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An International Comparative Look at Happiness in Koreans

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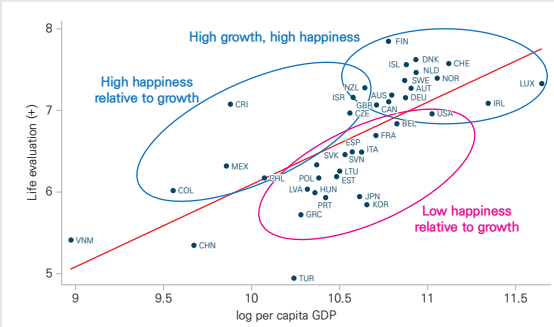
Introduction

There is no gainsaying that the ultimate goal of welfare state lies in making people's life happy. Figure 1 presents a comparison of economic growth and happiness in advanced economies. The points that are placed on the right above the regression line represent countries with a high economic growth rate and a high gross national happiness level. The countries that are positioned on the left above the regression line are those whose gross national happiness levels are high relative to their economic growth. The countries plotted below the regression line, of which Korea is one, feature gross national happiness levels that are low relative to their economic growth.

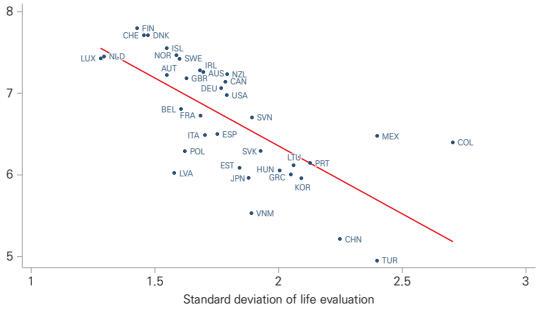
Figure 2 illustrates the negative relation between gross national happiness and the standard deviation of happiness. Discussions of happiness in the context of social policy are mostly about how to increase happiness measures or how to promote the level of happiness people experience in their lives. Happiness inequality has surfaced as an issue of particular importance in such discussions.

[Figure 1] Economic growth and gross national happiness in selected countries



Source: World Happiness Report 2021. https://worldhappiness.report/ed/2021/#appendices-and-data.

[Figure 2] Gross national happiness and happiness inequalities in selected countries



Note: We used here data from 2019 to control for the possible effect of covid-19. National life satisfaction scores (y-axis) and their standard deviations (x-axis) are weighted with individual weights.

Source: Gallup World Poll

The International Monetary Fund in 2021 ranked Korea the world's 10th largest economy. As Figure 1 shows, however, the level of happiness among Koreans remains short of what Korea's economic achievements suggest. Making a welfare state where people are happy requires not only economic advances, but also the reducing of happiness inequality. Along these lines, it is important to identify, besides those already identified as socioeconomically vulnerable, those with low happiness ratings and, with evidence-based policy measures, help them live with a decent quality of life. This study draws on data from Gallup's World Poll of some 150 countries, on which the World Happiness Report rankings are based.

Life-course happiness

In the literature of life satisfaction studies, the relationship between happiness and age in advanced economics is often described by a u-shaped graph of quadratic function. However, a study conducted of happiness among Koreans found that, unlike the predicted happiness scores which, with sociodemographic characteristics controlled for, take on a u-shaped curve in its relationship with age, the actual happiness scores as reported by Koreans tend to decline with age[1)].

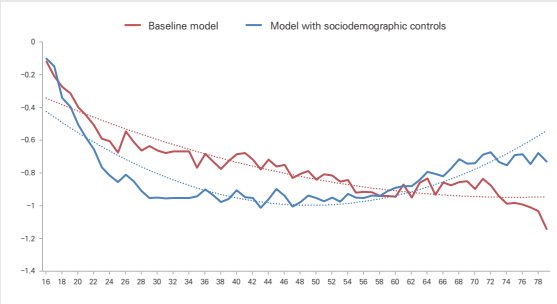
Figure 3 illustrates the relationship between happiness and age among people in selected countries. In the baseline model, the actual happiness scores as reported by survey participants decline to the right as age advances. On a closer look, however, self-reported happiness turns upward again from late-50s and rises until before the age of around 70, from which it turns downward again, creating an s-curve. In

1) Kim, S & Jung, H.S. The Determinants of Life Satisfaction in Different Age Groups and Their Policy Implications. Health and Welfare Policy Forum. 2019(4). Korea Institute for Health and Social Affairs.

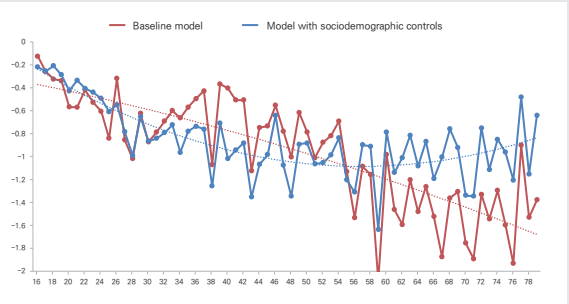
the model with sociodemographic controls, predicted happiness, with its lowest level for people in their late 40s, takes on a u-shaped curve that goes more or less flat for people 70 and older. This implies that in advanced economies, too, differences may well occur between predicted happiness and actual happiness and a happiness crisis may well arise in advanced old age.

