



**CIFAR**

CANADIAN INSTITUTE  
for ADVANCED RESEARCH

**Social Capital and Well-Being**

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**June 11, 2009**

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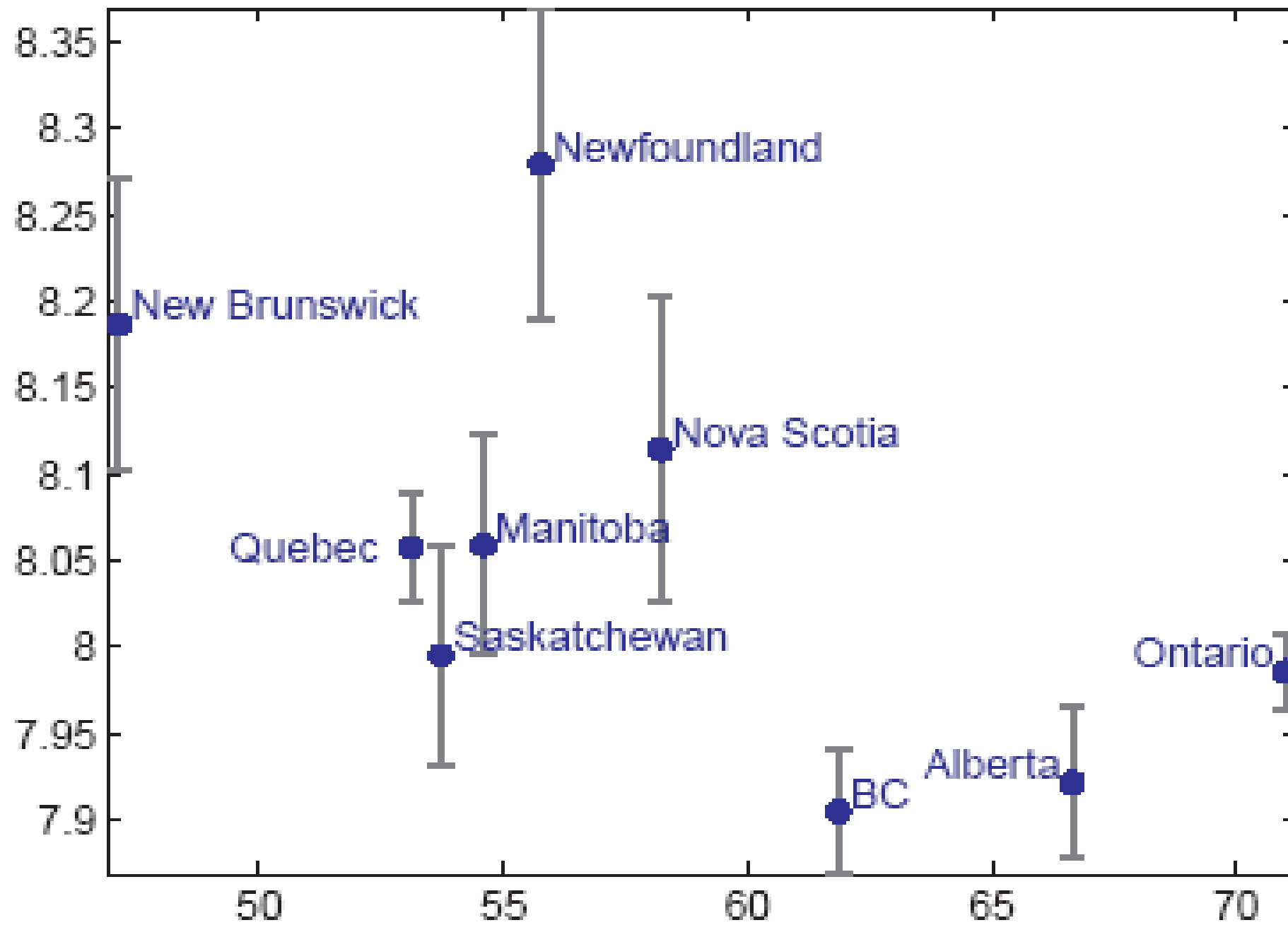
**Research from the CIFAR program on "Social  
Interactions, Identity and Well-Being"**

**In collaboration with Chris Barrington-Leigh,  
Haifang Huang, Anthony Harris, Méлина Longpré,  
Shannon Milroy, and Shun Wang**

