Can We Be Happier?

#LSEHappy

Professor Richard Layard

Emeritus Professor of Economics, LSE and Head of the CEP's Wellbeing Research Programme.
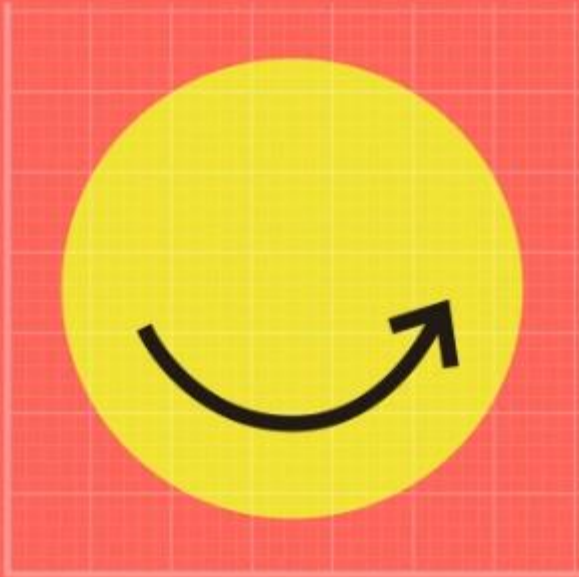
Chair: Minouche Shafik

Director of the London School of Economics and Political Science.

Hosted by Centre for Economic Performance

CAN WE BE HAPPIER?
Evidence and ethics

Richard Layard
with George Ward

3 February 2020

THE HAPPINESS PRINCIPLE

The best state of society is when there is the most happiness (especially among those who are least happy)

