

# HAPPINESS IN NATIONS

## Pursuit of greater happiness for a greater number of citizens<sup>1</sup>

*Ruut Veenhoven*<sup>2</sup>

In: The Oxford Handbook of Positive Psychology, 3rd Edition Edited by C.R. Snyder, Shane J. Lopez, Lisa M. Edwards, and Susana C. Marques Online Publication Date: Nov 2018  
DOI: 10.1093/oxfordhb/9780199396511.013.1

### ABSTRACT

Today there is increasing support for the idea that governments should aim at greater happiness for a greater number of citizens. Is this a mission impossible? The following questions arise in this context: 1) Is greater happiness in a nation feasible? 2) If so, can governments do much about it? 3) If so, what can governments do to raise happiness in their country? 4) How does the pursuit of happiness fit with other political aims? In this paper I take stock of the available research findings on happiness that bear answers to these questions. To do this, I use a large collection of research findings gathered in the World Database of Happiness. These data show that greater happiness is possible and indicate some ways to achieve this goal. The pursuit of public happiness fits well with several other policy aims.

*Keywords: happiness; life-satisfaction; research synthesis; utilitarianism; nations*

## 1 CALL FOR GREATER HAPPINESS

Interest in happiness is rising, in particular in modern affluent societies. Privately people seek ways to make their own life more satisfying and this quest manifests in soaring sales of ‘how-to-be-happy books’ and the development of life-coaching businesses. In the public domain people also call for policies that promote happiness, for example 85% of the British agree with the statement that ‘a government’s prime aim should be achieving the greatest happiness of the people, not the greatest wealth’ (BBC 2006, question 14). As a result, happiness is rising on the political agenda. A recent manifestation of this trend is the international conference on Happiness and Wellbeing held at the UN headquarters in New York in April 2012 (Thinley, 2012) and the subsequent publication of yearly World Happiness Reports (Helliwell et al., 2012, 2013, 2014, 2015).

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<sup>1</sup> Parts of this text have been published in earlier publications, in particular in Veenhoven 2000 and 2015a

<sup>2</sup> Erasmus University Rotterdam in the Netherlands and North-West University in South Africa.

E-mail: Veenhoven@ese.eur.nl

## 1.1 Ideological context

At first sight this interest in happiness is something quite new, but actually it is the revival of a long-standing creed. The idea that there is a moral obligation to advance human happiness is a fruit of the European ‘Enlightenment,’ an intellectual movement that took a position against religious views that had dominated thinking in the European middle ages.

One of the contested views was that happiness can be found only in the afterlife and that an earthly life serves only as an entrance test to heaven or hell. The enlightened opinion was that happiness is possible on earth and that we should not renounce it. Another contested view was that morality roots in divine revelation, and in particular, in the ‘Ten Commandments.’ Enlightened thinkers came to see morality more as a matter of human agreement, and discussed the intellectual foundations for social contracts.

Much of this thought is voiced by Jeremy Bentham (1789) in his famous book *On Morals and Legislation*, in which he argues that the good and bad of actions should be judged by their effects on human happiness. In his view, the best thing to do is that which results in the “greatest happiness, for the greatest number.” This moral creed is called ‘the greatest happiness principle’ and is also known as ‘utilitarianism.’

This secular ideology met with considerable resistance. In the 18th century the opposition came mainly from the churches, which were still quite powerful. In the 19th century the greatest happiness principle was met with reservations in the liberal and socialist emancipation movements that were more interested in freedom and equality than in happiness. In the early 20th century considerable opposition came from the then-virulent nationalism that laid more emphasis on the glory of the nation than on the happiness of its inhabitants. All these ideologies lost power in the late 20th century, and partly for this reason we have seen a revival of Bentham’s greatest happiness principle.

Rising prosperity is another factor in this ideological shift. Pressing problems, such as epidemics, poverty and illiteracy, have been fairly well solved in western nations, and the removal of the ‘negatives’ gave room for ‘positive’ goals’ on the political agenda. The recent emergence of ‘positive psychology’ is part of this long-term development. I have expanded on this history of happiness in Veenhoven (2015b).

## 1.2 Plan of this paper

In this paper I consider first what governments *should* know about happiness if they want to advance it systematically. Next, I take stock of what we *do* know at this moment and finally I consider how governments can get to know more about of what they should know.

This approach is based on the assumption that happiness is not just a stroke of luck, but something that can be advanced rationally and that chances of success are greater when pursued on the basis of good information. In this view the pursuit of greater happiness is similar to the pursuit of better health. In the past we have invested considerable energy and money in empirical research on public health and, as a result, we now live longer than ever before in human history. Investing in obtaining knowledge about happiness will make that we will live happier long lives.

Most of the available research findings on happiness have been gathered into the World Database of Happiness (Veenhoven 2016) and in this paper I will draw on this

findings-archive.

## 2 WHAT IS 'HAPPINESS'?

A preliminary step is to explain what I mean with the word 'happiness.' The word 'happiness' has different meanings. In the widest sense, 'happiness' is an umbrella term for all that is good. In this meaning it is often used interchangeably with terms like 'well-being' or 'quality of life.' Below I will delineate four different *qualities* of life and show that my concept of happiness fits only one of these.

### 2.1 Four qualities of life

Quality-of-life concepts can be sorted using two distinctions, which together provide a fourfold matrix. The first distinction is between *chances* and outcomes, that is, the difference between opportunities for a good life and the good life itself. A second difference is between outer and inner qualities of life, in other words between *external* and *internal* features. In the first case the quality is in the environment, in the latter it is in the individual. A combination of these two dichotomies yields a fourfold matrix. This classification is presented in **Scheme 1**.

