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# CLASSICAL AND ALTERNATIVE INDICATORS OF WELL-BEING

#### Introduction

Well-being has now become a subject of research in various fields; from psychology, medicine, sociology and economics, occupying a key role in contemporary political science<sup>1</sup>. Each discipline defines well-being in a slightly different way, making it dependent on other groups of issues. In psychology, the dominant way for decades has been to link well-being with a sense of happiness<sup>2</sup>, thus implying that it is largely subjective and difficult to measure by third parties<sup>3</sup>. Medicine draws on the work of psychology in this area, where well-being, largely dependent on psychological well-being, is taken as a predictor of many other health-related outcomes - from mental health to life expectancy<sup>4</sup>. In turn, economics, in addition to focusing on strictly industry-specific aggregates such as income levels or unemployment rates, has in recent decades attempted to incorporate the output of many other sciences into the methodology for measuring well-being<sup>5</sup>, hence it is increasingly common to find studies linking population happiness to the state of the economy and the rate of economic growth<sup>6</sup>, or even the concept of 'economics of happiness'<sup>7</sup>.

M. Bonasia et al., The economic and welfare state determinants of well-being in Europe, "International Economics" 2022, vol. 171, pp. 49–57.

<sup>&</sup>lt;sup>2</sup> D.G. Myers, E. Diener, *The scientific pursuit of happiness, "Perspectives on Psychological Science"* 2018, vol. 13, issue 2, pp. 218–225.

<sup>&</sup>lt;sup>3</sup> K.H. Ngamaba, *Income inequality and subjective well-being: a systematic review and meta-analysis, "Quality of Life Research"* 2018, vol. 27, issue 3, pp. 577–596.

<sup>4</sup> T.J. VanderWeele et al., Current recommendations on the selection of measures for well-being, "Preventive Medicine" 2020, vol. 133, 106004.

<sup>&</sup>lt;sup>5</sup> F. Green, Unpacking the misery multiplier: how employability modifies the impacts of unemployment and job insecurity on life satisfaction and mental health, "Journal of Health Economics" 2011, vol. 30, issue 2, pp. 265–276.

<sup>&</sup>lt;sup>6</sup> R.A. Easterlin, *Happiness, growth, and public policy,* "Economic Inquiry" 2013, vol. 51, issue 1, pp. 1–15.

<sup>&</sup>lt;sup>7</sup> B.S. Frey, *Economics of Happiness*, Springer, Cham 2018.

As the design of measures of socio-economic progress is a speciality of economics, a number of tools have already been developed to help assess the well-being of an economy<sup>8</sup>. Given that, over the course of the 20th century, economic growth and subsequently economic development has been perhaps the most popular focus of economists, a proposal to review indices of social progress and well-being should take account of this conceptual evolution and cite examples of both the 'classical' (focusing mainly on quantitative aggregates) and the contemporary approach, which also considers qualitative aggregates<sup>9</sup>.

The aim of this paper is to review selected indices of social progress and well-being (both classical and alternative proposals) and to identify the most important indicators that can be used to measure well-being in the future, in the face of growing problems in the 21st century, such as the climate crisis, demographic changes, inclusive globalisation or the crisis of liberal democracy. The first part focuses on classical indices, while the second part is concentrated on their alternative proposals. In the third part, an attempt is made to identify the most important indicators that can be used to measure well-being in the future.

## 1. Classical indicators of well-being

Since the publication of Adam Smith's "Wealth of Nations", widely regarded as the first milestone of modern economic science, well-being has existed *de facto* under the concept of material prosperity, with the wealth of a nation increasing through productive work, increases in labour productivity and rising levels of consumption<sup>10</sup>. However, the true parameterisation of material prosperity was only made possible by Kuznets<sup>11</sup>, whose idea of National Income was soon to be transformed into Gross Domestic Product, dominating political discourse in the economic sphere for many decades. Some of the best known variations of this measure include Net National Product, Net Domestic Product, Gross Domestic Product *per capita* or Gross Domestic Product by Purchasing Power Parity<sup>12</sup>.

