Human Development in Chile 2012

SUBJECTIVE WELLBEING: THE CHALLENGES OF RETHINKING DEVELOPMENT

SYNOPSIS

Today, there is a public conversation about development that is moving forward around the globe. Different actors are increasingly arguing that it is necessary to pay attention to other dimensions besides economic growth (or the traditional way of conceiving it), which implies fine—tuning goals, normative frameworks and even statistical measurements; it forces public actions to focus on "what ultimately matters" when striving for development.

In this context, the possibility of adding people's happiness as one more development goal is ever more present in international public discussions. Countries and leaders have begun to value, as a politically relevant objective, the considerations associated to the assessment that people make about their lives. Although it is incipient, this dialogue has also started within Chilean society.

Undoubtedly, this proposal represents an opportunity to rethink development. It is an opportunity, because it puts people back in the center of discussions about development, and because it strengthens arguments that favor identifying —beyond mere economic growth— the targets that a society must pursue in order to consider itself as developed. In other words, the appeal to place happiness as a goal of development, puts the focus on the question about "what is really worth" reaching, both in people's lives and in society's future.

However, this effort is not exempt from theoretical and practical obstacles. Beyond the greater or lesser level of support that this goal might generate, not all the possibilities that emerge from this debate are useful as guidelines for development. One of the main barriers is that, in its daily use, the notion of happiness is imbued with meanings that can hardly place it as a legitimate development goal. In fact, this Report shows that in daily conversations and in the discourse produced by markets, happiness is conceived as a goal whose pursuit depends only on the individual, and its social dimensions and causes become skewed.

The intention here is to show that, in order to redefine the horizon of development by

putting people's life plans at the center, we must expand our view. It is necessary to assume, in all its complexity, a dimension of development that thus far has been overlooked, and of which happiness is a part: subjectivity. By subjectivity we mean the space and the process in which individuals build an image of themselves, of others, and of the world, in the context of their social experiences. This area is made up of emotions, images, perceptions, wishes, motivations, and assessments, among other elements.

Introducing subjectivity into the discussion about development is currently an urgent task that not only emerges from the debate of political leaders and international organizations. In the last year, the global conversation about development has happened in parallel with growing signs of discontent in society. Today, more than ever, this makes it more evident that incorporating what people think and feel into the discussion about development is unavoidable. This has also been the case for Chilean society. No one has remained indifferent after having witnessed the growing expressions of social unrest that became part of the public agenda and daily exchanges throughout 2011. These signs strengthened even further questions about people's subjectivity, perceptions, and aspirations, and the collective mood. This context led to a new environment for assessing development in Chile. Public opinion began to reflect ambivalent assessments about Chilean society: the country shows very good macroeconomic figures, with a growth rate of 6%, which is much higher than the world average. The unemployment rate has fallen below 7%, and there are considerable hikes in the levels of investment and entrepreneurship. These numbers are consistent with a positive evolution of the Human Development Index (which shows the country's progress in the areas of health, education, and income), that has moved from 0,630 in 1980 to 0,805 in 2011, placing Chile in the top position in Latin America. Nevertheless, these figures coexist with a climate of social discontent that is surprising in the diversity of its aspirations and its ubiquity. In each protest activity -from micro- to macro-social issues- one can detect a lack of satisfaction or unrest within society. And in most of those activities, the underlying theme is the inequality phenomenon.

There is no consensus in the assessment of these facts. According to some sectors, they are positive, because they express an achievement, the return to center stage of a mature democratic society. For others, this situation is negative, because it threatens the foundations of governability and hampers continued progress towards development. In this context, it is vital that society –particularly the elites– produces a correct diagnosis and assumes the need for an in–depth debate. Three scenarios may prove particularly problematic: 1) Thinking that everything is wrong, that people mobilize only because they are unsatisfied with their personal lives, while ignoring the fact that current social discontent coexists with a positive appreciation of personal life; 2) Thinking that

everything is fine, and dismissing or minimizing social discontent, taking only into account that people are increasingly satisfied with their lives. It should not be forgotten that this may be perfectly consistent with a critical view of society; and 3) Wasting the transforming potential of discontent: the ability to express it, and to respond to it in an active and organized manner is the basis to generate positive change from and for society.

Both global discussions about development and Chile's 2011 juncture constitute a call to rethink development while taking into account the reality of subjectivity. This is a profound need that matches long-term changes, which have been happening in the world and in Chilean society. It would be a mistake to believe that only Chile's situation has brought the concern about subjectivity to the forefront. It would also be wrong to think that in the future a less conflictive social scenario would imply that the issue of subjectivity would not be as relevant. This is about profound changes. While the 2011 events reinforced this concern, for years this issue has been part of the broader framework of discussions about the goals of development. It would also be safe to suggest that, in the future, concerns about the subjective aspects of development will increase. In this context, while strictly technical and economic variables are still important, they are less powerful at the time of explaining social changes and social demands. Efficiency and checks and balances criteria for functional systems must go together with considerations about people's subjectivity, such as demands for social recognition, new aspirations, and the questioning of the legitimacy of institutions and public actors. If these considerations are not given enough space, the legitimacy of the model of development and the operation of functional systems might be put into question.

