

SOCIAL DEVELOPMENT AND HAPPINESS IN NATIONS

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ABSTRACT

The term 'social development' is used rhetorically in pleas for less focus on 'economic development'. In that context it is commonly assumed that social development will add to human happiness and more so than economic development does.

These claims are checked in an analysis of 141 contemporary nations. Social development is measured using five ISD 'Indices of Social Development': a) civic activism, b) participation voluntary associations, c) harmony among groups, d) harmony among individuals and d) gender-equality. Average happiness in nations is measured using responses to survey questions on life satisfaction, available in the World Database of Happiness.

Comparisons across nations in 2010 and analysis of change between 1990-2010 show mixed effects. Civic activism and gender equality seems to add a bit to happiness, possibly more so than economic growth. Yet more involvement in associations and less conflict among individuals rather goes together with less happiness. Intergroup conflict appears to be unrelated to average happiness.

So not all things called 'social development' add to happiness, some work out positively, some negatively and some do not affect happiness at all. Future research should look for contingencies.

Key words: life satisfaction, social cohesion, social participation, social equality, cross-national, time trends, social progress

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1 THE ISSUE

We live in a time of unprecedented economic growth, which has improved the quality of human life in many ways. Still there are reservations about economic growth. One is that continued economic growth will ruin the planet, another that economic growth has not made us any happier.

In the 1970s these reservations gave rise to a call for 'zero growth'. Since, there are also pleas for a shift to 'social development', which is believed to add more to happiness than continued economic development does.

This idea has several intellectual fathers. One is Richard Easterlin (1974) who wrote that economic growth does not result in greater happiness. His observations fitted qualms about consumer society of Tibor Scitovsky (1976) who in 'The Joyless Economy' argued that mass consumption does not really satisfy, because it appeals to 'lower needs' rather than to higher self-actualization needs. Likewise Juliet Schorr's (1992, 1998) claimed eloquently that we work too much for buying things we do not need.

The idea that economic development did not make us any happier is typically accompanied by claims that focus on other things will do better. One of the alternative ways to happiness is traditionally 'other-worldly' spirituality and mystical anti-materialistic movements are indeed on the rise, in particular in the 'New Age' movement. Another alternative is seen in 'social development' and that response links up with several secular ideologies, among which emancipation movements and communitarism.

An advocate of that latter view is Robert Lane (1994a, 2000), who contends that we derive more happiness from friendships than from consumption. A recent account of this idea is found with Richard Layard (2005), who pleads for taming the economic rat-race and shift focus to friendship and community.

In this paper I inspect the reality value of these claims and address the following question:

1. Is social development is indeed conducive to happiness?
2. Does social development affect happiness independent of economic development?
3. Does social development add more to happiness than economic development does?

2 SOCIAL DEVELOPMENT

'Social development' is a rhetoric notion in the first place. It denotes a contrast with 'economic development', but has no clear meaning in itself. The term suggests something more communitarian than market economy, leaving open what that precisely is. The concept functions in fact as an umbrella for different 'alternative' views, suggesting that these go together.

Success of the term in the public discourse presses to more conceptual precision, such as at this conference. Attempts in that direction face the dilemma of either seeing the notion crumble or revert to other umbrella concepts, such as 'social cohesion' and 'social capital'. The 'Indices of Social Development' used in this paper are characterized in the latter way and loosely described as the degree to which institutions in a country "empower individuals to make the most of their skills and resources and live a full and complete life" (ISD website).

Since comprehensive definition is not well feasible, the term is mostly used to denote a particular set of societal conditions deemed desirable. In political organizations such sets manifest in a 'program'. In scientific studies they often appear in an 'index'.

The first generation of scientific indexes of social development in nations added social indicators to the existing economic indicator of gross national income per head. For instance Richard Estes' (1984) Index of Social Progress (ISP) completes the traditional GDP with things such as welfare expenditures, democracy and women's rights. The Human Development Index is more in the vogue these days and completes GDP with both Education and Life expectancy. Variants of the HDI involve also indicators of social equality. The Bhutanese Index of 'Gross National Happiness' is another member of this family.

The 'Indices of Social Development' at hand here differ from that approach in two ways: Firstly the 'indices' are not summed in an 'index', which acknowledges that 'social development' denotes a multi-dimensional set, rather than a one-dimensional quality. Secondly the collection restricts to non-economic features and allows as such a distinction between 'social' and 'economic' developments in nations.

In this paper I consider the following five² 'Indices of Social Development'

- a: Civil Activism
- b: Participation in voluntary associations
- c: Harmony among groups in society (absence of intergroup conflicts)
- d: Harmony among individuals in society (absence of homicide and distrust)
- e: Gender equality (woman emancipation)

Each of these indices is based on a combination of different sources, As such these indices cover more nations than the separate sources do. This gain in coverage goes at the cost of some heterogeneity. Details about the technique behind these indices is found at <http://www.indsocdev.org>

² In 2012 a sixth indicator on minorities will be added to the ISD.

These notions of *social* development should not be equated with what is called *societal* development in macro-sociology. *Societal* development is about long-term institutional differentiation on the way from hunter-gatherer bands to post-industrial societies. That notion is descriptive in the first place. The notion of *social* development at stake here concerns variations on the pattern of modern society and is normative in the first place.

This difference is most apparent in the case of 'participation in voluntary associations'. This is not seen as an aspect of social development because it *does* increase, but because it *should* increase. The reality development is that participation in associations tends to decrease in modern society, at least according to Putnam (2000). The normative view holds that we should be better off if it increased. One of the reasons why more participation in voluntary associations is deemed desirable is the expectation that this will add to happiness. So let's now see what that is.

3 HAPPINESS

The word 'happiness' is also often used rhetorically and is then mostly equally broad and normative as the term 'social development'. Yet the word is also used in a more specific meaning, which is addressed in this paper.

3.1 Concept of happiness

In the political discourse the word 'happiness' used interchangeably with terms like 'wellbeing' or 'quality of life' and denotes both individual and social welfare. In social science the word is increasingly used in the more specific meaning of an individual's subjective appreciation of life. Below I will clarify the difference between the various meanings of the word and next define happiness in the latter sense more precisely.

Four qualities of life

Quality-of-life concepts can be sorted using two distinctions, which together provide a fourfold matrix (Veenhoven 2000).

The first distinction is between chances and outcomes, that is, the difference between opportunities for a good life and the good life itself. This distinction is common sense in the health sciences, where external pathogens are seldom mixed up with inner health outcomes. Yet in the social sciences these things are often put in one hat.

A second difference is between outer and inner qualities of life, in other words between 'external' and 'internal' qualities of life. In the first case the quality is in the environment, in the latter it is in the individual. Lane (1994b) made this distinction clear by distinguishing 'quality of society' from 'quality of persons'.

The combination of these two dichotomies yields a fourfold matrix that is presented in Scheme 1.

Scheme 1 ***Four qualities of life***

	<i>Outer qualities</i>	<i>Inner qualities</i>
<i>Life chances</i>	Livability of environment	Life-ability of the person
<i>Life results</i>	Utility of life	<u>Satisfaction with life</u>

Livability of the environment: The left top quadrant denotes the meaning of good living conditions, shortly called 'livability'. Ecologists see livability in the natural environment and focus on things such as fresh air and scenic beauty. City

planners see livability in the built environment and associate it with such things as sewer systems, public transportation and safety in the streets.