Due to the convergence of the main scope of interest - measuring primarily the level of production and consumption, and thus quantitative economic growth - most measures derived from GDP can therefore be classified as classical

See e.g. A. Sumner, Economic Well-being and Non-economic Well-being, "WIDER Research Paper", 2004, No. 2004/30; R. Boarini et al., Alternative Measures of Well-Being, "OECD Social, Employment and Migration Working Paper" 2006, No. 33.

<sup>9</sup> A. Aitken, Measuring Welfare Beyond GDP, "National Institute Economic Review" 2019, vol. 249, issue 1, pp. 3-16.

 $<sup>^{\</sup>rm 10}~$  A. Smith, The Wealth of Nations, Capstone Publishing, Chichester 2010.

<sup>&</sup>lt;sup>11</sup> S. Kuznets, National Income, 1929–1932, National Bureau of Economic Research, Cambridge, Massachusetts 1934.

<sup>&</sup>lt;sup>12</sup> P. Samuelson, W. Nordhaus, Economics, 19th Edition, McGraw Hill, New York 2009.

measures of welfare / well-being. One of the most interesting proposals can be found in<sup>13</sup>, where the author made a selection of 14 indicators that make up the composite Real Consumption Index (Table 1). Although this index already had some qualitative features, its main focus still oscillated around quantitative production and consumption.

Table 1. Components of the Real Consumption Index

Real Consumption Index				
Steel Consumption	Radio Stock			
Energy Consumption	Newsprint Consumption			
Electric Energy Production	Population per Physician			
Motor Vehicles in Use	Population per Hospital Bed			
Cement Production	Percent Calories from Cereals			
Tractors in Use	Motor Spirit Consumption			
Telephone Stock	% of Population 5–19 in Primary and Secondary School			

Source: own elaboration based on A. Heston, A Comparison of Some Short-Cut..., pp. 79-104.

Next interesting proposal that fits into the traditional view of economic growth was proposed by Balcerowicz and Rzonca<sup>14</sup>. The authors focused on the so-called driving institutions, which they considered crucial for maintaining long-term economic growth. They identified the following areas:

- the structure of property rights that is, whether private enterprise is allowed by law and the extent of regulatory and tax-related limitations to economic freedom;
- the level of property rights protection: whether state authorities guard or threaten property rights (as well as the life/health of citizens);
- the degree of competition between manufacturers, dependent in part on the structure and level of property rights protection and the extent of protectionist policies;
- the fiscal position of the state in the economy, defined as the relation of government expenditure and in effect taxes as well as the fiscal deficit to GDP.

Another example can be the approach proposed by Zielińska-Głębocka et al.<sup>15</sup>, where the authors, although trying to adopt a contemporary perspective, taking into account different criteria and the impact of globalisation processes on economic development, still represent a traditional, structuralist line focusing on the

<sup>&</sup>lt;sup>13</sup> A. Heston, A Comparison of Some Short-Cut Methods of Estimating Real Product Per Capita, "Review of Income and Wealth" 1973, vol. 19, issue 1, pp. 79–104.

<sup>&</sup>lt;sup>14</sup> L. Balcerowicz, A. Rzonca, Puzzles of Economic Growth. Directions in Development – Public Sector Governance, World Bank, Washington, DC 2015, p. 23.

<sup>&</sup>lt;sup>15</sup> A. Zielińska-Głębocka et al., Zróżnicowanie i stany nierównowagi w gospodarce globalnej, Wydawnictwo Uniwersytetu Gdańskiego, Gdańsk 2020, p. 25.

provision of key resources and institutions to maximise the output of the national economy. The criteria they analyse for evaluating economies include:

- equipping with key resources to secure comparative and competitive advantages in international markets, analysed in relation to the intensity of investment in new technology-based sectors (e.g. ICTs), the advancement in the adoption of new digital technologies and the level of entrepreneurship crucial for innovation in the broad sense;
- integration of trade in goods and services in connection with a new approach to trade policy;
- prospects for raising welfare levels as measured by national income per capita;
- the export-oriented nature of the economy, including dependence on production, exports and commodity prices;
- resilience to economic and financial crises and unforeseen events (political conflicts, pandemics, natural disasters);
- intensity of participation in global value chains;
- commitment to combating environmental and climate change by changing production structures, use of renewable energy sources, etc.