For all these reasons, it is necessary to rethink development based on people's subjectivity. The proposal put forward by this Report does it by placing the notion of "subjective wellbeing" at the center of discussions. Being one of the goals of development, this notion has to do with society generating the necessary conditions for people to feel satisfied, both with their lives and with the society where they experience their lives. Advancing in that direction is not easy, and it implies assuming a set of challenges that are explained below.

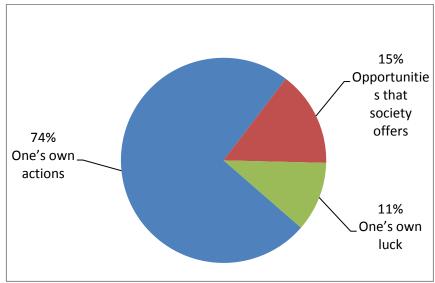
FIRST CHALLENGE: EXPANDING OUR APPROACH FROM HAPPINESS TO SUBJECTIVE WELLBEING

The first challenge consists of expanding our approach. As has been said, one of the most discussed alternatives at international conferences to incorporate subjectivity into the debate about development is that happiness should be its natural goal. But this proposal presents lights and shadows, because although the academic and political discourse about happiness rightly places the individual and his/her goals at the center of the development issue, this Report shows that the daily and predominant use of the "happiness discourse" (which is accompanied by an emerging "happiness industry") contains a significant shortcoming: it maintains that happiness must be reached in an autonomous way, not only detached from society, but rather as a form of defense against society. This promotes a concept of subjects without a society. As a result, and as Graphics A and B show, most people believe that achieving happiness only depends on each individual's actions.

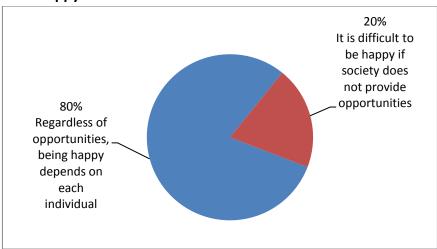
This idea matches the references of happiness that most Chileans have. According to the 2011 Human Development Survey, in general terms the kind of happiness to which Chileans refer is focused on personal aspects (Graphic C). When they are asked what constitutes a happy life, the most selected options are about leading a peaceful life (36%) and about loved ones being well (27%). It is a very family—centered concept of happiness, which varies substantially according to socioeconomic groups.

That is why it is not surprising that, in people's opinions, happiness competes with other social goals (Graphic D), and that the majority does not see it as a priority social objective (Graphic E). How could a concept that people consider as a private matter, and that seems to exclude the role of society, be designated as a development goal? If development implies a promise about the future, it is not possible to place as one of its goals an idea that people do not link to a valuable and viable social task. Thus, the limitations to place the notion of happiness as a development goal are evident. For that reason, this Report proposes addressing the broader notion of subjective wellbeing: it is more culturally neutral and, although not exempt from difficulties, it does not carry the conceptual limitations of the idea of happiness. It also allows for a more precise highlighting of the relationship between subjectivity and society.

Graphic A
Achieving happiness depends mainly on ...



Graphic B
With which of the following sentences do you identify most regarding how it is possible to be happy?



Source: Human Development Survey, UNDP 2011.

Why? Because, although the social discourse about happiness does not acknowledge it, society does matter in the achievement of subjective states of satisfaction. Social conditions affect what people feel and think about their lives. This is illustrated, for example, in Graphics F and G, where one can observe that the average level of life

satisfaction and the percentage of people who place themselves on the higher echelons of satisfaction increase along with the person's socioeconomic position.

The present Report provides ample evidence about this point. For example, that is the conclusion that is drawn from the results of a multi–level analysis exercise which systematizes and confronts information from different moments in over 90 countries, and for a broad set of variables. The analysis –which was specially done for this Report, based on surveys and international data— shows that there is a set of specific structural conditions for countries that are associated more significantly with variations in the levels of life satisfaction. As a complementary element, the effect of individual characteristics that are linked to subjective wellbeing depends on structural conditions.

