



5th LCSR International Conference


Subjective Well-being and Public
Policy


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¿What is
Happiness?
From Aristóteles
till today

Aristotle

 *Happiness is man's ultimate goal in life.*

 *Nobody seeks happiness to pursue other virtues or, in general, nothing else, except happiness in itself. Happiness, then, is the ultimate and self-sufficient goal.*

 *On the one hand he referred to those deeds aimed at the virtuous achievement of a goal, let's say a craft. On the other hand, he referred to a category that has to do with the never-ending learning of what is new, with the acquisition and elaboration of knowledge, in theoretical terms as well as in the praxis related to a given discipline.*

 *Not everybody could aspire to attain happiness. Only those who cultivate a “good moral character”, which he described as “complete virtue,” would be able to try. For most people, then, happiness would be for a long time linked to fortune, understood as luck, or divine grace – not something men could aspire to by their own means.*

Jeremy Bentham

“is the greatest happiness of the greatest number that is the measure of right and wrong”.

As well as Aristotle proposed understanding happiness as a process, Bentham introduced (through his Felicific Calculus) the measurement of our actions, whether they can lead to pleasure or sorrow.

This method took into account, among other factors, the intensity, duration and scope of pleasures and pains, with the aim of weighing which acts would have a greater tendency towards goodness.

In Bentham’s words: “nature has put men under the rule of two sovereigns: pleasure and pain. Only those two can determine what we must do or what we must avoid.”

Edgeworth & Fischer

Edgeworth conceived a device, the hedonometer, which he described as “an ideally perfect instrument, a psychophysical machine, continually registering the height of pleasure experienced by an individual.” Such a machine, he reasoned, would help economists to bring closer the study of gross profit to “the real world.”

Once achieved that first step, that is, having the machine able to measure the quantum of pleasure experienced by an individual, the goal would be to extend it to society as a whole. Toward that end, in Edgeworth words, it would be necessary to add a new variable: the total number of intelligent beings and thus reach “the purest end of utilitarianism.”

Fischer thought that economist must no longer pay attention to the developments of psychophysics and closely watch instead people’s choices to determine its levels of utility.

Likken & Tellegen

Happiness is, broadly speaking, a matter of good luck, of having gotten the winning ticket in “the great lottery of birth” – not the outcome of improvements achieved through public policies, personal earnings, educational attainments or flourishing in work.

Factors such as educational achievements and income levels would impact in less than 4 per cent on the levels of general well-being.

This conclusion has to do with one central feature of the genetic theory: the immobility of values of happiness or, more exactly, their fluctuation between a given floor and ceiling. Fifty per cent of that floor, the “happiness set-point,” is inherited and the other half is influenced by outside experiences.

Knowing the level of happiness and well-being of identical twins – even though they did not share the same experiences – would be a more reliable clue to their well-being than personal income, academic achievement or social standing.

Inglehart & Klingemann

In Genes, Culture, Democracy and Happiness they pointed out that genes, useful to measure inter-personal differences in the levels of well-being, are not good enough when it comes to the subjective well-being of a nation. Instead, the differences between countries would be better understood if we study their historical and cultural legacy.

They maintained, as the Utilitarians had done, that high levels of well-being in a population would be closely linked to the possibility of having flourishing democratic institutions, among other factors.

They cast doubt on the notion that certain nationalities are genetically prone to being happy and democratic.

“The levels of happiness vary from one culture to another. Cultures are built by human beings and this suggest that the pursuit of happiness is not entirely futile. Genes play a fundamental role, but values and beliefs are also very important.”

Csikszentmihalyi

*In his seminal work, **Flow: The Psychology of Optimal Experience**, he said that people are happiest when they are in flow, a state of concentration or complete absorption with the activity at hand*

Csikszentmihalyi described flow as “being completely involved in an activity for its own sake. The ego falls away. Time flies. Every action, movement and thought follows inevitably from the previous one, like playing jazz. Your whole being is involved, and you're using your skills to the utmost.”

Chess players are likely to achieve a state of flow: “I discovered chess was a miraculous way of entering into a different world. For hours I'd just focus within a reality that had clear rules and goals.”

A balance must be struck between the challenge of the task and the skill of the performer. If the task is too easy or too difficult, flow cannot occur. Both skill level and challenge level must be matched at a high level; if both are low apathy results.

Happiness depends on external events but rather in our ability to interpret them. Has little to do with luck, fate or chance and money or power or both cannot buy it.

Seligman

Cast doubt on the correctness of the use of the word happiness as subject of scientific scrutiny. Seligman chose "well-being."

"I believe that well-being is the topic of positive psychology, that flow is the best parameter to measure it and that the goal of positive psychology is to increment flow."

Seligman basically focused on a rather Aristotelean view about life satisfaction and happiness, that is, assuming that everything we do is aimed at being happy.

In Flourish, he concluded that there are five elements to "well-being": positive emotion (feeling good, which can only be assessed subjectively), engagement (being totally absorbed by one's activity), relationships (the presence of friends, family, intimacy, or social connection), meaning (belonging to and serving something bigger than one's self) and achievement (accomplishment that is pursued even when it brings no positive emotion, no meaning, and nothing in the way of positive relationships).

Public policies are designed worldwide to optimize the material levels of the population. But according to his logic, the only purpose of wealth creation must be the maximization of flow instead of encouraging mere accumulation or the acceleration of consumption anxiety.