In the sociological view, society is central. Livability is associated with the quality of society as a whole and also with the position one has in society. The 'indices of social development' at stake in this paper are part of that view, since they concern external living conditions assumed to be required for a good life.

Livability is not what is called 'happiness' here. It is rather a precondition for happiness and not all environmental conditions are equally conducive to happiness.

Life-ability of the person: The right top quadrant denotes inner life-chances. That is: how well we are equipped to cope with the problems of life. Sen (1992) calls this quality of life variant 'capability'. I prefer the simple term 'life-ability', which contrasts elegantly with 'livability'.

The most common depiction of this quality of life is absence of functional defects. This is 'health' in the limited sense, sometimes referred to as 'negative health'. Next to absence of disease, one can consider excellence of function. This is referred to as 'positive health' and associated with energy and resilience. A further step is to evaluate capability in a developmental perspective and to include acquisition of new abilities. From this point of view a middle-aged man is not 'well' if he behaves like an adolescent, even if he functions without problems at this level. In this meaning life-ability extends to 'self actualization'. Lastly, the term 'art of living' denotes special life-abilities such as savoring refined enjoyments and developing an original style of life.

Ability to deal with life will mostly contribute to happiness, but is not identical. One can be quite competent, but still be unhappy because of bad external conditions.

Utility of life: The left bottom quadrant represents the notion that a good life must be good for something more than itself. This assumes some higher values. There is no current generic for these external outcomes of life. Gerson (1976: 795) refers to this variant as 'transcendental' conceptions of quality of life. Another appellation is 'meaning of life', which then denotes 'true' significance instead of mere subjective sense of meaning. I prefer the simpler 'utility of life'.

A useful life is not necessarily a happy life; positive external effects may require sacrifice of individual satisfaction and usefulness may appear long after one's death.

Core meaning: Subjective enjoyment of life: Finally, the bottom right quadrant represents the inner outcomes of life. That is the quality in the eye of the beholder. As we deal with conscious humans, this quality boils down to subjective enjoyment of life.. This paper is about happiness in that sense.

Four kinds of satisfaction

Even when we focus on subjective satisfaction with life, there are still different meanings associated with the word happiness. These meanings can also be

charted in a fourfold matrix. In this case, that classification is based on the following dichotomies: *Life-aspects* versus *life-as-a-whole* and *passing* delight versus *enduring* satisfaction.

When combined, these distinctions produce the fourfold matrix presented in scheme 2.

Scheme 2
Four kinds of satisfaction

	<i>Passing</i>	<i>Enduring</i>
<i>Part of life</i>	Pleasure	Satisfaction with parts of life
<i>Life as a whole</i>	Peak experience	<u>Life satisfaction</u> Happiness

Pleasure: The top-left quadrant represents passing enjoyment of life-aspects. Examples would be delight in a cup of tea at breakfast, the satisfaction of a chore done or the enjoyment of a piece of art. This category is denoted with different words. Kahneman (1999:4) speaks of 'instant-utilities'. I refer to this category as 'pleasure'.

So, the concept of happiness used here is broader than passing pleasure. Though fleeting enjoyment obviously contributes to a positive appreciation of life it is not the whole of it.

Satisfaction with parts of life: The top right quadrant denotes enduring appreciation of parts of life. That can be satisfaction with *aspects* of life, such as its 'variety' or 'meaningfulness' or satisfaction with particular *domains* of life such as 'marriage' and 'work'.

Partial satisfactions are often denoted with the term happiness: e.g. a happy marriage, happy with one's job, etc. Yet in this paper the term happiness is used in the sense of satisfaction with life-as-a-whole. One would not call a person happy who is satisfied with marriage and job, but still dissatisfied on the whole because his health is failing. It is even possible that someone is satisfied with all the domains one can think of, but nevertheless feels depressed.

Peak-experience: The bottom left quadrant denotes the combination of passing experience of encompassing satisfaction with life. That combination occurs typically in peak-experiences, which involve short-lived but quite intense 'oceanic' feelings. This is the kind of happiness poets write about.

Again this is not the kind of happiness aimed at here. A moment of bliss is not enduring appreciation of life. In fact such top-experiences even seem

detrimental to lasting satisfaction, possibly because of their disorientating effects (Diener et. al. 1991).

Core meaning: ongoing satisfaction with one's life-as-a-whole: Lastly, the bottom-right quadrant represents the combination of enduring satisfaction with life-as-a-whole. This is what I mean with the word happiness. A synonym is 'life-satisfaction'.

This is the kind of happiness that Bentham³ addressed in his 'greatest happiness' principle and it is also the kind of happiness that rank high in the value hierarchy of modern people.

Definition

Happiness is the *degree to which an individual judges the overall quality of his/her own life-as-a-whole favorably*. In other words: how much one likes the life one leads. This definition is explained in more detail in Veenhoven (1984:22-25).

3.2 Measurement of happiness

Thus defined, happiness is something that we have in mind and things we have in mind can be measured using questioning. Questions on happiness can be posed in different ways, directly or indirectly, and by means of single or multiple items.

Indirect questioning using multiple items is quite common in psychological measurement and for that reason the first generation of happiness measures consisted mainly of 'inventories', such as the 20-item Life Satisfaction Index by Neugarten et al. (1961). This approach is appropriate for assessing fuzzy mental syndromes of which the individual is not necessarily aware, such as 'alienation' or 'neuroticism'; one cannot ask respondents how alienated they are. Yet in the case of happiness, the concept is clear-cut and respondents are aware by definition. Hence happiness can also be measured using single direct questions⁴.

Common questions

Some common questions are presented in Scheme 3. All questions ever used are available in the collection 'Measures of Happiness' of the World Database of Happiness (Veenhoven 2011b)⁵.

³ Jeremy Bentham defined happiness as 'the sum of pleasures and pains'. He did not limit the concept to sensory experience but also included higher mental experiences such as beauty and justice.

⁴ A disadvantage of single questions is their vulnerability for slight variations in wording. Such variations balance out when multiple questions are used. Yet a common disadvantage of multiple questions is that wrong items slip in. For instance of the 20 items in Neugarten's Life Satisfaction Index only some tap happiness as defined here. Most of the other items concern rather conditions for happiness, such as social participation.

⁵ The collection 'Measures of Happiness' limits to indicators that fit the concept as defined here. That fit is established on the basis of face-validity; does the question(s) really concern subjective enjoyment of one's life-as-a-whole? Questions that address slightly different matter are not

Validity

Critics have suggested that responses to questions on happiness actually measure other phenomena. Rather than indicating how much respondents enjoy life, answers would reflect their normative notions and desires.

