



Is **HAPPINESS** all that matters?

JAMIE WHYTE contemplates happiness – and the cult of ‘Wangchuckism’

Jigme Dorji Wangchuck, the former King of Bhutan, declared in 1972 that ‘gross national happiness (GNH) is more important than gross national product’.

The Centre for Bhutan Studies dutifully constructed a survey-based measure of GNH, whose increase is now the goal

of Bhutan’s five-year plans.

Wangchuckism has slowly caught on outside the Happy Kingdom.

President of France, Nicolas Sarkozy commissioned the economists Joseph Stiglitz and Amartya Sen to construct a measure of French happiness. The United Nations, World Bank, European Commission

and Organisation for Economic Co-operation and Development also measure not only wealth but well-being.

And here in the UK, the Office of National Statistics (ONS) measures the population’s happiness through the household survey.

The data collected from such surveys can then be

used to analyse the causes of happiness. Do the things that people commonly pursue – money, status, education, marriage, and so on – actually make them happy?

In a recent book (*Happy Ever After*), Paul Dolan, a professor of behavioural science at the London School of Economics, shows that, on average, they do not.

For example, unless you live in poverty, which is indeed a cause of misery, getting richer does not make you happier. Nor does increasing education increase happiness; nor being more successful; nor just about anything that modern Westerners seek.

From this, Dolan concludes that we should place less importance on these common ambitions.

But this follows only if happiness is all that matters in life, only if these other aspirations are merely means to the ultimate goal of happiness.

For each of the aspirations that he discusses, Dolan invites the reader to ask himself a question. Which do you prefer:

- Achieving the goal in question (wealth, education, etc.) and often feeling miserable, or
- Achieving the goal in question and rarely feeling miserable.

After his discussion of the goal and its relationship with happiness, he reveals what proportion of people (independently surveyed) prefer the goal to happiness. It ranges from 10% to 60%, depending on the goal.

This shows that happiness is not everyone's ultimate goal. Some people are willing to trade happiness for other things they value,

such as money or success or... what-have-you.

Dolan and the other Wangchuckers may think these people are making a mistake. They ought to value nothing except happiness. But what kind of mistake is it? How will Dolan show that someone willing to trade happiness for success is making a mistake? He does not even attempt to answer this question in his book.

Wangchuckism is a deviation from standard welfare economics. It analyses welfare or well-being (as it is sometimes called) as happiness.

An outcome increases welfare

it provides you.

Welfare economics itself has nothing to say about what you should or should not want and how much you should be willing to pay for it. Someone who took this view of welfare, and who wanted to maximise welfare, would be inclined to let people make decisions for themselves. When acting on their own preferences, they will maximise their welfare.

By contrast, Wangchuckers see people as acting against their own interests whenever they put something ahead of happiness.

So they will be more inclined to coerce people to act against

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if it makes you happier. And the greater the happiness, the better the outcome. Standard welfare economics instead analyses welfare in terms of people's preferences, whatever they are.

Suppose you prefer apples to oranges. You would be willing to pay £1 for an apple but only 50p for an orange. If you are given your fruit – that is, you pay nothing for it – then you are better off getting an apple than an orange. To be precise, your 'consumer's surplus' from getting a free apple is £1 – this being the difference between what you would be willing to pay for it and what you actually paid for it – and 50p when you get a free orange.

Standard welfare economics thus makes each individual the arbiter of value for himself. It is your willingness to pay for something (combined with what it actually costs you) that determines the welfare

their own inclinations. They will see this coercion as helping people to overcome preferences that they should not have, to live in a way that will make them happy even if it is not the way they would otherwise choose to live.

And, indeed, Dolan and other Wangchuckers recommend using taxes and other forms of state power to make people lead happier lives.

Parents often tell their children that they do not mind what they do, so long as it makes them happy.

Alas, Wangchuckers do mind what you do, because they think they know what will make you happy, and they believe that happiness is all that matters.

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