#### *Livability of the environment*

The left top quadrant of **scheme 1** denotes the meaning of good living conditions, in brief 'livability.' Economists associate livability with access to goods and services. Ecologists see it in the natural environment and describe livability in terms of pollution, global warming, and degradation of nature. City planners see livability in the built environment and associate it with such things as sewer systems, traffic jams, and ghetto formation. In the sociological view, society is central. Livability is associated with the quality of society as a whole and also with the position one has in society.

Livability is not what is called happiness here. It is rather a precondition for happiness, and not all environmental conditions are equally conducive to happiness.

#### *Life-ability of the person*

The right top quadrant of **Scheme 1** denotes inner life-chances. That is, how well we are equipped to cope with the problems of life. Sen (1992) calls this quality-of-life variant 'capability.' I prefer the simple term 'life-ability,' which contrasts elegantly with 'livability.'

The most common depiction of this quality of life is absence of functional defects. This is "health" in the limited sense, sometimes referred to as 'negative health.' Next to absence of disease, one can consider excellence of function. This is referred to as 'positive health' and is associated with energy and resilience. A further step is to evaluate capability in a developmental perspective and to include acquisition of new skills for living. This is commonly denoted by the term 'self-actualization.' Since abilities do not develop alongside idleness, this quality of life is close to 'activity' in Aristotle's concept of eudemonia. In that line this quality of life is sometimes called 'eudaimonic happiness' and distinguished from

‘hedonic happiness,’ which is the meaning addressed in the bottom right quadrant of **scheme 1**

An ability to deal with the problems of life (right top quadrant) will mostly contribute to happiness as defined here (right bottom quadrant), but it is not identical to happiness. If one is competent at living, one has a good chance at happiness, but being thus endowed does not guarantee an enjoyable life outcome. In hell everybody will be unhappy, even the most competent people.

### *Usefulness of life*

The left bottom quadrant of **Scheme 1** represents the notion that a good life must be good for something more than itself. This assumes a life has some higher value. There is no current generic term for these external outcomes of life. Gerson (1976: 795) refers to these effects as ‘transcendental’ conceptions of quality of life. Another appellation is ‘meaning of life’ which then denotes “true” significance, instead of mere subjective sense of meaning.

When evaluating the external effects of a life, one can consider several aspects. One aspect is how a person’s life contributes to the quality of life of other people, such as how well a mother raises her children or how many lives are saved by a medical doctor. Another aspect is the contribution made by a life to human civilization, such as inventions or exemplary moral behavior. Still another aspect is what a life does to the ecological system.

An individual’s life can have many environmental effects that may differ in the short term and in the long term, and these cannot be meaningfully collated. Still another problem is that these effects can be judged from different perspectives. Hence it is quite difficult to grasp this quality of life.

Leading an objectively useful life may contribute to one’s subjective appreciation of life, but it may also come at the cost of enjoyment. So, useful living is not the same a happy living.

### *Core meaning: Subjective enjoyment of life*

Finally, the bottom right quadrant of **Scheme 1** represents the inner outcomes of life. That is the quality of a life in the eye of the beholder of that life. As we deal with conscious humans, this quality boils down to subjective enjoyment of life. This is commonly referred to by terms such as ‘subjective well-being,’ ‘life satisfaction,’ and ‘happiness’ in a limited sense of the word. This is the kind of happiness Jeremy Bentham had in mind, and it is also the kind of happiness addressed in this chapter.

## **2.2 Four kinds of satisfaction**

Even when we focus on subjective satisfaction with life, there are still different meanings associated with the word happiness. These meanings can also be charted in a fourfold matrix. In this case, that classification is based on the following dichotomies: part-of-life versus life-as-a-whole, and passing delight versus enduring satisfaction. These distinctions produce the fourfold matrix presented in **Scheme 2**.

### *Pleasure*

The top-left quadrant of **Scheme 2** represents passing enjoyments of life-aspects. Examples would be delight in a cup of tea at breakfast, the satisfaction of a chore done, or the enjoyment of a piece of art. I refer to this category as ‘pleasures.’ Kahneman (1999) calls it ‘instant-utilities.’

The concept of happiness used here is broader and concerns “overall satisfaction” with life-as-a-whole. Though fleeting enjoyment obviously contributes to a positive appreciation of life, it is not the whole of it.

### *Satisfaction with life domains*

The top right quadrant of **Scheme 2** denotes enduring appreciation of life-aspects, such as marriage satisfaction and job satisfaction. This is currently referred to as ‘domain satisfactions.’ Though domain satisfactions depend typically on a continuous flow of pleasures, they have some continuity of their own. For instance, one can remain satisfied with one’s marriage even if one has not enjoyed the company of one’s spouse for some time.

Domain satisfactions are often denoted with the term happiness: a happy marriage, happy with one’s job, etc. Yet I use the term happiness in the broader sense of satisfaction with life-as-a-whole. One would not call a person happy who is satisfied with their marriage and job but still dissatisfied on the whole because his or her health is failing. It is even possible that someone is satisfied with all the domains one can think of but nevertheless feels depressed.

### *Peak-experience*

The bottom left quadrant of **Scheme 2** denotes the combination of passing experience and appraisal of life-as-a-whole. This combination occurs typically in peak-experiences, which involve short-lived but quite intense feelings and the perception of wholeness. This is the kind of happiness poets write about.

