

Happiness trends in the UK over the last decade

By Andrew Oswald & Nattavudh Powdthavee

What has been happening to UK wellbeing since the austerity period began after the financial crisis of 2007-8? Using data from the Office for National Statistics (ONS), we examine trends in wellbeing in the United Kingdom over the last 10 years. Despite what some newspaper commentators may believe, the UK's citizens have become markedly happier, more satisfied with life, less anxious, and believe more strongly that life is worthwhile. Strikingly, and to our own surprise, the happiness gap between highly educated people and other groups has narrowed substantially.

We use ONS data from the Annual Population Survey – a survey of 1.1 million randomly sampled citizens of the United Kingdom – which includes the measurement of data on ‘feelings’ and personal wellbeing. These measures have recently become a significant part of the information-collection efforts of government economists and statisticians.

It is not possible with this source to track every year from the financial crisis in 2007-8. Consistent data begins only from the year 2011. Hence it is these numbers – over the recovery but still ‘austerity’ years – that we examine.

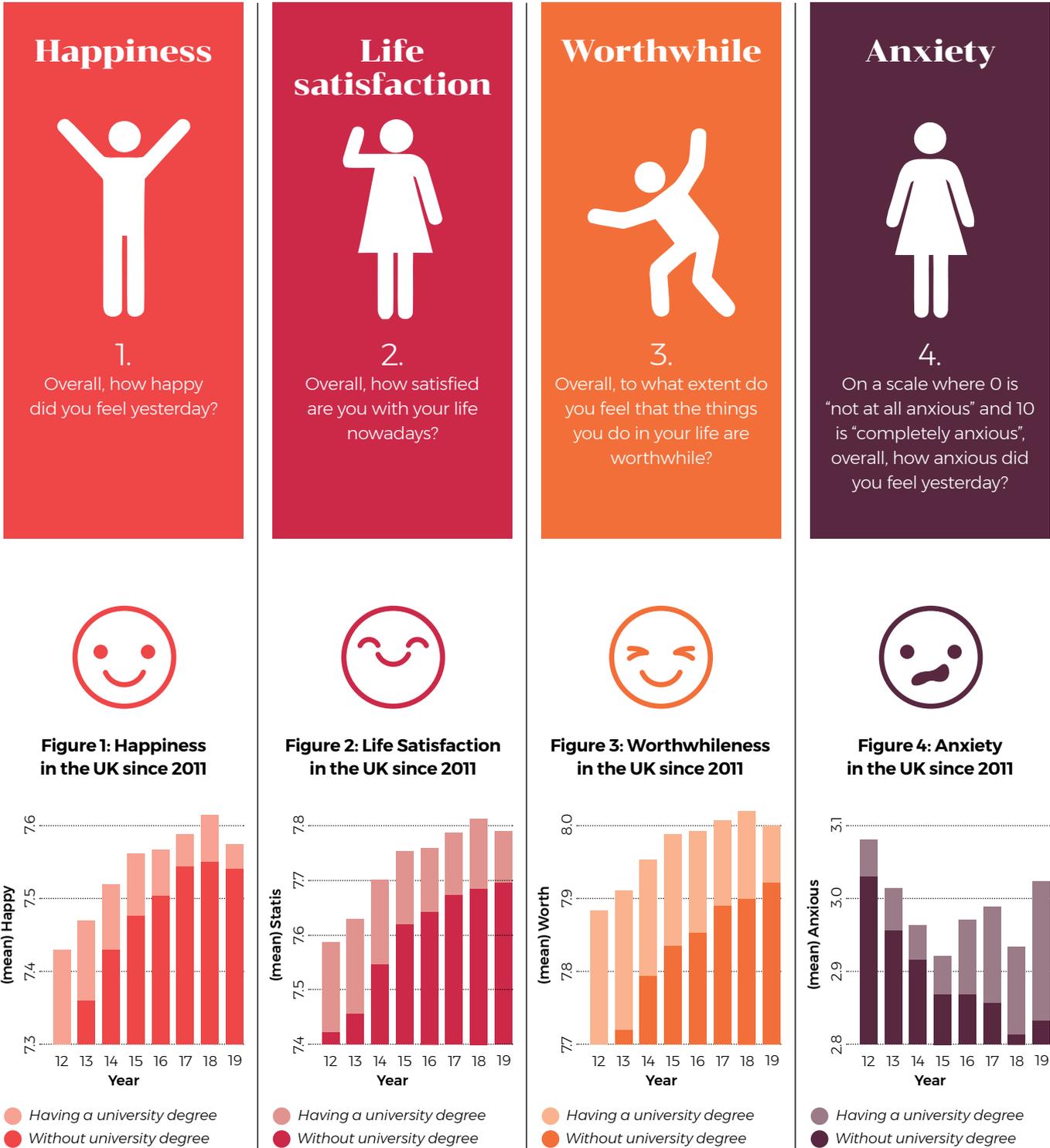
The background to this kind of empirical enquiry, and also partly the reason for the inclusion of personal wellbeing questions in the Annual Population Survey, is a research literature that sprang up in economics and social