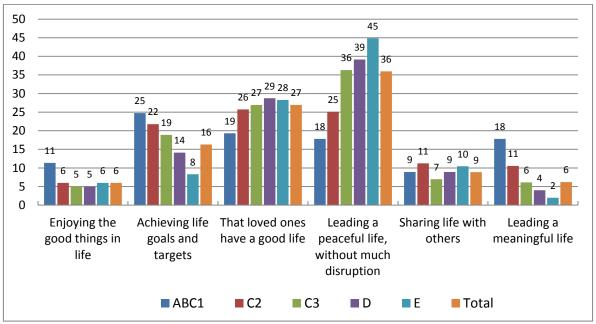
SECOND CHALLENGE: ADOPTING A COMPREHENSIVE DEFINITION OF SUBJECTIVE WELLBEING

The second challenge involves adopting a comprehensive definition of subjective wellbeing that takes into account the complexity of the relationship between subjectivity and society. The research that was conducted for this Report showed that, if one wishes to consider subjective wellbeing as a development goal, from the beginning there must be a broad definition of subjectivity, that not only includes the personal dimension, but also the mentioned social dimension. The definition must also assume that subjectivity is made up not only of the evaluation that people make of themselves, but also of the assessment that they make of the society in which they live. Both judgments are key, but may not go hand in hand. That is why it is important to consider all dimensions of subjectivity. Only then will we be able to comprehend what is happening in Chile today, and project the dialogue that the country requires for the future.

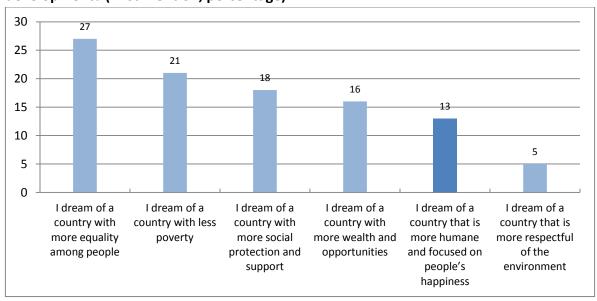
What empirical studies show is that, in general, Chileans are satisfied with their lives, and that the way they perceive themselves has been improving in the last few decades. Although there are differences, the majority believes that their lives are better today than ten years ago, which reveals a certain level of satisfaction with personal life. In contrast, the perception about society is rather negative, and this trend is growing. Citizens have a negative opinion about the opportunities that the country offers, and trust in national institutions has deteriorated (Graphic H). Chileans are satisfied with their own lives, but are discontent with society: that seems to be the reality of subjectivity in Chile today.

Graphic C

Considering what a happy life means to you, and assuming that all of these alternatives may be significant, What is most important to you in order to have a happy life? According to GSE (percentage)



Graphic D
Which of the following statements best represents what you hope for Chile's development? (First mention, percentage)



Source: Human Development Survey, UNDP 2011.

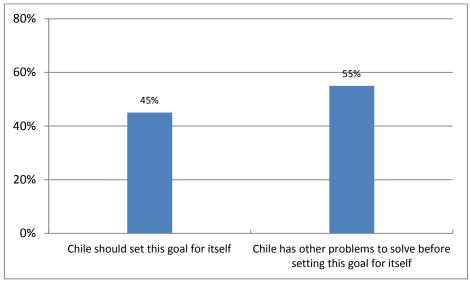
This separation between personal and social aspects is not immediately evident or expected. The usual expectation is that both aspects should be interlaced: if people are satisfied with their lives, then they should be satisfied with society; if people are unsatisfied with society, then they should experience a significant uneasiness about their personal lives. However, the data show that it is not necessarily like that. Thus, the crucial importance of analyzing subjectivity while paying attention to the way in which the subjective wellbeing and the subjective discontent that people express are inter–related, regarding both their own lives and society.

In order to connect subjective wellbeing and development, while considering subjectivity in a comprehensive way, the Report suggests a definition of subjective wellbeing that is made up of two components: individual subjective wellbeing, and subjective wellbeing with regard to society. The first refers to the subjective state that derives from the cognitive—emotional assessment that the individual makes about his/her own life. The second has to do with the subjective state that is the result of the cognitive—emotional evaluation that the individual makes of the society in which he/she lives. In empirical terms, this Report has opted for measuring the former mainly based on "satisfaction with life", and the latter based on "trust in institutions" and the "assessment of opportunities that society offers in relevant areas." When either one of these indicators reaches a level that —according to technical criteria— may be considered as positive, the Report refers to subjective wellbeing. When they reach levels that may be considered as negative, the Report talks about subjective discontent.

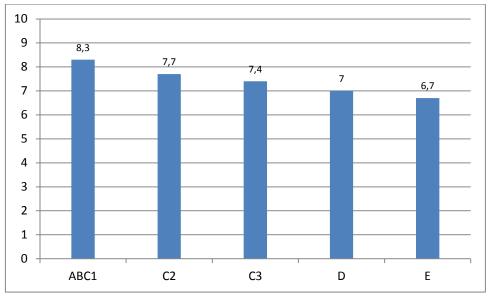
In terms of a development horizon, the goal is that society generates conditions for people to have positive assessments in both cases, meaning that they reach high levels of satisfaction with their own lives and with the society in which they live.

