



Transcription of Professor Lord Richard Layard's Lecture:
Tuesday 5 April 2005

HAPPINESS

Carol Tannahill:

Good afternoon everyone and a very warm welcome to you all, to 'Happiness' - the third lecture in the Glasgow Centre for Population Health's inaugural lecture series. I'm Carol Tannahill, the Director of the Centre for Population Health, which is still a relatively new organisation set up to enable some fresh thinking and some innovative research to try and help us understand the causes, and potential solutions, to the enduring health challenges we face in Glasgow.

I have the task tonight simply of housekeeping and then I shall pass over to the others on the stage here. So, I have to talk firstly about mobile phones i.e. could you please make sure they are switched off; secondly about wine, which you get at the end and is through the door at the back here; thirdly, about fire escapes which again are well signed with the green notices above the doors at the back of the hall - there's no test anticipated so if the bell goes off please evacuate; and fourthly to alert you to the information on your seats about the next lecture in this series which takes place in May. Please take that away with you and if you are keen to come along to that one you'll be able to register on the centre's website imminently. I hope to see many of you there as well.

So that's my housekeeping. I'm now delighted to hand over to Stephanie Young, Senior Director from Scottish Enterprise Glasgow who's very kindly agreed to chair this evening's session.

Stephanie Young:

Thank you very much Carol. I've got probably the easiest task which is to keep you all in order and keep us on time and because of the delay (hopefully our colleagues will arrive from the Edinburgh train at some point) we are going to run on slightly later because I'm expecting to have lots of questions so I don't want to cut off the time for that. So we'll finish between 6:10 and 6:15 if that is agreeable to everyone? If you could hold on for a glass of wine that long - is that possible? Yes, do you think you can manage to go that length of time?

Well what we're going to have is a presentation from Professor Layard about whom I'll say a bit more. He's going to take about 40 to 50 minutes. We'll then have the opportunity for questions and then Wendy Alexander, MSP for Paisley North, will add a few comments - say what this might mean for policy - and we'll offer a vote of thanks. It'll be Wendy's task to make sure we do get out between 6:10 and 6:15 so she's to blame if you're held up from your wine!

If I can say a bit about our distinguished visitor today... For all those of us who studied economics his name is well panned, as they say, and his textbooks are probably forever etched in our memories. He's been the leading light at the Centre of Economic Performance at the London School of Economics which is a large research centre covering most areas of economic policy. Since 2000 he's been a member of the House of Lords. He has written widely on unemployment, inflation, education, inequality and post-communist reform. He was an early advocate of the welfare to work approach to unemployment and co-author of the influential book "Unemployment, Macroeconomic Performance and the Labour Market". From 1997 to 2001 he helped implement these policies as a consultant to the Labour government. He's also been involved in educational policy development for the post-sixteen group of young people. His current research focus is on 'happiness', aiming to achieve a unified understanding of the insights of economics, psychology, neuroscience and philosophy - no mean feat. He also maintains his strong interest in unemployment and educational policy. Professor.

Richard Layard:

Thank you very much and thank you all for coming. I don't know if you know the story of Michael Howard when he was Home Secretary? He went to this prison and he had to speak to the prisoners in the yard. There they were, these murderers and rapists and so on - this is true story - and he obviously thought that he couldn't begin the way he normally did - 'I'm delighted to be in such distinguished company' - so what he actually said was "I'm so glad that you are all here!" [*Laughter*]

Well I'm delighted to be here to talk about happiness in the capital of the Scottish enlightenment of the 18th century where that idea was developed and, of course, the capital of the Scottish enlightenment of the 21st century as well. As you are aware Scotland was the home of the original formulation of the idea that the best society was one where people were happiest - one of the many important ideas of modern civilisation, I think we can say. Thomas Hutcheson thought that this applied both to public policy - therefore public policy should produce the greatest happiness - but also to private morality - that if you are thinking about what to do, you should think about the total amount of happiness that it will produce over all the people which your decision is affecting. That's the basis on which I think we ought to be proceeding and I'll come back to that in a moment.

