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1

Introduction: Happiness as the Only Ultimate Objective of Public Policy

Yew-Kwang Ng and Lok Sang Ho

The title of this volume is *Happiness and Public Policy: Theory, Case Studies, and Implications*. It is motivated by the understanding that public policy should be about enhancing happiness or the welfare of the people, now and in the future. Indeed, if public policy reduces or is neutral with regard to happiness, why do we go through the trouble of designing and implementing all kinds of policies? We have decided to address happiness explicitly in this volume. People sometimes forget about this ultimate objective of public policy, and are misled by distracting guideposts that lead to wrong directions or lead to nowhere.

There is a slight difference in the usage of the concept of happiness and that of welfare. In our view, if we hold the period the same, welfare and happiness are the same thing. We tend to use the term “happy” to refer to current feelings or short-term well-being and use the term “welfare” to refer to longer-term well-being. For the same period (day, week, year, the whole life), if a person is mostly happy over that period without big unhappiness, her welfare over that period must be positive/high. We regard our welfare as our happiness.

We regard the concept of subjective happiness¹ as the right concept for welfare despite difficulties as discussed by Schimmack (Chapter 4) and Coyne & Boettke (Chapter 5). For example, while “people are sometimes willing to forgo pleasure for the pursuit of other goals,” subjective happiness may encompass something more than sensory pleasure; the sacrifice may be made for the sake of future happiness, or the happiness of others. Otherwise, in all likelihood it would be a case of irrational preferences prompted by a lack of self control or misperception, or sheer ignorance.

Private happiness but public goal

Happiness is however a very private matter. If a person honestly says or shows that he is happy no one can say that he is “actually” unhappy. Moreover, one can never try to be happy on behalf of anyone. As Coyne and Boettke (Chapter 5) observed, “there are numerous forces at work that make it extremely difficult, if not impossible, for government to effectively intervene to increase well-being,” with the apparent logical implication that perhaps the best thing for governments to do is just to leave people alone.

The editors agree that very often a policy of leaving people alone is the policy that works best in promoting happiness. But we also agree that there are many things that governments can do, so that individuals go further in the pursuit of happiness on their own.

While happiness is a very private matter, when one is happy or unhappy, usually there are telling signs. And many things that will make someone happy will also make most other people also happy, just as there are many things that will make someone unhappy will also make most people unhappy. There is, therefore, no doubt that there is a lot of commonality among human beings. This is partly because we belong to the same species and partly because we live in the same world, though with significant economic and cultural differences. (More on this below.)

People are worried and feel miserable if their lives or if the lives of their loved ones are in danger: when their jobs are insecure, when they face an uncertain future, when their personal freedoms are restricted, when they are treated unfairly, when they or their loved ones fall ill and cannot get the medical attention needed, etc. A lot of public policy has to do with reducing such worries, reducing the threat of communicable diseases such as SARS, reducing the threat from natural disasters such as Hurricane Katrina that hit New Orleans and caused such huge losses in lives and property, and from crimes through various preventive actions and institutions, increasing the safety of travel by air, by sea, or on the road, reducing the chances of industrial safety, etc.

People are happier if they are better able to pursue their dreams through various enabling measures and institutions. It is in this sense that Amartya Sen (2000) describes development as freedom. When the environment is there, the potential within the human being comes out, and the individual leads a productive, fruitful life. The enabling measures and institutions include such things as a good education, better transportation and communication facilities, protection from

harm through the effective maintenance of law and order, government support of cultural, recreational, and sports programs, a more stable macroeconomic environment without big gyrations in interest rates and exchange rates and with stable prices, and so on. Bridges, Chapter 11, discusses how sports may enhance happiness for an individual or a community, and observed that the situation in Hong Kong still leaves much to be desired in terms of enabling institutions.

People do want to be left alone most of the time, but they may also want to see a helping hand when the occasion arises. Consider the victims from Hurricane Katrina in 2005 or from the tsunami in 2004. They certainly do not want to be left alone. People also want to have an effective tsunami or hurricane warning system, and if possible, they want to have the technology to reduce the destructive power of such natural disasters.

