European Social Survey

QUESTION MODULE DESIGN TEAM (ESS ROUND 3) APPLICATION FORM	
Please return this form by post, or email or fax to:	Rory Fitzgerald, Centre for Comparative Social Surveys School of Social Sciences New Social Sciences Building (DG32) City University Northampton Square London EC1V 0HB ess@city.ac.uk Fax: +44 (0) 207 040 4903
CLOSING DATE FOR APPLICATIONS: 1st March 2005, 17.00 HOURS (CET)	

1. Principal Applicant *(person to whom all correspondence will be sent):*

Forename: Felicia	**Surname: Huppert**
Position: Professor of Psychology	
Department: Psychiatry	
Institution: University of Cambridge	
Full Address: Box 189 Addenbrooke's Hospital Cambridge CB2 2QQ UK	
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2. Co-Applicants *(up to 4, based in at least 3 different countries):*

(i) Forename: Andrew	**Surname:** Clark
Department: Economics	
Institution: Paris-Jourdan Sciences Economiques	
Country: France	Email: andrew.clark@ens.fr

(ii) Forename: Bruno	**Surname:** Frey
Department: Economics	
Institution: University of Zurich	
Country: Switzerland	Email: bsfrey@iew.unizh.ch

(iii) Forename: Nic	**Surname:** Marks
Department: Well-being Programme	
Institution: New Economics Foundation	
Country: UK	Email: nic.marks@neweconomics.org

(iv) Forename: Johannes	**Surname:** Siegrist
Department: Medical Sociology	
Institution: Dussedorf University	
Country: Germany	Email: siegrist@uni-duesseldorf.de

3. Proposed title of module *(max 80 characters):*

Personal and Social Well-being: creating indicators for a flourishing Europe

4. Abstract *(max 200 words)*

It has become customary to judge the quality of a society by the use of objective indicators, predominantly socio-economic ones. Yet in most developed nations in Europe and elsewhere, increases in income, health and education have not produced comparable increases in happiness or life satisfaction. To address this issue, this proposal seeks to evaluate the success of European countries at promoting the personal and social well-being of their citizens. Whilst much has been learnt from introducing subjective measures of global happiness or life satisfaction into survey research, significant recent progress in the development of high quality subjective measures of personal and social well-being is not being fully utilised, and should be systematically developed across Europe. We suggest that domain-specific measures, such as income, family and work satisfaction, require further understanding both in terms of their causes and effects. Most importantly, we argue that the next generation of advancement in the field require us to look beyond 'hedonic' measures of well-being (feeling and evaluation) to 'eudaimonic' measures of capabilities and functionings since these are associated with sustainable rather than transient well-being. This module represents the first systematic attempt to create a set of policy-relevent national well-being accounts.

5. Curriculum vitae

(Please provide a brief cv for each applicant, including subject expertise, questionnaire design and analysis experience, relevant publications and record of joint working – maximum half page per applicant.)

Principal Applicant:

Felicia A Huppert is Professor of Psychology in the Department of Psychiatry at the University of Cambridge. She is Director of CIRCA - Cambridge Interdisciplinary Research Centre on Ageing, Fellow of the British Psychological Society, Chair of the European Network for Positive Psychology and Associate Editor of The Journal of Positive Psychology. She was born in Uzbekistan and received degrees from the University of Sydney, University of California (San Diego) and University of Cambridge.

Professor Huppert's expertise includes psychological epidemiology, ageing and the life-course, and well-being research. She has designed and analysed the Health and Lifestyle Survey (HALS), the English Longitudinal Study of Ageing (ELSA), the Medical Research Council Multi-Centre Study of Cognitive Function and Ageing (MRC CFAS), the Survey of Health, Aging and Retirement in Europe (SHARE) and is currently engaged in providing high quality measures of well-being from the 1946 British Birth Cohort Study, prior to examining their antecedents throughout the life-course. She is currently collaborating with Johannes Siegrist on the SHARE project and with Nic Marks, Bruno Frey and Andrew Clark in promoting multi-disciplinary approaches to well-being and the development of national indicators.

Selected references include:

Huppert, F.A. and Whittington, J.E (2003) Evidence for the independence of positive and negative well-being: implications for quality of life assessment. British Journal of Health Psychology, 8, 107-122.

Huppert, F.A. (2004) A population approach to positive psychology: The potential for population interventions to promote well-being and prevent disorder. In: PA Linley & S Joseph (Eds.) Positive Psychology in Practice. Ch.41, 693-709, New Jersey: John Wiley & Sons Inc.

Huppert, FA, Baylis, N and Keverne, B (Eds.) (2004) The Science of Well-being – Integrating neurobiology, psychology and social science. Philosophical Transactions of the Royal Society series B, 359, London.

FA Huppert, N Baylis & B Keverne (Eds.). (2005) The Science of Well-being. Oxford: Oxford University Press.

Curriculum vitae (continued)*:*

Co-applicant 1:

Andrew Clark received his MSc in Economics from the London School of Economics. After working in the UK and the US he moved to France where he is currently Director of the "Labour" programme of PSE, Co-director of the "Labour" programme of CEPREMAP and on the Executive Committee of the International Society for Quality of Life Studies (ISQOLS). He has won the University of Toronto's gold medal in economics. He has extensive expertise in high level analysis of national and international datasets.

As part of Paris-Jourdan Sciences Economiques he works closely with Prof. Claudia Senik, and has major collaborations with the University of Amsterdam (Prof. Dr. Bernard van Praag and Dr. Ada Ferrer-i-Carbonnell) and the University of Zurich (Prof. Bruno S. Frey and Dr. Alois Stutzer). These researchers are linked by a series of collaboration projects, and are trying to create an intellectual and institutional infrastructure allowing interactions amongst the informal community of researchers who are working with subjective data on the perception of income distribution. They all participated in a *European Science Foundation* Exploratory Workshop on "Income, Interactions and Subjective Well-Being", organized by Andrew Clark and Claudia Senik in 2003, which will be followed by a conference on "Utility and Inequality: Experimental and Empirical Approaches" (June 2005).