Scheme 3

Some currently used survey questions on happiness

Single questions

- Taking all together, how happy would you say you are: very happy, quite happy, not very happy, not at all happy?
(Standard item in the World Value Studies)
- How satisfied are you with the life you lead? Very satisfied, fairly satisfied, not very satisfied, not at all satisfied?
(Standard item in Euro-barometer surveys)
- Here is a picture of a ladder. Suppose the top of the ladder represents the best possible life for you and the bottom of the ladder the worst possible life. Where on the ladder do you feel you personally stand at the present time? (0-10 ladder like rating scale)
(Cantril's (1965) present life ladder rating)

Multiple questions (summed)

- Same question asked twice: at the beginning and at the end of interview
How do you feel about your life-as-a-whole? Delighted, pleased, mostly satisfying, mixed, mostly dissatisfying, unhappy, terrible?
(Andrews & Withey's (1976) Life 3)
- Five questions, rated on a 1-7 scale ranging from strongly agree to strongly disagree.
(Diener's 1985 Satisfaction With Life Scale SWLS)
 - In most ways my life is close to ideal
 - The conditions of my life are excellent
 - I am satisfied with my life
 - So far I have gotten the important things I want in life
 - If I could live my life over, I would change almost nothing⁶

No notion: One of the misgivings is that most people have no opinion at all about their happiness. They would be more aware of how happy they are supposed to be, and report that instead. Though this may happen incidentally, it does not appear to be the rule. Most people know quite well whether or not they enjoy life. Responses on questions about happiness tend to be prompt. Non-response on

included. Consequently, the observations obtained with these questions are neither incorporated in the finding collections of the World Database of Happiness.

⁶ I my view this last item is not appropriate. One can be quite satisfied with life, but still be open for the opportunity to try something else.

these items is low, typically less than 1%. 'Don't know' responses are infrequent as well.

A related assertion is that respondents mix up how happy they actually are, with how happy other people think they are, given their situation. If so, people considered to be well off would typically report to be very happy, and people regarded as disadvantaged should characterize themselves as unhappy. That pattern is observed sometimes, but it is not general. For instance, in The Netherlands good education is seen as a pre-requisite for a good life, but the highly educated appear slightly less happy in comparison to their less educated counterparts.

Colored answers: Another objection concerns the presence of systematic bias in responses. It is assumed that questions on happiness are interpreted correctly, but that responses are often false. People who are actually dissatisfied with their life would tend to answer that they are happy. Both ego-defense and social-desirability would cause such distortions.

This bias is seen to manifest itself in over-report of happiness; most people claim to be happy, and most perceive themselves as happier than average. Another indication of bias is seen in the finding that psychosomatic complaints are not uncommon among the happy. However, these findings allow other interpretations as well. Firstly, the fact that more people say to be happy than unhappy does not imply over-report of happiness. It is quite possible that most people are truly happy (some reasons will be discussed below). Secondly, there are also good reasons why most people think that they are happier than average. One such reason is that the salience of misery in the media suggests that unhappiness is the rule. Thirdly, the occurrence of headaches and worries among the happy does not prove response distortion. Life can be a sore trial some times, but still be satisfying on a balance.

The proof of the pudding is in demonstrating the response distortion itself. Some clinical studies have tried to do so by comparing responses to single direct questions with ratings based on depth interviews and projective tests. The results are generally not different from responses to single direct questions posed by an anonymous interviewer (e.g. Wessman & Ricks 1960).

Global validity checks: Next to considering specific distortions in responses to questions about happiness, validity can also be estimated in more global ways.

One way is assessing correspondence with other indicators of happiness, such as ratings by family and peers, observation of non-verbal signs of good mood and estimates of daily mood based using the experience sampling method. This typically shows strong correlations (e.g. Lucas et. al. 1996). In this line one can also look for links with activity in reward areas of the brain and such links have indeed be found (Davidson 2004).

A second approach is assessing correspondence with other manifestations of human thriving, such as health and longevity. Elsewhere I have reviewed the literature on that matter, I found that happiness is indeed strongly

correlated to physical and mental health and that happiness predicts longevity (Veenhoven 2008b).

Reliability

Though single questions on happiness seem to measure what they are supposed to measure, they measure it rather imprecisely.

When the same question is asked twice in an interview, responses are not always identical. Correlations are about +.70. Over a period of a week, test-retest reliability drops to circa +.60. Though responses seldom change from 'happy' to 'unhappy', switches between 'very' and 'fairly' are rather common. The difference between response-options is often ambiguous and the respondents' notion about their happiness tends to be global. Thus the choice for one answer-category or the next is sometimes haphazard.

Because choice is often uncertain, subtle differences in interrogation can exert considerable effect. Variations in place where the interview is held, characteristics of the interviewer, sequence of questions and precise wording of the key-item can tip the scale to one response or the other. Such effects can occur in different phases of the response process, in the consideration of the answer as well as in the communication of it.

Bias in appraisal: Though most people have an idea of how much they enjoy life, responding to questions on this matter involves more than just bringing up an earlier judgment from memory. For the most part, memory only indicates a range of happiness. Typically, the matter is re-assessed in an instant judgment. This re-appraisal may be limited to recent change (are there any reasons to be more or less happy than I used to be?), but it can also involve quick re-evaluation of life (what are my blessings and frustrations?). In making such instant judgments, people use various heuristics. These mental simplifications are attended with specific errors. For instance the 'availability' heuristic involves orientation on pieces of information that happen to be readily available. If the interviewer is in a wheelchair, the benefit of good health is salient. Respondents in good health will then rate their happiness somewhat higher and the correlation of happiness-ratings with health variables will be more pronounced. Schwartz and Strack (1991) have demonstrated several of these heuristic effects.

Bias in response: Once a respondent has formed a private judgment, the next step is to communicate it. At this stage reports can be biased in various ways as well. One source of bias is inherent to semantics; respondents interpret words differently and some interpretations may be emphasized by earlier questions. For example, questions on happiness are more likely to be interpreted as referring to 'contentment' when preceded by questions on success in work, rather than items on mood. Another source of response-bias is found in considerations of self-presentation and social-desirability. Self-rating of happiness tends to be slightly higher in personal interviews than on anonymous questionnaires. However, direct contact with an interviewer does not always inflate happiness reports. If the interviewer is in a wheel chair, modest self-presentation is encouraged.

Reliability estimates: Much of these biases are random, and balance out in large samples. In that case error does not affect the accuracy of happiness averages. Yet it does affect correlations, since random error 'attenuates' correlations. Random error can be estimated by means of multiple-trait-multiple-method (MTMM) studies, and correlations can be corrected (disattenuated) on that basis. A first application on satisfaction measures was reported by Saris et. al. (1996).

Some biases are systematic, especially bias produced by technique of interrogation and sequence of questions. Bias of that kind does affect the reliability of distributional data. In principle it does not affect correlations, unless the measure of the correlate is biased in the same way (correlated error). To some extent, systematic error can also be estimated and corrected. See also Saris et al. (1996).

Comparability across nations

Average happiness differs markedly across nations as we will see on Scheme 5. Russians score currently 5,4 on a 0-10 scale, while in Sweden the average is 7.9. Does that mean that Russians really take less pleasure in life? Several claims to the contrary have been advanced. Elsewhere I have checked these doubts (Veenhoven 1993, 2008b). The results of that inquiry are summarized below.

The first objection is that differences in *language* hinder comparison. Words like 'happiness' and 'satisfaction' would not have the same connotations in different tongues. Questions using such terms would therefore measure slightly different matters. I checked that hypothesis by comparing the rank orders produced by three kinds of questions on life-satisfaction: a question about 'happiness', a question about 'satisfaction with life' and a question that invites to a rating between 'best- and worst possible life'. The rank orders appeared to be almost identical. I also compared responses on questions on happiness and satisfaction in two bi-lingual countries, and found no evidence for linguistic bias either.