Again, this is not the kind of happiness aimed at here. A moment of bliss is not the same as enduring appreciation of life. In fact, such top-experiences even seem detrimental to lasting satisfaction with life, possibly because of their disorientating effects (Diener et al., 1991).

### ***Core Meaning: Lasting Satisfaction with One’s Life-as-a-Whole***

Lastly, the bottom-right quadrant of **Scheme 2** represents the combination of enduring satisfaction with life-as-a-whole. This is what I mean when I use the word happiness. A synonym is “life satisfaction.” This is the meaning at stake in Jeremy Bentham’s (Date?) “greatest happiness principle.” When speaking about the “sum” of pleasures and pains, he denotes a balance over time and thus a durable matter.

## **2.3 Definition of Happiness**

In this line I define happiness as *the degree to which an individual judge the overall quality of his/her own life-as-a-whole favorably*. In other words: how much one likes the life one leads. I have elaborated this concept elsewhere (Veenhoven, 1984, chapter 2).

### 3 MEASUREMENT OF HAPPINESS IN NATIONS

Since happiness is defined as something that we have in mind; it can be measured using questions.

#### 3.1 Common questions

Questions on happiness can be presented in various ways.

##### *Direct vs. indirect questions*

A common direct question is: 'Taking all together, how happy would you say you are?'

Indirect questions rather tap related things, such as 'Do you think that you are happier than most people in this country?' An assumed advantage of indirect questioning is that this will reduce response bias. A disadvantage is that often something other than actual happiness is measured, e.g. in the above case the question measures relative happiness rather than happiness as such; unhappy people can still think they are happier than most people in the country.

##### *Single vs. multiple questions*

Rather than using single questions as in the example above, one can ask about the same topic using multiple questions. Series of questions on happiness are referred to as 'scales' and the most often used questionnaire is Diener's (1985) Satisfaction With Life Scale (SWLS).

An advantage of single questions is that it is clear what is being measured and one can easily see whether that is happiness as subjective enjoyment of one's life as a whole (face validity). A disadvantage is that the particular words used may not be interpreted in the same way by all respondents. An advantage of multiple questions is that such differences in interpretation balance out. A disadvantage is that the questions may not quite address the same thing, such as the last item in Diener's SWLS, which asks whether one would change one's way of life if one could live one's life over again. No change response is seen as an indication of happiness, but you can be happy and still be open for a change.

An overview of all acceptable questions on happiness ever used is available in the collection 'Measures of Happiness' of the World Database of Happiness (Veenhoven, 2016b). Some common questions are presented in [Scheme 3](#).

#### 3.2 Validity

Critics have suggested that responses to questions on happiness actually measure other phenomena. Rather than indicating how much the respondent enjoys life, the answers will reflect his or her normative notions and desires and it is also claimed that people say that they are happier than they know they are. Empirical checks do not support these qualms. If

questions are clear and anonymity is guaranteed, people seem to answer truthfully<sup>3</sup>.

### 3.3 Reliability

Though single questions on happiness seem to measure what they are supposed to measure, they measure it rather imprecisely. When the same question is asked twice in an interview, the responses are not always identical; correlations are about +.70. Retest reliability drops to about +.60 when the same question is asked a week later. Though responses seldom change from 'happy' to 'unhappy,' switches from 'very' to 'fairly' are rather common. The difference between response-options is often ambiguous, and a respondent's notion about his/her happiness tends to be general. Thus, the choice for one answer-category or the next is sometimes haphazard, and because choice is often arbitrary, subtle differences in interrogation can exert a considerable effect. Variations in the place where the interview is held, the characteristics of the interviewer, the sequence of questions and precise wording of the key-item can tip the scale to one response or another. Such effects can occur in different phases of the response process; in the consideration of the answer and during communication of the answer.

Many of these biases are random and balance out in large samples. So, in surveys of general populations in nations, random error does not affect the accuracy of happiness averages.

### 3.4 Cross-cultural comparability

As we will see below, average happiness differs markedly across nations. Russians currently score 5.4 on a 0-10 scale, while in Canada the average is 7.7. Does this mean that Russians really take less pleasure in life? Several claims to the contrary have been advanced. Elsewhere I have checked these doubts (Veenhoven, 2008a). The results of that inquiry are summarized below.

The first objection is that differences in *language* hinder comparison. Words like 'happiness' and 'satisfaction' will not have the same connotations in different tongues. Questions using such terms will therefore measure slightly different matters. I checked this hypothesis by comparing the rank orders produced by three kinds of questions on life-satisfaction: a question about 'happiness,' a question about 'satisfaction with life' and a question that invites a rating between 'best- and worst possible life.' The rank orders appeared to be almost identical. I also compared responses to questions on happiness and satisfaction in two bi-lingual countries, and found no evidence for linguistic bias.

A second objection is that responses are differentially distorted by *desirability-bias*. In countries where happiness ranks high in value, people will be more inclined to overstate their enjoyment of life. I inspected this claim by checking whether reported happiness is indeed higher in countries where hedonic values are most endorsed. This appeared not to be the case. As a second check, I inspected whether reports of general happiness deviate more from feelings in the preceding weeks in these countries; the former measure being more vulnerable to desirability distortion than the latter. This also appeared not to be the case.

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<sup>3</sup> An overview of the literature about the validity of self-reported happiness is available in the [Bibliography of Happiness](#) (Veenhoven 2016a), section 'Validity of happiness measurements', subject code Ca01.

