

# Policy and Measurement: Livability/Objective Quality of Life (QOL) and Happiness/Subjective Wellbeing (SWB) (Livable, But Unhappy City )

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This article discusses objective Quality Of Life (QOL) and Subjective Wellbeing (SWB), focusing on their overlap and differences. The spatial focus is on urban-rural gradient (cities score high on livability/QOL, but low on SWB). The conceptual focus is on public policy and administration: how objective and subjective measures can be used for public policy and administration. A case is made for ending the primacy of economic indicators such as GDP, and turning to QOL, and especially SWB to guide policy and administration.

QUALITY OF LIFE (QOL), LIVABILITY, SUBJECTIVE WELLBEING (SWB), HAPPINESS, LIFE SATISFACTION, POLICY, CITIES, URBANISM

If you cannot measure it, you cannot improve it [...] To measure is to know. Lord Kelvin

Measurement is essential for progress—many would say something along the lines that if you cannot measure it, you cannot improve it. Notably lord Kelvin put it exactly this way and elaborated “When you can measure what you are speaking about, and express it in numbers, you know something about it; but when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind.”<sup>1</sup>

Then the question is how we measure human progress? Traditionally, and unfortunately, the human progress has been measured with money, either production or consumption. Still, the dollar yardstick dominates. Welfare, wellbeing, quality of life, and similar concepts are typically measured with money—salaries, housing values, and so on. But the most popular such measure at societal level is Gross Domestic Product (GDP), and its variations—per capita, and Purchasing Power Parity (PPP). GDP still dominates policy and administration as if increase in GDP solves most problems.

A notable departure from purely monetary measures is Human Development Index (HDI), which added education and life expectancy to GDP. More recently, a co-inventor of HDI, Amartya Sen has proposed subjective wellbeing (SWB) as a measure of development (Stiglitz et al. 2009):

Research has shown that it is possible to collect meaningful and reliable data on subjective as well as objective wellbeing. Subjective wellbeing covers various aspects (cognitive evaluation of one's life, happiness, satisfaction, positive and negative emotions) each of them should be measured separately to derive more information about people's quality of life. Subjective wellbeing should be included in large scale surveys undertaken by government offices.

Subjective wellbeing (SWB) and quality of life (QOL) is receiving much attention recently. And so is urbanization. According to UN (<https://esa.un.org/unpd/wpp>) in 1850 only 10% of the world population lived in cities, in 1950 about a third, and in 2050 it

<sup>1</sup>See for instance <https://physicsworld.com/a/in-praise-of-lord-kelvin>. Of course, there are other perspectives, e.g., “Not everything that counts can be counted, and not everything that can be counted counts” (William Bruce Cameron). But as argued here, this is actually a great advantage of SWB, that it measures human flourishing very well, and subsumes all dimensions of human life in one metric.

will be two thirds. The sheer numbers are stunning, over just several generations several billions of humans suddenly live in cities. It's a dramatic change of the human habitat—humans evolved as hunters gatherers over thousands of years without cities. Mass urbanization is a very recent development, and arguably the most dramatic change of human habitat.

Given enormous importance of both, urbanization and SWB/QOL, their intersection should be of central importance to a social scientist. A recent review of the knowledge in the area is Okulicz-Kozaryn (2015b). Ruut Veenhoven's World Database of Happiness is a collection of findings in happiness field in general ([worlddatabaseofhappiness.eur.nl](http://worlddatabaseofhappiness.eur.nl)) (Veenhoven 1995).

This article is organized as follows: first a need for departure from dollar amounts to better measures of progress or development is highlighted—this is after all what social indicators field and this journal are about—proper indicators and measurement. Then two useful sets of such measures are discussed, QOL and SWB, focusing on their overlap and differences. Finally, QOL and SWB are applied to urban-rural spatial setting. The article concludes with summary and policy implications.

## 1 Away from money, towards indicators of human flourishing

Life is a game. Money is how we keep score. Ted Turner, attributed

Money can't buy happiness, but it can make you awfully comfortable while you're being miserable. Clare Boothe Luce, attributed

Capital is dead labor, which, vampire-like, lives only by sucking living labor, and lives the more, the more labor it sucks. Karl Marx

Many economists see beyond self-interest and income-maximization, Adam Smith among them (e.g., Rauhut 2020). Yet most do consider self-interest and income or consumption maximization, so called “utility maximization” as an end goal. Money-orientation and utility-maximization are central to the discipline of economics.

Largely unnoticed, economics does dominate policy and even tries to dominate social science. Notably economic measures such as GDP have dominated measurement of development or progress and there is clearly a need for more holistic social indicators.<sup>2</sup>

Some of economics clearly has reached a level of absurd: “happiness is a commodity in the utility function in the same way that owning a car and being healthy are” (Becker and Rayo 2008, p. 89). This bizarre statement comes from a leading and Nobel prize winning economist Gary Becker.

