

Research impact: making a difference

Making personal happiness and wellbeing a goal of public policy

LSE researchers contributed to establishing happiness as a desirable and measurable goal of public policy in the UK and worldwide

What was the problem?

Money does not equate with happiness. Population surveys have produced this striking finding, demonstrating that significant increases in average income in many countries have not translated into a corresponding rise in average levels of happiness and subjective wellbeing. In fact, it has been found that, at least in rich countries, people care less about their absolute level of income than their income relative to their peers. For policy-makers, it was a startling discovery that economic growth on its own was insufficient to increase the average level of happiness and wellbeing across a population.

To **pursue** happiness and wellbeing as the goal of public policy, it was clear that approaches to its measurement would need to be devised and that the causes of happiness and unhappiness would need to be understood in order to design remedies that were practical and cost-effective.

What did we do?

LSE Professor of Economics Richard Layard founded the Wellbeing Programme at the LSE Centre for Economic Performance (CEP) in 2001. The Programme's main aims were to promote subjective happiness and wellbeing as the criterion for public policy, and to conduct research that would contribute to the formulation of the most effective policies.

CEP researchers surveyed the evidence on possible measures of subjective wellbeing and, as a result, identified four questions that together were capable of capturing it. These questions related to the individual's overall satisfaction with life, whether they considered the things they were doing to be worthwhile, and their recent experiences of happiness and anxiety.

CEP research then produced the striking finding that mental health is more important than income in determining wellbeing. The research team therefore conducted a cost-benefit analysis of cognitive behavioural therapy to produce evidence for expanding psychological therapy programmes. They concluded that wider provision would generate such savings that there would be no extra financial burden on the UK Government.

CEP also persuaded 22 English schools to introduce trials of the 18-hour Penn Resilience Programme, which had been developed at the Positive Psychology Center at the University

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of Pennsylvania and was designed to increase the mental resilience of young people. This trial found that the programme had long-lasting effects on school performance but that its boost to emotional health faded over time. After searching the world for effective interventions, CEP is now trialling a 140-hour programme designed to produce long-lasting emotional effects.

What happened?

After the trials mentioned above, the introduction of the Penn Resiliency Programme was expanded and is now being taught routinely in 60 schools across 10 local authorities.

But the most significant single outcome of the CEP Wellbeing Programme came in 2007 when the then Secretary of State for Health announced a programme for Improving Access to Psychological Therapies (IAPT). This programme developed as the result of a CEP presentation at the Cabinet Office in 2005 and a subsequent Labour election manifesto pledge to increase psychological therapies available to people suffering from anxiety and depression. CEP established a Mental Health Policy Group to develop proposals for how to do this, which were published in its Depression Report and largely implemented in the programme.

The magazine *Nature* has called the programme “world-beating”. Now part of the mainstream National Health Service, the IAPT programme is already treating 400,000 people a year and recording 45 per cent recovery rates. In 2010 it was extended from adults to children and young people. Professor Layard is an official adviser to the programme and has been instrumental in its implementation.

In terms of understanding the profile and needs of the UK population at large, the Office for National Statistics (ONS) sought Professor Layard's assistance in devising questions for its national survey of wellbeing and adopted the four questions identified by CEP, starting from 2011. Layard and colleague Paul Dolan continued to contribute to practical and theoretical issues of measurement through their membership on two official committees: the Measuring National Well-being Advisory Forum and its Technical Advisory Group.

Professor Layard and his CEP colleagues introduced wellbeing measures to the world stage as well, notably through the Organization for Economic Co-operation and Development (OECD). CEP researchers made presentations to three large OECD conferences on the theme of defining and measuring progress on happiness and wellbeing.

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Initially concerned with economic measures such as Gross Domestic Product, the OECD decided to adopt and recommend international measures of subjective wellbeing that mirrored those developed by Layard and others in Britain.

Layard also promoted the issue of wellbeing at the World Economic Forum, chairing its Global Agenda Council on Well-being and Mental Health and presenting its report, *Well-being and Global Success*, at Davos in 2012.

International efforts to gain recognition for happiness as a desirable policy goal culminated in the United Nations resolution, passed on 13 July 2011, encouraging member states to pay more attention to the pursuit of this goal. Layard was invited to co-edit the *World Happiness Report*, launched at a UN conference on this theme in April 2012.

To reach the public more directly in promoting a happier society, Layard collaborated with Geoff Mulgan and Dr. Anthony Seldon in launching a movement called Action for Happiness in March 2011. By summer 2014 it had over 35000 members in 142 countries who had pledged to make efforts to increase the world's happiness and decrease its misery.

Professor Lord Richard Layard directs the Well-Being Programme at the London School of Economics' Centre for Economic Performance. He is a labour economist who has made major contributions on unemployment, inflation, inequality and post-Communist reform. He is a keen advocate of making the subjective well-being of the people the central objective of governments; he currently works on how to produce a happier society and also now advises the UK government on mental health policy. He is the author of the influential book *Happiness*, which brings together findings from psychology, neuroscience, economics, sociology and philosophy, and recently published *Thrive: the power of evidence-based psychological therapies* written with psychologist Prof David M. Clark.

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