A third claim is that *response-styles* distort the answers dissimilarly in different countries. For instance, a collectivistic orientation in a country would discourage 'very' happy responses in that nation, because modest self-presentation is more appropriate within that cultural context. I tested this hypothesis by comparing happiness in countries differing in value-collectivism, but found no effect in the predicted direction. The hypothesis also failed several other tests (Veenhoven 2008a).

A related claim is that happiness is a typical *western concept*. Unfamiliarity with it in non-western nations would lead to lower scores. If so, we can expect more 'don't know' and 'no answer' responses in non-western nations, however, that appeared not to be the case.

Many more sources of cultural measurement bias can be involved. If so, there must be little correlation between average life-satisfaction and the actual livability of nations. Below on [scheme 6](#) we will see that this is not the case either. Using a dozen indicators of societal quality, we can explain 75% of the differences in average life-satisfaction in nations, which means that measurement error can be no more than 25%. If we had more and better indicators of societal quality, we could probably explain some 90% of the variation and the error-component would then be no more than 10%. If we take into account that there is also an error component in the measures of societal quality, the estimate shrinks to some 5%.

The issue of 'cultural bias in the measurement' of happiness must be distinguished from the question of 'cultural influence on the appraisal' of life. Russians can be truly less happy than Canadians, but be so because of a gloomier outlook-on-life.

## **4 WHAT GOVERNMENTS SHOULD KNOW**

What should governments know if they want to bring about greater happiness for a greater number of citizens?

### **4.1 Is greater happiness in the country possible?**

Governments will hear some experts say that pursuit of greater happiness for a greater number is pointless. A common argument is that happiness depends on comparison with compatriots, and that relative differences do not change when absolute conditions improve for everybody in the country (e.g. Brickman & Campbell, 1971). The 'Easterlin paradox' (Easterlin, 1974) is often explained in this way. Next there is the theory that happiness depends very much on 'national character' rooted in historical conditions, such as the many revolutions in France which have created a cynical view on life, as Inglehart (1990, p. 30) suggests. A first thing governments need to know is whether average happiness in nations is immutable.

Once it is clear that average happiness in nations can change; the next step is to estimate the chances for creating greater happiness in one's own country. This requires a view on how happy people currently are in your country, which calls for survey studies of representative samples of the population. The next step is comparison, both comparisons of present day happiness with happiness in earlier times in one's country and with happiness in other countries, government can then see how its country is doing happiness wise on a range



between the highest and lowest levels ever observed in nations.

Since most governments are also concerned about equality among their citizens, they are also interested in dispersion of happiness in their country and how that compares to inequality of happiness in other nations.

#### **4.2 Can governments do much about the happiness of citizens?**

If the level of happiness in a country lags behind the possible level, the next question is whether a government can change that situation for the better. In this context a first question is to what extent the differences in happiness are in things that are beyond the control of governments, such as a prevalence of unhappy genes in the population, poor climatic conditions, lack of resources or historical legacies.

If the level of happiness in a country appears to depend on things that can be changed, the next question is whether a government can bring about that change. This is the question of limits to social engineering. In this context it is worth knowing how other governments have fared in their attempts to improve happiness in their countries: Have they made any difference or have attempts to create a better society mostly resulted in the opposite?

#### **4.3 What can governments do to foster happiness?**

If a government decides to pursue greater happiness in their country, the next question is where to start. In this context a government typically wants to know whether there are pockets of unhappiness in its country, or actually, whether there is any truth in the claims about unhappiness in particular categories of citizens advanced by special interest advocacy.

Taking a broader view, governments would like to know what the drivers of differences in happiness among citizens are: in particular, to what extent these correspond with things over which a government has some control, such as income, schooling, health care and safety. Again, this typically involves the sifting of competing claims of special interest groups and those presented by lobbyists. Interior struggles also call for information about winners and losers of particular policies, for example, whether emancipation of women will come at the expense of the happiness of men.

In an even wider perspective, which some governments take, questions about societal conditions for happiness arise. What is the secret of the happiest countries, such as Denmark? Is it in institutional things, such as a strong welfare state? Is it in the political regime, such as interest groups having a strong voice? Or is it in particular policies, such as promotion of equal rights for men and women? What is the role of the well-being professions, such as psychologists and life-coaches?

#### **4.4 How compatible with other policy aims?**

Happiness is only one of the aims states pursue and typically not a very prominent one. This begs the question of how well the pursuit of greater happiness fits major policy aims, such as economic competitiveness, political democracy and social peace. This is not necessarily the case, as is illustrated in Huxley's (1932) science fiction novel 'Brave New World,' where great happiness was brought about using mind control and drugs (soma) and where that happiness resulted in shortsighted hedonism

In this context one question is to what extent the things required for greater happiness

will also add to these causes, such as schooling adding both to happiness and economic growth. Or, how the question is put most of the time, to what extent the things governments do anyway for other causes add to happiness?

A further question is what will be the consequences of greater happiness: Will it foster decadence and decay, as some prophets of doom predict? Or will a happy populace rather be more productive, democratic and peace minded as is commonly assumed in positive psychology? These contradictory speculations call for empirical assessment.

## 5 WHAT AVAILABLE RESEARCH FINDINGS TELL

Empirical research on happiness emerged in the 20th century: the first study dating from 1911 with the number of publications in the field accelerating since the 1970s. To date (2016) the Bibliography of Happiness lists more than 10,000 scientific publications (Veenhoven 2016a). What answers does all this research provide for the questions raised above?

