

Subjective measures of happiness and life satisfaction provide a valuable lens for analyzing social welfare. The 2012 Pacific Living Conditions Survey incorporates subjective measures to better inform decision makers on the status of wellbeing in Vanuatu.

Happiness is an individual pursuit that is constant and bound by a subjective notion of what it means to be happy. Governments can do little to influence an individual's happiness but can be instrumental in creating an environment conducive to the pursuit itself. By contrast, the pursuit of economic growth is a collective pursuit that is boundless and considered of high priority of governments, partly due to its presumed effect of making people happy.

Happiness is a subjective condition that can be difficult to measure and interpret. Subjective well-being (SWB) is an increasingly standard measure of happiness around the world and refers to how individuals understand the quality of their lives. It provides policy makers with valuable insights on the determinants of well-

being and, over time, will indicate impacts of national policies and programs aimed at improving living conditions for ni-Vanuatu.

The concept of happiness as a direct measure of quality of life captures the notion that what matters, or should matter, for decision makers are the impacts of a specific set of circumstances on how people feel about their life and living conditions. The viability of SWB as a decision tool relies on broad support of the view that people are the best judges of how their life is going, as opposed to a set financial figure or a targeted level of educational attainment. SWB is therefore a complimentary measure that augments our understanding of the living conditions of the people of Vanuatu.

HAPPINESS

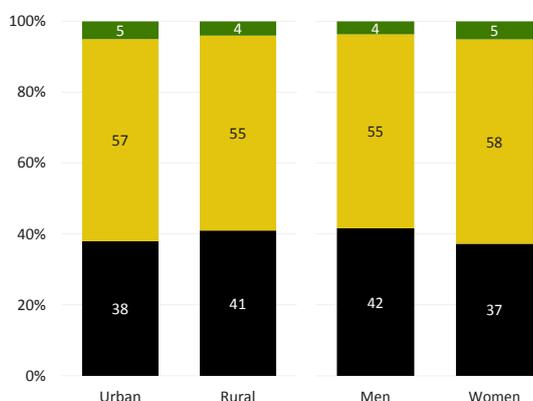
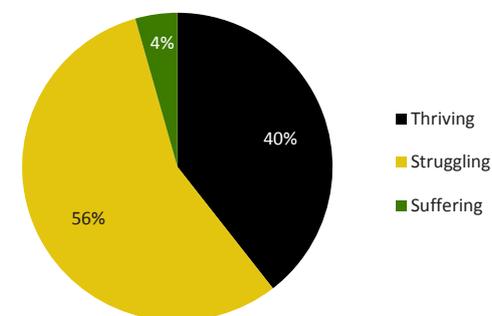
1. SUBJECTIVE WELL-BEING (SWB)

The 2012 Pacific Living Conditions Survey used the Cantrill Ladder, or self-anchoring striving scale, for collection of SWB data in Vanuatu. Responses to the scale are recorded for present and expected levels of happiness on a scale from 0-10. Using the Gallup analysis methodology for SWB data, individuals that rate the quality of their lives at a 7 or higher and expect it to be at an 8 or higher in five years' time are categorized as "thriving" individuals. Empirical evidence on thriving individuals show that they are healthier, reporting fewer sick days, and typically experience less sadness, anger, and stress and more enjoyment, interest and respect.

By contrast, individuals that rate the quality of their lives at a 4 or lower and do not expect it to improve within the next five years are categorized as "suffering". These individuals are typically more likely to report lacking basics of food and shelter, more likely to have physical pain, a lot of stress, sadness and anger. All of the individuals in the spectrum in between thriving and suffering are categorized as "struggling".

From the data collected in the survey we find that 40% of the population is thriving in Vanuatu, with only 4% of the population considered to be suffering, using this analysis method (figure 1). There is neither a significant difference in the proportion suffering between urban and rural dwellers, nor a significant difference between the two genders.

