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Freedom and the Achievement of Happiness

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Introduction

According to Veenhoven (1992) ‘happiness’ is an adequate indicator for the quality of life or the ‘livability’ of nations, the unobserved fit between provisions and requirements of society and the needs and capacities of citizens. This ‘output-indicator’ directly measures the flourishing of citizens as apparent in the observable appraisal of life. ‘Input indicators’ like GNP, equality, literacy and so on are based on assumptions about the contribution of these factors to the quality of life. The selection of these indicators and the weights they get in comprehensive indicators, like the Human Development Index, are more arbitrary.

Opinion about the impact of freedom on happiness and the ‘livability’ of nations is mixed. Different philosophies stress different effects. Individualistic social philosophy stresses the positive effects. It is assumed that people themselves know best what will make them happy, and hence that they will enjoy life more if they can follow their own preferences. Conflicts of interest are seen to be solved by the invisible hand of the market, which is believed to yield optimal solutions more than prescription by king or custom. Conservative thought tends to emphasize the negative consequences of freedom. Conservatives doubt that people really know what is best for them. The wisdom of tradition and the benefits of solidarity are seen to bring a better life than short-sighted egoism. Some schools see different effects of different variants of freedom. The New Right is positive about economic freedom but critical about freedom in the private sphere of life. A leading view in South-East Asia is that economic but not political freedom will improve the human lot. According to Amartya Sen, economist and Nobel prize winner, freedom is the most important condition for development.

Two questions are addressed in this paper: first, are the effects of freedom on happiness positive on balance? and second, what kind of freedom is most conducive to happiness?
Earlier studies

Veenhoven (1999) assessed average happiness in 48 nations in the early 1990s. These nations are not a representative sample of all nations in the world, since these countries are relatively rich and developed. The scores are systematically higher in nations that are most affluent, free, equal, educated and harmonious. Happiness was not significantly related to unemployment, state welfare, income equality, religiousness and trust in institutions. In rich nations the additional value for happiness of extra wealth seems to decrease while the additional value of rights seems to be stable. Veenhoven made a distinction between economic, political and personal freedom. The correlation of happiness and economic freedom is rather general; the correlation of happiness and political freedom is limited to rich nations. Correlations between happiness and personal freedom are different for different types of personal freedom. Since the relation between happiness and economic freedom seems to be rather general, this relation deserves more attention.


Comprehensive economic freedom, political freedom and freedom of the press

Table 4.1 correlates happiness and different types of freedom in 1994. Since higher scores for political freedom, press freedom and economic freedom as measured by the Heritage Foundation indicate less freedom the + and – for correlations with these factors have been reversed to obtain more consistency: positive correlations always indicate a positive effect on happiness and vice versa.

If we split the sample into rich and poor nations (see Table 4.2), we see that zero order correlations are high for economic and political freedom and

<table>
<thead>
<tr>
<th></th>
<th>Zero order</th>
<th>Controlled for wealth</th>
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<tbody>
<tr>
<td>Economic freedom (Fraser)</td>
<td>0.694**</td>
<td>0.5028**</td>
</tr>
<tr>
<td>Economic freedom (Heritage)</td>
<td>0.591**</td>
<td>0.3025</td>
</tr>
<tr>
<td>Political freedom</td>
<td>0.404**</td>
<td>0.0309</td>
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<tr>
<td>Freedom of the press</td>
<td>0.482**</td>
<td>0.0712</td>
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** = significant at 0.01%
* = significant at 0.05%