Happiness in Europe:

Subjective well-being and exclusion in the European Union

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1. Introduction

We all try to be happy. Happiness is the feeling we're all looking for, it is a motivation of many of our actions. Even if we don't work with a common, established definition of happiness, we understand it intuitively and use it in our daily lives. Even if we don't measure it in any way, we try to examine our past, present and future happiness and act in favor of bringing more of it. On the other hand, there is an academic take on the happiness, the one that is trying to measure it and drive meaningful conclusions from such measurements. The happiness studies presume that happiness can be closely examined, measured and that it is possible to make policies aimed at increasing the happiness of populations.

From the ever growing number of studies and research papers from happiness studies we know that happiness levels differ between individuals in any society, as well as between different countries. We can look at it as at a specific type of social exclusion, there are people excluded from feeling happy in any society and also whole societies where people on average feel less happy than in others. This kind of exclusion isn't same as economic exclusion. Although we know that financial aspects matter, happiness isn't simply equal to economic well-being. Therefore I believe that this is a different kind of exclusion and possible ways to fight it would also essentially differ from one dimensional emphasis on economical aspect. In this paper I would like to see what are the reasons behind this kind of exclusion and more particularly, **why are citizens of some European countries more happy than the others and what can be done about it**. I will try to find the answers in the extensive stock of literature from happiness studies an try to come with my own proposals about rising the happiness levels.

In the following chapters I will present the accepted definition of happiness as well as some methodological issues with measurements and then look at some known predictors of happiness on societal level. Then I'll look particularly on European situation, differences in happiness levels and possible reasons for that. In the following chapter I would propose few steps that are possible to do in order to rise happiness on an European level and with the help of European institutions and try to look at the benefits of possible European involvement in this matter.

2. Definitions and methodological issues

So how do we define happiness? At first we have to make distinction between the objectivity and subjectivity approaches. The objectivity approach defines happiness on some external criteria and its origins can be traced to Aristotelian concept of eudeamonia. However this kind of approach is highly normative (Diener, 2009:13) and arbitrary. The criteria are constructed by the one who gives them, and objectivity approach denies true happiness to those who simply feel it, without having their aims determined in advance. Objective measures differ from our intuitive perception of happiness when it drives attention away from the question "how do we feel" to question "what do we do".

These theoretical problems are solved by focusing on subjective approach to the happiness. Objectivity approach tries to encompass the concept of self-realization as a condition of "true happiness", with the notion that life, if it should be happy, should own some sense or purpose. Veenhoven (2000) deals with this by including the quality of utility to his model of subjective happiness. Utility tells us about the meaning or purpose of life, the metaphysical quality that the life can posses. Nevertheless, utility is a quality that is different from lived happiness, and it doesn't have to comply with it. Acting in a certain manner to give life a meaning doesn't necessarily make one happy, and feeling happy without any higher purpose and depth is completely normal human condition. To better explain difference between objective quality of life approaches, subjective happiness or utility, Veenhoven created a model presented in Table 1, where we can see the difference between subjective appreciation of life and more objective measures, as well as get a first thought on what can affect appreciation of life.

Table 1: Veenhoven's four qualities of life (Veenhoven, 2000:4)

	Outer qualities	**Inner qualities**
Life chances	Livability of the environment	Life-ability of the person
Life results	Utility of life	Appreciation of life