It can thus be concluded that the classical well-being indicators and indices, despite their evolution over the years to take into account contemporary growth issues, mainly focus on a structuralist, resource-based approach to economies, with their ultimate area of interest being increasing domestic production and consumption, in the spirit of the original GDP idea proposed by Kuznets.

## 2. Alternative indicators of well-being

Given the monopolisation of mainstream, classical considerations related to well-being and material prosperity by GDP, the vast majority of measures that have been classified as alternative are characterised by a critique of Kuznets' idea, and/or an attempt to structurally modify it. The pioneer of this approach was A. Sen¹6, who criticises GDP-based measures due to their reductionist and simplistic approach, which focuses the discussion only on an isolated aspect of growth, while ignoring the extensive and complex dimensions of the development process and, consequently, well-being. This is why in 1990 A. Sen together with M. ul Haq developed probably the best known alternative indicator of well-being today, namely the Human Development Index¹7. In the 2020 edition analysing 189 countries, it included 4 indicators, under three main dimensions, as shown in Table 2.

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<sup>&</sup>lt;sup>16</sup> A. Sen, *The standard of living*, Cambridge University Press, Cambridge 1987.

<sup>&</sup>lt;sup>17</sup> United Nations Development Programme, Human Development Report 1990: Concept and Measurement of Human Development, Oxford University Press, New York 1990.

Table 2. Components of the Human Development Index

Human Development Index							
Standard of living	Health	Education					
GNI per capita PPP	life expectancy at birth (years)	expected years of schooling	mean years of schooling				

Source: own elaboration based on United Nations Development Programme, *About Human Development*, http://hdr.undp.org/en/humandev (accessed: 19.01.2023).

The HDI has also been updated, and in one version - the Inequality Adjusted HDI – it also takes into account income inequality as measured by the Gini index, discounting the HDI values for countries with high inequality<sup>18</sup>. In both versions, one can observe a clear move away from the structuralist idea of measuring only the level of domestic production and consumption, devoting much of the attention to qualitative factors of well-being, such as health or education. The level of national income is of course still a factor under consideration, as it is still one of the main determinants of countries' ability to increase social spending.

Another interesting proposal is the Integrated Progress Indicator (pl. *Zintegrowany Wskaźnik Postępu*) by G. Kołodko<sup>19</sup>, where the author attempted to propose a way to measure social progress, taking into account several groups of issues. These groups would make up a composite index according to the following weights:

- GDP per capita (40%);
- subjectively perceived well-being, health, education, quality of collective life (democracy, quality of governance) (20%);
- the state of the environment and its impact on well-being, health, fitness to live and work (20%);
- evaluation of leisure time and cultural values (20%).

Like the HDI, it does not completely reject the idea of GDP, as material prosperity is undeniably a key determinant of a population's ability to meet higher needs. However, it seeks to transform the way we think about this indicator, treating it merely as a tool for achieving goals, rather than as a goal in itself.

In accordance with this line of thought, well-being is increasingly treated as synonymous with social progress (some authors also stress that it is about *real* progress)<sup>20</sup>, also taking into account people's subjective feelings and not only their material prosperity. In 2011. The OECD developed the composite Better Life Index, which consists of both some objective indicators, relating to measurable val-

<sup>&</sup>lt;sup>18</sup> United Nations Development Programme, Inequality-adjusted Human Development Index, https:// hdr.undp.org/inequality-adjusted-human-development-index#/indicies/IHDI (accessed: 19.01.2023).

