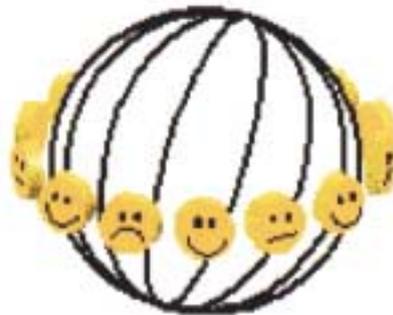


Happiness and the bonus of freedom

“I encounter a lot of scepticism but little explicit critique”

Nowadays, everything is being subjected to research. Coming up with a World Database of Happiness seems to be just another post-modern novelty. But is it really? A closer look would suggest that the subject has always been around us, despite its marginal reference in modern science. Challenged by this notion, Eloquent decided that an interview with the ‘happiness professor’ would give a lead into this joyful theme.

As a student of sociology in the sixties, Ruut Veenhoven was surprised he learned so much about social conflict and so little about how liveable societies actually are. His professors advised him to search that out for himself and this started a gathering of researches on happiness and life satisfaction that presently comprises some 3600 publications. In 1984, he founded the World Database of Happiness. At first, the database was published in big books but since a few years all data are on the web, freely available to anybody interested in the subject (www.eur.nl/fsw/research/happiness).



itself however, meaning the extent to which you enjoy your life, is the same everywhere. It's just like

happiness too. People know whether they enjoy their lives or not. I checked that in several ways. One check was comparing reports of general life-satisfaction and last week's mood across nations. The ranking of averages appears to be almost identical. Another check was considering the link with evident conditions for an enjoyable life, such as absence of hunger and oppression in the country. These 'hard' factors explain 75% of the observed differences in reported happiness in nations.

“The term happiness exists in every culture, it's universal”

How is it possible to research happiness internationally, is the term itself not too much culturally defined?

What differ are the perceptions of what makes one happy. Happiness

opinions differing on the question why you have a headache. One culture will say 'This was caused by your sin' whereas another says 'You've drunk to much'. But what a headache really is, we all know that! It's that simple with

How can you measure happiness?

Happiness, in my strict definition, can be measured only by asking people how much they enjoy life. This is typically done by single questions, such as "Taking all

together, how satisfied are you with the life you lead currently? Very satisfied, fairly satisfied, not very satisfied or not satisfied?" Sometimes several of such questions are combined in an index. The use of multiple questions can reduce measurement error, yet mostly it brings us from the frying pan into the fire, because items on different matters are added. In fact most of the so-called 'quality-of-life indexes' mix up satisfaction with possible sources of satisfaction. Such questionnaires typically contain items on income, social contacts and health. The moment you start to measure through such indices you start comparing apples with pears. In my opinion the sum scores are meaning-less. The strength and the weakness of my research is that it focuses on how much people enjoy their lives as a whole. People simply report how they feel.

How reliable is that question? If you would ask me, my answer could be biased positively...



There is certainly a tension to colour life rosier than it actually is. We can already see that in the differences between a face-to-face interview and a questionnaire. That difference is already half of a point on a ten step scale. So there is some bias, but as long as the bias is

Curriculum Vitae

Ruut Veenhoven (1942) studied sociology and is associate professor of Sociology at Erasmus University Rotterdam, and professor of Humanism at the University of Utrecht. His research concerns the subjective quality of life. He is director of the World Database of Happiness, a research base that contains more than 3600 studies on the theme. Ruut Veenhoven is a fellow of the International Society of Quality of Life Studies and chief editor of the Journal of Happiness Studies.

everywhere, there's no difficulty in finding the relation-ships. Of course, there are also individual fluctuations in the extent to which people feel happy, but when you calculate the national average these differences disappear.

Is happiness a natural state?

'Feeling well' is a biological sign that you are doing well. It signals both the inner state of the organism and its fit to the environment. Dogs and cats have the same thing although they are not aware of it. We can actually say 'Yes, I'm feeling very well' and thus we can better choose the right environment because we can over-view our wellbeing over time. I think that Adam and Eve were already subject to that notion. Another thing is that the term happiness exists in every culture, it's universal. For that reason it is also a classic theme in philosophy. In Greek philosophy it was a very important subject. It is surprising that the theme is currently so marginally present in scientific discourse.

Are people becoming happier as time goes by in the Netherlands and in other countries?

Since 1973, the European Union conducts a survey twice a year in all

member states. This so-called 'Euro-barometer' provides an excellent base for comparison across time and nations. In those findings, we can see that the Netherlands was constantly at a high level as compared to other countries. If you look very detailed to the figures, you could see that the level of happiness has risen a little, although this is hardly visible. Inequality in happiness declined somewhat in the Netherlands. The other western countries show about the same figures. Some go up a little over time, some stay at the same level. In Russia, however, we see a dramatic decline of happiness. The average dropped by about 3 points between 1980 and 1995.

