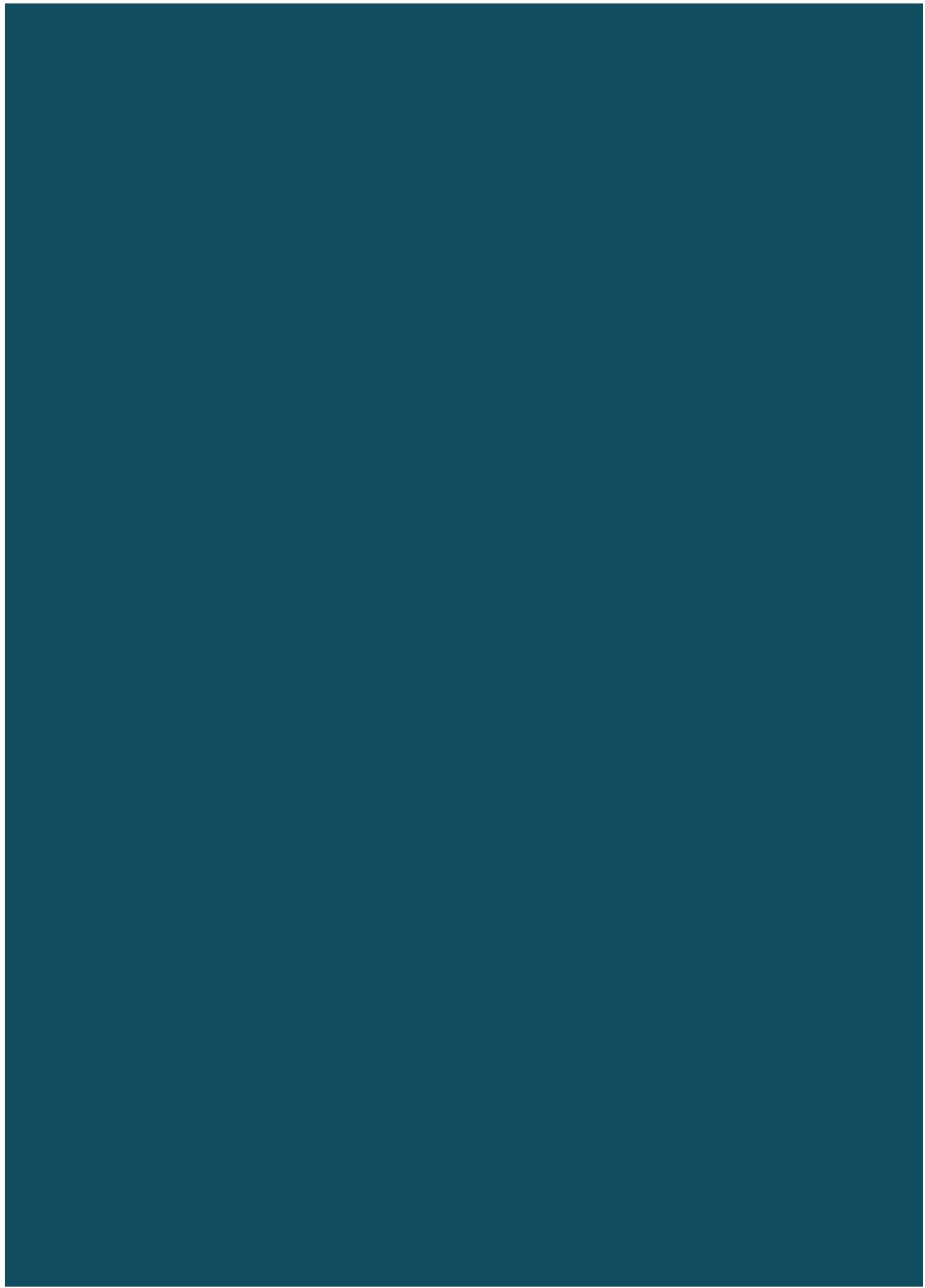


THE HAPPY DANES

Exploring the reasons behind
the high levels of happiness in Denmark







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the high levels of happiness in Denmark



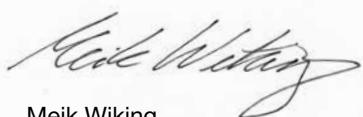
FOREWORD

Today, leaders from around the world are expressing an interest in why some societies are happier than others. At the same time countries are taking steps to measure their success as a society – not only from how much the economy grows – but also from how much their lives are improved, not only from standard of living, but from quality of life.

This is one of the consequences of the recent years' paradigm shift away from gross domestic product as the dominant indicator for progress. However, this idea is not new.

As Robert Kennedy pointed out more than forty years ago "the gross national product does not allow for the health of our children, the quality of their education, or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages; the intelligence of our public debate or the integrity of our public officials...it measures everything, in short, except that which makes life worthwhile."

Since Kennedy, an increasing body of evidence has shown that subjective well-being – or happiness – can be measured in national and international surveys and that they can inform policy making. The international surveys frequently name Denmark as the happiest country in the world and this has naturally prompted an increasing interest from happiness researchers. What are the reasons behind the high levels of happiness in Denmark? At the Happiness Research Institute we have tried to answer this question. We hope that this report will shed some light on the puzzle, and contribute to the discussion of how we may measure the progress of our societies and improve the quality of our lives.



Meik Wiking
Director
The Happiness Research Institute



EXPLORING DANISH HAPPINESS

We often hear that the Danes have been named the happiest people in the world, but what are the reasons for the high levels of happiness in Denmark?

Most of the Danes can't help but smile a little when they hear that Denmark is the happiest country in the world. They are well aware that Denmark was not first in line when sunshine was handed out, that the Danes have a high consumption of anti-depressants, and that sitting in traffic on a wet February morning they hardly look like the world's happiest people.

So, why is Denmark supposedly the world's happiest country? What are the reasons behind Denmark's regular top placement on international happiness surveys? And, come to that, how do you actually measure happiness?

These are the questions which we will attempt to answer in this report. The report is based on interviews with the world's leading happiness researchers; a comprehensive study of reports from international heavyweights such as the UN and OECD; and a massive survey in which around 10,000 Danes responded to questions about their happiness.

HAPPINESS ON THE GLOBAL AGENDA

The subject of happiness has risen high up the international agenda in recent years. In

2011, the UN adopted a resolution¹ calling for all countries to increase the happiness of their inhabitants and, the following year, the first UN conference on happiness was held, together with its first World Happiness Report.

Today, leaders from around the world are expressing an interest in why some societies are happier than others, and what we can learn from them about how to organise our societies better.

In Britain, Prime Minister David Cameron initiated a large-scale study of the happiness of the British². In the USA, the National Academy of Sciences established a panel to examine how happiness measurements can be used in the development of policy³. Meanwhile, countries such as the Netherlands⁴, Germany⁵, France⁶ and Japan⁷ have also taken steps towards incorporating happiness as a parameter for the measurement of progress.

In fact, these ideas are nothing new. Since the beginning of the 1970s, happiness has been used as a measurement for Bhutan's development, and the concept is now enshrined in the country's constitution⁸.

Happiness is... what exactly?

How do you measure something as intangible as happiness, and how do you define it?

Happiness research distinguishes between short-term and long-term happiness. Short-term happiness is something we experience in special situations where we are affected by strong positive emotions – such as when a student graduates, when an engagement ring is placed on someone's finger, or when you sign a dream job contract. These happy moments are also termed *peak experiences*. Artists and athletes in particular report experiencing being completely engulfed by what they are doing, to the extent that they forget themselves, the time and the space they are in. In the field of happiness research, experiences like these 'happy moments' are also referred to as *flow*¹².

Long-term happiness can be described as a deeper, fundamental satisfaction with life¹³ – a lasting sense that exists independently from momentary moods. Short-term and long-term happiness are two different phenomena and are experienced in two different parts of the brain, therefore it can be a little confusing that here in Denmark the same word – *lykke* (happiness) – is used to describe these two different types of happiness. In this report we are going to use the word 'happy' to describe the long-lasting form of happiness.

We also differentiate between *hedonic* happiness, where happiness is concerned with maximising pleasure and minimising pain and discomfort, and *eudaimonic* happiness, which is concerned with achieving meaning in one's life, finding one's place in the world and being part of something greater than oneself. We encounter hedonic happiness among the writings of philosophers such as the Greek, Epicurus, and Englishman, Jeremy Bentham, while Aristotle, among others, discusses eudaimonic happiness¹⁴. When happiness researchers attempt to capture these different perspectives on happiness they usually work with two main measurements: *evaluative* and *affective* measurements. *Evaluative* measurements can be based on questions such as, "How satisfied are you with your life as a whole?" or, "How happy are you overall?" Usually, respondents are asked to give their answer on a scale of, for example, 0 to 10. In this way they can give a comprehensive and cognitive evaluation of their lives, take a step back and assess their life. When we hear that Denmark is the happiest country in the world, it is because the Danes have registered the highest average scores in these kinds of surveys. *Affective* measurements attempt to a greater degree to quantify the happiness *feeling* in daily life, or even in the moment. In these types of surveys, individuals' experiences and moods are registered in diaries or apps over the course of time. In this way you can see, for example, that people are least happy while commuting¹⁵.

Both methods are used in international happiness surveys¹⁶, but the evaluative measurement is the most widely used. In English, the expression *subjective well-being* is used as a general term for both types of measurements. This emphasises that these are subjective assessments – a method of analysis which we know about from working with subjective assessments in other fields of psychology, such as stress or depression. Happiness research is based on the principle that the individual is the best judge of whether he or she is happy or unhappy.

HAPPINESS ON THE GLOBAL AGENDA



The **Seattle** Happiness Initiative, which sets out to analyse the happiness of Americans, was launched in 2010.

Denmark is often hailed as the world's happiest country, most recently in the World Happiness Report in 2013. The Happiness Research Institute was founded in Copenhagen the same year.

Today, countries and cities across the world are working with happiness. From Bhutan to Britain and from Seattle to Hong Kong, scientists and decision makers are exploring the causes of happiness, and seeking to create the best possible framework conditions for happy societies.



In Europe, countries such as **the Netherlands, Germany** and **France** are moving towards using happiness as a parameter for progress and incorporating happiness measurements in national statistics.

Great Britain implemented a large-scale study of British happiness in 2012.

In **Bristol**, the Happy City Initiative seeks to make Bristol a happier city through campaigns and events.

In 2011, the **UN** passed a resolution calling on countries to include happiness in their measurements of progress.

Both **China** and **Japan** are currently developing national polls of their respective populations' happiness levels.

