

The pursuit of happiness: sustaining human well-being

CSIRO's Dr Steve Hatfield-Dodds and Anthea Coggan argue that insights from research into happiness and well-being are important to achieving sustainable development in its broadest sense.

Sustainable development is really about ensuring the planet is able to support human well-being over the long run: happy and healthy people, forever. This definition both affirms the importance of 'progress', and reminds us that progress should not be taken for granted.

More money does not make us happier ...

A surprise from happiness research is that rising average incomes do not make people happier. Average income in the United States today, for example, is around five times higher than it was in 1900. Income in Japan has increased at a similar rate since the late 1950s. Australians, meanwhile, are around eight times richer than a century ago as GDP has increased significantly in line with economic growth (see *Ecos* 134, pp. 12–15).

Surveys measuring happiness only began in the 1940s, but show little or no general increase in happiness levels over the last five decades. In fact, Australians' happiness measure has arguably declined slightly.¹ This weak relationship between happiness and income over time contrasts with results that indicate that, at any given time, people with higher incomes seem to be happier than those with lower incomes. In other words, happiness appears to be a function of relative income, or social position, rather than absolute purchasing power. While we are richer now we are not, by the same degree, happier.

... but too little can be bad

The insight that 'more money does not make us happier' has two important caveats.

The first is that poverty matters a lot. Comparisons over time and between nations show that happiness does increase with income in nations where a significant share of the population is not able to meet their basic physical needs – particularly countries with per capita GDP less than US\$5000 per year.



General happiness is independent of overall wealth increases over time. istockphoto

The second is that economic collapse – such as occurred in the former USSR after the fall of the Berlin Wall – often results in reduced income and reduced happiness.

Well-being is multifaceted

Human well-being has many dimensions. We use the term 'well-being' when someone is able to claim they live 'a good life'. Happiness, on the other hand, is a state of mind that is strongly influenced by the extent to which expectations or aspirations have been met.

While the precise nature of 'a good life' has been the subject of debate for thousands of years, there is broad agreement on the general components. Observable (objective) indicators of individual and social well-being include infant mortality rates, access to food, literacy, relationships (such as divorce rates), social participation (such as volunteering), employment levels and political freedom. Self-reported (subjective) indicators include how people rank their general satisfaction with life and their satisfaction with specific aspects, such as the town they live in, or their employment situation.

The Australian Unity Wellbeing Index² identifies seven 'life domains' important to well-being: material living standards; health; achievements in life; personal relationships; feelings of safety; community connectedness; and future security.

Different individuals and cultures, however, tend to emphasise different aspects of well-being, and different ways of meeting these underlying human needs.

Practical insights

Research into happiness and well-being has four major implications for understanding sustainable development:

- gains in one aspect of well-being may not provide effective compensation for losses in another aspect – a systems approach is required;
- basic physical needs such as food and shelter are universal, but higher level aspects of well-being, such as self-expression and social identity, are valued differently across individuals and cultures;
- money is not the only thing that matters, and so economic growth can be a misleading indicator of progress and well-being in developed nations such as Australia, the United States and Europe;
- meaningful choice and control are an important part of being fully human, so are important to well-being in their own right, as well as being important for helping people achieve other aspects of 'a good life'.

This implies that sustainable development should take a holistic approach to notions of progress and well-being, and give significant weight to non-economic aspects of well-being. It also implies that priority should be given to preventing reductions in social and natural capital (such as ecosystem services – see *Ecos* 141, p. 15), and resilience (our capacity to withstand significant changes in physical and social settings – see *Ecos* 142, p. 16), even if this involves accepting a slower rate of economic growth. Money may not grow on trees, but more money will not compensate for weaker communities or degraded natural systems.

More information:

Kelly G and Coggan A (2007) 'Quality of life and sustainability on the Central Coast'. Report to Gosford City and Wyong Shire Councils. CSIRO Sustainable Ecosystems, Canberra. See: www.csiro.au/resources/centralcoastsustainability

Dodds S (1997) Towards a 'science of sustainability': improving the way ecological economics understands human well-being. *Ecological Economics* 23, 95–111.

Frey BS and Strutzer A (2002) What can economists learn from happiness research? *Journal of Economic Literature* 11, 402–435.

1 www.worldvaluessurvey.org, see http://margaux.grandvinum.se/SebTest/vws/articles/folder_published/article_base_106

2 Australian Unity Wellbeing Index: www.australianunity.com.au/wellbeingindex