Figure 1: Applied Gallup Well-being Categories



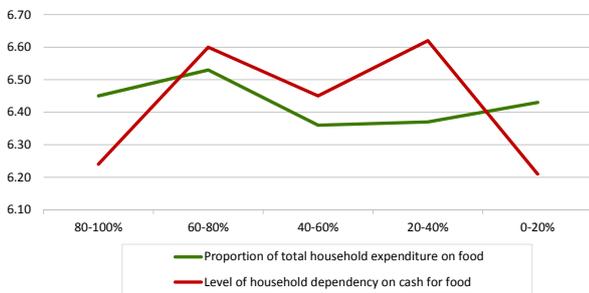
Average happiness in Vanuatu, using the scale described earlier, stands at 6.47 out of 10. The data obtained in the survey fails to show any consistent relationship between happiness and household income or expenditure as mean happiness fluctuates in both directions from one quintile to the next (figure 2).

Figure 2: Average Happiness and Household Income/ Expenditure



There remains no discernible relationship between happiness and household income or expenditure when looking at per-capita figures. This lack of trend continues to hold, interestingly, when looking at those households that spend a greater proportion of their income on food, as well as those households that depend more on money for food as a result of lower subsistence production levels (figure 3).

Figure 3: Average Happiness and Food Security



The most visible trends discovered in the survey show distinctive positive relationships between happiness and level of schooling achieved as well as age group. Happiness increases with higher education and with age, consistent with empirical evidence around the world that increases in wisdom and knowledge lead to increases in sense of happiness (figures 4 and 5).

Figure 4: Average Happiness by Age Group

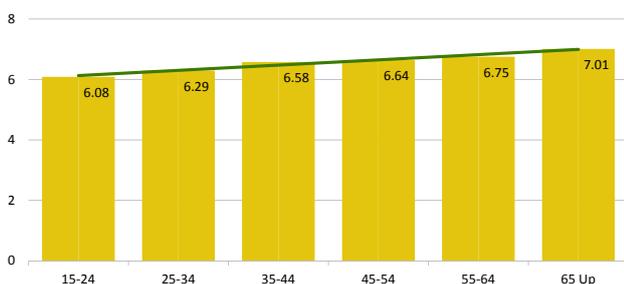
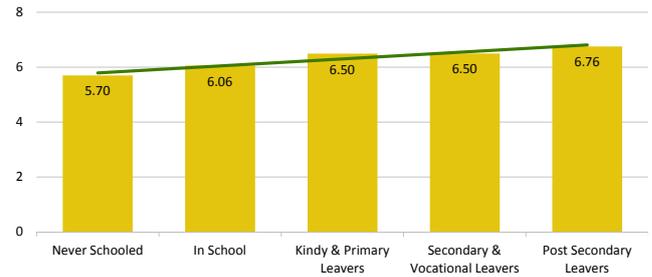


Figure 5: Average Happiness by Level of Schooling Achieved



A clear negative relationship between happiness and household size was also visible at the national level, implying that individual happiness decreases as the number of household members increases. This is also consistent with empirical evidence found in Bhutan and other countries that study happiness. It should be noted, however, that the relationship between happiness and household size only applies to urban households in Vanuatu, perhaps due to the added stress of feeding additional family members with limited resources. By contrast, larger households in rural areas tend to be more productive and have abundant resources reducing the burden of feeding additional members (figures 6 to 8).

