Are Japanese People Happy?
Measuring Well-being and Beyond

Inclusive and Sustainable Development in East and North-east Asia:
Strengthening National Capacity To Produce and Use Statistical Information

September 20 2012, Beijing, China

Naoto Yamauchi, Ph.D.
Osaka School of International Public Policy, Osaka University
yamauchi@osipp.osaka-u.ac.jp
Easterlin Paradox

(Note 1). The data of “happiness” is extracted from the World Values Survey from 2005 to 2008. Percentage of people answered very happy or quite happy is used here. GDP ppp per capita (current international $) is extracted from WORLD BANK DATA BANK.

(Note 2) For each country, the year of the survey is matched for the data of happiness and GDP ppp per capita.
Easterlin Paradox in Japan

(Note 1). The data of “happiness” and “life satisfaction” are extracted from the National Survey of Lifestyle Preference (NSLP) from fiscal year 1978 to 2011. (1990=100)

(Note 2) GDP per capita is calculated by using the System of National Accounts, and the GDP Quarterly Report, and the Population Forecast. (1990=100)
Key factors affecting Well-being

(Note) The data was extracted from Cabinet Office (2010 and 2011). Some answer choices are different in the 2010 survey and 2011 survey.
Debate on Well-being in Japan

In the World Values Survey, Japan’s average score for happiness is at lower-middle level. Comparing with other developed countries, it is low.

Suicide rates are high and suicide is one of the main causes of death for young and middle-aged adults in Japan. The percentage of fifteen-year-old students answered “I am feeling lonely” is the highest among developed countries. Approximately one in three people in their 20s and 30s answered “I have thought of suicide in the past.”

These issues have increased the demand for measuring well-being and new growth as part of the Government’s “New Growth Strategy” and led to the establishment of the Commission on Measuring Well-being in the Cabinet Office.

By casting light on well-being, it is aimed to focus on individuals’ status of mind and to discuss and understand what situations the country, society and communities are facing and what they are seeking for.
Determinants of Well-being

According to research, the following are the factors affecting subjective well-being.

- Income: increases happiness (to some extent)
- Employment: Loss of a job lowers happiness
- Family: Marriage increases happiness by having their own family
- Inequality: Greater inequality leads lower level of happiness
- Age: In other countries’ surveys, the relationship between age and happiness is U-shaped. As people age, they cannot be as ambitious as they used to be when they are younger, which lowers happiness. As they get older, they try to enjoy the rest of their life and happiness increases.

However, in Japan, older adults are less happier (Survey conducted by Osaka University). In the White Paper on the National Lifestyle, Japanese people’s happiness decreases as they get old while Americans’ happiness increases after they reach their 50s.
New Initiative by the New Administration

- In Japan, we have changed the way of thinking to manage our economy and society differently, in the new administration started three years ago.
- We have decided to measure well-being and reflect it as best we can in our national policy.
- The New Growth Strategy, which was decided by the Cabinet two years ago, incorporates a program to promote research on measuring well-being that will contribute to policy making.
The Commission on Measuring Well-Being, which consists of experts on the issue and is jointly supported by Director General for Economic, Fiscal and Social Structure and ESRI, was established on December 2010, to promote research on new growth and well-being included in the “New Growth Strategy.”

Can we really understand people’s well-being by GDP or other objective indicators?

Europe, North America, Oceania, and Asia …now working to produce well-being indicators beyond GDP.

Japan’s subjective well-being remains low, even though income has increased.
Distribution of Happiness Scores

Figure 2. Distribution of happiness scores in comparison with some European countries. (Note) The data was extracted from the NSLP fiscal year 2010 conducted by the Cabinet Office for Japan, and European Social Survey for European countries (2008).
What are Well-being Indicators?

- Well-being indicators are measures to...
  1. depict overall well-being of a group of people.
  2. make comparisons among individuals across regions and time,
  3. serve as evaluation tools for policy-making.
- The indicators will help policy makers to evaluate existing policy and prioritize or improve them
- The indicators will suggest public policy to be initiated in the future based on the evidence shown by the indicators.
Main Purposes of Well-being

Indicators

- Investigate factors affecting individuals’ well-being, and to identify societal advantages and disadvantages which may affect the level of well-being. As well as to observe what aspects of society are improving and what aspects of society are deteriorating.

- Provide the opportunity for people to obtain a deeper understanding of where society is heading for a wider discussion, and to give individuals some clues on what are the necessary actions needed to facilitate not only an individuals’ well-being but also national well-being.
Life-stage Differences

- Determinants (or its impact) of well-being differ among people according to their respective ages.