Hong Kong has mapped its inhabitants' happiness in its Happiness Index since 2005. Since the beginning of the 1970s, **Bhutan** has navigated in terms of Gross Domestic Happiness instead of Gross National Product.

Thailand has a Gross Domestic Happiness Index, which publishes new figures on the population's happiness levels every month.

Mayors around the world are also increasingly concerned with happiness and creating environments which are more conducive to the happiness of their citizens. Seattle has launched The Seattle Area Happiness Initiative⁹, and since 2005 Hong Kong has measured its citizens' happiness in its Happiness Index¹⁰. In Denmark the Happiness Research Institute (Institut for Lykkeforskning), an independent think tank investigating why some societies are happier than others, is currently mapping the happiness of the residents of the town of Dragør and exploring what the local council can do to increase it.

Happiness is also a topic for discussion in the academic world. At universities such as UC Berkeley, Stanford and the London School of Economics, subjects such as 'Happiness Economics' and 'Happiness Studies' are now on the curriculum. Currently, the most popular course at Harvard University is on the subject of happiness¹¹.

Meanwhile, agenda-setting figures in the private sector are increasingly finding strategic knowledge and inspiration in happiness research. What is important for our customers' life quality? What constitutes a happy life – and a happy old age? These are the kinds of questions that Danica Pension, one of the largest pension providers in Denmark, is seeking to answer, and why it has partnered with the Happiness Research Institute to investigate the reasons why the Danes

are regularly named the world's happiest people.

HAPPINESS IN DENMARK

In recent years a variety of international media has written about happy Denmark. This is because Denmark often lies at the top of the international happiness surveys published by the likes of Gallup, the World Values Survey²² and the European Social Survey. According to John Helliwell, editor of the World Happiness Report and professor of economics at the University of British Columbia, this is because *"Denmark ranks at the top among all the factors that support happiness."*

Denmark has also been of interest to the World Database of Happiness, which gathers the results from different happiness surveys around the world, from Afghanistan to Yemen, from Austria to Australia. The database contains statistics from approximately 160 countries gathered over more than 40 years, thus we can also see how happiness levels in Denmark have evolved over time. Since 1973, when the first survey was made, there have been more than 60 surveys carried out in Denmark – some years saw several surveys carried out. From these we can see that happiness has remained at a stable and high level in Denmark for the last four decades.

If you ask Danes how happy or satisfied they are on a scale of 0 to 10 they will answer, on average, around 8. But is that good?

“ Broadly speaking, Denmark ranks highly in all factors that support happiness.”

John Helliwell, Professor of Economics, University of British Columbia and co-editor of the World Happiness Report

Happiness research

Both the political and academic worlds are interested in understanding why some societies are happier than others, which is why the increasing number of national and international happiness surveys are closely scrutinised by researchers and policy makers.

The OECD has begun to measure satisfaction with life among the populations of its member countries¹⁷, but the European Commission first measured satisfaction with life among Europeans as long ago as 1973¹⁸. Similarly, the American General Social Survey has surveyed the happiness of Americans for more than 40 years¹⁹. As well as the OECD and the General Social Survey, happiness has been the subject of research by the European Social Survey, World Values Survey and Gallup Poll, among others. The latter carried out happiness research in 160 countries. All of this means that, today, sociologists, economists, psychologists and other scientists can compare millions of responses from people all over the world, collected over several decades.

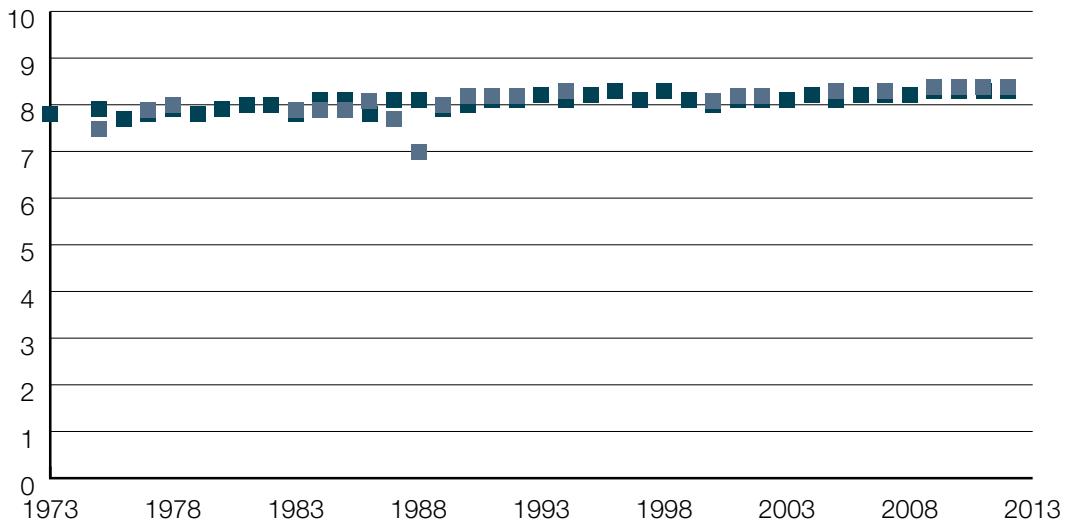
This enables happiness researchers to begin to identify the elements which are common to people who are happy. Thanks to the science of epidemiology, we are familiar with the factors that contribute to good health, such as diet, smoking, alcohol and exercise: in the same way happiness researchers ask the question, "What is important for happiness?", and these international happiness surveys allow researchers to identify patterns. Which conditions are common to the people who are happiest? Are they married? Do they have children? How much money do they earn?

However, the answers to these questions can only tell us whether there is convergence, and not whether there is a causal relationship (ie. that A causes B). Just because people with a higher income are generally more happy, does not necessarily mean that we become happier with a higher income. For example, it could also be that people who are happy are perceived as more successful and so find it easier to negotiate higher wages. Or, that there is an underlying cause which means that people are happy AND earn more - for example, they have an ability to solve problems²⁰.

Therefore, happiness researchers also use panel, or 'cohort', studies in which the same person is followed over a number of years. In countries such as England and Germany researchers have followed thousands of people – the same people – over several decades²¹. In this way, it is possible to study the impact of different events on happiness. Does one become happier by getting married and staying married? What is the cause, and what is the effect? What affects happiness the most? Unemployment or divorce – and for how long? All of this can be evaluated by happiness researchers using cohort studies.

Happiness levels in Denmark 1973-2012

HAPPINESS



On average, over the last 40 years happiness levels in Denmark have remained at a stable and high level, at around 8 on a scale of 0 to 10.

Source: Veenhoven, Ruut, Happiness in Denmark, World Database of Happiness, Erasmus University Rotterdam

Of course, everything is relative. The people who report the lowest happiness levels are found in countries such as Togo, Zimbabwe, Tanzania, Iraq, Rwanda, Burundi, The Central African Republic and Sierra Leone²³. Here, people report a happiness level of between 3 and 4. In the European surveys it is the people from former Communist countries who are the least satisfied with life. Among these countries the level is generally between 5 and 6.

Thus, Denmark lies on the high end of the scale, together with the other Nordic countries plus the Netherlands, Canada and Switzerland, all of whom usually score between 7.5 and 8. Denmark is often at the top of happiness ranking lists, which is why it generates

such interest among politicians, the media and researchers around the world.

Social scientists have begun to use the expression, "getting to Denmark"²⁴, when talking about successful modernisation, and happiness researchers are engaged in trying to understand what they call the "Danish Effect"²⁵.

A HAPPY COUNTRY – FOR SOME, BUT ONLY IN SOME CIRCUMSTANCES

It is wonderful to receive all this attention from international researchers, politicians and media, but before we hoist the Danish flag right to the top of the flagpole, it is important to be aware of a number of factors.

Denmark's placing on international happiness surveys

Number 2: World Database of Happiness (average 2000-2009)

Number 1: European Social Survey 2008

Number 1: World Happiness Report 2012

Number 1: Eurobarometer 2012

Number 5: OECD Your Better Life Index 2013

Number 1: World Happiness Report 2013





Denmark is the talk of the world

Headlines about the happy Danes have appeared in a wide range of international media in recent years.

- **BBC:** “What can the Danes teach us about happiness?” April 2007
- **Washington Post:** “Why are the Danes so happy?” August 2008
- **The Guardian:** “A taste of life in Denmark, the happiest country in the world.” July 2009
- **New York Times:** “... About once a year, some new study confirms Denmark's status as a happiness superpower...” July 2009
- **ABC News:** “Denmark: The happiest place on earth.” August 2009
- **Oprah.com:** “Why people in Denmark are so happy.” October 2009
- **Huffington Post:** “Denmark has taken the top spot on the United Nation's first ever World Happiness Report.” April 2012

“ All of the Nordic countries do well – and it is those things we have in common in the Nordics – among others the welfare system – which explains why we do well in the happiness rankings.”

Bent Greve, Professor at the Department of Society and Globalisation, University of Roskilde

Happiness surveys represent an average. Denmark ranks highly on world rankings of happiness, but that does not mean that we have no unhappy people in Denmark. Evidence of this can be seen in our high consumption of anti-depression medicines²⁷. Meanwhile, research shows that it can be especially hard to be unhappy in a happy society²⁸. If everyone around you thinks that the grass is green, one's own unhappiness can be exacerbated. Therefore, Denmark has an obligation to take extra care of those people who are not so happy and satisfied with their lives²⁹.

Equally, it should be emphasised that Denmark does not do well in all forms of happiness surveys. Denmark performs consistently well in evaluative measurements, in which people evaluate their lives as a whole, but less well in affective measurements, where they are asked about their feelings of happiness in everyday life.

Similarly, it should also be noted that Denmark is one of several countries which do well in happiness surveys. As previously mentioned, all the Nordic countries perform well in the surveys. The top five are usually made up of some or all of the Nordic countries, together with the Netherlands and Switzerland³⁰.

In fact, most of the rest of the Nordic countries perform better than Denmark in the most recent survey carried out by the OECD. Its Better Life Index calculates people's satisfaction with life on a 0 to 10 scale. In the first edition of the index, in 2012, the Danes reported a level of 7.8, but in the most recent edition, published in May 2013, the level had fallen to 7.5. As a consequence, Denmark also slipped from first place to fifth – overtaken by Switzerland, Norway, Sweden and Iceland³¹.

However, it is actually not all that interesting to discuss whether Denmark is in first or fifth place. It is more interesting to understand what all of the countries which do well have in common. What elements are shared by those societies which have happy populations? Understanding this will enable decision makers to make the best decisions in order to create a better framework for happy citizens.