Relevant publications include:
Clark, A., Etile, F., Postel-Vinay, F., Senik, C. & Van der Straeten, K. (In preparation) Heterogeneity in reported well-being: Evidence from twelve european countries.

Clark, A. & Oswald, A. (1996) Satisfaction and comparison income. Journal of Public Economics, 61, 359-381.

Co-applicant 2:

Bruno S. Frey was born in Basle, Switzerland in 1941. He studied Economics in Basle and Cambridge (England), and had a two year stay in the United States. Since 1969 he has been an Associate Professor of Economics at the University of Basle. He was Professor of Economics at the University of Constance between 1970-77, and since 1977 has been Professor of Economics at the University of Zurich. He received an honorary doctorate in economics from the University of St. Gallen (Switzerland, 1998) and the University of Goeteborg (Sweden, 1998). He is the author of numerous articles in professional journals, as well as books, some of which have been translated into nine languages. His most recent books include *Not Just for the Money* (1997), *Economics as a Science of Human Behaviour* (1999), *The New Democratic Federalism for Europe. Functional, Overlapping and Competing Jurisdictions* (together with Reiner Eichenberger, 1999), *Arts & Economics* (2000), *Inspiring Economics* (2001), *Successful Management by Motivation. Balancing Intrinsic and Extrinsic Incentives* (together with Margit Osterloh, 2001), *Happiness & Economics* (together with Alois Stutzer, 2002) and *Dealing with Terrorism – Stick or Carrot?* (2004).

Curriculum vitae (continued)

Co-applicant 3 *(if applicable):*

Nic Marks (born 1964) is Head of Well-being Research, **nef** (new economics foundation). **nef** is an independent think tank, based in London, with a focus is on sustainable development, social justice and people's well-being. The well-being programme was founded by Nic in 2001 with aim of exploring the question '*what would government policy look like if people's well-being was one of its principle aims?*"

Nic Marks has an MA in Management Studies, Cambridge University (1986), an MSc in Operational Research, Lancaster University (1987) and a PostGradDip in Change Agent Skills and Strategies, Surrey University (2001).

He has designed, conducted and analysed a major survey of young people in Nottingham for the City Council in 2003. He is currently engaged in on-going work developing quality of life and well-being indicators for a UK Regional Development Agency and in a separate project for a Scottish Health Region. He is also working with a partnership of academicsand policy makers from the UK, Europe and US on developing a suitable outline structure for National Well-being Accounts. His relevant publications include:

Jackson, T & Marks, N; (1995); *Measuring Sustainable Economic Welfare - A Pilot Index : 1950 - 1990;* nef and Stockholm Environment Institute.

Marks, N (2004); 'Power of Well-being Indicators: measuring the well-being of young people in Nottingham'; nef; 2004

Marks, N & Shah, H; (2004): *'A Well-being Manifesto: for a flourishing society'*; **nef**; forthcoming in In FA Huppert, B Keverne & N Baylis, eds. *The Science of Well-being*. Oxford: Oxford University Press.

Co-applicant 4 *(if applicable):*

Johannes Siegrist has longstanding experience in designing and analysing survey data. He had – and continues to have – a leading role in designing the "Social Well-Being" module of the EU-funded Survey of Health, Ageing and Retirement in Europe (SHARE) which is currently carried out in eleven European countries. Moreover he has contributed to the development of a module on social well-being in the frame of the English Longitudinal Study on Ageing (ELSA) and of a large study of elderly people in France (GAZEL).

His distinct contribution to survey research in this area is best defined by a theory based emphasis on reciprocal social exchange as an important prerequisite of health and well-being. In this regard, he has developed collaborative links with Felicia Huppert, Cambridge, in association with the London team of ELSA, directed by Michael Marmot. He has also been involved in a joint workshop on conceptual and methodological issues of well-being organized by Andrew Clark (Paris, 2003).

Examples of relevant recent publications include:

- Siegrist J, Marmot M (2004) Health inequalities and the psychosocial environment - two scientific challenges. Social Science & Medicine 58: 1463-1473.
- Siegrist J, Pollack CE, Knesebeck O v.d. (2004) Social productivity and well-being of older people: a sociological exploration. Social Theory & Health 2: 1-17.
- Siegrist J, Starke D, Chandola T, Godin I, Marmot M, Niedhammer I, Peter R (2004) The measurement of effort-reward imbalance at Work. European Comparison. Social Science & Medicine 58:1483-1499.

6. Theory behind proposed module (max 5000 words):

(A description of the theory that is driving the proposal, demonstrating the team's expertise in the chosen topic (citing relevant literature, past studies, and publications in the field). Explain the relevance of the topic to a key academic or policy concern within the European arena). Full details on the requirements for this section are contained in 'Procedures for appointment and guidelines for applications of ESS question module design teams'.

THIS BOX WILL EXPAND AS YOU ADD TEXT.

Personal and Social Well-being: Creating Indicators for a Flourishing Europe

OVERVIEW

What need does this proposal meet?
One of the key aims of all democratic governments is to promote a flourishing society where citizens are happy, healthy, capable, productive and engaged with their communities – in other words with high levels of personal and social well-being. This aim is explicitly recognised in the new (yet to be ratified) EU constitution:

> "The Union's aim is to promote peace, its values and the well-being of its peoples"; Draft European Constitutional Treaty (Art I-3, §1).

