Minimizing Misery: A New Strategy for Public Policies instead of Maximizing Happiness

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Should public policy focus on minimizing unhappiness rather than maximizing happiness? Subjective well-being variables, such as self-reported life satisfaction or happiness, are often treated as continuous variables or ordinal ones, assuming that there is a single latent variable behind them. I challenge this view.

Keywords: Happiness, Unhappiness, Life satisfaction, Public policy

My recent article published in *Social Indicators Research*, using a cross-sectional cross-national dataset with about 57,000 individuals, shows that observable personal characteristics predict unhappiness more than happiness. It seems that the path to unhappiness is more visible to a quantitative researcher than the path to happiness. While misery appears to strongly relate to broad social issues (such as unemployment, poverty, social isolation), bliss might be more of a private matter, with individual strategies and attitudes, hidden from the eye of a policy-maker. Social policies thus may be more efficient if they target unhappiness. These efforts on a social level could be complemented with individual or community-based strategies for promoting happiness.

> *Misery strongly correlates with social issues such as unemployment, poverty, social isolation. But bliss may be more of a private matter, hidden from the eye of policy-makers.*

Happiness and unhappiness: "a minority does the suffering"

Arguing for the focus on unhappiness appears to be riding against the tide. Is it not a step back, given the recent limelight on happiness as a measure of human progress? Unhappiness and happiness constitute different

qualities of experience. Diener and Iran-Nejad (1986) consider feelings of pleasure and displeasure as two distinct types of feelings that can even be experienced simultaneously when one of these is of low intensity. Positive and negative emotions are associated with different lateral activity in the anterior cortex, with greater left- or right-hemispheric activation, respectively (Davidson, 1992). Positivity and negativity may be distinguishable with respect to the neurotransmitters associated with each (Hoebel et al., 1999).

Daniel Kahneman showed that emotional pain is concentrated among a minority of the population that experiences great emotional distress for much of the day. He argues that:

> *"The objective of policy should be to reduce human suffering. […]*
> *Dealing with depression and extreme poverty should be a priority."*
> *(Kahneman, 2011: 397)*

Mental health is a key determinant of (un)happiness. Based on evidence from the British Cohort Study, Richard Layard (2012) found that the most powerful explanatory variable of life satisfaction among men aged 34 is the mental malaise of the individual 8 years earlier. He estimated the overall cost of mental ill-health due to non-employment, absenteeism from work and loss of productivity to be close to 7.5% of GDP in the UK. The health care costs equal an additional 2.3%. He argues that mental health needs to be the "new frontier for the welfare state" (Layard, 2012).

Mental health, which costs about 10% of GDP in the UK,
needs to be the new frontier for the welfare state.

Measuring happiness

"Happiness" measures can be "affective", measuring good and bad feelings (pleasures and pains) at a given moment, or "cognitive", with overall assessments of quality of life as a whole, or "eudemonic", exploring the purpose in life (Delle Fave et al., 2012). Large-scale surveys typically assess the cognitive component of subjective well-being, asking people on their life satisfaction or happiness. Self-reported life satisfaction and happiness aim to explore subjective quality of life as a whole. They are partly based on information (what one thinks) but also on the current feelings of the respondents. In other words, the overall indicators of well-being are affected by mood states. Individuals in a happy mood are more likely to recall positive life events, while those in a sad mood are more likely to recall negative ones, which in turn influences the overall assessment

of their lives (Schwarz and Strack, 1999). "Cognitive" measures, such as life satisfaction are frequently used by economists as proxies for utility, which thus enables a systematic test of theoretical models, such as "how bad unemployment is" or also the exploration of policy issues such as the effects of climate on welfare and well-being, defining compensations for aircraft noise nuisance (Van Praag and Ferrer-i-Carbonell, 2004).