Therefore, we should also try to understand why Denmark is named one of the world's happiest countries so often. Why does Denmark do so well in international happiness surveys? What are the reasons for the high level of Danish happiness? That will be the focus of the rest of this report.

HOW WE COMPILED THIS REPORT

This report is based on extensive interviews, research and data. To shed light on why Denmark does so well in international happiness surveys, we have conducted qualitative interviews with leading Danish and international happiness researchers including:

- Andrew Oswald, Professor of Economics, University of Warwick
- Angus Deaton, Professor of Economics, Princeton University
- Bent Greve, Professor at the Department of Society and Globalisation, Roskilde University
- Bruno S. Frey, Professor of Behavioural Science, University of Warwick
- Carol Graham, Professor, University of Maryland, and Senior Fellow, Brookings Institution
- Christian Bjørnskov, Professor in National Economics, Aarhus University
- Jan Brødslev Olsen, Lecturer at the Department of Sociology and Social Work, Aalborg University
- John Helliwell, Professor of Economics, University of British Columbia and Editor of the World Happiness Report
- Michael Norton, Associate Professor of Business Administration, Harvard Business School
- Peder J. Pedersen, Professor of Welfare Research, Aarhus University
- Richard A. Easterlin, Professor of Economics, University of Southern California
- Robert H. Frank, Professor of Economics, Johnson Cornell University
- Romina Boarini, Senior Economist, Head of Measuring Well-Being and Progress Section, Statistics Directorate, OECD
- Ruut Veenhoven, Professor Emeritus of Social Conditions of Human Happiness, Erasmus University Rotterdam and Director of World Database of Happiness

We have also conducted a review of the relevant literature in the field of happiness research. This includes reports from organisations such as the UN and OECD, as well as non-fiction books and research papers from universities around the world, including:

- World Happiness Report, Earth Institute, Columbia University, 2012
- How's life? Measuring Well-being, OECD, 2011
- International Differences in Well-being, Ed Diener, Daniel Kahneman, and John Helliwell, 2010
- The Danish Effect: Beginning to Explain High Well-being in Denmark, Edward Diener, Robert Biswas-Diener and Joar Vittersø, 2010
- A Happy Country? What is Required, and can the Welfare State Contribute? Bent Greve, 2010
- Happiness Around the World, Carol Graham, 2009
- The Happiness–Income Paradox Revisited, Richard A. Easterlin et al., 2010
- Measuring National Well-being, Office for National Statistics, 2011
- Happiness as an Aim in Public Policy – The Greatest Happiness Principle, Ruut Veenhoven, 2004
- Report by the Commission on the Measurement of Economic Performance and Social Progress, Joseph Stiglitz, Amartya Sen and Jean-Paul Fitoussi, 2009

This report is also based on thousands of responses from the Danes themselves. Since 2007, almost 10,000 Danes have replied to Danica Pension's happiness survey – their answers are used in this report. Similarly, we have also used data from international databases, including:

- World Database of Happiness
- European Social Survey
- OECDs Better Life Index

THE REASONS FOR THE DANES' HAPPINESS

Denmark is among the world's happiest countries. This is in part due to the existence of a strong civil society, a well-functioning democracy, a high degree of security, trust, freedom and prosperity, together with good working conditions that allow room for a balanced life.



TRUST

One of the main reasons that Denmark does so well in international happiness surveys is the high level of trust. The Danes trust each other, and that helps make life a little bit easier.



SECURITY

The Danish welfare state reduces uncertainty and concerns among the population. This has particular significance for those who are less well off, a segment of society which is happier in Denmark than in other wealthy countries.



WEALTH

Denmark's high level of prosperity is part of the explanation for the high level of happiness. Prosperous countries and people are generally happier than those that are less prosperous. But, who we compare ourselves to and what we use our wealth for are also key elements of our happiness.



FREEDOM

To be able to decide over one's life is essential for happiness. The Danes' freedom is enshrined in a number of rights and they experience a sense of being in control of their own lives.



WORK

Social relations, identity and meaning are among the benefits of work – in addition to wages. Therefore, work is important for happiness. Added to this is the fact that Danish workplaces are generally characterised by high levels of autonomy and job quality, both of which contribute to Danish happiness.



DEMOCRACY

Denmark has a well-developed democracy with a high level of political participation, good governance and a low level of corruption. This provides the opportunity to change society when needed, which is good for happiness.



CIVIL SOCIETY

Denmark is one of the countries with the greatest levels of social cohesion in the world. One reason is the high degree of participation in voluntary work. Both voluntary work and social relations are important for happiness.



BALANCE

The ability to be able to balance working life and family life are crucial for happiness. The Danes have time for a family life and leisure alongside their careers and enjoy high levels of flexibility in the workplace.

It is important to emphasise that the reasons that will be presented for Denmark's high levels of happiness over the following pages should not be construed as the only reasons. There are other factors which affect happiness which are not included here. Therefore, the list should not be regarded as the complete and definitive answer. Above all, this report should be seen as a platform for the ongoing debate about what makes for a happy society.



Self service fruit and vegetable stands like this one are common in rural Denmark. Danes trust each other to pay for the groceries they take. Similarly, Danes leave strollers with babies in outside shops and cafes in the fresh air while running errands. This makes life easier.

TRUST

One of the main reasons Denmark does so well in international happiness surveys is their high level of trust. They trust each other, and that helps to make life that bit easier.

There is one thing in particular that foreign visitors tend to marvel at when they visit Denmark: that Danish parents are happy to leave their children sleeping outside in their prams, in public. While mum and dad enjoy a cup of coffee indoors, little Max is allowed to sleep outside the café in his pram.

This is evidence of the trust that exists in Danish society. Three out of four Danes believe that they can trust most people. That is a world record. In global terms, only one out of four people believes they can trust most other people. The Danes trust each other. Not just their families and friends, but also the man on the street – people they don't know – and that contributes to making life easier and happier.

TRUSTING COUNTRIES ARE HAPPY COUNTRIES

Trust is considered by most happiness researchers to be one of the explanations as to why some countries are happier than others³².

The first World Happiness Report was presented at a UN conference on happiness in 2012. The report, which was created by the renowned Earth Institute at Columbia University, points to trust as one of the key reasons that some countries - such as Denmark - are happier than others. It is no coincidence that the happiest countries in the world also have a tendency to exhibit high levels of trust, the report concluded.

The correlation between trust and happiness is also evident when we compare a number of other countries. The figure on page 21 features 27 countries. Each dot represents a country. The horizontal axis relates to the countries' trust levels, while the vertical axis shows their happiness levels. Denmark has both the highest level of trust and of happiness, and is therefore located at the highest point and furthest to the right. In the lowest, left hand corner is Bulgaria, which scores bottom in both the happiness and trust levels of its people.

“In Denmark, we have an extremely high level of trust. That is one of the most important causes of our happiness.”

Christian Bjørnskov, Professor at the Department of Economics and Business, Aarhus University

TRUST MAKES LIFE EASIER

The question, of course, is whether this is just a coincidence, or there is a causal relationship between trust and happiness. Can trust be the reason for happiness? One perspective on this in a Danish context was given by an American journalist in Forbes Magazine³³. In 2011, Erika Andersen visited Denmark to investigate why Denmark always ranked so highly on international happiness surveys. During her visit she wanted to rent a horse, but the stable did not accept credit cards. The horse's owner nevertheless allowed Andersen to return with cash after her ride. The journalist was overwhelmed by this gesture of confidence and, for her, the conclusion was straightforward: We are very satisfied with life in Denmark because life is non-bureaucratic. The Danes are happy because of the high level of trust.

Trust helps to create a comfortable, convenient society, a society which eliminates the worries of day-to-day life. "Can I leave my child outside in a pram while I just pop into this shop for a moment?"; "Will my jacket

still be in the closet when I am finished at the restaurant?"; "Will the customer come back with the money he owes me when his credit card didn't work?"

But trust does not grow out of nothing. The Danes experience that people deserve their trust. A social experiment carried out in a number of cities in the USA and Europe serves as a good example. A wallet containing the equivalent of a daily wage was 'lost' on the streets of the respective cities, together with an ID or document that made it possible to contact the 'owner'. In only two countries were all the wallets returned to their owners with the money still in place: in Denmark and Norway. In the rest of Europe, a little over half of the wallets were returned with the money³⁴.

But happiness is not just being reunited with a lost wallet and its contents. What is really valuable is the joy of being able to trust one another, and the sense that our fellow human beings wish us well. This is one of the factors which makes Denmark happy.

Top 5

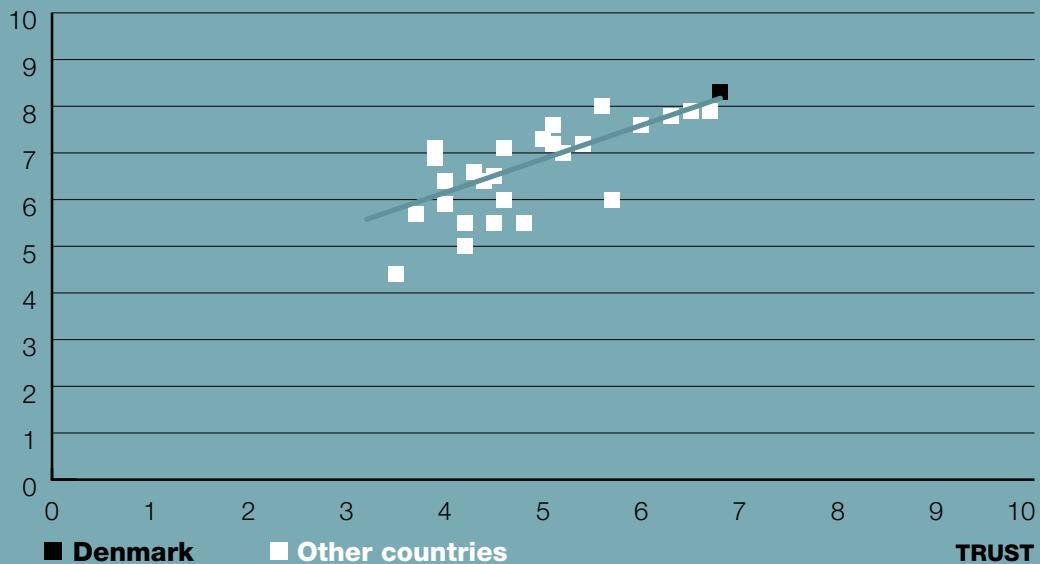
Trust

1. Denmark	2. Norway	3. Finland	4. Sweden	5. The Netherlands
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Source: European Social Survey 2010

Happiness and trust

HAPPINESS



There is a strong correlation between a country's trust level and its happiness. In the above figure each dot represents a country. The further to the right the dot, the greater is the trust level in that country. The further up, the happier. Denmark lies highest and the furthest to the right.