Many other economists follow the suit and either try to discount or discredit SWB and claim that it is not nearly as important as utility (money) (Benjamin et al. 2014, Benjamin and Hefetz 2012, Glaeser et al. 2016, Rayo and Becker 2007, Becker and Rayo 2008, Benjamin et al. 2015, Glaeser et al. 2014).<sup>3</sup>

To most economists, utility equals income or consumption, not happiness, and accordingly economists advise people to maximize income and consumption, not happiness (Becker and Rayo 2008). Economics promotes a “homo oeconomicus,” an imaginary creature that is concerned only with money. Economic axioms or principles clearly state that the more income or consumption, the more utility (Autor 2010, Becker and Rayo 2008):<sup>4</sup>

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<sup>2</sup>Many economists actually believe they are superior to other social sciences (Economist 2016, 2014), and are ignoring non-economic research (Naim 2016, Fourcade et al. 2015) despite economics increasingly suffering from its inadequacy and detachment from the world (Economist 2013, Hodgson 1993), where even Nobel prize laureates in economics acknowledge crisis of economics and advise economists to learn from other disciplines (Altman 2016, Krugman 2012, Economist 2013). Among social sciences, economists' bias is not only most severe, but actually qualitatively different—only economists among social scientists believe in axioms—in some important ways economics is like religion and unlike science. Indeed, there is even a term for that: “economism,” belief in the primacy of economic causes or factors (Kwak 2017), or “economic imperialism” (Zafirovski 1999)

<sup>3</sup>To be precise, by economists I mean mainstream neoclassical economics, e.g., the Chicago school. To be fair, there are many economists that truly contributed to the social indicators and happiness literatures notably Andrew Oswald (2014), Blanchflower and Oswald (2011), Oswald and Wu (2009a,b), Blanchflower and Oswald (2004a,b), Di Tella et al. (2001), Oswald (1997) and Robert Frank (2016, 2012, 2008, 2005, 2004). A widely cited and celebrated Stiglitz et al. (2009) is clearly a step in the right direction, and it sparked a much needed policy debate. But the point of futility of pursuit of money is really well made by Marx (1867).

<sup>4</sup>In classical economic theory, self-interest is the key assumption, as rational people should maximize their personal outcomes (Seuntjens et al. 2015). And according to the economic theory, profit maximization, not any social responsibility, should be the only concern of businesses (Friedman 1970). Economists

$$\text{money} = \text{utility} \quad (1)$$

The point is that the discipline of economics is actually failing to promote human flourishing or happiness, or even prevents it. Skidelsky and Skidelsky (2012, p. 12) puts it well “Perhaps the chief intellectual barrier to realizing the good life for all is the discipline of economics.”

To be fair, there was a good reason for primacy of economic thinking after the Second World War in order to rebuild the devastated world. Economic institutions such as World Bank, International Monetary Fund, and World Trade Organization were established and economists took charge to run the countries to maximize GDP. Yet now, if anything, there is a need for degrowth Kallis et al. (2012), Kallis (2011) as pursuit of GDP has devastated natural environment, and the very existence of our species is endangered Pachauri et al. (2014). If we do nothing, we will face multiple severe, pervasive and irreversible impacts—it is an emergency. For more information see Intergovernmental Panel on Climate Change at [www.ipcc.ch](http://www.ipcc.ch).<sup>5</sup>

The climate change crisis requires the relentless pursuit of money (production and consumption) to stop or at least to limit to a sustainable way and level. Already 50 years ago, Easterlin has pointed out that the pursuit of money and the pursuit of happiness are about the same thing in the US Easterlin (1973). In one study students were asked about their feeling related to money, and “happiness” was the most frequent emotion cited (Mogilner 2010). A recent survey found that a third of people define success by their possessions (cited in Joye et al. 2020). Greed, materialism, and consumerism became accepted and even celebrated in American society. “Conspicuous exhaustion” and “busyness” are badges of courage (Gershuny 2005). Yet, pursuit of money is not pursuit of happiness, but an illusion. Money does not buy happiness.

Acquiring money beyond necessity is actually counterproductive in many ways as neediness grows as one has more of it (Marx 1844a).<sup>6</sup> “The more one has, the more one wants, since satisfactions received only stimulate instead of filling needs” (Durkheim [1895] 1950, p. 248).<sup>7</sup> Money has distortive power, Marx explained it well and is worth quoting in full:

Money, then, appears as this distorting power both against the individual and against the bonds of society, etc., which claim to be entities in themselves. It transforms fidelity into infidelity, love into hate, hate into love, virtue into vice, vice into virtue, servant into master, master into servant, idiocy into intelligence, and intelligence into idiocy. Since money, as the existing and active concept of value, confounds and confuses all things, it is the general confounding and confusing of all things—the world upside-down—the confounding and confusing of all natural and human qualities.

He who can buy bravery is brave, though he be a coward. As money is not exchanged for any one specific quality, for any one specific thing, or for any particular human essential power, but for the entire objective world of man and nature, from the standpoint of its possessor it therefore serves to exchange every quality for every other, even contradictory, quality and object: it is the fraternization of impossibilities. It makes contradictions embrace.

Assume man to be man and his relationship to the world to be a human one: then you can exchange love only for love, trust for trust, etc. If you want to enjoy art, you must be an artistically cultivated person; if you want to exercise influence

advanced a concept of an ideal human being, so called “homo economicus,” a perfectly rational homo sapiens who maximizes income and consumption at all times: “1) people are self-interested utility-maximizers, 2) individuals should be unimpeded in their pursuit of their own self-interest through economic transactions, and 3) virtually all human interactions are economic transactions” (Walker 1992, p. 273). Indeed, already taking economics classes may increase one’s greedy behavior (Wang and Murnighan 2011).

<sup>5</sup>Also see popular media coverage, for instance Paul Krugman’s point of no return <http://www.nytimes.com/2014/05/16/opinion/krugman-points-of-no-return.html> and <http://www.economist.com/news/science-and-technology/21630639-most-comprehensive-climate-report-yet-issues-its-shots-across-bow-warming-and>.