### 5.1 World Database of Happiness

The common way to go is to scan the literature on these issues. Yet this body of literature has already grown too big to digest and any traditional literature review is likely to result in ‘cherry picking.’ Therefore, I will take a more systematic approach and draw on the research findings gathered in the ‘World Database of Happiness’ (Veenhoven 2016).

The World Database of Happiness is a *finding-archive* that consists of several *collections*. The database builds on a collection of all scientific publications about happiness, called the ‘Bibliography of Happiness’ (Veenhoven 2016a). The collection covers reports of research in various populations, such as the general public in different nations or age groups such as adolescents and the elderly, and different methods such as large-scale surveys and small-scale experiments. To date this collection includes some 10,000 books and articles, of which half report an empirical investigation in which an acceptable measure of happiness has been used. Indicators that fit the concept of happiness, as defined in section 2 of this chapter, are listed in the collection ‘Measures of Happiness’ (Veenhoven 2016b).

The findings yielded by some 3500 studies that passed this test for adequate measurement of happiness are described on separate ‘finding pages,’ using a standard format and terminology. Two kinds of findings are discerned: *distributional findings* on how happy people are at a particular time and place and *correlational findings* about the things that go together with more of less happiness in these populations.

To date the database contains about 10,000 distributional findings on happiness in the general population of nations (Veenhoven 2016c). The collection ‘Correlational Findings’ (Veenhoven 2016e) contains some 15,000 research results, of which some 500 concern correlates of average happiness in nations. Do these data provide a basis for informed public choice on matters of happiness? Let us now reconsider the four issues discussed in section 4.

### 5.2 Greater happiness for a great number is possible

What do the data tell us about the claim that greater happiness is not possible? Firstly, that there are huge differences in average happiness across nations, secondly that happiness has

changed considerably in some countries, and thirdly that happiness has risen slightly in most countries of the world over the last 40 years.

#### *Great happiness of a great number of citizens is possible*

The most commonly used survey question on happiness reads ‘Taking all together, how satisfied are you with your life as a whole these days?’ The answers are rated on a 0 to 10 step numeral scale. Over the last 10 years this question has been used in samples of the general population of 160 nations. The resulting world-map of average happiness in nations is presented in **Scheme 4**. The world average is currently about 5.5, the lowest score is observed in Togo (2,8) and the highest in Costa Rica (8.4). The latter score indicates that great happiness for a great number is possible and a look at the map shows that Costa Rica is no exception; average happiness is also quite high in most of the developed nations.

#### *Greater happiness is also possible*

Happiness is assessed periodically using identical survey questions in several nations. This allows comparison over time within nations. Three examples are presented in **scheme 5**. These data show that happiness is not immutable. Average happiness declined in Russia at the time of the Ruble-crisis and improved a lot in the following ten years. Note that average happiness has also improved in Denmark, which is among the happiest countries of the world. So, gains are possible even at the higher levels.

Contrary to the Easterlin paradox, there is a correlation with economic growth. Not only have both happiness and GDP gone up in most countries over the last 40 years, but the rise in happiness also tends to be greater in the countries where GDP has increased the most. The effect sizes are small however and only become visible when longer series are considered. These data were not available when Easterlin’s ‘paradox’ was launched in 1974 (Veenhoven & Vergunst 2014).

### **5.3 Much of the differences in average happiness in nations is in societal conditions which governments can influence**

The world map in **scheme 4** shows wide differences in average happiness across contemporary nations. Part of these differences may be due to factors which governments cannot control such as climate and genes. There is good evidence for an independent effect of climate on average happiness in nations; the hotter, the less happy (VandeVliert et al., 2004). There are also indications of genetic factors, such as allelic frequency of the serotonin transporter functional polymorphism (5-HTTLPR), which seems to have co-evolved with the individualism/collectivism of cultures and may affect happiness directly and indirectly (Burger et al., 2014; Chiao & Blizinski, 2010). These effects seem small however and are dwarfed in comparison with the societal determinants of happiness, which, as we will see in the next section, explain some 75% of the variation of average happiness across nations.

## 5.4 Some things governments can do to enhance happiness?

We now have data on 160 nations, which cover some 95% of the world's population. Cross-sectional analysis of these data shows strong correlations and together the societal variables used explain about 75% of the variance in average happiness across nations. Data for trend-analysis are less abundant as yet.

The key findings on societal correlates of happiness are presented in [scheme 6](#). All these findings concern things that governments can influence and most of these things are on the government's agenda already.

### *Economic development*

People live clearly happier in rich nations than in poor ones, the zero-order correlation with real income per head being +.65. About half of the correlation remains after control for other societal characteristics, such as freedom and rule of law. Such controls may underestimate the real effect of the economy, since freedom and justice depend to some extent on economic development.

The independent effect of economic affluence on happiness is not yet fully understood. In part it is probably in the benefits of material comfort, but the correlation may also reflect a positive effect on happiness of economic activity as such, happiness being both a matter of work for pence and play.

As was noted above, there is also some correlation between economic growth and happiness, though there are many exceptions to this pattern. In spite of considerable economic growth since the 1960s, the Japanese have not got much happier. In the post-communist countries of Eastern Europe economic (re)development was initially accompanied by a drop in happiness during the 1990s until the expected rise in happiness manifested in the early 2000s. A similar V-pattern on a larger time-scale seems to be happening in China. One of the reasons for the modest long-term effect of economic growth on happiness is that much of the gain gets lost in years of economic decline (DeNeve et al 2015).

