

How to interpret subjective wellbeing alongside objective inequality?

Speech by Ivan Cooper, Director of Advocacy, The Wheel, at the TASC/FEPS conference, Friday 20th June 2014, Croke Park, Dublin.

Folks - visualise The Simon Communities work to sustain people in homes of their own; or Barnardo's work empowering children and young people; or the work of the Special Olympics in enabling people to become athletes; or think of the work of your local alzheimers support group, or cancer care group; and then think of the countless other volunteer-led organisations, too many to mention.

Believe it or not, there are over 8,400 such non-profit, volunteer-led organisations working in Ireland today, supporting individual and community wellbeing and enabling people to realize their potential and make a contribution to community life.

These organisations are driven by a strong sense of justice and they understand what people can achieve in their lives when they are supported to **realise their capabilities**.

My name is Ivan Cooper and I work for The Wheel, a membership based organisation that supports not-for-profit and charitable organizations to do their work better.

The organisations we are privileged to work with, and the people who work in them, have a strong sense of what's possible for people, a **guiding vision**, if you will, that drives them forward.

They have a strong sense of how the wellbeing of the people and communities they work with could and should be improved. They have a strong sense of both the **components of wellbeing**, what makes for fully realized people, and of the **determinants of wellbeing**, the conditions that enable or prevent people from realizing their capabilities - and it will be important for us to keep this key distinction in mind as we consider wellbeing more broadly today.

These volunteer-led, social-mission organisations also make up a large part of the **social capital** "glue" that holds our society together, and provide places where people can voluntarily get involved in **sustaining community life**. All of this activity makes a very considerable contribution to maintaining people's wellbeing.

But what is wellbeing?

There is a lot of work currently going on to develop more holistic measures of social progress than GDP, and developing more comprehensive measures of **what matters to people** and **how they feel about their lives** is seen as playing an important part in this. But in making this shift away from GDP as the proxy for progress, we need to remember that nearly every explanation of why GDP is not a good enough measure of social progress starts by saying that it ignores the

distribution of income. So if we think it is a good idea to shift our attention to well-being, we should give a central place to the **distribution** of individual well-being, and not just shift our focus from aggregate income to aggregate well-being.

That said, portraits of ***national wellbeing*** generally consist of a mix of both ***objective measures*** and ***subjective reports*** of how people feel about things. Objective measures used to build up a picture of wellbeing include economic performance, the condition of the environment, the level of equality, life expectancy and educational attainment. "Subjective" measures of wellbeing include such things as the level of general happiness a person reports with their life, the feeling that their activities are worthwhile, or how satisfied they are with family relationships.

By way of example, in 2011 in England the Office for National Statistics (ONS) began a national debate asking '***What matters to you?***' People felt that the things that mattered included

- health
- good connections with friends and family
- job satisfaction and adequate income to cover basic needs
- the condition of the environment now and in the future
- and having access to education and training

Good quality public services such as healthcare, education and public transport were considered important, as was community spirit which was felt to be very important, but in the English case, lacking. The importance of democracy and having accountable, trustworthy politicians was also considered important

Running through all these factors was the commonly held view that there should be a ***greater sense of fairness and equality***, for the sake of national well-being.

These priorities could be described as the general ***domains of wellbeing*** that matter to English people when asked, and the ONS is now engaged in developing a set of ***indicators to measure*** these ***domains of wellbeing***.

When developed, the ONS will integrate the resulting subjective wellbeing indicators - based on people's views of, and happiness with their own lives - with measures of economic performance, environmental sustainability, educational attainment, life expectancy, level of inequality, poverty rates, etc and a general National Measure of Wellbeing will result. Great. Good information to base policy on.

But another word of caution is necessary at this point. It's not my purpose this morning to comprehensively critique the idea of wellbeing, but I am going to quote John Baker, my former lecturer from my days as a Philosophy undergraduate in 1988, sorry John! and now Professor Emeritus in Equality Studies, UCD:

“If we want to measure people's well-being, we may well have to measure both the **components of well-being** and **determinants of wellbeing**, but we should be clear about the distinction between them. The idea of ‘**Domains of Well-being**’ fudges this important distinction. The distinction between wellbeing itself and the things that affect wellbeing is all the more important if we want to affect people's well-being, because it distinguishes cause and effect”.