- Potentially, well-being could become a new cornerstone for a Europe that is closer to its citizens, and help to create a new development model adapted to the challenges of the 21st Century. However we have little systematic knowledge of how citizens across Europe are actually faring in terms of their well-being.
- In order to achieve a more systematic and detailed understanding of the levels and distribution of well-being across Europe and within European nations, this module will:
- Operationalise two distinct conceptions of well-being – the hedonic concept which concerns feelings and evaluations (such as happiness and life satisfaction), and the eudaimonic concept which concerns capabilities and functionings.
- Establish how people's aspirations, norms, values and expectations, with a specific focus on relative income effects, relate to the various measures of well-being.
- Measure social well-being - how people feel about their society and how engaged they are in 'pro-social' behaviour.
- Examine some specific situational contexts where people seem to make systematic 'errors' in terms of reducing their well-being; for instance length of commuting, TV watching, and number of hours spent at paid work.

Why this module is important and innovative

Creating a set of internationally comparable 'well-being accounts' is important so as to complement existing European socio-economic indicators of success, and thereby provide higher quality data to:
Deepen theoretical understanding of well-being constructs and how they relate to one another, as well as what contributes to people's well-being and how it varies across Europe.
Assess the impact of different social and political policies on people's personal and social well-being.
Communicate evidence-based information that will support individuals in making better life choices.

The module is innovative in moving away from assessing negative personal and social outcomes, such as anti-social behaviour, crime, poverty and depression, towards an assessment of genuine human flourishing. In addition there is increasing empirical evidence that the facilitation of positive well-being potentially requires a different set of interventions than those to alleviate suffering. The bringing together in one inquiry of two distinct philosophical perspectives of the good life – the hedonic and eudaimonic – will advance this important area of research. The module also contains an innovative inquiry into how income comparisons are made, which have not previously been systematically asked across an increasingly mobile European labour market.

Political Context of the Module

The draft EU constitution cited above indicates that the new expanded Union is aware that the economic paradigm of continued growth and competitiveness should be grounded by an external goal. It does not appear, however, that this is yet being operationalised at a policy level. In a recent

Eurobarometer survey on the Lisbon Agenda the report writers note:

"It seems that the vast majority of European Union citizens do not make a connection between their quality of life and the economic situation in their country. It is therefore necessary to eliminate this discrepancy, otherwise it may eventually create a problem when it comes to explaining certain public policies." P9; Special Eurobarometer Report 215 – February 2005

The second statement indicates that there is a failure to recognize that economic policies need to be assessed from a broader quality of life perspective. This is despite the Lisbon Strategy itself placing economic policy in the context of sustainable development and increasing 'social cohesion'. It appears that these aspects of the strategy are being marginalized at the expense of 'making the EU the most competitive and dynamic economy in the world'. So there is a political need in Europe for a better understanding of people's quality of life, which our proposal for sets of European well-being accounts potentially offers.

There is also increasing international pressure from academics and think tanks for governments to create national well-being accounts. Scholars in the US (Ed Diener, Daniel Kahneman, Martin Seligman) and the UK (Richard Layard), along with the UK government's Strategy Unit and the independent think tank nef (the new economics foundation) are actively engaged in the development of well-being accounts.

Team behind the module

The five named applicants create an appropriate multi[disciplinary team. Each is renowned in their field, and each brings with them their teams of highly experienced investigators. Andrew Clark, an economist at DELTA in Paris represents a distinguished research group specializing in economic activity and subjective well-being. The group includes Claudia Senik (Paris), and Bernard van Praag and Dr. Ada Ferrer-i-Carbonnell form the University of Amsterdam, who have collectively published some of the earliest as well as some of the most important works in the field. Bruno Frey, University of Zurich, who works closely with fellow economist Alois Stutzer, has published seminal papers and books including "Happiness and Economics" (2002). Felicia Huppert, Professor of Psychology at the University of Cambridge has extensive experience in survey design and employs a group of outstanding psychometricians. She recently edited the multi-disciplinary book "The Science of Well-being" (2004,2005). Nic Marks is head of well-being research at nef (the new economics foundation), a UK independent think tank. nef launched 'a well-being manifesto' in 2004 which has been widely distributed to UK policy makers. Johannes Siegrist, Professor of Medical Sociology at the University of Duesseldorf, is a Scientific Director of the European Science Foundation Programme on Social Variations in Health Expectancy in Europe, and has a rich expertise in international collaboration.
All named applicants currently collaborate with at least one other applicant, yielding a powerful set of interconnecting, cross-disciplinary collaborations.
Joar Vittersø, Professor in the Department of Psychology at the University of Tromso, is an invaluable consultant to the project. He heads a team with extensive experience in psychometric analysis, particularly applied to new approaches to subjective well-being.

THEORETICAL BACKGROUND

Introduction
This proposal addresses the question of how we can evaluate the success of European countries at promoting the well-being of their citizens. Since this is an explicit aim of the European Union, there should be systematic and detailed well-being accounts for all nations within the EU. This proposal for a module within the third round of the ESS would establish the value of such internationally comparable well-being accounts.

New national well-being accounts are required that can compare and contrast the effects of different political and social policies and/or contexts on the levels of well-being experienced by citizens. These (predominantly subjective) well-being indicators would complement existing objective measures such as socio-economic indicators, which currently provide the most common method. Current practice is based on the long-held assumption that money increases well-being, and that it does so by giving people more choices about how to live their life. However the relationship between economic prosperity and experienced well-being has broken down, at least in the developed countries of Europe and elsewhere, with some academics even suggesting that the marginal utility of income is zero (Easterlin 2003). We therefore need to measure well-being more directly. This will enable us to understand the factors that contribute to subjective well-being, and provide a metric for evaluating the real impact on people of the societal context and social policies.

Core concepts
The terms 'well-being' and 'quality of life' have been used to refer to both objective and subjective

dimensions of human life (eg Lane, 2000). The objective axis assesses observable characteristics such as employment opportunities, income and wealth, the availability of health care, standard of housing, access to education, freedom and justice. The subjective dimension relates to a person's experience of the quality of their life.