Source: European Social Survey and World Database of Happiness

In Denmark, unemployed, students and other disadvantaged receive monthly social benefits and cheap housing is allotted to students. These social benefits enable equal access to education and medical treatment. The picture shows one of the student residences, "Tietgenkollegiet", built in 2006 and winner of 2012 Royal Institute of British Architects European Award.



SECURITY

The Danish welfare state reduces uncertainty and fears among its population. This is particularly important for those who are less well off: they are happier in Denmark than in other prosperous countries.

Denmark is a safe country, not just because it is relatively safe to walk the streets at night, but also because the welfare state has reduced a significant amount of the uncertainty associated with illness, old age and unemployment.

Among other things, a sense of security is related to the absence of anxiety and angst. In Denmark people can get treatment at the hospital when they fall ill; receive economic assistance when they lose their job; and receive assistance when they grow old. This social security means that Danes can live a less anxious life and thus be happier day-to-day.

In this way Danish society has minimised a number of uncertainties for its people. Several happiness researchers, including Carol Graham, a professor at the University of Maryland

and senior fellow at the Brookings Institution, one of the USA's leading think-tanks, believe there is evidence of this in the various happiness surveys: *"The high level of social security matters. We can see in the US that people without health insurance are much less happy than those who have it. If you stand to lose everything if you get sick, you will not be happy."*

HAPPINESS EQUALITY

In 2009, three psychologists from the USA and Norway published a study explaining why the Danes were generally happier than the Americans. For Robert Biswas-Diener, Joar Vittersø and Ed Diener the answer was simple: "The key to understanding differences in the well-being of these two nations appears to lie in understanding the well-being of the poor.³⁵"

“The welfare state has an effect on our happiness. If we become sick, unemployed or old, we will still be all right.”

Bent Greve, Professor at the Department of Society and Globalisation, University of Roskilde

“

We actually see the less the social differences are, the higher is the average level of well-being in a country.”

Romina Boarini, Senior Economist, Head of Measuring Well-Being and Progress Section, Statistics Directorate at OECD

There was no great difference in happiness levels between the wealthiest Danes and the wealthiest Americans, but there was a big difference between the least wealthy in the USA and the least wealthy in Denmark. If you are affected by unemployment, for example, the Danish social security safety net is far more supportive than the American. That security results in the lowest income groups in Denmark being significantly happier than their American counterparts.

This means that Danes don't just have a high level of equality when it comes to income, but also when it comes to happiness. They have a high degree of happiness equality.

Romina Boarini, senior economist and head of Monitoring Well-being and Progress at the OECD, also sees a pattern in the OECD's data from the Better Life Index, which measures satisfaction with life – among other things – in 36 countries. The countries which perform best are often those that have the lowest levels of social inequality. When people experience significant and systematic differences in living conditions – for example, in housing and health – between social classes, genders and ethnic groups, it has a negative effect on their sense of happiness.

While there appears to be a correlation between social equality and happiness in society, there is also a debate about the extent to

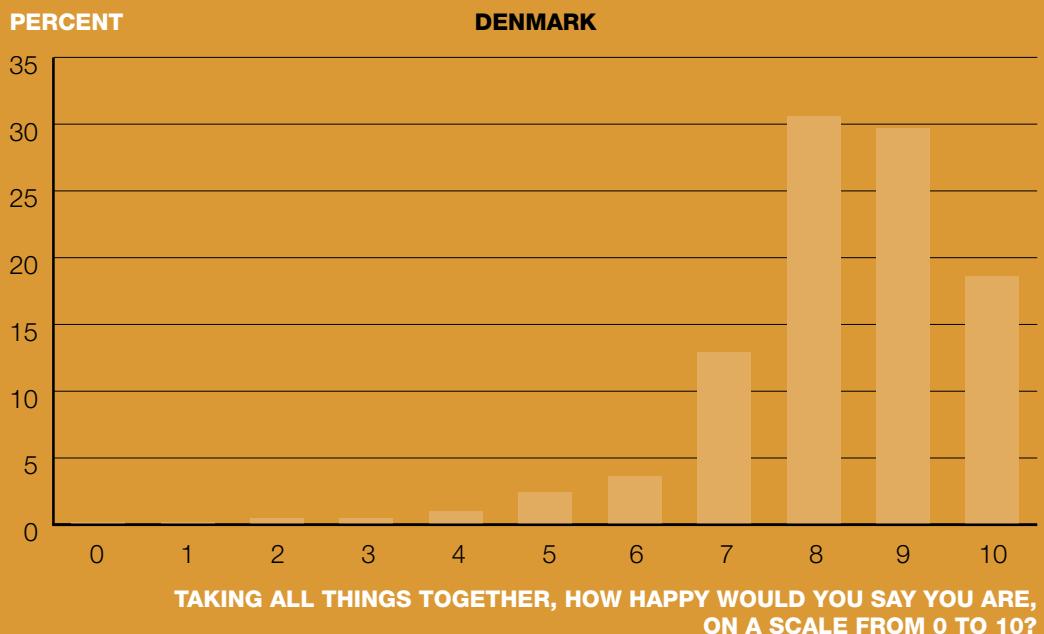
which economic equality is a prerequisite for happiness. On one side of the debate are both Danish³⁶ and international³⁷ researchers who argue that economic equality does *not* lead to greater happiness. On the other side there are also Danish³⁸ and international³⁹ researchers who argue that it *is* one of the main prerequisites for happiness. A third view acknowledges that there is conflicting evidence⁴⁰. There is also some debate about the net effect of a welfare state. The ability to reduce unhappiness is, of course, a move in the right direction but, equally, other research shows that a large public sector can have a negative effect on the happiness of a population⁴¹.

PREVENTING EXTREME UNHAPPINESS

According to the international happiness surveys, relatively few Danes report being unhappy. When Danes are asked how happy they are overall on a scale from 0 to 10, less than five per cent answer 5 or less. If you look at the less happy countries in Europe the corresponding figure is 50 per cent.

One of the explanations for Denmark's high average is, therefore, that the proportion of very unhappy people is relatively small in Denmark or, as Andrew Oswald, professor of economics at the University of Warwick, puts it: *“Denmark is good at preventing extreme unhappiness.”*

How happy are you?



Compared to other countries, there is a small spread in the Danes' happiness, and only a few who report being very unhappy. One reason for this is that Danish society creates a sense of security.

Source: European Social Survey, 2010

“There is greater equality in happiness in Denmark and Scandinavia. Mainly because the poorest groups are doing better than in other countries.”

Richard A. Easterlin, Professor of Economics, University of Southern California

WEALTH

Denmark's high level of prosperity is part of the explanation for its high levels of happiness. Prosperous countries and people are, generally, more happy than less prosperous. But who we compare ourselves to, and what we use our wealth for are also crucial for happiness.

We all know the expression, "Money can't buy you happiness", but when we look at the research, we can not avoid the conclusion that wealth does have an impact on happiness. Money is no guarantee for happiness, but a *lack* of money can easily lead to unhappiness.

RICH COUNTRIES ARE HAPPIER

It will probably come as no surprise to learn that rich countries are generally happier than poor ones⁴². This is evidenced by a number of countries' wealth levels, usually measured in Gross Domestic Product (GDP) per capita, and their happiness levels.

In the figure on the opposite page each dot represents a country. The further to the right the country is placed, the richer it is. Furthest to the right is Luxembourg. The higher a coun-

try is placed, the more satisfied its people are with life. The highest country is Denmark. If we compare these 40 countries we see that, in general, rich countries are happier than poor ones. Wealth is not the only cause of happiness, but it is significant. Despite the economic crisis and its low growth rates, Denmark is still among the world's richest countries, and that is one of the reasons for the Danes' high level of happiness.

WEALTHY PEOPLE ARE GENERALLY HAPPIER

Wealth doesn't just explain why some countries are happier than others, it also explains why some *people* are happier than others⁴³. The relationship between wealth and happiness is seen both at country- and individual level. Rich countries and rich people are generally happier. We see the same pattern among

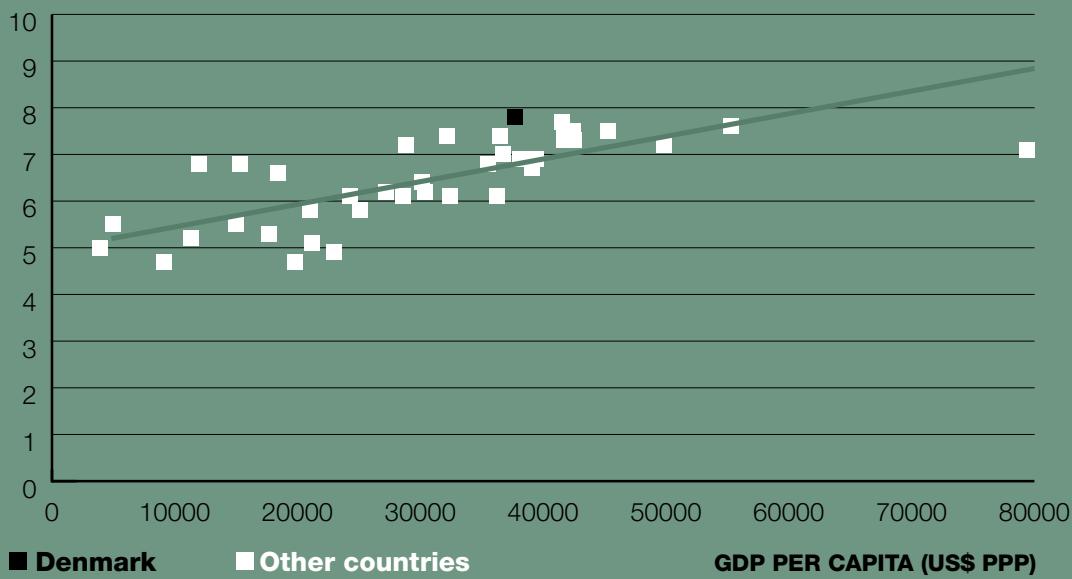


Denmark is a very, very rich country, and that is part of the explanation for the high levels of satisfaction with life."

