"I love living in a depressed area," sighed the professor, holding up a glass of white wine in the evening sunlight. "One lives so well."

The remark lingers in my memory because of its curious truthfulness. East Coast incomes may be lower than those elsewhere, but we own our own homes, we eat well, we get good medical care, our divorce rates are low and our communities are safe and functional. We have a celebrated regional culture, a glorious landscape and a satisfactory educational system. A dollar goes a long way here. This is a good place to live.

I know, I know: there's no excuse for complacency. We could certainly do better on every one of these indices. Nevertheless, surveys consistently show Atlantic Canadians to be the most contented people in Canada. Newfoundlanders even claim the most active sex lives.

Our economy may be depressed, but our spirits are not, and only an economist would think that the latter depends on the former.

The problem is measurement. Industrial societies have come to regard the gross domestic product as the major indicator of social progress, which it is not. The GDP is a purely economic statistic. It simply tallies up the value of all goods and services that are exchanged for money. House fires, automobile production, crime, food harvests, war, lumber sales, pollution, the plumber's bill, tobacco smoking - good and bad alike, they all contribute to a rising GDP.

On the other side of the ledger, the things that truly make us happy - good health, a clean environment, a caring community and stable families, for instance - literally count for nothing in the GDP.

Can't we find a better measurement?

Since 1997, a small organization based in St. Margarets Bay has been using Nova Scotia as its laboratory in developing a genuine progress index based not just on economics, but also on sustainability, well-being and quality of life. GPI Atlantic (www.gpiatlantic.org) has issued numerous carefully researched and thought-provoking reports on aspects of Nova Scotians' well-being, including recent reports on air quality, solid waste and working time.

And now the work is going national.

GPI has not been working in a vacuum. Across the country, other organizations have also been working on measures of human well-being, including universities and government agencies such as Statistics Canada and Environment Canada. Funded by Toronto's Atkinson Foundation, about 20 such research teams have pooled their resources in a national working group, aiming to produce a national measurement called the Canadian Index of Well-being.
Group spokesman Roy Romanow believes the new Index will "engage Canadians" in a discussion about "what it means to have a world-leading quality of life and genuine sustainability." The index will help us all to understand the complex long-term effects of the choices we make, for example, instituting corporate tax cuts while under-investing in education, and it will give us a far better instrument for holding governments and corporations accountable.

The index, says Romanow, rests on a fundamental change in our understanding of the intricate relationship between social, health, economic and environmental issues. Health Canada, for instance, has identified a dozen "determinants" of health. Genetics, gender and personal habits play a role, but nine of the 12 determinants are social factors such as income and social status, the physical environment, social support networks, education and working conditions. Improve any of these, and you will improve health as well.

But you won't really know you've made improvements if you have no way to measure them. And that's what the index will provide. The working group will report this fall on three core areas of well-being: population health, living standards and time use.

Romanow believes the Canadian Index of Well-being is part of a huge shift in our thinking about health. "Health" first meant the control of infectious diseases, and then the treatment of non-communicable conditions. The "third revolution," Romanow says, is to conceive of health as a state of positive well-being, focused on the prevention of illness and distress.

GPI likes to quote the King of Bhutan, Jigme Singye Wangchuck, who declared 30 years ago that "gross national happiness is more important than gross national product." Appropriately enough, Bhutan was the site of the first International Conference on Gross National Happiness, held in 2004.

Thanks to the work of GPI, the second such conference, with a star-studded list of international participants, will be held here in Nova Scotia, at St. Francis Xavier University in Antigonish on June 20-24.

The Canadian Index of Well-being is our first attempt to measure gross national happiness. When we can measure it, we will be able to see what helps and what doesn't. We may even be able to show that the East Coast is a sane and balanced place, and not a depressed region at all.