Schwartz

*In his book **Paradox of Choice: Why More is Less** said that people, particularly in the US, face every day an overwhelmingly number of options to choose from: from food to electronics, from retirement plans to dating services, the huge amount of available options is conspiring against the individuals' true needs. And this, far from improving the quality of life makes it worse.*

An abundance of choice, he reasoned, forces us to invest "time, energy, no small amount of self-doubt, and dread" into each decision, leaving us feeling more constrained than liberated.

The time spent to make those choices prevents people from spending time with friends and family, something that according several studies is one key to achieve higher levels of well-being and life satisfaction. That is why individuals must learn how to make decisions – "choose when to choose," he advised.

Khaneman



Drew a line between perceptions derived from experience and perceptions derived from memories.



Even though we have just one mind, there are two ways of making decisions, one linked to the present and the other to memory. The first takes decisions “with a little effort and without the feeling of voluntary control” while the second is rational and related to choice and concentration.



There are two types of self, one that lives in the present and another in our memory.

¿Who are happy
and why?

SUBJECTIVE WELL-BEING - HIGH level

#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
1	Mexico	8,51	1,39	5,05
2	Colombia	8,39	1,52	4,58
3	Denmark	8,36	1,56	4,46
4	Uzbekistan	7,89	1,39	4,42
5	Qatar	8,01	1,46	4,37
6	Ecuador	7,92	1,50	4,17
7	Iceland	8,05	1,56	4,15
8	Switzerland	8,01	1,64	3,91
9	Ireland	7,79	1,59	3,82
10	Norway	7,96	1,67	3,79
11	Canada	7,72	1,59	3,75
12	Great Britain	7,60	1,57	3,68
13	North Ireland	7,79	1,65	3,67
14	Belgium	7,67	1,62	3,62

#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
15	Sweden	7,62	1,63	3,54
16	Malta	7,91	1,76	3,51
17	Trinidad and Tobago	7,47	1,59	3,50
18	Malaysia	7,13	1,47	3,45
19	New Zealand	7,65	1,71	3,37
20	Finland	7,84	1,79	3,37
21	Philippines	7,34	1,61	3,30
22	Brazil	7,65	1,76	3,25
23	Australia	7,38	1,70	3,14
24	Netherlands	7,49	1,75	3,11
25	Pakistan	7,48	1,75	3,10
26	United States	7,44	1,74	3,10
27	Uruguay	7,60	1,81	3,07

SUBJECTIVE WELL-BEING - MEDIUM level

#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
28	Austria	7,55	1,84	2,95
29	Argentina	7,48	1,82	2,93
30	Kyrgyzstan	6,96	1,68	2,76
31	Kazakhstan	7,25	1,80	2,76
32	Turkey	7,27	1,82	2,73
33	Singapore	6,97	1,70	2,73
34	Germany	7,39	1,91	2,62
35	France	6,91	1,75	2,54
36	Chile	7,27	1,92	2,48
37	Poland	7,06	1,84	2,45
38	Japan	6,91	1,78	2,45
39	South Africa	7,03	1,85	2,41

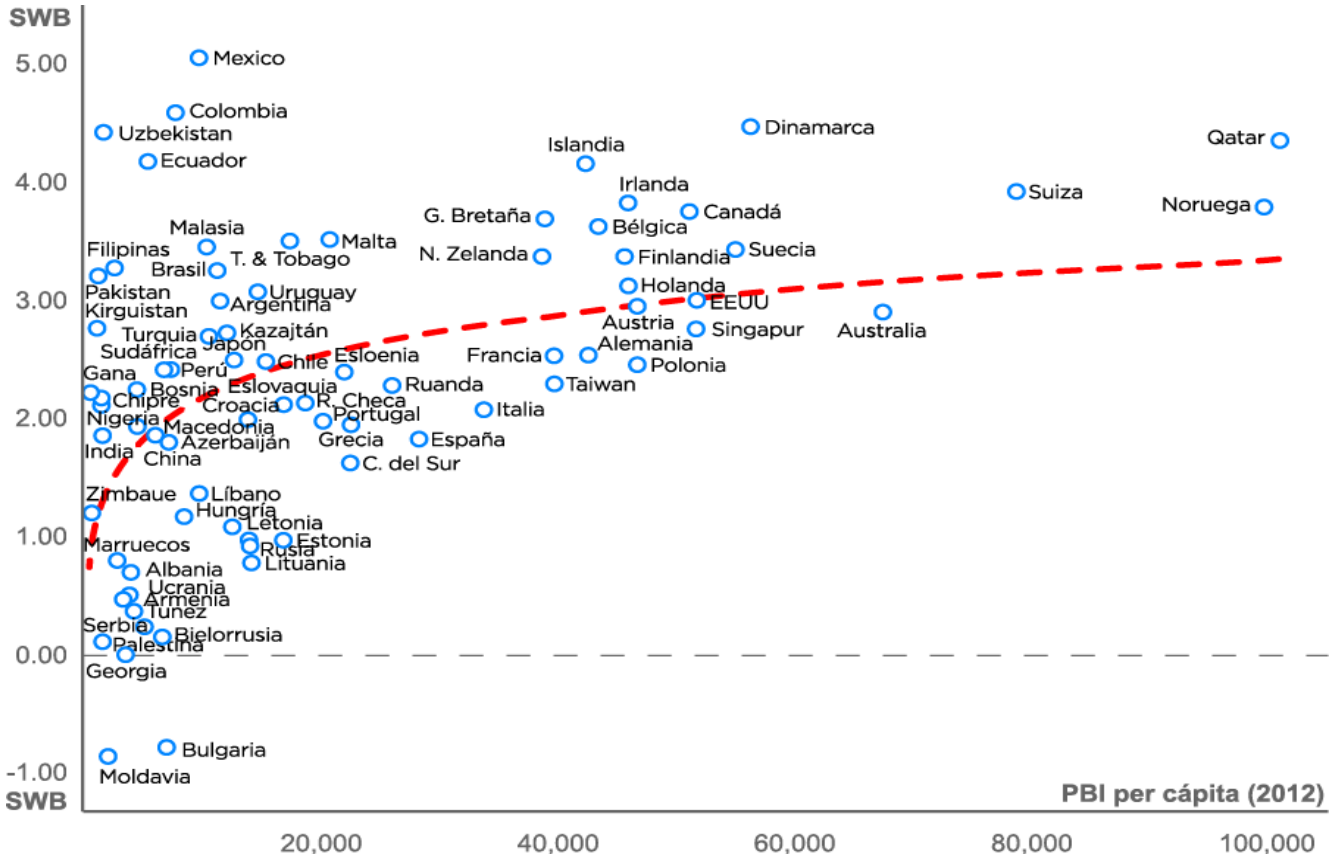
#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
40	Peru	7,13	1,89	2,40
41	Slovenia	7,35	1,98	2,39
42	Taiwan	6,89	1,83	2,31
43	Ghana	6,42	1,66	2,27
44	Bosnia	7,09	1,94	2,24
45	Rwanda	6,47	1,70	2,22
46	Cyprus	7,00	1,91	2,22
47	Czech Republic	7,21	2,03	2,14
48	Nigeria	6,26	1,65	2,12
49	Slovakia	7,27	2,06	2,12
50	India	6,52	1,76	2,11
51	Italy	6,89	1,93	2,07

