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CRITICAL FACTORS AFFECTING THE HAPPINESS: A VIETNAMESE PERSPECTIVE

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Abstract: It can be said that happiness and searching for happiness are the goals, aspirations and rights of every one. Increasing the happiness of their own country's population is an ultimate goal being widely interested by the policy makers. However, in Vietnam, there have been a few studies about the factors affecting the happiness. Therefore, this study aims to develop a conceptual framework model to identify critical factors influencing the happiness of Vietnamese people.

Keywords: Economics happiness, critical factors, quality of life, health, Vietnam

JEL Classifications: A1, D0, I3

1. INTRODUCTION

“All men are created equal. They are endowed by their Creator with certain inalienable rights; among these are Life, Liberty, and the pursuit of Happiness” (States and Jefferson, 1988). The happiness has been studied by the world's scientists early. It is a common matter of all mankind but not a nation or country. Separate explanations about the concept of happiness have been found in the philosophical theories and religious thoughts (Batcha et al., 2015).

People lives in the modern cities in developed countries are now being created with more comforts and better-living conditions. People's incomes are much higher than the previous generations. They are more well-fed, have nicer houses and more convenient transport, however, their happiness is not entirely proportional to the economic growth of the country (Zagorski et al., 2010). The economists in the Western countries believe that ragged and hunger people often dream of adequate food and clothes, however, people of adequate food and clothing have desire of delicious food and good clothes. The material and spiritual needs itself increases with the momentum of economic growth, which means conversion of adequate food and clothing into delicious food and good clothes (Frey and Stutzer, 2002). If people consider enrichment as a major goal of their own lives, then they will sooner or later fall into failure as experienced by the Western people in their development model for many decades. It is because the enrichment does not meet the most basic aspiration of human happiness (Headey et al., 2010). For example, the gap between the rich and the poor becomes larger; living environment is more and more polluted, risks and uncertainties, including unemployment, job change, violence, terrorism, traffic accidents and so forth challenge the daily life. Suicides become serious in Japan and the Western countries. The developed countries such as the US, France, Germany, Britain, Belgium have witnessed the increase in terrorist attacks, massacres, mass murder. Meanwhile, inspite of being a developing country and having an income lower than the West countries, Vietnam's index of happiness is in the top five of the happiest countries all over the world in 2016 (Burchi and De Muro, 2016). This results in the question about the correlation between happiness and economic growth in Vietnam? What are the determinnants of the happiness of Vietnamese people? To

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answer the above questions, this paper proposes a model that shows the critical factors affecting Vietnamese people's happiness.

2. RESEARCH BACKGROUND

2.1 Concept of happiness

Happiness is an abstract concept that cannot be uniquely identified. Different definitions of happiness can be found in multiple disciplines. For example, psychologists believe that happiness is a subjective and conscious experience of emotion, or it is more precisely a special type of emotion. Philosophers believe that happiness is a state of thinking or a good life that people will reach. Shin and Inoguchi (2009) summarized three definitions of happiness that scientists use the most frequently: firstly, happiness is emotion, happiness, fun, and excitation in a short time; secondly, happiness means satisfaction with the needs of human life; and thirdly, happiness refers to a good quality of life. Meanwhile Veenhoven (2008) emphasized that happiness is a state of action because people change their viewpoints about life over time. Moreover, in the same situation, the happy level of each person is different and also depends on the environmental outcome. Thus, happiness is divided into subjective and objective categories. The subjective happiness is measured by asking a question “How do you feel happy with your current life?” and the objective one indicates the intensity and duration of the actual happiness (Lyubomirsky and Lepper, 1999).

