



SUMMARY OF LITERATURE SOURCES FOR HAPPINESS
AND WELLBEING

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Young Foundation

Alexandrova, A. (2005) 'Subjective well-being and Kahneman's 'objective happiness'' *Journal of Happiness Studies* 6:301-324

This paper attempts to clarify the relationship between 'the principle focus' of most happiness studies – subjective well-being – and Kahneman's construct of 'objective happiness'. She argues that objective happiness cannot be a measure of SWB because it 'precludes incorporation of relevant pieces of information that can become available to the subject only retrospectively'.

While Kahneman treats objective happiness as a first approximation to SWB she argues that it should be seen as context dependent – it may be the right measure of SWB in some contexts but not in others.

Atkinson Charitable Foundation (2006) *Canadian Index of Well-being: measuring things that matter* Toronto, Canada: Atkinson Charitable Foundation

This indicator aims to measure things like depreciation of natural resources due to logging etc., which are seen as growth by traditional measures of natural wealth, but are actually losses unless they are deliberately replaced.

Also emphasises preventative investment (e.g. in public health or environmental protection) as a way of reducing costs in the long term.

The Canadian Index of Wellbeing will monitor progress over seven domains:

- Living standards (e.g. quality of employment, availability of housing, low income gaps, food security etc)
- Time allocation (e.g. for voluntary activities, and the freedom to make real choices about the balance between paid work, unpaid work and leisure)
- Healthy populations (e.g. self-rated health, various measures of morbidity and mortality, including mental illness/suicide rates etc)
- Ecosystem health (e.g. air and water quality, pollution levels, healthy forests, environmental sustainability)
- Educated populace (e.g. literacy, numeracy and indicators of educational attainment and quality)
- Community vitality (e.g. safe communities, equity, diversity, inclusion, arts and culture)
- Civic engagement (including meaningful participation)

Berg, M. (2002) Review of Klein, S. 'Die Glücksformel: oder Wie die guten Gefühle entstehen (the happiness formula, or how good feelings come about)' Reinbek: Rowohlt in *Journal of Happiness Studies* 6:343-44

He is more interested in the biological correlates of happiness, but doesn't believe in genetic or developmental determinism of happiness levels.

'Klein sums up empirical studies showing that happy people are more creative, better problem solvers, more attentive and more sympathetic towards the general interest.'

Cabinet Office UK (2002) *Life satisfaction: the state of knowledge and implications for government*, available at:
http://www.cabinetoffice.gov.uk/strategy/seminars/life_satisfaction/index.asp

Uses survey responses to questions about life satisfaction, which has been found to be strongly correlated with other measures, such as mental health ratings, ratings by other people and behavioural measures (such as the frequency of smiling).

Factors which have been found to be associated with life satisfaction responses:

- Genetics (from twin studies)
- Personality factors, such as optimism
- Age (U-shaped curve over time)
- Gender (women slightly more satisfied than men)
- Income (higher income is correlated with higher satisfaction)
- Job satisfaction
- Unemployment and the risk of unemployment (way more than could be attributed to loss of earnings alone)
- Inequality in society (correlated with decreased satisfaction in Europe but not in USA)
- Self-reported health (but not objective measures, so this may be measuring personality again)
- Involvement in leisure and social activities
- Marital status (married more satisfied than never married, separated, divorced or widowed)
- The quality of national governance (is related to cross-national trends in satisfaction)
- The quality of democracy (high quality is associated with higher satisfaction)

Of these, health, employment and relationship factors appear to have the most effect on life satisfaction ratings.

Cheng, H., Furnham, A. (2004) 'Perceived parental rearing style, self-esteem and self-criticism as predictors of happiness' in *Journal of Happiness Studies* 5:1-21

In their study, self-esteem was the variable most strongly correlated with happiness. The study also suggested that 'the warmth shown by mothers towards their children was particularly beneficial in increasing the offspring's scores on self-reported happiness'.

Clark, A. E. (2002) *Born to be mild: cohort effects in subjective well-being* CNRS working paper

He uses cohort data to show a U shaped curve in the relationship between age and well-being. He concludes that the effect is due to two concurrent factors - that people from older cohorts are (persistently) more satisfied than younger ones, but that for all cohorts, reported well-being declines with age.

Clark A. E., Oswald, A. (2002) 'A Simple Statistical Model for Measuring How Life Events Affect Happiness' *International Journal of Epidemiology* 31:1139-1144

This paper attempts to quantify the *size* of the effect of life events on happiness.