Subjective well-being (SWB) is usually regarded as consisting of people's emotional responses (good or bad feelings) and their cognitive or evaluative responses, e.g. 'satisfaction' (Kahneman et al. 1999, Diener, 1984; Veenhoven, 2000). This conceptualisation of SWB , particularly as operationalised by the construct of 'global life satisfaction', has been used in numerous large scale surveys (including the core ESS module) and produced a wealth of reliable data (e.g. Helliwell & Putnam, 2004; Donovan & Halpern, 2002; Frey & Stutzer, 2002). We believe that further developments in well-being research need to build on the knowledge about emotional/evaluative aspects of SWB by adding another important dimension of human subjective experience.

The emotional/evaluative approach treats well-being as a state rather than a process (Rogers, 1961). It focuses on having positive feelings or evaluations as opposed to doing certain things that lead to lasting pleasure or fulfilment (Vitterso, 2004). This distinction between well-being as having versus doing is fundamental to our understanding of subjective well-being and the factors associated with it.

This distinction parallels two philosophical approaches to happiness, well-being and the 'good life', which date back to ancient Greece. One is the hedonic approach which emphasises positive feelings (Kahneman et al., 1999), the other is the eudaimonic approach which emphasises positive functionings (Keyes, 2002; Ryan & Deci, 2001; Sen 1993; Waterman 1993). The eudaimonic view was advocated by Aristotle who believed that happiness should not be regarded as pleasure or the mere fulfilment of desires, but as the realisation of our true potential. The eudaimonic approach is operationalised by measures of autonomy, or self-determination, interest and engagement, aspirations and motivation, and a sense of meaning, direction or purpose in life.

Relationship between well-being and important life domains

Most research has focused on global measures of subjective well-being, but there is a strong case for understanding the details of the underlying structure of people's well-being. Moreover, studies have shown that for some comparisons where global well-being indicators show little or no difference, this may obscure major differences in selected life domains, which clearly has important implications for policy (Easterlin, 2004). This would be achieved by assessing well-being by specific domains.

Further, we suggest that domains should be assessed by both hedonic and eudaimonic criteria. Although this has not previously been considered in a systematic way, there are indications in the literature of the importance of domain-specific eudaimonic factors. For instance, satisfaction with one's work is critically enhanced if job task profiles are perceived as offering a high level of control and autonomy and the ability to learn new skills (Karasek & Theorell, 1990). Being able to use one's initiative is a very important factor, particularly for women and workers under the age of 30 (Clark, 2001).

Can our level of well-being be improved?

The measurement of well-being as an outcome of individual, social or environmental change is only worthwhile if well-being can be improved in a sustainable way. If rises in happiness or satisfaction following improvements in external circumstances (such as better jobs or housing) are only short-lived, then well-being would not be a helpful or appropriate outcome measure. There is a certain amount of evidence that people adapt very quickly to external changes, both good and bad, that has been termed "hedonic adaptation" (Brickman & Campbell 1971; Frederick & Loewenstein 1999). To make matters worse, there is evidence that in order to achieve the same level of improvement in happiness or satisfaction on a subsequent occasion, the external change (e.g. the magnitude of the pay rise) must be greater than before. This is termed the "hedonic treadmill" (Kahneman et al., 1999). Understandably, policy makers who aim to improve social conditions find this rather discouraging and this problem is often cited as an obstacle to operationalising the concept of well-being in a political context.

However, recent studies have challenged both the evidence and the conclusions drawn from it. Clark and colleagues have shown that enduring changes in well-being do occur under certain circumstances. Using data from a 15-year longitudinal study of over 24,000 German adults, they found that individuals initially reacted strongly to being unemployed, then moved back towards their baseline level of life satisfaction, but did not completely return to their former levels even after they became re-employed (Lucas et al., 2004). They also found that individuals who reacted very strongly initially to marital transitions were still far from their baseline years later (Lucas et al., 2003).

There is another reason why we do not need to be unduly concerned about hedonic adaptation.

Typically, the emphasis has been on the way in which individuals respond to the contexts and circumstances in which they find themselves, and to the life events they experience. An alternative to this passive approach is to consider the active role that people can play in shaping their own lives. This approach has been expounded by Sheldon and Lyubomirsky (2004) who emphasise the importance of intentional activities in determining the “chronic happiness level”. They distinguish between three broad classes of intentional activities, each of which can be shown to be related to subjective well-being. These are: (1) overt behaviours such as taking regular exercise or showing kindness to others (Keltner & Bonanno, 1997; Magen & Aharoni, 1991); (2) cognitions such as interpreting events in a positive light or savouring the moment (Emmons & McCullough, 2003; Seligman, 1991; 2002); and (3) motivations such as striving towards valued goals or putting effort into worthwhile activities (Sheldon & Houser-Marko, 2001).

One of the most significant aspects of the work of Sheldon and Lyubomirsky (2004) is their insight into how to solve the problem of hedonic adaptation. Adaptation of any kind (sensory, physiological, hedonic) occurs when stimuli are constant, unchanging or regularly repeated. External circumstances are often of this character. However, intentional activities are under our control, and can therefore be altered in their content and timing, so adaptation does not occur. Other conceptualisations have also shown a link between intentional activities and subjective well-being. For instance the seminal work on ‘flow’ by Csikszentmihalyi (1988; 1997). The eudaimonic approach has profound implications for policy. Rather than trying to maximize happiness or satisfaction which may be transient, policy should aim to maximize opportunities for people to utilize their full potential which is likely to lead to sustainable happiness and satisfaction.

