Does increasing national happiness require decreasing freedom or determining social values?

QUALITY OF LIFE SYMPOSIUM, AUT, 26 MAY 2017
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The main message

The worry:
- If policies are designed to increase happiness then people will be less able to pursue non-happiness-based versions of the good life

My answer:
- Any substantive policy goal reduces the viability of other potential goals
- Happiness is no worse than other policy goals in this regard
At issue: The goal of public policy

- Quality of Life ~ living standards and standard of living?
- Well-being ~ goods lives for individuals and societies
- Welfarism ~ public policies should aim at well-being
- Living Standards Framework ~ public policies should aim at equitable and sustainable well-being

But what is the good life?
- Safety, freedom, respect?
- Happiness, satisfaction, flourishing, success?
In a previous paper with Udayan Mukherjee:

The Living Standards Framework, understood as a well-being framework, helps to articulate, justify, and enable a broader and more structured approach to Treasury’s economic policy advice

But subjective well-being/happiness plays little or no role
Treasury’s Living Standards Framework (LSF)
Treasury’s Living Standards Tool

Assess the impact of policy across key living standards dimensions

Higher Living Standards

- Economic Growth
- Managing Risks
- Sustainability for the Future
- Social Cohesion
- Increasing Equity

- Economic Capital
- Natural Capital
- Social Capital
- Human Capital
Treasury’s Living Standards Dashboard
Is a happy life a good life?

- What is happiness?
  - Feeling good, not feeling bad, being satisfied with your life and future prospects

- This is a general conception of well-being
  - Lobster vs cheese
  - But can it be operationalised and remain general?
1. All things considered, how satisfied are you with your life as a whole nowadays?
   - Extremely dissatisfied → Extremely satisfied
2. Taking all things together, how happy would you say you are?
   - Extremely unhappy → Extremely happy
3. Please indicate, how much of the time during the past week...
   - ...you felt depressed?
   - ...you felt that everything you did was an effort?
   - ...your sleep was restless?
   - ...you were happy?
   - ...you felt lonely?
4. Below are eight statements with which you may agree or disagree

- I lead a purposeful and meaningful life
- My social relationships are supportive and rewarding
- I am engaged and interested in my daily activities
- I actively contribute to the happiness and wellbeing of others
- I am competent and capable in the activities that are important to me
- I am a good person and lead a good life
- I am optimistic about my future
- People respect me
Subjective well-being as the policy goal?

2005 BBC (1001 participants):
- Should the government's main objective be the "greatest happiness" or the "greatest wealth"?
- 81% - happiness should be the main goal

2011 The Economist (online unscientific poll of) debate on: “new measures of economic and social progress are needed for the 21st-century economy”
- 83% - endorse using happiness science to inform policymaking

2011 UK ONS (6,870 participants): What is a good measure of national well-being?
- 30% - Economic measures, such as GDP
- 79% - Life satisfaction
The case for subjective well-being as a policy goal

- Increasing wealth, freedom, and safety while protecting environmental and cultural capital might increase happiness...
- ...but it might not
- Contributors
- Capabilities
- Capabilities toward subjective well-being

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<thead>
<tr>
<th>Alex Michalos</th>
<th>Low subjective well-being</th>
<th>High subjective well-being</th>
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<tbody>
<tr>
<td>Low objective living conditions</td>
<td>Real Hell</td>
<td>Fool’s Hell</td>
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<tr>
<td>High objective living conditions</td>
<td>Fool’s Paradise</td>
<td>Real Paradise</td>
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So, include happiness as a goal of public policy

Subjective well-being goes here
The worry about using SWB as a policy goal

- An important criticism of policy-based attempts to increase happiness is that they will decrease the options for citizens to pursue their own version of the good life.

- E.g. Friedrich Hayek (1960) sees the goal of policies as increasing freedom.
  - We all have different interests and views of the good life. So, the government should provide us with freedom to pursue those different ends, rather than create interventionist policies that privilege (if not enforce) specific versions of the good life.
But... Any substantive policy goal reduces the viability of other potential goals

- We restrict freedom to make certain types of contracts because we are morally opposed...
  - E.g., Self-slavery

- or we think some people need protecting from various power or information imbalances
  - E.g., Consumer Guarantees Act
But... Any substantive policy goal reduces the viability of other potential goals

- Wealth and income are policy goals, but their pursuit can reduce freedom
  - E.g., Future generations access to natural resources
- Security can reduce freedom
  - E.g., Privacy, freedom of movement
Presumption in favour of freedom, but...

- We routinely restrict freedoms in order to protect and promote other goods
  - E.g., donate to foreign aid, restrict firearm availability to prevent harm

- Liberties are not the same as capabilities

- Bare freedoms are not the best we can do

- All policy goals require trade-offs and some loss of freedom
OK, so all policy goals require trade-offs... but this is still engineering social values!

- Policy goals engineer social values to the extent that they deviate from just protecting freedom, but most of us endorse this.
- The extreme pursuit of any particular goal (wealth, happiness) seems like it would close off some reasonable views of the good life.
- But, the pluralistic pursuit of several general goals (including happiness) seems unlikely to close off any reasonable views of the good life.
Let’s include happiness as a goal of public policy

- Individual policies should incentivise freedom, cooperation, stability, health, respect, and happiness among other socially agreeable goals.
- The desirability of subjective well-being is surely more widespread than the desirability for equality and sustainability.
  - (given the gains some people get from not pursuing these goals)
Nudging vs coercing

- New happiness policies could all be nudges, not coercive

- Coercive policies
  - At least severely limit people’s options in regards to specific actions
  - E.g., taxation, criminal sentencing

- Nudges
  - Do not restrict options
  - Reframe options in a way that affects outcomes
  - E.g. Opt out rather than opt in for retirement savings for government employees
What might a happiness-oriented policy look like?

- Make combatting mental illness and extreme poverty a priority.
- E.g., increase the mental healthcare spend for non-coercive service provision.
  - Online adverts on relevant websites (e.g.) that take the person to a portal hosted by a person and an AI chatbot that “listens” to them and encourages them to use helpful resources, e.g., “here is the number you need to call: ... this is a free service that has been rated by users as 4.5/5...”)

- Cost of mental illness to the NZ economy estimated at over $1b