

Happiness and public policy

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**75 Year-Long Harvard
Study Reveals The
Secret to
Happiness**





20 happiest countries in the world

1. Finland
2. Denmark
3. Iceland
4. Israel
5. Netherlands
6. Sweden
7. Norway
8. Switzerland
9. Luxembourg
10. New Zealand
11. Austria
12. Australia
13. Canada
14. Ireland
15. United States
16. Germany
17. Belgium
18. Czechia
19. United Kingdom
20. Lithuania

(Source: World Happiness Report 2023)

Lithuania	20	+1
France	21	-1
.....		
Russie	70	+10
Ukraine	92	+6

- Life evaluations from the Gallup World Poll provide the basis for the annual happiness rankings. They are based on answers to the main life evaluation question.
- The Cantril ladder asks respondents to think of a ladder, with the best possible life for them being a 10 and the worst possible life being a 0.
- They are then asked to rate their own current lives on that 0 to 10 scale. The rankings are from nationally representative samples over three years

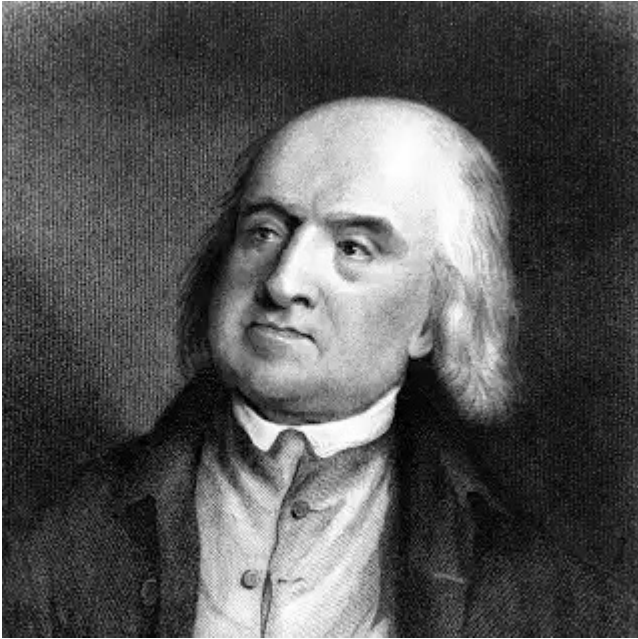
Modern societies are based on a 'felicity contract'



- "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." *US Declaration of Independence*, July 4, 1776
- "The representatives of the French people, assembled as the National Assembly, considering that ignorance, forgetfulness, or contempt for the rights of man are the only causes of public misfortunes and the corruption of governments, have resolved to set forth in a solemn declaration the natural, inalienable, and sacred rights of man, so that this declaration, constantly [...] may always contribute to the preservation of the Constitution and the general happiness." *French Declaration of the Rights of Man and of the Citizen of 1789*
- "Article One. The purpose of the society is common happiness." *French Constitution*, 24th June 1793