The relationship between feelings and behaviour

Well-being is related to positive health and positive social outcomes, including pro-social behaviour. Much of the evidence comes from survey data which shows that happy people tend to function better in life than less happy people, are typically healthier, live longer, are more productive, more socially engaged, and tend to have higher incomes (Diener, 2000; Judge et al., 2001; Lyubomirsky et al 2004). In addition, a large body of work shows that active participation in social activities and involvement in one’s community is associated with high levels of happiness and life satisfaction (Argyle, 1987; Putnam, 2000; Helliwell, 2003; Helliwell & Putnam, 2004). It follows that society benefits from high levels of well-being amongst its citizens. We would expect to see impacts on such diverse policy areas as creativity and entrepreneurship, wealth creation, reduced costs of health care and crime, improved social cohesion, and increased participation.

Experimental studies confirm that positive emotions lead to positive cognitions, pro-social behaviours and increased motivation and cognitive capability, and that positive cognitions, behaviours, motivation and capabilities in turn fuel positive emotions (Forgas, 2001; Fredrickson & Branigan, In press; Isen, 1987; Kasser & Ryan, 1996; Ryan & Deci, 2001). The recognition of this upward spiral (and its reverse) should form the basis of effective personal and social interventions. We would argue that the active, goal-directed and motivational aspects of subjective well-being have implications for social policy, which are at least as important as the implication of the feeling/evaluative component of well-being that has been the primary focus of attention to date. Accordingly, we believe that both need to be rigorously measured in a major survey such as the ESS.

Beyond the personal: measuring social well-being

The way in which an individual relates to others and to their society is a key aspect of their subjective well-being. This is reflected in the extensive work on social capital, which links the level of a group’s social connectedness to average levels of happiness and satisfaction, health and productivity (Putnam, 2000; Helliwell & Putnam, 2004). The social capital research tends to use objective measures, whereas we make a case here for the inclusion of additional subjective measures. This has been explicitly stated by Keyes (2002) who identifies five major elements of social well-being: social acceptance, social actualisation, social contribution, social coherence and social integration.

The prevalence and consequences of anti-social behaviour, particularly among young people is a growing policy concern in many European countries. Many studies have investigated the antecedents and risk factors for anti-social behaviour but less is known about the prevalence of, and factors associated with pro-social behaviour. Whilst a high level of personal well-being is normally good for society, this is not always the case since it may be achieved at the cost of the well-being of others. For example, alcohol, drug abuse or risk-taking behaviour may increase an individual’s happiness or sense of engagement at least temporarily, but may adversely affect those around them. A study is needed of the routes to personal well-being that do not have undesirable social consequences, or preferably enhance the well-being of others.

The crucial role that personal relationships and social networks play in establishing and maintaining a sense of well-being may be linked to an evolutionary perspective, pointing to the importance of sociability and acceptance in survival and reproduction. It has been suggested that the dominant focus of modern consumer societies on the fulfilment of individual needs and desires is at odds with the basic human need for a sense of belonging. Indeed, it could be argued that much consumption in modern industrialised societies is driven precisely by unsatisfied belongingness and identity needs (Jackson & Marks 1999), as more and more products are marketed not in terms of their real utility values, but in terms of their symbolic identity values. Material consumption ultimately cannot satisfy these deep-seated social needs, and this may account for the absence of increased well-being despite ever-increasing materialism and consumption. Indeed there is some evidence that people who have strong materialistic values have lower well-being than those who are less materialistic (Kasser 2002).

Understanding people's aspirations, norms, values and expectations, with a specific focus on relative income.

Concepts of relative utility and discrepancy emphasize the role of reference standards and the relative importance of life goals (van Praag 1993; Kasser & Ryan 1996; Easterlin 2001). The crucial relationship between income, income satisfaction and overall well-being requires further systematic research. To date, the existing evidence about subjective income comparisons has essentially been obtained using single country studies in stable industrialized Capitalist countries [for an exception, see Senik, 2005]. It is important to understand more about how people form their reference groups, since at least two effects may be involved: direct effects from other people's incomes such as envy and status, and informational effects such as knowledge of income mobility (especially across the newly expanded EU). In addition income aspirations are an important mediator in understanding the relationship between individual's incomes and their life satisfaction (Stutzer 2004). Reference dependent well-being is also affected by other important economics factors that include financial uncertainty either through income variability or perceived risk of unemployment.

Income aspirations are the result of processes of adaptation and social comparison. As mentioned above, a better understanding of adaptation becomes a crucial issue when interpreting and judging empirical findings based on reported well-being. As criticised in research based on the capabilities approach, the adaptation in affect ("hedonic adaptation") might cloud an objective deterioration of living conditions. There is substantial research on hedonic adaptation that studies processes that reduce the effects of repeated sensory and cognitive stimuli (e.g. Frederick and Loewenstein 1999). Future research should carefully extend the study of adaptation to aspects of eudaimonic well-being. It is hypothesized that adaptation occurs to a much lower extent when studied in terms of psychological well-being.

In order to fully exploit and understand the processes that determine hedonic and eudaimonic well-being, the module would propose to include items that specifically capture people's income aspirations as well as more general aspirations (Rochester scale). In addition, questions that ascertain people's perceived risk of unemployment, their past experience of unemployment and the degree to which they face income variability are proposed to be included.

Systematic errors in consumption

People do not passively follow a life path but make active decisions about how to allocate time, money and attention. Thereby, decisions often involve difficult trade-offs. For instance, people have to devote time and effort to work and career affecting their work-life balance, or have to choose between a higher material living standard (meaning also a longer work week) and a lower standard involving more leisure time. It is hypothesized that material aspects in these decisions are overvalued relative to social aspects because people mis-predict the future utility of choice options (Frey and Stutzer 2004). There is a systematic difference between decision utility and actually experienced utility.

In order to analyse the relevance of systematic errors in consumption, situational factors as important determinants of the well-being experienced in different activities has to be studies. The most important domains in regard to time-use are work, TV watching and commuting – all three of which are contexts where the possibility exist to make poor decisions and trade-off, in terms of enhancing well-being.

