, the climate emergency, and inequality are drivers of an emerging political economy of measurement. Beyond-GDP proponents need to address the political economy of adoption to mobilize broader, evidence-based political support for long-term frameworks [6]. For example, widespread adoption of the “beyond GDP” concept across the OECD has not eliminated the problem of GDP-centric policymaking or the need to develop national Wellbeing frameworks to measure progress and improve policies. Different actors voice a variety of agendas that can promote wider adoption and implementation; understanding adoption as a political process helps to pinpoint the levers for institutional change [7]. Four political economy questions guide the analysis of measurement frameworks that go beyond GDP. First, what underlying political economy considerations determine the decision to adopt measurement frameworks? Second, which institutions and stakeholders act as advocates, diffusers, or resisters? [8] Third, what roles are rich-country frameworks, comparisons, and the collective search for an alternative to GDP playing in low- and middle-income countries? Finally, what kind of countries and contexts has been most amenable to adopting Wellbeing initiatives? [9] The urgency of the global climate emergency, the unprecedented economic shock of the COVID-19 pandemic, and widening social grievances and inequalities in many advanced democracies have propelled the adoption of Wellbeing initiatives in countries across the world [10]. Nevertheless, addressing the political economy of adoption remains critical to mobilizing sustained momentum for adoption that is the necessary precursor for effectively tackling causation and impact [11].

Implications for Theory and Practice

Measuring wellbeing beyond GDP contributes to conceptual frameworks, policy analyses, and empirical evidence on the adoption and impact of alternative metrics [7]. Theoretical contributions clarify how GDP fails as a measure of progress and adopt a multidimensional view of wellbeing to define measurement alternatives [8]. Analytical frameworks highlight political economy dynamics, the role of institutions and stakeholders, international comparisons and normative pressures, and the influence of public discourse on measurement reform [9]. The analysis subsequently examines methodological choices and the availability of data to inform new wellbeing frameworks [10]. Policymakers have adopted alternatives at national or subnational levels to complement GDP or other indicators, while initiatives to promote harmonized approaches operate at the international level [11]. Wellbeing frameworks track diverse social, environmental, and economic issues, yet adoption varies among potential dimensions. Adoption analyses draw on qualitative and quantitative data across national and subnational cases [12]. Overall, the adoption of wellbeing measures depends on political economy conditions, including the framing and classification of measurement alternatives [13]. Wellbeing initiatives raise awareness of policy issues, support evidence-based analysis, stimulate public debate, and encourage longer-term perspectives that complement conventional metrics [14]. Initial analyses of national wellbeing programs highlight the gradual accumulation of qualitative evidence on impacts, complemented by emerging quantitative evaluations of economy-wide effects [15].

Theoretical Contributions to Wellbeing Measurement

Beyond GDP measurements implicate theoretical and empirical contributions of scientific value and practical importance [10]. Rigorous analysis of well-being frameworks promises policy and measurement practices that align with the underlying needs of these theories [11]. Leading economics contributions influence current measurement of well-being through specification and recommendation of particular frameworks adopted worldwide for practical policy work [12]. Social indicators and multi-dimensionality are central to several of these frameworks [13]. Standard indicator sets exist for these frameworks; centre on different thematic areas and their measurement; comprise extensive elaboration of indicator-selection criteria; include value-added specification of data flows and format; draw comparisons between indicator sets and between corresponding frameworks are available and informative [3].

Practical Guidance for Policymakers

Wellbeing indicators are fashionable. Enthusiasts create new indices, business people invest in them, and officials proclaim that their country is adopting or has adopted a wellbeing measure [14]. Very few implement rigorous analysis of the conceptual underpinnings or empirical implications, assessing whether the frameworks justify the hype and identifying conditions for adoption and impact [15]. Even rarer is detailed analysis of these opportunities for, and risks associated with, wellbeing measurement [1]. Policymakers would benefit from a more sophisticated and grounded approach that communicates the theoretical and empirical bases, develops a coherent argument for selection, compares frameworks against qualitative criteria, and assesses the consequences of a broad

range of indicator initiatives [16]. The processes and priorities observed in multiple countries demonstrate how adaptive signalling can approach these challenges from various angles, reinforcing the salience of academic insights and broadening their influence on decisions still neglected on other dimensions [11, 2].

CONCLUSION

The growing recognition of GDP's limitations has accelerated international efforts to develop multidimensional measures that better reflect societal progress and human wellbeing. This review demonstrates that wellbeing measurement beyond GDP is not merely a statistical innovation but also a political and institutional reform that reshapes how governments define, evaluate, and pursue development. By incorporating social, environmental, governance, and distributional dimensions alongside economic performance, alternative wellbeing frameworks provide a more comprehensive understanding of national progress and support evidence-based policymaking. The literature indicates that the adoption of wellbeing measurement frameworks is strongly influenced by political economy factors, including institutional capacity, stakeholder engagement, international normative pressures, policy preferences, and governance structures. Although organizations such as the OECD and the United Nations have played significant roles in promoting standardized wellbeing frameworks, implementation across countries remains uneven due to methodological challenges, limited data availability, political resistance, and competing policy priorities. Furthermore, balancing internationally comparable indicators with locally relevant measures continues to present a significant governance challenge. Evidence from national and subnational initiatives suggests that wellbeing indicators have enhanced policy evaluation, strengthened public accountability, promoted social inclusion, and broadened policy discussions beyond economic growth. Nevertheless, substantial gaps remain regarding the long-term causal effects of these frameworks on social, environmental, and economic outcomes. Weak monitoring systems, inconsistencies in indicator selection, and insufficient longitudinal evidence continue to limit robust assessment of policy effectiveness. Future progress will depend on strengthening institutional capacity, improving the quality, comparability, and accessibility of wellbeing data, developing transparent and theoretically grounded indicator frameworks, and fostering collaboration among governments, international organizations, researchers, and civil society. Future research should emphasize longitudinal and comparative evaluations, improved methods for causal impact assessment, and greater integration of localized and standardized measurement approaches. Ultimately, measuring wellbeing beyond GDP offers a transformative framework for redefining development by placing human wellbeing, equity, sustainability, and quality of life at the centre of public policy and governance.

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