Deep dives on the well-being economy showcasing the experiences of Finland, Iceland, Scotland and Wales

Summary of key findings
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Background

The WHO Regional Office for Europe has developed deep dives for Finland, Iceland, Scotland and Wales, which have committed to and are on the road to becoming well-being economies. These deep dives are part of the technical documentation supporting the WHO European Regional High-Level Forum on Health in the Well-being Economy (1–2 March 2023) and aim to demonstrate concrete country experiences in advancing and implementing well-being economies. This summary outlines key findings and take-home policy messages from these specific country experiences, which will be published in full in spring 2023. It is important to note that these experiences are not all encompassing and can be looked at for inspiration by other countries that are shifting to a well-being economy.

The deep dives were developed by combining academic and grey literature with narrative from semi-structured interviews conducted with key stakeholders in government and public health institutions. The WHO European Office for Investment for Health and Development is committed to facilitating the exchange of knowledge and tools to support countries implementing well-being economies across the WHO European Region.

The WHO European Well-being Economy Initiative is led by the WHO European Office for Investment for Health and Development of the WHO Regional Office for Europe, based in Venice, Italy.
The well-being economy in Finland, Iceland, Scotland and Wales

Well-being economies are economies that prioritize human, social, planetary and economic well-being, which constitute the well-being “capitals” (1). These include important assets such as trust, social cohesion, participation, environmental sustainability and quality employment, which are crucial for developing healthy, fairer and prosperous societies where people can thrive.

Findings from deep dives on Finland, Iceland, Scotland and Wales show that these countries implement and advance well-being economies differently, yet all strive to put people at the heart of decision-making processes and share the goal of well-being – to create prosperous, sustainable and fair societies for current and future generations.

Fig. 1 – Common elements framing the well-being economy approach in Finland, Iceland, Scotland and Wales
Defining well-being

Finland, Iceland, Scotland and Wales have different definitions of well-being, however, there are common elements framing the well-being economy approach, such as equality and equity, sustainability, prosperity, strengthening communities, serving the needs of current and future generations, and keeping within planetary boundaries.

The four countries’ different definitions of well-being are reflected in how they operationalize the well-being economy in their contexts.

Finland. Well-being is synonymous with welfare – it is the same word in Finnish – and builds on Allard’s definition of individual and collective “having, doing, loving and being” (2,3). It is linked to social sustainability while recognizing the interdependency with economic and environmental sustainability.

Iceland. Well-being is approached as a holistic concept, encompassing both subjective and objective dimensions such as feeling well and functioning well, as well as holding the necessary capabilities to do so. Well-being is directly linked to factors in society, the economy and the environment – as expressed by the comprehensive well-being measurements in Iceland (4).

Scotland. Well-being can be defined as “living well” and is about “how we’re doing as individuals, communities and as a nation – and how sustainable that is for the future” (5).

Wales. The definition of well-being is conceptualized in the Well-being of Future Generations (Wales) Act through its seven “Well-being Goals” (A Wales that is prosperous, resilient, healthier, equal and globally responsible, with cohesive communities, vibrant culture and a thriving Welsh language) (6).
Pressing policy challenges related to the sustainability of society, the environment and the economy are the main drivers of the shift to well-being economies in Finland, Iceland, Scotland and Wales.

These countries have recognized the need to harness the value of public and private investments and resources to create societies that are fair and safe and where all people can thrive.

The following drivers in countries have prompted a shift towards well-being economies.

**Finland.** The consequences of the 2008 financial crisis as well as concerns about peace, security and environmental sustainability. The recent COVID-19 pandemic, which has exacerbated inequities and the need to strengthen resilience, has also contributed to accelerating this debate.

**Iceland.** The consequences of the 2008 financial crisis and its impact on societal resilience and well-being.

**Scotland.** Poor performance on social justice indicators (such as high levels of child poverty) and the aspiration to create a thriving economy that works for everyone and promotes innovation and fairness.

**Wales.** Widening of socioeconomic differences that have increased persisting inequities across Wales. Concern about the well-being of future generations is key in the Welsh approach, epitomized by the Well-being of Future Generations (Wales) Act (7,8) as a response to the complex, multifaceted challenges Wales is facing.
Putting people at the heart of decision-making processes and sharing the goal of well-being to create prosperous, sustainable and fairer societies for current and future generations.