SUBJECTIVE WELL-BEING - LOW level

#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
52	Croatia	7,04	2,02	1,99
53	Portugal	6,82	1,94	1,97
54	Greece	6,92	1,99	1,95
55	Macedonia	6,85	1,97	1,93
56	Azerbaijan	6,74	1,94	1,89
57	China	6,86	1,99	1,87
58	Spain	6,77	2,00	1,78
59	South Korea	6,61	1,96	1,72
60	Zimbabwe	6,04	1,78	1,60
61	Lebanon	6,50	2,05	1,37
62	Hungary	6,29	2,08	1,09
63	Romania	6,64	2,23	1,07
64	Latvia	6,36	2,16	0,96
65	Russia	6,13	2,10	0,87

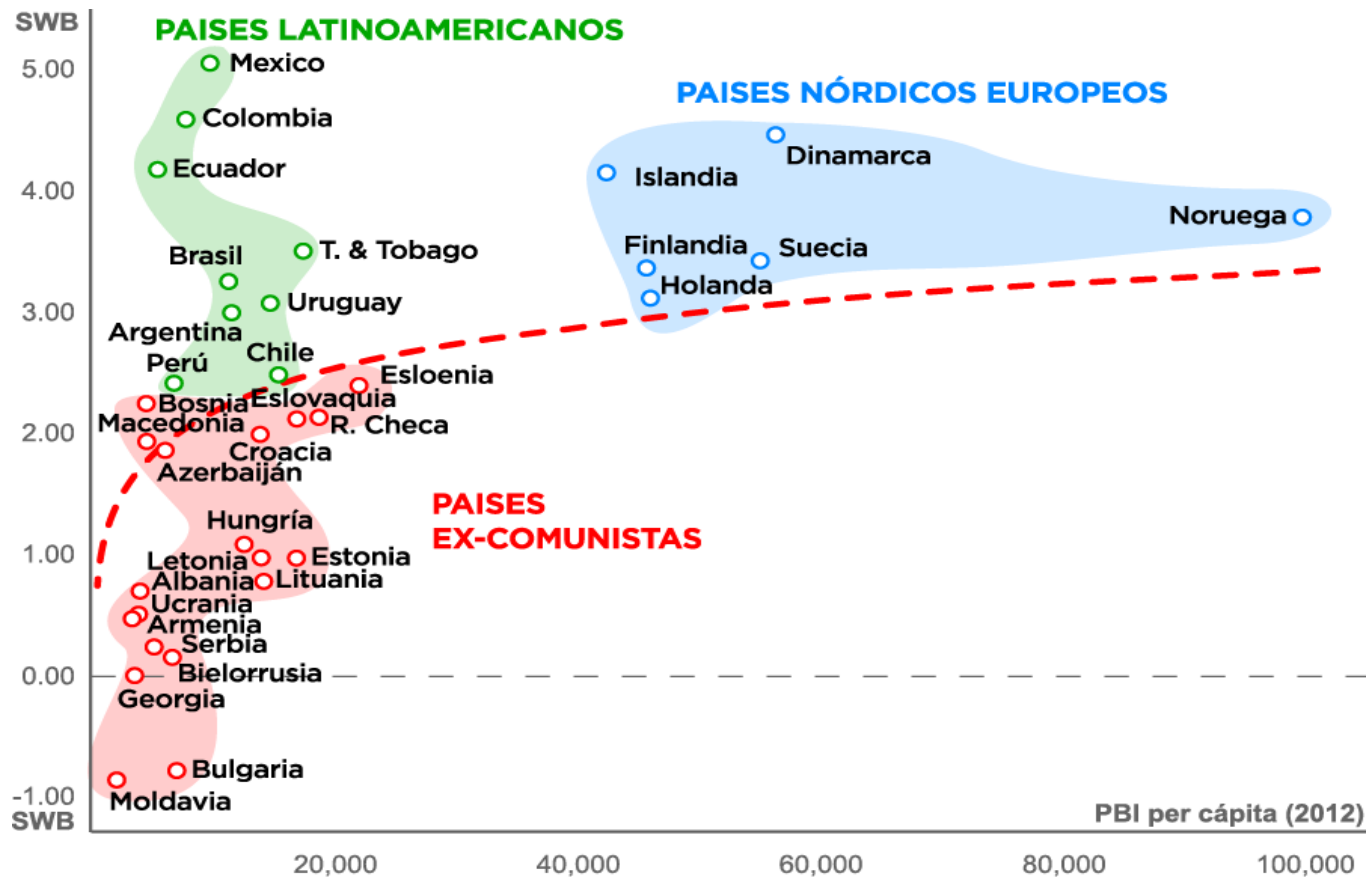
#	COUNTRY	LIFE SATISFACTION	HAPPINESS	SWB
66	Estonia	6,20	2,13	0,87
67	Morocco	5,94	2,06	0,79
68	Lithuania	6,45	2,27	0,78
69	Albania	6,3	2,24	0,70
70	Ukraine	5,90	2,17	0,48
71	Armenia	5,23	1,92	0,43
72	Tunisia	5,58	2,09	0,37
73	Serbia	6,01	2,31	0,23
74	Belarus	5,80	2,24	0,21
75	Palestine	5,62	2,20	0,11
76	Georgia	5,48	2,19	0,01
77	Bulgaria	5,22	2,40	-0,78
78	Moldova	5,45	2,52	-0,85
79	Egypt	5,01	3,06	-2,64