Which nations are the happiest in the world?

The Netherlands, Iceland, the Scandinavian countries and Switzerland are currently the happiest nations in the world. Let's say that in general the small northwestern European countries plus Australia have the greatest

level of happiness. France scores about a full point below the Netherlands. Remarkably, a research that just came in showed that a few South American countries are happier than Spain and Portugal. Such results can't be explained by economics because Spain is wealthier than these South-American countries. To explain them, we have to look at cultural factors. The family system

National Happiness
Happiness in 48 Nations on 1-10 scale (1990s)
Taken all together how happy would you say you are?

| Top 5 | |
|-------------|------|
| Netherlands | 7.97 |
| Iceland | 7.93 |
| Ireland | 7.87 |
| Denmark | 7.87 |
| Sweden | 7.87 |
| Bottom 5 | |
| Bulgaria | 4.43 |
| Belarus | 4.87 |
| Lithuania | 4.97 |
| Latvia | 5.08 |
| Russia | 5.10 |

might be very important...

Sweden and Norway? I thought Scandinavian countries have the highest suicide rate?

Yes, but we see this everywhere. High suicide is a side effect of an individualised society. In those societies people can make their own choices including the choice of suicide. But in a individualistic society, people tend to be more happy too. There exist this strange paradox that the average happiness rises with individualism, while among the declining minority of the unhappy, resort to suicide becomes

more common. Suicide of a few is more visible than average happiness of most citizens. You read about it in the papers. Misery has a higher salience anyway, probably as a result of evolution. There is also a tendency to idealise the past. As a result, many people think that we were happier in former times than in our present-day individualistic society.

Freedom matters a lot. Even independently from wealth. Also in western countries, freedom of choice matters significantly. I define freedom as the combination of 1) opportunity to choose and 2) capacity to choose. If those two are present in a society, we see a sort of a happiness bonus arise on top of our wealth.

What about students?

Students vary a lot. Often, they are slightly less happy than others. The notion 'your study years constitute the best time of your life' doesn't go for the majority. If you consider the many broken relationships, the failed tests and the uncertainties you can imagine why. As I said before, an individualistic society brings along a lot of happiness, but has his reverse side and the costs of that reverse side are usually paid for at the beginning. If you start to study, you have to know what direction you want to go, you have to deal with relationships. If a student is not that skilled in making choices and is insecure in his actions, he is bound to get some scratches now and then.

mm...OK. What about religious people?

Some research has been done into the happiness of religious people, but the issue remains complicated. The results say that religious people tend to be somewhat happier than non-religious people, but it differs over countries. And that difference is not constant over time. In the Netherlands, the difference was quite large after the war, but has eroded almost completely since then. In the United States, we still see a clear difference. However, those researches are subject to the danger of bias because religious people could be more inclined to state that they're happy. There are methods to deal with such bias but they have not been conducted yet. Still another problem is distinguishing between cause and effect. Does religion foster happiness or are happy people more attracted to religion?

Concerning economics: what are interesting results?

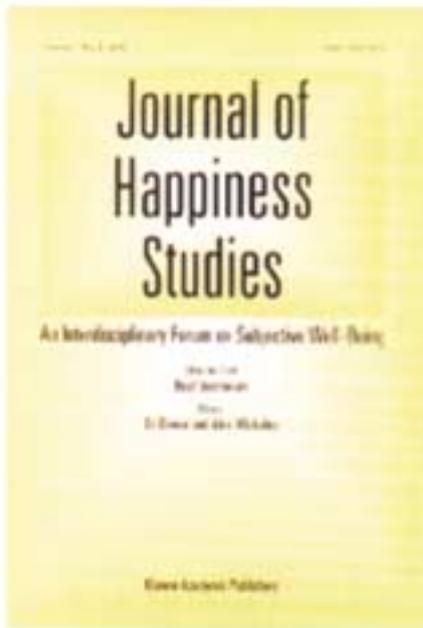
Students' Happiness
Happiness of University Students in different nations on 1-7 scale (1980s)

| Top 5 | University students | |
|-------------|---------------------|-------|
| Canada | 5.27 | -0.40 |
| Netherlands | 5.23 | -0.37 |
| Britain | 5.22 | -0.46 |
| Sweden | 5.19 | -0.35 |
| Mexico | 5.17 | -0.09 |

(first col. = student average, second col. = deviation from nat. average)

One of the surprises is that economic freedom is such a powerful predictor of average happiness in nations, in particular among developing nations. The

presence of a free market and the independence of political approval to set up a business seem to contribute to greater happiness of a greater number. It has appeared that economic freedom is even more important than political and religious freedom. Adam Smith will nod in his grave, but the current opinion is that market forces are



detrimental to happiness. An example is the recent book by Robert Lane entitled 'The decline of happiness in market democracies'. Lane vividly describes how market forces *could* reduce happiness, but ignores the fact that reality is different. The interesting thing is that in the relation between freedom and happiness, we see no decreasing marginal returns. With wealth and income we do see those decreasing marginal returns, but the extension of freedom still contains a lot of promises for us.