In the 19th century, of course, this idea was applied to public policy anyway but was also probably the governing idea and the main inspiration for much of the social reform of the century including aversion to slavery, factory reform, and so on. It also, of course, provided - to economists at least - a very powerful argument for the redistribution of income. The argument was that an extra pound is worth more to somebody who is poor than somebody who is rich. So, obviously, if you take it from the rich person and give it to the poor person you increase the total amount of happiness between two people. I still think that's the main argument for equality in the distribution of income. It was also used, this argument, as a reason for supporting people with other forms of disadvantages - poverty, physical or mental handicap, and so on. The tragedy was that it fell out of favour in the last century and this was mainly a matter of the history of ideas we have in psychology from the beginning of the 20th century - the idea that you couldn't tell what was going on inside people, which everybody in the 19th century assumed you could, and for most human history it did. This was what was called behaviourism - all you could do was observe how people behaved. This idea then spread into economics and of course was actually an absolute god-send to those of a laissez-faire persuasion because if you couldn't know what was going on inside people, it's very difficult to think what you could do for them.

So that argument for redistribution disappeared and the impact on economics was that the only thing you could think about was the total size of the cake you couldn't think rationally about its distribution but at least you could, so economists thought, make the total as big as possible. So, the GDP became the god and nothing to do with redistribution could qualify the objective of maximising the GDP. I don't want to embarrass you but I was embarrassed myself because I thought I might embarrass you... If you look in the documents of Scottish Enterprise you will see that the maximisation of the GDP per head there is one of the main objectives. Certainly if you listen to leaders like Gordon Brown or the G7 you might almost think that the main thing in the world between the great nations of the world is a race to achieve the highest GDP per head not totally regardless, but very largely regardless of the quality of life, quality of relationships between the people involved in production and consumption of the GDP. This is not exactly an objective that is going to be perfect from the point of view of human welfare.

Fortunately, the science has now changed and psychologists now do believe that you can tell what's going on inside people and that therefore, happiness is an objective phenomenon. They also think they have ways of measuring it and therefore, they can begin to try and explain it and that will provide tools for the policy makers for how to produce the maximum happiness for the citizens.

I think I must say something about what I mean by 'happiness' because it's a problematic word... I think... Carol [*Craig*] tells me it's not a word you can use in a straightforward way in Scotland. Actually I must read you out... I have a diary that has little sayings in it, and this was a saying from H L Maitland who's an American writer: "Puritanism: the haunting fear that someone, somewhere may be happy." [*Laughter*]

Well, by 'happiness' I mean feeling good and wanting to go on feeling that way. And by unhappiness I mean feeling bad and wanting to feel different. So that's what I mean by happiness. Now obviously our feelings fluctuate but again, obviously, if we're having a serious discussion about how we want society to be organised or human characters are developed, we're interested in the long run average; we're not very much interested in the very short peaks of happiness because they don't contribute very much to the long run average which a person experiences. So, how can we know what people feel?

Can everybody hear at the back? I will tell you another story. Do you know the story about Mrs Thatcher? I think this is also true. She said at some meeting: "Can you hear me at the back?" and somebody said: "Yes I can, but I'm willing to change places with someone who can't!" [*Laughter*]

How can we know what people feel? Well obviously we can ask them - that's the main thing psychologists have always done. But there was always the question whether they were using words in the same way, or even if the words corresponded to anything at all. But now we have the breakthrough in neuroscience which basically made me interested in this subject. The main student in this is somebody called Richard Davies. He has identified the areas in the brain at which you experience happiness and unhappiness. If you're interested in where they are, [*demonstrating*] happiness is somewhere around this finger on the left and unhappiness around this finger on the right.

The correlation between the movements of the brain activity and whether people say that they feel happy is so close that we can now say, with confidence, that there is something objectively going on when somebody is experiencing happiness and that that is fairly well represented by what they say. That's true not only if I ask how she is feeling at different points of the day - her brain is getting more or less active according to that - but also if we're comparing different people in this audience we would find - if we could get them to lie down and have MRI scans - that the people who said they were happy were more active on this side [*left*] and less active on that side [*right*]. I think this is important because it lets us take the whole idea seriously and not as a sort of joke or something frivolous because... it's very peculiar how people respond to the word. People ask you what you're working on and you say happiness - they often laugh. I sometimes think it's a bit like sex - people laugh because it's such a serious subject that the only thing you can do is laugh about it. Taking happiness seriously is kind of peculiar but of course we have to because it's a serious subject.