<sup>6</sup>Work itself, according to Marx, is a drudgery and toil in capitalism (Marx [1867] 2010, Lyons 2007). Wage slaves are “hired slaves instead of block slaves. You have to dread the idea of being unemployed and of being compelled to support your masters” (p. 283 Goldman et al. 2003).

<sup>7</sup>This concept in social indicators research is called ‘hedonic treadmill’ (Diener et al. 2006, Brickman et al. 1978, Duhigg 2012). The theory of happiness as a motivator (Carver and Scheier 1990) is also relevant here. People should buy time and experiences, not material goods (except bare necessities, of course) (Putnam 2001, Kasser 2016, Dittmar et al. 2014). Valuing time and experience over money, not the other way round, predicts happiness. One should buy time, (e.g., cut commute)—time is actually arguably the most important resource (Masuda et al. 2020, Williams et al. 2016, Whillans et al. 2017).

over other people, you must be a person with a stimulating and encouraging effect on other people. Every one of your relations to man and to nature must be a specific expression, corresponding to the object of your will, of your real individual life (Marx 1844b, cited in).

## 2 Objective Quality of Life (QOL) and Subjective Wellbeing (SWB)

“What do [men] demand of life and wish to achieve in it? The answer can hardly be in doubt. They strive after happiness; they want to become happy and to remain so” Sigmund Freud

Fortunately, there is an alternative to money as an end itself as advocated by economics and as adopted by contemporary materialistic and consumerist culture and society. The alternative is objective Quality of Life (QOL) and Subjective Wellbeing (SWB) indicators. For a historical overview of the concept of human wellbeing—how it evolved over centuries and how different cultures approached it—see McMahon (2006).

QOL can be also called livability, ie suitability for human living, habitability (Veenhoven 2000), or quality of place (Burton 2014). One example is Mercer Index that mostly captures material standard or level. But full/proper QOL should be broader and include non-material ingredients such as freedom, trust, tolerance, self-expression, and so forth. Standard of living is a mere level of material comfort in terms of goods and services such as health care, clean water, education, telephones, clothing, computers and so forth.

SWB is mostly cognitive overall life satisfaction, but also to some degree momentary affective happiness, and negative and positive affect. SWB is subjective because we ask people how they feel. And there are also domain satisfactions as per classic Campbell et al. (1976): eg neighborhood, family, and career satisfactions.

QOL/livability notably includes job opportunity—even as much as 90% of people move to a place for a job (Economist 2011b,a). In contemporary materialistic and consumerist world, money defines much of human action. People move to places for jobs and businesses move for talent (Florida 2008). Other components of livability include (Economist 2011b):<sup>8</sup>

- cost of living
- public transport and roads
- safety and security
- culture and nightlife

Yet many QOL/livability indices don't capture intangible qualities of a place such as vibrancy, authenticity, and distinctiveness. Many obvious characteristics make a place livable: education, health and safety, housing, getting around (commuting), but also less obvious areas like freedom, tolerance, trust and self-expression need to be satisfied as well (Florida 2008, p 297). Following a classic Maslow ([1954] 1987) pyramid of needs in fig 2, Florida (2008) suggests a pyramid of needs of a place (figure 3).

At low levels of economic development, economic gains or material goods matter—people need to satisfy their basic needs such as shelter or food. Hence, again, economic primacy of production and consumption did make sense after the 2WW to rebuild the devastated world. But once the basic needs are satisfied, there develop higher level needs related to life-style such as self-expression—see figure 1.

Figure 1 illustrates affluence paradox (Pacione 2003) (also see discussion in Ng 1997, p. 1849)—the more income, economic development or affluence, the less they matter for SWB. At higher level what matters is higher dimensions Maslow's pyramid in figure 2. This is similar to diminishing marginal returns from income in SWB observed at country, region, and person levels (Okulicz-Kozaryn 2012).

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<sup>8</sup>For elaboration and an example of Mercer index of urban livability see appendix.

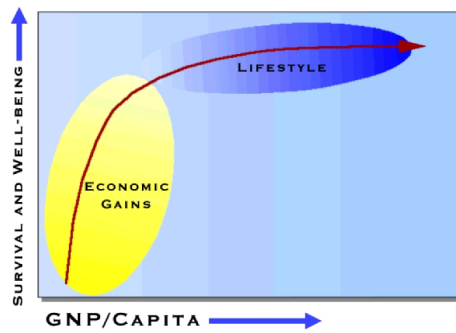


Figure 1: Well-being and income, (Inglehart 1997).

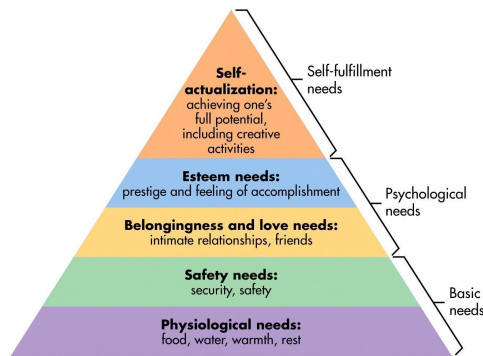


Figure 2: Maslow Pyramid, (Maslow [1954] 1987).

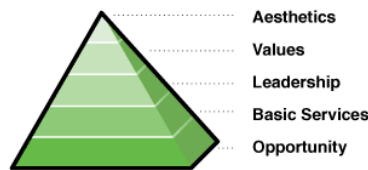


Figure 3: Place Pyramid, (Florida 2008, p 294).