From a policy perspective the discrepancy between number of hours that people do work and the number that they would freely choose to is an indication of the inflexibility of labour markets. There is some evidence that employees cannot choose a shorter working week freely, for example without jeopardising perceived career prospects (Gratton & Taylor 2004). Inserting an item asking people how many hours they would like to work (allowing for changes in income) would allow an estimate of how prevalent this sort of problem was. Similarly, questions on the experience (added to core questions on the duration) of daily commuting patterns (Kahneman et al 2004; Stutzer & Frey 2003) and TV watching (Frey et al 2005; Layard 2005) would illuminate the costs and benefits of the choices made.

As well as systematic errors, the module by including both hedonic and eudaimonic aspects of well-being may illuminate some of the paradoxes that predominantly hedonic well-being studies have uncovered. An example is the parenting paradox, where many well-being indicators are lower than expected for parents, yet people continue to go to great lengths to have children (McGregor & Little 1998). It is feasible that it is only the hedonic aspects of well-being that are suppressed with having a family, with the benefits being experienced in the eudaimonic realm.

A life-course perspective

Another urgent need in comparative research on subjective well-being concerns understanding its components and correlates at different stages of the life course. Within countries, differences in experiences and aspirations at different stages in the life-course will have subatantial effects on well-being, both hedonic and eudaimonic. Between-nation variations in such key factors as age structure of the population, family composition and divorce rates, employment rate, retiremnt and pension policies, and immigration rates may all have profound effects on average levels and distributions of subjective well-being.

For example, across Europe there is a rapidly growing number of people in the "third age", defined by Laslett as the age of active retirement (Laslett, 1996). Most in this group (beginning around age 50) are still in relatively good health and have a high level of cognitive capability. However, social institutions do not provide adequate opportunities for third agers to use their capabilities and stay physically and mentally active and socially engaged. The much-discussed crisis in pensions is an example of serious structural lag. While many people in the third age enjoy their life, the lack of opportunities commonly experienced may have adverse consequences on the well-being of many. This represents a serious cost to society, since vast human resources are being under-utilised (Hagestad & Dannefer, 2001). The effect of emerging new opportunities for social productivity within and beyond employment needs to be studied.

Timeliness and aims of the module

Driven in part by the mismatch between economic indicators and experienced well-being, there has been a call for the development of national indicators of well-being or well-being accounts (Diener & Seligman, 2004; Layard, 2003; Shah & Marks, 2004). Some individual countries have already adopted the language of well-being; the Kingdom of Bhutan in the Himalayas famously adopting a policy of maximising 'Gross National Happiness' rather than GNP, however at present this is more an organising principle than a specific set of indicators (Ura & Galay 2004). A Personal Well-being Index has also been developed as part of a set of privately funded national subjective well-being indicators in Australia (Cummins et al, 2004). In the UK, local governments have a 'power to promote well-being' (UK Local Government Act 2000) and the term 'personal well-being' is likely to feature in the revised Sustainable Development Strategy to be published in March 2005 - including a commitment to study the feasibility of developing well-being indicators to inform policy decision making.

There are substantial benefits to developing a set of well-being measures that could be used internationally. Several members of our research team have been actively engaged in these developments, working alongside Diener, Kahneman & Seligman in the US and Layard in the UK. The US set of recommended items is due to be finalized at a month long working seminar in summer 2005. The possibility of incorporating items from this eagerly awaited set of subjective well-being indicators into the ESS would provide an opportunity to obtain invaluable population data from the outset, and the rapid dissemination of findings would be guaranteed.

Employing the module in the ESS has two broad aims.

1. to provide a benchmark from which to examine the effects of future demographic, social and environmental change, and to assess policy impacts
2. to establish how the various dimensions of well-being differ both within and between participating European countries, and to link those differences with key explanatory factors.

Among the explanatory variables to be investigated would be most of the major themes which form the core of the ESS and its rotating modules. These include distal variables such as governance and economic programmes and national policies on health care, education and social welfare. They also include proximal variables such as family composition, divorce rate, employment and income, work characteristics and involvement in the community.

Relevance to policy

Whilst it is not clear that the role of governments is to try to make us happy, it is clear that policies do have a profound effect on the societies and cultures that we live in. Without clear systematic evidence on how successful their policies are at enhancing people's well-being, governments risk operating in the 'dark'. We suggest that policies should be judged in part by the extent to which they provide opportunities for people to lead happy lives, developing their potential and contributing to the community. Evidence-based policy should, in short, be judged by the twin pillars of personal and social well-being. A given policy is likely to have different effects on the well-being of population subgroups or nations, and the proposed indicators will prove valuable in tailoring policies to optimise well-being.

Publication plans

The multiple disciplines represented among team members, and the breadth of the network that each of them brings to the project will ensure that findings are disseminated to a very wide audience. All the applicants publish prolifically, most in both academic and policy-related media. In addition to numerous publications exploring relationships between the well-being measures and key explanatory factors, the international community of academics and policy makers will be eager for methodological information on the success of what may be the first application of a potential set of national well-being indicators.

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7. Proposed module design *(max 2000 words):*

Outline, in advance of a first draft of actual questions, how the team proposes to operationalise their measurement objectives. This section should succinctly state the theoretical questions to be answered and then propose the method for doing this. Please describe the proposed coverage of each set of measures and indicate the final information requirement. In addition please identify any existing indicators that could successfully be deployed cross-nationally). Full details on the requirements for this section are contained in 'Procedures for appointment and guidelines for applications of ESS question module design teams'.

THIS BOX WILL EXPAND AS YOU ADD TEXT.