So we can rely on what people say and I think we can also argue, as Hutcheson did, that it matters. Why does it matter? Because we're constructed to desire to be happy - that's how we are constructed. We actually survive as a species basically because the things which make us happy are also good for our survival, like sex, and so on. So it's an extraordinary central dimension to all our experience and since this is a health type audience let me just tell you the nun story. The nun story is extraordinary. These are some American nuns who took their vows as novices in the 1930's and Mother Superior made them write an essay about why they were doing this, why they were joining the order. Some psychologists got hold of these essays - somehow they weren't thrown away - and analysed them for the extent of positive feeling and negative feeling that they showed, so everybody got a rating. They then independently looked at how long these people had lived and there was an incredibly close correlation between how positive these people were in their early twenties and how long they lived and aged. So happiness is good for your health.

Some of these connections have been traced through your immune system - it's good for your survival from surgery and so on. I'll tell you another remarkable story. If you take the people who were nominated for Oscars - film actors and actresses nominated for Oscars - the chances are that their pre existing health was pretty similar whether they eventually won the Oscar or not. But having won the Oscar, the people who won lived four years longer on average than the people who didn't because the boost to their morale was so great. So happiness is good for you. But I want to get into the argument that some health people do that happiness is important because it improves your health. I think happiness is the good. Health is good because it improves your happiness. So I just want to end this philosophical bit on the argument that happiness is a good different to all others. There are many goods, you know - there's freedom, accomplishment, entertainment, health - all these things are very important to us but if one asks why is health important we could have a discussion and we'd say well it's not good for somebody to feel pain, it's good for somebody to feel great, and so on. If you ask somebody why is it good that people should feel good, there's nothing more that could be said. It's so central to the way that human beings have been constructed so that's how I would defend Hutcheson.

Now, are we getting happier? Well, of course the reason for studying this subject so intensively is that, no, we are not. If you look at the surveys going back to the 1950's people do not say they are happier now than they did in the 1950's in spite of huge increases in economic affluence. If you think that maybe people could have used the word differently, if you compare the West European countries and North American countries today who are at different economic levels you'll find there's no impact of the average income on the average happiness of the country. Also, of course, since the 1950's, depression has almost certainly increased in Britain and most other advanced countries; crime is higher than it was - probably another indicator of discontent.

So we've got a real challenge here, especially to those people who think that maximising the GDP per head could be a sensible objective for this society. Let me just tell you in brackets that I'm not saying: "It's not the economy, stupid". What I would say about the economy is that the stability of the economy is incredibly important for health and you can see the effect of the economic cycle on happiness. The short term rate of growth is very important for happiness and that could be because people hate becoming the teeniest bit poorer and they like a little bit of improvement. But the level of GDP has no effect... the long run level of GDP has no effect on our happiness, apparently. This is a real challenge. It certainly suggests that increasing the productivity growth rate from two per cent to two and-a-quarter per cent is not going to do very much for our happiness. So what could explain why income growth has not been accompanied by increases in happiness? I want to mention four factors.

Of course, people want to be richer, most people... - maybe not everybody here - many people, if you ask them, say they would like to be richer. But, if you pursue it more closely, the reason they want to be richer is because they want to be richer relative to other people. At least that's a very important part of it. So, it's not that they want more absolute income only - although they do in part - but it's also that they want to raise their income relative to other people either to catch up... to keep up with their neighbours, or to get ahead of their neighbours. I can quote you six really good studies that prove that conclusively quite apart from any introspection anybody might like to engage in.

Of course, if happiness is dependent in part on relative income, then there is no way that a country can raise its relative income relative to itself. So that cannot, at the level of the society, be a source of increased happiness. And the effort which is devoted to raising your relative income at the level of the whole society is a waste. I mean you're obviously spending less time with your children, less time with your friends, and less time on other things you might enjoy more, in order to raise your relative income. It's impossible for everybody to do that. So it's a very good thing that we have some taxes around which discourage people from spending quite as much time trying to maximise their income.