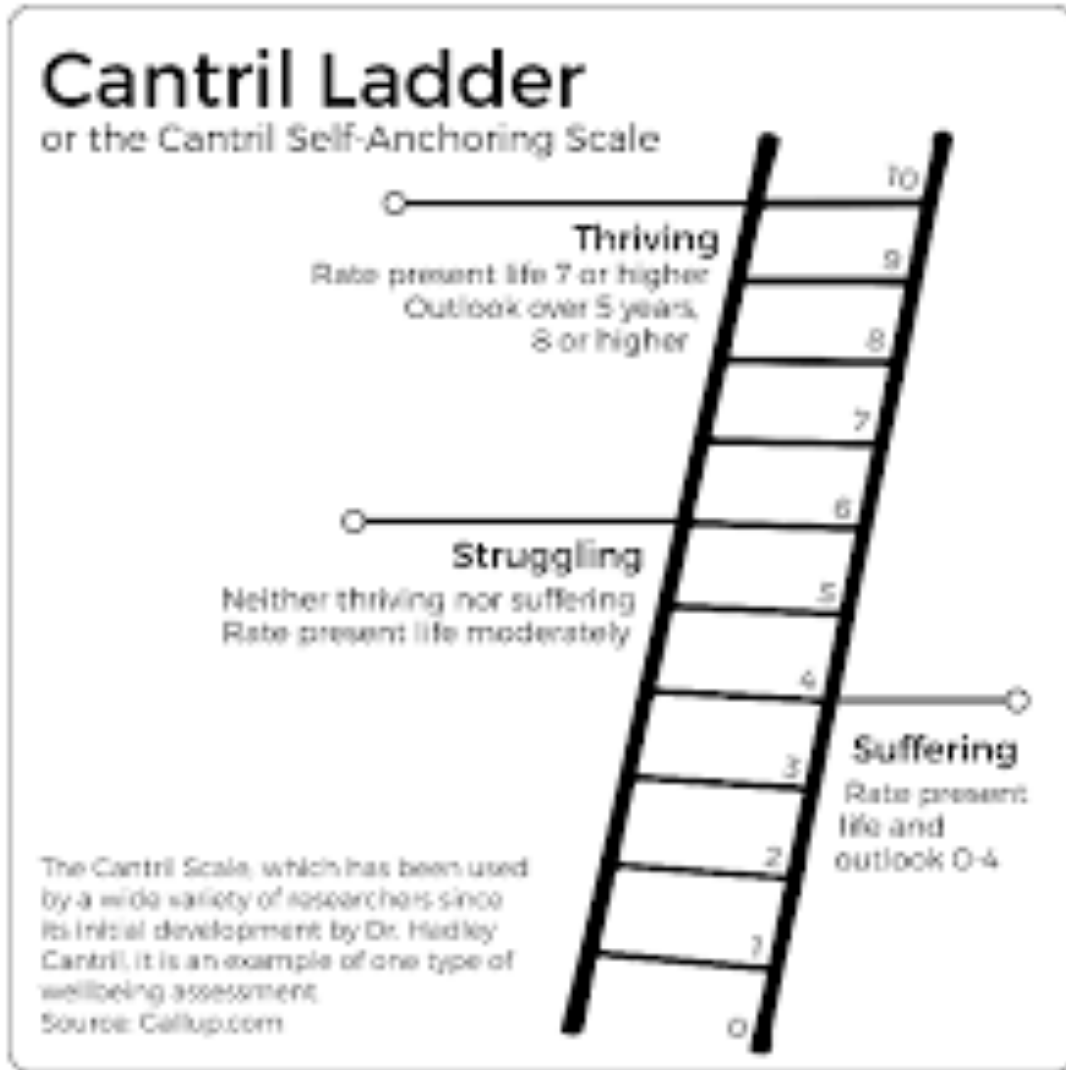
« Happiness is a new
idea in Europe »
Saint-Just, 1794

