



How Was Life?

GLOBAL WELL-BEING SINCE 1820

How was life in 1820, and how has it improved since then? What are the long-term trends in global well-being?

Views on social progress since the Industrial Revolution are largely based on historical national accounting in the tradition of Kuznets and Maddison. But trends in real GDP per capita may not fully reflect changes in other dimensions of well-being such as life expectancy, education, personal security or gender inequality. Looking at these indicators usually reveals a more equal world than the picture given

by incomes alone, but has this always been the case? The new report *How Was Life?* aims to fill this gap. It presents the first systematic evidence on long-term trends in global well-being since 1820 for 25 major countries and 8 regions in the world covering more than 80% of the world's population. It not only shows the data but also discusses the underlying sources and their limitations, pays attention to country averages and inequality, and pinpoints avenues for further research.

The *How Was Life?* report is the product of collaboration between the OECD, the OECD Development Centre and the CLIO-INFRA project. It represents the culmination of work by a group of economic historians to systematically chart long-term changes in the dimensions of global well-being and inequality, making use of the most recent research carried out within the discipline. The historical evidence reviewed in the report is organised around 10 different dimensions of well-being that mirror those used by the OECD in its well-being report *How's Life?* (www.oecd.org/howslife), and draw on the best sources and expertise currently available for historical perspectives in this field. These dimensions are: per capita GDP, real wages, educational attainment, life expectancy, height, personal security, political institutions, environmental quality, income inequality and gender inequality.

Key findings

For some of the dimensions mentioned above the statistical correlation with the evolution of GDP per capita is strong. **Education** (as measured by literacy and educational attainment) and health status (as measured by life expectancy and height) improved strongly in many countries in the world, and there is a strong cross-section and over-time correlation with GDP per capita. Life expectancy at birth was about 33 years in Western Europe around 1830, 40 years in 1880, and almost doubled in the period after, with the largest improvements occurring in first half of the 20th century. In the rest of the world, life expectancy started to increase from much lower levels, rising in particular after 1945. There is strong evidence of a shift in the relationship between health status and GDP per capita over the past two centuries. Life expectancy improved around the world even when GDP per capita stagnated, thanks to advances in knowledge and the diffusion of health care technologies.

DID YOU KNOW?

... that less than 20% of the world population was literate around 1820 whereas in 2000 the literacy rate reached around 80%?

DID YOU KNOW?

... that worldwide life expectancy increased from less than 30 years in 1880 to almost 70 in 2000?

The statistical correlation with GDP per capita was much weaker for other well-being dimensions. **Political institutions** (as measured by electoral participation and competition) have greatly improved around the world in the past century. But their development was far from gradual, with sometimes violent swings in political rights in some countries. Also differences across countries in **personal security** (measured by homicide rates and exposure to conflict) do not correlate well with GDP per capita. Western Europe was already quite peaceful from the 19th century onwards, but homicide rates in the United States have been relatively high throughout the period considered. Large parts of Latin America and Africa are also violent crime “hotspots”, and so is the former Soviet Union (especially since the fall of communism), while large parts of Asia show low homicide rates.

A negative correlation with GDP per capita is clearly in place when looking at **quality of the environment**. Biodiversity declined in all regions and worldwide as land use changed dramatically. Per capita emissions of CO₂ increased after the industrial revolution in Western Europe and its Offshoots, accelerating in the mid-20th century as other regions increased their GDP, and are still increasing globally. Per capita emission of SO₂ (a local pollutant) also increased alongside higher industrial production, but were curbed since the 1970s thanks to the advent of cleaner technologies.

Long-term trends in **income inequality**, as measured by the distribution of pre-tax household income across individuals, followed a U-shape in most Western European countries and Western Offshoots. It declined between the end of the 19th century until about 1970, followed by a rise. In Eastern Europe, communism resulted in strong declines in income inequality, followed by a sharp increase after its disintegration in the 1980s. In other parts of the world (China in particular) income inequality has been on the rise recently. The global income distribution, across all citizens of the world, was uni-modal in the 19th century, but became increasingly bi-modal between 1910 and 1970 and suddenly reverted to a uni-modal distribution between 1980 and 2000.

Gender inequality as measured by outcomes in health status, socio-economic status and political rights, has been on a declining trend over the past 60 years in most world regions. Only in East Asia and in Eastern Europe did the decline in gender inequality stall in the 1980s. Differences in levels of gender inequality across regions remained however significant: Europe (including Eastern Europe) and the Western Offshoots performed best (albeit no country reached full gender equality). The Middle East and North Africa (mainly due to weak political rights) and South and Southeast Asia (due to skewed sex ratios at birth) performed the worst.



How Was Life? is part of the OECD Better Life Initiative (www.oecd.org/betterlifeinitiative), launched on the occasion of the OECD's 50th Anniversary in 2011. The OECD Better Life Initiative aims to promote “Better Policies for Better Lives”, in line with the OECD's overarching mission.

For more information please consult www.oecd.org/statistics/how-was-life_9789264214262-en.htm or contact WellBeing@oecd.org.