So that's one point which I have made – of course it's crazy to some people. I've had headlines during my book tour... 'The Happiness Police' was one, 'Bureaucrats of Bliss' was another one. Anyway, as you can imagine some people don't like the argument but I think it's an important one. I think it's also extremely relevant when you come to talk about employment practices because performance-related-pay has become increasingly accepted as a sort of obvious thing to do - obviously you should pay people on the basis of their performance. How can you do it? Well, if it's obvious what their performance is, I don't object, but normally it involves ranking people: how many people can we give grade 1, how many 2, and how many 3? This introduces increased attention to relative issues and, of course, the more salient you make relative standing / relative income, the more effort people put in to it and every time such effort is a waste. So I think we need to think very seriously about seeing performance-related-pay flattened and I wouldn't be surprised if it largely disappeared within this decade, hopefully.

Second factor - why higher income is not making us happier. And it's because we get used to higher income. So to start with people feel they are going to be better off if they have the fitted carpet or whatever, but they get quite used to it quite quickly and feel much the same as before. If they'd have forecast that of course, well that's fine, there's no distortion, but there's lots of evidence that people exaggerate the effect on their happiness of spending more. And, therefore, again taxes help to preserve good sense in their lives and some reasonable balance.

The third factor I want to mention is advertising. Obviously advertising creates wants where wants didn't exist and obviously if you feel you wanted something that you didn't before feel that you wanted, then you'd be less happy with what you have. I think it's quite an absolutely basic fact of our society that advertising in aggregate is making us less happy. From an angle it may be providing information but the kind of advertising that just creates wants or images is making us less happy. I did a little study of the effect of watching television on how you perceived your relative income. I should go backwards a step - people's perception of their relative income is a very important factor effecting their happiness. And I then said well, let's see if the more you watch television the lower you think your relative income and hey presto, yes - the more you watch television the poorer you feel. So this is quite a cross that we are bearing from advertising. I don't know what you would do... I mean, obviously there are limits to the amount you can protect people against themselves, but children... I think it's appalling that we allow advertisers to create these wants in children to put the pressure on parents as they do, and so on. In Sweden they have banned advertising directed at children under 12 and I think that we should do the same.

The fourth factor is health and what we could do. The fourth reason why extra income has not made us happy is probably that, at the same time as we have gained a bit from the extra income, we have deteriorated human relationships and human relationships are the most important factors affecting individual happiness. Apparently relationships, or close personal relationships, come top in every study of happiness - relationships at work, relationships in the community. And you don't need me to tell you that probably all three of those kinds of relationships have deteriorating qualities over the last 50 years. The family relationship is particularly depressing in that, although divorce has become much easier, the people who remain married are less satisfied with their marriages than they were 50 years ago. This is a very depressing one. Work relationships - more tension between colleagues and stress. Here's a fact about community relationships which I think is very worrying: you ask people "do you think most other people can be trusted?" and about 40 years ago 60 per cent of people said "yes, most other people can be trusted". Today it's down to just over 30 per cent who think most other people can be trusted.

Here's a survey... Some of you might know it - the WHO survey of the health behaviour of 11 to 15 year olds. One of the questions was: "Are most of the children in your classes kind and helpful?". Well, in the Scandinavian countries something like 75 per cent said yes. I will tell you England and then I'll tell you Scotland. In England 40 per cent said yes and you'll be pleased to hear that in Scotland 60 per cent said yes. There's something different between Scandinavian countries in almost every measure you like to take. I think if you ask why - why the decline of trust, why this sense of tension between people in this country - it must go down to increased individualism. What I think has happened is that you've moved from a situation where religion was the thing which told us how we should relate to each other, socialism was also very important and we've lost both of these and there is a sort of void into which individualism has come. It has been put there as a positive thing: self realisation. Why are you here on earth? To realise yourself you must make the most of your life. I think a lot of people have always been brought up to think - the younger generation - that their main obligation is to themselves; they must not waste themselves; they must succeed. Of course this puts a tremendous pressure on you and what that can do to your own happiness and certainly to the happiness of the people you interact with...