The Utilitarian Project-Hedonism

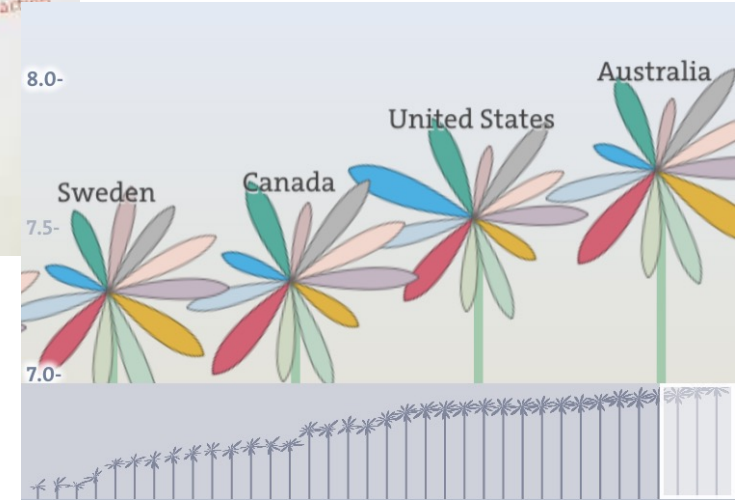
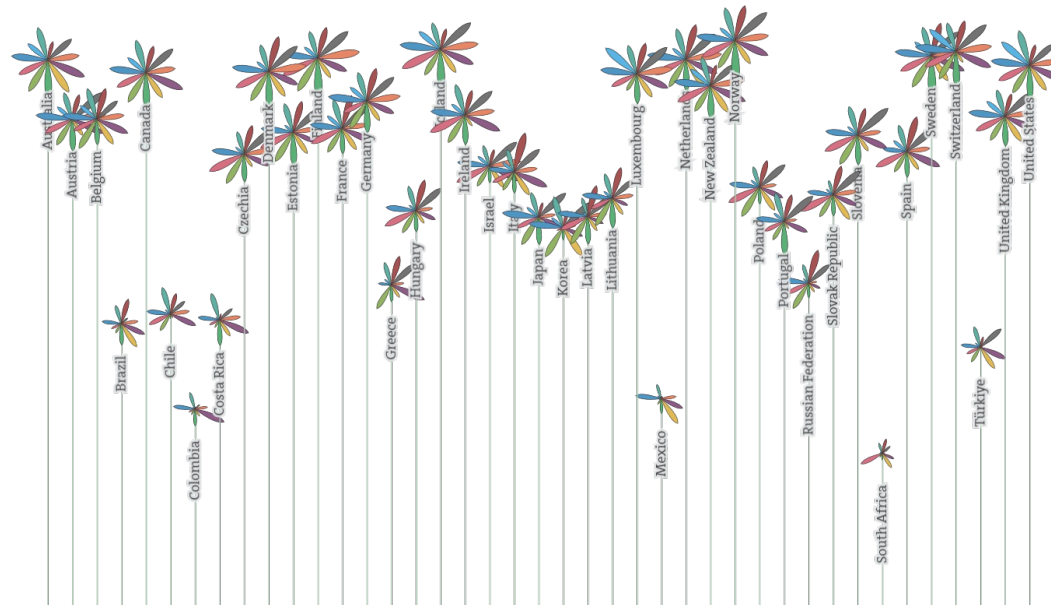


“The business of government is to promote the happiness of the society, by punishing and rewarding. That part of its business which consists in punishing, is more particularly the subject of penal law. In proportion as an act tends to disturb that happiness, in proportion as the tendency of it is pernicious, will be the demand it creates for punishment. What happiness consists of we have already seen: enjoyment of pleasures, security from pains”, *Introduction to the Principles of Morals and Legislation*, 1789