Quite a number of serious disasters are man-made. Consider the Three Mile Island nuclear leak in 1979. Consider the Chernobyl fiasco in 1986. Tighter regulations will not only reduce the chances of such disasters, but also immediately and actually reduce people's fear and anxiety, which are negative emotions tantamount to a reduction of happiness.

Consider Hiroshima and Nagasaki. Consider Vietnam. Consider Iraq. Consider the United Nations and its forerunner the League of Nations, both of which were born out of the exigencies of the World Wars. Institutions that can help obviate the need for wars will enhance happiness.

When people lose their freedom, especially when their freedom has been restricted not by the course of nature but at the hands of someone else, people will become unhappy. By the same token, when autonomy is compromised, especially when such autonomy has been undermined by someone else, particularly someone who uses his authority to impose his will on others, people tend to be unhappy. The entire community would ask: "Who will be the next? Could it be me or my loved ones?" This is why all modern civilized nations have constitutions guaranteeing "basic human rights." To the extent that constitutions protecting basic freedoms and rights are effectively enforced and known to be effectively enforced, people feel more secure and happier.

Thus, although we agree that governments do not have to, and indeed should not, pursue happiness for their citizens, they can facilitate that pursuit by creating an environment that favors such pursuits. Based on the survey results conducted in Hong Kong in 2005 by the

Lingnan Institute for Humanities and Social Sciences, there is little doubt that the rule of law and the basic freedoms that are typically guaranteed in today's democratic nations, such as freedom of the press, freedom of religion, particularly checks against the abuse of power by the police or by agencies of the state, are important contributors to happiness.

Altruism and subjective happiness

Decisions made at the individual or the societal level may be motivated by a concern for the welfare of others but they can be wrong and because of this there is a possibility that "life satisfaction" might diverge from "subjective happiness." When a person has a high valuation of life satisfaction because of her perceived contribution to the happiness of others (through discoveries or other means) and if her own feelings of rewards are insufficient to offset her sufferings (as in the case discussed above), the valuation is correct if and only if others are (and will be) made happier by more than her net sufferings. For example, suppose a regime has successfully persuaded most of the people to make great sacrifices for the welfare of the future generations. The belief of contributing to the welfare of the future will reduce the net sufferings. However, if the net sufferings are still very large and the welfare of the future generations is not really increased significantly, the situation is really very bad even though most people may judge their life as highly satisfying due to the mistaken belief of contributing to the future. This was actually approximately the case during the Great Leap Forward period 1958–1961 in China which proved to be a great leap backward, with many people working very hard in such ventures as backyard furnaces in the belief that they were benefiting their progeny, and more complexly, during the Cultural Revolution 1966–1976, which is essentially a power struggle at the top but which somehow drew hundreds of million of young people into a destructive rampage in the belief that this was good for the country. The situation can only be described as tragic, a case of "bad things done for good intentions."² Policy makers must guard against this pitfall. This is why "subjective happiness" is preferred over "life satisfaction" as a concept for policy considerations. Despite the term, "subjective happiness" is more objective than life satisfaction because the former is a direct measure of one's own well-being, while the latter could be more contrived particularly when one has a strong desire to do good.

Happiness and cultural differences

“Happiness may for some evoke that of a good meal, for others a nice car...” and different individuals may have different “*ikigai*” (Mathews, Chapter 7; see also similar remarks by Schimmack in Chapter 4). However, this only means that different factors may be important for happiness for different individuals. This need not mean that the concept of happiness and even the feeling of being happy must also be different. In a sense, even for the same person at the same time, the happiness of seeing a beautiful sight and that of listening to good music are qualitatively different (the problem of qualia in philosophy). However, as far as their effects on the happiness of the perceiver is concerned, they can all be compared in terms of their intensity and duration, subject only to practical difficulties of doing so, including imperfect memory. Ignoring any indirect effects on future happiness and the happiness of others, the sum of happiness over time gives a comparable amount of happiness (Ng 1980, Kahneman *et al.* 1997).

