

# Summary

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## Background

The world has come a long way since the first *World Happiness Report* launched in 2012. Increasingly happiness is considered a proper measure of social progress and goal of public policy. A rapidly increasing number of national and local governments are using happiness data and research in their search for policies that could enable people to live better lives. Governments are measuring subjective well-being, and using well-being research as a guide to the design of public spaces and the delivery of public services.

## Harnessing Happiness Data and Research to Improve Sustainable Development

The year 2015 is a watershed for humanity, with the pending adoption by UN member states of Sustainable Development Goals (SDGs) in September to help guide the world community towards a more inclusive and sustainable pattern of global development. The concepts of happiness and well-being are very likely to help guide progress towards sustainable development.

Sustainable development is a normative concept, calling for all societies to balance economic, social, and environmental objectives. When countries pursue GDP in a lopsided manner, overriding social and environmental objectives, the results often negatively impact human well-being. The SDGs are designed to help countries to achieve economic, social, and environmental objectives in harmony, thereby leading to higher levels of well-being for the present and future generations.

The SDGs will include goals, targets and quantitative indicators. The Sustainable Development Solutions Network, in its recommendations on the selection of SDG indicators, has strongly recommended the inclusion of indicators of Subjective Well-being and Positive Mood Affect to help guide and measure the progress towards the SDGs. We find considerable support of many governments and experts regarding the inclusion of such happiness indicators for the SDGs. The *World Happiness Report 2015* once again underscores the fruitfulness of using happiness measurements for guiding policy making and for helping to assess the overall well-being in each society.

## Overview of the Chapters

This report continues in the tradition of combining analysis of recent levels and trends of happiness data with chapters providing deeper analysis of specific issues.

- Chapter 2, by John Helliwell, Haifang Huang, and Shun Wang, contains our primary rankings of and explanations for life evaluations.
- Chapter 3, by Nicole Fortin, John Helliwell, and Shun Wang, presents a far broader range of happiness measures, and shows how they differ by gender, age and global region.
- Chapter 4, by Richard Layard and Gus O'Donnell, advocates and explains the use of happiness as the measure of benefit in cost-benefit analysis.
- Chapter 5, by Richard Davidson and Brianna Schuyler, surveys a range of important new results from the neuroscience of happiness.
- Chapter 6, by Richard Layard and Ann Hagell, is aimed especially at the happiness of the young – the one-third of the world population that is under the age of 18 years.
- Chapter 7, by Leonardo Becchetti, Luigino Bruni, and Stefano Zamagni, digs deeper into the ethical and community-level supports for happiness.
- Chapter 8, by Jeffrey Sachs, discusses importance of social capital for well-being and describes ways that societies may invest in social capital in order to promote well-being.

We now briefly describe the main findings of each chapter.

## Chapter 2: The Geography of Happiness

Average life evaluations, where 0 represents the worst possible life and 10 the best possible, range from an average above 7.5 at the top of the rankings to below 3 at the bottom. A difference of 4 points in average life evaluations separates the 10 happiest countries from the 10 least happy countries.

Comparing the country rankings in *World Happiness Report 2015* with those in *World Happiness Report 2013*, there is a combination of consistency and change. Nine of the top 10 countries in 2015 were also in the top 10 of 2013. But the ranking has changed, with Switzerland now at the top, followed closely by Iceland, Denmark and Norway. All four countries have average scores between 7.5 and 7.6, and the differences between them are not statistically significant. The rest of the top 10 (in order) are Canada, Finland, Netherlands, Sweden, New Zealand and Australia, all with average scores above 7.28. There is more turnover, almost half, among the bottom 10 countries, all with average ladder scores below 3.7. Most are in sub-Saharan Africa, with the addition of Afghanistan and a further drop for Syria.

Three-quarters of the differences among countries, and also among regions, is accounted for by differences in six key variables: GDP per capita, healthy years of life expectancy, social support, trust, perceived freedom to make life decisions, and generosity. Differences in social support, incomes, and healthy life expectancy are the three most important factors.

Analysis of changes in life evaluations from 2005-2007 to 2012-2014 shows big international differences in how the global recession affected national happiness. The top three gainers were Nicaragua, Zimbabwe and Ecuador, with increases ranging from 0.97 to 1.12. The biggest drop in average life evaluations was in Greece, which lost almost 1.5 points, followed by Egypt with -1.13 and Italy with -0.76 points. Of the 125 countries with data available for both 2005-2007 and 2012-2014, there were 53 countries with significant improvements, 41 with significant worsening, and 36 without significant change. These differing national experiences appear to be due some combination of differing exposure to the economic crisis and differences in the quality of governance, trust and social support. Countries with sufficiently high quality social capital appear to be able to sustain or even improve subjective well-being in the face of natural disasters or economic shocks, as the shocks provide them an opportunity to discover, use and build upon their communal links. In other cases, the economic crisis triggered drops in happiness greater than could be explained by falling incomes and higher unemployment.

### Chapter 3: How Does Subjective Well-being Vary around the World by Gender and Age?

The analysis in this chapter extends beyond life evaluations to include a range of positive and negative experiences that show widely different patterns by gender, age and region. The positive experiences are happiness, smiling or laughter, enjoyment, feeling safe at night, feeling well-rested, and feeling interested. The six negative experiences are anger, worry, sadness, depression, stress and pain. For life evaluations, differences by gender are very small relative to those across countries, or even across ages within a country. On a global average basis, women's life evaluations are slightly higher than men's, by about 0.09 on the 10-point scale, or about 2% as large as the 4-point difference between the 10 most happy and 10 least happy countries. The differences among age groups are much larger, and differ considerably by region. On a global basis, average life evaluations start high among the youngest respondents, fall by almost 0.6 points by middle age, and are fairly flat thereafter. This global picture masks big regional differences, with U-shapes in some countries and declines in others.