**Finland.** Reframing the traditional welfare state through new policies that protect not only people but also the planet, and promote peace and security while ensuring long-term financial sustainability with an ageing population; a strong focus on promoting labour-market inclusivity and income security.

**Iceland.** Post financial crisis interventions focused on returning to the traditional “Nordic states approach” with the aim of protecting people’s well-being through a strong welfare system, as well as protecting the environment. The main policy focus is on young people being active in the labour market, creating a more sustainable work–life balance, and improving gender equality and equal opportunities for women and girls. The agenda is strongly connected to the implementation of the Sustainable Development Goals (SDGs) (9).

**Scotland.** The Scottish Government moved from the initial goal of achieving inclusive and sustainable economic growth to the current goal of creating a well-being economy that works for all at all levels. The focus is on social justice and addressing high levels of child poverty and inequalities, alongside protection of natural resources as future assets to mitigate climate change and ensure energy sufficiency.

**Wales.** The country has a longstanding commitment to sustainable development, which has evolved in the work around future generations and early years – leading to the creation of the Well-being of Future Generations (Wales) Act. The “Foundational Economy” implemented in Wales supports local communities to thrive and is a response to the complex, multifaceted challenges of creating an “equal, prosperous and resilient” Wales for current and future generations, based on the Well-being of Future Generations (Wales) Act.

* These are not the only foci but are the most prominent features in these countries.
Role of (public) health in the development of the well-being economy agenda

The (public) health sector is a driver, co-creator and beneficiary of the well-being economy and is crucial to advancing well-being economies in countries.

**Finland.** The well-being economy agenda is strongly supported and advocated for by the social and health sector, which acts as a convener, as well as by health and social welfare nongovernmental organizations (NGOs). The Ministry of Social Affairs and Health and the Finnish Institute for Health and Welfare have particularly important roles in pushing the agenda forward, as does the Finnish Federation for Social Affairs and Health (SOSTE) (10) an umbrella organization representing Finnish health and social NGOs.

**Iceland.** The health sector acts as an advocate and change agent in a system-wide approach to the well-being economy. The Directorate of Health plays an important role in pushing the agenda forward through the National Public Health Strategy, which is based on protecting and promoting well-being.

**Scotland.** The health sector sits at the table and has a role as anchor institution delivering health and social welfare through employment and procurement which impacts local communities and economies.

**Wales.** The health contribution is institutionalized through the implementation of the Well-being of Future Generations (Wales) Act, which places a duty on all public policy development in Wales to act sustainably and equitably. The Foundational Economy (11,12) approach helps Wales to ensure that budgets are spent in a way that benefits people and the economy. Public Health Wales has a crucial role due to its long-standing commitment to the social determinants of health.
Measuring and monitoring progress towards well-being economies

The four countries acknowledge that measures such as gross domestic product (GDP) do not capture the things that really matter to people, such as well-being, social cohesion, equity and a sense of belonging, which are crucial for economic resilience and social sustainability.

Countries have also stated that complementary metrics need to accompany and be added to traditional ways of measuring progress. Each of the four countries has a range of tools and frameworks in place that measure and monitor progress towards well-being and well-being economies.

**Finland.** The country is in the process of developing a well-being economy indicator system building on the “having, doing, loving, being” framework, with a focus on socioeconomic variables and living conditions – including more subjective dimensions of well-being.

**Iceland.** Statistics Iceland systematically monitors progress towards the SDGs. Its well-being economy indicators system is complemented by regular public health and well-being surveys delivered in collaboration with the Directorate of Health.

**Scotland.** The National Performance Framework measures progress made against the “National Outcomes” by monitoring indicators that measure the national well-being in various areas such as economic, social and environmental.