# Aristotle's Question

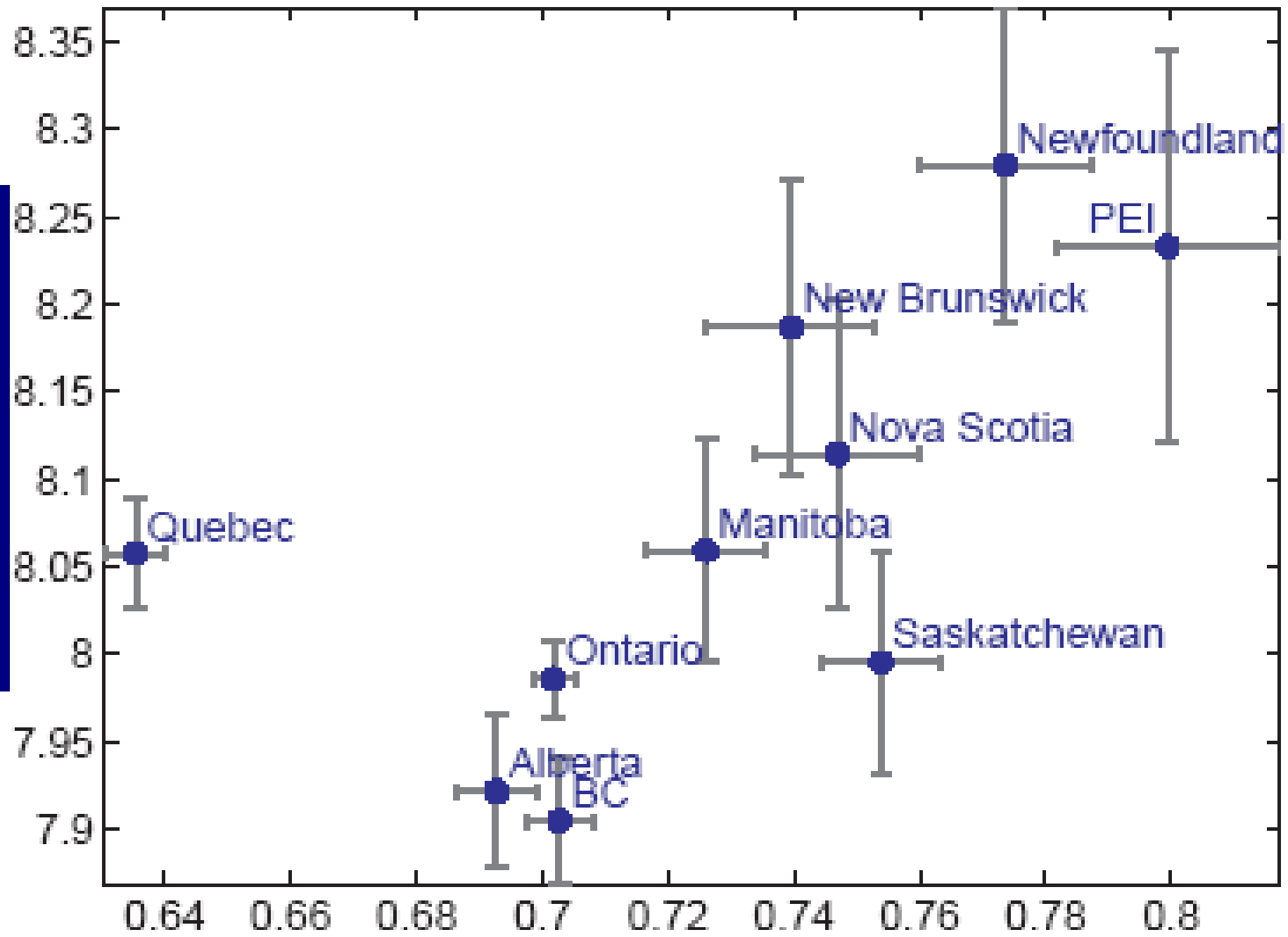
- How satisfied are you with your life as a whole these days? (on a 10-point scale)
- Life evaluations vs emotions?
- Hedonism or eudaimonia?
- How do capabilities fit in?
- Positive vs negative affect?
- Adaptation and relativities? (Diener&Lucas)
- Remembered vs experienced? (Kahneman)
- Are subjective measures reliable?
- Are life evaluations predictive?