Should economists look more at the happiness factor?

Economists measure revealed preference, but not utility as such. Currently, some economists have started to study happiness. A whole discussion has arisen around the question of why people are not getting happier from excessive consumption. An example is Robert Frank's book 'Luxury Fever'.

Talking about excesses, is it true that there is some point at which extra income is irrelevant to happiness?

In the relation between average national happiness and national income, we see a very clear pattern of diminishing returns. The bend-off point is on and about at ten thousand dollar annual income. However, it is difficult to single out the pure effect of material consumption. Economic development is typically accompanied by improvement of other conditions for happiness, such as justice and education. In our research, we can not hold every variable constant because we have only 60 countries in it.

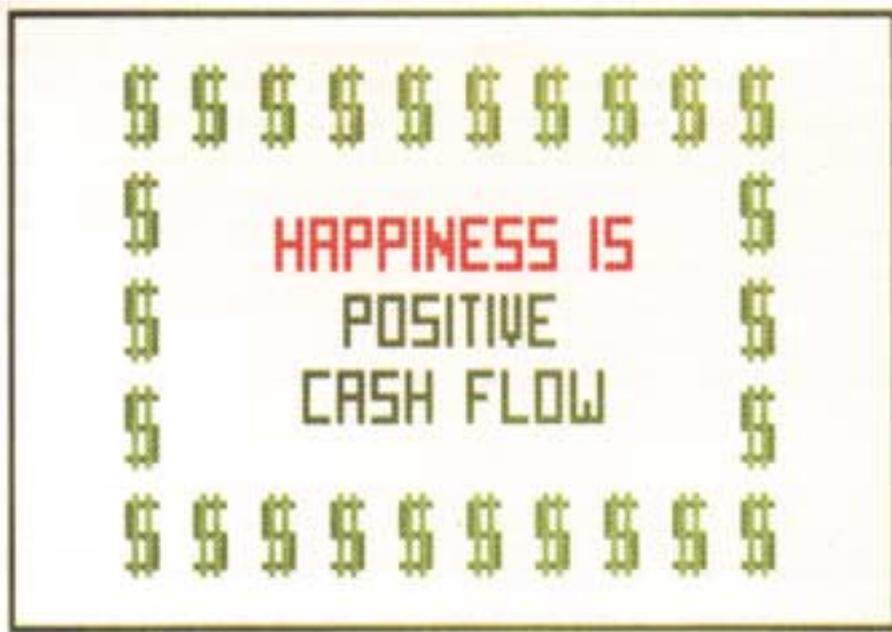
The interesting question is why people still continue their pursuit of wealth. That's a question that has been raised in many books lately. All these books come to the conclusion that a growth in wealth hardly contributes to people's happiness anymore. On the individual level there is some relation. In the US, wealthy people are a little happier than poor people, but in the Netherlands, that relation does not exist at all.

Do happy people get rich easier or do rich people get happy easier?

I would love to find that out! It's a puzzle but the data are there. From 1986, the *Deutsche Socio-ekonomische Panel* follows more than 1000 households and asks them each year about their income situation and their life-satisfaction. What I would like to do is to see what has happened to those people that experienced income changes, foremost people that suddenly saw their income increase, for example by an inheritance. If one of the Eloquent readers says 'That's where I would like to write my thesis about', let him call me!

Does comparison with other people matter a lot? According to economist Robert Frank, the utility derived from extra income is relative to income others earn. Is happiness overall not a question of relativity?

I have done research into that and surprisingly the answer is 'no'. Satisfaction with some aspects of life is indeed based on social comparison. This is for instance the case with income-satisfaction and satisfaction with career advancement. Yet this is no general rule. Satisfaction with one's sex life does not depend so much on the Jones's, not only because one is not admitted in their bedroom, but also because a lousy sex life is frustrating anyway. Satisfaction with life-as-a-whole is not based on social comparison either. Comparative calculation would be quite difficult. Where should you compare it with? There is no clear-cut definition of the good life. Information on how one feels is drawn directly from 'within'. This fits the biological view on happiness that I mentioned earlier. Like the dog and the cat, we know



Can you induce some kind of natural law for happiness from your research?