Because of that and in accordance with the majority of happiness literature I will talk about subjectively defined happiness. Yet, happiness is not a simple one-dimensional concept and various scholars agree on dividing it to several parts. Even the sole term "happiness" is disputed, with

various scholars using terms happiness, overall happiness and subjective well-being to describe the sam thing. Ed Diener, one of the leading psychologists dealing with happiness, prefers using of term subjective well-being and he defines it with three characteristics: it is subjective, it consists of positive factors and it comprises overall judgment (2009). After refusing the simple definition Diener further divides subjective well-being into two (three) components. Hedonic component is "The lasting presence of positive affect in the absence of negative affect" (2009). Positive and negative affect stand for the way we perceive the situations in our day to day life, in a positive or negative way. There is a discussion if these two parts of hedonic components comprise a single dimension or if they should be measured separately, with prominent scholars on both sides of the argument (Layard, 2006). Cognitive component is "the global judgment done when people assess their life as a whole" (Diener, 1994:112). This judgment is highly affected by affective parts but it doesn't measure the same thing. As an example we can imagine an individual working hard for supporting his family, that can be fairly satisfied with his life trajectory and achievements, but at any point in time during working hours the negative affect is prevailing. Cognitive component is about taking a deep breathe and looking at ones happiness with a little thought, with slightly different results.

It is harder to measure affective part of happiness, since it is more influenced by mood, weather and other circumstances. What is usually measured is cognitive component, that is embodied by often used measure of "life satisfaction". Apart from that, another measure commonly used is measure for general subjective well-being or overall happiness. This measure is said to include affective as well as cognitive component of happiness.[1]

So how is happiness measured? The answer is simple – by direct questioning. Typical question for overall happiness may be *"Taking all things together, how happy would you say you are?"* (World Happiness Report, 2012), the one for life satisfaction sounds as follows: *"All things considered, how satisfied are you with your life as a whole nowadays?"* (WHR, 2012). These questions, with some modifications, are part of most international values surveys around the world like World Values Survey or Eurobarometer. Although this way of measuring happiness may look weak at the first glance, and there are considerable objections and distortions[2], in general there is a consensus that happiness measures are tied to reality and posses important information about the feelings of individuals (Diener and Suh, 1997). In other words, the happiness measures are not

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1 In my essay I am working with terms subjective well-being and happiness in the meaning of general well being or overall happiness, and with the term life satisfaction in the meaning of cognitive component of subjective well being.

2 Kinds of distortions include possible influence of mood, desirability bias, the ranking of questions, negatove emotions negation etc. or cultural bias possibly occuring in international comparisons (Sandvik and Diener, 1993).

perfect and most of the happiness scholars would admit that there are substantial distortions even with carefully prepared studies and formulated questions. However, these distortions tend to cancel themselves out in a large surveys to the extent of providing meaningful data that systematically correlate with other phenomena, more tied to the reality.

Good list of such characteristics was made by Konow and Earley (2008: 3). These include: Objective measures such as employment, the ability to recall positive/negative life events, reports of friends, family members and spouses, the duration of so-called Duchene smiles, reports from clinical experts, heart and blood pressure measures of responses to stress or electroencephalogram measures of prefrontal brain activity. Other scholars notice that people reporting high happiness and life satisfaction levels are more often thinking and talking about positive subjects, have more active left part of the brain, smile more, miss work less often, are able to deal better with stress and sleep better (Diener, 1997:212; Frey and Stutzer, 2000). These facts suggest that what is measured by simple questions on happiness may be close to what people perceive as happiness intuitively, and therefore that such measures are meaningful for social research.