A second objection is that responses are differentially distorted by *desirability-bias*. In countries where happiness ranks high in value, people would be more inclined to overstate their enjoyment of life. I inspected that claim by checking whether reported happiness is indeed higher in countries where hedonic values are most endorsed. This appeared not to be the case. As a second check, I inspected whether reports of general happiness deviate more from feelings in the past few weeks in these countries; the former measure being more vulnerable for desirability distortion than the latter. This appeared not to be the case either.

A third claim is that *response-styles* distort the answers dissimilarly in different countries. For instance, collectivistic orientation would discourage 'very' happy responses, because modest self-presentation is more appropriate within that cultural context. I tested this hypothesis by comparing happiness in countries differing in value-collectivism, but found no effect in the predicted direction. The hypothesis failed several other tests as well.

A related claim is that happiness is a typical *western concept*. Unfamiliarity with it in non-western nations would lead to lower scores. If so, we can expect more 'don't know' and 'no answer' responses in non-western nations. However, that appeared not to be the case.

All claims about cultural measurement bias predict that there is little relation between subjective in nations and objective country characteristics, such as economic development and institutional quality. Yet in scheme 7 we will see that 75% of the differences in average happiness in nations is explained by a hand full of country characteristics. So the error component can maximally be 25%. In fact it is much less. With better data we can probably explain some 85% of the differences and there is also an error component in the measurement of 'hard' societal characteristics such as political freedom. I estimate the cultural error in the measurement of happiness on about 5%.

4.1 Differences in average happiness across nations

Responses differ widely across nations, average scores on this 0 to 10 scale range from 8.4 in Costa Rica to 2, 8 in Togo. All the comparable findings over the last 10 year are presented on World Map of Happiness (Scheme 5). The darker the green, the happier people are in a country.

It may be no surprise to see the developed nations dark coloured, though one may not have expected average values as high as 8. The top position of Costa Rica⁷ may be more of a surprise, yet Mexico is also among the happiest countries. Average happiness is higher than one would expect in all Latin American nations, while happiness is lower than common expectation in industrialized Asian nations, e.g. only 6,3 in China and 6,5 in Japan.

Average happiness is currently lowest in African countries and that fits statistics on life-expectancy.

Scheme 5 **Average happiness around the world**



Source: (Veenhoven 2011d)

⁷ The score of 8,5 in Costa Rica is based on only one survey in 2007, while the averages for most other nations are based on several surveys over the years 2000 to 2009.

4.2 Change in average happiness over time

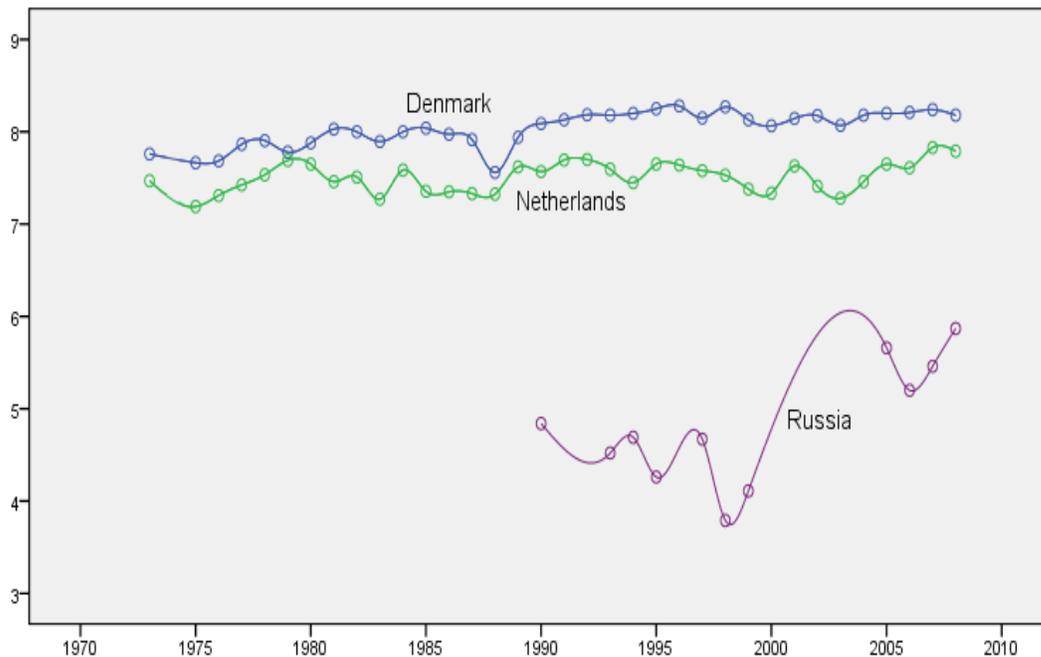
Though it is commonly assumed that we do not get any happier (Easterlin 1974), the available data show that average happiness has increased in most modern nations over the last 40 years (Veenhoven & Vergunst).

Denmark is among the countries where happiness has increased. The Danes were already quite happy in the 1970's and gained about half a point on the 0-10 scale since. See scheme 6. This means that even greater gains are possible in other nations.

Scheme 6 also shows that average happiness in nations is not fixed to a particular set point, but reacts to change in living conditions. This is visible in the case of Russia, where average happiness dipped in the 1990s as a result of the Rubel Crisis.

Scheme 6

Trend average happiness in three nations



Source: (Veenhoven 2011e)

4.3 Societal correlates of happiness

The observed differences in average happiness across nations are not unsystematic but go hand in hand with variation in several societal characteristics. Some of these are presented in Scheme 7.

Much of these correlates of average happiness are part of the 'modernity' syndrome. Hence, similar patterns emerge if we consider further indicators of modernity, such as urbanization, industrialization, Informatisation and individualization. The more modern the country, the happier its citizens are. This finding will be a surprise to prophets of doom, who associate modernity with

anomie and alienation. Though modernization may involve problems, its benefits are clearly greater (Veenhoven 2005).

Scheme 7
Happiness and society in 146 nations around 2006

<i>Characteristics of society</i>	<i>correlation with happiness</i>	<i>N</i>
Affluence	+ .69	136
Rule of law		
• Civil rights	+ .50	131
• Corruption	- .69	137
Freedom		
• Economical	+ .63	135
• Political	+ .53	131
• Personal	+ .41	83
Equality of incomes	+ .08	119
% Migrants	+ .29	126
Modernity		
• Schooling	+ .56	138
• Urbanization	+ .58	137
Explained variance (Adjusted R ²)	75%	

Source: Veenhoven 2011f

5 SOCIAL DEVELOPMENT AND HAPPINESS IN NATIONS

Now back to the main question of this paper: how do the indices of social development relate to happiness? Below I will consider that link in two ways: Firstly I will compare across nations around the year 2010 and next I will consider parallels in change of both variables between 1990 and 2010.

Next I will compare within nations over time and inspect whether changes in indices of social development of nations went together with corresponding change in happiness. I will consider the period 1990 to 2010. Again I will compare with economic development and check whether the correspondence between change in that and happiness was weaker.

I use the dataset 'States of Nations' (Veenhoven 2011f), which is part of the World Database of Happiness. The Indices of Social Development are included in this dataset. All variables are described on Appendix A.