2.2 Factors affecting the happiness

The studies on the factors affecting happiness have been conducted in many countries around the world. According to Torshizian and Mehrara (2011), the determinants of happiness are almost the same in different countries, and the differences (if any) are in the tradition, culture, economic situation, regional characteristics, and geography of each country. It is shown in the study results that the most frequently mentioned factors are the problems that people face up with in their daily lives. Indeed, physical conditions, income, and consumption are the most prominent factors mentioned in the research of happiness (Heijman and van Ophem, 2010). Besides, a perfect family life with marriage, children, and harmony with the relatives is also a crucial factor. In addition, the health of the individual and the family, educational level, satisfactory job and personal characteristics also influence more or less on the happiness et al., (2011). Moreover, political institutions can also affect people's happiness (Frey and Stutzer, 2002).

3. MODEL OF FACTORS AFFECTING THE HAPPINESS

3.1. Happiness and economics

It is stated in the theories of social ethics that money is almost causally irrelevant to happiness. However, the sociologist, Firebaugh and Schroeder (2009) from University of Pennsylvania and Firebaugh and Tach (2012) from Harvard University in the US have painstakingly studied and drawn the conclusion that money can create happiness provided that the person, who earns money, must feel to earn more money than those around him or her. A person with lots of money still feels unhappy when people around him or her earn more. This result is completely similar to the study of Diener (2009), a psychologist at University of Illinois in the US. Diener (2009) concluded that it would be wrong to say that money is irrelevant to happiness; the relationship between them is very complicated, but the satisfaction with the rich's life is often much higher than the poor. The situation is true for both rich countries and poor ones. An economic expert, Blanchflower and Oswald (2008) from the University of Warwick in the UK agrees with Edward Diener when studying a group of lottery winners with the prizes worth 2,000 to 250,000 USD. It is shown in the achieved results that their satisfaction with the life increases as compared to the previous two years when they had not become lottery winners. In addition, satisfaction increases in proportion to the prizes, i.e. the bigger reward they receive, the more satisfactory they are with their lives.

On the contrary, Daniel Kahneman, the Nobel laureate in economics in 2002 and his colleagues confirmed that happiness in families with incomes of more than 90,000 USD is twice times higher than those with

incomes of less than 20,000 USD. However, it was shown in the research data that there was almost no difference in happiness between the family group with the income of more than 90,000 USD and the group with the income of 50,000 to 90,000 USD (Kahneman et al., 2006).

It is confirmed by Layard (2003) that in the developed societies, people tend to work harder to consume more material goods while they have a little time to rest and relax and this is a cause that makes people feel unhappier though they earn more money than other people in the developing countries. It is shown in the classical economic theories that tax imposition can affect the choice between recreations and hardworking to have a high income. High-income taxes will reduce the motivation to work overtime or hard to get a promotion. For example, income tax in the US is lower than that in Europe, so the workers retain more income from part-time jobs. Economists think that this is the reason why the Americans work more than the Europeans. For the past twenty years, the annual average number of working hours of the Americans has been constantly increasing while it has fallen sharply in the Europe. Currently, the average working time of the Americans is 15% higher than that of the Europeans. It is shown in Layard's analysis the Europeans have not worked less, but the Americans have worked more to to keep pace with those around them rather than spend much time resting. According to the economists, determining a reasonable tax rate also contributes to help people themselves regulate their work, rest and recreation in order to have a happier life (Boyd-Swan et al., 2016). It can be said that the economic factor which impacts on happiness is often measured by income or personal consumption level. Therefore, this study proposes the following hypothesis:

Proposition 1: There is a positive relationship between economic factors and happiness

2.2. Happiness and health

Overall, the number of studies on assessing the effect of health on happiness is still limited. In the study of Kye and Park (2014), the relationship between happiness and health behaviors, stress and environmental aspects of sports exercises of 1,530 Korean volunteers in the ages of 30 to 69 was examined. Factors such as demographic characteristics, pressure, smoking and alcohol drinking habits, healthy diet, exercise, fitness environment and the level of happiness were carefully studied. It is shown in the findings that in addition to personal factors such as income and psychological status, the other factors, for example, the environment should also be considered in the making process of the welfare policies of a nation. The authors conclude that stress is the most powerful factor affecting on happiness. A person, who is more stressed, will be less happy than others.