One-Item Question Methods



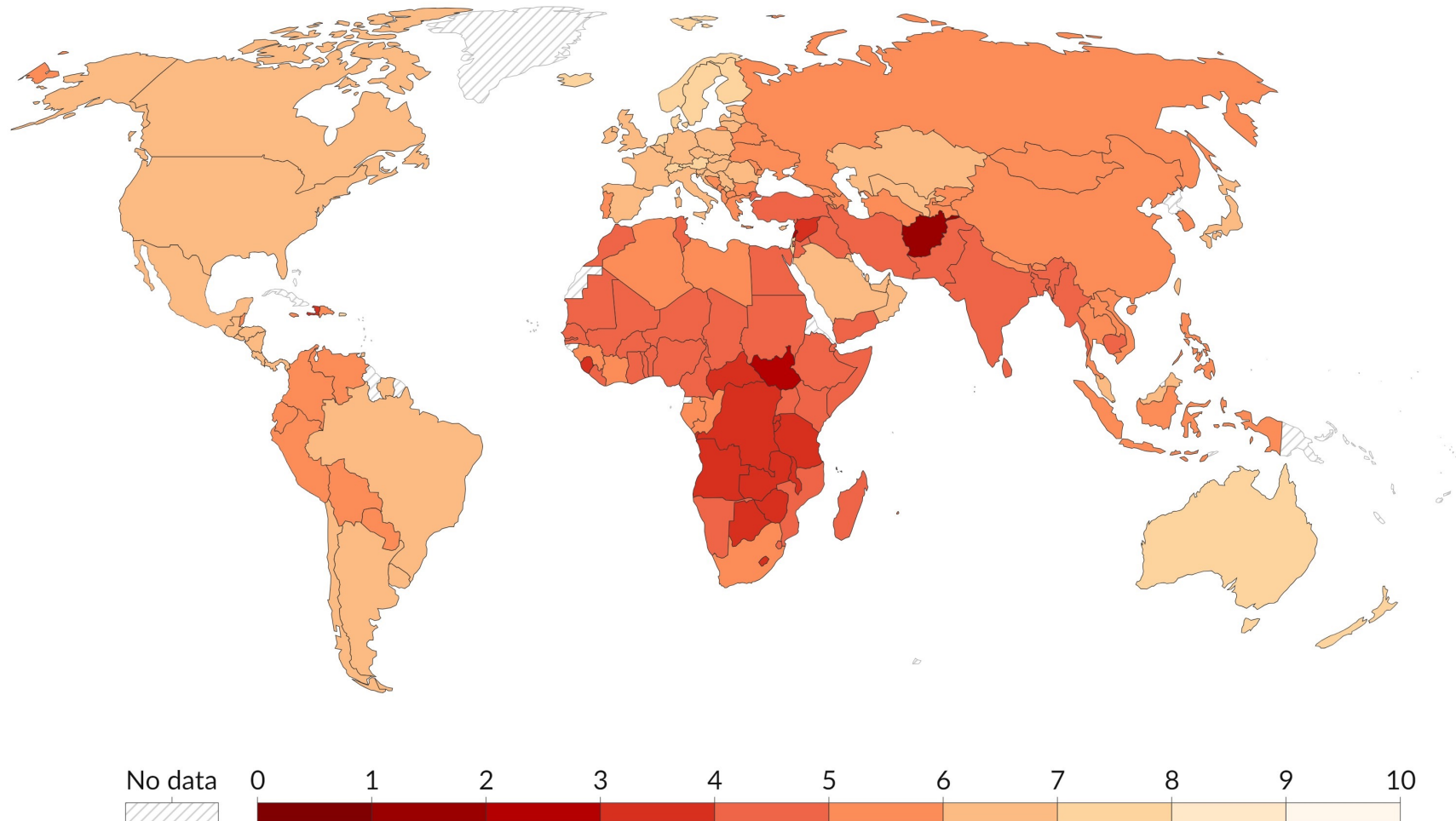
- World Values Survey (Life satisfaction 1-10)
- Eurobaromètre (« On the whole are you satisfied, fairly satisfied, not very satisfied, or not satisfied with the life you lead? »)
- General Social Survey (« Taken all together these days would you say that you are: - very happy, -quite happy, or – not happy »)