SWB, on the other hand, by definition, is the most comprehensive measure possible. SWB is a person's comprehensive evaluation of her life as whole and includes "both cognitive judgments of one's life satisfaction in addition to affective evaluations of mood and emotions" (Steel et al. 2008, p. 142). Veenhoven's (2008, p. 2) definition of SWB is very similar, "overall judgment of life that draws on two sources of information: cognitive comparison with standards of the good life (contentment) and affective information from how one feels most of the time (hedonic level of affect)."<sup>9</sup> SWB is typically measured with a survey item such as "On the whole, are you very satisfied, fairly satisfied, not very satisfied, or not at all satisfied with the life you lead?" and it ranges from say "1 =not at all satisfied" to "4 =very satisfied." The SWB measure, even though self-reported and subjective, is reliable (precision varies) and valid (Myers 2000, Di Tella and MacCulloch 2006, Diener et al. 2013). SWB correlates with similar objective measures such as brain activity (Layard 2005). SWB has discriminant validity (Sandvik et al. 1993). For a through review see Diener (2009) (especially ch. 5) and Diener et al. (2013). Diener (2009) makes an important point that limitations of SWB are not serious enough to make it unusable for public policy—see especially ch. 6. SWB, as any measure, has limitations. SWB is influenced by culture, social norms, etc (Diener and Suh 2003). SWB is relative at least to some degree and it often bounces back to the so called set point (Lucas et al. 2006), even if

<sup>9</sup>Some scholars make a distinction between happiness and life satisfaction—life satisfaction refers to cognition and happiness refers to affect. Life satisfaction is a cognitive aspect of happiness (Dorahy et al. 1998).

one wins a lottery or loses a leg (Brickman et al. 1978). About half of SWB is genetically determined (Lykken and Tellegen 1996). But these limitations are not critical, that is, policy still does influence happiness greatly—for discussion see Diener (2009), especially ch 6.

What about the relationship between QOL and SWB? The relationship of QOL and SWB is discussed by (Veenhoven 2000, Cummins 2000, Diener and Suh 1997, Schneider 2005, Pacione 2003). QOL and SWB are different perspectives on human development, with its pros and cons, they should rather be used as complements than substitutes. QOL is about what is out there; SWB is about how it affects humans; There is the world on the ground, and the world on the mind. For instance, it is not only the objective qualities of transportation, but how people are satisfied with it; not only actual objective crime, but how people feel about it.<sup>10</sup>

The relationship between QOL and SWB can be conceptualized in several ways. Table 1 shows Veenhoven's four qualities of life—using a 2x2 matrix of life chances and results against outer and inner qualities. Table 2 shows Michalos livability-SWB theory—using a 2x2 matrix of hi-lo QOL and SWB, there can be 4 combinations of outcomes.

	outer qualities	inner qualities
life chances	livability of environment [QOL]	life-ability of the person
life results	utility of life	appreciation of life [SWB]

**Table 1:** Veenhoven's four qualities of life (Veenhoven 2000).

	lo QOL	hi QOL
lo SWB	real hell [deprivation, unhappy poor]	fool's hell [dissonance, unhappy rich]
hi SWB	fool's paradise [adaptation, happy poor]	real paradise [well-being, happy rich]

**Table 2:** Michalos 2 variable theory: fool's paradise and fool's hell (Michalos 2014). Cummins' similar classification is shown in square brackets (Sirgy 2002, p.61).

As per Veenhoven's livability theory (Veenhoven 2014) QOL/livability contributes to satisfaction of human needs, and hence, SWB should follow (Diener et al. 1993, Veenhoven 1991, Veenhoven and Ehrhardt 1995). "Like all animals, humans have innate needs, such as for food, safety, and companionship. Gratification of needs manifests in hedonic experience" (Veenhoven 2014, p. 3645). Specifically Veenhoven's livability theory states that QOL satisfies universal objective absolute human needs as those on Maslow's hierarchy of needs, and thus improves SWB (Veenhoven and Ehrhardt 1995, Veenhoven 2000, 2014). Bottom of Maslow pyramid (Maslow [1954] 1987) are basic needs: economics and survival. Top of Maslow pyramid is about psychological and self-fulfillment needs. SWB is a function of both—basic needs first, but once they are satisfied, SWB depends on higher dimensions.

Yes, SWB is subjective, a self-reported evaluation of life but the great advantage of SWB is that it captures all experiences that are important to a person, not to the experts who construct livability indices. It is after all that QOL indices are highly subjective in at least 2 ways: choice of metrics, and their weights. Even GDP is much less objective than one thinks, it is not a carefully added comprehensive dollar amounts of the economy, but a rough estimate.

### 3 QOL, SWB, and Urbanicity

Here is the great city! Here thou hast nothing to seek and everything to lose. Friedrich Nietzsche

Nature is not a place to visit, it is home. Gary Snyder<sup>11</sup>

<sup>10</sup>Not only quality of life is connected to the perceptions, feelings, and subjective values, but fundamentally (and philosophically) quality of life is perceptions and feelings (Senlier et al. 2009). It is not the objective quality of infrastructure but how people perceive it that matters (Senlier et al. 2009). Spiritually, one could say that we do not really experience the world outside of ourselves, all experience is produced within the human <https://isha.sadhguru.org/us/en>.