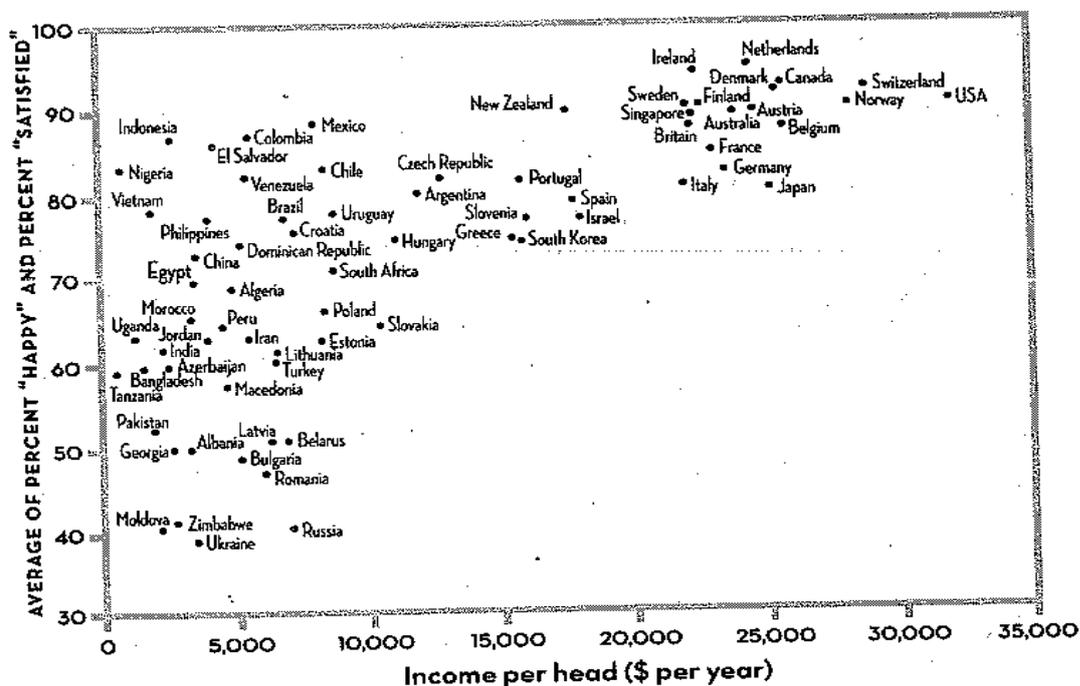### 3. Happiness and society: what can predict higher levels of happiness?

Mean values of happiness and life satisfaction are dramatically different among different societies in the world. According to World database of happiness, the range of mean happiness levels on 10 degrees scale is from 2,6 to 8,6 (2012). The happiness levels are on average slightly rising in most of the developing as well as western countries (Veenhoven and Hagerty, 2006) but this can't be applied to all countries, one of the notable exception being USA. Veenhoven offers an interesting fact, stating that inequality of happiness, that means the difference between the happiest and least happy parts of populations in the world is in fact decreasing, contrary to commonly discussed economical inequality (2005), although the differences are still huge. What are the possible reasons for such differences? Does it come just to economical difference, or are there other important factors predicting happiness levels?

Richard Layer lists 6 factors that are responsible for 80 % of variability in mean levels of happiness across different countries. These are: divorce rates, unemployment rate, level of trust, membership in non-religious organizations, quality of government and fraction believing in god (2005:71). Similarly, the studies of Economist intelligence unit in their long-term research on quality of life list the same set of factors mentioned by Layard, plus general health, material well-being and geographical environment (2005). Veenhoven states that "Happiness is systematically higher in nations that combine a good material standard of living with good governance, freedom

and a climate of tolerance" (2006:3) and that indicators of such qualities are responsible for 75% of variability.

The important part of understanding such statements is understanding the relationship between happiness (and life satisfaction) levels and material well-being. It is understood that income is a significant predictor of happiness and life satisfaction levels, in any society the wealthiest segment of the population is happier than the poorest segment (Diener et al., 1999). We can find rich, western societies among the happiest in the world and unsurprisingly the societies with lowest happiness levels are all from the countries belong to developing part of the world. However, this relationship between income (or GDP) and happiness looses its linearity after some point. This is called Easterlin paradox, after the classic study from 1974. The paradox states, that after the certain point the different values of GDP don't have impact on happiness levels, and therefore the variance in happiness levels between wealthy "developed" countries have to be explained by different factors. This is illustrated in Graph 1, where can see the non-perfect linearity of this relationship. In reference to this, its is also known that income has more impact on happiness levels of poorer segments of population, although considering relatively wealthy countries, it is important to note that "it is not the absolute level of income that matters most but rather one's position relative to other individuals" (Frey and Stutzer, 2005:124). When people have enough resources to fulfill their basic needs, even the income plays more the role as mean of social comparison than indicator of actual well-being.