<sup>&</sup>lt;sup>19</sup> G. Kołodko, Wędrujący świat, Zysk i S-ka Wydawnictwo, Poznań 2013, p. 270; G. Kołodko, Świat na wyciągnięcie myśli, Zysk i S-ka Wydawnictwo, Poznań 2013, p. 75.

<sup>&</sup>lt;sup>20</sup> C. Barrington-Leigh, A. Escande, Measuring Progress and Well-Being: A Comparative Review of Indicators, "Social Indicators Research" 2018, vol. 135, pp. 893–925.

ues such as income or housing availability, but also subjective indicators, obtained directly from residents of OECD countries, relating to feelings of happiness, security or work-life balance, among others. Currently, the index covering 41 countries consists of 24 indicators divided into 11 groups of issues (Table 3).

Table 3: Components of the Better Life Index

Better Life Index				
Housing (3 indicators)	Civic Engagement (2 indicators)			
Income (2 indicators)	Health (2 indicators)			
Jobs (4 indicators)	Life Satisfaction (1 indicator)			
Community (1 indicator)	Safety (2 indicators)			
Education (3 indicators)	Work-Life Balance (2 indicators)			
Environment (2 indicators)				

Source: own elaboration based on Organisation of Economic Co-operation and Development, *OECD Better Life Index*, https://www.oecdbetterlifeindex.org/ (accessed: 19.01.2023).

Koźmiński et al.<sup>21</sup> offer a similar conceptually but slightly different methodologically approach. The Balanced Development Index proposal aims to 'take into account on an equal footing human expectations and subjective feelings that codetermine the phases of the business cycle'<sup>22</sup>. However, it consists only of data available in international databases, which, unlike the Better Life Index, is supposed to enable its universal use in all countries of the world, not only in developed OECD markets. The Balanced Development Index consists of 44 indicators divided into 4 groups of issues (Table 4).

Table 4: Components of the Balanced Development Index

Balanced Development Index						
External economic factors	Social expectations					
7 indicators reflecting the functioning of national economies in an international economic environment (e.g. foreign investments, exports, imports, interest rates on government bonds on the international market)	7 indicators reflecting the social expectations concerning the future (e.g. general living conditions, economic situation, labour market and employment, business activity)					
Internal economic factors	Current social situation					
11 indicators reflecting the internal functioning of the economy (e.g. GDP and its dynamics, infla- tion rate, private consumption, accumulation rate accumulation rate; electricity production)	19 indicators reflecting current social conditions (e.g. fertility, infant mortality, health expenditure, Gini coefficient, crime, trust in government)					

Source: own elaboration based on Koźmiński et al., Europa pomiędzy..., p. 319.

<sup>&</sup>lt;sup>21</sup> A.K. Koźmiński et al., The Balanced Development Index for Europe's OECD Countries, 1999–2017, Springer, Cham 2020.

<sup>&</sup>lt;sup>22</sup> A.K. Koźmiński et al., Europa pomiędzy emocjami a racjonalnością: indeks zrównoważonego rozwoju dla europejskich krajów OECD, "Ekonomista" 2020, issue 2, p. 319.

Finally, it is worth noting the indicators and indices emerging from the growing popularity of the discussion on sustainable development. Although the idea of sustainability itself has existed in academic circles since the 1990s, it has only started to enter the mainstream since around 2015, when the United Nations adopted The 2030 Agenda for Sustainable Development, which was operationalized through the so-called "17 Sustainable Development Goals" (Figure 1).

## SUSTAINABLE GALS



Figure 1. Sustainable Development Goals

Source: United Nations. The 17 Goals, https://sdgs.un.org/goals (accessed: 19.01.2023).