Angus Deaton, Professor of Economics and International Affairs, Princeton University

Rich countries are happier than poor countries

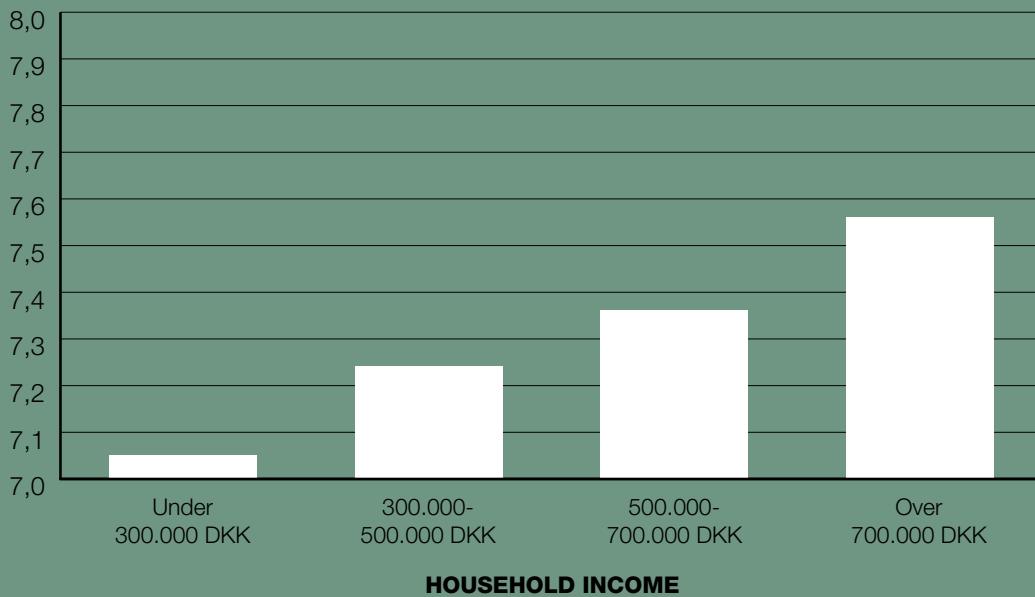
SATISFACTION WITH LIFE



Source: Gallup World Poll and CIA World Factbook

The greater the household income, the happier

HAPPINESS



People with higher household incomes are on average a bit happier.

Source: Danica Pension's happiness survey

Would you rather earn \$50,000 or \$100,000?

The answer is not as obvious as you might think, because it depends on the earnings of others. Where would you rather live: in a world in which you earn \$50,000 per year and the average income is \$25,000, or in a world in which you earn \$100,000 per year and the average income is \$200,000?

This question was first asked to a group of Harvard students in 1998. The majority of the students chose the first world, that is a world in which their *relative* income was higher, but their *absolute* income was lower. It is a result which has been replicated many times since⁴⁵.

The controversial Easterlin Paradox

In 1974, Richard Easterlin found himself with a paradox. On the one hand, rich countries and people were happier than poor, but on the other hand people did not become happier when their country became richer⁴⁷. Easterlin had been studying America: it had grown richer, yet its population had not grown happier. On the contrary. And the same phenomenon can be observed in a number of other countries. Different theories have been suggested for this. That the increased wealth was unevenly distributed; that the population adapted to the new level of prosperity; or that they focussed on relative income. This suggested that once a certain level of prosperity had been achieved, a country could no longer increase its happiness by increasing prosperity. The Easterlin Paradox has been much-debated and frequently disputed, most recently by the research pair of Stevenson and Wolfers who, in April 2013, showed that countries do not appear to reach a happiness saturation point, and so higher levels of prosperity *did* lead to higher levels of happiness⁴⁸.



Income always emerges as a factor explaining the variation in life satisfaction within a country – not the most important factor ... but an important one.”

World Happiness Report 2012

Danes. 10,000 people answered questions regarding their happiness and the size of their household income, and from those answers we can see that people with a higher household income are generally a little happier.

For every step up the household income ladder we see a corresponding increase in happiness. This picture is consistent with major international happiness surveys, such as the European Social Survey, in which 50,000 people were asked about their happiness and income. This survey also showed that there is a correlation between welfare and happiness. The greater the household income, the happier people reported themselves to be.

EVERYTHING IS RELATIVE

Happiness researchers suggest that it is the *relative* income – not the *absolute* income – that is important in a society such as Denmark. In other words, happiness is affected by what *others* have. Whether we like it or not, we are interested in our position in society. We compare ourselves with others. With neighbours. With in-laws. This can result in a stressful race for status which is not necessarily concerned with what we actually need, but rather the need to have more than our neighbours.

While both absolute and relative wealth is important for happiness, that does not mean that we can simply buy our way to happiness. We quickly get used to the new car, the new shirt, or the new kitchen. Once the new kitchen is in place, we soon begin to focus on the next project. The next step on the ladder. The next raise. This is what is termed the *hedonic treadmill*⁴⁶ by happiness researchers: a continuing striving for a higher level.

Michael Norton, a professor at the Harvard Business School, has researched which consumption patterns have the greatest impact on happiness. Instead of spending money on material possessions for oneself, he recommends that we use money to help others. By helping others, we strengthen our social relationships, which are also essential for happiness.

So, while wealth has a definite impact on happiness, what we use our wealth for is also important. Meanwhile, wealth is not the only factor which is important for happiness. There are countries which are *richer* than Denmark, but *less* happy.

“What we do with our money plays as important a role as how many money we make.”

Michael Norton, Associate Professor of Business Administration, Harvard Business School



The picture shows Our Lady's Church celebrating the World Outgames 2009 held in Copenhagen. Freedom and diversity are celebrated annually at the Copenhagen Gay Pride. More than 17,000 people participate in the parade through the streets of the centre of Copenhagen.



FREEDOM

To be able to decide over one's life is essential for happiness. The Danes' freedoms are enshrined in a number of laws, among other things, and they also experience being in control of their own lives.

"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..."

Thus begins the US Declaration of Independence from 1776. The link between freedom and happiness is, then, nothing new, but we mustn't forget the importance of the freedoms we enjoy. The ability to have control over one's own life is, in fact, essential for people's happiness. According to the World Happiness Report 2012, happiness is a result of "the ability of people to shape their own lives, and this requires a solid level of freedom."

The relationship between freedom and happiness has been studied by Ruut Veenhoven, Professor Emeritus in Social Conditions for Human Happiness at Erasmus University, Rotterdam. Veenhoven is also the editor of

the Journal of Happiness Studies and director of the World Database of Happiness. He is regarded internationally as a pioneer in happiness research and one of the world's leading happiness researchers. Veenhoven believes that it is possible – and should be a priority of the state – to create a happier society⁴⁹. One of the ways is to ensure freedom, so that people have the opportunity to choose the life that suits them best⁵⁰.

DANISH FREEDOMS

The Danes' freedom is enshrined in the Constitution. No Danish citizen can be imprisoned because of their political or religious beliefs, or background. In other words, personal liberty is inviolable. The same goes for homes and property. The police can not just enter homes, and no one has the right to take property away from people. This seems obvious, but it is unfortunately a far from universal right.

“It is actually quite simple. Happiness is especially about the perception of personal freedom and Denmark scores extremely high on this indicator.”

Christian Bjørnskov, Professor at the Department of Economics and Business, Aarhus University

In Denmark the people can form a group or association without asking anyone for permission beforehand; they may gather and demonstrate in public against things they are opposed to; and Danes are assured freedom of speech. People have the right to say what they want in speech and in print, although they must also take responsibility for these statements⁵¹.

Freedom ensures that opportunities are not limited on the grounds of a person's race, sexuality or gender. In Denmark most people experience that they are able to control the course of their life. They have the opportunity to take an education irrespective of their parents' income; they are able to marry whomever they want (as long as the other part says yes), regardless of gender; They can speak

freely, travel freely and think freely. All of this helps to make Denmark happy, for as the World Happiness Report 2012 puts it: "No people can be truly happy if they do not feel that they are choosing the course of their own life."

MASTER OF ONE'S OWN HAPPINESS?

Freedom has a positive impact on happiness – but it also has a dark side. A society where there is free choice at every turn and all options are open can seem overwhelming and frightening. This is because the possibility of making the wrong choice is that much greater, and the responsibility is more on the individual to achieve happiness. This generates anxieties about making the wrong decisions which can have a negative effect on happiness⁵². This phenomenon is known as *choice anxiety* or *FOMO – fear of missing out*.

“ No people can be truly happy if they do not feel that they are choosing the course of their own life.”

World Happiness Report 2012

Top 10

Economic freedom

1. Hong Kong

2. Singapore

3. Australia

4. New Zealand

5. Switzerland

6. Canada

7. Chile

8. Mauritius

9. Denmark

10. USA

Press freedom

1. Finland

2. The Netherlands

3. Norway

4. Luxembourg

5. Andorra

6. Denmark

7. Liechtenstein

8. New Zealand

9. Iceland

10. Sweden

Source: Index of Economic Freedom
2013

Source: Press Freedom Index 2013



Flexibility is a keyword for Danes in their working life. A large number of people are able to plan their own work in order to accommodate family life. This enables Danes to pursue a career as well as a fulfilling family life.

WORK

Social relations, identity and meaning are among the benefits of work beyond wages, which is why work is important for happiness. As well as this, Danish workplaces tend to be characterised by high autonomy and job quality – which also contribute to Danish happiness.

Through work we create value for each other and for ourselves. We build bridges, develop new products, teach, clean, deliver goods, look after children, optimise processes and tend the sick. Work comes in many forms and is the single activity on which we spend the most time. In Denmark, on average, people work 1,522 hours per year⁵³. Work is a large and important part of our life and identity, and as such is important in terms of our happiness.

The dream of an easy, work-free life is seductive. If you are standing and waiting for a bus packed with other commuters on a cold and blustery February morning, a week's holiday in the Bahamas might appear the epitome of happiness. That first day lying on the sun-lounger on the beach will probably also be quite heavenly. But what about day number 241?

UNEMPLOYMENT HAS A MAJOR IMPACT ON HAPPINESS

Unemployment can cause stress, loneliness and depression⁵⁷. Therefore, it is hardly surprising that international happiness research shows that unemployment is one of the worst things that happen to one's happiness. Regardless of nationality, unemployed people are less happy than people with work, even taking into account the effect of income. The loss of social relationships in the workplace, the loss of self respect and the change in the structure of daily life – all affect happiness. Even those who are in work have been shown to be less happy during times of high unemployment simply out of fear of becoming unemployed.

“Unemployment is one of the worst things that can happen to happiness.”

Bruno S. Frey, Professor of Behavioural Science, University of Warwick

What if you won...