So it's important that we understand that the whole purpose of measuring wellbeing is surely to identify what needs to be done to enable people to realize their full capabilities, and that means being clear about identifying the factors that are preventing people from realizing their potential, and committing to doing something to removing impediments.

All of that said, and returning to the theme of **interpreting subjective wellbeing alongside objective inequality**, what if it turns out that there is no correlation between movement in objective socio-economic indicators and movement in measures of subjective wellbeing ?

What if increases in national income, life expectancy, level of educational attainment, household income, quality of housing, etc do not result in increases in personal happiness? On the other side of the coin, what if personal happiness, or subjective wellbeing, appears to remain unaffected by large falls in national income, large increases in unemployment, rapidly rising levels of poverty and deprivation?

According to **The World Happiness Report**, Ireland ranked 18th in the world in 2012 in terms of subjective wellbeing. Perhaps more surprisingly the level of happiness has remained more or less unchanged between 2005 and 2012. This period has seen the great recession, big falls in GDP, severe cutbacks in social service expenditure, historically high unemployment rates, the return of mass emigration, increases in poverty rates and at risk of poverty rates, increases in personal taxation and falls in disposable income, and a large increase in the number of families awaiting homes.

And no significant effect on levels of subjective wellbeing.

Are we to conclude “ah sure everything's OK, the people don't seem to mind”? What are we to make of this? Does this disconnect between happiness and increasing levels of deprivation and inequality-of-condition at best render the measurement of wellbeing irrelevant to policymaking? Or does it perhaps more insidiously suggest that basing policy purely on people's self-reported happiness could further entrench existing inequalities?

John Baker once again put this well in a recent paper on Challenges for Wellbeing in Northern Ireland when he noted that:

“We have known for centuries that people tend to adapt their expectations to their circumstances, indeed that it is rational for them to do so - So we should expect that inequalities in people's subjectively reported well-being will be

smaller than inequalities in the conditions of their lives. Clearly we should not conclude from this that inequalities of condition aren't important. What we should conclude is that it is wrong to rely exclusively on subjectively reported well-being".

So to how do we explain the apparent non-correlation between levels of happiness and declines in living standards where levels of deprivation have increased very significantly in Ireland for very many people, while self-reported happiness has been relatively unaffected?

Is it a manifestation of John's point that as a result of people tending to adapt their expectation to their circumstances, that even in the difficult times that we have had, people seem to accept their circumstances and "settle for their lot" so to speak, in the knowledge, perhaps that "things will come good again", as that's the "cultural norm" around here? Because on a straightforward, face value interpretation of the The World Happiness Report, that's what appears to have happened.

But if things don't come good – and they haven't for many people for a very long time now – how is it that they "don't let it get them down" – which if the evidence is to be believed, they don't? Yet we KNOW objectively that deprivation rates have increased very significantly for people over the timeframe under consideration.

So is people's apparent ability to remain happy simply that people adapt their expectations to their circumstances?

Or is the ability to remain happy evidence that our ***system of social protection*** has protected people from the worst effects of the crisis?

Or is it evidence that our social infrastructure in health, disability services, education etc, though seriously degraded through cutbacks, has continued to function effectively enough?

Or is it evidence that our system of supports for unemployed people is actually working, providing people with opportunities to experience work-related purpose in their lives, even if that purpose does not provide them with a living wage?

Or could it be that there is some kind of cultural "protective factor" at work, that has enabled us to cope with the very difficult period that many, but certainly not all, people have been through?

I have a thesis, as yet untested and stated for the first time here today – the academics amongst us will be appalled! And here it is:

Does Irish culture imbue people with a "Learned Helpfulness" rather than the "Learned helplessness" that seems to have characterized the effect the crisis has had, according to the World Happiness Report, on major declines in levels of

subjective wellbeing in other countries seriously impacted by the crisis since 2008? What do I mean?

