Although happiness evades the precision of measurement, there is an increasing case for including well-being in the gauge of a nation's progress. Is my GNW bigger than your GNP?

David Cameron, leader of Britain's Conservative Party, is fond of quoting the late US Attorney General Bobby Kennedy's observation on why well-being is as important as wealth. In a speech in April this year, Cameron borrowed from Kennedy once again: "Gross national product, he said, 'does not allow for the health of our children, the quality of their education, or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages, the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country; it measures everything, in short, except that which makes life worthwhile.'"

Cameron calls for a new, more holistic, measure of a nation's progress, which he calls gross national well-being (GNW).

Indeed, a new measure of advancement, which includes elements beyond financial and economic achievement, is in order. Consider that a relatively new breed of economists, who study "happiness economics", have consistently found that after people climb out of poverty, more...
money does not bring greater happiness. Writing about The Loss of Happiness in Market Democracies, Yale University researcher and author Robert Lane argues that "above a minimum level, income is irrelevant to one's sense of well-being".

Professor Richard Layard of the London School of Economics observes in an article in The Economic Journal in March 2006: "Despite massive increases in purchasing power, people in the West are no happier than they were 50 years ago. We know this from population surveys and other supporting evidence."

Layard says: "By happiness, I mean feeling good — enjoying life and feeling it is wonderful".

Various studies throughout the years have indicated that populations in places like Bangladesh, the Philippines and Colombia, where per capita income is 20-25 times less than that of developed economies such as the US, Canada and Germany, rank nearly as high on happiness indices as the rich nations.

Happiness, however, is a highly subjective matter and eludes the precision of traditional measurement. Professor Daniel Kahneman of Princeton University, who won the Nobel Prize for economics in 2002, admits that "we've yet to come up with a really good scientific measure of well-being."

Even so, the results of the wealth-happiness surveys can serve as a starting point for leaders of governments and policymakers.

A study by Professor J Malcolm Dowling, Visiting Professor at the Singapore Management University's School of Economics and Social Sciences, takes the view that the income-happiness link can be used for improving economic, social and governance models at a national level.

Dowling observes that "on the aggregate level it is important to understand the relative impact of changes in unemployment and inflation on the level of happiness and subjective well-being. It is also important to understand the relationship between happiness and social capital and institutional conditions such as the quality of governance.

Governments, according to Dowling, can use these inferences to create predictive economic models when formulating public policies.

"The goal of public policy could be re-oriented towards ways to heighten the 'well-being' of citizens and to make their lives more fulfilling, enjoyable and meaningful by using economic and other policies to achieve these goals, particularly so for advanced societies who have already attained relatively high per capita income levels," he suggests.

As the Greek philosopher Aristotle noted: "True and lasting happiness lies in assisted personal development, rather than efforts to prolong cheerfulness and other positive moods." Reporting by Leon Enriquez

Leading A Happy Life

In the study titled Happiness, Flow and the Bottom Line, published in 2006, Professor J Malcolm Dowling, Visiting Professor, School of Economics and Social Sciences at Singapore Management University, suggests ways to create a happy existence, both from an individual's and a society's perspective:

- Live in a democratic and stable political environment where income per capita is high enough to meet basic needs and social policy protects against poverty.
- Live in an environment where the social networks support the ability to form social bonds and friendship and where family values are supported.
- Live in a society where the work environment is supportive and not confrontational and where work is interesting, challenging and income is adequate.
- Live in a society with good medical benefits, including mental as well as physical health.
- Have important goals related to your own values.
- Adopt a philosophy or religion that provides intention, guidelines, purpose and meaning in your life.

Dowling declares that "societies that promote and encourage these values will be a happy society with a higher subjective well-being coefficient. Hopefully, such a society will also be highly productive of both economic and social goods."