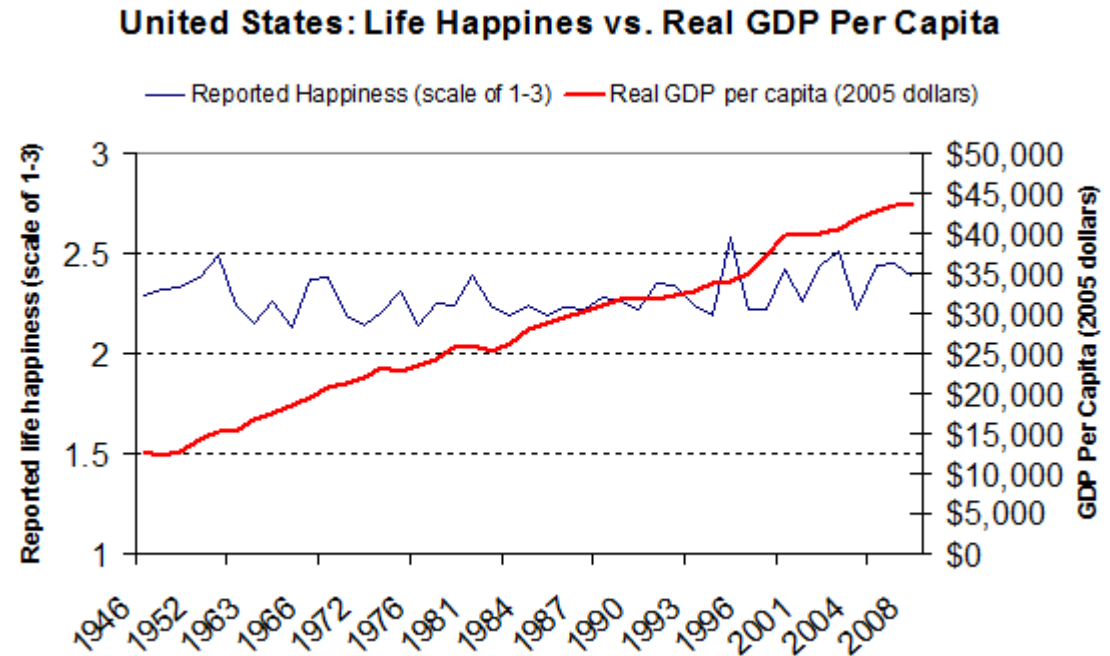
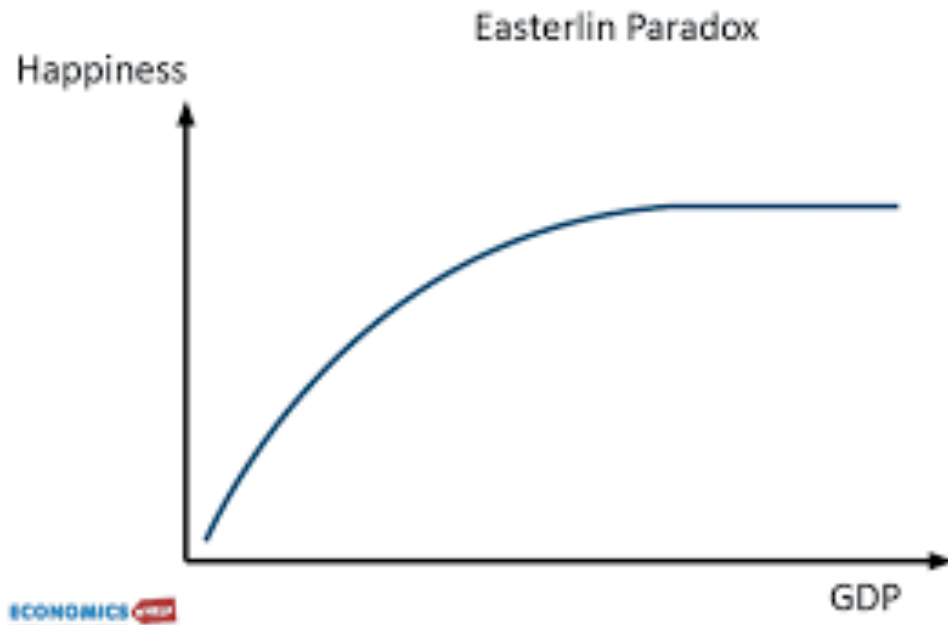
How's life?
There is more to life than the cold numbers of GDP and economic statistics – This Index allows you to compare well-being across countries, based on 11 topics the OECD has identified as essential, in the areas of material living conditions and quality of life