**Life Satisfaction**



**Mean Income**

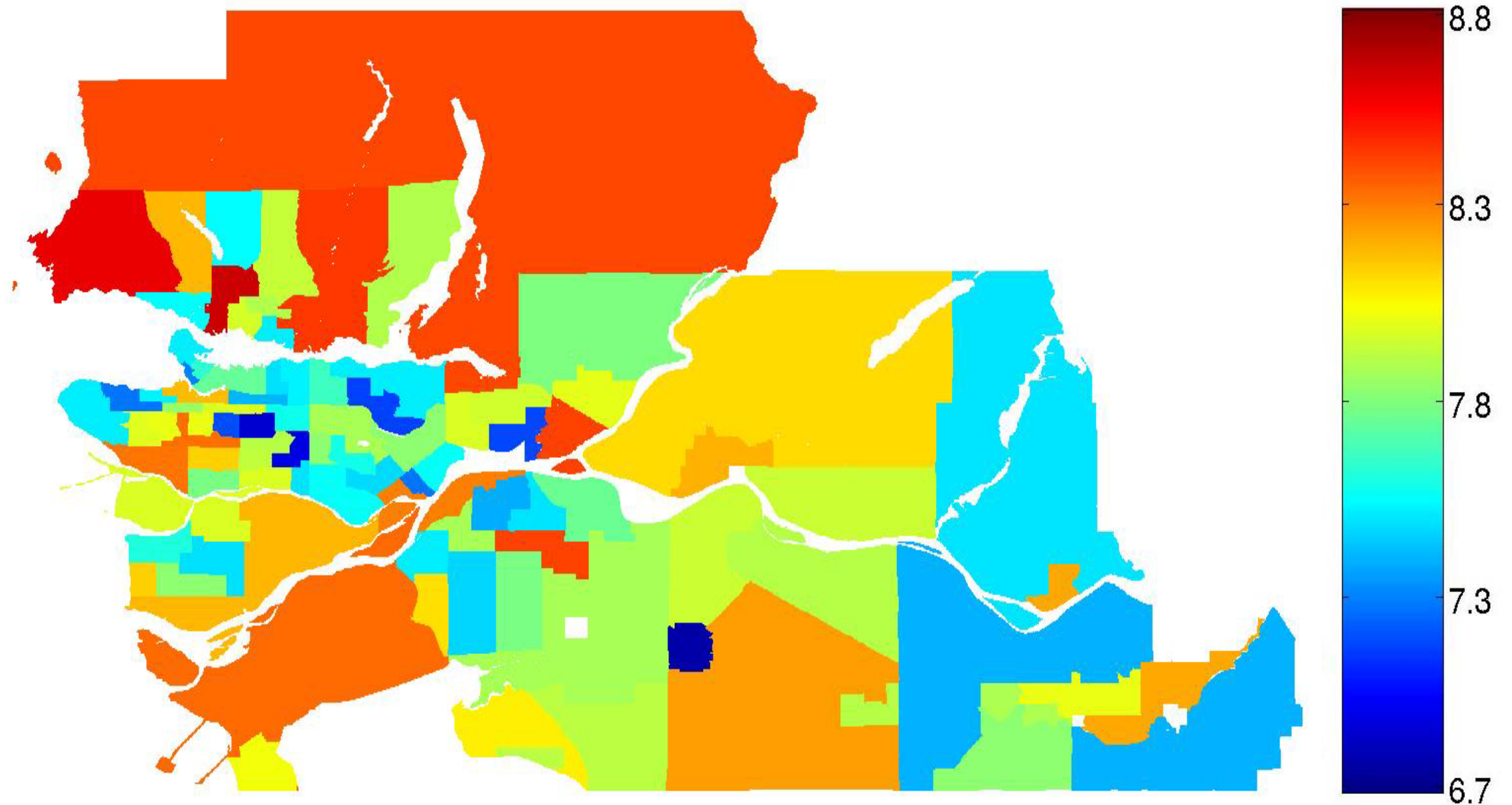
**Life Satisfaction**



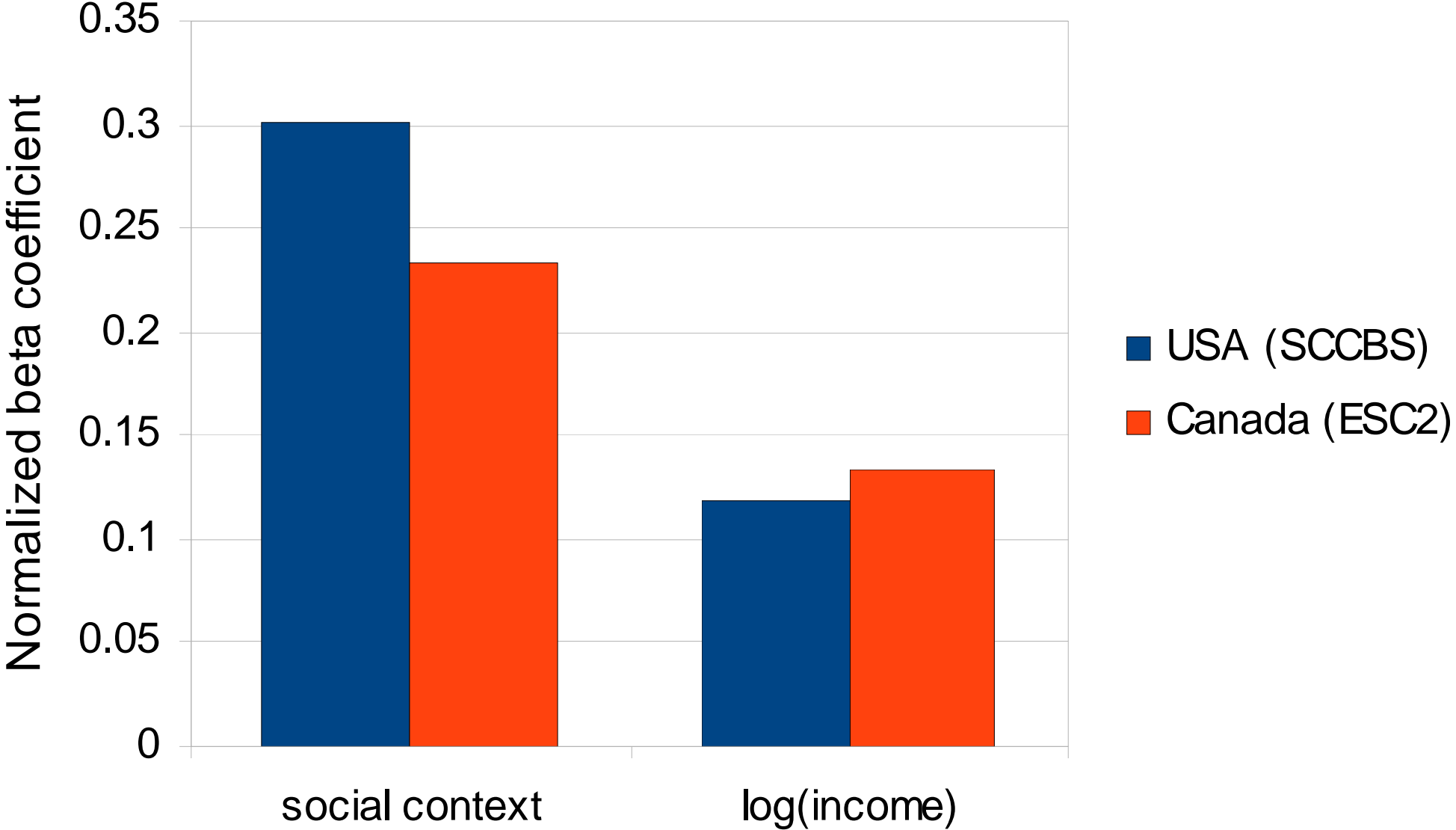
**Trust in Neighbours**

# How's Life in the City?

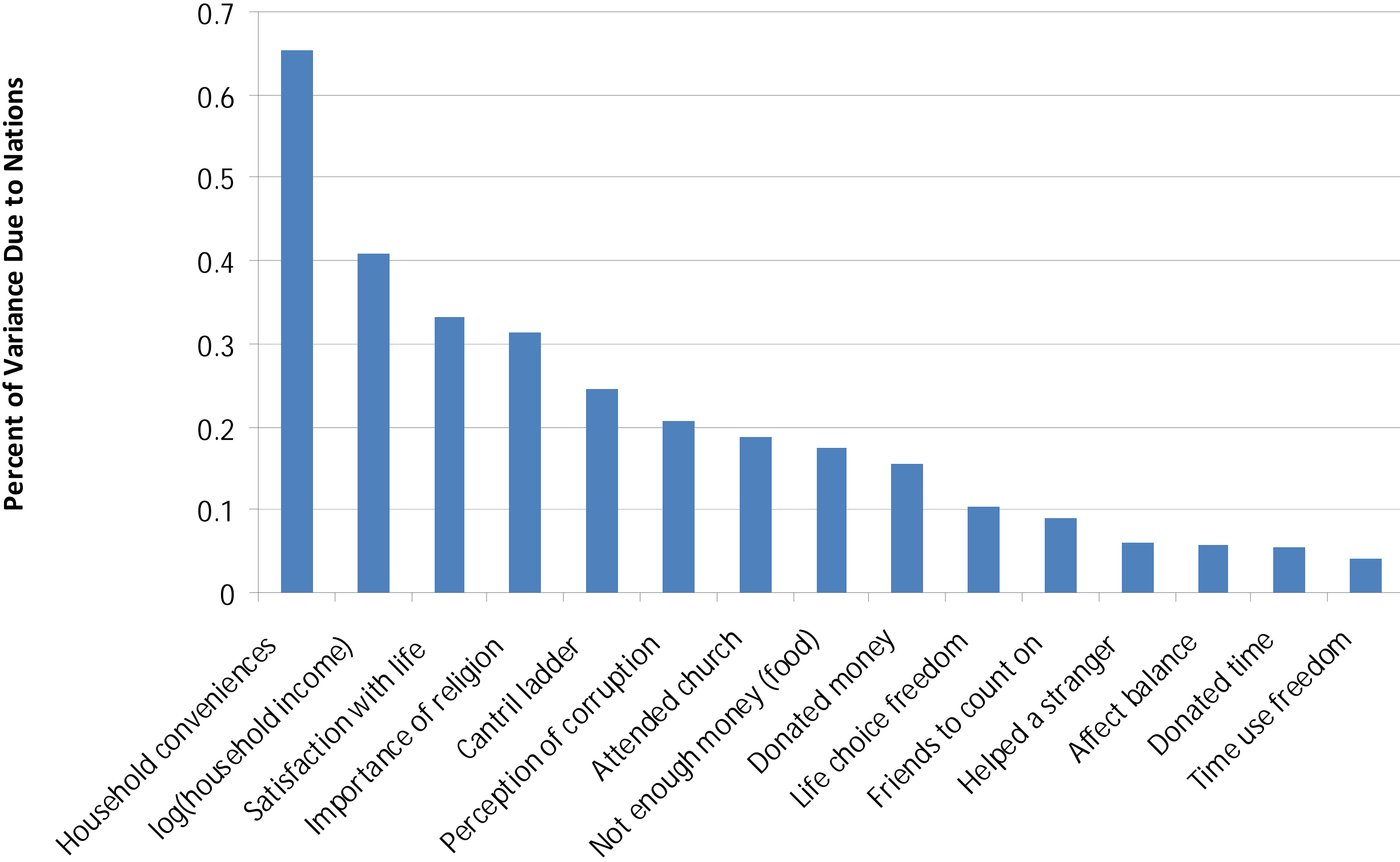
Life Satisfaction by Census tracts  
Average responses on a scale of 1 to 10



