

DEREK BOK

The Politics of Happiness: What Government Can Learn from the New Research on Well-being

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Empirical studies of happiness have mushroomed over the past four decades. There are now six specialized happiness journals. None existed prior to the year 2000, when the *Journal of Happiness Studies* was launched. Derek Bok, former president of Harvard University and former dean of its Law School, provides an overview of this new field and writes clearly, without jargon.

Happiness is an intuitively appealing word that is often used for a state of mind more accurately described as *life satisfaction* or *subjective well-being* (SWB). Bok uses the terms interchangeably, “while noting the occasional cases in which the precise words used make a meaningful difference in people’s responses” (fn, p. 9). The OECD (2013: 28-29) would object, insisting “there is more to subjective well-being than happiness”, and conflating the two “lends support to sceptics who characterise the measurement of subjective well-being in general as little more than ‘happiology’”. Bok’s use of happiness as shorthand for SWB makes his text more readable, and is probably harmless, since he is careful to note when he is referring to experience sampling (which measures *affect*, a psychological term for the conscious experience of an emotion) rather than the more commonly used surveys that ask individuals how satisfied they are with their lives.

In 1789, utilitarian philosopher Jeremy Bentham proposed a “felicific calculus” for governments to use to measure the pleasure and pain expected to result from policy proposals, and select those which would produce the greatest happiness for the greatest number. Attempts over the years to reduce policy-making to a simple calculation failed, because Bentham and his followers were unable to measure and compare the intensity of pleasure and pain felt by each citizen. Bok (p. 5) writes that happiness scholars “in the last 35 years ... have tried to overcome the problems of measuring happiness by the simple device of asking people directly how pleasant or disagreeable they find particular activities throughout their day or by inquiring how satisfied (‘very’, ‘fairly’, ‘not at all,’ etc.) they are overall with the lives they are leading”. In a concluding chapter (p. 204), Bok claims that “researchers have succeeded in doing what Bentham could not accomplish: to devise a way of measuring how happy people are”.

In chapter 2, “the reliability of research on happiness”, Bok acknowledges that happiness data contain unavoidable errors. Transitory moods, for example, brought about by war, a terrorist attack or by less dramatic events such as “a rainy day, a headache, the breakup of a romance”, can cause people to be more pessimistic than normal. Cultural differences also bias poll results. The French, for example, claim to be less happy, and Latin Americans happier, than conditions in their countries seem to justify. Bok believes that these and other inaccuracies are either not serious, or can be taken into account by sophisticated researchers. Moreover, opinion polls are not the only questionable statistics that government uses. Estimates of poverty numbers, unemployment, and Gross Domestic Product (GDP) are also flawed. GDP in particular “is at best a means to other ends and often a dubious means at that. In contrast, happiness, or satisfaction with life, can lay claim to being not merely an end in itself but the end most people consider more important than any other.” (p. 40)

The above implies that governments should disregard Gross Domestic Product and focus instead on Gross National Happiness. This cannot be right. Whatever the flaws of GDP (there are many), it is at least possible to express the output of goods and services in a common currency and add up their values. It is impossible to add up, happiness responses. If person A reports a happiness score of “4” on a scale of 0 to 10, and person B reports a score of “8”, this shows that B is happier than A. It does not mean that B is twice as happy as A, or that their “average” happiness is “6”. Happiness scholars implicitly make this erroneous assumption when they report average happiness scores, which is equivalent to reporting Gross National Happiness per capita. This is Bentham’s measurement problem, the solution to which has eluded neoclassical economists and others for more than two centuries. Happiness scholars do not aggregate or compare self-reported scores in a sensible way. They simply ignore the problem.

Bok, caught in the flood of empirical papers, does not adequately address the problem of measurement. He nonetheless concludes (pp. 45-62) that Gross National Happiness should not be the sole aim of government because he believes that other goals, such as civil liberties, equal opportunities and protection of minorities, are also important.

Bok’s summary and analysis of the findings of happiness research is uncritical, but useful. Eight factors (other than genetic temperament) account for most of the observed variation in subjective well-being: income, marriage, employment, close friends and social groups, good health, religious faith, helping others and living in a democracy with guarantees of freedom.

Income matters a lot in cross-sections, both within countries and in international comparisons. With few exceptions, the higher the average income of groups, the higher the average reported happiness. Over time, however, evidence is mixed whether economic growth brings increased happiness.

Marriage boosts happiness, although the effect wears off within two or three years. Loss of a spouse, through death or divorce, brings a sharp loss of happiness, but most widows and divorcees recover quickly. Married people are happier than unmarried people, but that is because happier people are more likely to get married, not because marriage made them happy. Arrival of children has mixed effects, but most research finds that parenthood fails to increase happiness significantly.

Surprisingly, there is mixed evidence for the effect of employment satisfaction on life satisfaction, with researchers finding both positive and negative correlation. Unsurprisingly, unemployment – loss of a job – has a strong, negative effect on happiness. More surprisingly, even those who find new jobs with similar pay continue to feel pain from a bout of unemployment.

The other five factors are self-explanatory, with few surprises from research findings. What might be unexpected, for readers of this journal, is the paucity of demographic variables in the list. This reflects the fact that demographic differences have been found to have little impact on happiness, at least in the United States (the primary focus of Bok’s attention). Race is the only demographic variable that correlates strongly with happiness: blacks are less happy than whites. White women used to be somewhat happier than white men, but their happiness has declined and is now less than that of men. “Age does not count for a great deal” (p. 16). The happiness-age curve for the United States is U-shaped: happiness is highest in youth, declines slightly to a low point at about age 40, before improving gradually until the early 70s (controlling for changes in health).

Bok devotes many pages to pointing out the policy implications of happiness studies. The findings of happiness research, he writes, reveal the wisdom of adopting “sensible policies that could brighten the lives of large numbers of people”, even at the expense of economic growth. “Sensible policies” include improved child care and preschool education, paid parental leave, educational reforms, stricter environmental rules, “stronger efforts to relieve the lasting distress of mental illness and unemployment”, and more (pp. 62, 78).

Recommended policies do not always follow from the research findings that Bok cites. He notes, for example, that “surveys suggest that Americans over 65 are feeling happier about their lives than the rest of the adult population, a conclusion supported by other studies showing that well-being for Americans in reasonably good health slowly rises after 30-40 years of age and continues to increase into their 70s” (p. 102). Also, “apparently ... money is not perceived as a major problem by the vast majority of currently retired Americans” (p. 103). Such findings, Bok concludes, “may help policy-makers decide to give a higher priority to improving the lot of younger Americans through measures such as more affordable child care or higher-quality pre-school education than to raising Social Security benefits” (p. 61).

Although this redistribution may appear to be a sensible policy, what evidence do we have that government subsidies for child care or pre-school education will increase the happiness of young Americans? According to Bok (p. 153), “No investigator has inquired into the effects of successful early childhood programs on the happiness of participants.” How are we to know, then, that the increased happiness of children and young parents will more than offset the decreased happiness of the elderly forced to live with smaller pensions? A majority of retirees may live comfortable lives, but many elderly Americans live in poverty, presumably with low subjective well-being.

In sum, Bok’s book is a good introductory survey of a flawed literature.

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Reference

Organisation for Economic Co-operation and Development. 2013. *OECD Guidelines on Measuring Subjective Well-being*. Paris: OECD Publishing.

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