

The World Happiness Report gives us an annual insight into global wellbeing. **Maria Cotofan** looks at what we have learned about the determinants of wellbeing in the past ten years – and what challenges and opportunities lie ahead.

Lessons from ten years of the World Happiness Report

In the first World Happiness Report in 2012 the editors, John Helliwell, Richard Layard and Jeffrey Sachs, laid out their vision for a world in which happiness is seen as a central goal for national governments. In the ten reports since then, empirical evidence has been presented to highlight that happiness is neither too vague nor too subjective a concept to merit this attention.

Today, the report, published by the United Nations Sustainable Development Solutions Network, plays an important role in measuring global happiness (using World Gallup Poll data, among other sources), and in monitoring changing trends.

In 2022, Finland was once again named the world's happiest country – taking the top place for the fifth year in a row. (The list was completed before the Russian invasion of Ukraine.) And the in-depth analysis within each report also shows us how wellbeing is changing across and within countries, and what policymakers might do about it.

While happiness increased globally up until 2011, it has been falling ever

since. This trend masks large differences in happiness across countries, with clear winners and losers.

For countries that have seen large improvements in their happiness – such as Bulgaria, Romania and Serbia – increases in GDP per capita have played a part. So too have increases in healthy life expectancy and improved perceptions of corruption or of lack of freedom. We also know that some countries – such as Afghanistan, Lebanon and Venezuela – have experienced a large drop in their average happiness, with almost all these countries having been affected by war, famine or deprivation.

There is also significant variation in happiness within individual countries. Three-quarters of differences in life evaluation come from individuals living in the same place, rather than people living in different countries. Increasing inequality, both in terms of GDP and happiness, has accentuated the gap between people living in the same areas.

The experiences of unemployment, loneliness or poor mental health are some of the most important predictors of misery,

Governments can help to reduce misery with policies such as expanding mental health treatment or investing in programmes that help people find work

with income and education also playing a smaller role.

National governments around the world can play a part in reducing misery by designing policies that target its main causes, such as expanding treatment for mental health disorders or investing in programmes that help people to re-enter employment.

Happiness trends in 2022

Last year's report dealt almost entirely with the unprecedented impact of the Covid-19 crisis. It showed that people have been remarkably resilient and that global happiness scores have been largely stable despite this unexpected shock.

This year's report reflects on the nature of a changing world, where people are still adjusting to the post-pandemic reality. New evidence also shows that happiness matters to people more than ever.

A striking finding of the 2022 report is that interest in subjective wellbeing has increased sharply in the last decade. In a meta-analysis of written text over the past 25 years, the authors find that entries associated with happiness have surpassed entries related to GDP, perhaps suggesting that people are increasingly concerned with wellbeing and less focused on standard economic measures of progress.

Turning to the global outlook, while average life evaluations remained relatively stable throughout the Covid-19 crisis, this trend masks the fact that certain groups have fared better than others. For example, the latest report finds a growing gap in happiness between the young and the old: life satisfaction has fallen for the young, while for those over 60, it has risen. This gap is a worrying trend given the impact of the pandemic on the labour market prospects of young workers and on the experiences of those still in education.

But the pandemic has also led to a positive shift in benevolence. This change, seen in all regions of the world, is evidenced by charitable donations, increased volunteering and a willingness to help strangers. The pandemic has also emphasised the importance of trust, of strong community ties and of good institutions.

Looking to the future and the role of public policy

Recent technological advances have opened new possibilities for reliably

Benevolence



Over the past 25 years, the word 'happiness' has become more frequently used in print than 'gross domestic product'

measuring and explaining the happiness of people around the world. For example, machine learning techniques now allow researchers to analyse text quickly by looking for certain patterns, which they can then categorise. Using this method on social media content makes it possible to record and classify people's expressed feelings, providing a real-time metric of how wellbeing is changing.

New advances in genetics can help to explore the role of genes in explaining differences in wellbeing. Twin studies show that 30% to 40% of differences in happiness between people are linked to genetic factors, while the remaining differences are determined entirely by environment.

Researchers are working on creating "polygenic" scores for happiness: these aim to group together the genes that determine someone's predisposition to be happy. Studies to improve our understanding of the interaction between

Maria Cotofan is a research economist in CEP's community wellbeing programme.

This article first appeared on Economics Observatory as 'What can we learn from the latest World Happiness Report?' (<https://www.economicsobservatory.com/what-can-we-learn-from-the-latest-world-happiness-report>).

Further reading

All ten World Happiness Reports can be found at the World Happiness Report archive (<https://worldhappiness.report/archive/>).

our genetic make-up and the environment in which we live are also underway.

The increased importance that people assign to happiness has also led to governments around the world turning their focus to this issue. Happiness is now recorded on a regular basis in almost all countries.

Empirical methods have been developed to help policy-makers to evaluate how much additional wellbeing any new policy will generate for a given economic cost needed to implement it.

Growing inequality, climate change, emerging infectious diseases and the challenges posed by automation are some of the main challenges we face. But all of these problems are also inextricably interconnected with the happiness of the people affected by them. To solve the complex economic and social challenges facing us, governments should ensure that happiness is a central factor within policy design.