5.1 Comparison across nations in 2010

A first step is to assess whether higher scores on the indices of social development in nations go together with higher levels of happiness in these nations. For that purpose we can compare an unprecedented large number of nations, covering about 95% of the world's population. I plotted the scores on each of the five indices of social development against average happiness. The resulting scattergrams are presented on Appendix B.

Civic activism and Happiness

Scattergram B1 shows a clear association, with in the low left corner African countries where both civic activism and happiness are low and in the right top corner Western nations where both civic activism and happiness are high. Still the correlation is not complete. Latin American nations are in the middle of the top segment, with a high level of happiness in spite of modest civic activism.

Intergroup conflict and happiness

Scattergram B2 shows a similar picture though less pronounced. One of the differences is in the extreme position of Iraq (IQ), which presses the distribution to the right. Another difference is that quite some countries in the right middle segment, who are equally conflict-free as rich western countries are, but not as happy. Hong Kong (HK) is such a case.

Involvement in voluntary associations and happiness

In plot B3 no clear bottom-left to top-right pattern appears. Average happiness rather tends to be highest among countries on the middle of the horizontal axis. Involvement in voluntary associations is actually highest in very unhappy countries such as Malawi (MW) and Cambodia (KH).

Safety/trust and happiness

Scattergram B4 shows again a clear association and is much alike the above discussed plot of civic activism and happiness. Again we see that in Latin

American nations rank high on average happiness, while being in the middle on safety.

Gender equality and happiness

Scatter plot B5 also shows a clear correlation: the less women are discriminated against, the higher the average level in countries. Again, the correlation is far from perfect. For instance, gender equality is not lower in Bulgaria (BG) than in Iceland (IS), but Bulgarians are much less happy.

Zero order correlations

The degree of correspondence is quantified in the correlation coefficients in the second column of scheme 8. All these correlations are positive, but not all are equally strong. The correlations of happiness with civic activism (+.62) and with gender equality (+.51) are quite strong, while the correlation with participation in voluntary associations (+.11) is weak.

This difference illustrates the multi-dimensionality of the notion of social development; It also shows that not all the things called social development seem to add to happiness.

Scheme 8

Correlations social development and happiness in nations

<i>Indices of social development</i>	<i>Correlation with average life satisfaction</i>			
	<i>Zero order</i>	<i>N</i>	<i>Wealth controlled</i>	<i>N</i>
Civic Activism	+.62	140	+.32	135
Intergroup Cohesion	+.36	141	+.03	135
Involvement in Associations	+.11	107	+.10	102
Safety-Trust	+.40	124	+.02	121
Gender Equality	+.51	143	+.36	135
Wealth (Buying power p.c.)	+.61	148	-	-

How strong are these correlations relative to the correlation between economic development and happiness? Clearly not stronger, since that correlation is +.61, which is only matched by one of the five indices of social development. This does not fit the idea that social development adds more to happiness than economic development.

Partial correlations

The indices of social development at hand here are not independent of economic development. One of the reasons is that economic development involves ever finer divisions of labor, which enhances interdependencies and as such mitigates conflict and inequalities. So social development is at least partly produced by economic development. Since economic development probably has a direct effect on happiness, the question arises whether the indices of social development still affect happiness independent of that.

To answer that question I removed the common variance between economic development and social development from the correlations between social development and happiness. The partial correlations in column 4 of scheme 8 are much lower than the zero correlations in column 2.

The correlations with civic activism and gender equality are about halved, but a substantial independent association remains. Yet no association remains in the cases of Intergroup Cohesion, Involvement in Associations and Safety/Trust.

This test may be too severe, because it removes also common variance between social development and economic development due to causal effects of the former on the latter, such as greater economic growth due to less conflicts. Still, that is at best part of the story. More over, such effects would mean that social development adds to happiness through economic development, while the hypothesis tested is that social development adds to happiness rather than economic development.

So again we see that not all things called social development add to happiness. Civic activism and gender equality stand again out as the best predictors of happiness.

5.2 Comparison of corresponding change 1990-2010

The control for economic development eliminates one of the possible intervening variables in the relationship between social development and happiness. Obviously many other intervening variables can be involved, for instance the level of education in nations could drive both social development and happiness and thus produce a spurious correlation. Much of these problems can be evaded by comparing within nations over time and that analysis allows also a glimpse on the direction of causality.

To that end I assessed *change* on both variables within nations over time and checked next whether change in indices of social development has gone together with change in average happiness in the same direction. I took the longest period available for the indices of social development, that is, the difference between scores in 1990 and 2010. Since less data is available for the year 1990 than for the year 2010, this analysis is based on a much smaller set of nations. The share of developed nations is bigger in that smaller set. Scatter plots are presented on Appendix c

Change in Civic activism and change in Happiness

Plot C1 shows that Civic activism declined in most of the countries in this set, and among these countries about equally many witnessed a small rise in happiness or a

small decline. The one case of a substantial increase in activism is Armenia (AR), which came close to civil war. Not surprisingly, that was not accompanied by an equally substantial rise in happiness.

Change in Intergroup harmony and change in Happiness

Plot C2 also reveals a decline, harmony went down in most of the countries at hand here, that is, conflicts increased. Yet average went up in most of these countries. In the left-bottom of the scattergram we see only a few countries where decline of harmony was accompanied by a decline in happiness, among which Nigeria (NG). In the right top segment we see no combinations of rising harmony and rising happiness. South Africa (SA) comes closest to that, but the gain in happiness is small.

Change in Involvement in voluntary associations and change in Happiness

Plot C3 shows that association involvement remained about the same in most countries, while happiness improved slightly in most. In the right bottom section are three countries where a rise in involvement went together with a substantial drop in average happiness. These nations are: Nigeria (NG), Turkey (TR) and Malta (MT). Together this results in a negative correlation ($r = -.24$).

Change safety/trust and change average happiness

Plot C4 also depicts a negative association. In most countries a decrease in safety was accompanied by an increase in average happiness, particularly so in Brazil (BR) and Argentina (AR). Again Malta (MT) stand out as a case where safety improved, while happiness declined. Together this results again in a negative correlation ($r = -.23$)

Change Gender equality and change in happiness

Plot C5 shows that Gender equality improved in about half of the countries and that happiness also increased in most of these. Yet the changes are small and mixed. Still a few cases produce a modest positive correlation ($r = +.13$) These are in the left-bottom segment Nigeria (NG) and Macedonia (MK) and in the right-top segment Armenia (AM).

Difference with effect of change in economic development

The upper part of scheme 9 summarizes the observed correlations between change in social development and change in happiness. The average correlation is $-.04$. How does this compare to the correlation between change in economic development (economic growth) and change in happiness?

It is commonly believed that economic growth does not produce greater happiness. This belief is based on work by Richard Easterlin (1974), already mentioned in the first section of this paper. Easterlin's initial claim was that average happiness tends to remain at the same level, which he explained in terms of social comparison theory. When later it became clear that happiness did rise in most nations he maintained that there was no link with economic growth (Easterlin 2010). Yet the growing body of data has recently refuted that claim as

well. Using all the data points available in the World Database of Happiness I found a small but consistent positive correlation between economic growth and average happiness in nations (Veenhoven & Vergunst). The ‘Easterlin Paradox’ has turned out to an ‘Easterlin Illusion’.

Is that small correlation between change in economic development (growth) and change in average happiness (rise) greater than the correlation between change social development and change in happiness. If we consider average change in economic development that should be the case, since that is nil ($r = -.04$).