So, what is my remedy for the individualistic philosophy that we've got into? Well, of course, it's to go back to Hutcheson. I think that the idea that he had that one should, when you're thinking about how you should use your time and talents, how you should respond to moral crises, how you should make public policy, you should think about what the impact of your actions are on the happiness of everybody who will be affected by them. And everybody is to count equally, so you are just one of very many; everybody is on the same footing. I made one small qualification which Hutcheson didn't - I would say if there are some people who are very unhappy it is more important to raise their happiness than the happiness of somebody who is happier, but that's a relatively small modification that has to be made. But the basic idea is that everybody is equally important and we should, as it were, take into ourselves, as far as we possibly can, the idea that the happiness of somebody else matters as much as our own happiness does. It's very difficult. Obviously, you know, we were evolved to fight our corner but we have moved beyond that in many ways - we protect the weak, and so on. If we are to make progress, I think, in happiness as a society, probably moral progress is the most important thing we have to make.

Psychology shows that people who care more about other people are happier than people who care less about other people. So there's an element of self interest in trying to get imaginative sympathy for other people, which the enlightenment philosophers talked about. I think it does leave you a bit of this awful burden of responsibility. I don't know if you've ever had the experience of applying for a job and there are two of you, and you probably both knew that you were equally well qualified. Well, if you are the sort of self-realising type and you don't get the job well it's really awful but if you think you're a good utilitarian well, you think the other chap got the job so his gain is my loss and there's no tragedy there. I think it is really important to get away from this awful idea that you judge yourself by your success.

We need a better concept of the common good - that's what I've been talking about. We also need a better concept of the private good because psychology also shows that people whose personal goals are based upon impressing other people are less happy than those who value things which they find intrinsically worthwhile. So the private good, if you like, is be yourself and appreciate yourself and what you have and don't focus mainly on how you think you should be different and how you think you should have something different. If you look at... there's a study (some of you may know it) by West and Sweeting of 15-year-old girls... of boys and girls in the West of Scotland (I don't know if they are here in this audience) which showed increased unhappiness, especially on the part of the girls. It showed how this is related to ways in which they are worrying about their standing in all kinds of regards - their school performance, looks, weight, and so on. You can't be happy if you are all the time measuring yourself against a standard of other people. So, just to give you a bit of Buddhism, the third principle, the better concept of the common good is compassion to others and the second one is compassion to yourself and I think that these actually need to be central to the school curriculum. Now, I was very excited to discover this morning that Scotland is rethinking its school curriculum and there's a number of institutions and innovations are already taking this on board and I hope that these sort of ideas that I have been putting forward could be considered as serious candidates for the ideas which should be ideas for the 21st century which we should be bringing up our young people on the basis of. I think there is also experimenting to see how to get these ideas across. In particular, I think it would be very exciting if a city (even this one) or section of the city devised its strategy for producing the better value system in young people which would obviously have to involve not only schools but youth leaders, churches, political business leaders and then, having tried to implement this, you could evaluate what these effects were on attitudes of young people and the way they behaved. There are a lot of tools around that have been developed around the world and others can be developed for use in this sort of experiment. I think it would be very exciting if this city and others did experiments like that - measuring happiness before and after.

Finally, I want to say a word about the least happy members of society. I don't know if you know who the least happy members of society are but I think those of us who would call ourselves lefties would traditionally / automatically say people who are poor but, of course, the least happy members of society are much more conspicuously mentally ill than they are poor. If you take the National Child Development study you can look at those people when they are in their thirties and you could look at what their incomes were and you can look at what their mental stability was when they were in their teens and you will see that they differ from the general population very much more in terms of their mental stability in their teens than they do in respect of their income.

I think that those of us who are bothered about disadvantage, we should be paying far more attention to mental illness than we do. These people currently get a very, very poor deal. One in six of the population is currently suffering from some form of mental illness (according to the National Psychiatric Morbidity Survey) but only a quarter of those people are in treatment. Some of them are not as ill as others. If you take clinical depression (which is the most scandalously, untreated, serious illness) only half the people currently suffering from clinical depression are in treatment and only 15 per cent have seen a psychiatrist or psychologist in the last year. If you were considering any physical illness remotely comparable in its seriousness to depression, such a person would automatically see a specialist - there would be no question about it - but because there weren't many psychiatrists practically in the country and very few psychologists, the government made a virtue of necessity by deciding that this was the problem for which GPs were uniquely suited to be the final provider of treatment. This is an absolutely outrageous situation.