Each of the Goals is in fact a group of issues containing several to a dozen indicators (Targets), of which a total of 169 are listed. However, the Sustainable Development Goals are not a well-being indicator in the strict sense, as no composite index is calculated on their basis, nor is it possible to compare the progress of countries - rather, the Goals and Targets are intended to serve as guidelines for the economic policies that decision-makers should adopt in view of the need to integrate the principles of sustainable development into economic, social and political activities of their countries.

The last index of interest representing measures of economic development and well-being is the Sustainable Development Index. It is a relatively new measure, created in 2020 on the basis of the Human Development Index following J. Hickel's observation of the need to take into account climate issues and planetary constraints in the quantification of socio-economic development<sup>23</sup>. Therefore, in

<sup>&</sup>lt;sup>23</sup> J. Hickel, The sustainable development index: Measuring the ecological efficiency of human development in the Anthropocene, "Ecological Economics" 2020, vol. 167, 106–331.

the 2020 edition covering 164 countries, the index included 6 indicators under three main dimensions, as shown in Table 5.

Table 5: Components of the Sustainable Development Index

Sustainable Development Index								
Standard of living		Health	Education					
GNI per capita PPP	CO <sub>2</sub> emissions per capita (tonnes)	material foot- print per capita (tonnes)	life expectancy (years)	expected years of schooling	mean years of schooling			

Source: own elaboration based on Sustainable Development Index, Sustainable Development Index, https://www.sustainabledevelopmentindex.org/ (accessed: 19.01.2023).

On the basis of this brief overview of alternative indicators and indices of social progress and well-being, it can thus be concluded that the vast majority of them, while criticising and pointing out the inadequacies of the idea of GDP, do not completely reject the material dimension of well-being. Instead, many incorporate GDP or GNP into the composition of composite indices as one dimension, but as a means to an end rather than an end in itself, while the main focus of these indices is on social progress as represented by education standards, life expectancy or subjectively perceived life satisfaction.

## 3. Possible directions for measuring well-being in the future

Thus, the considerations so far allow us to put forward the following thesis: Although measuring well-being through GDP and its derivative, traditional measures is no longer a fully adequate approach, it cannot be completely discarded due to the inherent material dimension of satisfying human needs.

Indeed, as Jackson notes, despite developed countries' economies being increasingly service-based, their demand for materials such as cement, steel and plastic is also increasing due to the need for commensurate infrastructure development<sup>24</sup>. For example, during the 1990s in the United States, the total demand for materials increased by 34% - almost as much as the country's GDP, which increased in value by 39%<sup>25</sup>. Therefore, in most cases of alternative well-being indicators, there is a consideration of a segment / group of aggregates related to GDP or GNI, where in particular GNI seems to be an apt indicator as it takes into account the level of production remaining in a particular economy, excluding production that has been outsourced by other countries.

<sup>&</sup>lt;sup>24</sup> T. Jackson, *Prosperity Without Growth*, Routledge, London 2017.

<sup>&</sup>lt;sup>25</sup> V. Smil, Making the Modern World: Materials and Dematerialization, John Wiley & Sons, Hoboken, New Jersey 2013.

As Kołodko notes, the main purpose of any development or well-being index is to set targets for the economy, so their relevance to needs is crucial<sup>26</sup>. For example, in Bhutan the GHI, or Gross Happiness Index, was adopted as the main index instead of GDP<sup>27</sup>, and unlike the Better Life Index or other similar tools used in OECD countries, it does not serve solely as an instrument to inspire comparative analysis or research, but is used to actively formulate a country's development strategy<sup>28</sup>. Taking into account the growing interest in the topic of sustainability over the last decade, it can be assumed that in the coming decades sustainable development of their countries will become an increasingly important area of interest for economic decision makers. In this case, the selection of indicators or the creation of well-being indexes to measure societal progress should be done precisely in the context of sustainable development.