Graphic E

Presently, in some parts of the world there are proposals for countries to set the goal of achieving the happiness of their citizens. Thinking of Chile, Would you say that...?



Graphic F
Scale of satisfaction with life (1 to 10), according to GSE (averages)



Source: Human Development Survey, UNDP 2011.

THIRD CHALLENGE: FOCUSING PUBLIC ACTIONS ON CAPABILITY BUILDING FOR SUBJECTIVE WELLBEING

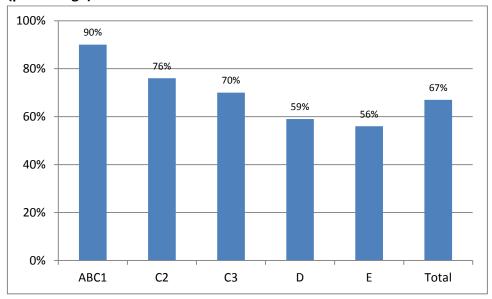
The third challenge is focusing public actions on capability building, because such actions cannot affect people's subjective wellbeing directly. Subjective wellbeing, more than other development goals, has a margin of independence regarding society, because it also depends on factors that society does not affect. Nonetheless, society can make a big difference if it builds conditions that allow people to fully develop their capabilities. What are capabilities? They are the actual freedoms that people have to design and put into effect the life plans that they desire. Capabilities are characterized by the fact that they are built socially, but are excersided individually.

The empirical analysis of this Report shows —through different methodologies— that society can increase the opportunities for people to reach subjective wellbeing, if it provides them the necessary capabilities. When people increase their reservoir of capabilities, they also improve their agency, that is, their opportunities to act within the framework of social conditions to achieve their goals and targets in life. The result is that it is more possible for them to reach subjective wellbeing. This is a central fact: the larger the reservoir of capabilities that society offers, the greater the number of opportunities that citizens have to reach subjective wellbeing.

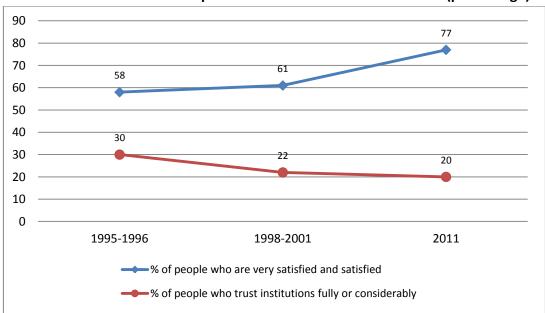
What are the most relevant capabilities to reach subjective wellbeing? There is no easy answer, and a broader social discussion is necessary. One of the main challenges that must be faced when assuming the task of rethinking development from a subjective wellbeing approach, is harmonizing the views that might exist in society about the most important steps that are necessary to reach subjective wellbeing, because people's life plans are infinitely diverse. However, the options that society may adopt and promote in a particular period and framework of restrictions, are not as diverse. This Report suggests an exploratory list of capabilities that allows for an empirical analysis of the relationship between subjective wellbeing and capabilities. The list and the diagnosis that derives from this analysis are suggested as an input for debate.

The list of capabilities was built based on the review of specialized literature and of discussion workshops attended by different social groups.

Graphic G
People who answer 7 or higher on the personal life satisfaction scale (1 to 10) (percentage)



Graphic H
Evolution of satisfaction with personal life and trust in institutions (percentage)



Source: Developed by the authors, based on data from CEP and CERC series.

The list was translated into quantitative measurements of the capabilities that are available in the country, which allows a description of Chilean society based on the heterogeneous distribution of those capabilities. By utilizing different statistical methods, we determined which of these eleven capabilities are most associated to subjective wellbeing in its two dimensions (individual and vis—a—vis society). Diagram A summarizes the list of capabilities and the empirical question of the Report.

The statistical analyses conducted for this Report show that there are six key capabilities that are necessary in Chile in order to build subjective wellbeing. Some have a stronger association on individual subjective wellbeing, while others have a bigger correlation on its equivalent vis—a—vis society. It is also possible to identify some capabilities that are cross—cutting for both subjective states, albeit with different intensity in each case.

Capabilities for individual subjective wellbeing: basic needs, social ties, and life meaning

