Press release, June 2016

DID THE EU RAISE HAPPINESS?

With the Brexit referendum nearing, many Britons will wonder how EU membership has worked out on the quality of life. Are the British now better or worse off than before joining the EU in 1973? How has EU membership affected the quality of life in other countries?

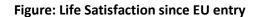
A good indicator is found in the development of average life-satisfaction in the member states. Life satisfaction is assessed twice a year in each of the EU member states. Representative samples of the general population answered the following question. *On the whole, how satisfied are you with the life you lead? Would you say you are very satisfied, fairly satisfied, not very satisfied or not at all satisfied?* Average responses to this question over the years in the different countries are gathered in the World database of Happiness, and expressed in a number on range 0-10 where 10 is equivalent to the most happy possible and 0 for the least.

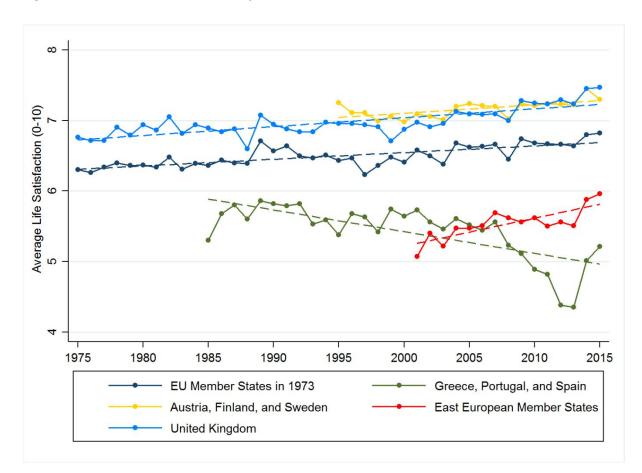
Trend lines of average happiness are presented in the below for 4 groups of EU member states. The longest line represents happiness in the first nine countries to join the EU in the early 1970s: Belgium, Denmark, Germany, France, Ireland, Italy, Luxemburg, Netherlands and the UK. Three more countries joined in the early 1980s: Greece, Portugal and Spain. Another three countries allied in the mid-1990s: Austria, Finland and Sweden. After 2004 11 East-European countries connected: Bulgaria, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, Slovenia, Czech Republic and lastly Croatia.

Happiness rose in three of these four groups, in the group of nine member states that joined in the early 1970s, in the group of three countries that joined in the mid-1990s and in the group of East-European nations that joined after 2004. Happiness rose initially in the group of South-European nations, but declined sharply after the 2006 economic recession. Happiness started rising again in 2012 in these countries, but has not yet fully recovered to its pre-2006 levels. Detail about the member states separately is available at the <u>World Database of Happiness</u> and for countries with at least 20 data points also in the <u>Trend Report Average Happiness in Nations 1945-2015</u>

Britain is part of the founding group in which average happiness increased and happiness has also increased in Britain. The British were relatively happy in 1973 and became happier since joining. See the light blue line in the top of the graph below. Happiness in Britain increased by almost half a point on a scale 0-10. The gain of about 5% is caused by both a halving of the percentage unhappy Britons (from about 15% to 7%) and a rise of the percentage very happy people in the country from about 30% to 40%.

This rise in average happiness in Britain and most of the other EU countries does not necessarily mean that EU membership made people happier. Prove of causality is difficult. Still there are indications worth considering; one is that average happiness in nations depends heavily on economic development and on the quality of government, both these issues are central in EU policy and substantial improvements have been made on both. A second indication is that happiness seems to have stagnated in several non-EU developed nations, namely Australia, Norway, Switzerland and the USA





A copy of the datafile behind this graph is available at <u>http://www.eur.nl/english/ehero/trend-life-satisfaction/</u>

Further information:

Prof. Dr. Ruut Veenhoven en Dr. Martijn Burger <u>Erasmus Happiness Economics Research Organization</u> Erasmus Universiteit Rotterdam e-mail: <u>veenhoven@ese.eur.nl</u>, tel: +31 6 30833465