The differences between different individuals and between different cultures could also be exaggerated. While we have different cultures, we also have much similar biological needs, and anthropologists readily testify that these are common values shared by different cultures. In addition, the feelings of being happy or unhappy is a biological invention (by either God or evolution) to make flexible species (those that can use its subjective consciousness to make decisions about their behavior rather than those whose actions are all hard-wired through instincts; see Ng 1995, 1996a for a fuller discussion) do things consistent with survival and reproduction.³ Thus, this feeling has not only an interpersonal, intercultural, and interracial similarity, it must, to some extent, have an interspecies similarity, though the intensity and complexity of the feelings may differ between different affectively sentient species.

Attitudes, values, and learning

Yet, *depending on the upbringing or the culture*, people may show a huge variation in their psychological response to an apparent deprivation of autonomy. Some may become accustomed to the custom and accept it so much that they do not take it as an infringement to their autonomy. Thus, in China most parents of the generation of the editors follow the “order of parents and the recommendation of match makers” in one of the biggest decisions of life, marriage. Although there were indeed some unhappy marriages, there is little evidence that

there were more unhappy marriages then than there are now, and there were apparently also many happy marriages.

Today of course we will not bring back arranged marriages, at least not as a matter of course. However, it is important to note that the observation from the previous paragraph begs the question: how does upbringing or culture change people's attitudes? Is there a role for governments to play in changing people's attitudes?

Traditionally, economists take peoples' attitudes and values as beyond their scope of study. However, this may be a serious mistake from the point of view of efficient utilization of resources. Many authors, from Kenneth Galbraith and James Duesenberry to Lord Layard, have pointed to the wastefulness of consumption that aims at getting ahead of others (Frank 1999). If getting ahead of others provides utility just because it implies some kind of social recognition or self affirmation, then resources can be better spent if such recognition or self affirmation can be achieved in less wasteful ways. Conspicuous consumption is wasteful because it destroys social recognition or self affirmation while it creates the same for the one who engages in conspicuous consumption. Thus, cultural or educational activities that nurture a sense of self affirmation and provide recognition without competitive conspicuous consumption can be immensely economically productive because they help allow release huge amounts of resources that can be used to address to other needs such as reducing the destructiveness of natural disasters.

When people have come to accept prearranged marriages, they no longer see it as an infringement of their autonomy; they may even see it as their right to follow long-held traditions. The need to identify with one's own people may be so great that if this is that people's tradition, few would want to become an outcast, while some may consider themselves as being spared of the clumsy business of suiting on their own – which is always laden with perils of all sorts. There will, of course, still be some who detest arranged marriages. Should the government come to their defense, and protect their right of choice and autonomy, or should the government leave tradition alone and effectively let parents and perhaps their own community arrange their marriages?

While today most people would enjoy the benefit of having choices, it is often the case that when they face too many choices they may be at a loss to know what to do (Schwartz & Ward 2004). They may become unhappy. They may be confused, bewildered, or simply unable to make up their minds. Not too long ago a young lady in Hong Kong

fell in love with three gentlemen and could not decide which to marry. She committed suicide.

A larger capacity to do things and greater freedom to do things offer people a greater potential to pursue their own dreams. But they do not necessarily make people happier. Happiness requires an ability to manage that capacity and that freedom to the person's advantage. This ability may be called wisdom. Without such wisdom a person could use that capacity and that freedom to hurt himself or others.

Handicapped people have a smaller physical capacity to do things than normal people. One might think that they probably will not be very happy. But there is a young Japanese man by the name of Ototake Hirotsada who was born with humps rather than limbs. Yet he appears to be very happy, having struggled hard to learn to do many things on his own and has now gained a high degree of independence. He has written several books telling his story, and he has been featured in such magazines as *Asia Weekly* and on televisions. There are many other similar stories, in both western and eastern societies. Clearly attitude or "positive psychology" matters a lot in determining the state of well-being of an individual. An interesting question is: should governments try to nurture a positive psychology in people?

