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

QUALITY OF LIFE SYMPOSIUM, AUT, 26 MAY 2017 DR DAN WEIJERS

#### 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

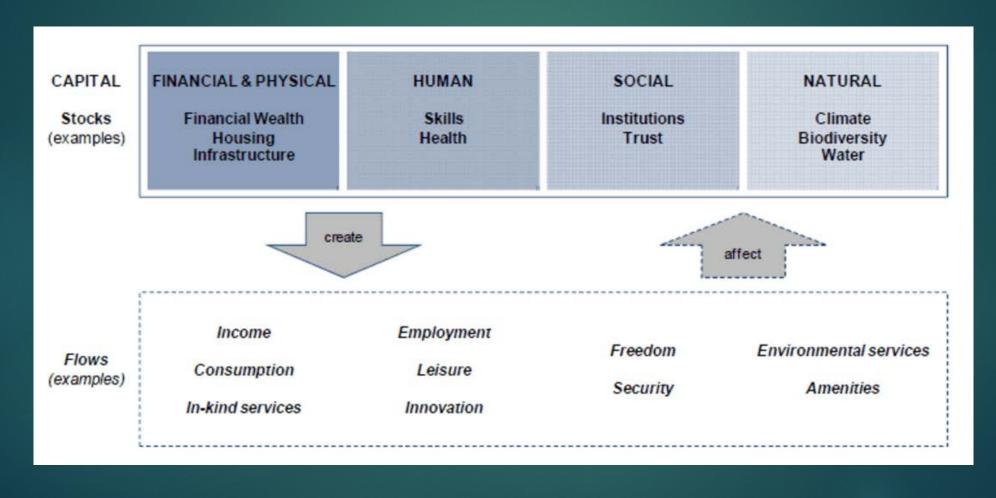
### At issue: The goal of public policy

- 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?

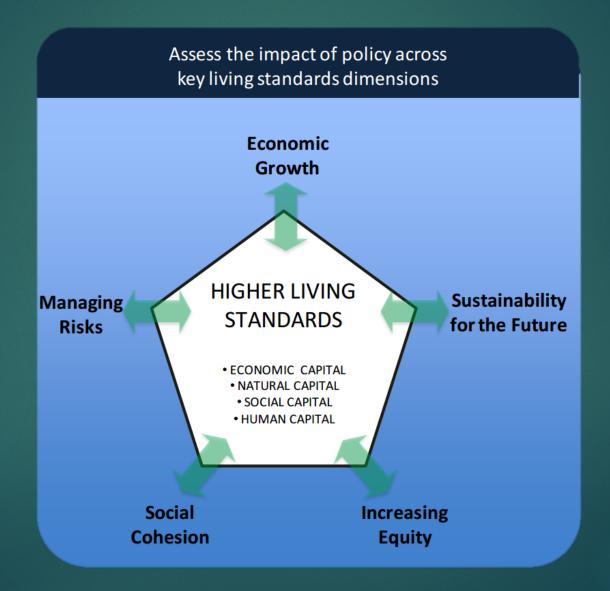
### Background

- ▶ In a previous paper with Udayan Mukherjee:
- The Living Standards Framework, understood as a wellbeing 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



### 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?

### Measuring subjective well-being 1

- 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?

### Measuring subjective well-being 2

- 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

Slightly less general

### 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?

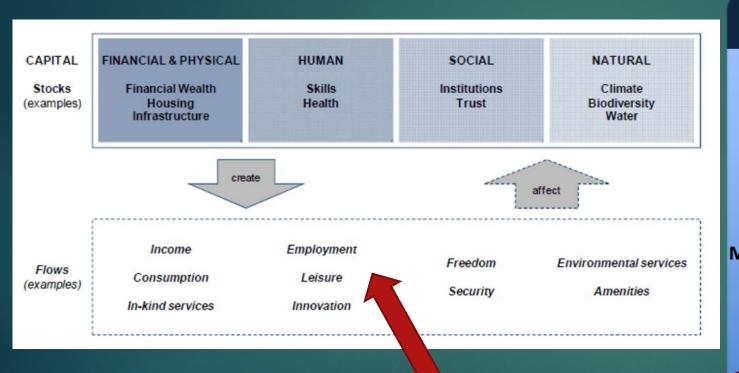
- ▶ 30% Economic measures, such as GDP
- ▶ 79% Life satisfaction

### 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

Alex Michalos	Low objective living conditions	High objective living conditions
Low subjective well-being	Real Hell	Fool's Hell
High subjective well-being	Fool's Paradise	Real Paradise

So, include happiness as **a** goal of public policy



Assess the impact of policy across key living standards dimensions **Economic** Growth HIGHER LIVING Sustainability Managing **STANDARDS** for the Future **Risks**  ECONOMIC CAPITAL NATURAL CAPITAL SOCIAL CAPITAL HUMAN CAPITAL

**Increasing** 

Equity

Social

Cohesion

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 Al chat bot 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 https://www.health.govt.nz/system/files/documents/publications/nz-cost-of-illness-jul09.pdf