Yet comparison requires that we consider the same set of nations and in that selection there is no relation either between economic growth and change in happiness. In fact we run into the same problem of insufficient observations that gave rise to the Easterlin illusion. No clear correlation appears in this set of 67 nations, which is limited by both missing cases of social development and happiness in 1990.

For the time being I conclude that the two small positive correlations of change in social development (civic activism and gender equality) with change in happiness are greater than the correlation between economic growth and change in happiness. On the other hand there is a clear negative correlation between change in happiness and on two other indices of social development (involvement in associations and safety/trust).

Scheme 9

Correlation of *change* in social development and *change* in average happiness in nations 1990-2010

<i>Change</i> indices of social development	Correlation with <i>change</i> average happiness	
	r	N
Civic Activism	+ .08	65
Intergroup Cohesion	+ .04	53
Social Participation	- .24	54
Safety-Trust	- .23	41
Gender Equality	+ .13	63
Economic growth	+ .03	67

6 DISCUSSION

These mixed findings call for an interpretation. Why do some kinds of social development relate positively to happiness but some other kinds negatively? Answers are provisional and set an agenda for future research.

6.1 *Why the mixed effects of social development on happiness?*

'Social development' is a catchword for different things, recommended as an alternative to 'economic development'. Hence it is no surprise that these different things relate differently to happiness.

Still one can wonder why more of a nice thing such as 'involvement in voluntary associations' is not accompanied by greater happiness. One answer to that question is that more is not always better, almost all beneficial things having an optimum. That would mean that there is enough of this in most countries. Another answer is that involvement in voluntary associations is not always conducive to happiness. Involvement can be irrelevant or even harmful, such as in the case of Mafia-like associations. A third explanation is that relative high involvement in voluntary associations mirrors failure of formal organizations, which it cannot really compensate. In that line a wider account is that effects are contingent to situations and that involvement in associations add to happiness in some kinds of countries, but not in others.

The case of 'interpersonal harmony' brings still another explanation to mind. Interpersonal harmony went down in several countries, where happiness went up, such as in Russia, where both happiness and the murder rate increased. This is of course not because more murders made Russians more happy, but the increased murder rate is an epiphenomenon of the transformation to a more open and free society, which on the whole works out positively on happiness. Also this account calls for the consideration of contingencies.

6.2 *Agenda for further research*

One of the limitations of this analysis is in the limited number of countries, in particular in the analysis of change over time. The case of economic growth illustrates that problem: in this comparison of change in 61 nations we saw no correlation between economic growth and happiness, while we know that positive correlations have been observed in nation sets of twice that size. So we should keep on collecting data. To date we cover most countries of the world, but it will take some time before we have a sufficient number of cases for more meaningful comparison over time

Another limitation is that this analysis looked for a universal pattern, while effects are likely to be contingent. So the next step is to explore contextual variations, which also requires data on a greater number of nations.

7 CONCLUSION

Some things called 'social development' seem to add to happiness, but other such things don't, or even harm happiness. So, rather than calling for *more* social development, we should first find out *which* kinds of social development works out beneficially in *what* conditions.

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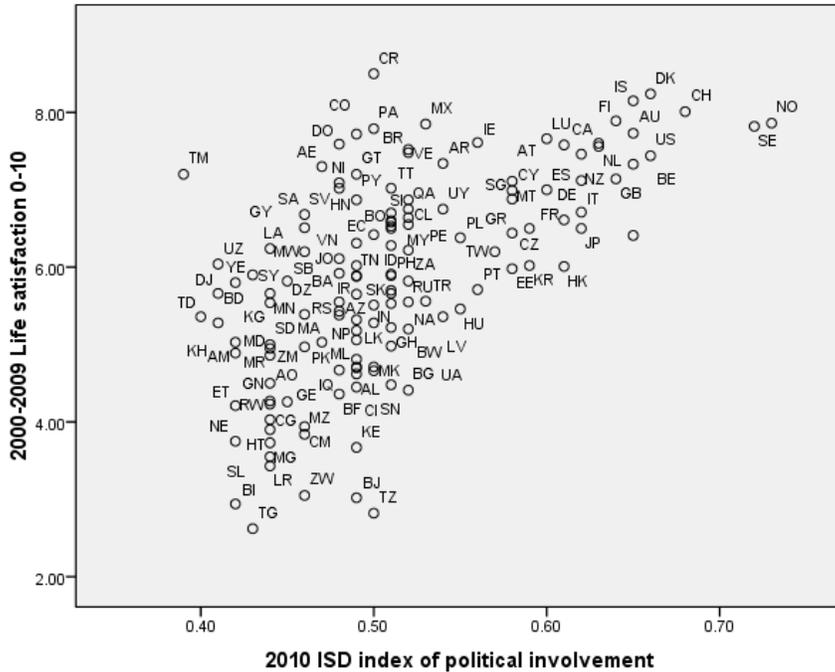
Appendix A
Variables in data file 'States of Nations'(Veenhoven 20121f), used in analyses

<i>Variable</i>	<i>Code in data file States of Nations</i>
Social development	
Civic activism 2010	
Involvement in voluntary associations 20	
Harmony among groups	
Harmony among individuals (Safety/trust)	
Gender equality 2010	
Change civic activism 1990-2010	
Change in harmony among groups 2010	
Change in harmony among individuals 2	
Change in gender equality 2010	
Happiness	
Average happiness 2010	
Change average happiness 1990-2010	
Economic development	
Buying power p/c 2007	RGDP_2007
Economic growth 1990-2007	

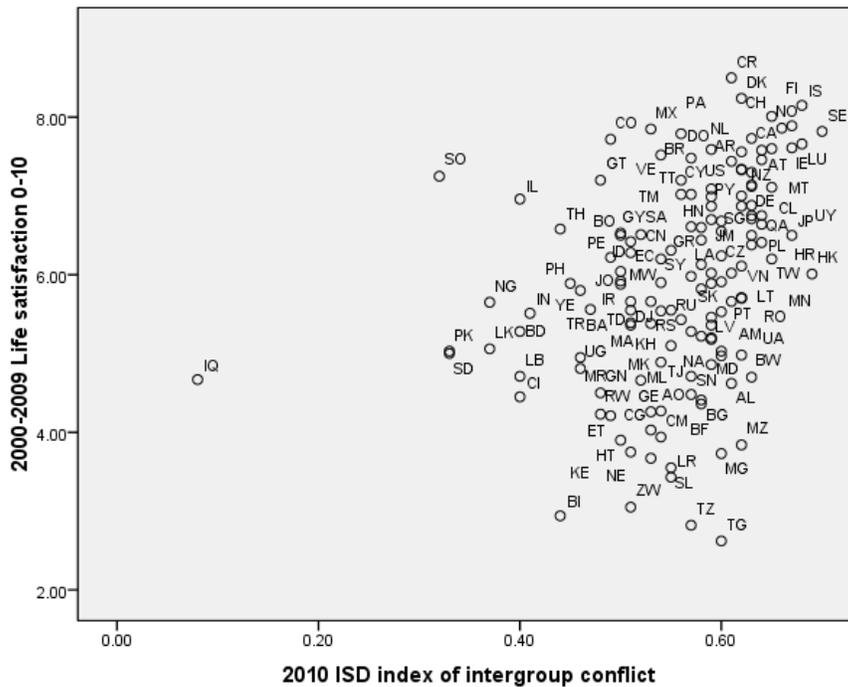
Appendix B

Plots of indices of social development against average happiness in nations in 2010