science in the 1990s. A precursor had been the eventually influential, and for a long time the lone, contribution of Richard Easterlin, who in 1974 (now famously) pointed out that over long periods of time the level of recorded happiness in the USA had not been rising despite the rising GDP of that country. The scientific literature began to blossom slowly in the 1990s, with early work by researchers such as Easterlin, Diener and Oswald, and is now an enormous one, as described, for example, in Frey and Stutzer (2002), Powdthavee (2010) and Clark (2018). Some of the early articles include Diener and Biswas-Diener (2002), Easterlin (2003), and Oswald (1997).

We draw upon answers to the four wellbeing questions now asked regularly of UK citizens by the Office for National Statistics. They are given overleaf. ►

Table 1: Four measures of personal well-being

'I would like to ask you four questions about your feelings on aspects of your life. There are no right or wrong answers. For each of these questions I'd like you to give an answer on a scale of 0 to 10, where 0 is "not at all" and 10 is "completely".



Sample size 1.1 million randomly sampled citizens.
 Source: Office for National Statistics

Randomly selected people are asked to give a wellbeing score (from zero to ten, where ten is the highest possible) to describe their feelings about their life.

This kind of analytical approach is broadly familiar to many kinds of behavioural scientists, including psychologists and psychiatrists. For some traditional economists, however, it can still seem unusual. Economists, a critic might assert, have not been particularly open to the possible role of human feelings.

Our findings

Figure 1 gives the mean level of happiness in the United Kingdom from 2011 to 2019 inclusive. We have divided the data series into two segments of the population. The upper pink bars show the average recorded happiness of citizens who have a university degree. The lower red bars show the average happiness of all others, namely, those with lower levels of education. It should be borne in mind here that these simple averages might mask the fact that some other characteristics of the people in the two samples will differ. For example, the highly-educated group will tend to be slightly younger on average (because having a degree has become more common through the years), will tend to be richer and slightly healthier, and will tend more often to live in the South East of England.

The first thing to note about Figure 1 is that the UK has become happier since 2011. The rise – about one quarter (0.25) of a happiness point on a cardinal scale – might sound small. However, that conclusion would be misleading, because we know that major life events like divorce and unemployment induce changes in a person's happiness of about 0.3 to 0.5 points. Hence an improvement in the whole country's happiness of slightly over 0.2 seems substantial. One possibility for this is that the nation has been going through a kind of psychological recovery from the 2007-8 financial crisis. It is certainly known, for example, that unemployment has dropped strongly since those crisis years.

What seems significant about Figure 1 is that in the last few years there has been a marked narrowing of the happiness 'premium' enjoyed by university-degree holders. We believe we are the first to show this statistical fact. The explanation at the time of writing is unknown. As the narrowing seems to have started around 2016, it may be that it is the decision by the country to leave the EU that has reduced the wellbeing of the highly educated in a disproportionate way.

A narrowing, although one that is milder in form, can be seen in Figures 2 and 3 for life satisfaction and worthwhileness of life. In Figure 4, the 'anxiety gap' between the educational groups has widened very noticeably (it has been known for a while that, perhaps paradoxically, the highly educated always report more anxiety than other citizens). In that sense, the highly educated have, over the last few years, suffered more than others.

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Conclusions

It is now possible, thanks to modern ONS data, to look at time trends in 'feelings' in this country. We have shown in this brief article that four kinds of wellbeing measures all show improved levels since 2011, which is when consistent data began to be collected. Our article has also pointed to a vanishing 'happiness premium' between the highly educated and other groups. This narrowing gap deserves greater attention from social scientists and policymakers. There is much yet to be understood. ◀

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Further reading

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