<sup>11</sup>It is a common mistake to consider city amenities as livable (high on QOL), but not consider as much natural amenities, while it is actually nature that is our home, not city.

City is mostly an invention of industrialization, only several percent of population lived in cities before 1750, and there was no city larger than 1m. And the city that industrialization produced was not pretty Engels ([1845] 1987):

In a rather deep hole, in a curve of the Medlock and surrounded on all four sides by tall factories and high embankments, covered with buildings, stand two groups of about two hundred cottages, built chiefly back to back, in which live about four thousand human beings, most of them Irish. The cottages are old, dirty, and of the smallest sort, the streets uneven, fallen into ruts and in part without drains or pavement; masses of refuse, offal and sickening filth lie among standing pools in all directions; the atmosphere is poisoned by the effluvia from these, and laden and darkened by the smoke of a dozen tall factory chimneys. A horde of ragged women and children swarm about here, as filthy as the swine that thrive upon the garbage heaps and in the puddles. In short, the whole rookery furnishes such a hateful and repulsive spectacle as can hardly be equaled in the worst court on the Irk. The race that lives in these ruinous cottages, behind broken windows, mended with oilskin, sprung doors, and rotten door-posts, or in dark, wet cellars, in measureless filth and stench, in this atmosphere penned in as if with a purpose, this race must really have reached the lowest stage of humanity.

In developed world, the industrial city is largely gone. It either turned into urban decay as in the rust belt (Philadelphia, Baltimore, Patterson) or into unaffordable stressful commerce (NYC, San Francisco, Austin) (Zukin 2009, Okulicz-Kozaryn 2015b).

Civilization has its discontents as in the title of a classic book by Freud Freud et al. (1930). Human civilization created great tools and engines of progress, metropolis one of them (O'Sullivan 2009, Glaeser 2011b). "But lo! men have become the tools of their tools." Thoreau (1995 [1854], p. 24) Man is but a tiny insignificant cog in urban machine. Simmel wrote "[urbanite] is reduced to a negligible quantity. He becomes a single cog as over against the vast overwhelming organization of things and forces which gradually take out of his hands everything" (Simmel 1903, p. 337).

There is a fascinating interplay between QOL and SWB across the urban-rural gradient.<sup>12</sup> QOL usually increases with size of a place, but SWB decreases. Larger cities tend to be ranked higher on QOL, but lower on SWB Okulicz-Kozaryn and Valente (2019), Okulicz-Kozaryn (2013). The larger the place, the more amenities; more freedom more gesellschaft Tönnies ([1887] 2002); more productivity, efficiency, agglomeration economies, labor specialization CITEurb eco handbook; more innovation, income per capita BETTENCOURT, but also multiple disamenities: air, noise, light pollutions, disease spread (covid19 case in point), alienation, superficiality, crime Okulicz-Kozaryn (2015b).

Notably city is a very recent development in human evolutionary history, for tens of thousands of years as hunters gatherers humans lived without cities in small bands. Humans are more like chimp than bees or ants Pinker (2003) and yet currently more than half of the species (and by 2050 about 2/3) live in cities. City-living is unnatural to human species, and accordingly humans are less happy in cities than elsewhere (except in poorest developing countries), that is urban disamenities outweigh amenities; despite what economists try to argue (CITEglaeser and burger)

Perhaps, the best example of urban malaise or unhappiness is Singapore, by many QOL/livability standards, one of the best, if not the best place in the World. It has World's third highest (after Qatar and Luxembourg) Gross Domestic Product per Capita Purchasing Power Parity adjusted (IMF 2017). It has also third highest (after Monaco and Japan) life expectancy in the World (Central Intelligence Agency 2017), second highest economic freedom (Heritage 2017). Singaporean children score highest on educational tests (Coughlan 2017), Singapore is making greatest progress in health (Fullman et al. 2017), has the World's fastest internet (McSpadden 2015). Singapore has even the World's strongest passport (Chandran 2017). In short, Singapore seem to have the highest or one of the highest QOL/livability in the World.

A distinctive feature of Singapore is that it is a nation-city, almost only urban, a third (after Monaco and Macao) most dense country in the World (<https://esa.un.org/unpd/wpp>). Then one would expect Singapore to be one of the very happiest countries

<sup>12</sup>Urban-rural is rather a gradient than dichotomy; yet urban unhappiness intensifies at population of around several hundred thousand Okulicz-Kozaryn (2016). Accordingly, by "urban" or "city" I mean here large cities, larger than several hundred thousand. By rural I mean rural areas: wilderness, open country, and villages, but also smaller towns. But again, it is a gradient, and both QOL and SWB increase (and decrease) along with size of a place.

in the World. But it doesn't make it to the top quartile (Veenhoven 1995).

Urban malaise or unhappiness is universal in the developed world.<sup>13</sup> The largest American city, New York City, is the least happy or one of the least happy places in America (Okulicz-Kozaryn and Mazelis 2016, Senior 2006). London is the largest and least happy place in the UK (Office for National Statistics 2011, Chatterji 2013). Toronto, the largest metropolitan area in Canada, is second least happy in Canada, only Vancouver (third metropolitan area) is less happy (Lu et al. 2015). Helsinki is the largest and least happy place in Finland (Morrison 2015). Bucharest is the largest and least happy place in Romania (Lenzi and Perucca 2016). Australia's largest city, Sydney, is least happy (cited in Morrison 2011), and so forth. It is a paradox—people flock to large cities, places that are least happy.