SWB INDEX VS GDP PER CAPITA



WVS 2013 - 2007, & EVS 2008-2009. PBI World Bank

SWB AND GDP PER CAPITA



WVS 2013 - 2007, & EVS 2008-2009. PBI World Bank

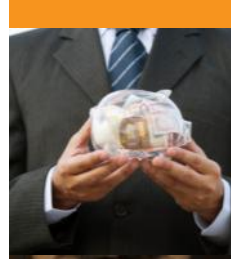
FACTORS THAT CORRELATE WITH HAPPINESS



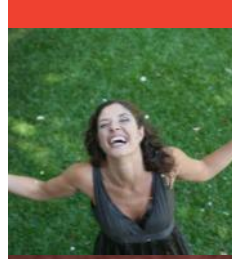
FAMILY



HEALTH



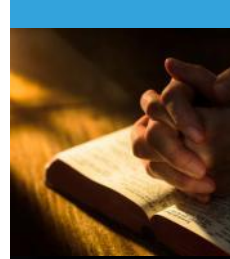
INCOME



FREEDOM



WORK



SPIRITUALITY

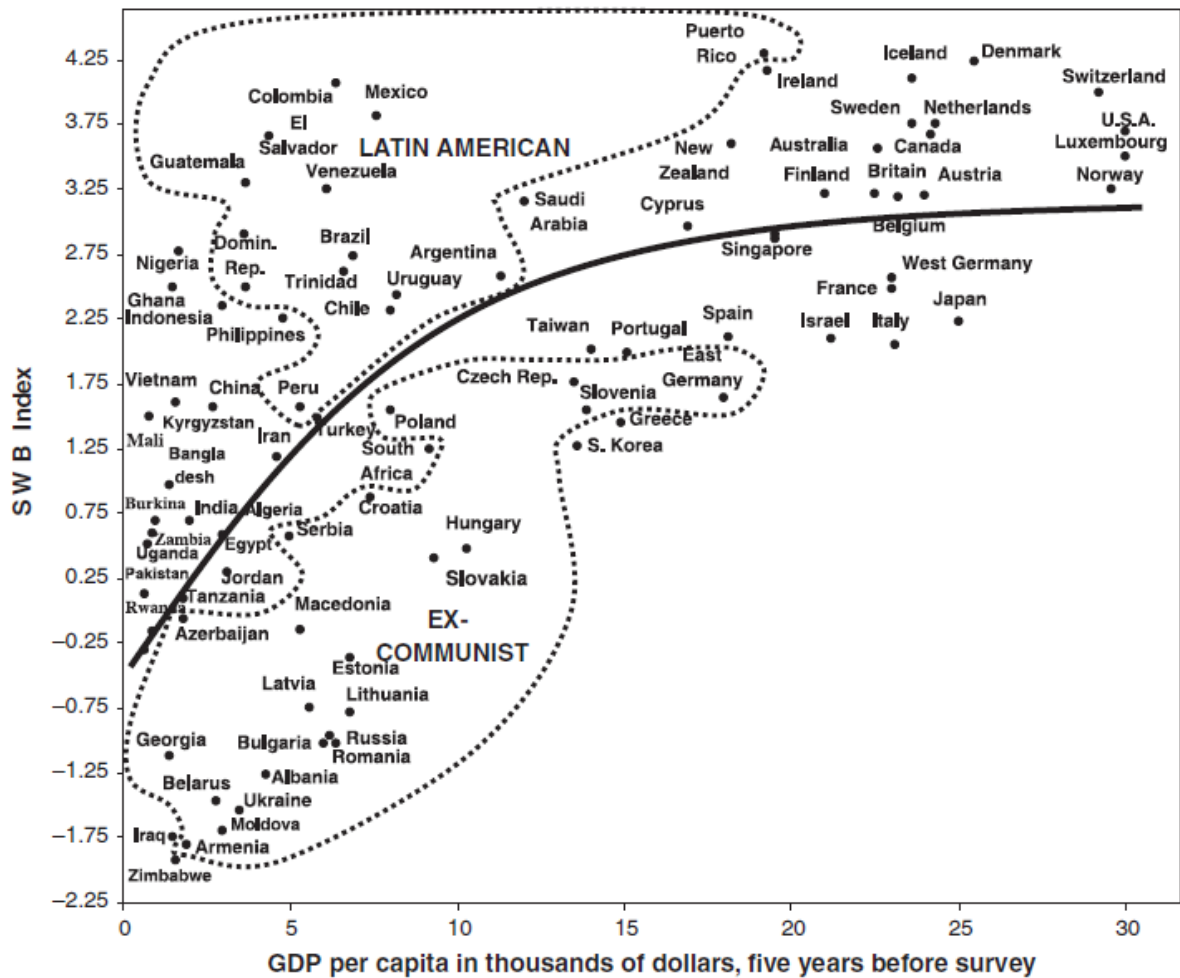


TRUST



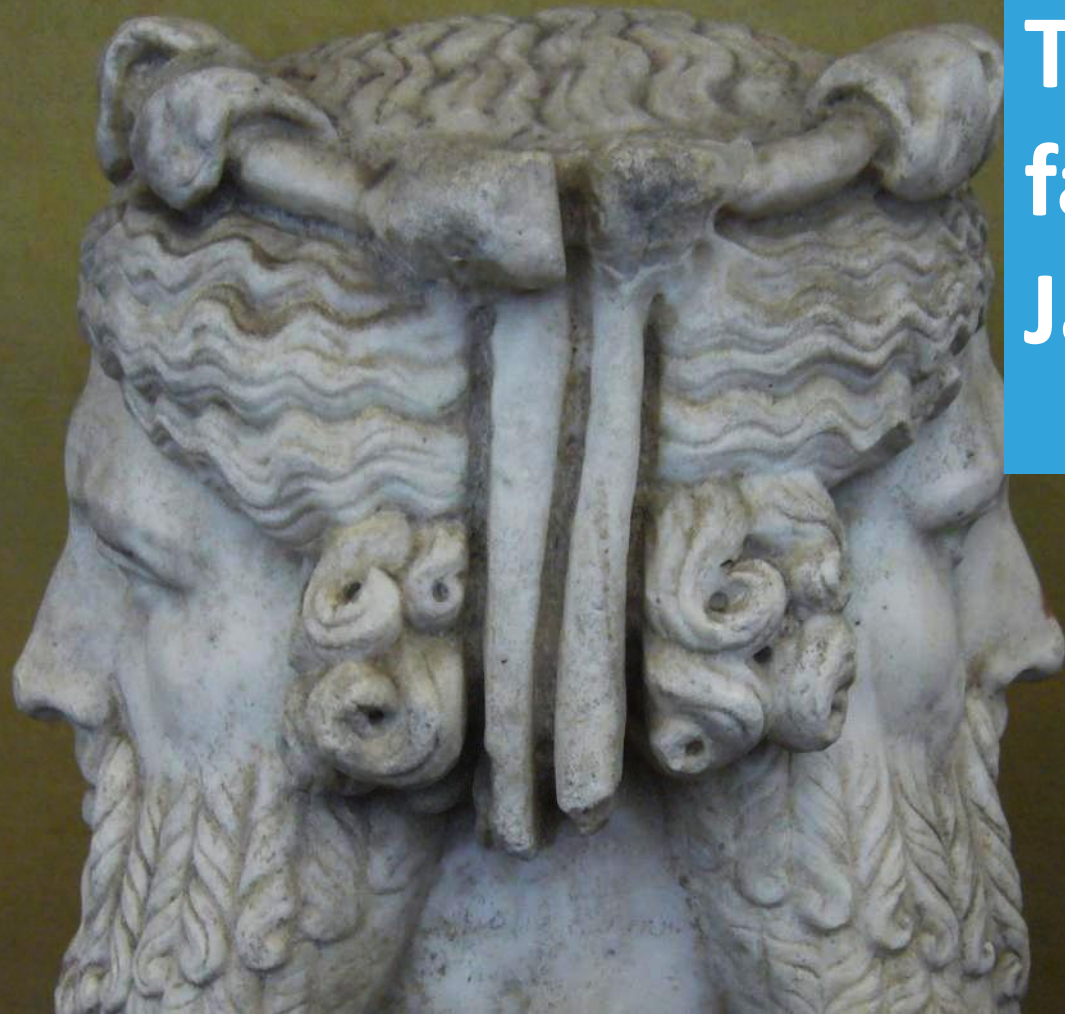
Correlation with happiness in different countries.

Community and friends		Freedom		Economic Situation		Family	
Alemania	0.152	Hong Kong	0.306	Francia	0.377	Latam	0.348
Canadá	0.115	Canadá	0.292	India	0.371	España	0.334
Finlandia	0.109	Alemania	0.284	Rusia	0.349	Suiza	0.318
EE.UU.	0.103	Australia	0.281	China	0.343	India	0.315
Gran Bretaña	0.090	EE.UU.	0.27	Gran Bretaña	0.326	China	0.156
Rusia	0.080	Rusia	0.267	Hong Kong	0.318	Work	
España	0.079	Italia	0.258	Alemania	0.313	España	0.263
Hong Kong	0.076	Gran Bretaña	0.229	Irán	0.309	India	0.249
Noruega	0.075	Suecia	0.227	Canadá	0.308	China	0.222
Australia	0.073	Francia	0.224	US	0.308	Latam	0.217
China	0.070	China	0.222	Italia	0.289	Suiza	0.205
Suecia	0.068	Finlandia	0.221	Australia	0.287	Health	
Italia	0.068	Latam	0.209	Suecia	0.271	Rusia	0.359
Francia	0.042	Noruega	0.204	Noruega	0.263	Venezuela	0.344
Irán	0.037	Irán	0.202	Turquía	0.247	Mexico	0.340
Latam	0.031	India	0.189	Suiza	0.245	Argentina	0.297
India	0.017	España	0.175	Latam	0.242	Suiza	0.205
Turquía	0.015	Turquía	0.023	España	0.237		
				Finlandia	0.223		



GDP per capita in thousands of dollars, five years before survey

Happiness and public policy



The two faces of Janus

The two faces of Janus

A new paradigm has emerged over the last years, according to which public policies must take into account objective well-being (associated with economic growth and people's basic needs) as well as subjective well-being (related to social capital and personal growth).