An exemplary contextual framework and proposals for changing the way of thinking about well-being in the context of sustainable development are offered by, among others, Pach et al.<sup>29</sup>, Raworth<sup>30</sup> and Hickel<sup>31</sup>. The first recommendation, which is common and moreover consistent with previous considerations, is to stop treating infinite GDP growth as an objective in itself. Although there is a statistically significant correlation between GDP growth and growth in some of the indicators responsible for well-being, in the study of Boarini et al.<sup>32</sup> it occurred with only half of them, even contributing to a decrease in the value of several of them. Moreover, it has been proven in a growing number of studies that, once a certain level of GDP is exceeded, its further increase does not contribute to further increases in the happiness or well-being of the population, and may even contribute to their decline<sup>33</sup>. Therefore, while economic growth should be included in the composition of well-being indices, it should take the form of the aforementioned GNI rather than GDP, and be only one of at least several components.

Other, more specific recommendations might include:

 stopping the practice of planned obsolence of products, which contributes to the waste of resources and only fuels endless economic growth while wellbeing decreases;

<sup>&</sup>lt;sup>26</sup> G.W. Kołodko, Świat w matni, Prószyński i S-ka, Warszawa 2022.

<sup>&</sup>lt;sup>27</sup> K. Ura et al., A Short Guide to Gross National Happiness Index, Centre for Bhutan Studies, Thimphu 2012.

<sup>&</sup>lt;sup>28</sup> C. Montgomery, *Happy City: Transforming Our Lives Through Urban Design*, Penguin Books, London 2015.

<sup>&</sup>lt;sup>29</sup> J. Pach et al., Ekonomia umiaru – realna perspektywa? Nowy paradygmat Grzegorza W. Kołodko, Wydawnictwo Naukowe PWN, Warszawa 2016.

<sup>30</sup> K. Raworth, Doughnut Economics: Seven Ways to Think Like a 21st-Century Economist, Random House Business, London 2017.

<sup>31</sup> J. Hickel, Less is More: How Degrowth Will Save the World, William Heinemann, Portsmouth, New Hampshire 2020.

<sup>32</sup> R. Boarini et al., Alternative Measures of Well-Being...

<sup>33</sup> See e.g. R.H. Thaler, Misbehaving: The Making of Behavioral Economics, Norton & Company, New York 2015; T. Jackson, op. cit.

- reducing spending on advertising, which, by over-bombarding consumers with promotional messages, contributes to information overload, rising stress levels, an overabundance of choice and a decline in well-being;
- promoting the sharing economy for rarely used equipment, e.g. tools used for renovation or lawnmowers;
- reducing food waste;
- tackling excessive income inequalities;
- redistribution of working time and reduction of the working week due to increasing automation, thus increasing the leisure time of the population;
- the reduction of the fractional reserve banking system, which contributes to the cyclical nature of economies.

On the basis of the above – and similar recommendations – one could create one's own well-being index, using appropriately selected indicators available in international databases. Although at present there are probably still problems with the availability of some data, this will certainly change in the coming decades as the recommendations of sustainable development are implemented in developed countries in particular. The procedure developed by the OECD is also worth following in this case<sup>34</sup>:

- Theoretical framework: Provides the basis for the selection and combination of variables into a meaningful composite indicator under a fitness-for-purpose principle (involvement of experts and stakeholders is envisaged at this step).
- 2. Data selection: Should be based on the analytical soundness, measurability, country coverage, and relevance of the indicators to the phenomenon being measured and relationship to each other. The use of proxy variables should be considered when data are scarce (involvement of experts and stakeholders is envisaged at this step).
- Imputation of missing data: Is needed in order to provide a complete dataset (e.g. by means of single or multiple imputation).
- Multivariate analysis: Should be used to study the overall structure of the dataset, assess its suitability, and guide subsequent methodological choices (e.g., weighting, aggregation).
- Normalisation: Should be carried out to render the variables comparable.
- Weighting and aggregation: Should be done along the lines of the underlying theoretical framework.
- Uncertainty and sensitivity analysis: Should be undertaken to assess the robustness of the composite indicator in terms of e.g., the mechanism for including or excluding an indicator, the normalisation scheme, the imputation of missing data, the choice of weights, the aggregation method.