Self-reported life satisfaction, 2022

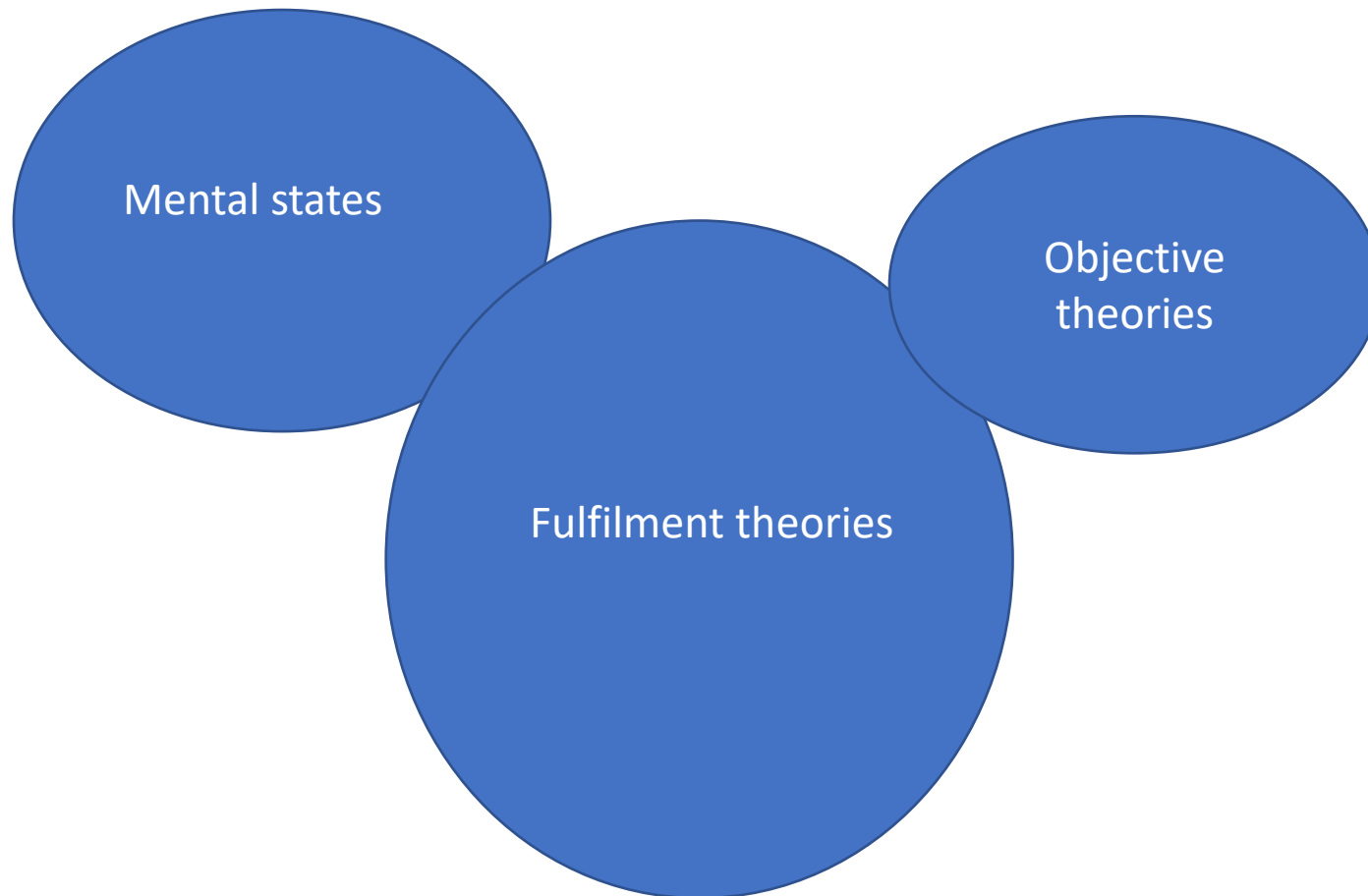
"Please imagine a ladder, with steps numbered from 0 at the bottom to 10 at the top. The top of the ladder represents the best possible life for you and the bottom of the ladder represents the worst possible life for you. On which step of the ladder would you say you personally feel you stand at this time?"



Why such an interest in subjective to well-being?



Three concepts of well-being (Parfit 1984)



Measuring mental states: a challenge



Paul Alexander (1946-): contracted polio aged six, lawyer,
declares to be happy

Three Minutes for a Dog: My Life in an Iron Lung, 2020



Whole life satisfaction theories & Interpersonal comparisons

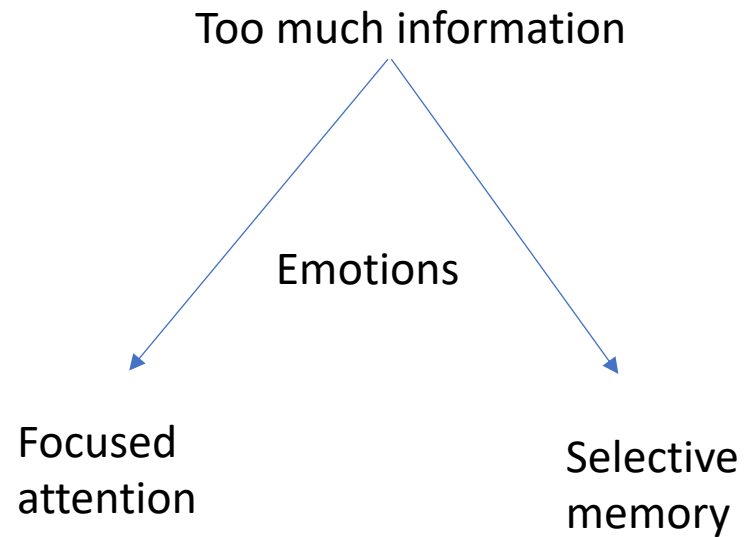
- Fulfilment theories as states of the world
- Envy (negative externalities)
- Preference adaptation (preference adaptation, social norms, i.e. living areas doubled since 1970s)
- Life satisfaction : The Cantril Ladder (*“From 0 to 10, Zero being the worst possible life and ten the best life possible for you, where do you stand?”*)
 - *The best ‘possible’ life is the life you imagine comparing yourself to your reference group*
 - *The best ‘possible’ life is the life you imagine comparing yourself to the most privileged ones (Tv, advertisement etc.)*