Piquera et al. (2011) thought that the participants, who feel stressed in normal situations and assumptive ones conducted by the authors, will not almost be able to reach a "very happy" state. Schiffrin and Nelson (2010) concluded that there is an inverse linear correlation between happiness and stress in all three levels of happiness studied by the authors.

According to Easterlin (2004), adverse changes in health have long-term negative effects on happiness. In case of any serious change in health, despite the capability of very strong recovery and dealing with, the group of people, who have suffered terrible accidents or illness, will be less happy that the other groups.

Deaton (2008) sent a warning about the use of health satisfaction measurement as an indicator of happiness in the international comparative studies. He studied the interaction of life-based satisfaction with health-based one on the basis of the data of Gallup's World Poll (including 132 industrialized and developing countries) in 2006 together with the objective health measurement. He pointed out that in the countries in the Eastern Europe and the former Soviet Union, the health-based satisfaction is low, partially explaining the decline in the longevity of the people in these countries. However, he also further explained that the reduced life expectancy of the African countries is due to HIV/AIDS pandemic and people here do not express dissatisfaction with their health as the people of the countries in the Eastern Europe and the former Soviet Union.

On the contrary, Veenhoven (2008) discovered although happiness does not help people cure diseases, it is considered as a preventative factor (Baruth et al., 2011). When being asked about happiness, people tend

to forget their physical health problems. In fact, it is empirically shown that happiness will be useful to health and help increase the longevity (Diener and Chan, 2011).

In summary, it can be said that health affect happiness and unhealthiness is truly unfortunate. Therefore, this study makes the following hypothesis:

Proposition 2: There is a positive relationship between health and happiness.

2.3. Happiness and religious beliefs

Schuller et al. (2000) defines that social capital is a combination of existing or potential resources associated with the ownership of a sustainable network of mutually acquainted or recognized relationships being more or less institutionalized. As such, three basic characteristics of the capital are (i) it is associated with and a product of building and owning a network of social relations; (ii) it may be visible or hidden in the social relations, depending on how to use by each actor; (iii) it includes the social networks being institutionalized through social groups and organizations, accordingly, members benefit from the group relations (Nguyen et al., 2016). Meanwhile, the politician, Robert Putnam thought that the social capital includes social cohesions and attached standards and trusts (Glover and Hemingway, 2005). One of the indicators of the social capital that may affect happiness is religious beliefs. Normally, people with religious beliefs and participation in religious organizations feel resigned to their fates, satisfactory and accept their current lives, so they feel happier than those, who have no religious belief. Therefore, this study makes the following hypothesis:

Proposition 3: There is a positive relationship between religious belief and happiness.

2.4. Happiness and politics

Participation in political organizations also has a certain influence on happiness. Normally, any person who joins in political organizations, such as the Communist Party of Vietnam, Ho Chi Minh Communist Youth Union and so forth in Vietnam, is confident in his or her current life and has clear objectives in the future, so they feel happier than others. Therefore, this study makes the following hypothesis:

Proposition 4: There is a positive relationship between the participation in political organizations and happiness.

2.5. Happiness and Education

According to Campbell and Chenoweth (1981), education or educational level has a positive impact on happiness. It affects indirectly happiness as a result of its impact on thought, lifestyle, income, and position in the society. Firstly, people with advanced degrees will have more opportunity to seek jobs and earn more income, have higher status, so they feel more satisfactory and happier than those with lower ones. Besides, a well-educated person will have good character and conduct, therefore, he or she like helping others and often participates in volunteer organizations. As a result, he or she should be able to bring about benefits and happiness to many people. In summary, a well-educated person will have a better physical, spiritual and cultural life than those with lower qualifications so he or she will be happier. Consequently, this study makes the following hypothesis:

Proposition 5: There is a positive relationship between education and happiness.

