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# Happiness Index with A Comparative Study on India and Finland

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#### ABSTRACT

This research paper explores the concept of happiness index and its significance in measuring the happiness and well-being of a nation. The paper also presents a comparative study between India and Finland, two countries with vastly different cultures and socio-economic backgrounds. The study analyses the various factors that contribute to the happiness index, including income, social support, freedom, trust, healthy life expectancy, and generosity. The research paper also delves into the Gross National Happiness (GNH) index, a growth viewpoint that measures collective happiness in a country, and its origin in Bhutan. Through an analysis of data from the World Happiness Report (WHR), the research paper highlights the factors that have contributed to India's declining happiness index in recent years, while Finland continues to rank as one of the happiest countries in the world. The paper concludes by discussing the implications of the study's findings and the importance of improving happiness and well-being as a fundamental goal for nations worldwide.

Kkeywords - Happiness Index, Gross National Happiness, World Happiness Report, India, Finland, GDP, Well-being.

### 1. INTRODUCTION

The pursuit of happiness has always been a fundamental aspiration for human beings. It is a complex concept that has been discussed and debated by philosophers, scholars, and thinkers throughout history. The concept of happiness has evolved over time and has been studied in various ways. One of the most significant and comprehensive ways to measure happiness is through the use of a happiness index. A happiness index is a tool that measures the level of happiness or subjective well-being of individuals in a particular country or region. It provides insights into the overall quality of life, societal well-being, and happiness of people. The index takes into account a range of factors such as economic, social, environmental, and political indicators, which influence people's happiness and well-being. This research paper aims to provide a comparative study on the happiness index of India and Finland. India and Finland have different socio-economic and cultural backgrounds, making it an interesting comparison. The research paper will explore the reasons behind India's low rank and Finland's high rank in the happiness index. It will also examine the various factors that influence happiness in these countries, such as social support, economic stability, and environmental quality. The study will analyse the different approaches and strategies adopted by these countries to promote happiness and well-being. The paper will also suggest some recommendations for India to improve its rank in the happiness index. The research paper will help to deepen our understanding of happiness, and how it can be measured, promoted, and sustained in different cultural and socio-economic contexts.

#### 2. LITERATURE REVIEW

The concept of happiness has been studied extensively by researchers and scholars across various disciplines, including psychology, economics, sociology, and public policy. The World Happiness Report is an important tool that measures the subjective well-being of individuals and nations. This paper aims to provide a comparative study of India and Finland based on the Happiness Index and analyse the reasons for the contrasting rankings of the two nations. Research shows that subjective well-being is influenced by a complex interplay of internal and external factors. The internal factors include personality traits, emotions, and coping mechanisms, while the external factors include socio-economic status, political stability, and cultural norms. The Happiness Index takes into account both internal and external factors to provide a comprehensive measure of subjective well-being. Studies have shown that Finland consistently tops the Happiness Index, with high scores in factors such as social support, life expectancy, and freedom to make life choices. The Finnish approach to happiness is based on the Nordic welfare model, which emphasizes the provision of social and economic resources to all citizens. The government of Finland invests heavily in education, healthcare, and social welfare programs, which help to provide a sense of security and stability to its citizens. On the other hand, India ranks relatively low in the Happiness Index, with factors such as corruption, inequality, and unemployment contributing to the low scores. India has a diverse population with varying cultural norms and values, which can make it challenging to create policies that benefit all citizens equally. Additionally, the economic growth of the country has not translated into significant improvements in the well-being of its citizens, with many still struggling with poverty and basic necessities such as access to clean water and sanitation. A comparative study of India and Finland based on the Happiness Index highlights the importance of a

success in promoting happiness can be attributed to its focus on creating a social and economic environment that fosters well-being, as well as its emphasis on cultural values such as trust and social cohesion.

### 3. OBJECTIVES

The objectives of writing this research paper on happiness index with a comparative study on India and Finland are:

- 1. To identify the factors that contribute to the happiness of citizens in India and Finland.
- 2. To examine the differences in the cultural, social, and economic aspects of India and Finland that influence their happiness index.

The research paper aims to contribute to the existing literature on happiness index by providing a comparative study of two countries with different socio-economic and cultural backgrounds. It also aims to highlight the importance of subjective well-being in a country's development and the need to shift towards a non-materialistic approach to happiness.