The Wheel and NYCI conducted some analysis of existing research which we will be publishing later this year. The research sought to gather together facts to gauge the health of active citizenship in Ireland; or the extent to which people participate in community life. A central finding from the research is that Ireland's people, when compared to our European and OECD peers, appear to have a very high level of involvement in community and neighborhood life and in voluntary activity generally

So for example, the research found that

- People feel close to others' in the area where they live, and despite the recent economic climate those who say they 'feel left out of society' dropped from 14% in 2003 to under 10% in 2012.
- People report having regular 'face to face contact with neighbors', and out of 37 OECD countries, Ireland has the 2nd highest score for 'quality of support network', which means Irish people feel the quality of help available to them is among the highest in the world.
- Alongside Dutch people, Irish people participate more frequently in social activities than any other European country - including many of the Nordic States.
- More than a third of Irish youth, the highest number in Europe, are involved in local organisations and youth groups representing the second highest figure in the EU
- More than half of Ireland's young people are involved in a sports club which is again the second highest figure in Europe.
- Half of Ireland's people aged 18 years and over are involved in unpaid voluntary work compared to an EU average of less than one third. This is the third highest rate in Europe after Austria and Sweden again putting Ireland among the Nordic countries.

- 73% of Irish people have given to a charitable cause in the last three months (albeit down from that 83% of people in 2008) – and Ireland continues to rank amongst the most generous givers in the world.

So, my question is, to what extent do the very high levels of community engagement, the giving of time and money, the high levels of contact with family and friends, the strong contact with neighbours, and the high levels of participation in sporting and cultural life, contribute to maintaining our high levels of happiness and subjective wellbeing?

And do they have something to do with the fact that we are amongst the world's greatest givers?

The World Happiness Report notes that research studies indicate a powerful link between high subjective wellbeing and social behavior such as being a better friend, colleague, neighbor and citizen. It notes that individuals who report high subjective wellbeing, give more to their communities, both time, and money.

Could it be that these dimensions of our social lives, where we are star performers in European, and in many instances global terms, which keep us in contact with our peers and provide high levels of meaning in our lives, are in some way protective factors? And could it be that these all relate to some deep and profound sense of caring and giving that in some way characterizes Irish culture at its best?

Could it be that Irish people really do know what matters for a happy life?

Or is it that we have adjusted our expectations to our circumstances?

I think that there is an element of both factors at work in explaining our happiness in the face of increasing inequality of condition.

But even if Irish people do know what matters for a happy life, that certainly does not mean they no longer care about the policies being pursued by Government, as the recent elections testify only too well. They just know when, where and at whom they should expend and target their negative energy! While remaining basically happy.

So, to conclude, measuring subjective wellbeing can only be one part of a more comprehensive system of wellbeing indicators, which should distinguish between measures of the components of wellbeing and measures of the determinants of wellbeing: providing a clear picture of how the factors that determine wellbeing are distributed in society, so policy can respond to deficits in the determining factors that impede people's ability to realize their potential. After all, surely the purpose of our state must be to enable all citizens to realize their potential: if not that what?

Finally – it is the responsibility of policymakers the world over to have a vision for what’s possible for people.

It’s the responsibility of policymakers to know what’s needed for all people to realize their capabilities.

It’s the responsibility of policymakers to understand and support people to achieve what’s possible for themselves, in the same way that Simon understands it has a responsibility for homeless people, that Barnardos understands it has a responsibility for children and young people and that the Special Olympics has a responsibility for potential Athletes.

We all have a responsibility to each other is what I am saying, and it’s primarily through government policy and the actions of voluntary social-mission organisations that we give expression to these responsibilities: what we need now is a widely shared and well supported guiding vision of the type of society we want to become; a society where maximum well-being for all is the objective and where everyone can realize their capabilities; we need a coherent plan in relation to how we are going to get there step by step, and we need a set of wellbeing indicators that identify the factors that prevent people from realizing their capabilities, indicators which will enable us to take the corrective action necessary to deliver our vision.

We can do it.

If we want it enough.

Do you want it?

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