DESIGN OF THE MODULE

The basic principles we will use in designing the module are as follows:

1. We need high quality subjective measure of both personal and social well-being. Personal well-being focuses on behaviours and attitudes that relate to private or personal aspects of the individual, while social we-being concerns behaviours or attitudes that relate to more public or social aspects.
2. Personal and social well-being each has a hedonic dimension and a eudaimonic dimension, both of which need to be measured.
3. The hedonic dimension includes emotional responses (feelings) and cognitive responses (evaluation and appraisal). Evaluations are usually assessed with satisfaction indices; appraisal with measures of optimism/pessimism. Measures of optimism introduce a future perspective which enriches the standard present-focussed measures.
4. Global evaluations such as overall life satisfaction, need to be supplemented by the evaluation of specific domains of life, such as family, work, income and community.
5. The eudaimonic dimension which is concerned with capabilities and functionings, includes measures of the extent to which people's lives are self-determined, interesting and meaningful, and information about people's aspirations and intrinsic motivation.
6. There is a need for methodological excellence both in the design of items and at the analysis stage. An innovative design feature is the proposed use of standard vignettes, requiring the respondent to rate the well-being of a hypothetical person of the same sex. These responses provide a way of 'anchoring' group or national differences in subjective responses about the respondent's own life.

Item selection

The selection of specific items will be based on their proven value in existing surveys, their importance for theory development and policy interventions, and their psychometric properties. Among the potential pool of items, some have already been exposed to rigorous psychometric evaluation to establish their content validity (using factor analytic methods suitable for categorical data) and their scaling properties (using Item Response Theory – IRT), to establish their sensitivity along the range of the latent trait they are assessing. Further work by team members is ongoing to undertake rigorous psychometric evaluation of a good range of items and scales (Clark et al, 2005; Croudace et al., Submitted; Abbott et al. Submitted).

The issue of subgroup or national differences in response style is also being addressed and will be an important objective at the analysis stage. It has often been assumed in the past that difference scores in cross-cultural studies can be compared at face value. However there is evidence that there are group and national differences in response style, for example the tendency towards acquiescence (or disagreement), or the tendency to use either extreme categories or midpoints (Paulhus, 1991; Clark et al., 2005). We propose to include procedures for post-hoc correction of response bias, including estimation of response style as a covariate in all analyses and/or the use of structural equation models incorporating response styles as a distinct latent variable within the models (Baumgartner & Steenkamp, 2001). Following adjustment for any group or national differences in response bias or response style, the interpretation of any remaining group or national differences in reported levels of well-being will take account of response differences to the anchoring vignettes.

Well-being measures

The following list covers the classes of questions that we propose to include, as well as some specific examples. It is recognised that the ESS already contains a number of highly pertinent items which will not need to be repeated, and some of which will be expanded.

Hedonic well-being measures

Emotional aspects – positive and negative feelings

It has become standard for major surveys to include a question on happiness. But there are two major reasons why measures of emotions need to go beyond a simple question about happiness. First, there are other pleasant emotions that provide important information about a person's state. They include contentment, excitement, enjoyment, vitality. Second, pleasant and unpleasant emotions need to be measured separately, since they are relatively independent constructs (Bradburn, 1969; Lucas et al 1996). Factor analysis shows that measures of positive affect load on a separate factor to measures of anxiety and depression (Headey et al 1993). In addition, positive and negative affect show different relationships to predictor variables. For example, Huppert and Whittington (2003) found that unemployment was only weakly related to negative affect (symptoms of anxiety or depression) but strongly related to lack of positive affect. Other variables such as social support were strongly related to negative affect and only weakly to positive affect.

There are several good scales to choose from in selecting items that measure positive and negative affect. These include the Positive and Negative Affect Scale (PANAS) of Watson et al (1988), the Affect Balance Scale (Bradburn, 1969) the Centre for Epidemiological Studies Depression scale (CES-D) (Radloff, 1977), and the General Health Questionnaire – GHQ of Goldberg (1978). The CES-D and the GHQ both contain positive as well as negative items, and although they are usually scored in terms of number of symptoms, Huppert and Whittington have developed a novel method of scoring which yields separate measures of the positive and negative dimensions (Huppert and Whittington, 2003). Most of these scales exist in short versions which vary between 8 and 12 items, and further shortening may be possible depending on the psychiatric findings.

Cognitive aspects -evaluation and appraisal

The global evaluation of satisfaction with one's life is widely used in social surveys. The factors associated with high levels of life satisfaction are often the same as those associated with high levels of happiness, but this is not always the case (Helliwell and Putnam, 2004). In order to make a global evaluation of life satisfaction, individuals combine information from different life domains, and the priority given to different domains may vary widely between groups. Small group differences in a global measure of life satisfaction might therefore obscure large differences in patterns of domain satisfaction, as has recently been demonstrated by Easterlin (2004) in relation to age effects. Assessing both global and domain satisfaction, will provide insight into how groups pf people weight the different domains when making a global estimate. The domains we propose to examine are work (paid, unpaid, voluntary), family and friends, income, community and leisure. The core ESS as well as some of the rotating modules contain a number of appropriate items. While the Family, Work and Well-being module in Round 2 contains much valuable information, almost all the items provide objective measures (information about frequency, content etc.). These will be augmented by additional subjective items such as those of Hagerty and Cummins (2001).

Satisfaction in the present will be compared with appraisal of the future; specifically, level of optimism. We propose a global measure of optimism as well as optimism in selected domains (work, income). The Life Orientation Test (LOT) of Scheier and Carver (1985) is a widely used source of items which respondents are asked to rate on a 5-point scale from strongly agree to strongly disagree:

I'm always optimistic about my future.

If something can go wrong for me it will.

Eudaimonic well-being

Individuals can be said to have eudaimonic well-being if they feel able to shape their life to satisfy their needs, find aspects of their life interesting and engaging, have a direction in life, and see themselves developing in a positive way.