Happiness economics

- The death of welfare economics (Mongin 2005, Baujard 2017, Igersheim 2019,)
- But development of happiness economics (Kahneman 1999; Frey et Stutzer [2002]; Layard [2005]; Kahneman et Krueger [2006]; Stiglitz-Sen-Fitoussi [2009])
- For Kahneman, happiness is not equivalent to life satisfaction but to average utility
- Kaheman defined happiness over a period of time as the temporal integral of momentary utilities, which corresponds to the sum of these momentary utilities over the defined period of time (Edgeworth).

Selective memory shapes our perception on happiness



A.



B.

Study



C.

Test



Source: Waring JD, Kensinger EA. How emotion leads to selective memory: neuroimaging evidence. *Neuropsychologia*. 2011 Jun;49(7):1831-42

What objective happiness is about

- Momentary experience
- « it makes sense to call Helen 'objectively happy' if she spent most of her time in March engaged in activities that *she would rather have continued than stopped, little time in situations she wishes to escape, and – very important because life is short – not too much time in a neutral state in which she would not care either way.* »
- Principle: « the brain continuously constructs an affective or hedonistic commentary on the current state of affairs, and this commentary is adequately summarized by a single value »

Experience Sampling Method (Csikszentmihalyi [1990])

- Combination of sampling methods where somebody might get beeped or paged several times a day over the course of a week or two weeks
- Participants report on their emotions, moods, motivation in the moment
- Effectively enables the reduction of cognitive biases, such as judgment effects or forgetting past well-being
- But the high cost, procedural complexity, and technical challenges of the method make its application on large samples

Day Reconstruction Method (Kahneman et al. [2004])

- Method: Individual's description of their experiences during a given day through a systematic reconstruction conducted the following day (diary)
- The subjects reconstruct the day they lived the previous day in a diary consisting of a sequence of episodes
- The subjects are also invited to characterize the emotions experienced during these episodes and to categorize them, selecting a level on an intensity scale
- Advantage: this tool allows to establish a ranking of activities
- The studies by DRM indicate that pleasure and positive feelings are more closely linked to everyday circumstances rather than general life factors like income or marital status. This makes this method less sensitive to comparison standards. In fact, DRM studies highlight the additional stress and tensions experienced by wealthy individuals, as well as the lesser time they have for leisure. (Kahneman et al. [2006]).

Some objections to Kahneman's Objective happiness

- Haybron: there is no such thing as « having an experience » (2008, 46)
- A particular situation is a combination of multiple and simultaneous pleasant and unpleasant experiences which are impossible to give a single value to
- OH is measured through *strength of desire for the present experience to continue*
- 1° it does not say anything about the substantial value of the experiences or of the individual preferences behind it
- 2° It raises the question of the preferentist nature of this principle (if good is what I'd like to be continued it is also what i would prefer to have in the first place)
- 3° long-term happiness is nothing but extended short-term happiness (atomistic view of happiness)

Conclusion

- Difference between happiness as momentary (and affective) experience and life satisfaction
- What people are looking after is not – contrary to a common idea – happiness but life satisfaction (people are usually happy but unsatisfied)
- Practical question: what is the right criterion for public policy?
- Theoretical questions on the nature of well-being, the status of narratives and neutral states in happiness