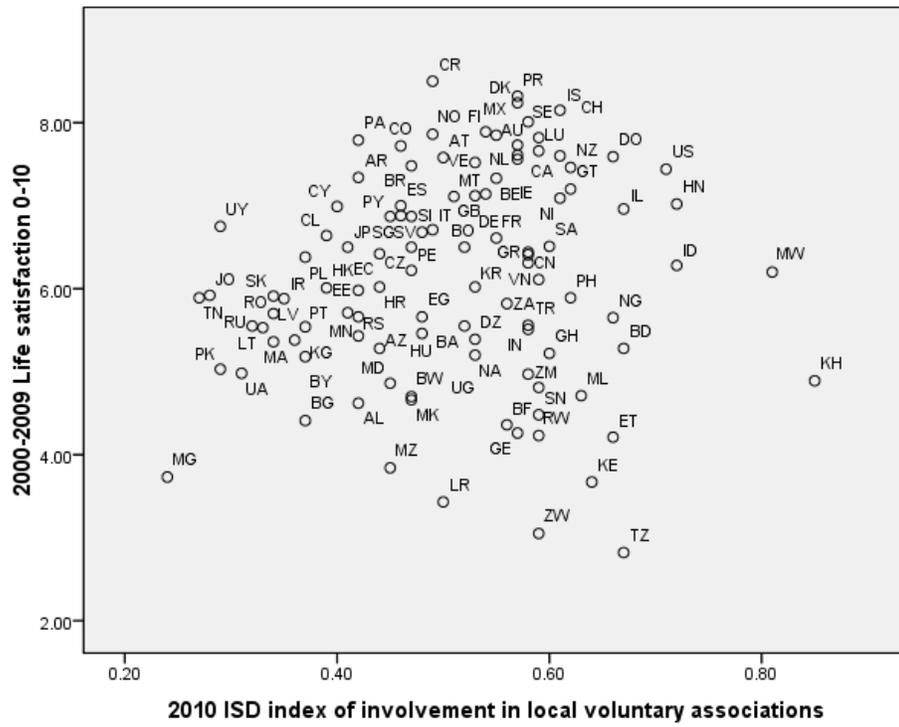
B1: Civic activism by average happiness



B2: Intergroup conflict by average happiness



B3: Involvement in voluntary associations by average happiness

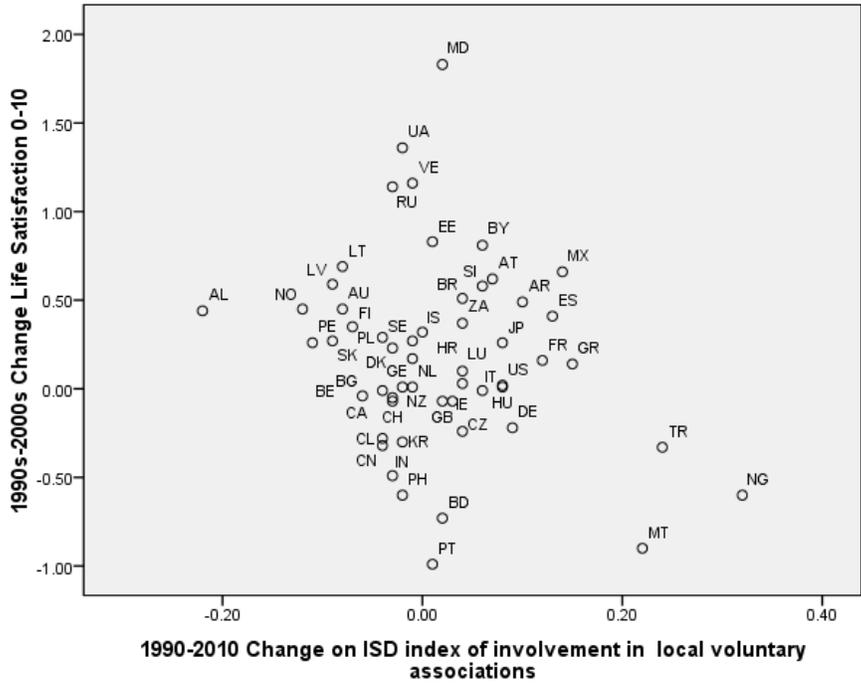


B4: Safety/trust by average happiness

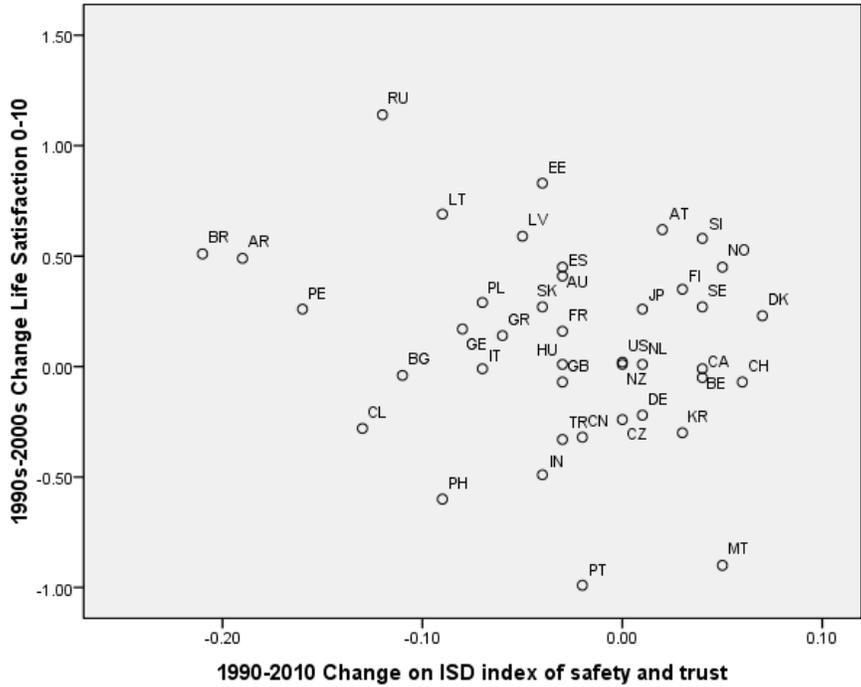
B5: Gender equality by average happiness