I think that there are three things which are absolutely necessary... Incidentally, patients are much more dissatisfied with the mental health services in the NHS than any other part of the NHS. Their biggest complaint is that there is no access to psychological therapy, so basically you see your GP and you get a pill; if it doesn't work, too bad. You may not like pills and you want to understand what's going on with you, you want to have power and control over your life (that's a theme for the 21st century – empowerment) and mental health services are not organised to empower people but to give them pills and they don't understand what they are doing for them. I'm not talking-up pills incidentally but I think that if a person wants to have some feeling that they can use their thought process to control their feelings, that is something we should pay enormous attention to. We now have these open space forms of psychological therapy, cognitive behavioural therapy which is found to work at least as well as drugs on depression and anxiety and it should be available. So my first platform... I'm trying to push this! We'll see if mental health is referred to in any of the manifestos... but I wanted to have the opportunity of psychological therapy for all mentally ill people - that's the first thing in this area. Secondly, obviously more psychiatrists - that takes longer. I think, first, psychological therapy for everybody that wants it could actually be done within about 5 years with crash programmes of training therapists. Psychiatrists take longer but you could double the number of psychiatrists in 10 years. Finally, of course, there is the question of the relation between the mentally ill and the labour market. I don't know if you know that there are more mentally ill people on incapacity benefit than there are total unemployed people in this country and 50 per cent of them say they'd like to work and wish they had more help in enabling them to work. The government has set up what they call "Pathways to Work" pilots which are extraordinarily successful. The way they work is that the person on benefits sees an employment advisor once a month and they also get help from the NHS on how they would handle the situation if they could find some work. The result of this has been that 50 per cent more people have been leaving these benefits than in the non-pilot areas and obviously this kind of welfare to work policy is as applicable to mentally ill people as it was to unemployed people through the New Deal and so on. So this is a very, very important area if we are to have a less miserable society.

So let me wrap up, I think we have to draw in on national priorities to enable people to lead happy lives. The word 'happy' is a problem, I can't stand the word wellbeing - it sounds like it has been translated from German or something... sort of Norwegian. I don't know how to deal with this problem but if you read any novel, I think literally any novel, the absolute presumption is, in this dialogue between people, that they want to be happy, and there's nothing funny about the use of the word happy in any novel. Somehow or another when you use it on a different platform it's thought to be trivial, not weighted - I don't know what's wrong with the word but I'm going to use it. As you know, if you use words long enough they change their meaning and they become serious. So I want us to be a country where people lead happy lives and not to have only the most dynamic economy in the world because that means more and more stress. I don't want children to be put under further pressure to compete and lose all the enjoyment of their teenage years. I don't ask to be inflicted with ever more pressure at work - what for? I'm mean what, if I dare to say it - I want to say it! WHAT FOR? I want to say it to every secretary of state - what for? You feel you've got to have a target, therefore you've got to put the pressure on their teachers, and their teachers go to put pressure on the children - what for? Why is it so important? It is ruining people's lives. So let us really get some balance between the sort of measurable objectives and the things that actually matter to us which used to be assumed couldn't be measured and therefore were put to one side. I think we can learn a lot from the countries in which people are happiest which is Scandinavia where people are certainly taught the greatest degree of respect for people of all kinds, they do not like the idea of meritocracy which we are moving increasingly towards in this country and we cannot... we cannot have a society in which all respect goes to people who come out top. Well if you go to the Department of Education in London you'll see two huge posters which presumably give you the objective... They say "Staying Ahead" so the aim of Education is to make sure that nobody catches up on you. You can't have staying ahead as an objective for a society because it is impossible for everybody to get ahead of everybody else. It's a complete absurdity and yet I think maybe anybody here who in the next three weeks / four weeks catches a politician saying they will help you get ahead, please write to me. *[Laughter]* I will count up the number of occurrences and I think that we will find that in the next four weeks a large number of politicians will say that the main thing their government is going to do is to help you get ahead and that cannot be a formula that happens.

Thank you.

Stephanie Young

Thank you very much. I'm going to give a plug for the book!

Richard Layard

Oh thank you very much!