#### 4. METHODOLOGY

The methodology used for this research paper are:

- 1. Literature review: This step involves reviewing existing literature on the topic of happiness index, its measurement, factors affecting happiness, and comparative studies between India and Finland. The literature review will help in identifying the research gaps, which will be addressed in the study.
- 2. Data collection: The data for the study was collected from secondary sources, such as the World Happiness Report, GNH survey, and other relevant reports and articles. The data will be analyzed to identify the factors affecting happiness in India and Finland.
- 3. Data analysis: The data collected was analyzed to identify the factors affecting happiness in India and Finland.
- 4. Comparative analysis: The data from India and Finland will be compared to identify the similarities and differences in the factors affecting happiness in these countries.

#### 5. ANALYSIS AND COMPARISON OF FACTORS AFFECTING HAPPINESS OF INDIA AND FINLAND

#### 5.1 HAPPINESS INDEX AND WORLD HAPPINESS REPORT

Happiness can be defined as a subjective emotional state of well-being and contentment. It is a positive and pleasurable experience that is often associated with feelings of joy, satisfaction, and fulfilment. The experience of happiness can be influenced by a range of factors, including personal circumstances, relationships, physical health, and mental well-being.

The World Happiness Report (WHR) is an annual publication of the United Nations Sustainable Development Solutions Network (UNSDSN) that first appeared in 2012. The report is a landmark survey of the state of global happiness that ranks countries by their happiness levels based on a set of variables. These variables include economic, social, and environmental factors such as income, social support, healthy life expectancy, freedom to make life choices, generosity, perceptions of corruption, and more. The WHR was born out of the recognition that policymakers need better measures of human welfare and social progress than just economic growth. The first report was launched at a conference organized by the Government of Bhutan in New York City in April 2012, where Bhutan's Prime Minister introduced the concept of Gross National Happiness (GNH) as a framework for sustainable development. Since then, the report has gained popularity and expanded in scope. The WHR now includes a special focus on various themes such as social connections, subjective well-being, and mental health. The report also examines the impact of the COVID-19 pandemic on happiness and well-being. The WHR is a collaborative effort of the UNSDSN, the Ernesto Lily Foundation, and other organizations. The report draws on the expertise of scholars, policymakers, and other stakeholders from around the world who work to develop and improve measures of human well-being. Overall, the WHR has become an important tool for policymakers and researchers who seek to understand the complex factors that contribute to people's happiness and well-being. By ranking countries based on their happiness levels and identifying key drivers of happiness, the report provides valuable insights into how to promote sustainable development and enhance human welfare. The World Happiness Report (WHR) is an annual publication by the United Nations Sustainable Development Solutions Network. The report measures the subjective well-being of individuals in different countries around the world based on various factors that contribute to happiness, such as income, social support, freedom, trust, healthy life expectancy, and generosity. The report ranks countries based on their levels of happiness and provides insights into the factors that contribute to happiness in each country. It aims to provide policy-makers with information and data that can help them develop strategies to promote happiness and well-being in their own countries. The WHR also features articles by experts in the field of happiness research, providing insights into the latest research findings and theories about what makes people happy. The report is considered a valuable tool for governments, researchers, and individuals who are interested in understanding and promoting happiness at a global level.

#### 5.2 GROSS NATIONAL HAPPINESS

Gross National Happiness (GNH) is a holistic and sustainable development paradigm that measures the collective happiness and well-being of a country's citizens, rather than just its economic growth. It originated in Bhutan, a small Himalayan kingdom that has been advocating GNH as a development philosophy since the early 1970s. The term "Gross National Happiness" was coined in 1979 by Bhutan's fourth king, Jigme Singye Wangchuck, during an interview at Bombay airport, where he famously stated, "Gross National Happiness is more important than Gross Domestic Product." GNH is based on the premise that material wealth alone cannot bring happiness, and that a country's development should be measured by factors such as good governance, environmental sustainability, cultural preservation, and social harmony, among others. The four pillars of GNH are sustainable and equitable socio-economic development, preservation and promotion of culture, conservation of environment, and good governance. GNH is measured through a comprehensive survey that assesses various aspects of happiness and well-being, such as mental and physical health, education, social relationships, community involvement, and subjective well-being. Bhutan's GNH Index is composed of nine domains: psychological well-being, health, education, time use, cultural diversity and resilience, good governance, community vitality, ecological diversity and resilience, and living standards. The survey results are used to guide policy-making and resource allocation in a way that promotes the happiness and well-being of all citizens, particularly those who are vulnerable and marginalized. GNH has gained international recognition and is now being considered as an alternative to the traditional economic growth model. The United Nations has also recognized GNH as a useful tool for sustainable development, and Bhutan has been sharing its experiences and insights with other countries through the GNH Centre Bhutan, established in 2012. The Centre offers training and consultanc

#### 5.3 DOMAINS OF GNH SURVEY

The domains and indicators of the Gross National Happiness (GNH) survey questionnaires include various factors that contribute to the overall well-being and happiness of individuals in a country. These domains are:

- 1. Psychological well-being: This domain includes indicators such as positive emotions, negative emotions, spirituality, and mindfulness.
- 2. Time use: This domain includes indicators such as leisure time, balance between work and life, and community engagement.
- 3. Community vitality: This domain includes indicators such as social support, social networks, community safety, and trust.
- 4. Culture: This domain includes indicators such as cultural diversity, cultural participation, and preservation of cultural heritage.
- 5. Health: This domain includes indicators such as physical health, mental health, and access to healthcare.
- 6. Education: This domain includes indicators such as access to education, quality of education, and lifelong learning opportunities.
- 7. Living standards: This domain includes indicators such as income, housing, and access to basic services such as water and sanitation.
- 8. Ecological diversity and resilience: This domain includes indicators such as environmental conservation, sustainable use of natural resources, and environmental education.

The GNH survey questionnaires aim to capture these domains and indicators to assess the overall happiness and well-being of individuals in a country.

## 5.4 ANALYSIS AND RESULTS

The Happiness Index is a survey tool used to measure the level of happiness, well-being, and sustainability in different countries around the world. This index is based on several factors, including income, freedom, trust, healthy life expectancy, social support, and generosity, and provides valuable insights into what makes people happy and what contributes to overall well-being in different countries. In this research paper, we have analyzed the Happiness Index and compared the results of India and Finland. India and Finland are two countries with vastly different cultures, economies, and social structures. Therefore, a comparative study of the Happiness Index in these two countries can provide valuable insights into what factors contribute to happiness and well-being across different cultures and societies.

First, let us take a look at the overall Happiness Index rankings of India and Finland. According to the 2021 World Happiness Report, Finland ranks first out of 149 countries, while India ranks 139th. Finland has consistently been ranked among the top countries in the Happiness Index, while India's ranking has been steadily declining over the years. Now let us analyse the factors that contribute to happiness in India and Finland. In terms of income, Finland has a much higher GDP per capita than India, which could be one reason why Finland ranks higher in the Happiness Index. However, it is important to note that income is not the only factor that contributes to happiness. In terms of social support, Finland has a strong welfare system that provides its citizens with a high level of social support, while India's social support system is less developed. Another important factor that contributes to happiness is freedom. Finland is known for its high level of political freedom and civil liberties, while India's political and social environment is more restrictive. This could be one reason why Finland ranks higher in the Happiness Index. Healthy life expectancy is another factor that contributes to overall well-being. Finland has a higher life expectancy than India, which could be due to a combination of factors such as better healthcare facilities, a cleaner environment, and a healthier lifestyle. India, on the other hand, has a higher burden of communicable diseases and a lower life expectancy. Generosity is also an important factor that contributes to happiness. Finland has a culture of giving back to the community and has a high level of charitable giving, while India's level of charitable giving is comparatively lower. Overall, the comparative study of the Happiness Index in India and Finland highlights the

importance of income, social support, freedom, healthy life expectancy, and generosity in contributing to overall well-being and happiness. While income and social support are important factors, freedom, healthy life expectancy, and generosity also play a significant role in contributing to happiness.

#### Reasons why Finland being ranked number 1 in World Happiness Report are:

Finland has consistently ranked as the world's happiest country in the World Happiness Report due to several reasons. One of the main reasons is Finland's strong social welfare system, which provides citizens with access to free education, healthcare, and other essential services. This ensures that people in Finland have a high level of security and stability, which contributes significantly to their overall happiness. Additionally, Finland has a strong sense of community and social cohesion, with high levels of trust among citizens and low levels of corruption. This promotes a sense of social connectedness and support, which is an important factor in individual happiness. Finland also has a high standard of living, with a strong economy and a high level of income equality. This means that people in Finland can enjoy a good quality of life without experiencing extreme wealth or poverty, which can be a source of stress and unhappiness. Furthermore, Finland places a high value on work-life balance, with a focus on flexible working hours and ample vacation time. This allows people in Finland to prioritize their personal lives and well-being, which contributes to their overall happiness.

Overall, Finland's emphasis on social welfare, community, work-life balance, and quality of life are key factors that contribute to its consistently high ranking in the World Happiness Report.