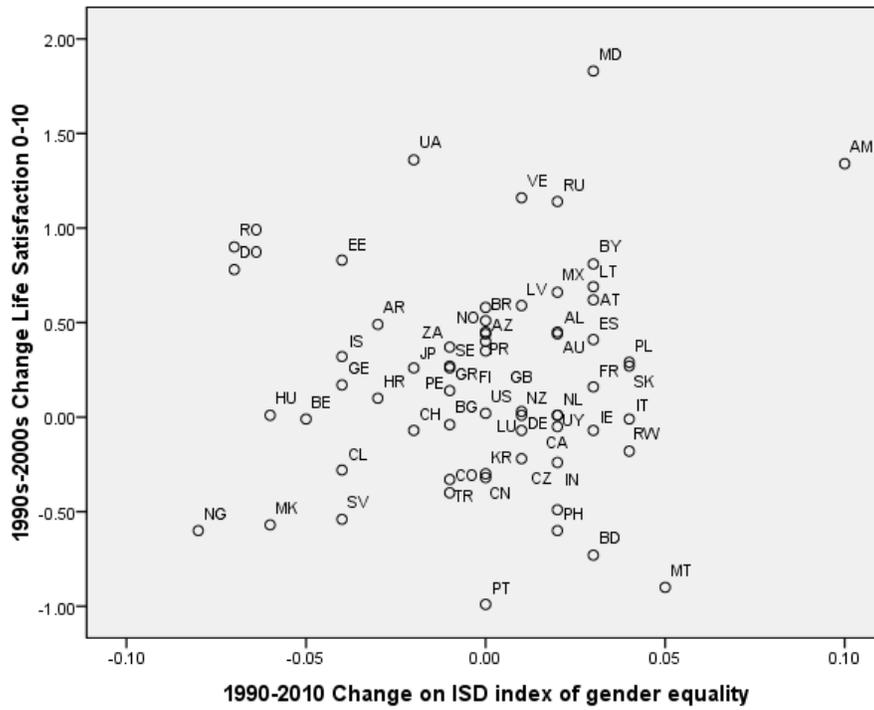
C3: Change in participation in voluntary associations by change in happiness



C4: Change safety/trust by change average happiness

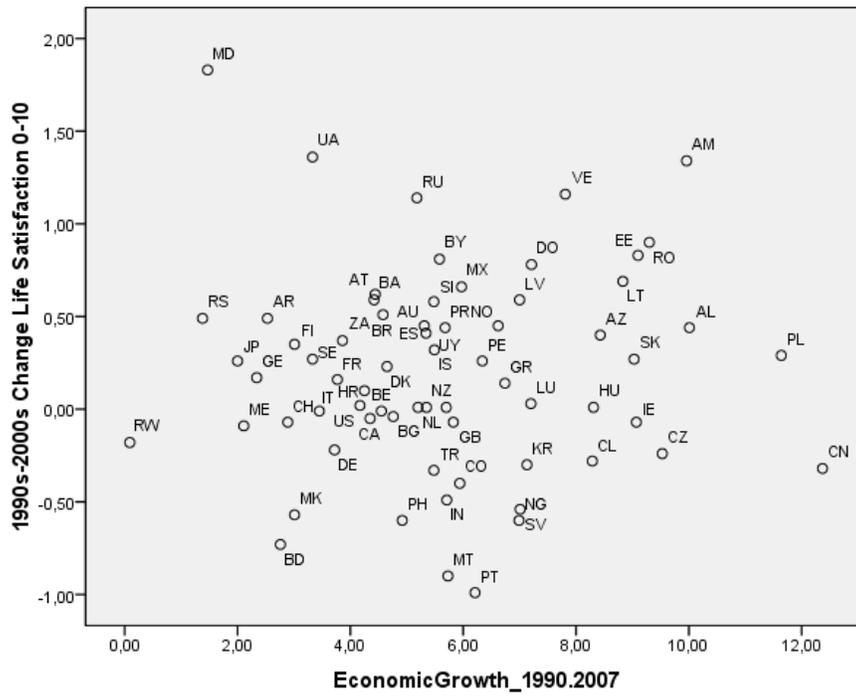


C5: Change gender equality by change average happiness



Appendix D

Change in economic development (economic growth) by *change* in average happiness



Appendix E

Nation codes used in plots

code	country
AE	United Arab Emirates
AL	Albania
AM	Armenia
AO	Angola
AR	Argentina
AT	Austria
AU	Australia
AZ	Azerbaijan
BA	Bosnia Herzegovina
BB	Barbados
BD	Bangladesh
BE	Belgium
BF	Burkina Faso
BH	Bahrain
BI	Burundi
BJ	Benin
BN	Brunei
BO	Bolivia
BR	Brazil
BT	Bhutan
BW	Botswana
BY	Belarus
BZ	Belize
CA	Canada
CD	Congo, Democratic Republic
CF	Central African Republic
CG	Congo, Republic of the ???
CH	Switzerland
CI	Ivory Coast
CL	Chile
CM	Cameroon
CN	China
CO	Colombia
CR	Costa Rica
CU	Cuba
CY	Cyprus
CZ	Czechia
DE	Germany
DJ	Djibouti
DK	Denmark
DO	Dominican Republic
DZ	Algeria
EC	Ecuador
EE	Estonia
EG	Egypt

ER	Eritrea
ES	Spain
ET	Ethiopia
FI	Finland
FI	Fiji
FR	France
GA	Gabon
GB	United Kingdom (Great Britain)
GE	Georgia
GF	French Guyana
GH	Ghana
GM	Gambia
GN	Guinea
GQ	Guinea Equatorial
GR	Greece
GT	Guatemala
GW	Guinea Bissau
GY	Guyana
HK	Hong Kong
HN	Honduras
HR	Croatia
HT	Haiti
HU	Hungary
ID	Indonesia
IE	Ireland
IL	Israel
IN	India
IQ	Iraq
IR	Iran
IS	Island
JM	Jamaica
JO	Jordan
JP	Japan
KE	Kenya
KG	Kyrgyzstan
KH	Cambodia
KM	Comoros
KO	Kosovo
KP	North Korea
KR	South Korea
KW	Kuwait
KZ	Kazakhstan
LA	Laos
LB	Lebanon
LK	Sri Lanka
LR	Liberia
LS	Lesotho
LT	Lithuania
LU	Luxemburg

LV	Latvia
LY	Libya
MA	Morocco
MD	Moldova
ME	Montenegro
MG	Madagascar
MK	Macedonia
ML	Mali
MM	Myanmar (Burma)
MN	Mongolia
MR	Mauretania
MT	Malta
MU	Mauritius
MV	Maldives
MW	Malawi
MX	Mexico
MY	Malaysia
MZ	Mozambique
NA	Namibia
NE	Niger
NG	Nigeria
NI	Nicaragua
NL	Netherlands
NO	Norway
NP	Nepal
NZ	New Zealand
OM	Oman
PA	Panama
PE	Peru
PG	Papua New Guinea
PH	Philippines
PK	Pakistan
PL	Poland
PR	Puerto Rico
PS	Palestine
PT	Portugal
PY	Paraguay
QA	Qatar
RO	Romania
RS	Serbia
RU	Russia
RW	Rwanda
SA	Saudi Arabia
SB	Solomon Islands
SC	Seychelles
SD	Sudan
SE	Sweden
SG	Singapore
SI	Slovenia

SK	Slovakia
SL	Sierra Leone
SN	Senegal
SO	Somalia
SR	Surinam
SV	El Salvador
SY	Syria
SZ	Swaziland
TD	Chad
TG	Togo
TH	Thailand
TJ	Tajikistan
TL	Timor Leste
TM	Turkmenistan
TN	Tunisia
TR	Turkey
TT	Trinidad Tobago
TW	Taiwan
TZ	Tanzania
UA	Ukraine
UG	Uganda
US	United States of America
UY	Uruguay
UZ	Uzbekistan
VE	Venezuela
VN	Vietnam
WS	Samoa
YE	Yemen
ZA	South Africa
ZM	Zambia
ZW	Zimbabwe

NOTES