Then there is the story of the Buddhist monk by the name of Bodhidharma who visited China about 100 years before the Tang dynasty in the 6th century. He is the first patriarch of Chinese Ch'an (Zen in Japanese) Buddhism. Legend has it that he sat facing the wall meditating for nine years before he started accepting disciples. For most people, facing the wall nine years is unthinkable and a self-inflicted pain, and it may "drive one crazy" literally. But happiness is such a private matter that assuming him to be unhappy will certainly be inappropriate. Again attitude makes the difference.

As important as attitude is in determining whether a person is happy or unhappy, traditionally most economists take attitudes as given and inherent in people. Given this assumption, "inter-personal comparison of utility" was thought to be impossible. Yet the editors have concluded from years of observation and reflections, that despite the apparent diversity in preferences among people, the commonality among human beings is still overwhelming. Human nature is essentially universal: the substantive elements that affect people's state of well-being, such as a sense of being accepted by one's peers, a sense of accomplishment, a sense of freedom from harm, being loved by others and being able to love others, etc., are really not that much different. Differences in attitudes and physical differences in people, and in particular human

capital accumulated through years of training and learning however, have resulted in differences in the ability to transform through the “household production function” various inputs into the outputs that matter to happiness. Thus, even though people may need to consume different things to achieve the substantive elements affecting happiness, it may be inaccurate to describe them as having different “tastes” or “preferences” for objects of desire (Ho 1998).

Values also make a lot of difference. Some people value their own consumption more than that of their family. Some people value the consumption of their family but not the consumption of other families. Some people care about their progeny, while others cannot think beyond their own generation. It is a very controversial matter as to whether governments should get involved in the formation of values, even though in practice almost all governments are indeed involved in some way. The 2001 Patriot Act of the United States stated, among other things, that “the Nation is called upon to recognize the patriotism of fellow citizens from all ethnic, racial, and religious backgrounds.” The American Declaration of Independence states: “We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. – That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, – That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.”

Thus we cannot deny the fact that governments do indeed play an important role in the formation of attitudes and values, and the fact that attitudes and values affect the state of well-being through their effects on resilience and on the goals that they pursue.

Bhutan is reputed to be the only country today that purportedly tries to maximize Gross National Happiness. Stating that the Kingdom of Bhutan tries to maximize GNH rather than GNP or GDP is a strong message on attitudes and values. It is telling its people and the world that Bhutan will not pursue after materialistic ends for its own sake, and that it is aware of happiness being the final goal. The adjustment in attitude that obtains from such a statement may enhance happiness significantly, even though making the statement hardly costs anything.

Varieties of happiness and the role of policy

It is true that different words may be used even in the same language to describe slightly different concepts akin to happiness, as discussed by Mathews (Chapter 7). It is also true that there are subtle cultural differences in the usage or customary way of using essentially the same concept between different languages. Both of the editors were brought up in Chinese societies and both have received much of their education in English and have used English routinely in their social and professional lives across the globe. We can assure readers that there are no essential differences between the English concept of happiness and the Chinese concept of “kuaile.” True, there are subtle differences between “kuaile” and “kaixin”, and between “kuaile” and “xinfu,” just as there are subtle differences between delight and happiness, and joy and happiness. These differences usually pertain to either the sustainability or duration of the good feelings or the presence or lack of emotional peaks or spikes. For example, delight or *xiyue* in Chinese is more subtle; joy or *huanle* is more like a momentary exhilaration. *Xinfu* is a lasting form of happiness, while happiness is a more generic term to describe good feelings. But despite these subtle differences, the fact remains that we are essentially the same species, *Homo sapiens*. Thus, for such a fundamental concept as the ultimate reward/punishment in the brain, we must have essentially the same concept for its description.

