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Beyond GDP: rethinking prosperity for future generations

Researchers are developing new ways to measure progress that go beyond economic growth, helping policymakers create happier, healthier and more sustainable societies.

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For decades, economic growth has been treated as the clearest measure of progress. Yet rising GDP does not always translate into happier, healthier lives, and the environmental and social costs of growth are becoming harder to ignore.

Martijn Burger, a professor of happiness economics at Open Universiteit in the Netherlands, believes it is time to broaden the conversation.

“We are looking at subjective wellbeing,” he said. “It is about how people feel most of the time and whether they are satisfied with their lives.”

Rather than focusing solely on economic output, Burger and his colleagues are exploring what allows people to live long, satisfying and meaningful lives while ensuring future generations can do the same.

This question lies at the heart of a three-year EU-funded research initiative called WISER, which ran from 2023 to 2026, coordinated by Burger.

It brings together over 20 European universities and research institutions, as well as key research partners across five continents, spanning disciplines from economics and psychology to sustainability, health and public policy.

Their objective is to develop a framework to help policymakers balance economic prosperity with sustainable wellbeing for both current and future generations.

The timing is significant. In March 2026, the European Commission launched its first strategy on intergenerational fairness, aimed at ensuring that today’s decisions do not compromise opportunities for future generations.

Looking beyond growth

As Europe grapples with climate change, demographic shifts and growing social pressures, questions about how to define prosperity are becoming increasingly important.

The WISER team challenges a long-standing assumption in economics: that GDP per capita is the ultimate measure of a successful society. Instead, the researchers argue that economic growth is only one of several conditions that contribute to a good life.

“Economic growth can contribute to long and happy lives, but it’s not necessarily an outcome,” Burger explained. “You have types of economic growth that might actually not promote a long and happy life.”

Growth, he noted, can come at the expense of environmental quality, social relationships, or equality.

Research has shown that wellbeing depends on much more than income. Health, social connections, trust, security, meaningful work and confidence in institutions all play an important role in shaping people’s lives.

Eurostat’s latest figures show that Europeans rate their life satisfaction at an average of 7.3 out of 10. Yet significant differences remain between countries and social groups, highlighting the importance of understanding what drives wellbeing beyond economic measures alone.

These insights are reflected in the WISER framework, which places factors such as healthcare, education, environmental quality, social cohesion and strong institutions alongside economic prosperity as foundations of long-term wellbeing.

Lessons from Latin America

To better understand the drivers of wellbeing, the researchers looked beyond Europe. Some of their most intriguing findings come from Latin America, where people often report happiness and life satisfaction that exceed what economists would predict based on income alone.

Professor Lina Martínez of Icesi University in Colombia, who leads part of the Latin American research, describes this as the “Latin American phenomenon”.

While countries such as Finland, Denmark and Norway consistently perform well in international quality of life rankings, many Latin American countries report surprisingly high levels of day-to-day happiness, despite lower average incomes and less dependable public services.

The explanation, Martínez argues, lies largely in the strength of social relationships.

“In Latin America, happiness is about the strength of our relationships with family, friends, neighbours, community,” she said. “We are high on the scale because of this strength.”

Strong social networks often compensate for gaps in public services. Family members frequently provide childcare, elder care, emotional support and financial assistance, creating resilience and a strong sense of belonging.

“We use our social networks to provide and compensate for the services that we don’t have in the state,” said Martínez.

The findings may hold lessons for Europe, where loneliness and mental health challenges have become growing concerns despite relatively high levels of wealth and public investment.

Cultural differences mean Latin America's social model cannot simply be replicated, but Martínez believes there are practical lessons that can be applied.

"Talk with someone daily, call your mum, be more present with your friends, schedule that coffee with someone," she said. "You can start very small."

Turning well-being into policy

The WISER team's interest goes beyond understanding wellbeing. They are also developing practical tools to help governments evaluate policy choices through a quality-of-life lens.

The framework helps decision-makers understand how economic, social and environmental policy interact, enabling more informed choices about long-term development.

Among its outputs is a dashboard comparing traditional economic indicators with measures such as subjective wellbeing and "happy life years" – a metric that combines life expectancy with self-reported life satisfaction.

The framework has already been tested in a region south of Rotterdam that was experiencing economic growth, but struggled to retain young people. Using regional data and interviews with business leaders and local authorities, the researchers examined how to attract investment, but also what kind of development would genuinely improve quality of life.

Rather than simply pursuing industries that could boost economic output, the framework helped policymakers assess factors such as environmental impact, job quality and whether new employment would match the skills of local young people.

The exercise revealed important trade-offs. Logistics facilities and data centres could boost economic activity, but investments in agriculture, water innovation and sustainable tourism were judged more likely to serve both the environment and local communities.

"It is not only about how much growth, but also how you produce growth," Burger said. "If you produce growth in a way that is not sustainable, then that might come at the cost of overall quality of life."

A better future

The emphasis on future generations aligns closely with the EU's emerging intergenerational agenda. Environmental protection, for example, is viewed not only as an ecological necessity, but as an investment in future wellbeing.

"Environmental sustainability is not only about preserving the environment, but also sustaining wellbeing for future generations," Burger said.

As Europe searches for ways to remain competitive while addressing climate change, demographic pressures and social inequality, the WISER research offers a timely reminder that prosperity and wellbeing need not be competing objectives. Happier, healthier societies tend to be more productive, resilient and innovative over the long term.

This also aligns with international evidence. The World Happiness Report consistently shows that the world's highest-ranking countries combine economic prosperity with strong social support, trust in institutions and healthy life expectancy, suggesting that wellbeing and competitiveness can reinforce one another rather than compete.

The ultimate goal, the researchers argue, is not simply to create wealth, but to create the conditions for better lives today while safeguarding opportunities for future generations.

“We hope that our work motivates policymakers, maybe also businesses, to think differently about quality of life,” said Burger. “Focusing only on the economic capacity of regions is not the only way to ensure a good quality of life for the future.”

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More info

- WISER (CORDIS)
- WISER project website
- European research and innovation for intergenerational fairness
- Eurostat
- World Happiness Report