So far the data do not suggest that zero-growth will make us happier.

### *Freedom*

Average happiness is also higher in nations where choice is least restricted. This manifests in economic life, in political life and in private life. The effect of economic freedom on happiness is greater in developing nations than in developed ones and the effect of political freedom greater in the latter than in the former. Trend data on freedom are not available as yet.

Governments can enhance freedom by lessening restrictions, such as those on starting a new business or founding a political movement. They can also enhance freedom by strengthening a citizen's capability to choose. For more detail see Brule and Veenhoven (2014).

### *Equality*

Surprisingly, there is no correlation between average happiness and income inequality in nations. This pattern of non-correlation also appears in different parts of the world (Berg & Veenhoven 2010). The disadvantages of income inequality emphasized by the left seem to be

balanced by the benefits claimed by the right.

There is a strong correlation between happiness and gender-equality in nations; the more emancipated the women in a country are, the higher average happiness. A trend analysis by Stevenson and Wolfers (2009) suggests that the gain is not found in the feminist advance guard, since happiness in high educated women has stagnated

### *Security*

Safety is another condition for happiness over which governments have control. Fighting crime is typically high on the agenda, violent crime in particular. Yet the data show little correlation with murder rate, while white collar crime (corruption) appears to affect happiness more negatively. Likewise, rates of death due to accidents correlate stronger with average happiness in nations than homicide rates do. This calls for more research into these hidden happiness leaks.

At first sight there is a positive correlation between average happiness and social security in nations, both when measured in terms of entitlement and in expenditure. Yet the correlation disappears when GDP is controlled. People appear to be no happier in generous welfare states than in equally rich nations where Father State is less open handed. In a recent comparison over time I found no corresponding change in happiness in nations that had cut spending on social welfare or had expanded their spending (Veenhoven, 2011). This is not to say that the welfare state should be abandoned for the sake of happiness, rather that the data imply that this issue is happiness neutral.

### *Care*

The available data suggest a greater impact of some specific public goods and one of these is health care. Investment in health care is strongly related to happiness, mental health care in particular. The more countries invest in mental health care, the happier its citizens tend to be.

### *Institutional quality*

The happiness of citizens also depends on the quality of various institutions in their society, such as their educational system, health services and their juridical system, and, what is particularly important, the technical quality of government. Are the civil servants competent or corrupt, are rules transparent? Good governance is the strongest correlate of average happiness, slightly stronger than economic development. One of the reasons is probably that good governance makes life more predictable and that a well-organized society allows individuals more choice. More detail can be found in Ott (2010, 2011).

Promoting institutional quality is again something that governments can do, and this is something beyond dispute.

### *Modernity*

Much of the above-mentioned conditions are part of a wider pattern of 'modern' society. Consequently, we also see positive correlations with other indicators of modernity, such as urbanization and education. Prophets of doom associate modernization with increasing misery, but the data show a positive correlation with happiness. We now live longer and happier than ever before in human history and both longevity and happiness are still on the

rise. One of the reasons for this seems to be that modern (post)industrial society fits human nature better than traditional society, which roots in the agrarian phase of societal development (Veenhoven, 2010).

The least governments can do is to acknowledge this fact and to put the brake on restorative tendencies. Governments can also encourage modernization, as most governments in fact do on various fields, such as research and development aid. Modernization is to some extent an autonomous process, but governments can surf on its waves.

## 5.5 Well compatible with common aims of public policy

This would be the end of the story for a radical utilitarian, who is only interested in maximizing the level of happiness in a country. Yet governments pursue multiple goals, so the question is how well then pursuit of greater happiness will fit their wider policy mix.

### *Means to greater happiness fit other aims*

The means to happiness mentioned in [scheme 6](#) are all found on the political agenda, both because they are deemed desirable in their own right and because they are instrumental to other policy aims. Even if economic growth and social equality did not add to happiness, most governments would still pursue these goals, if only for the sake of social stability.

In most of the cases there is synergy: continued pursuit of economic growth, gender equality and rule of law will also add to the cause of happiness. Some of the common policy aims do not seem to add to greater happiness, as is the case with income equality and social security. Yet these things do not detract from happiness either, so there is no conflict.

Obviously, there can be conflicts, for instance when war and the aim of national security requires happiness to be sacrificed. A less dramatic and more recent example is the general raise in pensionable age taking place in the developed world, which is likely to lower the happiness of a considerable number of people, since our current pre-pensioners were found to become happier when they stopped working<sup>4</sup>.

### *Happiness as such has beneficial side effects*

Once achieved, happiness seems to fit well with most of the goals that governments pursue in developed nations. Happy citizens are economically more productive and politically more responsible. They even seem to cheat less on taxes (Güven, 2009). Happiness also adds to health, and the common goal of 'Health for all,' matches well with the pursuit of 'Greater happiness for a greater number' (Veenhoven, 2008c). Likewise, happiness adds to the formation of 'social capital,' happiness strengthens intimate networks and facilitates participation in voluntary organizations.

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<sup>4</sup> World Database of Happiness, [Findings on Happiness and Retirement](#), see R3.1.2

## 6 FURTHER RESEARCH

We are pretty well informed about how happy people are in nations and what societal conditions foster the happiness of citizens. Yet our information is limited to tangible things on which comparable international statistics are available. We are largely blind to the effects of cultural factors such as the quality of programs on TV and forms of socializing. Possibly this is a clue to the relatively high levels of happiness found in Latin American countries.