Life-stage differences are taken into consideration.
Identifying the High-risk Population

Note: Based on an online survey conducted on December 2010 by Cabinet Office (sample size = 20000)
A Framework for Indicators

Well-being

Subjective well-being

Socio-economic condition
- Basic needs
- Housing
- Parenting/Education
- Employment
- Social system

Health
- Physical health
- Psychological health

Relatedness
- Lifestyle
- Family ties
- Bonding with community
- Closeness to nature

sustainability
Indicators in Subjective Well-being

- Current and future sense of happiness
- Ideal level of sense of happiness,
- Sense of happiness through being an ordinary person
- Affect balance
- Inequality of sense of happiness within families
## Indicators in Economic and Social Conditions

<table>
<thead>
<tr>
<th></th>
<th>Basic Needs</th>
<th>Housing</th>
<th>Parenting/ Education</th>
<th>Work</th>
<th>Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual/Household/Community</strong></td>
<td>Poverty rate, +7 indicators</td>
<td>Number of homeless, +7 indicators</td>
<td>Educational attainment, +2 indicators</td>
<td>Undesirable non-standard employment, +3 indicators</td>
<td>Trust in institutions (government), +4 indicators</td>
</tr>
<tr>
<td><strong>Children/Youth</strong></td>
<td>Child poverty rate</td>
<td>Number of children who stay at home without adults after school.</td>
<td>School-life satisfaction, +4 indicators</td>
<td>Number of NEET, +3 indicators</td>
<td></td>
</tr>
<tr>
<td><strong>Adult</strong></td>
<td>Personal bankruptcy</td>
<td>Satisfaction in parenting, +5 indicators</td>
<td>Job satisfaction, +5 indicators</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Elderly</strong></td>
<td>Number of self-neglect elderly +3 indicators</td>
<td></td>
<td>Participation rate in social activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Number of indicators</strong></td>
<td>14</td>
<td>9</td>
<td>13</td>
<td>15</td>
<td>5</td>
</tr>
</tbody>
</table>
## Indicators in Physical and Mental Health

<table>
<thead>
<tr>
<th></th>
<th>Physical health</th>
<th>Mental health</th>
<th>Relevant to both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual/ Household/ Community</td>
<td>Rate of long-term illness</td>
<td>Suicide rate, +3 indicators</td>
<td>Longevity, +3 indicators</td>
</tr>
<tr>
<td>Children/ Youth</td>
<td>Infant, child mortality rate +1 indicator</td>
<td>Number of child abuse +2 indicators</td>
<td></td>
</tr>
<tr>
<td>Adult</td>
<td></td>
<td>Number of Depression</td>
<td>Number of reported cases of Domestic Violence +1 indicator</td>
</tr>
<tr>
<td>Elderly</td>
<td>Activity of daily life, +1 indicator</td>
<td>Age-specific incidence of dementia</td>
<td>Self-rated health</td>
</tr>
</tbody>
</table>

**Number of indicators**

|                          | 5 | 9 | 7 |

**Total indicators**

17
## Indicators in Relatedness

<table>
<thead>
<tr>
<th></th>
<th>Lifestyle</th>
<th>Personal Ties</th>
<th>Ties with Community</th>
<th>Ties with Nature</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual/ Household/ Community</strong></td>
<td>Free time, +3 indicators</td>
<td>Frequency of contacts with family, relatives, and friends +4 indicators</td>
<td>Sense of self – usefulness, +7 indicators</td>
<td>Reverence for nature, + 4 indicators</td>
</tr>
<tr>
<td><strong>Children/ Youth</strong></td>
<td>Time allocation among play, school, learning, and cram school</td>
<td>Ratio of children who feel lonely</td>
<td>Number of socially withdrawn, + 3 indicators</td>
<td></td>
</tr>
<tr>
<td><strong>Adult</strong></td>
<td>Actually spent paid leave</td>
<td>Households who do not have relatives, especially parents, nearby</td>
<td>Frequency of participation in activities of NPO, NGO, sports and hobbies</td>
<td></td>
</tr>
<tr>
<td><strong>Elderly</strong></td>
<td>Instrumental Activity of Daily Life (IADL)</td>
<td>Number of single-person households who do not have relatives nearby</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Number of indicators</strong></td>
<td>7</td>
<td>8</td>
<td>13</td>
<td>5</td>
</tr>
</tbody>
</table>
Recommendation by the Commission: Panel Survey

- The Cabinet Office should try to collect panel data on the well-being of households for the next few years, starting now, and examine the policy effectiveness of the “proposed well-being indicators.”
- To investigate and clarify continually people’s evaluation of quality of life and emotions, as well as factors that cause them.
- The survey covers 37 indicators among 132 indicators in the proposed well-being indicators.
How happy you are?
On average 6.6, Two peaks at 5 & 8
## Sex and happiness

<table>
<thead>
<tr>
<th></th>
<th>average</th>
<th>standard deviation</th>
<th>no. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>6.3</td>
<td>2.1</td>
<td>3029</td>
</tr>
<tr>
<td>Female</td>
<td>6.9</td>
<td>2.0</td>
<td>3413</td>
</tr>
<tr>
<td>Total</td>
<td>6.6</td>
<td>2.1</td>
<td>6442</td>
</tr>
</tbody>
</table>
Age and happiness
Subjective Happiness by Age

(Note) The data was extracted from Cabinet Office (2009)
Experience of Unemployment and Happiness

(Note) The data was extracted from Economic and Social Research Institute, Cabinet Office (2012)
Debatable Issues for the Future

- The relationship between the subjective well-being and the proposed well-being indicators should be discussed and explained consistently.
- Policy implications of the well-being indicators should be examined.
- If specific groups of people should be taken care of by the central and local governments, they should be identified clearly.
Thank you for your attention.

Naoto Yamauchi at yamauchi@osipp.osaka-u.ac.jp