There is much that we can learn to further happiness both at the individual and social levels. For example, considering the many case studies around the world and the observation from many philosophers and analysts, we have now learnt the importance of the adaptation effect and the long-run unimportance of higher consumption after adequate nourishment. This awareness may make people put less emphasis in making more money and put more emphasis on areas more important for happiness like health and relationships. We have also learnt of the mutually offsetting effects of relative competition. This awareness may make people vote to have shorter working weeks and higher taxes to pay for public projects that are more conducive to welfare. We have learnt of the extent of environmental disruption of higher production and consumption. This awareness may make people vote for a president who will sign the Kyoto protocol. Such measures as more environmental protection, shorter working weeks, and higher taxes need not be harmful to individual freedom and need not require very detailed knowledge. Economists tend to view taxes as

distorting given their simple models assuming away many important external effects. However, taking account of the important external effects we have identified, particularly relative competition and environmental disruption, taxes are often more corrective than distorting. While a perfect corrective tax may be difficult to design, some rough taxes on disruption will improve matter significantly. As in the business world, often rules of thumb are practical and useful, even though they are imperfect. Moreover, as shown in Ng (2004), for most cases where some abatement of disruption is desirable, the problem of estimating an efficiency-improving tax may be easily solved. It is desirable to tax disruption (at least) at the marginal cost of abatement (which is easier to estimate than the marginal damage of disruption). Moreover, such a tax will normally yield total revenue in excess of the amount of abatement spending.

Thus there is indeed no need for policy makers to define happiness or to tell people what kind of happiness is good for them and what is not. Governments should just let people define their own happiness and pursue their own dreams (Ho, Chapter 3). But governments can inform people with scientifically proven facts to facilitate informed choice. There is also a lot that public policy can do to take away the sources of unhappiness such as threats from war, disease, hunger, accidents, unemployment, and natural disasters. There is so much that can be done in terms of risk management and social safety net that can enhance people's sense of safety and security. Shi *et al.* (Chapter 8) discovered, for example, that government policy appears to play an important role in enhancing people's confidence over the controllability of SARS during the outbreak of the epidemic. Policies and institutions that are effective in risk management contribute to what Ho calls *ex ante* happiness (Ho, Chapter 3). Gruber and Mullainathan (Chapter 6) also demonstrated that when designed properly, even apparently intrusive policy, such as a steep cigarette tax, could enhance happiness. Also, Ng (Chapter 12) argues that recent results in behavioral economics, happiness studies and beyond imply that the optimal level of public spending is much higher than what most economists believe. Economists typically emphasize the inefficiency of government spending and the excess burden of taxation, ignoring that there may be even grosser inefficiency in private consumption through relative competition and irrational excessive materialism and that, due to factors including environmental disruption of most production and consumption and the negative excess burden in the spending side, taxes that finance public spending may be more corrective than distorting. Moreover,

judging from the likes of Enron and Worldcom and Parmalat and other scandals and the Savings and Loans Crisis during the 1980s in America, the waste caused by the private sector through fraud and inefficiency may well be comparable to the waste in the public sector. Instead of arguing for a small government, it appears that we should focus on establishing good governance and accountability for both the public and the private sectors. In any case, public policy has much to contribute in terms of “capacity building,” both at the social level and at the individual level. As to how that capacity is utilized at the individual level, it must be left to the individual. Moreover, what constitutes an optimal size for the government cannot be presumed “small,” whatever that means, but rather, should be assessed carefully through close examination of the relative net benefits of marginal spending in the public sector versus that in the private sector. (Ho, 2001)

Quantifiability of happiness

Bhutan⁴ is now the only country that proclaims to maximize Gross National Happiness, as discussed in the chapter by Shrotryia (Chapter 9). A natural question that emerges is whether this is a meaningful enterprise. As argued above, while there certainly will be skeptics who wonder if this is just a rhetoric intended for political purposes, the proclamation itself can change people’s attitudes, and at least provide a reminder that GDP or GNP is valued not for its own sake but for the happiness that it could bring.