Figure 6: Average Happiness by HH Size

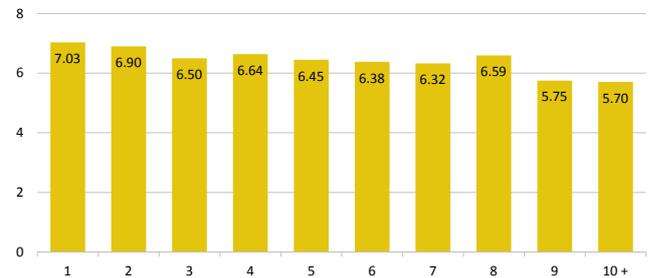


Figure 7: Urban Happiness by HH Size

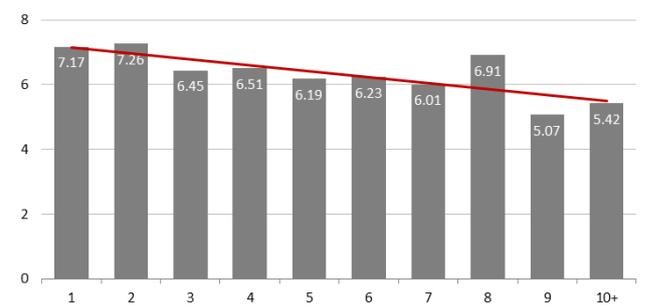
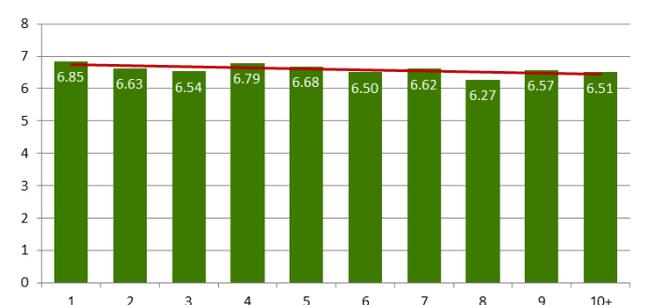


Figure 8: Rural Happiness by HH Size



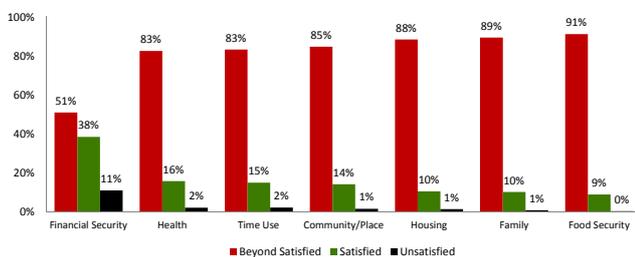
The survey found links between happiness and cultural knowledge and practice, with those individuals that possess basic production skills (inclusive of farming and cooking, weaving, and housing construction skills) and speak their indigenous language every day have above average happiness.

National Average 6.47			
Lacking Basic Production Skills	6.28	6.62	Possessing Basic Production Skills
Infrequent Use of Indigenous Language	6.22	6.51	Daily Use of Indigenous Language



2. SATISFACTION

Figure 9: Satisfaction Levels



In almost all dimensions, a vast majority (over 80%) of ni-Vanuatu report being more than satisfied with their current condition, with the notable exception of financial security. The highest levels of dissatisfaction were found in the dimension of financial security with 10% of ni-Vanuatu reportedly unsatisfied with the status of their personal finances and this dissatisfaction is more pronounced in rural areas. Food security is conversely the dimension with the highest levels of satisfaction and lowest levels of dissatisfaction with less than a quarter of one percent of the population reportedly unsatisfied with the status of their food supplies.