It then converts these 'sizes' into their equivalent monetary values, giving the following results:

- Getting married is equivalent to an extra £70,000 income per year
- Widowhood would require £170,000 per year to offset the loss of happiness
- Unemployment causes a drop in happiness larger than would be expected from simply the loss of income.

Diener, E., Suh, E.M., Lucas, R.E., Smith, H.L. (1999) 'Subjective well-being: three decades of progress' *Psychological Bulletin* 125:276 -302

A number of Wilson's original (1967) conclusions on subjective well-being have since been overturned e.g. that young people and those with modest aspirations tend to have higher levels of well-being.

The authors of this study stress psychological and dispositional influences on well-being, rather than situational ones. They are also interested in adaptation, goals and coping strategies. They suggest that the next work that needs to be done is to understand the nature of interactions between psychological factors and life events in the determination of well-being.

Di Tella, R., MacCulloch, R., Oswald, A. (2003) 'The macroeconomics of happiness' *Review of Economics and Statistics* 85:809-827

Their sample was 250,000 randomly selected Europeans and Americans in the 1970s, 80s and 90s.

- Happiness is affected by microeconomic changes, such as changes in income
- It is also affected by macroeconomic changes, such as changes in GDP
- Recessions have a greater impact on national happiness than would be predicted from their effects on employment and income levels
- Countries with higher rates of unemployment benefit also have higher rates of happiness

Di Tella, R., MacCulloch, R. (2005) 'Gross National Happiness as an Answer to the Easterlin Paradox' available at: <http://ideas.repec.org/p/wpa/wuwpma/0504027.html>

The Easterlin paradox refers to the fact that happiness does not appear to increase as a result of significant increases in income over time. 'This amounts to a rejection of the hypothesis that current income is the only argument in the utility function'.

The study finds (from the responses of 400,000 people in the OECD between 1975 and 1999) that (after controlling for the year and the country) happiness was positively correlated with:

- Absolute income
- The generosity of the welfare state
- Life expectancy (weakly)

Happiness was negatively correlated with:

- The average number of hours worked
- Measures of environmental degradation
- Crime
- Openness to trade
- Inflation
- Unemployment

Dunn, E. W., Wilson, T.D., Gilbert, D. T. (2003) 'Location, location, location: The misprediction of satisfaction in housing lotteries' *Personality and Social Psychology Bulletin* 29:1421-1432

Participants in the study (undergraduates being assigned dorm rooms) 'appeared to focus on the wrong factors when imagining their future happiness in the houses'.

They placed greater weight on the factors which varied most between dorms, such as physical features, and less weight on social features which were more consistent between dorms, 'despite accurately recognising that social features were more important than physical features when asked explicitly about the determinants of happiness'.

Easterlin, R. A. (2003) 'Building a better theory of well-being' Paper prepared for the conference 'The paradoxes of happiness in economics' at the University of Milano-Biocca March 21-23, 2003.

Life effects such as marriage, divorce and serious disability 'have a lasting effect on happiness and do not simply deflect the average person temporarily above or below a setpoint given by genetics and personality'.

In addition, 'an increase in income, and thus in the goods at one's disposal, does not bring with it a lasting increase in happiness because of the negative effect on utility of hedonic adaptation and social comparison'.

He argues that there is a need to use policies to make people's preferences better-informed (e.g. that they should invest less time in financial goals because increased wealth has little impact on well-being), 'and thereby increase individual and societal well-being'.

Easterlin, R. A. (2004) 'A brief history of QOL studies in economics' in Sirgy, M. J., Ferriss, A. L., Efraty, D. (eds.) *The Quality of Life (QOL) Research Movement: Past, Present and Future*

He writes that 'the first attempt in economics to assess the trend of well-being in terms of personal reports on happiness or life satisfaction is that of Easterlin' (1974 - 'Does economic growth improve the human lot?' in David, P., Reeder, M. (eds.) *Nations and Households in Economic Growth: Essays in honour of Moses Abramovitch* New York: Academic Press Inc.). In this study he found that while self-reported well-being rose through the late 1950s it then fell back to near its 1946 level, despite rising GDP/living standards (physical and economic well-being).

Flouri, E. (2004) 'Psychological outcomes in mid-adulthood associated with mother's child-rearing attitudes in early childhood: Evidence from the 1970 British birth cohort' *European Child & Adolescent Psychiatry* 13:35-41

Mothers' attitudes to child-rearing were measured when the children in the cohort were five years old. This was compared with the children's psychological well-being (psychological functioning, psychological distress, life satisfaction and self-efficacy) when they were 30.