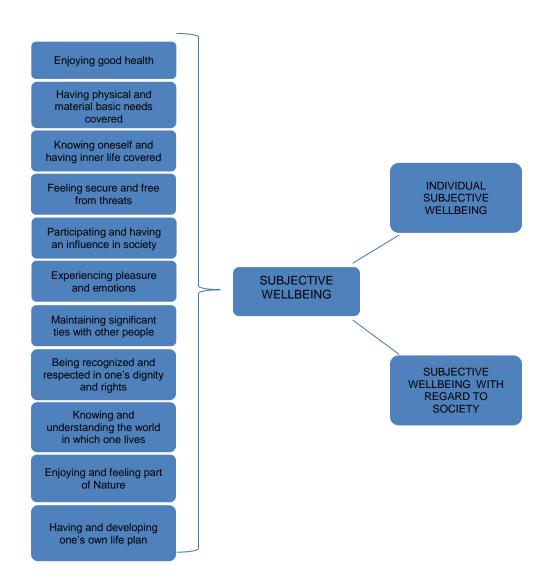
Regarding individual subjective wellbeing, the most significant capabilities are "enjoying good health", "having physical and material basic needs covered", "maintaining significant ties with other people", "being recognized and respected in one's dignity and rights", and "possessing and developing one's own life plan". These capabilities can be grouped in three levels. Some deal with practical and material aspects such as health and basic needs, and others have to do with relationships, like social ties and respect, while others fall into the individual area, like the capability to develop a life plan. The individual subjective wellbeing of Chileans is built around the interrelation of these three levels.

The provision of these capabilities is very unequal, which is consistent with the fact that individual subjective wellbeing is unequally distributed within the population. While unveiling the capabilities whose absence or presence is associated to this phenomenon, the Report reveals a new face of inequality in Chile: Today, not only material or traditionally addressed capabilities (like basic needs and health) are not well distributed. Also badly distributed are capabilities that may be considered as non–material (such as social ties and life plans). For example, this can be observed in the distribution –according to different socioeconomic strata— of the perception of loneliness and the personal definition of targets and life plans (Graphics I and J).

Capabilities for subjective wellbeing with regard to society: security and respect

The capabilities that are most associated to subjective wellbeing with regard to society are "feeling secure and free from threats" in areas like health, work, pension system, and crime; "being respected in one's dignity and rights"; "having physical and material basic needs covered"; "maintaining significant ties with other people"; and "being able to participate and to have an influence in the society in which one lives".

Approach A
Empirical relationship between capabilities and subjective wellbeing

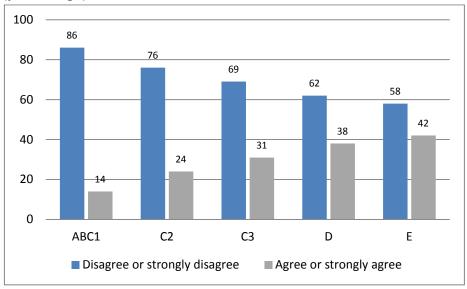


Of these five capabilities, there are two that stand out because they have a much stronger influence than the others on the subjective wellbeing of Chileans vis-a-vis society: security and respect. It is important to note that the measurements that were conducted for these capabilities show that people overwhelmingly place themselves in positions that are marked by deficiencies rather than achievements. Therefore, as has been mentioned, in Chile what predominates vis-a-vis society as a whole is discontent rather than subjective wellbeing. With respect to human security, the Report offers a comparison of the "subjective human security index" for 1997 and 2011. This index measures how confident people are regarding four key aspects of security: work, health, retirement income, and crime. The data show that subjective human security levels are rather low in Chile, and that between 1997 and 2011 these levels have experienced a slight and uneven increase, according to social area and social group (Graphic K). The observed slight increase is due mainly to an improvement in the security on health that is concentrated in low-income sectors. Still, subjective human security levels for these groups remain low. Sector C2, which represents a part of the middle class, statistically show significant drops in dimensions like security on retirement income.

On the other hand, criticism of Chilean society due to a lack of respect for social relations comes up as a very powerful factor in the rise of discontent. Of all people surveyed, 28% identify themselves as having been the victim of mistreatment in the previous year, and 59% are in disagreement with the following statement: "In this society, the dignity and the rights of people like myself are fully respected". This feeling and this kind of experience are present in a cross—cutting manner throughout Chilean society, with minor differences based on socioeconomic sector. Nevertheless, as Graphic L shows, while the feeling that there is a lack of respect for people's dignity and rights, as well as experiences of mistreatment, are relatively even in their distribution among socioeconomic groups, the perception that it is possible to successfully complain about these situations is distributed unevenly. It should not come as a surprise that this difference in the capacity for action constitutes a significant additional source of unrest within Chilean society.

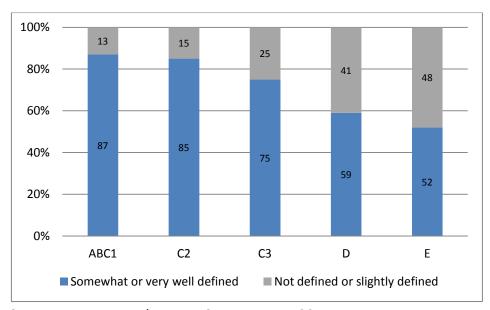
Graphic I

Degree of agreement with the statement: "I frequently feel lonely", according to GSE (percentage)



Graphic J

Degree of definition of life plan, according to GSE (percentage)



Source: Human Development Survey, UNDP 2011.