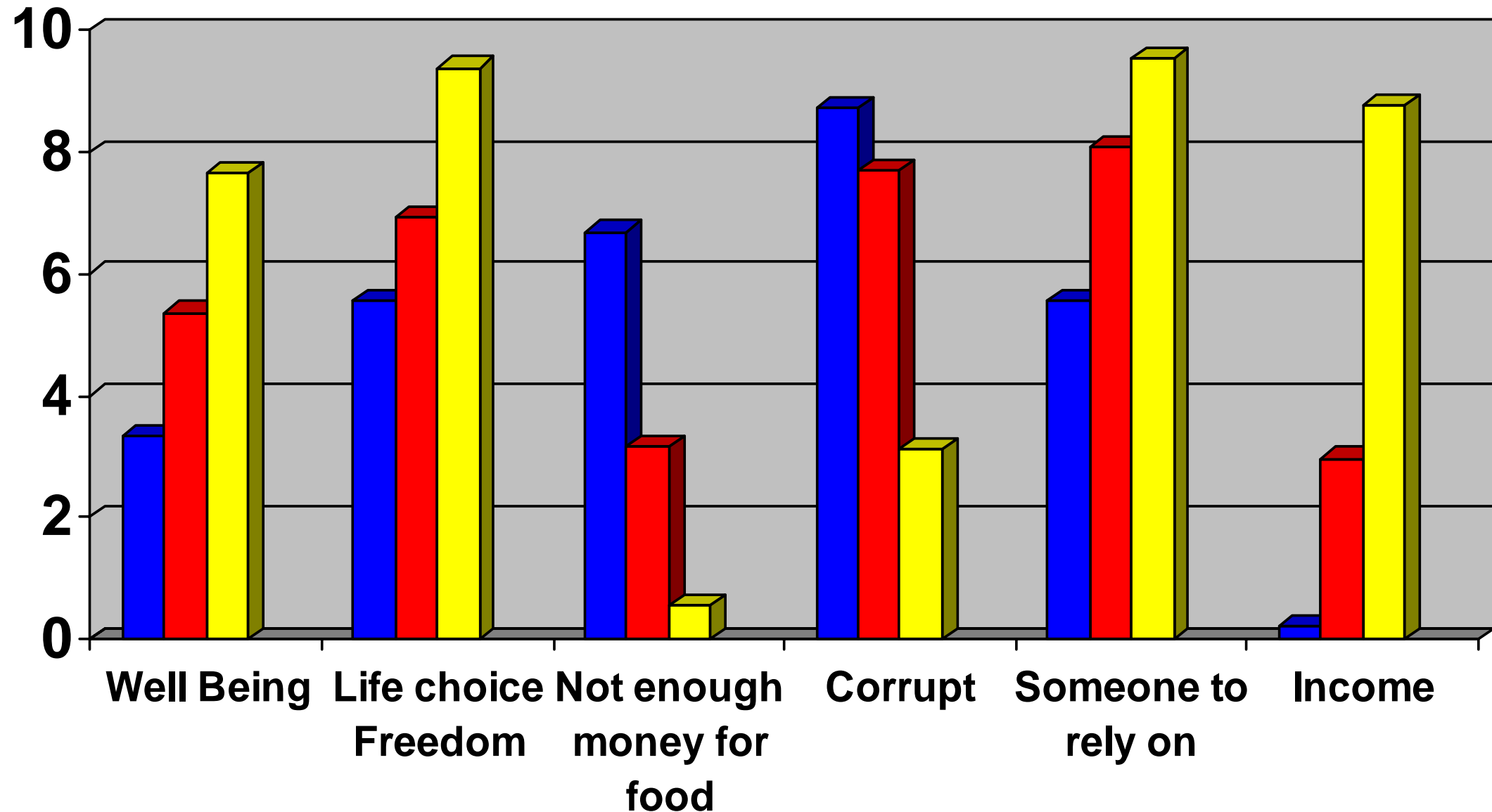
# For Sarkozy: Beta coefficients of social context and income for individual well-being