**Wales.** Several monitoring and accountability measures have been put in place to support the implementation of the Well-being of Future Generations (Wales) Act and to measure well-being, making sure that decisions in Wales are not solely taken based on indicators such as GDP but supported by measures that capture the social, environmental and cultural domains too. The “national indicators” and corresponding “national milestones” help to shape and progress the vision for a well-being-based future, and the Future Generations Commissioner can hold public bodies to account, reviewing budgets and challenging decisions.
Key take-home policy messages
from the experiences of Finland, Iceland, Scotland and Wales in shifting to well-being economies

• **High-level political commitment** is key for advancing well-being economies nationally and internationally. This is a common feature in the four countries, where the agenda is led by the prime/first ministers’ offices.

• **Leveraging international collaboration** is important for building political constituency and fostering innovation (e.g. the EU Finnish Presidency (17) and the Wellbeing Economy Governments WeGo (18)).

• **The (public) health sector** plays an important role both as advocate and change agent (Iceland, Wales); acts as a convener by facilitating cross-governmental dialogue (Finland, Wales); contributes to shaping policies that maximize impact on well-being (Finland, Iceland, Scotland and Wales); advances the existing welfare state system, building on – and going beyond – the concept of “Health in All Policies”, which has been a foundation for shifting towards well-being economies (Finland and Iceland). The health sector is a driver, co-creator and beneficiary of well-being economy policies.

• **Legislation and politically binding commitments** play an essential role in implementing policies that are aligned with the well-being economy (e.g. the Well-being of Future Generations (Wales) Act and Socio-economic Duty in Wales (19) and the Fiscal framework in Iceland (20)).

• **Indicators and metrics systems** are key to defining what is measured in a well-being economy (Scotland, Wales and Iceland); as well as to monitoring well-being, and informing and evaluating policies on a regular basis (data-driven approach and systematic monitoring in Iceland). All four countries are in the process of developing, refining or implementing metrics systems for well-being economy monitoring and implementation.

• **Fiscal and budgeting strategies/tools** are essential to support cross-sector work and foster collaborative discussion between various players, including public health bodies, to shape policies which aim to maximize well-being (e.g. the fiscal strategy for well-being priorities in Iceland (21,22); the child-oriented budgeting tool pilot in Finland (23)).

• **Implementing innovative policy tools** (e.g. gender budgeting in Iceland (24) and Finland (25) and the Community Planning Partnerships in Scotland (26)) and policy approaches (e.g. the Social Value approach in Wales) is key to sustaining change and shifting to well-being economies.

• **Disruptive change makers**, such as exceptional individuals with high motivation who are keen to lead change, seem to have a snow-ball effect catalysing change and participation (e.g. leaders in the Directorate of Health and Prime Minister’s Office in Iceland; the Future Generations Commissioner as well as leaders in the Welsh Government and Public Health Wales).
• **Barriers to implementation** include: balancing the need for governments to produce fast results for their constituencies against well-being economy policy results that will not be visible for years (short-term thinking vs long-term sustainability, Finland and Iceland); refining and implementing indicators and metric systems which are agreed across government sectors; and the ability to involve the private sector in the conversation (Iceland, Finland, Scotland, Wales).

• **Governance mechanisms** are key to sustaining the countries’ efforts to implement and advance a well-being economy approach, these include:

  – **organizational structures** such as well-being economy cross-ministerial platforms and coordination mechanisms (e.g. the intersectorial steering groups in Finland and Iceland);

  – **participatory processes** that support discussion, exchange and co-creation processes involving the public, civil society organizations and key stakeholders (e.g. “the Wales We Want” Conversations (27,28) which shaped the development of the Well-being of Future Generations (Wales) Act; the constitutional review dialogues in Iceland that constituted the foundation of the Icelandic well-being economy objectives and goals); as well as an active role for communities and municipalities in Finland, Iceland and Wales, and for third sector organizations, such as the Wellbeing Economy Alliance (WEAll) (29);

  – **establishment of independent review body(individuals)** to monitor compliance and implementation of well-being economy policies (e.g. the Future Generations Commissioner in Wales, who actively engages with public bodies to ensure that all public policy development is guided by the Well-being of Future Generations (Wales) Act);

  – **creating system “stabilizers”** to counteract the tendency of the political system to focus on policies that produce short-term results rather than mid-to long-term structural change (e.g. the creation of a Future Generations Commissioner in Wales and the establishment of the Economic Policy Council in Finland (30)).
References


The WHO Regional Office for Europe

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