Graph 1 - Income and happiness: comparing countries (Layard, 2005: 32)

A scatter plot titled with axes: vertical axis "AVERAGE OF PERCENT "HAPPY" AND PERCENT "SATISFIED"" ranging from 30 to 100; horizontal axis "Income per head ($ per year)" ranging from 0 to 35,000.

Therefore, taking Layards 6 predictors of happiness considering international comparisons, we can divide them to the ones that influence mostly wealthy countries and ones that influence mainly developing countries. We can argue, that level of trust, quality of government or membership in nor-religious organizations will influence happiness levels in wealthy countries more, while fraction of believers or lower divorce rates can counter balance the negative effect of low income (that is more important there) in developing countries, to a certain extent.

4. Happiness in European union: divisions, trends and possible explanations

So how happy we are in Europe? In general it is possible to say, we are quiet happy and satisfied people. In 2006, 86 % of European citizens were happy and 26% stated they are very happy[3] . Over last 40 years the mean levels of life satisfaction in the western Europe were slightly increasing[4] (Veenhoven and Hagerty, 2006). Nevertheless, the differences are still existing and significant[5]

It is possible to rank countries along their mean life satisfaction levels and happiness levels and European countries can be divided into several distinct clusters (Atlas of European Values,

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3 This is survey from 2006, when Romania and Bulgaria weren't yet members of the EU and their inclusion would somehow lower the scores.
4 This applies for all 15 "old" European union member countries with an exception of Belgium.
5 For illustration, mean life satisfaction level in Denmark in 2008 was 8,2 (1st among EU-27), while in Spain it was 7,0 (16th) and in Bulgaria it was 5,4 (27th). (European values study, 2008)

2008) according to their happiness. The first would be the cluster of North-Western Europe, with countries like Netherlands, Denmark and Finland ranking in the first places in international comparisons of these measures for decades. The second distinct cluster would be the one of Southern European countries, consisting of Spain, Greece, Portugal and Italy. These countries, among some others experienced rapid rise in happiness levels in the 80s (Veenhoven, 1994), however this development was slowed down in the following decades and it is sensible to presume that happiness levels will lower as a response to economical turmoils these countries are experiencing. Third distinct cluster is the one of post-communist countries, which comprise ten out of 12 new members of the European union. Happiness levels in those countries are generally low, and even lower than is expected by the linear economical model. The fourth cluster is simply designed to incorporate the rest of the countries which have their happiness levels somewhere between 'happy north-west" and "miserable south-east". We can theorize about the influence that some of the characteristics present in other clusters have on some of these other countries. For example we can look at France as country sharing some characteristic with Southern cluster, or Germany sharing characteristics with both North-western cluster and post-communist cluster that balance each other in the mean level of happiness. In similar manner, we can look at the countries at the edge of post-communist cluster, namely Czech republic and Slovenia, that are among the happiest from new members of the EU and are closest to western Europe both in economical and geographical sense.

So what are the possible explanations for these divisions? First of all, we have to mention that such divisions in Europe aren't just the domain of happiness levels. We can find similar divisions in domains such as unemployment, work productivity, bureaucracy, level of corruption, with northern countries doing better in those domains than southern and post-communist countries. Ott found significant relationship between quality of governance and democracy and happiness, with Scandinavian countries scoring high on both factors (2010). Kacapyr found a relationship between happiness and gender equality, also with high levels among questioned countries (2008). European values survey shows that levels of generalized trust and satisfaction with democracy in their own countries are significantly higher in Netherlands and Scandinavian countries then in the rest of the Europe (EVS, 2008). In general, we can say that economical prosperity and low unemployment in combination with quality of democracy and high social capital among other specificities that are often attributed to the North-western countries all somehow consider to creating the environment that is especially suitable for happiness. On the other hand, southern countries are known for the high levels of unemployment and low membership in non-religious organizations, that contributes to their low level. The real puzzle comes with explaining low levels

of happiness in the post-communist countries.