No effects were found with sons, but the self-efficacy and life satisfaction of daughters at age 30 was found to be related to "mothers' anti-child-autonomy attitudes and mothers' non-authoritarian child-rearing attitudes respectively. In addition, mothers' non-authoritarian child-rearing attitudes had a protective effect against later psychological distress and low self-efficacy in daughters who had experienced significant material disadvantage in early childhood." This suggests that mothers who are less authoritarian and give their children less autonomy are likely to have happier daughters.

However, results should be interpreted with caution for a number of reasons, including that there is no evidence for the direction of causation in the relationship, and there may be confounding factors. In addition, other factors, including having separated/single parents, psychological maladjustment and mothers' psychological distress, were all more significant predictors of happiness at 30 than maternal child-rearing attitudes.

Frey, B. S., Stutzer, A. (2002) *Happiness and Economics* Princeton: Princeton University Press

Found that cantons with more accountable local government are also those with the highest average reported subjective well-being.

Frey, B., Stutzer, A. (2005) 'Happiness Research: state and prospects' *Review of Social Economy* (no reference)

They report findings from a number of studies:

- Women may be more satisfied with their jobs in communities/neighbourhoods where the gender pay gap is greatest. They attribute this to differences in expectations.
- Economic models show that smokers are less likely to be unhappy when a tax of \$0.5 is imposed. They suggest this is because smokers welcome this because they have 'problems with self-control'.
- There is some evidence, especially for those who marry in their early twenties and after their mid thirties, that happier people are more likely to get married (rather than the more commonly cited finding that marriage makes people happier - the two scenarios are two possible explanations for the fact that marital status and happiness are often correlated).

Helliwell, J. (2003) 'How's life? Combining individual and national variables to explain subjective wellbeing' *Economic Modeling* 20:331-60

Uses data from the world values survey between 1980 and 1997, covering 46 different countries.

- Self-assessed health is consistently the variable with the strongest relationship to self-reported well-being
- Being unemployed has the same size effect on well-being of a one point drop in self-reported health on a 5 point scale.
- Happiness is highest in the married, followed by the 'living as married', then widows, the divorced and finally the separated. The difference between married and separated in happiness is more than between the employed and the unemployed.
- The effect of education on well-being was found to be small and insignificant.
- Happiness is related to age in a U-shape, with people happiest when young or old.
- Independently, both believing in god and attending church regularly are positively correlated with well-being.
- 'Societies with high averages of social capital, as measured by membership [of voluntary associations] densities, also show higher levels of subjective well-being, other things held constant'.
- People who have higher levels of trust in other people, and who think cheating on taxes is never justifiable, have higher levels of well-being.

Helliwell, J. F., Putnam, R. D. (2004) 'The social context of well-being' in *Philosophical Transactions of the Royal Society of London, series B* 359:1435-1446

They used large samples of data from the World Values Survey, the US Benchmark Survey and a comparable Canadian survey.

They found that social capital, as measured by strength of family, neighbourhood, religious and community ties, was positively correlated with both physical health and subjective well-being.

In addition:

- Marriage and family
- Ties to friends and neighbours
- Workplace ties
- Civic engagement (both individually and collectively) and
- Trustworthiness and trust

Were found to be independently and robustly related to happiness and life satisfaction, both directly and indirectly, through their impact on health.

Huppert, F. A., Baylis, N. (2004) 'Well-being: towards and integration of psychology, neurobiology and social science' in *Philosophical Transactions of the Royal Society of London, series B* 359:1447-1451

Two of the strongest strands in recent happiness research have been on positive psychology and on social capital.

They identify five themes that unite the different approaches to studying happiness:

- Evolution and development of well-being
- The nature of well-being
- Well-being and capabilities
- The relationship between health and well-being
- The implications of the findings of the research for intervention strategies and public policies

Keyes, C., Schmotkin, D., Ryff, C. (2002) 'Optimising well-being: the empirical encounter of two traditions' *Journal of Personality and Social Psychology* 82:1007-1022

This paper evaluates two psychological measures of well-being: subjective well-being (SWB), which relates to life satisfaction and the balance between positive and negative emotions, and psychological well-being (PWB) which relates to 'the perception of engagement with existential challenges of life'.

They find that the two are conceptually related but empirically distinct.

They also find that well-being on both measures is positively correlated with:

- Ageing
- Education level
- Level of extraversion
- Level of conscientiousness

And is negatively correlated with level of neuroticism.