Stephanie Young

This is the book that was recently published and hopefully you can get it in your local bookstore and, as you can see, it's got a smile on the front. If you're unable to do that, or you don't want to spend the money, you can go to the web and there's a good article in Prospect magazine where I think you can pick up a lot of the themes. Can I now invite Wendy Alexander to say a few closing words and give the vote of thanks.

Wendy Alexander

Well follow that! It's very tempting to contest whether the narrative in every Scottish novel that was ever written was about the search for happiness but I will leave that to the wine afterwards!

I was asked to do two things and I will stop when I have got to the allotted 10 minutes - I guarantee you that. I was asked to do two things: one to give a vote of thanks and the second was really to respond to what we've heard. I want to do that by also trying to both provoke the sceptics (I know there are some in the room) and also provoke the devotees of what we've heard from Richard today.

So let me start with the sceptics, and to the devotees I say bear with me, you'll get your five minutes too, but let me start on the sceptics. I really want to do that with the vote of thanks element by referring just very briefly to Richard's pedigree because it is of course only somebody like Richard who can say don't look at the CV because of course the standard vote of thanks is that you go to somebody's CV. I have it here and it is a daunting CV. We have three pages of jobs, we then have three pages of books and we then have more than ten pages of articles. It is a quite formidable pedigree and what actually made it interesting was that I thought I'm not going to plough through all of these fifteen pages. What I'm going to do is go to my bookshelves. Now there are not many people who you come and hear speak who you can say well I'll just go to my bookshelves. Now, I have to say, as some of you will know, I am married to an economist and in our household we found it much easier to merge our bank accounts than we did our bookshelves. So we have two separate bookshelves in our house and of course my husband went to his and pulled out an incredibly heavyweight tome on unemployment with Nickell and Jackman which of course he cannot believe I haven't read and says this is of course the definitive piece of work on unemployment which simply changed the received wisdom of the day. And I of course then go to my bookshelves and I find this little book which was published by Richard in 1996 which is called 'What Labour Can Do' and although you'll not be able to read it, it says at the bottom 'A clarion call for change by Gordon Brown'. If I want to try and just say, the only thing that really matters in the relationship between politicians and professors is that the professors are the ones who come up with the ideas. If you doubt me I will read you simply one line from page 122 of this book which is: 'I think we should hand over monetary policy to a non-political body like the Bank of England who would be less subject to temptations. This is the way Britain should go.' And clearly Gordon Brown listened.

It is of course the defining evidence that politicians and political ideas are the magpies of the ideas of visionary professors. I won't labour the point beyond simply saying if you look at the book Richard was indeed right on the New Deal, the minimum wage, full employment being an attainable goal, wind-fall tax and so much more to the point that, when I took my slightly squeamish husband to his first ever Labour party conference last September, and we were walking along the beach at Brighton and there's this very noisy demonstration going on from the Countryside Alliance who want to preserve foxes, and he says: "Oh, that's not very pleasant" and the Glasgow MP who was next to us said: "Look, if after ten years all they've got to complain about is foxes we're really doing alright". Now his point being that unemployment had gone away. It is of course, and that's the point to switch I think, that foxes are not the only thing we have to worry about and Richard has of course struck out again.

Let me just, on my final word to the sceptics, perhaps say you know, 4.30 and indeed 6 is a terrible time to come to a public lecture and there are lots of you thinking I want to be home in time for the Channel 4 news and see what's really going on in politics today, etcetera. But I just ask you on the way home to think that you might have been one of the tiny numbers who would have been in some Bloomsbury basement in, you know, the late 1920s hearing Keynes and thinking: "God, can macro-economic policy really be managed"; or you could have been in the late 40s hearing Beveridge talking about, can the five wants really, really be challenged; or you might even have been at an open university lecture in the mid 1980s where there was a discussion as to whether full employment was indeed an attainable goal for a modern advanced capitalist society. You would not have known whether you were listening to a true visionary or simply a utopian and you would have been as puzzled on any one of those occasions as the sceptics might be going home this evening. But I just say ponder that thought as you go home this evening and for those of us who think we heard more of the visionary than the utopian we are of course enormously grateful. And you heard an awful, awful lot more politics tonight than you will on the Channel Four news tonight or indeed I suspect for the entirety of the rest of the week, if not the month.