Unlike GDP, there are no market prices or natural indices for the valuation of subjective happiness or GNH. Economists are typically very skeptical about subjective measures like those for happiness and especially if they are based on surveys of self-reports instead of actual actions or choices involving real gains/losses. The very skeptical remarks by Coyne & Boettke (Chapter 5) is only one example. We do not deny that there may be scope to improve the accuracy of happiness measures. In fact, one of us (Ng 1978, 1980, 1996b) has advocated pinning down the level of zero net happiness and the use of an interpersonally comparable measure of happiness to improve accuracy and comparability; more on this below. However, even at its existing rudimentary stage, measures of happiness are fairly reliable, as discussed by Frey and Stutzer (2001, 2002), Ng (2003) and others. Moreover, we emphatically ask skeptical economists to look at their own backyard! The most important economic variable measured is GNP (or GDP; the two differ only by the amount of net factor incomes (such as investment income

or labor income) from overseas, which GNP includes but GDP does not). However, after a century of GNP figures came the PPP adjustment (adjusted for the differences in the purchasing power parity of different currencies) not too long ago. This single adjustment increased the GNP of China by four times and that of India by six times! Happiness measures may also need to be adjusted substantially. However, it is doubtful that it needs to be adjusted by as much as four or six times!

Happiness over the ages

Veenhoven, Chapter 2, a veteran of happiness study with a very high reputation, presents an assessment of changes in happiness over the very long term, including from our ancestors as hunter-gatherers to the agriculture stage. He believes that the change in the quality of life in this huge transition was negative. We wonder why the agriculturists did not choose to go back to being hunter-gatherers, at least for the many instances where this was feasible. Perhaps the less uncertain life of a hunter-gatherer prevented them from doing so. However, we believe that Veenhoven is probably correct in assessing that the level of happiness has increased somewhat in the industrial and post-industrial stages. However, this is probably due more to the advance in knowledge and social and legal institutions than in higher incomes as such (Easterlin 2000; Frey & Stutzer 2001, 2002) Moreover, this does not mean that we cannot increase happiness even further by taking more adequate control of environmental disruption, by offsetting the mutually offsetting effects of relative competition, and other appropriate measures.

Veenhoven advocates the use of happy-life-years, with the happiness index multiplied by the number of years lived. This is an important extension of the traditional measure that does not account for the length of one's life time. This extension will no doubt be recognized and used more widely. We wish to suggest an improvement to this extension. Veenhoven uses a happiness index between 0 and 1 (converted from the original scale from 0 to 10). For such an index, usually the mid point of 0.5 is taken to stand for a (net) happiness level of neutrality (corresponding to the barely passing grade in academic scores), i.e. neither happy nor unhappy, or with the positive amount of happiness roughly offset by the amount of unhappiness. The average scores for most countries fall between 0.6 to 0.8. This means that a score of 0.3 or even 0.45 actually stands for a negative amount of (net) happiness. This interpretation makes sense particularly in the light of the

finding that there is now broad agreement that happiness and depression can be usefully understood as opposite ends of a bipolar valence dimension (Joseph *et al.* 2004). If we have a life of negative happiness (more suffering than enjoyment), we rather have a shorter than a longer life span. Thus, we suggest that the measure of happy-life-years should count only the amount above the neutrality level (usually 0.5 for the scale of 0 to 1). This adjustment will affect comparisons even for cases where a negative happiness level (i.e. with happiness index below 0.5) is not involved. Suppose country A has a happiness index of 0.65 and an average lifespan of 80 years and country B has an happiness index of 0.7 and an average lifespan of 70 years. According to Veenhoven's existing method, country A has a happy-life-years of 52 and country B has one of 49; A appears to be better off than B. With our revised method, A has a score of 12 and B has one of 14; B is actually better off than A! These are not just hypothetically figures and may in fact apply approximately to countries like Japan versus Australia or the U.S.

Happiness and success

It is well known that successful people tend to be happy. But a recent study by Lyubomirsky *et al.* (2005) found that happiness breeds success. The authors examined three classes of evidence – cross-sectional, longitudinal, and experimental. The results reveal that happiness is associated with and precedes numerous successful outcomes, as well as behaviors paralleling success. More importantly, the evidence suggests that positive affect – “the hallmark of well-being” – may be the cause of many of the desirable characteristics, resources, and successes correlated with happiness. It is an important policy question whether such positive affect can be nurtured, and whether the government has a role in nurturing such. Siu *et al.* (Chapter 10), using a self-administered questionnaire survey on 303 employees from 10 companies/organizations in the public and private service sectors in Hong Kong, found that resilience is associated with a greater ability to cope with job pressures and performance. Moreover, it is found that resilience can be acquired, and the authors went on to recommend that employers provide more staff training on resilience in order to enhance happiness among employees, which could in turn enhance the well-being and profit of the organizations. One could extend these results and suggest that the government, by policy and by example, could help nurture resilience among its population.