Most of our knowledge about societal conditions for happiness is based on cross-sectional analyses. Now that the data time-series are growing, we can get a view on effects of changes in societal conditions on change in happiness, as has already been done for the cases of economic growth and social security (Veenhoven 2011; Veenhoven & Vergunst, 2014).

Though most societal conditions for happiness seem to be universal (Veenhoven, 2010a), we must keep an open mind for variations across different kinds of nations, such as the relatively great impact of economic freedom in poor nations. Such split-ups become feasible now that we have data on almost all the countries of the world.

A last challenge for future research is to distinguish cause and effect. Most of the correlations reported in this chapter can be due to reversed causality, the happiness of citizens affecting societal conditions, for example happiness facilitating economic development. The best way to assess causality is to conduct experiments, but experiments are hardly possible at the macro-level of nations. The best we can do is consider natural experiments, such as the introduction of the contraceptive pill in the 1960s, which greatly reduced the family size and the fall of communism in 1990, which introduced the market economy in Eastern Europe. Both developments seem to have added to average happiness, but the subsequent rises in happiness may also have been caused by parallel social developments. More controlled experiments are possible for specific social policies, an example is a house ownership program in the USA in which a group of beneficiaries was compared with a matched control group (Rohe & Stegman, 1994). Happiness is increasingly used as an outcome in such effect studies, this literature can be tracked in the Bibliography of Happiness, section Rf03 'Observed effects of happiness policies' (Veenhoven, 2016a)

### **Three Questions for the Field**

1. How does average happiness in nations develop over time?
2. What kind of society generates the greatest happiness for the greatest number?
3. How can this knowledge be fed into the policy process?



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Scheme 1

**Four qualities of life**

	<i>Outer qualities</i>	<i>Inner qualities</i>
<i>Life chances</i>	Livability of environment	Life-ability of the person
<i>Life results</i>	Usefulness of life	<b>Satisfaction with life</b>

Source: Veenhoven 2000

Scheme 2

**Four kinds of satisfaction**

	<i>Passing</i>	<i>Enduring</i>
<i>Life aspects</i>	Pleasure	Domain satisfaction
<i>Life-as-a-whole</i>	Peak experience	<b>Life satisfaction</b>

### Scheme 3

#### Some currently used questions about happiness

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##### *Single questions*

- Taking all together, how happy would you say you are: very happy, quite happy, not very happy, not at all happy?  
(standard item in the World Value Studies)
- How satisfied are you with the life you lead? Very satisfied, fairly satisfied, not very satisfied, not at all satisfied?  
(standard item in Euro-barometer surveys)
- Here is a picture of a ladder. Suppose the top of the ladder represents the best possible life for you and the bottom of the ladder the worst possible life. Where on the ladder do you feel you personally stand at the present time? (0-10 ladder like rating scale)  
(Cantril's (1965) present life ladder rating)