This dual perspective, the idea of looking simultaneously to two different places, could be found in Ancient Rome in Janus, the two-faced god of the gates, who stared at both the Winter and Summer solstices.

As Janus, this model points to the two dimensions of well-being. In the end, they are the two faces of the same coin: ourselves.

A man and a woman are captured in a close embrace, performing a tango dance. The man, on the left, is wearing a black suit jacket, a white shirt, and a light-colored tie. The woman, on the right, is wearing a shimmering, sequined, sleeveless dress. They are standing on a dark wooden floor. The lighting is dramatic, highlighting their profiles and the texture of the woman's dress. The background is dark and out of focus.

**It takes
two to
tango**

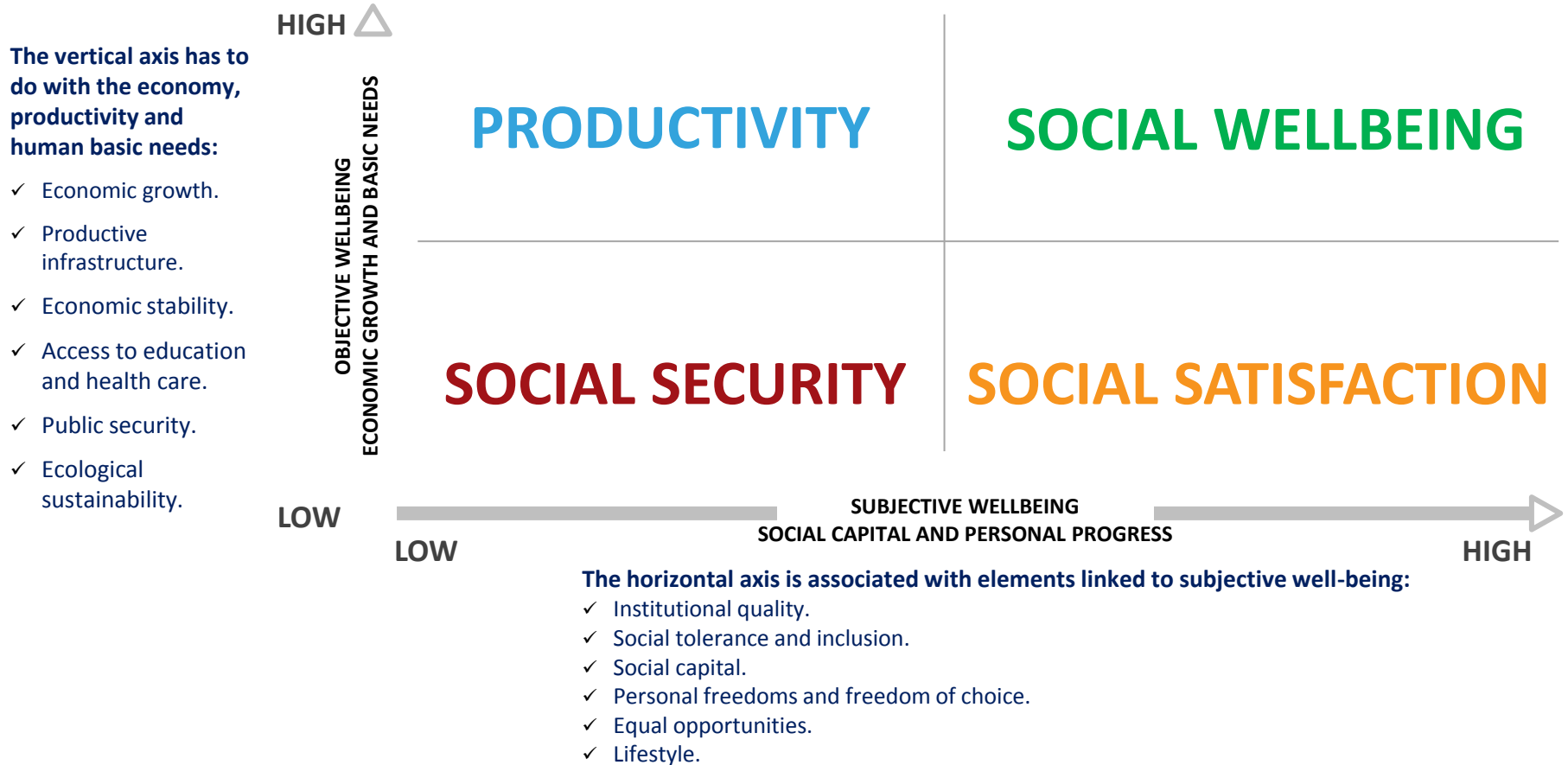
It takes two to tango

The challenge is to strike the right balance among objective and subjective well-being.

We propose a simple four-quadrant matrix, which combines elements related to objective well-being in its vertical axis with elements linked to subjective well-being in its horizontal axis.

It is possible to identify, in each quadrant of the matrix, which public policies, actual or potential, have a greater impact on either subjective or objective well-being or both.

Public Policies Model



What has been and is being done?