- **ETHICS**   We should produce the most happiness we can in the world...

- **POLITICS**   The goal of government should be to produce the greatest happiness...

ETHICS: THE GOAL

- **Not personal success, which is zero-sum for society**

- **But positive-sum, where we get more of our happiness from making others happier**

- **We should aim in our lives to create as much happiness in the world as we can.**
- **Inspiring – default is self-absorption**
- **Needs supporting organisations (e.g. Action for Happiness)**
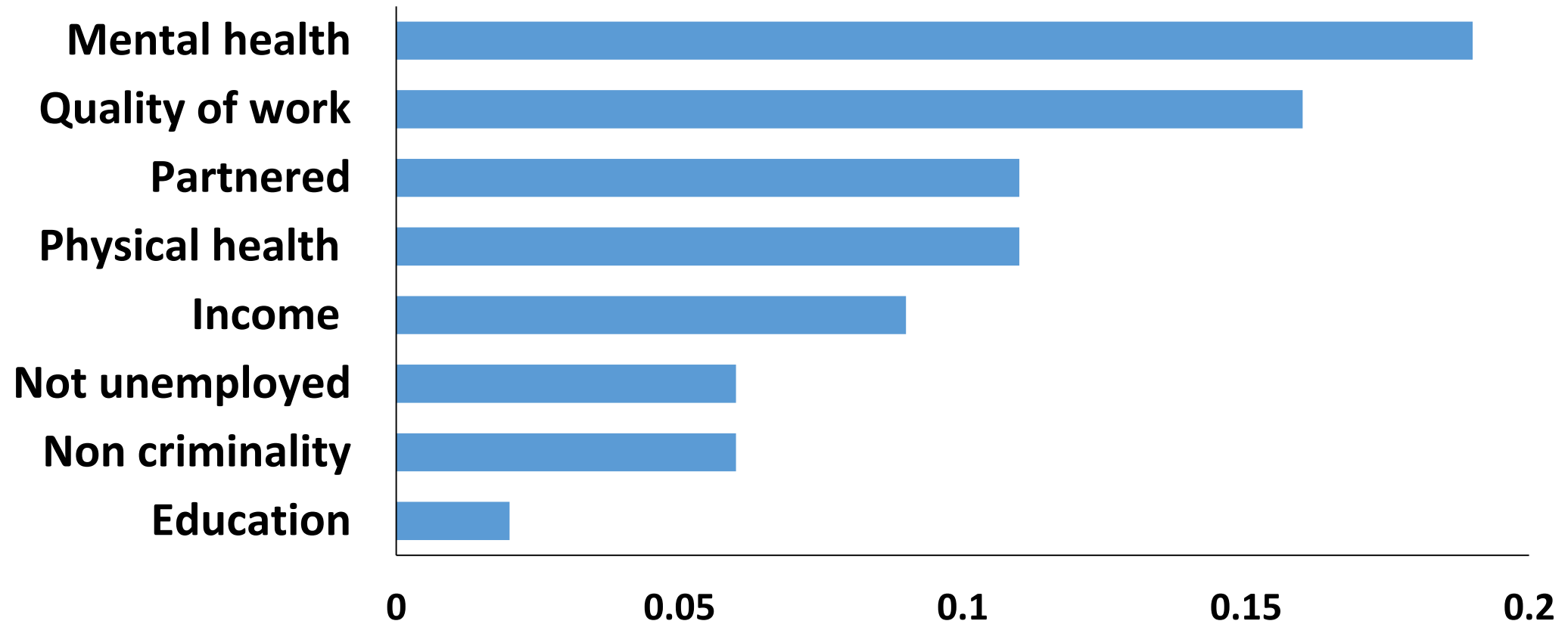
SELF-CARE AND CARE OF OTHERS