# Between-Nation Shares of Variance



# Well-Being and some drivers in 4 bottom, average, and 4 top countries

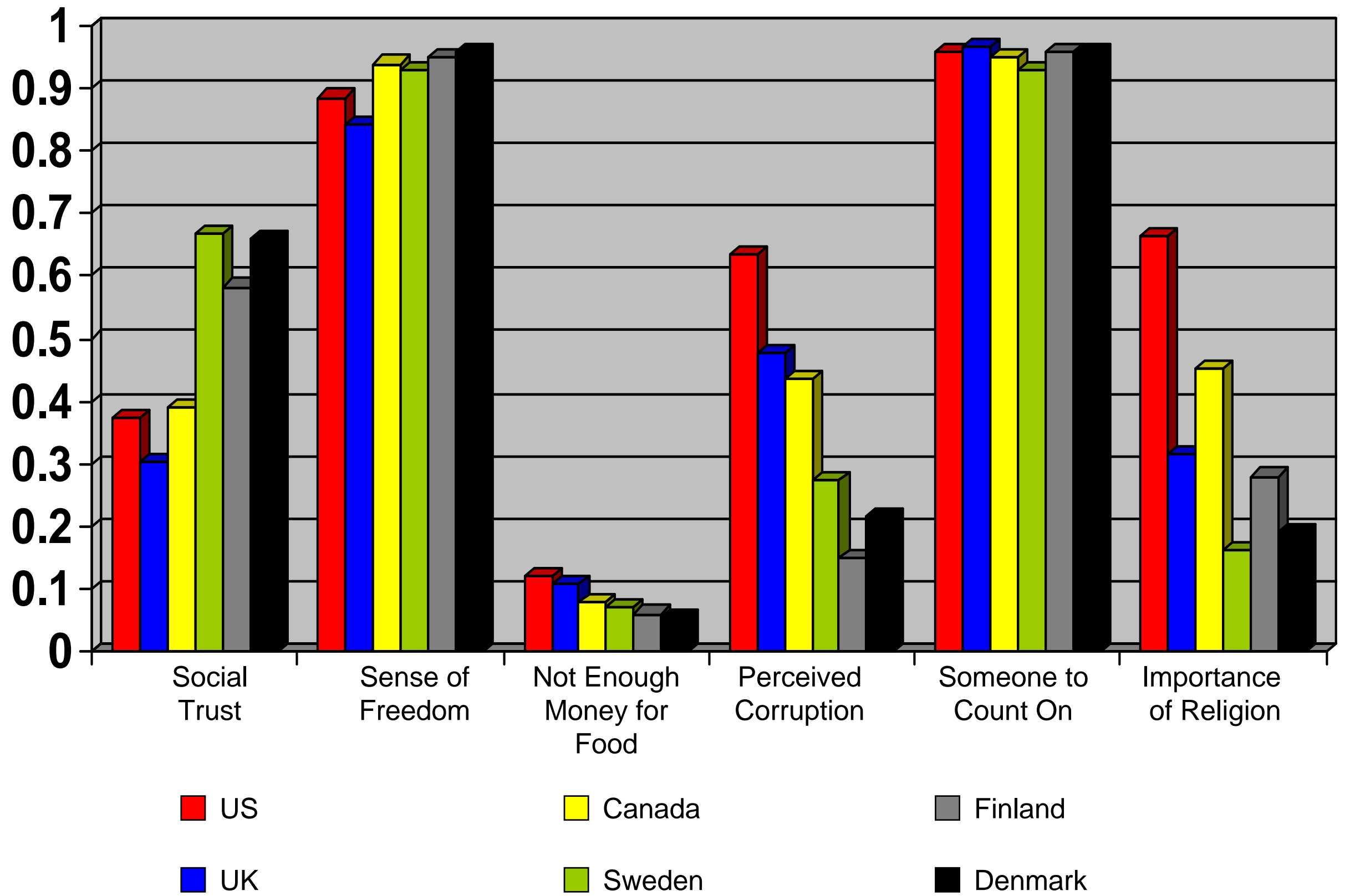


**■ Bottom 4 countries**      **■ average country**      **■ Top 4 countries**

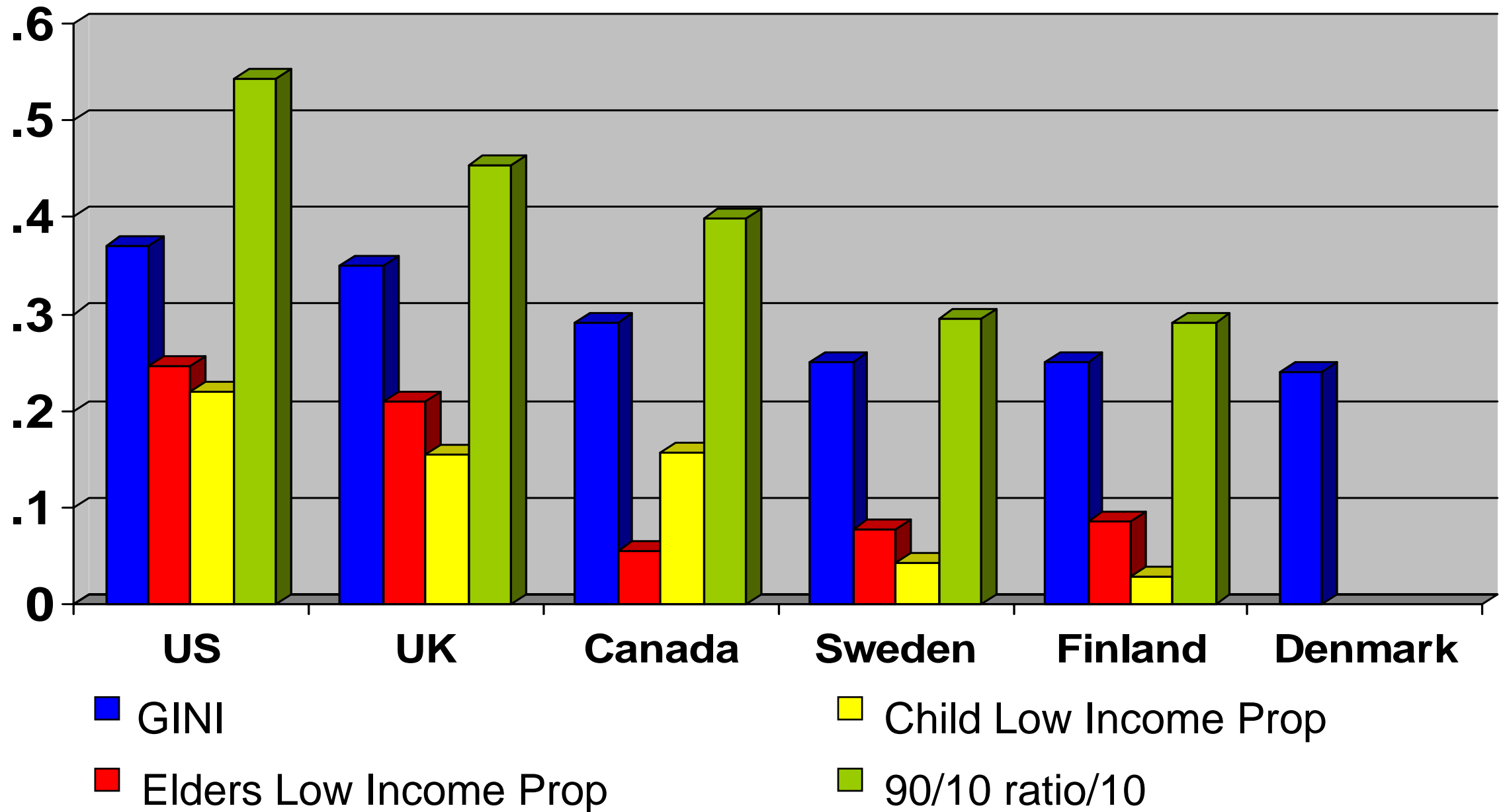
## Footnotes:

- All variables converted to a 10-point scale, for income, US is 10.
- Top 4: Denmark, Finland, Norway, Netherlands (Canada #6)
- Bottom 4: Togo, Benin, Sierra Leone and Zimbabwe





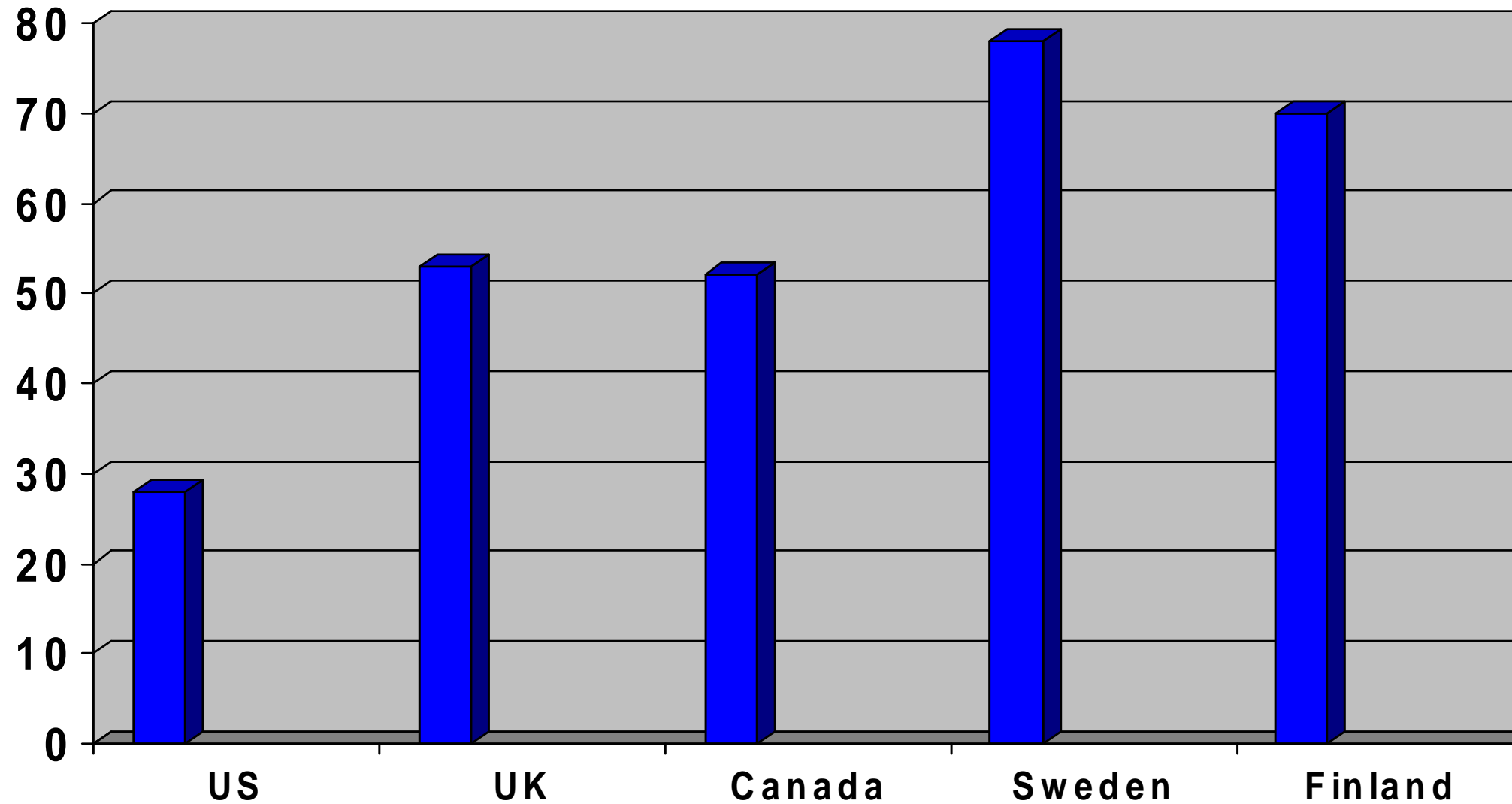
# Comparison of Inequality Measures: Selected Countries