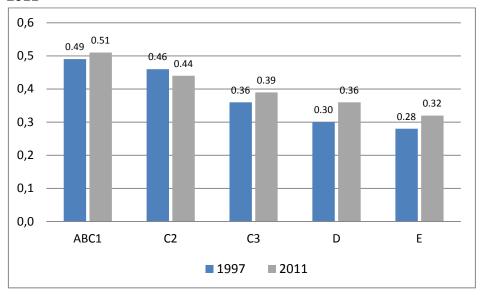
FOURTH CHALLENGE: WORKING ON THE REAL COMPLEXITY AND DYNAMICS OF SUBJECTIVE WELLBEING AND DISCONTENT

The fourth challenge consists of understanding and assuming the real dynamics and complexity of subjective states, incorporating different levels of analysis. The distribution of the six key capabilities within the population allows us to comprehend the joint dynamics of subjective wellbeing and discontent, both at the individual level and vis—a—vis society. This constitutes the key for a comprehensive understanding of the current situation of subjectivity in Chile. From this analysis, the Report identifies four population groups (Approach B).

There is a group of "satisfied and content" persons, who are satisfied with their own lives and content with the country, because they possess many capabilities. These capabilities are mainly related to individual subjective wellbeing (basic needs, social ties, health, life plan), and are also associated particularly to subjective wellbeing with regard to society (respect and human security). There is another group of "unsatisfied and discontent" persons, who are unsatisfied with their own lives and also with the country. The reason is that they possess a small reservoir in all capabilities. They have unfulfilled needs in the material, social ties, and life meaning areas, and their experience vis—a—vis society is characterized by a lack of security and of respect. Although in both situations there are individuals from different socioeconomic groups, the first situation is very typical of persons who belong to the upper classes, and the second situation is clearly identified with lower socioeconomic sectors.

However, there are many persons, especially in the middle class, who experience an asymmetry. They possess a good reservoir of capabilities related to satisfaction with their own lives, and a deficient set of capabilities that are linked to satisfaction with respect to society. This asymmetry is what explains the apparent paradox of "satisfied but discontent" persons. The Chilean middle class has growingly acquired capabilities that have an impact on the person's individual situation (health, life plan, social ties, basic needs), and this has led to a greater appreciation of personal achievements and capabilities. Nonetheless, members of that middle class feel that they live in a society that does not offer them security or respect, and this causes discontent. In other words, they have had the tools to imagine and to start building satisfactory life plans, but society has not established the necessary conditions to continue developing those plans to their full potential. This asymmetry generates discontent.

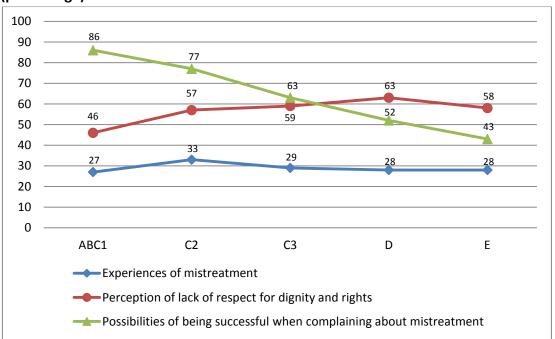
Graphic K
Subjective Human Security Index – Global Comparison (0 to 1), according to GSE 1997–2011



Source: CEP-UNDP 1997 Survey and Human Development Survey, UNDP 2011.

Graphic L

Experiences of mistreatment, perception of lack of respect for dignity and rights, and possibilities of being successful when complaining about mistreatment, according to GSE (percentage)



Source: Human Development Survey, UNDP 2011.

The opposite asymmetry is observed regarding the "unsatisfied and content", which is a very representative group among the most vulnerable sectors. People who belong to this group have an average state of health, an average coverage of their basic needs, significant social ties that sometimes are also unstable, and are not able to construct a life plan. They also have a very low level of human security, but feel more respected than individuals in the group previously mentioned; they feel that they have more opportunities to influence their environment than the previous group, particularly by organizing their community. All this may explain why they are less discontent. Nonetheless, society has not been able to generate the conditions that would allow them to develop the necessary capabilities to increase their individual satisfaction.

The differences observed in this typology analysis are expressed on people's daily practices. If people have more or less capabilities, this has an influence on their levels of agency, that is, their capacity for action. Persons mobilize their capabilities towards their life plans and goals, increasing or diminishing their subjective wellbeing that way. Thus, as capabilities are unequally distributed within the population, so are people's opportunities to act on their environment in order to make their life plans a reality. According to the practices observed in this Report, based on a qualitative study, efforts made to improve wellbeing or reduce discontent are grouped in two categories: daily and constitutive practices. Daily practices are actions that most people carry out routinely; their duration is limited, and they tend to fall into specific areas such as family, work, and free time. Constitutive practices are actions through which people seek to build a self–image that is consistent with themselves, that is legitimate, and that is also recognizable by others. As opposed to daily practices, constitutive practices are long–term, and operate indistinctively in the different areas of people's lives.