Figure 4 presents predicted happiness and actual happiness for Koreans, both with respect to age. The life-course happiness trajectories fluctuate somewhat more markedly for Koreans than for people in other advanced countries. In the baseline model, self-reported happiness trends downward with age. In the model with sociodemographic controls, however, the predicted happiness scores decline until late 50s and rise thereafter, gradually forming a smooth u-curve. The predictive model for Koreans, where predicted happiness over the life course is at its lowest level for those in their late 40s, suggests life-course burdens having to do with family support obligations and economic responsibilities. The fact that the actual happiness scores also fall consistently for Koreans even past middle-age suggests the life-course burdens that are specific to Koreans that make it difficult for them to look forward to a happy post-retirement life. It can be said then that middle-aged and older adults whose self-reported happiness falls below the level of their predicted happiness can be regarded from the perspective of happiness to be socially vulnerable.

[Figure 3] Life-course happiness in selected countries



[Figure 4] Life course happiness in Koreans



Note: Individual weights are applied. The age-specific regression coefficients are from a regression of life evaluation on age dummies for ages 15 to 100, with age 15 as the baseline. Regression coefficients for those aged 80 and older are deleted from the figure. The baseline model includes only age dummies. The fixed-effect model includes, in addition to the baseline model, country dummy variables, year dummy variables and country-specific characteristics. The model with sociodemographic controls is the year fixed-effect model with controls for family size, the number of children in the household, household income, sex, chronic conditions, marital status, educational attainment, employment status, social support network, volunteering, exposure to theft, the public's perception of corruption in the financial sector and in the political sector, freedom of choice, and prospects for the future. Each model trajectory can be represented by a polynomial equation. The heteroscedasticity of error terms is dealt with by the robust standard error method. The effective sample is from 2009 to 2020, where none among the variable values used in the models is missing. The countries included in the Figure 3 are Greece, the Netherlands, Norway, New Zealand, the Republic of Korea, Denmark, Germany, Latvia, Luxembourg, Lithuania, Mexico, the United States, Vietnam, Belgium, Sweden, Switzerland, Spain, Slovakia, the Republic of Slovenia, Iceland, Ireland, the Republic of Estonia, the United Kingdom, Austria, Israel, Italy, Japan, Czech Republic, Chile, Canada, Colombia, Turkey, Portugal, Poland, France, Finland, Hungary, and Australia. The effective sample contains a total of 299,368 subjects. The effective sample for the Figure 4 contains 8,825 subjects.

Source: Gallup World Poll.

Employment status and happiness

Korea has a labor force participation rate of 65.9 percent (0.4 percentage points lower than the OECD average), which is to say that 2 in every 3 Koreans aged 15 and over are in work. As of December 2019, before the spread of covid-19, however, Korea's unemployment rate stayed at as low as 3.7 percent, compared to the OECD average of 5.3 percent. Self-employment as a share of total employment stood at 24.6 percent, after Columbia, Mexico, Greece, Turkey, and Costa Rica.

Figure 5 illustrates the effect of employment status on gross national happiness. As compared to those in full-time work, voluntary part-time employees have significantly higher levels of happiness while involuntary part-time employees report lower happiness scores. The effect of part-time employment on happiness, however, has been smaller in magnitude than the average of the comparison countries. The negative effect attributed to self-employment presents itself as a point meriting particular attention as regards happiness in Koreans, as in most of the comparison countries happiness levels are found to be higher for self-employed workers than for full-time employees. The negative effect of unemployment on happiness has remained statistically insignificant in Korea and has been of a smaller magnitude than in most of the comparison countries. Meanwhile, the positive effect of the economically inactive population on happiness in Korea is found to be greater in magnitude than the average of the comparison countries.

When examined in the context of international comparison, it is those in self-employment work who are regarded as markedly happiness-deficient. It has been argued for that in Korea the "crowding-out" hypothesis still holds, according to which people for whom opportunities for wage work decline as unemployment rises involuntarily opt for self-employment. It is worth taking a close look at differences in quality of life—labor quality and income levels—between different self-employed groups, including own-account workers.

[Figure 5] The impact employment status on happiness in selected countries

Note: The mean is the arithmetic average of regression coefficients for a total of 39 countries. The coefficients for individual countries represent the ceteris paribus effects with the explanatory variables in Figures 3 and 4 controlled for. A regression coefficient greater than greater than zero implies a positive effect on happiness as measured by the Cantril Ladder; a regression coefficient less than zero implies a negative effect. The heavy-shaded bars indicate regression coefficients that are statistically significant; the light-shaded bars indicate regression coefficients with statistical insignificance at the 5 percent level.

