



What is a Wellbeing Economy?

WEAll Scotland Briefing – April 2022

Why does Scotland need a Wellbeing Economy?

A Wellbeing Economy is an economy designed to deliver good lives on a healthy planet.

The economy we have inherited is driven by a very different motive - to continually grow the economy so there are more goods and services in circulation without paying too much attention to what this means in practice for people and planet.

This model does not sufficiently take into account our quality of life and it does not address the increasing damage this sort of economy does to the natural world.^{1,2,3} The latest IPCC report warns that further delay of action on climate change will miss a “brief and rapidly closing window to secure a liveable future.”⁴

While putting so much pressure on the planet, our economy is not delivering a good and secure experience for enough people. In Scotland, 1 in 4 children grow up in poverty.⁶ Many of them live in cold homes, missing out on food, and not able to participate in the activities that others take for granted. The Covid pandemic has highlighted that many of the most essential workers in our society, from care workers to teachers and delivery drivers, are undervalued in the labour market, working in precarious and underpaid conditions; or are not being paid at all, as is the case for much domestic care work.

That so many people in Scotland do not have enough is not the result of an overall lack, instead it is driven by the unfair distribution of income, wealth and power that characterises the economy of today, both in Scotland and around the world. In Scotland, the richest 20 families own more wealth than the bottom third of the population combined.⁷

Both the environmental and social challenges are symptoms of the way our economy is designed, measured and delivered, and we can only tackle them by addressing this common root cause. It is time to redesign and repurpose our economy to be in service of people and planet.

What is a Wellbeing Economy?

A Wellbeing Economy is an economy that delivers **social justice on a healthy planet**. It would be designed to prioritise the 5 non-negotiable needs that WEAll have identified for collective wellbeing of people and planet (Table 1).⁸

Table 1: 5 WEAll needs and practical tests for evaluating them

WEAll Need	Practical test
Dignity: Everyone has enough to live in comfort, safety, and happiness	Does the economy provide everyone with what is needed to live a life of dignity and purpose?
Nature: A restored and safe natural world for all life	Does the economy restore, protect, and cherish the natural environment and is the economy operating to the principles of 'One Health' (The interconnection and indivisibility of human, animal, plant, and environmental health)?
Purpose: Institutions that serve the common good and provide real value	Does the economy value activities and behaviours by their contribution to social and ecological wellbeing?
Fairness: Justice at the heart of the economy	Is the economy designed to ensure a just distribution of income, wealth, power, and time?
Participation: Citizens participate in decision making and are engaged with their communities	Is the shape and form of the economy locally rooted and determined by people's active voices?

A Wellbeing Economy includes important roles for the state, the private and the third sector. In a Wellbeing Economy the democratic mandate of government will rest on more participatory processes; we will see the best in business coming to the fore to help meet the needs of people and planet; and, with less of a need to help people cope with the impacts of the current economy, the third sector will continue to directly enrich the lives of communities and individuals.

How do we go about building a Wellbeing Economy?

There is no one-size-fits all approach to building a Wellbeing Economy. It requires a multitude of changes across policy areas, the culture business and the way we organise our work and daily lives – imagine a 1000-piece jigsaw puzzle. We can only assemble the puzzle by working together across sectors and at all levels of the economy - from the local right up to the supranational.

That said, it might help to think of four 'corners' of the jigsaw puzzle, that provide the starting points for piecing it together:

Purpose: A Wellbeing Economy would make the purpose of delivering the 5 needs for collective wellbeing the priority. The 5 needs would form the guiding principle for government, businesses, and other institutions, and would be reflected in the way measure progress.

Prevention: A Wellbeing Economy would address the root causes of social and environmental damages by thinking upstream and long-term. As a by-product, this would reduce the vast amount of resources we are spending on ‘failure demands’: trying to patch up the *avoidable damage* our current economy is causing. For example, the UK and Scottish Governments spend millions of pounds each year in Scotland on housing people who are homeless, treating illnesses caused by air pollution or cleaning up the damage caused by climate change.⁹

Predistribution: A Wellbeing Economy would tackle the current economic inequality at its source, using methodologies such as Community Wealth Building that ensure money is retained locally or alternative business models that inherently generate fairer distribution of incomes and wealth. Work that does not pay a wage, such as unpaid care work, would be valued and supported as the foundation of our economy.

People power: A Wellbeing Economy can only be built on meaningful participation and democratic decision-making, across our governments, communities and workplaces, ensuring that that power over decision-making is held by the people and communities who are affected by them.

What is WEAll doing to build a Wellbeing Economy?

The Wellbeing Economy Alliance (WEAll) is building global collaboration of organisations, alliances, movements, and individuals working together to transform the economic system into one that delivers social justice on a healthy planet.

WEAll Scotland is the Scottish hub of this global community. We are working towards a Wellbeing Economy through:

- **Changing the narrative** and telling a new story of what our economy can be
- **Collaborating** and building a movement of Allies who are curious about, and committed to, delivering a Wellbeing Economy for Scotland
- **Amplifying** inspiring new initiatives and **advocating** for change

We can only build a Wellbeing Economy together and welcome your voice around the table. Please get in touch if you want to join us.

Find out more

Here are some key resources if you want to dive deeper into the topic:

- [TEDx](#) talk by our co-founder Dr Katherine Trebeck on Why the Future Economy has to be a Wellbeing Economy.
- [From the Old Way to the New Way](#) website setting out how a Wellbeing Economy will respond differently to issues such as work, food or housing.
- [WEAll's Policy Design Guide](#) setting out how we can go about building a Wellbeing Economy, including lots of inspiring examples from around the world.
- [WEAll's Business of Wellbeing Guide](#) exploring how businesses can become part of a Wellbeing Economy
- [A Wellbeing Economy for Scotland](#), a position paper prepared by Dr Katherine Trebeck for the Citizen's Assembly of Scotland

Much more information and resources on the Wellbeing Economy and WEAll's global work are available on our [website](#). You can find more information about the work we do in [Scotland here](#).

This briefing was prepared by Dr Katherine Trebeck and Dr Lukas Hardt.

If you want to find out more about the Wellbeing Economy or the work of WEAll Scotland we'd love to hear from you. Email Lukas at lukas@scotland.weall.org if you want to find out more. .

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