We aim to put the issue on the agenda. Measurements of subjective well-being must complement those about objective well-being (GDP growth, for example) to convey a broader picture and improve public policies.

In 2011, the General Assembly of the UN invited member-states to pay special attention to happiness and well-being of its citizens in their public policies. This does not mean that other economic goals should be abandoned, but rather that their relative importance must be carefully weighed, moreover as absolute poverty is being eradicated.

In the United Kingdom, former Labor prime ministers Tony Blair and Gordon Brown have worked with academics to seek a more sustainable development that would translate into greater happiness. Now conservative Prime Minister David Cameron is following the same path.

In France, former president Nicolas Sarkozy invited a group of experts led by two Nobel laureates in economics, Joseph Stiglitz and Amartya Sen, to start measuring the happiness of the French people in order to design public policies that make them happier.

What has been and is being done?

More recently, French President Francois Hollande launched the first report on what is called “positive economy,” a platform “to develop relationships and create knowledge about an economy that seeks more than profits.”

Also Pope Francis said in August that “we must free ourselves from the obsession with economic profit, which attacks the human rhythm of life and denies men time to spend on what is really important.”

This approach has gained followers in countries as diverse as the United Kingdom, Bolivia, France, Ecuador, Germany, Bhutan, New Zealand, Australia and Brazil, among others, where programs have been launched in areas as various as the economy, community and social relations, physical and mental health, education and the environment.

Public policies must be geared toward a more integral and multidimensional conception of human beings, instead of a culture based on excess.

- I shall mention some examples of the influence that studies about subjective well-being have had on public policies.
- It has been found that unemployment has an impact on happiness higher than the loss of income it entails. There are studies that also show that the impact of unemployment on happiness persists even after the problem is solved. Taking this into account, some academics suggest that unemployment funds must be used to create new jobs, even if the salaries are lower than that of the previous position, instead of using them to pay subsidies to people who are out of work.
- We have also mentioned the positive influence on happiness that living with a couple entails. Is it possible to create conditions to assure that couples become more harmonyc and last longer? Some researchers have stressed that family values must be included in school's curriculum – they think that people can learn how to lead a better life with a partner. It is also recommended that the State and the private sector pursue policies aimed at a better balance between personal life, family life and life with o couple, such as nurseries in working places, flexible working hours and remote work.

- **Taking into account that an excess of advertising makes people less happy with what they have and spurs the desire of getting more than what probably one can afford, some governments are thinking about restrictions on advertising -- the Swedish has banned advertising aimed at children under 12 and the Greek government has done the same regarding advertising of toys for kids under 13. Several European countries are discussing the adoption of similar measures.**
- **We can influence the values that lead to happiness by transmitting them at school, for example making clear the satisfaction that voluntary work and helping other people entails. Likewise, values such as tolerance for people different to us, which have positive correlations with happiness, can also be thought.**
- **Mental illnesses (stress, depression, anguish, among others) have a negative correlation to subjective well-being. However, most people who suffer them do not get any treatment. Implementing public policies to provide more information about these illnesses symptoms and to make sure that free treatment is available would have a very positive impact.**
- **It is also recommended to implement at the city level programmes to allow neighbours to establish closer and stronger bonds with the aim of raising the levels of trust in other people. There have been several experiences that have showed the enormous benefits of these kinds of measures**

Большое спасибо!

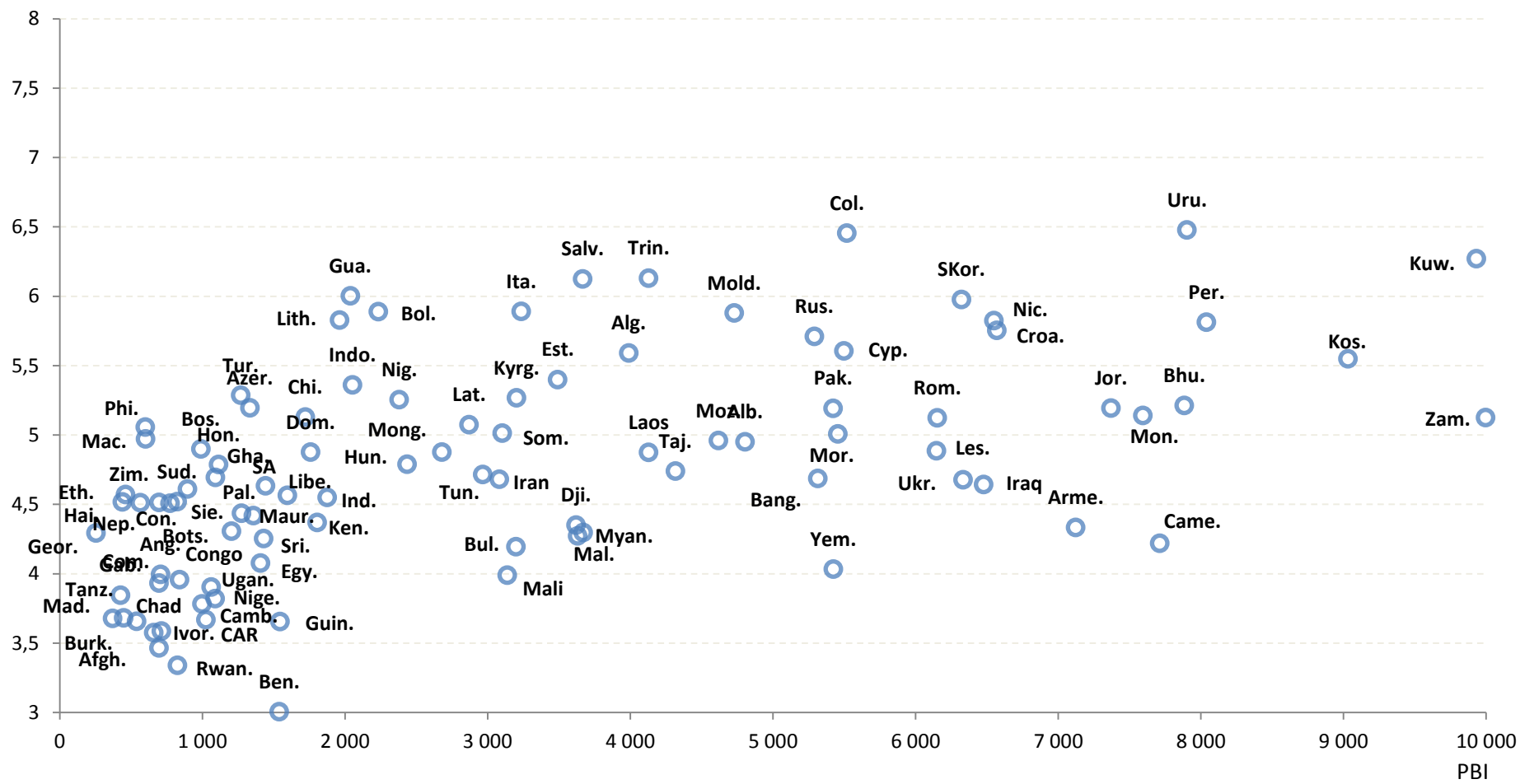
Thank you very much!