- **Self-care – by changing our thoughts we can change our feelings**
  e.g. positive psychology, mindfulness.

- Care of others: needs evidence
  - (i) on what matters (naturalistic)
  - (ii) on what works (experimental)

WHAT FACTORS MATTER FOR HAPPINESS?

PERSONAL Mental and physical health

Human relationships
(family, work, community)

Income

SOCIAL Freedom and quality of government

Trust

Social support

Peace

WHAT THINGS BEST EXPLAIN THE SPREAD OF HAPPINESS IN BRITAIN?

Mental health				
Quality of work				
Partnered				
Physical health				
Income				
Not unemployed				
Non criminality				
Education				

0   0.05   0.1   0.15   0.2

Source: Mainly BHPS

Partial correlation coefficients

WHAT WORKS? WHO CAN DO WHAT?

SCHOOL-TEACHERS: measure wellbeing, teach life-skills weekly

MANAGERS: give workers more control, no 'forced-ranking'

COMMUNITY LEADERS: generate social connection. Social infrastructure more important than physical infrastructure.

THERAPISTS: new cost-effective therapies

SCIENTISTS: protect future generations

ROLE OF GOVERNMENT

Create conditions for greatest happiness (especially among those who are least happy).

Method: choose policies which produce the highest life-satisfaction
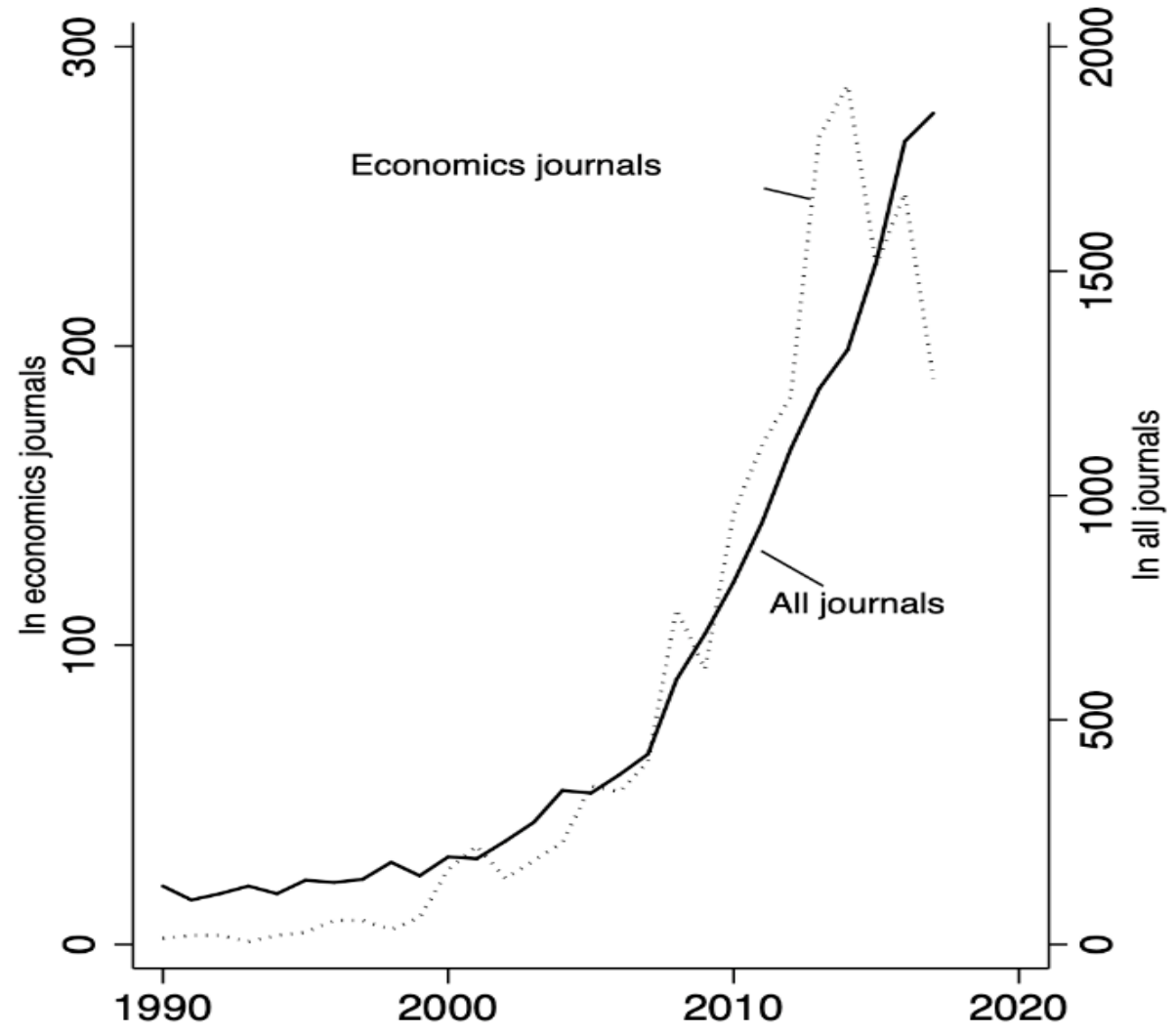
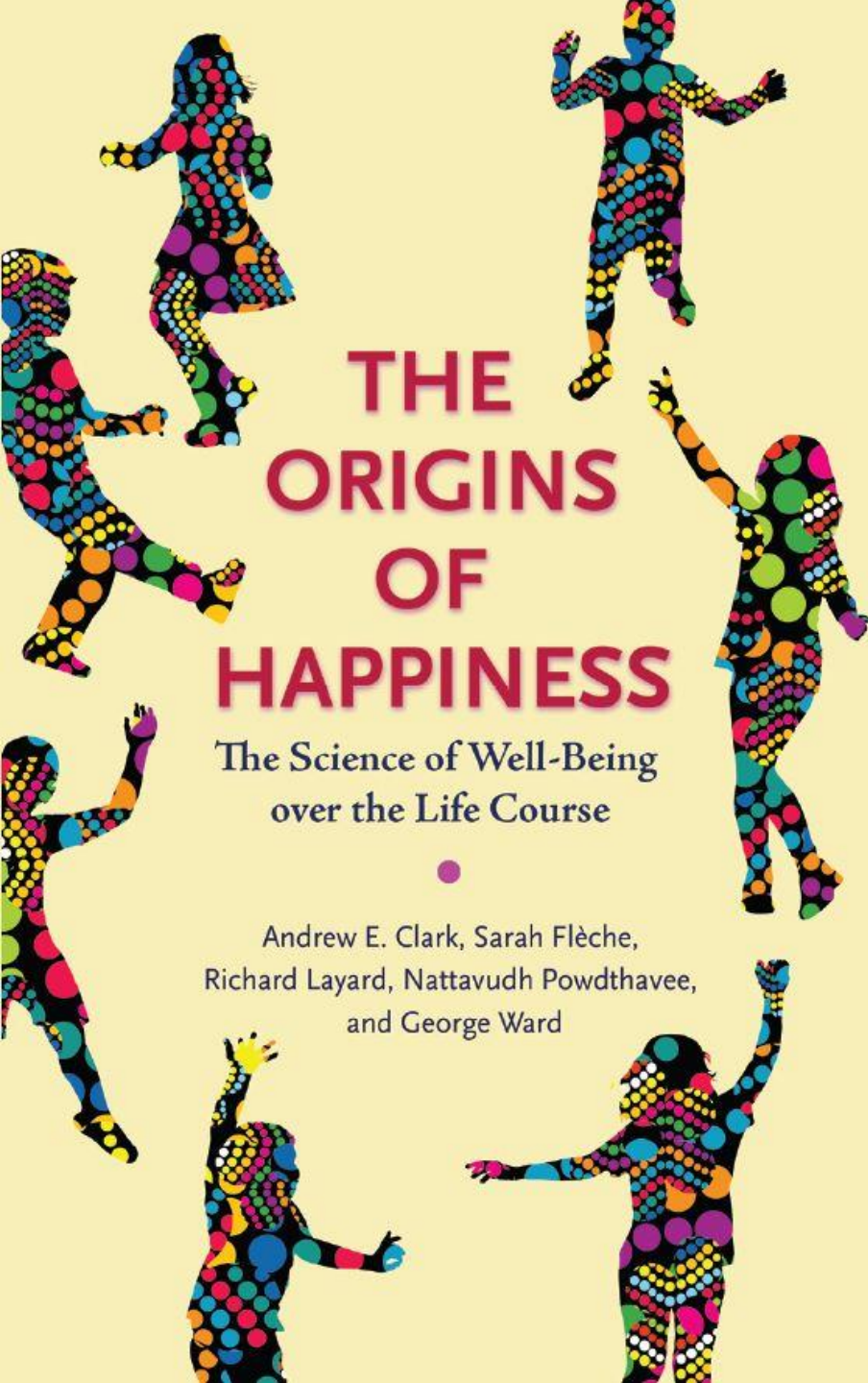$$\frac{\text{Net Increase in happiness}}{\text{Net public cost}}$$