Luke Pittard worked flipping burgers at McDonald's in Cardiff, Wales, but in 2006 for him the dream of many came true. He won the lottery. With around a million pounds in his pocket, he quit his job at McDonald's, held a lavish wedding, bought a new house and embarked on a honeymoon to the Canary Islands.

Half a year later, Luke asked for his old job back, even though his weekly pay cheque was less than the interest on his lottery win. But Luke missed his colleagues and his old job. *"I loved working at McDonald's before I became a millionaire, and I am really glad to be back,"* Luke told the Daily Mail in 2008⁵⁴. *"There is a limit to how much one can relax."*

"... so, what do you do?"

We work to put food on the table, but money isn't the only benefit of having a job. Along with the wage there are several other advantages to working which are important for happiness. Our work is an element of our identity, it gives us social contact with colleagues, and it also gives us a sense of purpose, something to get up for in the morning⁵⁵. In other words, the sense that we have an aim and a community via our work has a positive impact on happiness.

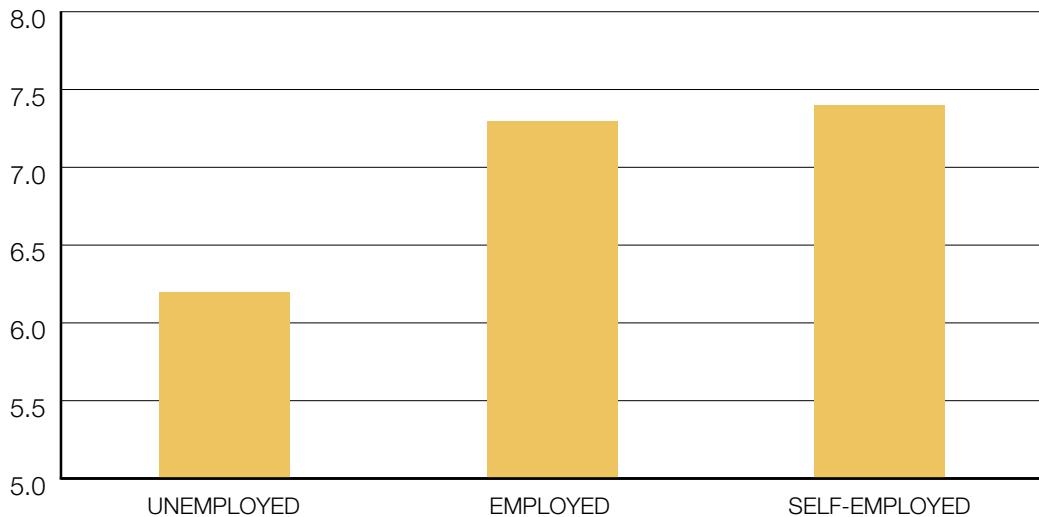
That is why many Danes say that they will continue with their work even if they were to become economically independent⁵⁶. In the happiness surveys we can see there is also a significant difference between the unemployed and those who have work.

“ 7 out of 10 Danes would continue to enjoy their current work even if they became economically independent.

Source: European Social Survey 2010

Unemployment affects happiness

HAPPINESS



Generally, the unemployed are less happy than those in work. This is perhaps unsurprising, but the effect is significant. Many happiness researchers believe that to lose one's job is one of the worst things that can happen to a person.

Source: Danica Pension's happiness survey

Denmark is still dealing with the economic crisis, and many Danes are still fighting to find a job. According to the EU statistics office, Eurostat, unemployment in Denmark is currently around 7 per cent, but there are far worse off places in the EU, where the average unemployment figure is 11 per cent. In countries such as Spain and Greece,

unemployment is as high as 25 per cent and youth unemployment is around 60 per cent. If Danish unemployment was at European levels, it would have a negative impact on Denmark's happiness level. However, this also means that there is, of course, the possibility of improving happiness levels among the population by getting more people into work.

“You start to redefine people's expectation on how happy we could be in all areas of life. People are redefining the work place. Previously we thought work was hell and leisure was great. That is just silly. Work can – and should be – a source of happiness. If workplaces are designed right.”

John Helliwell, Professor of Economics, University of British Columbia and co-editor of the World Happiness Report

THE DANES ARE HAPPY WITH THEIR WORK

A job means a great deal for happiness, but of course the quality of the job also has meaning and, in general, the Danes are happy with their work. They find the work they are given exciting, and can see the purpose behind it both in terms of their tasks and their employer's aims.

Several studies indicate that the Danes thrive in their workplaces. For example, the European Foundation for the Improvement of Living and Working Conditions examined job satisfaction in 33 European countries⁶⁰. The study was based on a number of questions to employees, asked in four categories: wages, working hours, job content and future prospects. Denmark ranked in the top four in all categories. Danes were fourth in terms of wages, and second in terms of future prospects and working hours. When it came to the quality of the job itself, Denmark was number one. A high degree of trust between management and employees is also one of the reasons for

the Danes' high satisfaction with their work⁶¹. The management trust that the employees will do their work properly, and so allows them to have a greater degree of influence over how their work is organised and carried out. This is why Danish employees experience a high degree of autonomy in the workplace. They feel that they have influence over their work. A high degree of autonomy is also one of the reasons why the self-employed are generally happier than wage-earners⁶².

Even though, in general, there is a large degree of autonomy in Danish workplaces, there is still a great difference in the amount of freedom different employees experience. As a rule, the higher a person's education level and wages are, the greater freedom they enjoy at work. At the same time, there is generally less autonomy for employees in the public sector than there is in the private sector⁶³. One of the explanations for the high level of job satisfaction in Denmark is the country's flexible labour market. It is relatively easy to change jobs,

“Satisfaction is shown to be strongly correlated with not only pay at work, but also measures of job security, autonomy, workplace trust, independence and so on.”

World Happiness Report 2012

which means that there is less pressure to get a job to which you are not suited. In many other countries employees are more tied to their jobs, which means that they are more likely to put up with a job they are less satisfied with. The Danish flexicurity-model enables employers to hire and fire faster, while the high social benefits makes loosing a job less of a calamity. This is why, according to several international happiness researchers, other countries should copy the Danish model.

At Harvard Business School, a group of researchers have studied the link between happiness and the workplace. The working days that are associated with the greatest levels of happiness are those during which we feel that we are making progress⁶⁴, that we achieve something and create results. Make a difference. Regardless of whether it is a small step forward – it has a major impact on happiness.

Top 5

Europe's highest job quality

1. Denmark	2. The Netherlands	3. Latvia	4. Malta	5. Norway
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Source: Eurofund, Trends in Job Quality in Europe, 2012

Job quality encompasses an assessment of the possibilities for further training, the physical and social working environment, and work intensity.

87.7%

Voter turnout in the latest election



Every year in June, politicians, journalists, NGOs and the public meet on the Danish island of Bornholm in the Baltic Sea for Folkemødet ("The People's Meeting"). The political festival goes on for three straight days and enables the public to get close to the politicians.

DEMOCRACY

Denmark has a well-developed democracy with a high level of political participation, good governance, and a low level of corruption. This makes it possible to influence society, which is good for happiness.

The sense of being in control of one's own life is beneficial for happiness. Therefore, it is perhaps not surprising that being able to decide the kind of society we live in also promotes happiness. Happiness research suggests that people who live in countries with well-developed democratic institutions are generally more satisfied with life⁶⁵. Denmark has a well-functioning democracy, and the people have high levels of trust in their political institutions and politicians compared to other countries⁶⁶. That is why election turnouts in Denmark are among the highest in the world. Almost 88 per cent of the electorate voted in the last election.

NO TO CORRUPTION – YES TO QUALITY AND DECENTRALISATION

Bruno S. Frey is a professor at the University of Warwick who, among other subjects, has researched the link between happiness and democracy. He believes that democratic institutions raise people's happiness significantly.

But democratic institutions are not enough in themselves, their quality is also important. The quality of governance helps explain the large differences in happiness internationally. A non-corrupt and effective political system promotes happiness⁶⁷. If our ability to get our case handled by the local authorities is dependent on who we know, or the size of our wallet, it has an impact on our happiness.

Top 5

Trust in politicians

1. The Netherlands	2. Denmark	3. Switzerland	4. Sweden	5. Norway
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Source: European Social Survey, 2010

Meanwhile, it is also clear that the greater trust the population has in institutions such as the UN, the EU and their country's government, the happier the population is in general⁶⁸. Denmark is the least corrupt country in the world, and that helps to strengthen the trust in the political system and raise the level of happiness.

It has also been shown that decentralisation and direct democracy have a positive effect on happiness⁶⁹. Though only a few decisions – such as major EU issues – are made via referendum, political power in Denmark is still relatively decentralised.

A fundamental principle of Danish democracy is local government based on solving problems as close to the citizens as possible. This municipal autonomy means that problems are solved locally to a greater degree than in other countries - issues such as how

many kindergartens there should be, for instance, or how often the elderly can be offered a cleaning service.

In 2012, the World Bank published the report *"How Close Is Your Government to Its People?"*, which examined the degree of decentralisation in 182 countries. Among other factors, the World Bank assessed the size of local government spending relative to the overall national expenditure as an indicator of decentralisation – in other words, how great a proportion of the national budget is decided over by local government. The report highlights Denmark as one of the countries in which the municipal share is the largest.

Local government and municipal elections mean that citizens have a large influence on the decisions that impact upon their local environment and daily lives, and this helps to raise happiness in Denmark.

“ Good governance signifies the ability of people to help shape their own lives and to reap the happiness that comes with political participation and freedom.”

World Happiness Report 2012

Top 10

The world's ten least corrupt countries

1. Denmark

2. Finland

3. New Zealand

4. Sweden

5. Singapore

6. Switzerland

7. Australia

8. Norway

9. Canada

10. The Netherlands

Source: Transparency International,
Corruption Perception Index, 2012

CIVIL SOCIETY

Denmark has among the highest level of social cohesion in the world. Among other reasons, this is because of the high degree of participation in voluntary work. Both voluntary work and social relations are important for happiness.

There is broad agreement among happiness researchers that social relations are essential for people's happiness⁷¹. Closeness to family and friends, good neighbourly relations, participation in football – or stamp collecting clubs – all these things are good for happiness.

We are social creatures, and the importance of this is clearly seen when one compares people's social relations with their satisfaction with life. It is important to emphasise that this is not just a matter of having 500 friends on Facebook. The most important social relationships are close relationships in which you experience things together with others, and experience being understood; where you share thoughts and feelings, and both give and receive support. Thus, we also see that, generally, people who are married are happier than those who are single.