Source: Gallup World Poll

Perceived social cohesion before and after covid-19

In her book *The Lonely Century*, Noreena Hertz has called the present times the "contactless age" where the practice of eating alone has become pervasive amid the global rise in one-person households where the loneliness of solo living is more acutely felt than elsewhere. Hertz cites *mukbang* as an example. Short for "eating broadcast" in Korean, *mukbang* refers to the practice of eating an exceeding amount of amount of food alone onscreen while having a sense of connectedness with the viewers.

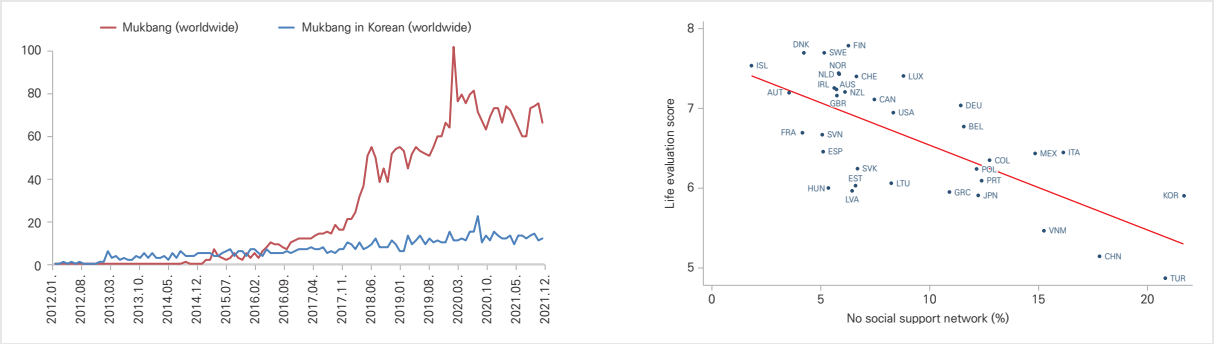
As shown in Figure 6, *mukbang*, having emerged in 2013 or thereabouts in Korea, came into vogue through online platforms throughout the world. Google searches for *mukbang* have peaked on March 11, 2020, as governments around the world locked down their cities soon after the World Health Organization had declared the covid-19 outbreak a pandemic. The fact that in 2021 the word mukbang has entered the Oxford English Dictionary testifies in part to how serious social isolation has become as a global problem well beyond the cultural context from which the portmanteau word originated.

Figure 7 illustrates the negative relationship between gross national happiness and social isolation.

Social isolation here refers to a lack of availability of social support to which to have recourse in times of trouble. Korea, with its happiness level below the average of selected advanced economies, is a country where the proportion of those who report having no social support networks is higher than in any of the comparison countries. Social relationships individuals develop between one another may well be thought of as a private sphere where there is little room for policy interventions. However, when individuals who have no one to rely on in times of trouble, such as when they are ill or in emotional pain, there is a need at least for policy interventions.

Those who report having no social support networks to have recourse to in times of trouble may be defined from the perspective of happiness as socially vulnerable. In 2020, three in 10 households were single-person ones in Korea, where, with lonely deaths increasing not only in middle-aged and older adults but also in young people, social isolation has emerged as a key social risk factor.

[Figure 6] Trends in Google searches for *mukbang*



Note: Values represent search interest relative to the peak (100) reached in March 2021.

Source: https://trends.google.co.kr/trends/explore?date=2012-01-01%202022-01-16&q=%EB%A8%B9%EB%B0%A9,Mukbang (dated January 16, 2022.)

[Figure 7] Gross national happiness and social isolation in selected countries

Note: We used here data from 2019 to control for the possible effect of covid-19. National life satisfaction scores (y-axis) and their standard deviations (x-axis) are weighted with individual weights.

Source: Gallup World Poll

Concluding remarks

The ultimate goal of social policy consists in the happiness of each and every person. Carrying such a goal to fruition would require directing policies beyond economic targets and toward social values. In 2016, Italy revised its budget law and started making official use of quality-of-life indicators as performance measures within the framework of government's budgetary planning process. New Zealand instituted a well-being budget in 2019 and since has, in the process of making budgetary decisions, been taking into consideration mid-to-long-term indicators with a view to promoting people's social,

economic, environmental, and cultural well-being.

Policy priorities should be given to identifying those who from the perspective of happiness are regarded as socially vulnerable and supporting them in a concrete way in various aspects of their life, so as to reduce happiness inequalities, which are regarded detrimental to gross national happiness. Based on international comparisons this study finds that, of Koreans, those in their middle age and older and people in self-employment are particularly prone to a happiness deficit. This study also ascertained the presence of groups in the population who, having no social support networks to turn to when in need of help, have low happiness levels and are deemed socially vulnerable. Working toward raising gross national happiness would involve conducting survey monitoring on a regular basis of happiness and life satisfaction among lower socioeconomic strata, making and implementing encompassing social policies, and, especially for policy assessment and revision, making general and official use of indicators that can capture various aspects of life.