Since we are social animals, our happiness depends very much on the society in which we live. The data show that average happiness is about six on a ten-point scale once society provides a reasonable material standard of living and effective legal protection. If society also provides freedom and democracy, the average tends to go up. By this inductive approach we can find out what kind of society fits best with human nature. From the ideological perspective, there is a lot of scepticism toward this. Policy makers make their living by promoting an ideal and generally do not welcome data that put their favoured convictions to a test. A typical example is the discussion on the welfare state. The general opinion is that a welfare state does well in reallocating incomes and

intuitively whether we are doing well.

Subjective health is assessed in the same way. If someone asks you how healthy you feel, you don't start counting defects and comparing with ailments of the neighbours. You simply estimate how often you felt sick in the recent past.-

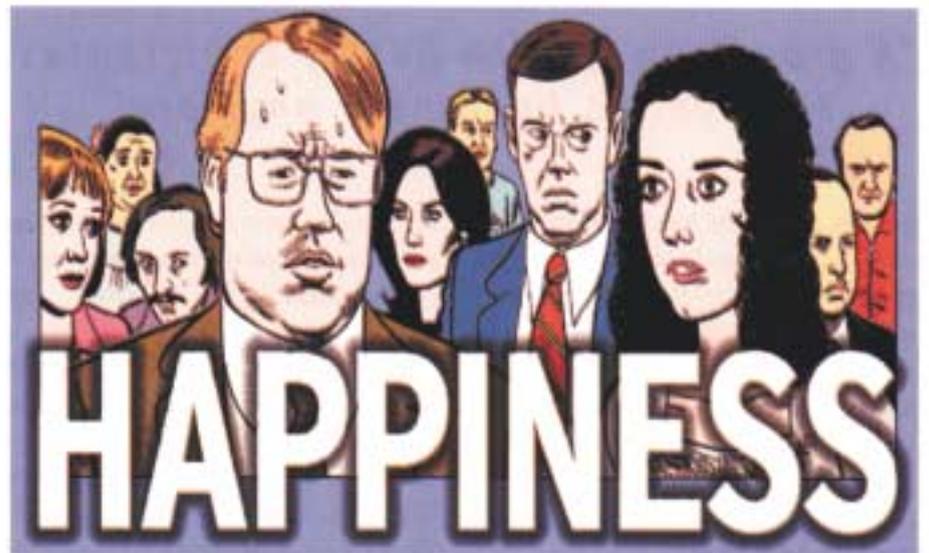
reject the common points of critique quite convincingly with the materials we have acquired so far. Most scepticism disappears when people start to focus on the results we have obtained. Among specialists it is now generally agreed that happiness is fairly well measurable. There is more

To what extent has your research been accepted in the social sciences?

It is certainly more known by now. Gradually it has institutionalised by the Database and the publication of our *Journal of Happiness*. It has not been fully established however. It's still a relatively new subject that has to prove itself and it's still hard to obtain subsidies for it.

Do you encounter a lot of critique from others saying that happiness research is too subjective and too vague?

I encounter a lot of scepticism but little explicit critique. Usually, I can



difference on the results obtained with these measures, some of which are counter-intuitive.

that people will therefore live happier in welfare states than in equally affluent nations where Father State is less open-handed. This appears not to be true. It

appears not to matter whether you live in a welfare state or not, neither for happiness nor for health.

But wait a second. You just mentioned the countries at the top: Netherlands, Norway and Sweden!

more important than happiness. Happiness is a value that should be weighted against other values. My research on happiness can help such moral weighing by charting incompatibilities and synergetic effect.

Yes, those are all welfare states. But if I compensate for the fact that all those countries are all very wealthy too, there's nothing left that distinguishes them. If we compare this over time and with countries that broke down the welfare state such as Argentina and Great Britain, there appears to be no effect at all! The puzzle of course is 'Why?' There has to be some mechanism included in the welfare state that counterbalances the obvious positive effects it has. It might be the fact that people get to be more dependent instead of relying on their own abilities. Dependency does not stimulate people to work, and having work brings along happiness. Let me note that if you like a welfare state, that's fine. But don't pursue a welfare state because you think it will make people happier.

Do you agree that happiness is the most important thing in life, the highest state of being?

I have given that a lot of thought. I think happiness is very important. However, I do not agree with the utilitarian point of view that happiness is the only and the highest state. I could imagine that one agrees to substitute some of his happiness for the preservation of the environment, for example. Or suppose we all would be happier if slavery is re-introduced. I would say that in that case, equality is