**Footnotes:**

- 
- Source: Smeeding 2003, as in Picot and Myles 2005

# Percentage reduction in low income proportion provided by social safety nets

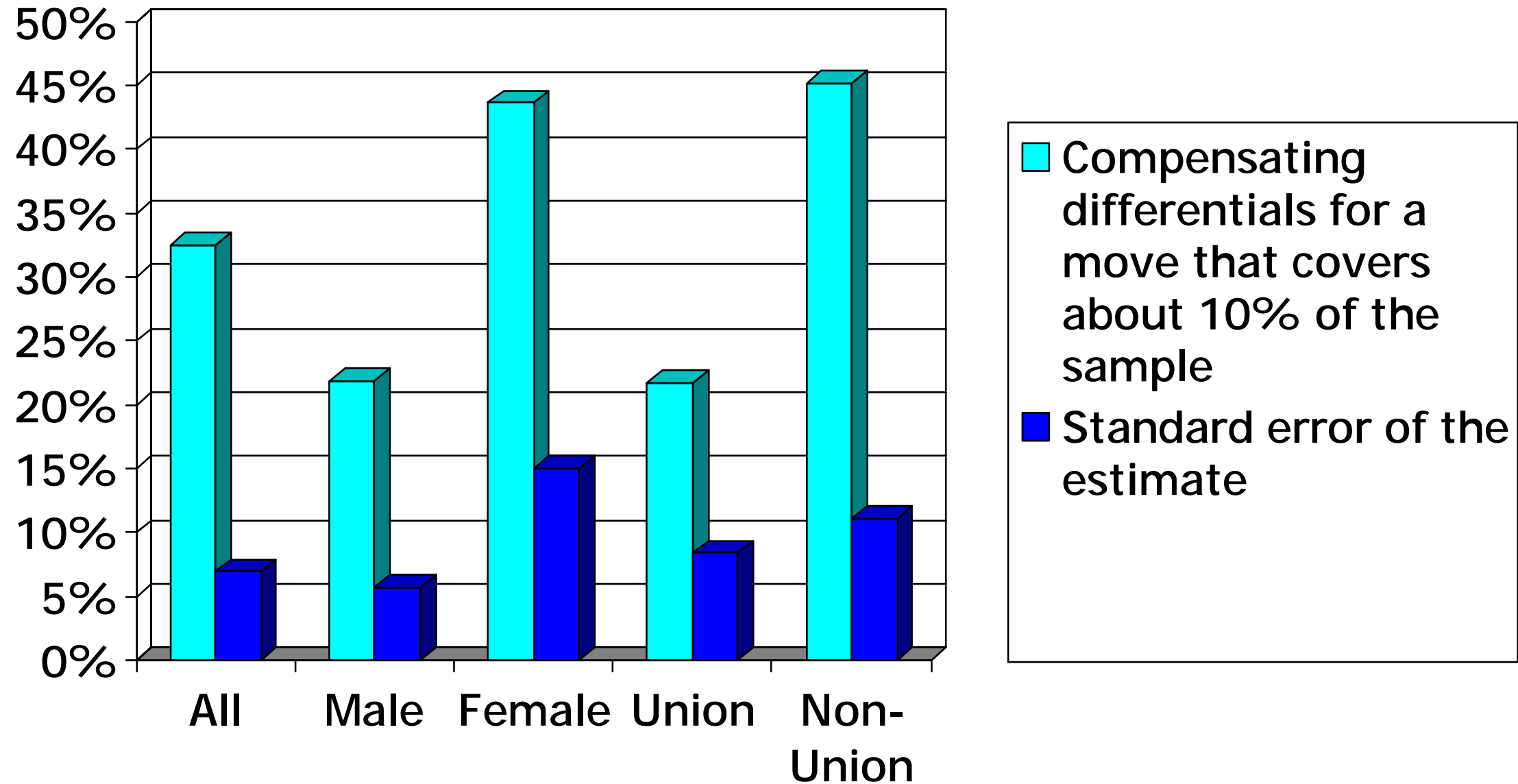


## Footnotes:



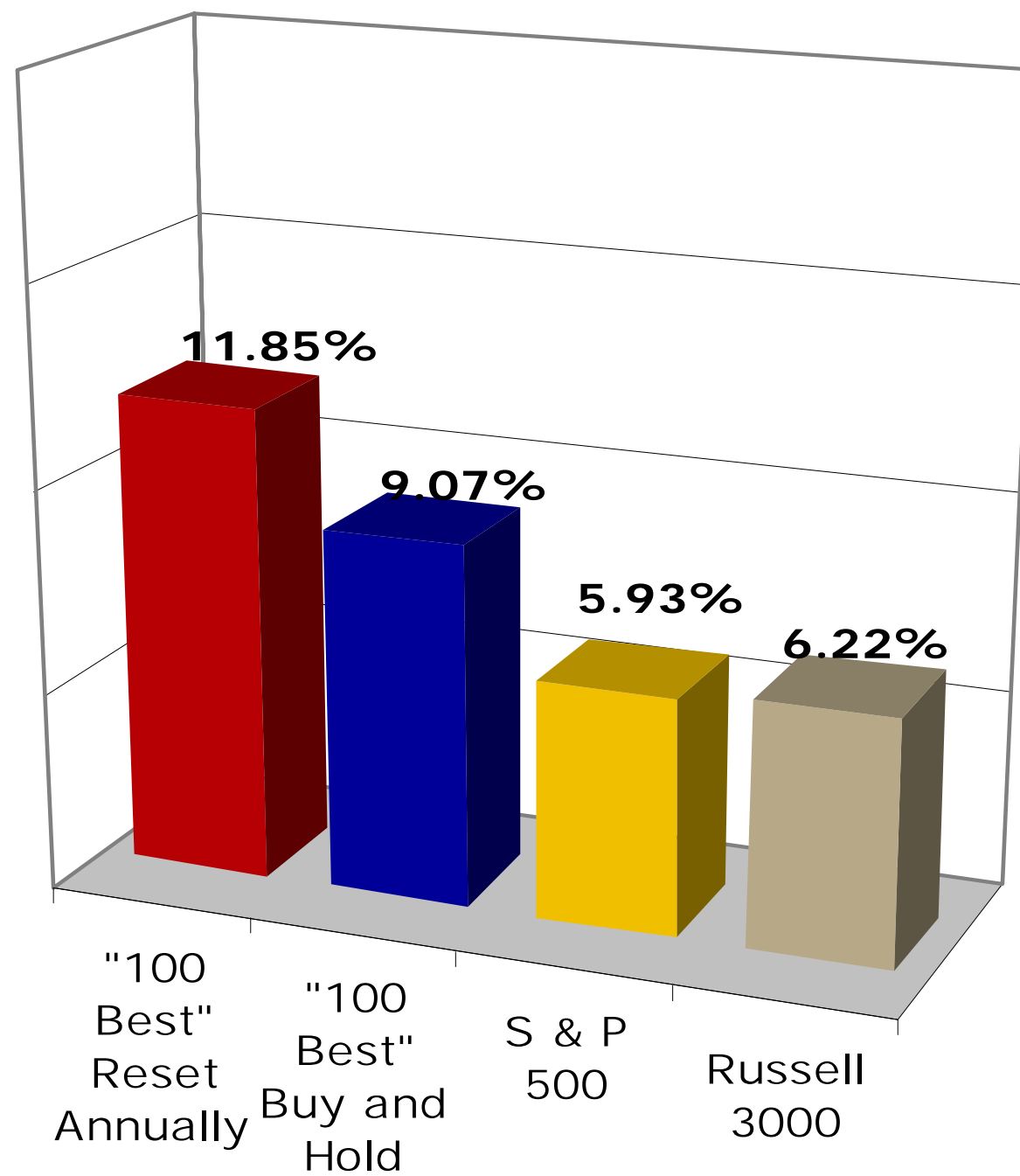
➤ Smeeding 2003, as in Picot and Myles 2005