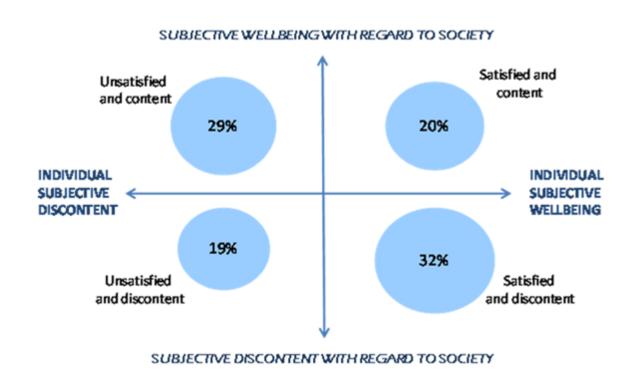
The main elements that condition practices for subjective wellbeing are structural (scarcity of economic resources, difficulties in achieving compatible timeframes, human insecurity), or are part of relational dynamics that are deeply rooted in Chilean society (authoritarianism, disrespectful treatment), and regarding which individuals feel there is very little room to maneuver. In Chile, people do a work in order to be happy which can bring joy and gratification, but this is often an uphill battle. The best image to describe Chileans is that of jugglers, who try to get ahead with their aspirations in the midst of adverse circumstances.

That is why a key finding of this Report is that, in general, Chileans are more tactic than strategic in the way they construct their subjective wellbeing. Most Chileans implement adjustments or adaptations within the framework of their living conditions, but do not

carry out substantive actions to transform that reality, since they have difficulties to adapt the conditions of their environment to their motivations and life plans.

Approach B

Types of subjective wellbeing and subjective discontent



FIFTH CHALLENGE: INNOVATING IN PUBLIC ACTIONS IN ORDER TO BUILD CAPABILITIES FOR SUBJECTIVE WELLBEING

The fifth challenge to make subjective wellbeing a development goal, is including it explicitly among public policy objectives. For that to happen, innovation must be applied to the way policies are made.

Globally, in general, public policies that have sought to explicitly affect people's subjective wellbeing are relatively few and incipient. In fact, in international discussions it is acknowledged that this field is in its embryonic stage, and therefore there is no consensus about experiences that could be replicated. There is still a need to accumulate more evidence that will allow a stronger foundation to design these types of policies. Nonetheless, those initial experiences emphasize the importance of adding new

considerations to public policy design.

Public policy makers must acknowledge that, whether it is unintended or not, for good or for bad, all policies have an impact on the capabilities that are associated to subjective wellbeing. Public policies not only have an influence on traditional capabilities for which there are monitoring mechanisms; they also have an impact on non–material capabilities whose analysis and monitoring is often unattended. For that reason, and particularly if subjective wellbeing is adopted as an explicit objective, public policies must incorporate the challenge of applying a more complex approach, besides aiming at multiple goals, harmonizing their areas of intervention, and not overlooking areas that are not a priority. In light of the empirical findings, this Report maintains that, in order to incorporate capabilities for subjective wellbeing as a goal of public policies, policy–makers must make the effort to:

- a) Mainstreaming capabilities for subjective wellbeing in all public policies in a cross—cutting manner. In other words, public policies must consider explicitly, in their goals and assessments, their potential effect on subjective wellbeing, and on the specific capabilities through which policy makers hope to have that impact.
- b) Address real subjects. The principle of realism must be extended to assumptions that are made about the subjects towards whom policies are aimed. This way, their true characteristics are taken into account, and no false assumptions are made regarding their capabilities and motivations.
- c) Consider the whole process of capability building while designing policies. In that effort, it is clear that creating opportunities is not enough. Firstly, because it is not obvious what a real opportunity is from the perspective of people's life plans. Society must decide, according to its desired objectives, what an opportunity is and which opportunity must be favored society—wise. Secondly, capability building also demands paying attention to factors of ownership regarding those opportunities, to make sure that they are truly available, without illegitimate restrictions. Equal access must be guaranteed for valuable opportunities, assuming that the capacity for action—agency—is very unequally distributed in the population. Thirdly, capability building implies that public policies must anticipate and construct social scenarios in which people will put into practice the opportunities they have obtained. Not taking into account the role of institutional, cultural, and relational scenarios in which opportunities are presented, may neutralize any policies of capability building for agency, as well as people's efforts to leverage the opportunities that are offered.
- d) Tune in with people's life plans. Public policies must consider that a life plan unfolds in different stages and moments. Knowing those plans is essential in order to guide a policy.

An opportunity must not only satisfy one specific need. At the same time, it must be a long-term asset in people's lives.