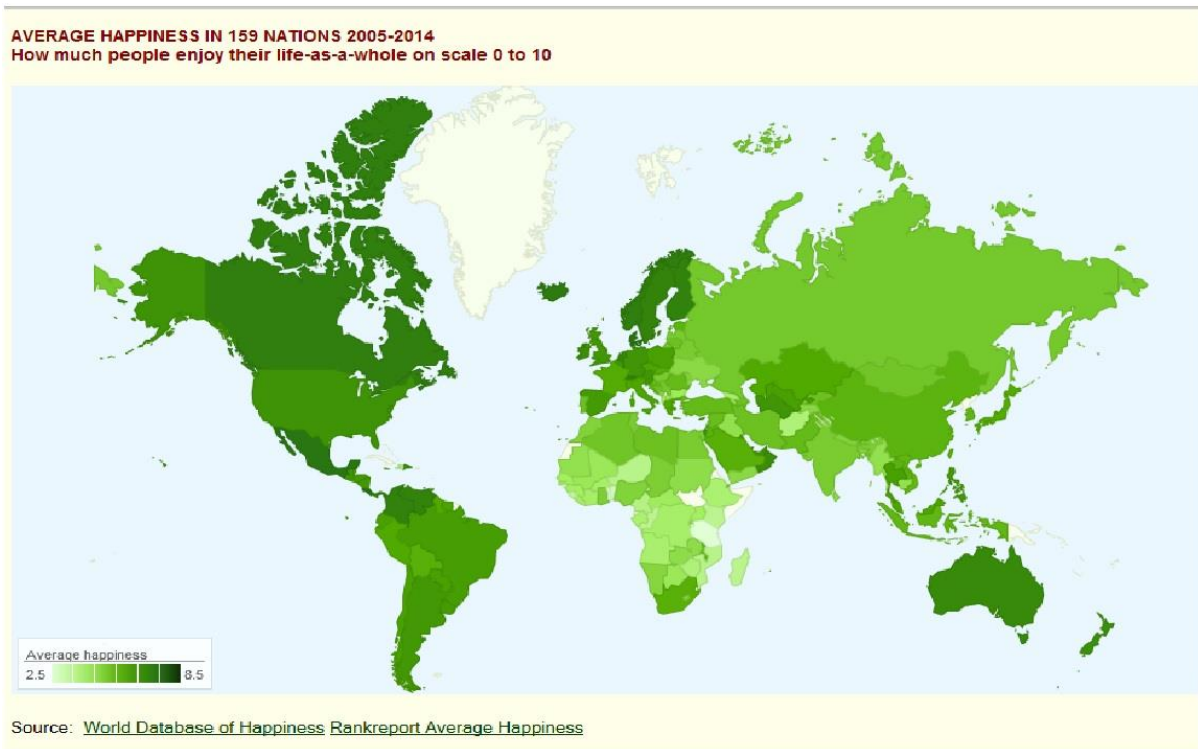
##### *Multiple questions (summed)*

- Same question asked twice: at the beginning and at the end of interview  
How do you feel about your life-as-a-whole? Delighted, pleased, mostly satisfying, mixed, mostly dissatisfying, unhappy, terrible?  
(Andrews & Withey's (1976) Life 3)
  - Five questions, rated on a 1-7 scale ranging from strongly agree to strongly disagree.  
(Diener's 1985 Satisfaction With Life Scale SWLS)
    - In most ways my life is close to ideal
    - The conditions of my life are excellent
    - I am satisfied with my life
    - So far I have gotten the important things I want in life
    - If I could live my life over, I would change almost nothing<sup>5</sup>
- 

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<sup>5</sup> In my view this last item is not appropriate. One can be quite satisfied with life, but still be open to the opportunity to try something new.

Scheme 4  
**Average happiness in nations**

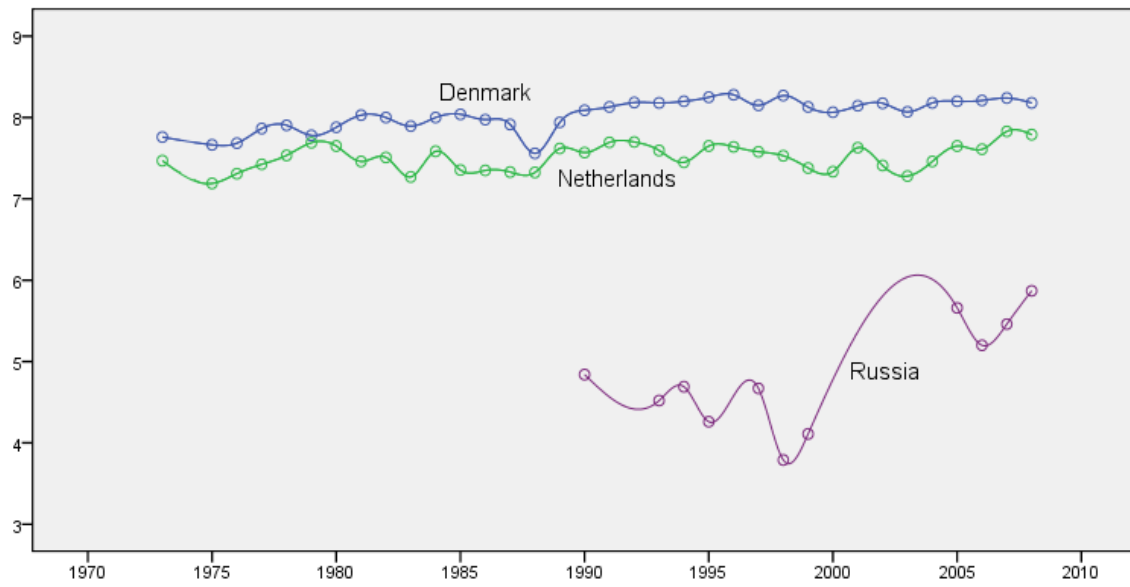


Source: World Database of Happiness: Rank report average happiness in nations (Veenhoven 2016f)



Scheme 5

**Change of average happiness in three nations 1973-2015**



Source: World Database of Happiness, Trend report average happiness in nations (Veenhoven 2016g)

## Scheme 6

**Some societal conditions for happiness**

<i>Nation characteristic</i>	<i>Findings in the World Database of Happiness<sup>6</sup></i>				
	<i>on the general population</i>			<i>on particular kinds of countries</i>	<i>Number of findings and link to detail</i>
	<i>cross sectional</i>		<i>longitudinal</i>		
<i>raw</i>	<i>partial</i>				
<b>Wealth</b>					
GDP p/c	+	+	+		
<b>Freedom</b>					
Economic freedom	+	+			<a href="#">25</a>
Political freedom	+	+			<a href="#">20</a>
Private freedom	+	+			<a href="#">27</a>
<b>Equality</b>					
Income equality	0	0			<a href="#">32</a>
Gender equality	+	+			<a href="#">21</a>
<b>Security</b>					
Physical security; murder rate	0	0			<a href="#">6</a>
Social security	+	0	0		<a href="#">40</a>
<b>Care</b>					
Public health expenditure	+	0			<a href="#">5</a>
Mental health care	+	+			1
<b>Institutional quality</b>					
Rule of law	+	+			<a href="#">28</a>
Good governance	+	+			<a href="#">28</a>
<b>Modernity</b>					
Literacy and schooling	+	0			<a href="#">16</a>
Urbanization	+	+			<a href="#">3</a>
Individualization	+	+			<a href="#">7</a>
<i>Explained variance</i>	± 75%				

<sup>6</sup> World Database of Happiness, [Findings on Happiness and Conditions in Nations](#)

**Keys to scheme 6**

<i>Degree of correlation</i>		<i>Availability of findings</i>	
++	very positive		none
+	positive		a few
+/-	mixed findings, both positive and negative		some
-	negative		considerable
0	none		a lot