Data from Danica Pension's happiness survey shows a significant correlation between happiness and social relationships. The more satisfied we are with our relationships, the happier we are. The people who are least satisfied with their relationships, are the least happy, with an average of 4.5 out of 10. Meanwhile, the people who are most satisfied with their relationships, are also the happiest, with an average of 8.4 – a difference of almost 4 points. By comparison, the difference in happiness levels between the lowest and highest household income was just 0.5.

The importance of relationships compared to income can also be observed by looking at the people with the *highest* household income who are very unsatisfied with their social relationships – the happiness level here is 4.8.

“While basic living standards are essential for happiness, after the baseline has been met happiness varies more with quality of human relationships than income.”

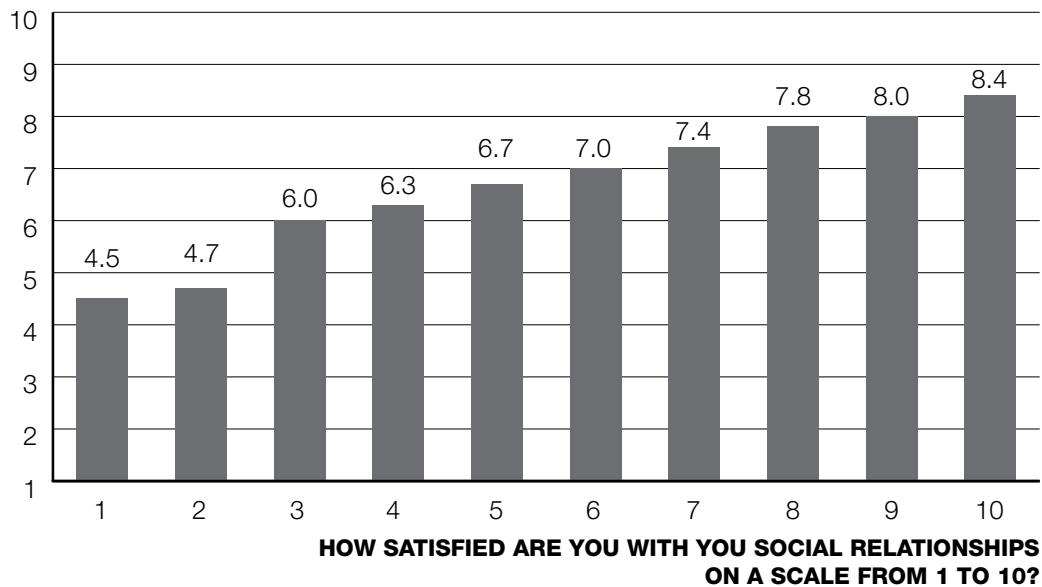
World Happiness Report 2012

During the summer, Danes love to spend time outside. The green spaces of Copenhagen are used for both leisure and work. An urban oasis like the Copenhagen Harbour Bath also facilitates community activities and improves social cohesion.



Social relations are important for a sense of happiness

HOW HAPPY ARE YOU?



There is strong correlation between social relationships and happiness. The more satisfied we are with our relationships, the happier we are.

Source: Danica Pension's happiness survey

Whenever we become more satisfied with our social relationships, our happiness increases. We often choose to invest our time in achieving a higher income because we expect it will bring greater happiness, but sometimes that time might be better invested in our social relationships.

BOWLING TOGETHER

The notion of the importance of social relations for society is not new. More than ten years ago the Harvard professor and political scientist, Robert Putnam, broke through with his book *"Bowling Alone"*, about the decline of American civil society. In brief, Putnam's diag-

nosis was that Americans were engaging less and less in their communities and this was damaging the cohesion of American society as a whole. Americans are now far less likely to participate in voluntary work, go to church, know their neighbours, invite friends home, go on holiday together, go to bars, join unions or just spend time hanging out with friends⁷².

According to the European Social Survey, 60 per cent of Europeans socialised with friends, family or colleagues a minimum of once a week during 2010. The corresponding average in Denmark is 78 per cent.

Top 10

Social-capital index

1. Norway

2. Denmark

3. Australia

4. New Zealand

5. Finland

6. The Netherlands

7. Ireland

8. Canada

9. Sweden

10. USA

Norway, Denmark and Australia top the list of social capital, which is calculated on the level of social cohesion and engagement with society and family – including the degree of voluntary work, propensity to help strangers, trust and charity. It is one of the reasons that all three countries are doing well in international happiness surveys.

Source: Legatum Prosperity Index, 2012

The Danes engage in varying degrees of formal or informal networks, and participate in voluntary work, and these social relationships help make Denmark happy.

BE A HAPPY VOLUNTEER

Birgitte is a girl guide leader; Henrik is a football trainer; and Fatima gives after-school lessons – together with almost two million other Danes, they are involved in voluntary work. This is an European record. In fact, together with the Finns and the Swedes, the Danes are the Europeans who do most voluntary work⁷³.

There is a saying in Denmark, that when three Danes meet, they form a club. Today there are over 100,000 voluntary organisations or associations in Denmark⁷⁴, but voluntary work also occurs beyond these formal frameworks. Civil society is that part of society which exists

outside of the state and the market, and it has a major importance for happiness – both for individual Danes, and for Danish society as a whole.

The work carried out by the voluntary sector is equivalent to a value of 18 billion Euro - or put another way, around 10 per cent of Danish GDP⁷⁵. But its value goes way beyond the financial. International happiness researchers suggest that there is a link between happiness and voluntary work. People who work as volunteers are generally happier⁷⁶. The relationship seems to work both ways: happy people often choose to do voluntary work, while their voluntary work increases their sense of happiness. One of the conclusions is that voluntary work strengthens social relationships⁷⁷, which are essential to people's happiness.

“There is a strong link between happiness and volunteering. At an individual and a society level.”

Ruut Veenhoven, Professor of Social Conditions for Human Happiness,
Erasmus Universiteit Rotterdam and Director of the World Database of Happiness

Top 5

Voluntary work in Europe

1. Denmark	2. Finland	3. Sweden	4. Austria	5. The Netherlands
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Source: European Quality of Life Survey, Participation in Volunteering and Unpaid Work, 2011





Denmark is one of the countries in the world where people have the fewest working hours. Children are picked up from school around 16 – often in one the Danes' favorite means of transportation, the Christiania Bike.

BALANCE BETWEEN WORK AND LEISURE

The Danes have time for family and leisure alongside their careers, and they enjoy a large degree of flexibility in the workplace. The ability to balance work and family life is essential for happiness.

"We were not surprised to read last week that the Danes topped the UN's first World Happiness Report," writes Cathy Strongman in an article headed, "*Copenhagen really is wonderful – for so many reasons*", in the English newspaper, The Guardian, in April 2012.

Strongman explains that, since she and her family moved from London to Copenhagen three years earlier "our quality of life has skyrocketed and our once staunch London loyalism has been replaced by an almost embarrassing enthusiasm for everything 'Dansk' (Danish)." The reason is a better balance between their working life and free time.

When the family lived in London, Strongman's husband, Duncan, usually left his office around nine in the evening. These days, he leaves his desk at five o'clock in the afternoon. "The idea is that families have time to play and eat together at the end of the day,

every day," she writes. "And it works. Duncan bathes and puts our 14-month-old daughter, Liv, to bed most nights. They are best buddies as opposed to strangers who try to reacquaint at the weekend.⁷⁸"

WORLD-CLASS BALANCE

There is some evidence that Strongman is right in her assumption about the connection between happiness and a good work-life balance. According to the World Happiness Report 2012, happy people live relatively balanced lives.

The Danes work on average 1,522 hours per year. In comparison, the OECD average is 1,776 hours. Only 2 per cent of people work many hours (defined by the OECD as over 50 hours per week), while in other OECD countries that proportion is 9 per cent⁷⁹. Employees have five weeks paid holiday, and the right to take time off on their children's first day of illness.

“Happy people live relatively balanced lives.”

World Happiness Report 2012

A good balance between work and leisure also means that there is flexibility in how and where work is carried out. It can be difficult to finish everything that needs to be done at the office before little Max has to be picked up from the kindergarten. According to Statistics Denmark, every fourth employee controls his or her working hours and is not required to be at work at a particular time. Meanwhile, 17 per cent of all wage earners carry out a proportion of work at home.

Flexible working hours and working from home can, therefore, contribute to making daily life flow more easily – especially when the washing machine is being delivered between 10am and 4pm. This is part of the explanation for why a relatively small proportion of Danes experience stress and anger in their everyday lives, which helps to increase happiness levels in Denmark.

DID YOU EXPERIENCE ANY OF THE FOLLOWING YESTERDAY?

Share in per cent	Denmark's ranking
Stress	21
Anger	13

Source: Gallup World Poll 2013

The importance of achieving a balance between work and leisure should not be interpre-

ted as work being a negative force in terms of happiness. A meaningful job is a natural part of a good life for many⁸⁰. But family, friends and health are also important elements in a happy life. Often we choose more work at the cost of time spent with friends and family, and in some cases at a cost to our health.

Economist Bruno Frey believes that we find it difficult to predict our future happiness: *"We tend to get it wrong when we think about our future happiness. We systematically overestimate how happy material goods will make us and systematically underestimate how happy we will be from immaterial goods such as improved personal relationships. The work life balance might be skewed due to this error."*

Thus, one should carefully consider whether a job that pays a little more but is much further away from home is worth the extra money.

SHORT DISTANCE TO WORK

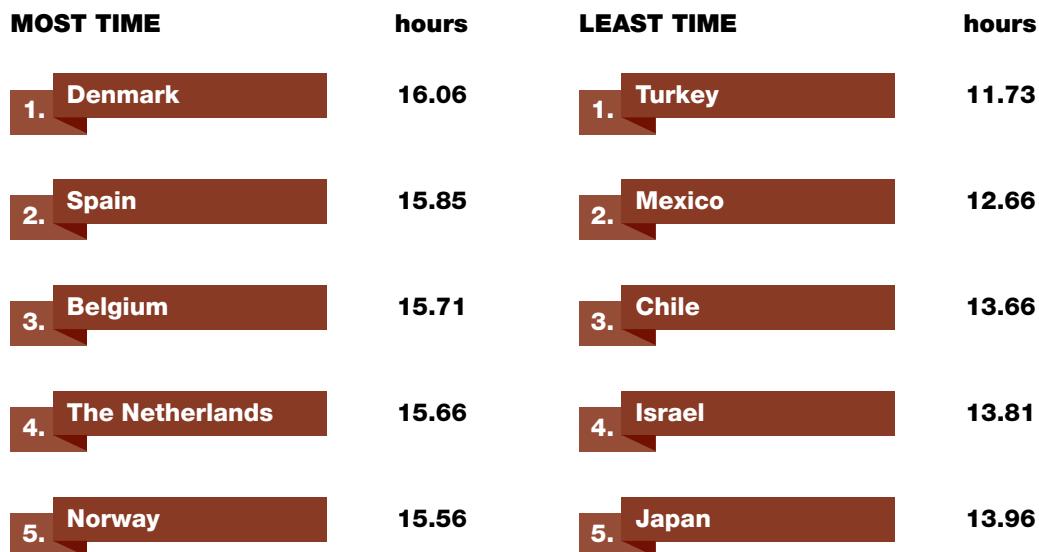
In 2003, a group of researchers lead by Nobel prize-winner, Daniel Kahneman, attempted to find out which daily activities were linked to happiness. In the study, almost 1,000 Texan women were asked to note what they had done the day before in some detail along with which feelings these activities aroused. Among the activities the women noted as

“ Does money buy happiness? In general no, if we just buy bigger houses and bigger cars. But if we use our wealth to buy freedom from a long a long commute or a stressful work, it paints a very different picture.”