The communist past is one of the strongest predictors of happiness and life satisfaction at the international level. Even if take GDP and economical well-being as a predictor of happiness, post-communist countries are constantly uderperforming, although the happiness levels were rising in the first decade of 21st century, as can be seen from Graph 2.

This makes Inglehart mention "attitude cynicism" that comes from the historical experience of these nations, and that is spread in them until nowadays (Inglehart and Klingeman, 2000:179). Other scholars come with more tangible explanations. Rodriguez-Pose and Maslauskaite didn't find any inner factor that could explain the differences, and claim that low happiness levels are explicable by the same variables as in the western countries. According to their study, one of the main problems in those countries remains corruption that stayed high during 20 years after the revolutions, and that is slowing down the rise of happiness levels in spite of significant economical growth (2011:92). Aforementioned study as well as paper of Abbot and Wallis (2012) polemize that some of the post-communist countries are already reaching a tilting point of Easterlin paradox, when variables as quality of democracy or various indicators of social capital are starting to be more important than just income and GDP. Still, high levels of corruption or low levels of generalized trust that are symptomatic for this region are halting the higher rise in happiness levels

At the end of this chapter it is necessary to mention possible changes in happiness levels since the surveys in these analysis were performed. Most recent data that are used in referenced research papers are from European Values Survey 2008. Since then we've seen the series of

Graph 2: Life satisfaction in EU 15 vs. New (post-communist) member states 2001-2008 (Baltatescu, 2010:6)
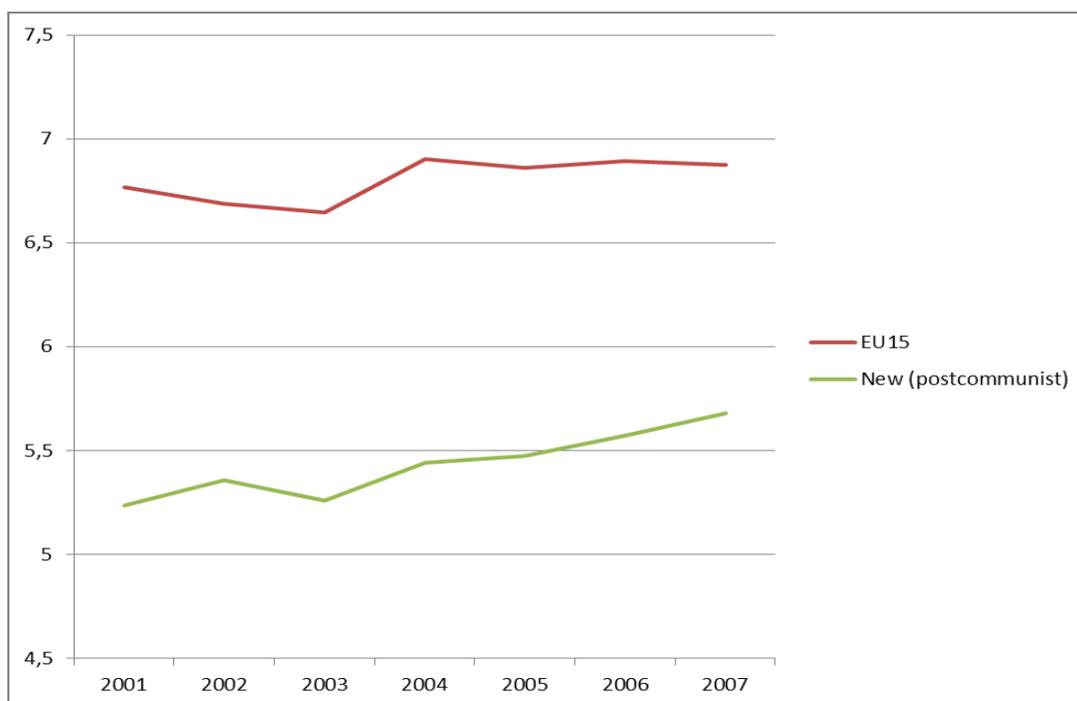
economical turmoils, which hit stronger the most vulnerable, that means southern and eastern European countries, especially south-eastern and Baltic states. It is expected, that happiness levels in those countries will substantially fall in next measurements, due to higher levels of unemployment, relative financial deprivation and in some cases even fall below the turning point in the Easterlins model.