- e) Act in an inter–sectorial manner. This is a prerequisite in order to tune in with people's life plans. It is the only guarantee for synergies to happen, and to avoid the cross–capability effect of one unidimensional effort on another capability in a different sector. People's life plans must be the unit around which policies are coordinated.
- f) Avoid taking for granted what is valuable in a certain policy. Efficient discussions must be fostered among people involved about what they consider as valuable, before designing objectives and procedures.
- g) Be open to trial and error. In a field like this, dominated by innovation, and where evidence is still in the accumulation stage, it cannot be expected that public policies will act on solid ground, knowing beforehand what works, and what the performance will be for each resource unit that is invested. Errors must be internalized as a vital element of learning, and must be included as part of policy design through ongoing feedback mechanisms, with the purpose of improving policies.
- h) Begin accumulating evidence based on the systematic measurement of the population's subjective wellbeing. While they are not exempt from technical and political controversies —the same could be asserted about traditional statistics— subjective wellbeing measurements have accumulated enough consistency to be included in official statistics. In fact, in accordance with the empirical findings of this Report, official measurements about individual wellbeing will need to be enriched by measurements of people's level of satisfaction vis—a—vis society. Also, the monitoring of capabilities that are more associated to subjective wellbeing must be included. Particularly challenging will be the inclusion of non—traditional capabilities, which until now have not been systematically present in official statistical instruments. It must be kept in mind that all of the above—mentioned are means of verification, and not an end in themselves: their main role is to accompany a monitoring and innovation process that still has much evidence to accumulate. Outcomes, in terms of the impact on subjective wellbeing, will take longer than survey results to be known. Due to the complexity of the objective, progress that is apparently modest may mean significant changes.

SIXTH CHALLENGE: RENOVATING POLITICAL CULTURE IN CHILE TO INCLUDE THE NEW DYNAMICS OF SUBJECTIVITY

The sixth challenge consists of renovating Chile's political culture, in order to generate better forms of representation for the new dynamics of subjectivity.

Among the demands that people present vis—a—vis society today, economic wellbeing and human security have a significant role, but the core content goes beyond that: people demand a way of life —dignity—, a way of relating to each other —respect—, and a way of feeling fulfilled —social support for their life plans—. Translated into the language of political culture, this means that significant sectors of society increasingly assess institutions and their leaders from the perspective of the support and the types of relationships that allow them to make their life plans a reality. This change does not aim to demand that society be subjected to each person's wishes and needs. What is demanded is a new type of society, of public institutions and of social relations: one that places at the center dignity, respect and support for people's life plans.

Human development in Chile, conceived as the building of capabilities for people to make their desired life plans a reality, today requires acknowledging, debating, and processing the interests that are raised by the different expressions of subjectivity. The aim is reconstructing the way in which public actors and citizens relate, which would allow representing and leading the transformation of subjective aspirations into collective and institutionally programmatic decisions. This demands a new political culture, in which institutions provide interpretations for citizens' fears and wishes.

What does deliberating in a democratic manner mean? It means acknowledging and processing the daily material and non-material demands of individuals and groups through formal dialogue and negotiations. This should be an open effort that takes place in the framework of democratically validated procedures and criteria, to give collective decisions a legitimate and binding character, and whose effects may also be reconsidered by the citizenry. These mechanisms must be deployed –territorially and sectorially— where there are changes, demands, and conflicts waiting for recognition and processing.

This is a key point to achieve the necessary change in political culture: discontent, conflict, and protests can have a positive role in social discussions —these are signs of imbalances between subjectivities and institutions— and may lead to the strengthening of institutional legitimacy. That is why they should not be perceived as threats. To the contrary, what threatens institutions today is their impermeability to cultural changes.

Democratic deliberations imply being open and willing to consider the arguments of sectors representing different interests, to compile diverse forms of evidence, and constituting alternatives jointly. Deliberating also involves accepting that it is not possible to process all aspirations of subjectivity at once. There are restrictions not only of material resources, but also of time. Discussions must collectively take on the task of organizing

aspirations, categorizing demands, prioritizing objectives, postponing gains, balancing the distribution of achievements and burdens, and programming stages. This is aimed at a key shortcoming in today's political life: deliberations must be accompanied by the creation of time, that is, the creation of trust in commitments that have been made: although they are gradually achievable, they do have a timeframe for being honored.

The issue of subjective wellbeing challenges us to rethink the kind of development that we want for Chile. It is not an easy task. It has to do with starting —as a society— a new discussion about basic things: the kind of development that we want, and the means that we will consider as legitimate in order to reach that goal. It is an offer to give a collective new meaning to a shared horizon, towards which we should aim our dreams about the future; the future that we desire, and not only the future that is possible. Today, in different ways, all public actors and citizens are involved in this discussion. Everyone should have a leading role in the search for these answers. The findings and suggestions of this Report are presented as a contribution to this unavoidable conversation.