Self-determination

A person's sense that they have some measure of control over their life and that they feel competent in carrying out their daily actions are key components of subjective well-being and have been linked to objective indicators of well-being such as health and productivity. Scales that assess the concepts of control, autonomy, personal expressiveness and competence provide suitable measures to be considered for the module. These include the autonomy and competence scales of the Basic Psychological Needs assessment of Deci and Ryan (2000), the autonomy and environmental mastery scales from Ryff's scales of Psychological Well-being (Ryff 1989), the personal expressiveness scale (Waterman 1993) and the control and autonomy subscales of the CASP (Hyde et al, 2003) which is already used in 11 European countries as part of the Survey of Health, Ageing and Retirement in Europe (SHARE). Examples of questions in this category are:

I feel I am free to decide for myself how to live my life.
In my life I do not get much of a chance to show how capable I am.
I generally feel free to express my ideas and opinions.
In my daily life, I frequently have to do what I am told.
The things that I do give me the feeling that I really know who I am.

Some domain-specific items will be included, particularly sense of control in the workplace and in the family. The balance between perceived demand and control (Karasek et al 1998) is a useful concept, and this balance has marked effects on health and functioning. There is a work-related version of the autonomy and competence scales of Deci and Ryan (2000), and the Whitehall Study of British civil servants (Griffin et al, 2002) has developed a few key items to assess perceived control at work and at home.

Interest and meaning

A characterization of how interesting people find various parts of their life, and the extent to which they derive fulfilment from them will be addressed. The personal growth and purpose in life scales of Ryff (1989), the interestingness scale of Amabile et al. (1994) and the Personal Expressiveness Scale of Waterman (1990) provide sources of suitable items. Examples include:

I feel that life is full of opportunities.
My life has been a continuous process of learning, changing and growth.

Aspirations and motivation

The goals that people aim to accomplish and their sense of progress towards those goals play an important role in subjective well-being. This is linked with people's values, for instance the priority they give to individual advancement over social improvement, or the relative importance of income or material goods over interestingness. The contrast between intrinsic motivation and demands on the one hand, and external rewards on the other hand is central to this well-being dimension. Siegrist's (Knesebeck & Siegrist, 2003) measures of the balance between effort and reward in work, family care and community participation are proposed to supplement the detailed ESS self-completion items on values and aspirations (see below).

Social well-being measures

Our knowledge of well-being can only be advanced by understanding the person in their social context. The social environment is usually assessed using hedonic measures, principally measures of satisfaction. However, there is an equally important eudaimonic dimension of social well-being which we propose to assess. Keyes (1998; 2002) suggests that the social context can be evaluated as the extent to which the person views their social life as meaningful and understandable, feels they belong to the community, is able to accept the many parts of society, sees the society as possessing potential for their development, and sees their life as contributing to society. A social well-being scale has been devised by Keyes to capture these perceptions. It comprises five dimensions: social coherence, social actualisation, social integration, social adaptation and social contribution. Items in these scales overlap with some measures of social capital, such as feelings of trust, but most social capital measures are more objective, assessing actual level of engagement rather than perceived relationship to society. Some examples of items form the Keyes' scale are:

Society isn't improving for people like me.
I feel close to other people in my community.

Specific questions on pro-social behaviour will be based on items from Peterson and Seligman's (2004) assessment of character strengths, and will include items on kindness, altruism and gratitude.

Anchoring vignettes

The aim of anchoring vignettes is to assess the responses of participants to a standardized situation, describing a hypothetical person in a particular setting. This creates a way of interpreting their responses to their own (non-standard) situations by adjusting for differences in the way individuals or groups use the response categories. Anchoring vignettes are becoming popular in surveys of health (e.g. World Health Survey, SHARE), political judgments and other areas. An example is provided from the Wisconsin Longitudinal Study (Freese and Hauser 2003).

Vignette: Daniel feels nervous and anxious. He worries and thinks negatively about the future, but feels better in the company of people or when doing something that really interests him. When he is alone he tends to feel useless and empty.

Questions: (1) How much of a problem did Daniel have with feeling sad, low, or depressed? (2) How much of a problem did he have with worry or anxiety?

Response categories: None, mild, moderate, severe, extreme

We propose to include several vignettes covering both hedonic and eudaimonic dimensions. A set of vignettes for a particular well-being measure can be randomly assigned to a subset of the sample. This assignment allows keeping the number of additional items per respondent low.

Items to explore relative income and systematic errors in consumption
A small number of items, estimated to be a maximum of ten questions at this stage, will be used to analyse context specific issues.
In order to explore the formation of income reference groups systematically a set of questions will address income comparisons within organizations, professional groups and between groups. The questions will be organized to evaluate relative positions, prospects for income mobility and feelings of relative deprivation.
To illuminate potential systematic errors in consumption further questions will be asked about temporal aspects of commuting, length of working week and TV watching.

Integration with core ESS measures

It is a great advantage that the ESS already contains the two most widely used global well-being items on happiness and life satisfaction in its core sections. In addition ESS includes a number of specific items about satisfaction with the public sector (economy, government, democracy, education, health service, feeling safe in the neighbourhood, a key item on self-reported health, the ability to organise one's work and managing on one's income. Several questions relating to satisfaction with work and control in the workplace are included in rotating (non-core) modules and could be repeated.

The core ESS contains a good range of questions about more objective social variables which are known to have a major impact on well-being, such as frequency of social contact, having an intimate relationship, employment, membership of religious and other organisations. It will therefore be possible to examine the influence of these more objective measures on the full range of subjective well-being measures proposed.

The ESS also contains an excellent questionnaire about human values, which is presented in a self-completion format. It comprises 21 descriptions of people, and the respondent is asked to rate their similarities to the person described. Responses to these items can provide insight into the individual's aspirations, and thereby theirrelationship to other aspects of personal and social well-being.

NOTE: References in this section are detailed in the reference list for Section 3.