Table 1: Satisfaction Levels

	Beyond Satisfied	Satisfied	Unsatisfied
Health	82.52%	15.56%	1.91%
Urban	87.97%	10.27%	1.76%
Rural	76.67%	21.25%	2.08%
Men	83.54%	14.79%	1.67%
Women	81.54%	16.31%	2.15%
Family	89.40%	9.96%	0.64%
Urban	91.27%	8.15%	0.59%
Rural	87.39%	11.92%	0.69%
Men	89.92%	9.40%	0.68%
Women	88.90%	10.51%	0.60%
Time Use	83.28%	14.75%	1.98%
Urban	85.81%	12.08%	2.11%
Rural	80.54%	17.62%	1.83%
Men	83.23%	14.48%	2.29%
Women	83.32%	15.00%	1.67%
Food Security	91.16%	8.69%	0.15%
Urban	92.03%	7.73%	0.23%
Rural	90.23%	9.71%	0.06%
Men	91.10%	8.78%	0.12%
Women	91.22%	8.60%	0.18%
Housing	88.43%	10.36%	1.21%
Urban	88.81%	9.31%	1.87%
Rural	88.02%	11.48%	0.50%
Men	89.06%	9.70%	1.24%
Women	87.82%	10.99%	1.19%
Financial Security	50.84%	38.32%	10.84%
Urban	65.22%	28.03%	6.76%
Rural	35.28%	49.46%	15.26%
Men	51.21%	38.95%	9.83%
Women	50.48%	37.71%	11.81%
Community/Place	84.66%	13.96%	1.37%
Urban	87.98%	10.60%	1.42%
Rural	81.12%	17.55%	1.33%
Men	85.29%	13.47%	1.24%
Women	84.06%	14.44%	1.50%

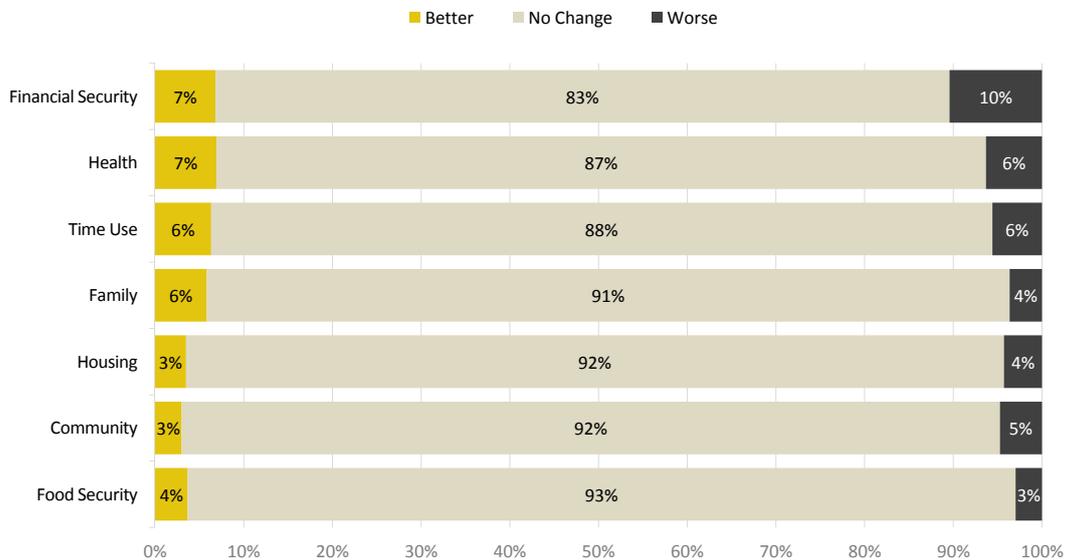


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The vast majority of ni-Vanuatu (over 80%) did not perceive any change their level of satisfaction along the seven dimensions inquired in the survey. It was discovered, however, that the dimension with the highest proportion of perceived change, both negative and positive, was

financial security. The dimension with lowest perceived change in satisfaction was food security, suggesting that the subsistence and greater “traditional” economy in Vanuatu remains relatively constant and provides a greater sense of security as compared to the cash economy.

Figure 10: Perceived Change in Satisfaction, Last 12 Months



3. STRESS

A typical feature of happiness research includes questioning on inhibitors to the individual’s pursuit of happiness. The survey obtained information on main sources of stress faced by ni-Vanuatu and found personal finances to be at the top of the list of most frequently used responses (figure 11). Those responses coded as “Finance” included worries about school fees, living expenses, debts, and not having enough money to meet the needs of the family.

Figure 11: Main Sources of Stress in Vanuatu