"The city is typical of Gesellschaft in general" (Tönnies [1887] 2002, p. 227). "The metropolis has always been the seat of money economy" (Simmel 1971, p. 326). Simmel put it well and is worth citing in full:

Money [exemplified in cities] is concerned only with what is common to all: it asks for the exchange value, it reduces all quality and individuality to the question: How much? All intimate emotional relations between persons are founded in their individuality, whereas in rational relations man is reckoned with like a number, like an element which is in itself indifferent. Only the objective measurable achievement is of interest. Thus metropolitan man reckons with his merchants and customers, his domestic servants and often even with persons with whom he is obliged to have social intercourse. These features of intellectuality contrast with the nature of the small circle in which the inevitable knowledge of individuality as inevitably produces a warmer tone of behavior, a behavior which is beyond a mere objective balancing of service and return. Simmel and Wolff ([1903] 1950, p. 411)

People flock to the very expensive cities like New York, Toronto, Milan, and Beijing. They are proud to live in a top city, and yet are unhappy to live there at the same time (Balducci and Checchi 2009). Large city dwellers are consistently proud of their cities, even regardless of their own conditions or indicators of quality of urban life (Balducci and Checchi 2009, Martinson 2000).

A case can be made that there is an unconscious city fetish (Okulicz-Kozaryn and Valente 2017), that is, people are drawn to cities and kept there in large part by their unconscious city fetish. The alluring fetish is city's power, prestige, and wealth substituting for urbanite's insignificance—an urbanite feels delusionally empowered and fulfilled by the city—urbanite thinks she's more than she actually is due to being in powerful, prestigious, and wealthy city (Okulicz-Kozaryn and Valente 2017).

An objective quality of life may be high—city has wealth, amenities, and opportunities—and yet vast majority of urbanites don't have time or money to take advantage of city resources and end up less happy—SWB is lower in cities—but yet due to city fetish they remain in their delusion that they are better off in the city.

Cities have always been economic, political and cultural centers, and if anything, the prominence of cities is increasing (Khanna 2016, Hanson 2015). Cities attract people, because people strive for power and status. City fetish is similar to Marxian commodity fetishism or domination by things (Marx [1867] 2010). Just like commodities bestow its value but also domination on humans, so do cities bestow its value and dominance upon urbanites. The urban bestowal materializes itself in a feeling of pride and superiority for an urbanite Martinson (2000), Balducci and Checchi (2009).

"The formal architecture of cities [...] expresses power and wealth" (Rudofsky cited in Hough 2004). This is well enshrined in city towers.

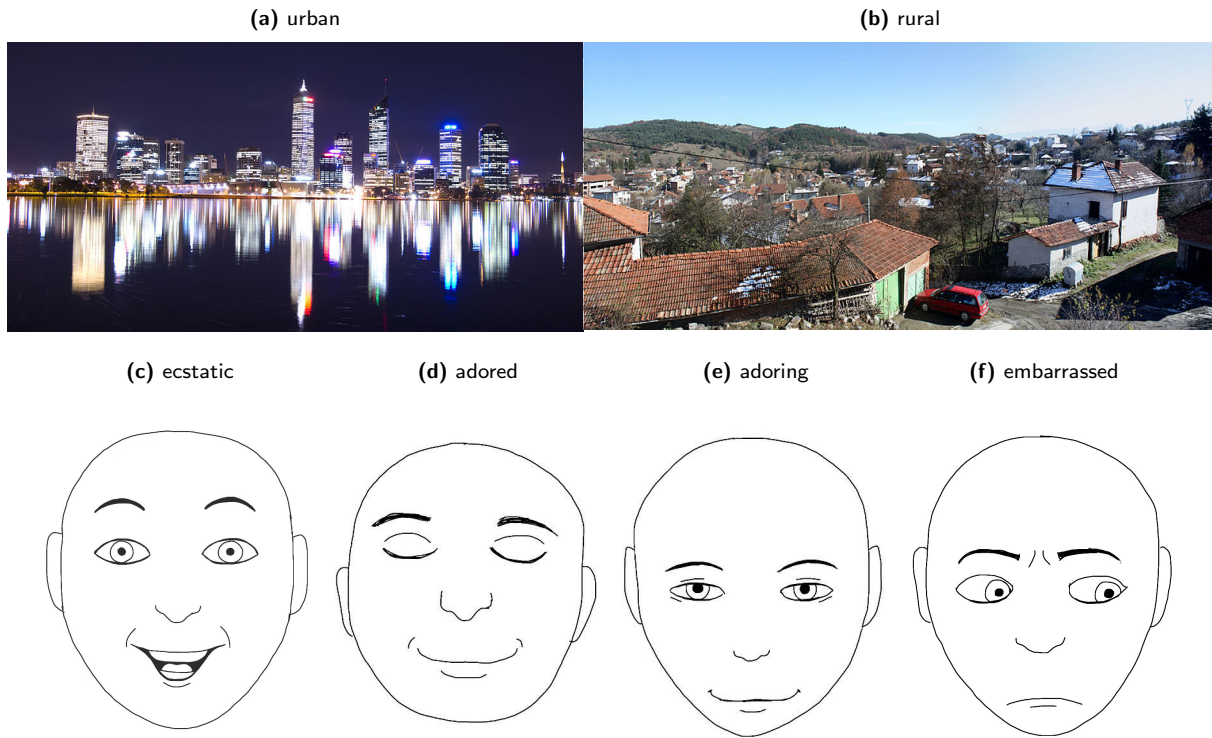
Urban pride can be visualized using facial expressions in figure 4—urbanites delusionally shine with their power and fulfillment. Of course, some truly do shine and emanate energy, but that is a fraction of the top percent.<sup>14</sup> Urban pride and power, however, for majority of urbanites, is illusory—they are insignificant and subjugated cogs in the urban machine toiling long hours and living in small and expensive spaces (see appendix for elaboration). And again, they are less happy than rural folks.