Ott, J. (2005) Review of Layard, R. 'Happiness: lessons from a new science' New York: The Penguin Press in *Journal of Happiness Studies* 7:118-126

Layard thinks the biggest reason for Easterlin's paradox (that countries do not get happier as they get wealthier) is 'social comparison: our wants are not given but depend on what other people have' - so that rich people make others less happy by having more than them.

Layard's seven factors that affect happiness in adult life (NB first 5 are in order of importance):

- Family relationships
- Financial situation
- Work
- Community and friends
- Health
- Personal freedom
- Personal values

The reviewer argues this list is selective and not clearly related to empirical research. He also argues that income inequalities do not have a clear negative effect on happiness.

Ott, J. (2005) Review of Martin, P. 'Making Happy People: the Nature of Happiness and its Origins in Childhood' London: Fourth Estate in *Journal of Happiness Studies* 7:113-118

The book contains practical advice for governments, parents and teachers on how to foster happiness.

He defines happiness as:

- The presence of pleasant positive moods or emotions

- The absence of unpleasant negative moods or emotions and
- Satisfaction, on reflection, with life in general or with at least some specific aspects of life.

Martin generally sees happiness as an outcome of state of mind, not circumstances, but the reviewer points out that significant differences in happiness between nations suggests that when circumstances differ significantly they can have an impact (on at least average national well-being).

The characteristics of happy peoples are:

- Connectedness
- Social and emotional competence
- Freedom from excessive anxiety
- Communication skills
- Engagement in meaningful activity
- A sense of control
- A sense of purpose and meaning
- Resilience
- Self-esteem
- Optimism
- Outward focus
- Present- and future-mindedness
- Humour
- Playfulness
- Wisdom
- Freedom from excessive materialism
- Regular experience of flow

Martin sees personal relationships as the single most important building block of happiness.

His recommendations to governments include:

- Abandoning economic growth as a proxy for happiness, and instead have measured happiness as a goal.
- Consider taxing or regulating to discourage advertising (which makes people more materialistic and leads to dissatisfaction at not being able to have all the things seen advertised).
- Spend more money on improving mental health.
- Give a higher priority to minimising unemployment.
- Aim to reduce the disparity between the wealth of the richest and the poorest.

Ott, J (2004) Review of Shah, H., Marks, N. *Well-being manifesto for a flourishing society* Rotterdam: New Economics Foundation in *Journal of Happiness Studies* 6:187-193

The New Economics Foundation developed a new index - the Measure of Domestic Progress (MDP) to repair some of the weak points of GDP - which shows a much better correlation with changes in well-being over the last fifty years than does GDP.

'The key differences between MDP and GDP are that in the MDP:

- spending to offset social and environmental costs (defensive expenditure) is taken out
- longer-term environmental damage and the depreciation of natural capital are accounted for
- a number of economic adjustments associated with ensuring prudent investment and trade balances are made
- changes in the distribution of income are accounted for, reflecting the fact that an additional pound means more to the poor than to the rich
- a value for household labour is included'

Comparing developments in the UK in the last 50 years in terms of GDP and MDP reveals some important differences, such as that GDP has soared in the last 50 years but MDP has struggled to take off at all.

They define individual well-being as a multi-dimensional concept taking in:

- People's satisfaction with their life
- People's personal development, e.g. engagement, curiosity, flow, autonomy etc.
- People's social well-being, e.g. behaving pro-socially, having a sense of belonging etc.

They believe that genes and upbringing influence about 50% of the variation in well-being, only 10% seems to be affected by material circumstances, income and physical environment. 'The remaining 40% is accounted for by our outlook and intentional activities: our relationships, friendships, jobs, our engagement in our community, and being involved in sport and hobbies'.

They suggest eight actions for governments:

- Create a set of national and local well-being accounts to measure changes in well-being
- Create a well-being economy with high employment, meaningful work and environmental taxation (and possibly a citizen's income)
- Improve work-life balance by reducing the working week to 30-35 hours and giving more bank holidays
- Develop an education system that allows people to realise their potential and not just reach targets
- Re-focus the NHS on 'complete health' and encourage participation by patients
- Invest in the very early years and parenting by paying parental leave for at least the first two years of a child's life
- Discourage materialism and promote authentic advertising
- Strengthen active citizenship and civil society - participatory democracy makes people happier, as does involvement in community affairs.

Ott, J. (2004) Review of Morris, D. *The nature of happiness* London: Little Books Ltd. in *Journal of Happiness Studies* 6:345-347

He uses a different definition of happiness from the 'life-satisfaction' definition - he sees it as a necessarily transient emotion felt 'when things suddenly get better', akin to Csikszentmihalyi's concept of flow. He defines 'contentment' in a similar way to 'life-satisfaction'.