Muchas gracias!

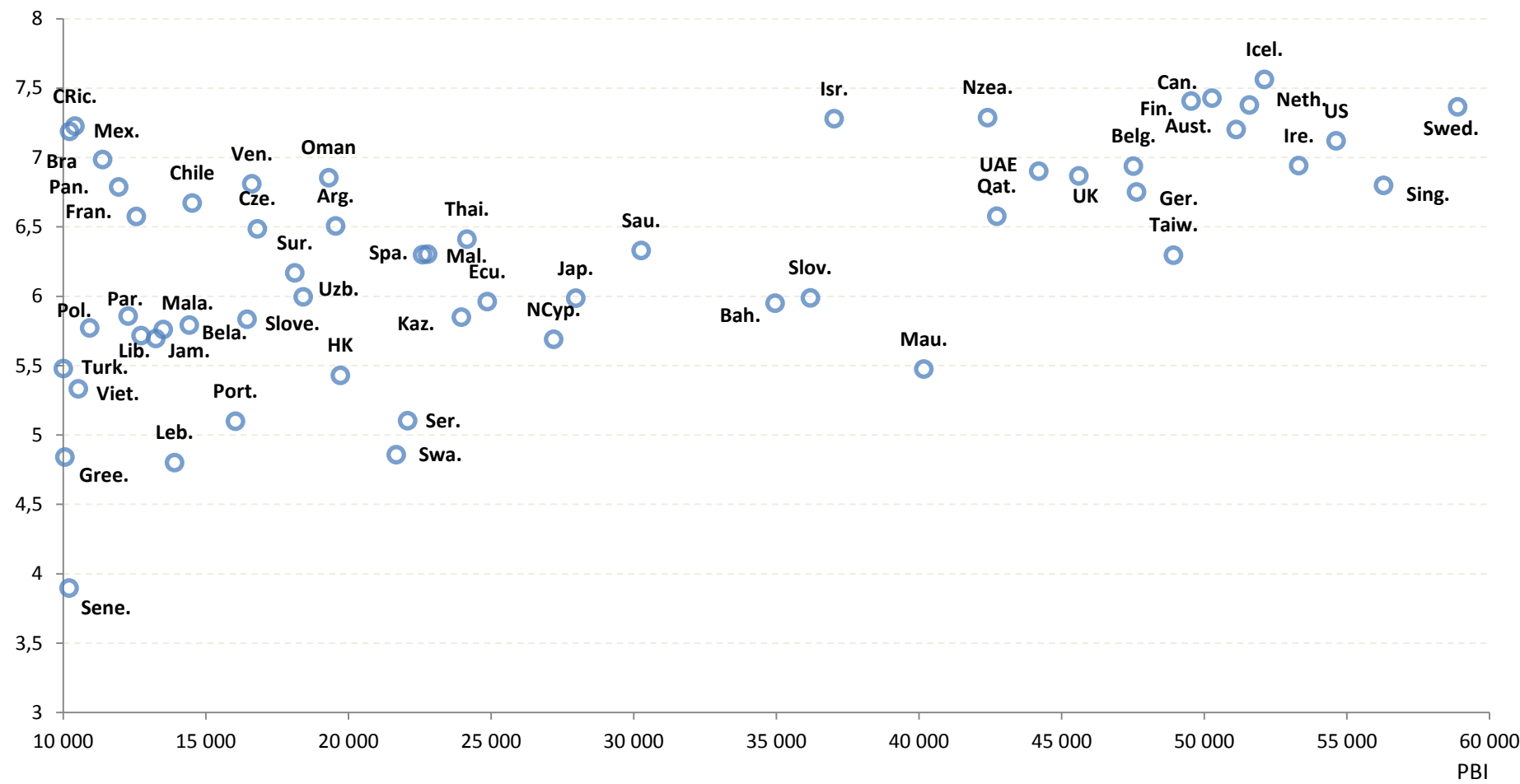
Merci beaucoup!

謝謝!

HAPPINESS



HAPPINESS



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<http://lcsr.hse.ru/en/conf2015>

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