<sup>13</sup>Some social groups, however, are not least happy in the largest cities—American Millennials is one example (Okulicz-Kozaryn and Valente 2018).

<sup>14</sup>The energy aura of the fraction of the top percent seems to come from common people in the first place—powerful people appear to nurture their energy from their admirers (Okulicz-Kozaryn and Valente 2017).



**Figure 4:** Powerful and dominating urban v insignificant and subjugated rural.



## 4 Summary, Discussion and Policy Implications

The article started with a quote by lord Kelvin on necessity of measurement in order to track progress and improve. What gets measured, it can be improved. For too long we have been focused on measuring and improving dollar amounts such as GDP. Monetary measures must not only be complemented by other measures, but they must be given much less weight, at least in the developed world.

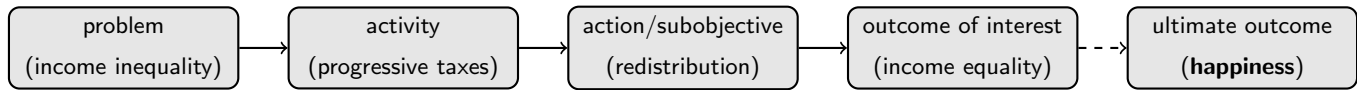
The argument here is that objective QOL and subjective SWB are complemenetray (rather than substitute). SWB is better—more comprehensive than QOL as it encompasses all sources and domains that matter to a person. It is more precise because it has a perfect weighting by each person as opposed to some expert defining weight for components of QOL uniformly for everyone. SWB can be used as a “yardstick” to aid with public policy—this is not a new idea—it was already proposed at least as early as in 1980s (Veenhoven 1988).

It is agreed that QOL should result in SWB as per livability theory Veenhoven (2014); but attention should be paid to what aspects of QOL matter for SWB, if something is not important for SWB, and not for other reasons (e.g., Okulicz-Kozaryn 2015a), then we should not spend limited resources on it; for instance if more highways don't result in more SWB (perhaps positive economic externalities are traded off by negative ones eg pollution and noise); As elaborated earlier, if there is any obvious policy direction in social science for improving SWB it is cutting money orientation and cutting consumption (at least in the developed World).

It is overlooked that arguably the ultimate outcome of any public policy is happiness (SWB). Yet only in few cases it is stated explicitly. One example is Bhutan, which officially tries to achieve “the greatest happiness for the greatest number.” While the US in its Declaration of Independence acknowledges “pursuit of happiness,” it is difficult to imagine a government official pondering how some policy or administrative action enables this pursuit.

To fix the ideas, it is useful to use a flow chart to conceptualize an outcome line between a social problem, policy tackling it, an outcome of interest and happiness in figure 5. Say we face income inequality as a problem and take some action (e.g., tax), to achieve a subobjective, redistribution. The outcome of interest is income equality. But we usually stop here. We forget that the ultimate

outcome of interest is happiness—after all why to consider something as a problem if it doesn't hamper happiness. Why design a policy and achieve some outcome if it doesn't improve happiness? To improve policy making and administration we should ask and measure explicitly how much SWB will a policy or administrative action bring about.<sup>15</sup>



**Figure 5:** An outcome line. Usually we stop at outcome of interest. Yet the outcome of interest is only of value (with few exceptions as discussed later) if it results in happiness.

There are always limited resources and there are many competing needs—education, safety, public health, and so forth—one metric to help direct spending is SWB. One example is housing and commute. We know that stressful commute in heavy traffic is one of the worst things one can do for one's happiness Kahneman et al. (2004). The reason for stressful heavy traffic commutes is a spatial mismatch between housing and jobs. Usually a person buys a larger and more expensive house than she needs further away from jobs in suburbs or exurbs Duany et al. (2001). But such houses, or most consumption in general for that matter, do not result in lasting SWB Leonard (2010), Kasser (2016), Dittmar et al. (2014), Kasser (2003), Schmuck et al. (2000), Kasser and Ryan (1993).

Hence, a policy could discourage consumption and commute to promote greater SWB. Houses are typically the largest consumption item of typical persons, cars are typically the second largest item. And expensive or luxury cars do not bring about SWB either Okulicz-Kozaryn and Tursi (2015).

QOL/SWB, as desirable outcomes, should dominate policy and administration. The metrics have entered the mainstream policy discussion around 2010 with publication of Stiglitz et al. (2009). Yet, a troubling development is adoption of the metrics by economists United Nations (e.g., 2012), Helliwell et al. (e.g., 2020), Glaeser et al. (e.g., 2016), Glaeser (e.g., 2014), Helliwell et al. (e.g., 2012), Glaeser (e.g., 2011b,a), Benjamin et al. (e.g., 2014), Benjamin and Heffetz (e.g., 2012), Rayo and Becker (e.g., 2007), Becker and Rayo (e.g., 2008), Benjamin et al. (e.g., 2015), Glaeser et al. (e.g., 2014), Deaton and Stone (e.g., 2013), Deaton (e.g., 2013) Again, Skidelsky and Skidelsky (2012, p. 12) puts it well "Perhaps the chief intellectual barrier to realizing the good life for all is the discipline of economics." Notably, we have a "happiness industry" (Davies 2015) claiming that the more money, work, and consumption, the more happiness—governments and businesses embrace happiness to advance their own goals (Davies 2015).