Schwartz, B. et al (2002) 'Maximising vs. satisficing: happiness is a matter of choice' *Journal of Personality and Social Psychology* 83:1178-1197

This paper discusses the relationship between a personality trait (maximising/satisficing) and happiness, self-esteem, life satisfaction and optimism, all of which were lower in maximisers as opposed to satisficers. Maximisers were also found to have higher levels of depression, perfectionism and regret.

The authors hypothesise that when faced with many choices maximisers fare badly. They are often less satisfied with their choice than when choices were fewer, and fear they may be at 'fault' for not choosing a better option that was available. It also takes more effort to get sufficient information about each option when there are more.

Seligman, M. E. P., Parks, A. C., Steen, T. (2004) 'A balanced psychology and a full life' *Philosophical Transactions of the Royal Society of London, series B* 359:1379-1381

They identify three constituents of/routes to happiness:

- Pleasure (or positive emotion) = hedonic route
- Engagement (gratification)

- Meaning (through serving higher goals such as knowledge, goodness, family, community, politics, justice or a higher spiritual power)

See www.authentichappiness.org for some of the interventions they think can promote happiness. One such (randomised, placebo-controlled) intervention requires participants 'to record, every day for a week, three good things that happened to them each day and why those good things happened'. After completing the intervention participants were happier and less depressed than before the intervention.

Sheldon, K. M., Lyubomirsky, S. (2006) 'Achieving sustainable gains in happiness: change your actions, not your circumstances' *Journal of Happiness Studies* 7:55-86

They find that less hedonic adaptation occurs when happiness is due to activity changes than when it is due to circumstantial changes.

While both activity and circumstantial changes can lead to increases in subjective well-being, only the activity changes lead to a *sustained* increase.

These results hold of subjective well-being, subjective happiness and for psychological well-being.

Stutzer, A., Frey, B. S. (2003) 'Reported subjective wellbeing: a challenge to economic theory and economic policy' *Schmollers Jahrbuch* (no reference)

They argue that subjective (self-reported) wellbeing is a 'satisfactory empirical approximation to individual utility'.

They found that increases in income are only related to small increases in well-being if people already have high expectations (i.e. that such an increase in income is normal) - this is because people react to deviations from relative/aspirational levels of wealth, not absolute ones. In addition, they found that differences in income only appear to explain ~10% of the differences between individuals in well-being.

They found that unemployment, even combined with receiving the same income as when employed, 'depresses people's well-being noticeably'.

For cross-national data on well-being see EUROBAROMETER question on satisfaction with life. "It is found that, at a particular point-of-time, and within a particular country, higher income is associated with higher individual happiness. In contrast, higher per capita income in society seems not to raise reported satisfaction with life in rich western countries."

Wilson, W. (1967) 'Correlates of avowed happiness' *Psychological Bulletin* 67:294 –306

According to Helliwell (2003) Wilson attributes happiness to the 'young, healthy, well-educated, well paid, extroverted, optimistic, worry-free, religious married person with high self-esteem, job morale, modest aspirations, of either sex and a wide range of intelligence'.

Reivich, K. and Lopez, S. (2004) Positive Interventions and Civic Engagement available at: <http://www.ppc.sas.upenn.edu/podprogressreports.htm>

The Intervention Pod continues to work on theory-grounded intervention projects targeting optimal development in children and youth.

For a Department of Education grant designed to teach Positive Psychology skills to ninth graders, Reivich, Seligman and colleagues implemented a positive psychology curriculum that has been integrated into standard Language Arts classes for 9th grade students in a suburban Philadelphia school district. This project is in year 2 and has added a second cohort. Reivich, Seligman and colleagues have updated the curriculum and have developed a maintenance

program to help the students translate the skills learned into maintained behaviours. The researchers have also added a one-on-one interview and additional assessments to further explore the program's effects on the students' mood, behaviour, civic engagement and peer/family relationships.

In addition, Reivich, in collaboration with Seligman and others is working with Vocational Rehabilitation counsellors to teach them optimism and resilience skills. Reivich and Seligman implemented a 2 1/2 day optimism and resilience program with Vocational Rehabilitation Counsellors and are in the process of certifying 11 trainers of Vocational Rehabilitation counsellors to become facilitators of this workshop within their own regions. We will be evaluating mood, attitudinal, and behavioural outcomes in the counsellors who receive this training.

Lopez, in consultation with Reivich and others and in collaboration with Gallup, is conducting a large scale strengths mentoring program for college freshman.



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www.youngfoundation.org**