Can I now turn and use my last few minutes to turn to the devotees, to the people who are broadly convinced of what we've heard from Richard tonight, and really try and push what are the implications for policy and for Scotland if we believe that he is a visionary rather than a utopian. What does it mean that we need to do? Of course the nice thing is it's not like making the Bank of England independent - we can all do something about it. What we heard about tonight is about what all of us do in terms of how we approach our work and our lives. I think it is self-evident to say that... - let me say the first positive thing - the other big news story of this week. Everybody watched the death of the Pope and how it has been, and the response to it, and whatever you think of that we have known (and I think that politicians have always known) there have been issues of conscience around. The difficulty with issues of conscience is that it requires people to make individual moral decisions. But it does assert that actually life on earth has never just been about income in that sense. What I think some of Richard's analysis offers us is to say you don't simply have to see issues in terms of morals, you can actually begin to move to an evidence base that allows societies to collectively reach decisions around some very difficult issues around happiness (wellbeing, to use a non-friendly phrase) and that challenge about how do we establish an evidence-base around what matters to people seems to me an incredibly live challenge for us in Scotland.

I'll just use my last few minutes with one example of this. Take the health service in Scotland. Now, Richard may know this because he seems to know everything! But let me just say one word, which is to say we're in the fortunate position that we already spend as much as the rest of the European Union do on their health service and we're in the fortunate position that the entirety of Scotland is already funded as if we all paid 50 plus pence in the tax (although we don't happen to do so because it comes from elsewhere) but actually cash isn't our problem in the health service in Scotland. What is, I think, our problem is we find it very difficult to get comfortable with change.

The truth is we are not going to win an argument that it's crazy that if you're on a fifty week waiting list to see an orthopaedic consultant you're not allowed to go to an osteopath or a chiropractor to give you any relief in the interim – it's lunatic. Nobody can defend that we don't have more cognitive therapists in the health service; nobody can defend that you can't get access to counselling - these are crazy things. But if we're ever, ever going to win any of those battles we've got to deal with the fact that we're incapable of even restructuring the acute hospitals that we have, or marginally changing what they do, or having a discussion about that that is one routed in our collective welfare where we respect that that's the discussion that we're having. So I think if we go with Richard's ideal of a better concept of the public good and a better concept of the private good, that is a personal challenge to every single one of us whatever walk of Scottish life we're in. Tomorrow morning the test is whether we're going to operate this better concept of the public good, or am I keeping my head down and my mouth shut because it's easier to do so and it's too difficult to try to have a different discussion, or it's too difficult to say lets look at the evidence, or it's too difficult to change how we do things... and I'll just leave that on the table.

I have now taken up nine and a half of my minutes so I will end with what I think was Richard's very final challenge which was that we should be appalled at any politician in the next month who says we should 'get ahead'. Well I'm going to suggest an alternative sound-bite which I freely admit I have kept my mouth shut and my head down about when it comes to proposing this to the Labour party. But it was recently said to me that actually the metaphor we want for our children in schools when we try and give our young people a sense of who they are and a sense of self, the metaphor should be (I'm going to explain this) 'life as surfing'. The reason for that is when you surf you are held in the moment, you're not competing with anybody else, you're held in the moment and you also know that when the wave passes you are going to get to the beach anyway. That is of course a way of saying we're all going to get to the beach and die some time, but we need to learn how to live in the moment and see life as surfing, where we are not about competing with the rest of our fellow man but simply enjoying the happiness of that moment on earth which is, in fact, what our life is.

So here is my promise - I guarantee you that I am not going to phone Alan Milburn tonight and suggest that 'life as surfing' should indeed be the slogan for the next four weeks. But it is indeed possible that when I go to take part in the mock elections in Renfrew High School and Craiglee Primary I might get around to saying to the Labour candidate there that 'life as surfing' has something to suggest itself to us. Go home tonight to your other halves who will ask why weren't you home earlier and did you see what happened in the news today and say to them with confidence you've heard a lot more politics this evening than you will for the rest of the week and it was indeed a visionary and a utopian that you heard from this evening. Richard, thank-you.

Transcript prepared by Ms Fiona Boyce.