Figure 1:

Distribution of self-reported happiness and life satisfaction scores, 2008

Source:

Own calculations, based on the European Social Survey, ESS4-2008 Edition 4.0
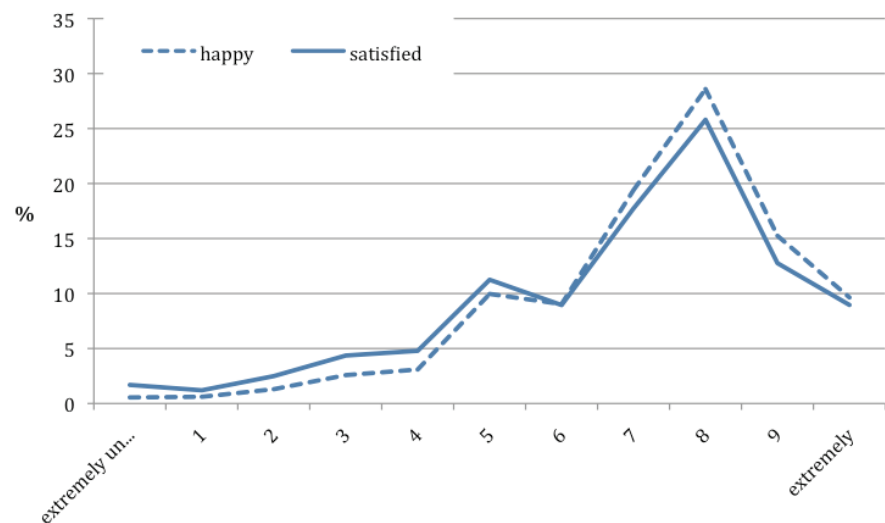
My analysis is based on the European Social Survey Data (ESS), including 29 countries and 57,000 individuals. There are two variables measuring subjective well-being in the ESS: life satisfaction and happiness.

As Figure 1 shows, there is, as is usual, evidence of positive skew in the distribution. Most people are found towards the "satisfied" end of the spectrum. I defined two groups, those with low levels of well-being and those with high levels. The bottom tenth and top tenth were identified, those who are the least satisfied and those who are the most satisfied. Due to the skewness of the distribution (more people reporting high scores) there is an asymmetry in the coding: those who rated their satisfaction with a score between 0 and 3 were coded as "*very dissatisfied*", while those with a score of 10 were coded as "*very satisfied*". As an alternative measure, I used self-rated happiness.

Observable personal characteristics are more linked to "misery" than to "bliss"

The social patterns of dissatisfaction suggest that those groups which are typically identified as socially excluded tend to suffer the most: the disabled, the unemployed, the poor, ethnic minorities and those who are

socially isolated, tend to have a much greater chance to be very dissatisfied (Figure 2).
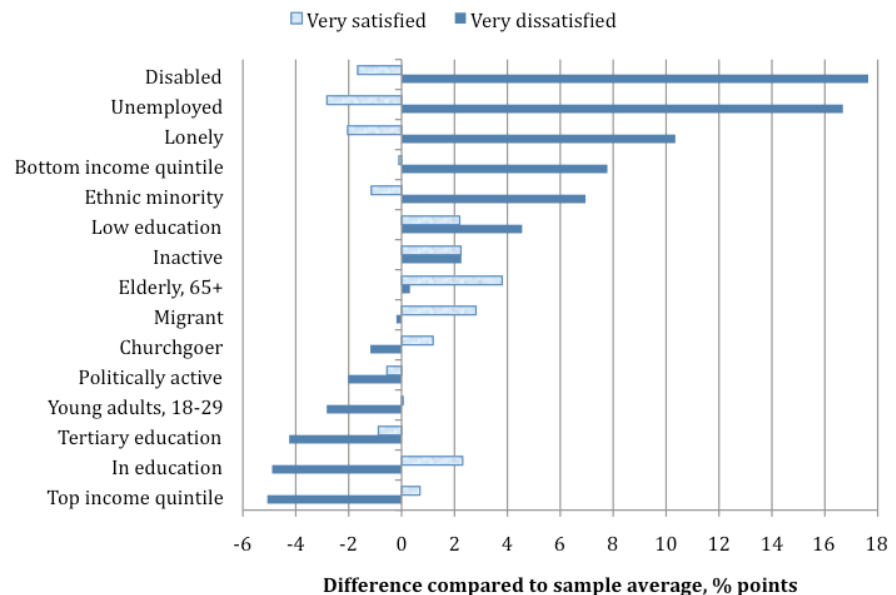
Figure 2:

Share of very satisfied and very dissatisfied individuals with specific characteristics: difference compared to the sample average, % points

Source:

Own calculations, based on the European Social Survey, ESS4-2008 Edition 4.0

Note:

Very dissatisfied: least satisfied tenth of the population (scores 0-3). Very satisfied: most satisfied tenth (score of 10).