<sup>34</sup> Organisation of Economic Co-Operation and Development, Handbook on Constructing Composite Indicators, OECD Publishing, Paris 2008, pp. 20-21.

- 8. Back to the data: Is needed to reveal the main drivers for an overall good or bad performance. Transparency is primordial to good analysis and policymaking.
- Links to other indicators: Should be made to correlate the composite indicator (or its dimensions) with existing (simple or composite) indicators as well as to identify linkages through regressions.
- 10. Visualisation of the results: Should receive proper attention, given that the visualisation can influence (or help to enhance) interpretability.

Following the recommendations of the above-mentioned authors and adhering to the OECD standards for composite indices will enable the creation of adequate, relevant well-being indices that take into account the most important issues and challenges of the 21st century.

#### Conclusions

A review of classical and alternative indicators of well-being has made it possible to observe that, although measuring well-being through GDP and its derivative, traditional measures is no longer a fully adequate approach, it cannot be completely discarded because of the inherent material dimension of the satisfaction of human needs. During their review, it was possible to observe a slow evolution of their methodology, which increasingly began to focus on the qualitative aspects of economic development – in particular considering more contemporary, alternative proposals such as BDI or SDI. Any emerging proposals for new measures of well-being should, however, also take into the account issues concerning social and environmental challenges arising in the global economy, such as food waste, waste of resources, excessive income inequalities, stress levels and many other topics that may contribute to sustainable development and the fulfilment of the SDGs. However, the task of creating such a measure is beyond the capacity of this article - as it will require the collaboration of a group of experts who will be able to identify a group of indicators that would form the composition of such an index. Therefore, the final section draws attention to the OECD's recommended procedure for designing composite indices, which should be referred to during the whole process.

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#### Summary

The article contains an overview of selected existing indicators of well-being, mainly from the standpoint of economics. An analysis of classical indicators focusing mostly on material prosperity has been conducted in the first part of the article. Then, the more recent, alternative indicators of well-being have been cited and briefly reviewed. Those alternative indicators take psychological, social and environmental factors, among others, into consideration. The important idea of sustainable development has also been presented, not only in context of development goals, but also as a concept of living a balanced life with less waste and needless consumption. In the later part, possible directions for measuring well-being in the future have been presented. It has been noted, that while the classical indicators of well-being often offer dated and impractical approaches, they prove to be highly useful when combined with analysing other, more contemporary data and indicators, due to the inherent material dimension of satisfying human needs.

**Keywords:** well-being, indicators of well-being, measuring well-being, social progress, measuring social progress

#### KLASYCZNE I ALTERNATYWNE WSKAŹNIKI DOBROBYTU

#### Streszczenie

Artykuł zawiera przegląd wybranych istniejących wskaźników dobrobytu, głównie z punktu widzenia ekonomii. W pierwszej części artykułu przeprowadzono analizę klasycznych wskaźników skupiających się głównie na dobrobycie materialnym. Następnie przytoczono i krótko omówiono nowsze, alternatywne wskaźniki dobrobytu. Te alternatywne wskaźniki uwzględniają między innymi czynniki psychologiczne, społeczne i środowiskowe. Przedstawiono także ważną ideę zrównoważonego rozwoju, nie tylko w kontekście celów rozwojowych, ale także jako koncepcję zrównoważonego życia z mniejszą ilością odpadów i niepotrzebnej konsumpcji. Zauważono, że choć klasyczne wskaźniki dobrostanu często oferują przestarzałe i niepraktyczne podejście, to jednak okazują się bardzo przydatne w połączeniu z analizą innych, bardziej współczesnych danych i wskaźników, ze względu na nieodłączny materialny wymiar zaspokajania ludzkich potrzeb.

**Słowa kluczowe:** dobrobyt, wskaźniki dobrobytu, mierzenie dobrobytu, postęp społeczny, mierzenie postępu społecznego