If success is understood as rising above the crowds, then someone's success necessarily implies others' failures. Such "success" creates momentary happiness but destroys other people's happiness at the same time, and it would not be enduring. On the other hand, if success is understood as "personal growth," in the sense of gradually developing an ability to transcend rather than being obsessed with short-term achievements or frustrations, then success for all becomes possible. Ho (2001) has defined "spiritual happiness" thus:

Spiritual happiness is derived from going through and reflecting upon the ups and downs in life. Spiritual happiness is based on a sensitivity to the joys and sorrows of other human beings and an inner harmony achieved through the resolution of inner conflicts. (p. 27)

Ho's observation is confirmed by recent findings in positive psychology. For example, Kasser and Ryan (1993) and Kasser (2004) found that well-being was negatively associated with a predominance of extrinsic goals such as financial success and positively associated with a predominance of intrinsic life goals such as self-affirmation and self-acceptance. A 2005 survey conducted by the Lingnan Institute for Humanities and Social Sciences obtained similar results for Hong Kong. French and Joseph (1999) found evidence for a positive association between measures of subjective well-being and religiosity. They added however that this association could have been related to a greater sense of purpose in life or self-actualization, and that when these latter effects are controlled for, the former positive association disappears. But if spirituality is understood to refer to living purposefully ("self-actualization") without allowing oneself to be bogged down by obsessions of one sort or another ("transcendence"), and not necessarily practicing any specific religion, then the results are really consistent with the thesis that spirituality enhances happiness.

Given the importance of a positive attitude in people's happiness, and given the destructiveness of competitive consumption and mutually incompatible concepts of success, we believe that resilience and other positive affects should be nurtured from a young age. This means that schools have a crucial role to play. But attitudes and positive affects do not thrive in a vacuum. They have to be nurtured in an environment that practices such values and attitudes. Schools cannot effectively teach values and practices that are contradicted by society at large.⁵ If success is understood by society at large as rising above the

crowds, rather than overcoming one's own weaknesses, it will be difficult to nurture those positive affects. If people who wield power are seen to abuse their power, then it will be difficult to nurture attitudes of loving and caring and respect for one another. There is a fine but clear line between a virtuous circle of positive emotions breeding success, and a vicious circle of negative emotions breeding frustrations and anti-social behavior. A public policy that addresses this important subject may well be far more important than a policy that simply aims at enhancing the GDP.

Notes

- 1 Philosophers call it hedonic but hedonism is usually understood as referring to the indulgence in present and selfish enjoyment without regard to the future/others. This has nothing to do with subjective happiness. Thus we avoid the use of the term "hedonic".
- 2 Many people would dispute the claim that the Cultural Revolution was started with "good intentions." The editors agree that it was essentially a power struggle at the top. Yet there is now little doubt that many young people who were goaded into their destructive rampage did have good intentions.
- 3 This makes the flexible species also "rational" as defined in Ng 1996a which shows that complex niches favor rational species which make the environment more complex, leading to a virtuous cycle that accelerated the rate of evolution, partly explaining the dramatic speed of evolution based mainly on random mutation and natural selection, a speed doubted by creationists.
- 4 King Jigme Singye Wangchuck, true to his mission to enhance happiness for his countrymen, announced he would dethrone himself in the interest of democracy. Story posted on Time Magazine website June 12, 2006.
- 5 In a recent book, Ho (2005) concluded that "The education ladder should be designed to allow sufficient room for developmental purposes at each stage of development while the curriculum should recognize the emotional and psychological needs of the student." "The government has an important role in maintaining a level playing field and in opening channels for upward mobility for law-abiding citizens. This is necessary before civic education can be effective." (pp. 20–1)

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