5. What can be done? Few policy proposals for the European level

What can be done to raise the happiness levels? It seems that happiness studies reached the point when the focus is shifting from solely exploring happiness and its predictors to the debate on policy implications of such findings. Of course, the policy applications should be adjusted to national, regional or other differences and its is not possible to develop a sensible multinational policy for rising happiness, nor simply force countries to rise their happiness, as it is understood that at the end this is the aim of any national policy. On the other hand, what is possible to do is making a strong statement, a statement that happiness matters. European institutions have a history of using of soft power for developing expert-based policies on the basis of recommendations, and I consider such policies as a suitable for trying to rise happiness levels.

I suggest creating a platform, similar to European 2020 strategy, aimed at rising happiness levels across Europe and especially deprived regions. Such strategy, same as European 2020

strategy, should have clearly defined goals and developed flagship initiatives that should be specific for particular regions and countries. Existing institution of "European semester" designed to coordinate and review the policy would be another contribution from the existing European infrastructure. The ongoing Eurobarometer surveys make a good platform for continuous measurements of happiness levels in various countries. There are plenty of country-specific policies that can be applied to rise happiness levels. For the first instance of the suggested experimental platform, one of the flagship initiatives can be focused on increasing the mental health of European population, which is another predictor of happiness, and also the one mentioned in World Happiness report (2012). The low proportion of mentally ill people that are being treated are significantly contributing to low happiness levels, better and more available mental care can bring great benefits for whole societies (WHR, 2012). Another possible initiative can be focused on corruption, as was mention by one of the studies cited above. High levels of corruption are apparently one of the main reason behind the lower than expected happiness levels in post-communist countries and because of that aimed policy can bring even more benefits to the given country than is known when happiness is excluded.

Giving more space to the happiness measures can be beneficial even for European union itself. Happiness levels are often highly correlated with the subjective perception of the subjects like progress or future, or with their optimism. On the other hand, there is a feeling that technocratic nature of European policy-making is drawing the EU apart from its citizens. EU policies are widely misunderstood, and the image of EU as the symbol of democracy, progress and the representation of the "good" values of the west is fading away. Happiness can become the part of the new image of Europe, a common ground for many of its citizens and the way of better explaining its policies. That can again reflect as a contribution to the happiness of European citizens. All of these can be reached with relatively low costs, and mainly with a use of soft power.

6. Conclusion

In this essay I tried to present the measures of happiness and possible explanations for differences in levels of happiness in general and then to examine the character and reasons behind the differences in happiness between countries in European union. In final part I tried to develop a proposal, one of the possible ways to rise the levels of happiness of Europeans with the participation of European institutions.

In my essay I tried to show that Europe is divided not only with income and economical performance of its countries, but also on the lines of subjective appreciation that its citizens have towards their lives. I realize that the debate on European level these days is very far from this

theoretical debate on happiness. Economic and debt crisis fills the headlines of major media and programs of European political meetings. Nevertheless, there are initiatives in the countries like U.K., France and Germany as well as on the level of United Nations that are gaining ground, and the aim of utilizing measures of happiness in policy-making on national or multinational levels seem to be closer every year. With this development its is important to make such applications meaningful, and to avoid happiness debate to become a pretext for unjustified inequality or income distribution.

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List of Graphs and Tables