For the six positive and six negative experiences, there are striking differences by gender, age and region, some revealing larger cross-cultural differences in experiences than had previously been studied.

A parallel analysis of the six main variables used in Chapter 2 to explain international differences and changes in life evaluations also shows the value of considering age, gender and region at the same time to get a better understanding of the global trends and differences. The importance of the social context shows up strongly in the analysis by gender and age group. For example, the world regions where life evaluations are significantly higher in the older age groups are also those regions where perceived social support, freedom and generosity (but not household incomes) are higher in the older age groups. All three of those variables have quite different levels and age group dynamics in different regions.

#### **Chapter 4: Cost-benefit Analysis using Happiness as the Measure of Benefit**

If the aim of policy is to increase happiness, policy makers will have to evaluate their options in a quite new way. This is the subject of Chapter 4. The benefits of a new policy should now be measured in terms of the impact of the change upon the happiness of the population. This can be achieved in a fully decentralized way by establishing a critical level of extra happiness which a project must yield per dollar of expenditure.

This new form of cost-benefit analysis avoids many of the serious problems with existing methods, where money is the measure of benefit. It uses evidence to allow for the obvious fact that an extra dollar brings more happiness to the poor than to the rich. It also includes the effects of all the other factors beyond income, so it can be applied to a much wider range of policies.

#### **Chapter 5: The Neuroscience of Happiness**

Chapter 5 highlights four supports for well-being and their underlying neural bases: 1) sustained positive emotion; 2) recovery of negative emotion; 3) empathy, altruism and prosocial behavior; and 4) mind-wandering, mindfulness and “affective stickiness” or emotion-captured attention.

There are two overall lessons that can be taken from the neuroscientific evidence. The first is the identification of the four highlighted elements, since they are not commonly emphasized in well-being research. The second is that the circuits we identify as underlying these four supports for well-being all exhibit plasticity, and therefore can be transformed through experience and training. There are now training programs being developed to cultivate mindfulness, kindness, and generosity. The chapter reviews evidence showing that some of these training regimes, even those as short as two weeks, can induce measurable brain changes. These findings highlight the view that happiness and well-being are best regarded as skills that can be enhanced through training.

## Chapter 6: Healthy Young Minds: Transforming the Mental Health of Children

Chapter 6 turns the focus of attention to the world's future, as embodied in the one-third of the current global population who are now under 18 years of age. It is vital to determine which aspects of child development are most important in determining whether a child becomes a happy, well-functioning adult. Studies that follow children from birth into adulthood show that of the three key features of child development (academic, behavioral, or emotional), emotional development is the best of the three predictors, and academic achievement the worst.

This should not be surprising, since mental health is a key determinant of adult life satisfaction, and half of mentally ill adults already showed the symptoms by the age of 15. Altogether 200 million children worldwide are suffering from diagnosable mental health problems requiring treatment. Yet even in the richest countries only a quarter are in treatment. Giving more priority to the well-being of children is one of the most obvious and cost-effective ways to invest in future world happiness.

## Chapter 7: Human Values, Civil Economy and Subjective Well-Being

Chapter 7 presents the history, evidence, and policy implications of the Italian Civil Economy paradigm. The approach attempts to keep alive the tradition of civil life based on friendship (Aristotle's notion of *philia*), and a more socialized idea of person and community. It is contrasted with other economic approaches that give a less central role to reciprocity and benevolence.

The empirical work in Chapter 7 echoes that presented in Chapters 2 and 8 in emphasizing the importance of positive social relations (as characterized by trust, benevolence and shared social identities) in motivating behavior, both contributing positively to economic outcomes as well as delivering happiness directly.

The authors recommend changes to democratic mechanisms that incorporate these human capacities for pro-social actions.

## Chapter 8: Investing in Social Capital

Well-being depends heavily on the pro-social behavior of members of the society. Pro-sociality involves individuals making decisions for the common good that may conflict with short-run egoistic incentives. Economic and social life is rife with "social dilemmas," in which the common good and individual incentives may conflict. In such cases, pro-social behavior – including honesty, benevolence, cooperation, and trustworthiness – is key to achieving the best outcome for society.

Societies with a high level of social capital – meaning generalized trust, good governance, and mutual support by individuals within the society – are conducive to pro-social behavior. High social capital directly and indirectly raises well-being, by promoting social support systems, generosity and voluntarism, honesty in public administration, and by reducing the costs of doing business. The pressing policy question is therefore how societies with low social capital, riven by distrust and dishonesty, can invest in social capital. The chapter discusses various pathways to higher social capital, including education, moral instruction, professional codes of conduct, public opprobrium towards violators of the public trust, and public policies to narrow inequalities in the various supports for well-being, income, health and and social connections. This is important because social and economic equality is associated with higher levels of social capital and generalized trust.

### The Common Threads are Social

There is a common social theme that emerges consistently from the *World Happiness Report 2015*. At both the individual and national levels, all measures of well-being, including emotions and life evaluations, are strongly influenced by the quality of the surrounding social norms and institutions. These include family and friendships at the individual level, the presence of trust and empathy at the neighborhood and community levels, and power and quality of the overarching social norms that determine the quality of life within and among nations and generations. When these social factors are well-rooted and readily available, communities and nations are more resilient, and even natural disasters can add strength to the community as it comes together in response.

The challenge is to ensure that policies are designed and delivered in ways that enrich the social fabric, and teach the pleasure and power of empathy to current and future generations. Under the pressures of putting right what is obviously wrong, there is often too little attention paid to building the vital social fabric. Paying greater attention to the levels and sources of subjective well-being has helped us to reach these conclusions, and to recommend making and keeping happiness as a central focus for research and practice.