#### 6. FINDINGS

India's low rank in the World Happiness Report can be attributed to several reasons, such as:

- 1. Income inequality: Despite being one of the fastest-growing economies, income inequality in India remains a major concern, with a large percentage of the population living below the poverty line.
- 2. Unemployment and underemployment: India faces high levels of unemployment and underemployment, with a large number of workers employed in the informal sector, which often lacks job security and social benefits.
- 3. Social and political unrest: India has been facing social and political unrest in recent years, including caste-based violence, religious conflicts, and political polarization, which can impact people's sense of well-being.
- 4. Poor health and sanitation: India ranks low in terms of health and sanitation, with a large percentage of the population lacking access to clean water, proper sanitation, and healthcare services.
- 5. Environmental degradation: India faces significant environmental challenges, such as air and water pollution, deforestation, and climate change, which can impact people's quality of life.
- 6. Stressful work conditions: Many people in India face stressful work conditions, including long working hours, low pay, and poor work-life balance, which can impact their well-being and mental health.

Overall, these factors, among others, contribute to India's low rank in the World Happiness Report, highlighting the need for greater focus on social and economic development, environmental sustainability, and improving the quality of life for all citizens.

Table showing India's rank in the World Happiness Report from 2012 to 2022:

YEARS	INDIA' RANK
2012	111
2013	111
2014	117
2015	117
2016	118
2017	122
2018	133
2019	140
2020	144
2021	139
2022	136



As you can see, India's rank has been fluctuating over the years, but overall, it has been declining, with the exception of a slight improvement in 2021.

#### Reasons for slight improvement in India's ranking since 2021 are:

According to the World Happiness Report 2021, India's rank in the happiness index has improved slightly from 144 in 2020 to 139 in 2021. There are several reasons for this improvement:

- 1. Handling of the COVID-19 pandemic: India's response to the pandemic has been appreciated by many experts. The report notes that countries that handled the pandemic well have seen a positive impact on their happiness rankings.
- 2. Improvement in social support: India's score on social support has improved compared to the previous year. This can be attributed to the community support and volunteering activities during the pandemic.
- 3. Focus on mental health: The pandemic has brought mental health to the forefront, and India has taken steps to address this issue. The report notes that countries that invest in mental health have a higher happiness index.
- 4. Economic recovery: India's economy has shown signs of recovery in recent months, which can have a positive impact on people's happiness.
- 5. Sustainable development goals: The report notes that countries that make progress towards achieving the UN's sustainable development goals have a higher happiness index. India has made progress in areas such as education and gender equality.

#### 7. IMPLICATIONS

Improving India's position in the World Happiness Index is a complex task that requires a multi-dimensional approach. Here are some strategies that can help India achieve a better position:

- 1. Invest in education: Education plays a critical role in improving an individual's well-being and quality of life. India needs to invest more in education to create a knowledgeable and skilled workforce that can contribute to the country's growth and development.
- 2. Address income inequality: Income inequality is a major factor that affects happiness levels in a country. India needs to address the issue of income inequality by implementing policies that promote equitable distribution of wealth.
- 3. Promote good health: good health is essential for happiness. India needs to focus on providing affordable and accessible healthcare to its citizens to improve their overall well-being.
- 4. Address social issues: Social issues like discrimination, gender inequality, and castes can have a negative impact on happiness levels. India needs to address these issues to create a more inclusive and harmonious society.
- 5. Encourage work-life balance: Work-life balance is crucial for happiness. India needs to encourage policies that promote work-life balance, such as flexible working hours, parental leave, and vacation time.
- 6. Foster a culture of kindness and empathy: Kindness and empathy can go a long way in promoting happiness. India needs to foster a culture of kindness and empathy, where people are encouraged to help each other and show compassion towards those in need.
- 7. Focus on sustainability: Sustainability is a critical component of happiness. India needs to focus on sustainable development, which balances economic growth with environmental protection and social development.

Implementing these strategies can help India achieve a better position in the World Happiness Index and improve the overall well-being of its citizens.

### 8. CONCLUSION

In conclusion, this research paper sheds light on the importance of happiness and well-being in an individual's life, as well as in the larger context of the nation's growth and development. The happiness index, a comprehensive survey tool, is used to assess the level of happiness and satisfaction among citizens of various nations. The World Happiness Report, which is generated annually, ranks nations based on their collective happiness and aims to capture development beyond the statistical situation of the country. The research also highlights India's declining position in the World Happiness Report and identifies the reasons for the same, including materialistic values, inadequate social welfare, and lack of focus on subjective well-being. The paper suggests strategies for India to secure a better position in the World Happiness Index, including promoting altruism, social welfare spirit, and incorporating the values of humanity, generosity, and tolerance into the way of life. It is essential to look beyond personal benefits and strive towards attaining a state of happiness in life, which can sustain peace of mind for a long time. The happiness index and WHR view subjective well-being through a highly pragmatic approach, and it is essential to work towards achieving happiness in a no materialistic way to ensure a better future for the nation and its citizens.

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