IT'S IN THEIR INTEREST: HAPPINESS DETERMINES ELECTIONS

In European elections since 1970, votes cast for the government are better explained by the happiness of the people than by all economic variables combined.

[Ward, G. (2020). American Journal of Political Science]

THE MOST RAPIDLY GROWING SOCIAL SCIENCE

The Origins of Happiness

The Science of Well-Being over the Life Course

Andrew E. Clark,
Sarah Flèche,
Richard Layard,
Nattavudh Powdthavee
George Ward

THE ORIGINS OF HAPPINESS

The Science of Well-Being over the Life Course

Andrew E. Clark, Sarah Flèche, Richard Layard, Nattavudh Powdthavee, and George Ward

CONCLUSION: THE HAPPINESS REVOLUTION
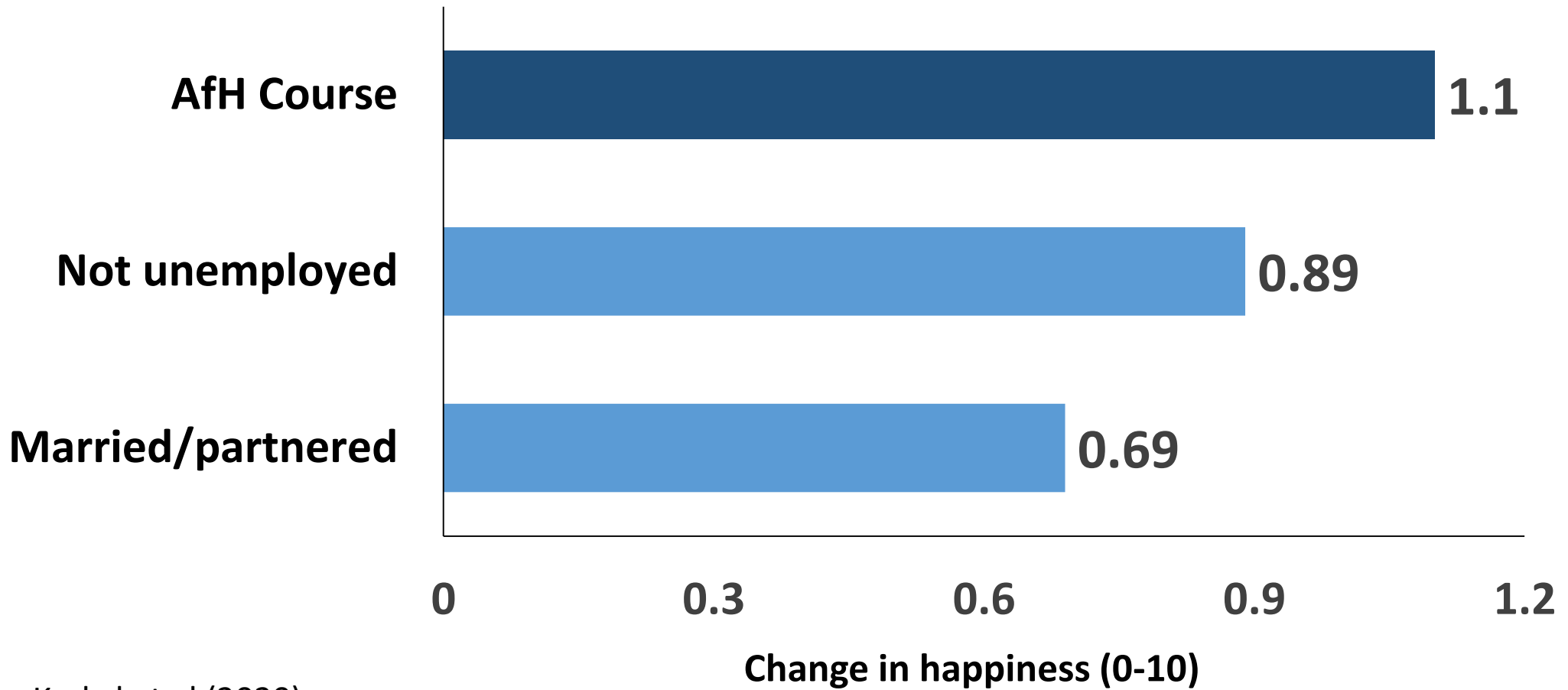
The evidence

Millions of people

Governments
    OECD and European Council
   New Zealand, Scotland, Iceland
      (wellbeing budgets)

Exploring What Matters raises happiness more than finding a job or a partner

Source: Krekel et al (2020).

Can We Be Happier?

#LSEHappy

Professor Richard Layard

Emeritus Professor of Economics, LSE and Head of the CEP's Wellbeing Research Programme.

Chair: Minouche Shafik

Director of the London School of Economics and Political Science.

Hosted by Centre for Economic Performance