ABSTRACT. The purpose of this paper is to present models of well-being and ill-being which integrate the effects of different types of independent variables. Using the more powerful techniques provided by the LISREL software, the paper replicates and extends analysis previously reported in SIR (Headey, Holmstrom and Wearing, 1984a).

A preliminary issue is whether well-being and ill-being constitute different dimensions or whether they are polar opposites. Factor analytic evidence, derived from two waves of an Australian panel study (1981, 1983) with samples of 942 and 878 respectively, confirms that indicators of well-being and ill-being form distinct, although not orthogonal dimensions.

In the models of well-being and ill-being estimated from the panel data, we attempt to integrate research dealing with the impact of social background, personality, social networks and satisfaction with particular domains of life. Two key personality traits which influence both well-being and ill-being are self-esteem and personal competence. Social background (SES) has greater influence on ill-being than well-being. Having a well-developed social network, on the other hand, contributes more to enhancement of well-being than relief of ill-being. This is largely because a rich social network is associated with satisfaction with leisure, friends and marriage, which themselves are the life domains most closely connected to feelings of well-being. By contrast, the domain of health is relatively closely associated with ill-being.

The conclusion discusses public policy implications of the finding that well-being and ill-being have different correlates and causes. Conventional welfare policies are designed to relieve ill-being. Quite different policies ("positive welfare" policies) are required to enhance well-being.

Social scientists shy away from writing the words happiness and unhappiness. However, in different guises, questions about happiness and unhappiness have always been central to their research. Psychologists and psychiatrists used to write about "mental health" (Hollingshead and Redlich, 1958; Jahoda, 1958; Gurin et al., 1960; Srole et al., 1962) but now use terms like "adaptation", "psychological well-being" and "psychological distress" (Bradburn, 1969; Andrews and Withey, 1976; Vaillant, 1977; Kessler and Cleary, 1983; Diener, 1984). Sociologists and social psychologists refer to "the quality of life" (Campbell et al., 1976; Hall, 1976). Economists use the terms "welfare" and "utility" and, if pressed, concede that they are synonymous with well-being and not with money income (Little, 1950; Easterlin, 1973; Tinbergen,
We shall simply refer to “well-being” and “ill-being”, intending these as generic concepts to cover the range of terms previously used.

Despite overwhelming interest in the topic, scholars and thoughtful laymen have long suspected that (a) the determinants of well-being and ill-being are too many and too diffuse to be integrated into a reasonably parsimonious model and (b) the problems of measurement are insuperable (“you can’t measure happiness”).

In this article we seek to integrate four traditions of empirical research on well-being and ill-being. These researches deal with the impact of social background, personality, social support networks and satisfaction with particular domains of life (family life, job, material standard of living, etc.). Within each research tradition investigators have proposed models of well-being and ill-being. We present integrated but tolerably parsimonious models which account for over 80% of the variance in well-being and ill-being, and which display a high degree of “goodness of fit” with social survey data obtained initially in 1981 and replicated in 1983.

Recognising problems of measurement, we employed the LISREL (linear structural relations) software to test our models (Joreskog & Sorbom, 1978). LISREL is ideally suited to analysis of data containing substantial measurement error; including, inter alia, all attitudinal survey data. A brief description of LISREL is offered in section III below.

The paper is organised as follows. In section I we summarise research in the last quarter of a century which has resulted in the development of acceptably reliable and valid measures of well-being and ill-being. We also reconsider the long running controversy over whether well-being and ill-being constitute a single dimension or whether they are more appropriately conceived of as separate dimensions. We offer further evidence that a two dimensional approach is preferable and, indeed, that the determinants of well-being and ill-being are significantly different. We therefore present separate models of well-being and ill-being but also, accepting that the controversy is not closed, offer a model which explores the consequences of an undimensional approach.

In Section II we review research dealing with social background characteristics, personality traits, social networks and domain satisfactions which have been found to have an impact on well-being and ill-being. Our purpose is to select key factors and acceptably valid indicators for inclusion in the integrated models.