Robert H. Frank, Professor of Economics, Johnson Cornell University

Top 5

Leisure time per day



The OECD calculated the number of hours of free time and leisure, including sleep, in 36 countries. The Danes have almost one-and-a-half hours more to themselves than the average. The Turks must suffice with the least time to themselves – five hours less than the Danes.

Source: OECD Better Life Index 2013

being their least and second least favourites were commuting to and from work⁸¹.

Denmark is among the countries with the shortest average commuting times⁸². This means that during their daily lives Danes can spend time on those things which have a more positive effect on their happiness, such as being with friends and family.

DANISH WORKERS HAVE SHORT COMMUTING TIMES

Minutes per day

Denmark	27
OECD-average	38

Source: OECD, How's Life? Measuring Well-being, 2011



“ Physical health may improve happiness, while happiness improves physical health.”

World Happiness Report 2012

A HAPPIER DENMARK?

The Danes are lagging behind in terms of their health, and that has an impact on happiness. But happiness can be used to leverage efforts to improve things, and Denmark has the opportunity to put itself at the forefront of improving the model of what makes a happy society.

Denmark is among the world's happiest countries. A strong civil society and democracy; high degrees of security, trust, freedom and prosperity, together with good working conditions with space for a life in balance, contribute to the creation of a happy society. Or, as Carol Graham, a professor at the University of Maryland and senior fellow at the Brookings Institute - one of the US's leading think-tanks – puts it: *"You have a national standard of living that most countries couldn't even dream of having – and I think that you are maybe able to appreciate what you have."*

But there are other areas which affect happiness where Denmark is not doing so well and, so, there is potential that Denmark could be happier still.

HEALTHY HAPPINESS

According to the actress, Ingrid Bergman, happiness was "good health and a bad memory," and there might actually be something to that, at least with regard to health, because happiness and health do appear to go hand in

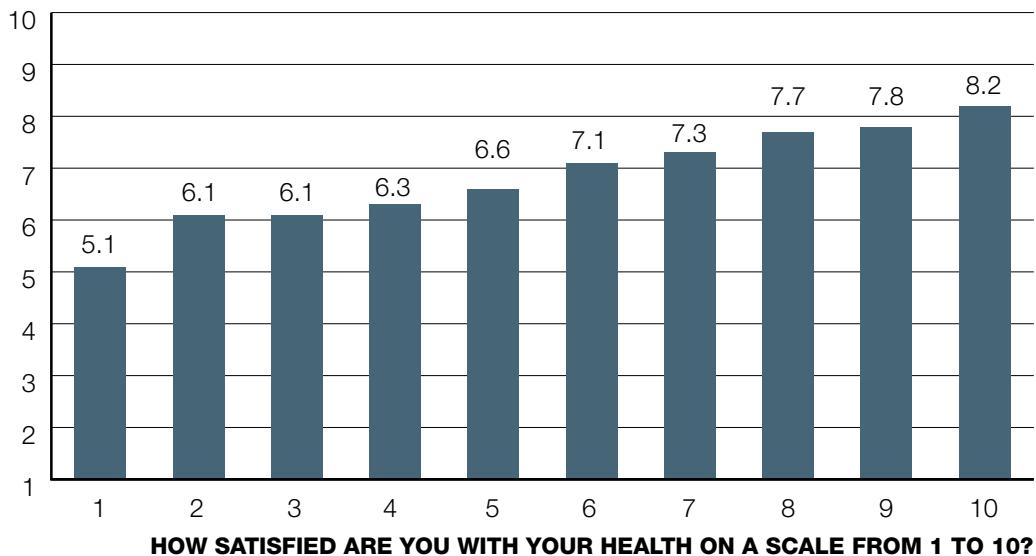
hand. The more satisfied people are with their health, the happier they are.

But, are happier people healthier, or are healthier people happier? Do we go for a run in the forest because we are happy, or is a run in the forest a reason for our increased happiness? Which is cause, and which is effect? Today, more researchers believe there is a mutual influence. Our happiness affects our health - and our health affects our happiness⁸³.

Ruut Veenhoven, professor emeritus in Social Conditions for Human Happiness at Erasmus University in Rotterdam, has collated 30 studies about the link between health and happiness. His study concluded that levels of happiness do *not* predict anything in terms of the life expectancy of the sick. But happiness *can* predict something about the life expectancy among the healthy. Happier people live longer. The impact of happiness on our health is significant. The scale of the effect on health of happiness corresponds to the effect of being a non-smoker compared to a smoker⁸⁴.

Happiness and health go hand in hand

HOW HAPPY ARE YOU ON A SCALE FROM 1 TO 10?



Among the 10,000 Danes who responded to questions regarding happiness and health, there is a clear correlation between the two.

Source: Danica Pension's happiness survey

As Denmark is often ranked among the happiest countries in the world, one would assume that we are also among the healthiest but this is far from the truth. A high consumption of alcohol and cigarettes combined with poor diets and lack of exercise mean that Denmark performs particularly poorly in terms of health. Very badly, in fact.

Among the 36 countries included in the OECD's report on life expectancy, Denmark lies in a lowly 25th place. We live a little longer than Americans, and a little less than Slovaks. On average, 79.9 years. In one study exclusively focussed on Western economies carried out by British medical journal, The Lancet, Denmark is 18th out of 19 countries when it comes to life expectancy⁸⁵. Virtually at

the bottom, also in terms of expected healthy years of life.

HAPPINESS AS LEVERAGE FOR PREVENTATIVE MEASURES

In recent years Denmark has focussed more on preventative measures. The Danish Health and Medicines Authority has developed a number of prevention packages for local authorities; and the government is prioritising preventative measures both nationally and locally.

The individual has responsibility for their own life and for taking the right decisions, but society has a responsibility to help them choose a healthy lifestyle because the healthy decision isn't always the easiest one.

Therefore, the happiness agenda should be used to bring more attention to the health agenda. If a healthy old age in 40 years time is not motivation enough to go jogging today, maybe greater happiness in the shorter term will be. If we can further prove and communicate the link between health and happiness, it should be possible to motivate people here and now.

HAPPINESS ON THE BOTTOM LINE

In 2011, the UN's General Assembly announced that it is a human right to *"pursue happiness."* But even if we aren't interested in happiness, there are a number of socio-economic benefits to be gained for society by focussing more on the population's happiness levels.

As we have seen, happiness has a positive effect on health for individuals and reduces health expenditure for society. Meanwhile, happiness researchers point to a link between happiness and volunteer work. This link offers the chance to strengthen the voluntary sector and its contribution to solving society's challenges. Meanwhile, happiness has been shown to be beneficial for productivity. Recently published articles in international journals such as The Economist⁸⁶, The Financial Times⁸⁷ and the Harvard Business Review⁸⁸ have shown a great deal of interest in the happiness effect on a company's bottom line. One reason for this is that happy employ-

ees are more productive⁸⁹ and more likely to remain in their jobs⁹⁰. Happy workers are also healthier, which reduces the number of sick days⁹¹. Therefore, more and more businesses are actively seeking to increase happiness levels among their employees – for example Google, which has appointed a *Chief Happiness Officer*⁹². This is one of the reasons that the World Happiness Report 2012 concludes: "It makes sense to pursue policies to raise the public's happiness as much as it does to raise the public's national income."

It is time for a world wide debate about what countries can do to raise the happiness levels of their people. Through an increased focus on happiness and further research, it is possible to find the best ways to create a better framework for happy citizens. Furthermore, we should ask ourselves how we can use happiness to achieve some of the aims we have for our countries – such as a stronger and more sustainable economy, and a healthier population.

We hope that the Danish model may serve as an inspiration for other countries. Denmark has got its own challenges – but remains an example of a country that has succeeded in securing its population high levels of trust, security, wealth, balance, freedom – and happiness.

“The research is helping us redefine the good life. And we should develop a better societal design for better lives. And since Denmark does so well, Denmark should continue to be one of the innovators.”

John Helliwell, Professor of Economics, University of British Columbia and co-editor of the World Happiness Report

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THE HAPPY DANES

Exploring the reasons behind
the high levels of happiness in Denmark

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Andrew Oswald, Professor of Economics at the University of Warwick
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Bent Greve, Professor at the Department of Society and Globalisation, Roskilde University.
Bruno S. Frey, Professor of Behavioural Science, University of Warwick
Carol Graham, Professor, University of Maryland, and Senior Fellow, Brookings Institution
Christian Bjørnskov, Professor at the Department of Economics and Business,
Aarhus University
Jan Brødslev Olsen, Associate Professor, Department of Sociology and Social Work,
Aalborg University
Jens Christian Nielsen, Chief Economist, Danica Pension
John Helliwell, Professor of Economics, University of British Columbia
Michael Norton, Associate Professor in Business Administration Harvard Business School
Peder J. Pedersen, Professor Emeritus, Department of Economics and Business,
Aarhus University
Richard A. Easterlin, Professor of Economics, University of Southern California
Robert H. Frank, Professor of Economics, Johnson Cornell University
Romina Boarini, Senior Economist, Head of Measuring Well-Being and Progress Section,
Statistics Directorate, OECD
Ruut Veenhoven, Professor Emeritus, Social Conditions of Human Happiness, Erasmus
Universiteit Rotterdam and Director of the World Happiness Database

Editor: Meik Wiking

Research: Kjartan Sveistrup Andsbjerg

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For further information please contact Meik Wiking,
Director of the Happiness Research Institute,
at wiking@lykkeforskning.dk

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