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<sup>15</sup>There are exceptions to this rule, of course. SWB is not the only outcome of interest. Sometime one must endure outright misery to achieve happiness later. And sometimes happiness is not the most important goal, especially if its achievement conflicts with other desirable outcomes such as morality. Especially in the short run, one often needs to sacrifice happiness in order to achieve happiness in the long run. For instance one needs to save, invest, postpone consumption, and work hard in order to be happy later. A typical example of short run SWB and long run misery is over-use of pleasure inducing chemicals such as tobacco and alcohol (Linden 2011).

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## 5 Appendix/Supplementary Online Material (SOM)

### 5.1 Measurment: Various Tpolgies

fix appendix, go to office and print out!

At country level:

<http://happyplanetindex.org/>

<https://www.bcg.com/publications/interactives/seda-2019-guide>

a scale

QOLS scale (Burckhardt et al. 2003)

local/county neighb level:

oecd cloutier and county level as in my initial proposal! and perucca in italy kostas murtadis

### 5.2 Best Places To Live

There are many lists called "best places to live:"

- <http://whosyourcity.com>,
- <http://www.gallup.com/poll/145913/city-wellbeing-tracking.aspx>,
- <https://wallethub.com/edu/happiest-places-to-live/32619>
- [http://www.economist.com/blogs/gulliver/2011/02/liveability\\_ranking](http://www.economist.com/blogs/gulliver/2011/02/liveability_ranking)
- <http://www.mercer.com>
- and so forth

Mercer index appears to be most popular<sup>16</sup>.

#### 5.2.1 Mercer

Mercer questioned expatriates on the importance of each of the 39 issues. The weights assigned to each category are as follows (most heavily weighted items in bold):<sup>17</sup>

- 23 **Political and social environment** (political stability, crime, law enforcement, etc)
- 4 Economic environment (currency exchange regulations, banking services, etc)
- 6 Socio-cultural environment (censorship, limitations on personal freedom, etc)
- 19 **Health and sanitation** (medical supplies and services, infectious diseases, sewage, waste disposal, air pollution, etc)
- 3 Schools and education (standard and availability of international schools, etc)
- 13 **Public services and transportation** (electricity, water, public transport, traffic congestion, etc)
- 9 **Recreation** (restaurants, theaters, cinemas, sports and leisure, etc)
- 11 **Consumer goods** (availability of food/daily consumption items, cars, etc)
- 5 Housing (housing, household appliances, furniture, maintenance services, etc)
- 6 Natural environment (climate, record of natural disasters)

<sup>16</sup> "The Economist and Forbes base their rankings primarily on data from the Mercer consulting company" (<http://www.livablecities.org/blog/value-rankings-and-meaning-livability>).

<sup>17</sup> I obtained weights by contacting Mercer in 2011. I have contacted them again to see if there was any change and was told that it has not changed. Morais et al. (2013) reports the same weights. A full list of 39 factors is in (Okulicz-Kozaryn 2013).

### 5.3 Urban Pride: Towers

Burj Khalifa the tallest tower so far in fig 6.



**Figure 6:** Burj Khalifa—the tallest building in the world as of 2020.

### 5.4 urban malaise: crowding

There are striking examples of crowding in largest cities. While majority of urbanites do not live in such extreme crowding, the trend is towards more crowding as urban population is growing, cities are becoming larger and less affordable (Misra 2015, Florida and Schneider 2018, Weinberg 2011, Solari 2019, Schuetz 2019, Kotkin 2013).

Human crowding in city towers can be visualized as compared to chicken crowding in cages in figure 7. Human cage-size living is already happening. New York offers some 250 sq feet apartments. Some New Yorkers live in even smaller 100 sq feet apartments.<sup>18</sup>

<sup>18</sup>See <http://7online.com/realestate/couple-squeezes-into-one-of-manhattans-tiniest-apartments/371661/>, <http://inhabitat.com/nyc/womans-impossibly-tiny-90-sq-ft-manhattan-apartment-is-one-of-the-smallest-in-nyc/90-square-foot-apartment/>, <http://www.nydailynews.com/new-york/uptown/smallest-apartment-nyc-article-1.1459066>. Some apartments or “cubbyholes” are even smaller at striking 40 square feet, see for instance: <http://www.nytimes.com/2016/09/18/realestate/so-you-think-your-place-is-small.html>. In other dense cities crowding is similar, e.g., <https://www.nytimes.com/interactive/2019/07/22/world/asia/hong-kong-housing-inequality.html>.

**Figure 7:** Towers as economically efficient housing for humans and chickens).

**(a)** Human tower.

**(b)** Chicken tower.



## 5.5 Mental Health Crisis

The World Health Organization estimates that in the decades to come depression will become the second most frequent cause of disability in the world (cited in Diener 2009, p. 66). Western countries are facing a mental health crisis, notably UK and US (e.g., Wilkinson and Pickett 2010). And notably happiness research in psychology started from looking at depression—Martin Seligman, a happiness pioneer in psychology, first studied depression, to bring people from miserable to normal. Then he realized that we can do better than that and increase wellbeing beyond neutral towards flourishing.