# Compensating Differentials for Trust in Management by Population Groups, from ESC



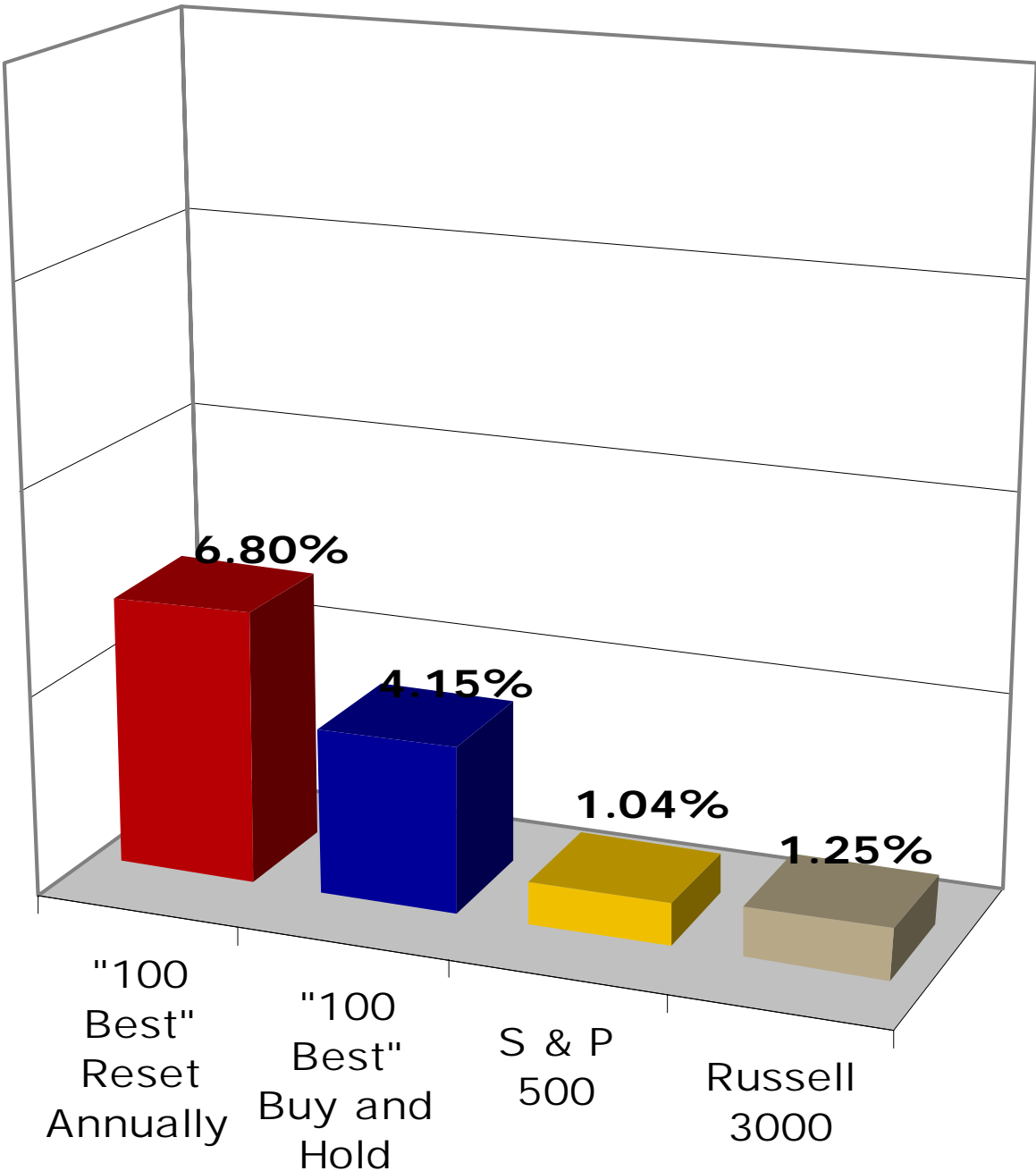
# Fortune "100 Best" vs Stock Market

Source: Russell Investment Group 2006



# From Amy Lyman of Great Place to Work, San Francisco

## Fortune "100 Best" vs Stock Market 1998-2008



# Lessons from the Science of Well-Being

- Presence of positives matters more than absence of negatives
- From cognitive psychology: over-prediction of SWB benefits of material consumption, reverse for benevolence and social connections. Social norms more important than prices.
- Importance of trust (in all domains, ref Amy Lyman- better pie need not even be a smaller one) trust and inequality  $r=-.5$
- Income matters, but other factors can be of equal or greater importance, ref Canadian provinces and cities.
- Unemployment a strong negative, by far more than the income loss
- Externalities negative for material consumption, positive for most non-economic drivers of well-being- making improvements easier to engineer.
- Importance of combining surveys, field experiments and trials to deepen understanding and application of SWB data.