Legend: ☐ Very satisfied ■ Very dissatisfied

Characteristic
Disabled
Unemployed
Lonely
Bottom income quintile
Ethnic minority
Low education
Inactive
Elderly, 65+
Migrant
Churchgoer
Politically active
Young adults, 18-29
Tertiary education
In education
Top income quintile

Difference compared to sample average, % points

In order to test the relationship between specific personal characteristics and well-being, I run logit models, exploring and comparing the probabilities of dissatisfaction and of high satisfaction. I tested the results using three alternative specifications, using self-reported happiness and keeping the same cut-off point, and using a more generous cut-off point (25%) for both life satisfaction and happiness measures, referring to the bottom fourth and the top fourth in terms of subjective well-being.

Observable personal characteristics are more strongly correlated with unhappiness (dissatisfaction) than with happiness (high satisfaction).

The results confirm that the dissatisfaction-satisfaction and the unhappiness-happiness scales are bipolar, linking two rather distinct qualities of personal experience. I found that observable personal characteristics (such as unemployment, disability, income status, education level and others) are more strongly correlated with unhappiness (dissatisfaction) than with happiness (high satisfaction).

Money may save from misery, but is less likely to buy happiness.

There is a non-linear relationship between income and subjective well-being. The relationship between high income and dissatisfaction (unhappiness) was stronger than between high income and high satisfaction (high levels of happiness). We could simply say that money is more powerful as a means for avoiding unhappiness than for buying happiness.

I found a similar asymmetric relationship between health impairment and subjective well-being. Disability appears to increase the prevalence of

"misery" or low well-being, but it seems to have a much weaker effect on "bliss". People with health impairment have somewhat (20%) less chance to be very happy (very satisfied) than the population average, but a considerable share of this group reports high well-being or life satisfaction. This finding appears to confirm the hypothesis that some individuals may find a life with meaning despite their health impairment and may still be very happy with their lives. I also found that severe health impairment had a stronger (negative) relationship with high satisfaction than with high levels of happiness. Disability might thus affect the cognitive assessment of quality of life more than daily pleasures (experienced happiness) as such. This issue would need further, more specific exploration.

Conclusions and policy implications

Policy focus on well-being is an important step forward in measuring social progress, and in measuring what really matters for the people. This, however, does not imply the maximization of happiness.

This analysis, using a cross-sectional cross-national dataset with about 57,000 individuals, has shown that observable personal characteristics tend to predict unhappiness more than happiness. It seems that the path to unhappiness is more visible to a quantitative researcher than the path to happiness. In my view, the commonly used self-reported life satisfaction and happiness measures, and the empirical analysis where they are often treated as linear measures, may ignore the immense suffering of a minority.

Our ultimate concern is long-term unhappiness, not a passing moment of dark mood. The calculations presented above are based on well-being measures at one point in time. I expect the relationship between difficult circumstances and long-lasting states of unhappiness to be stronger.

Preventing avoidable unhappiness should be given priority as a policy goal – even more so than maximizing happiness. Lasting unhappiness could be regarded as an undesirable personal condition as such, similar to poverty or social exclusion, and reducing it needs to be a key welfare state objective. Note, however, that the so-called satisfaction paradox needs to be taken into account, i.e. the poor may be satisfied despite their adverse situation. Policies need to focus on reducing unhappiness, partly on ethical grounds (human suffering is "bad"), partly because it costs a lot to us in economic terms (as much as about 10% of GDP). Private misery is therefore a public issue.

For more, see the article: Lelkes, O. (2013) 'Minimizing Misery: A New Strategy for Public Policies Instead of Maximizing Happiness?', *Social Indicators Research* 114 (1): 121-137.

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