2.6. Happiness and personal characteristics

Such personal characteristics such as age, gender, marital status, etc. also have a certain influence on happiness. Firstly, it is often assumed that the older people are the more unfortunate because their social roles are reduced with the age. However, Professor Andrew Oswald and his colleagues from the University of Warwick in the UK have rejected the argument (Blanchflower and Oswald, 2008). They have conducted a poll of more than half a million of people from America and the Western Europe and gained an entirely

unexpected result, accordingly, happiness throughout a human life cycle is U-shaped. It is also known as a “Happiness Curve.” People feel happy when they are young and old provided that they be less sick. Moreover, tough times happen when people feel the most unfortunate (at the age of 44 on average for both men and women).

Secondly, because Vietnam is an East Asian country, women often are more resigned to their fate than men. Therefore, they feel happier than men when there is any change in the economic and social situation or any economic crisis and recession. Indeed, the global study conducted by Nielsen Company regarding the happiness in 51 countries (28,153 participants answered the online questions) has confirmed that while men are happy with money and economic conditions, women feel more satisfactory with their friends and relationships with their children and colleagues.

Thirdly, Glenn and Weaver (1981) found that marriage is a strong indicator affecting happiness. Married people’s ability to feel happy is higher than single, separated, divorced, and widowed ones. Pavot and Diener (2009) also discovered two factors causing powerful and long-term effects on human life, including job and marriage. Especially, any woman has a baby; her happiness will be higher.

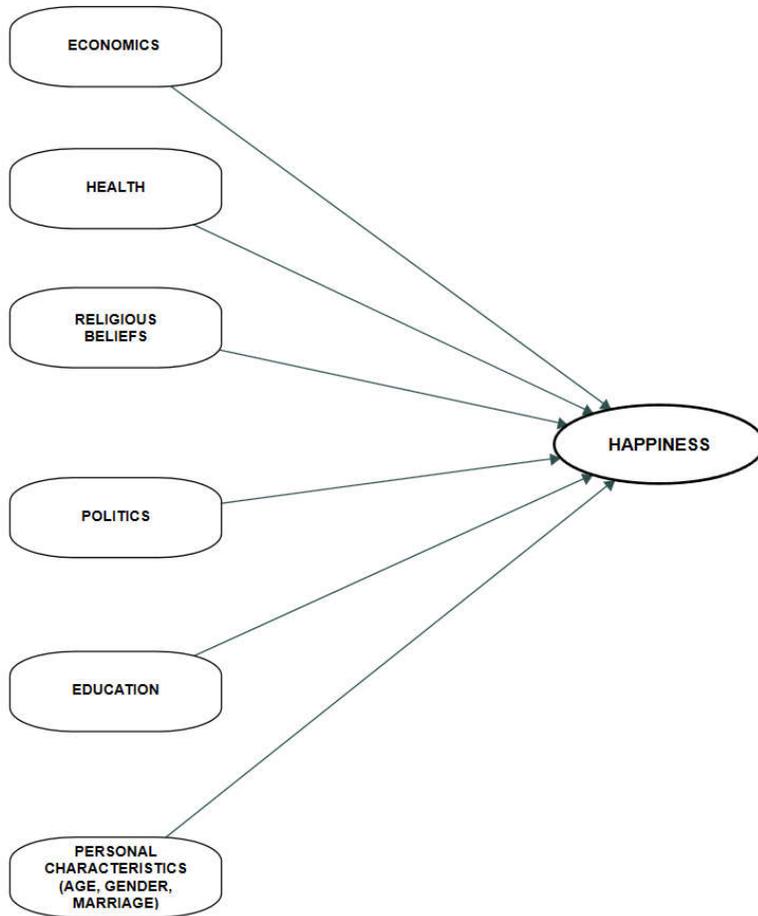
In short, all the personal characteristics can affect happiness. Therefore, this study makes the following hypothesis:

Proposition 6: There is a correlation between age and happiness.

Proposition 7: There is a difference between gender and happiness.

Proposition 8: There is a positive relationship between marriage and happiness.

Based on the above-mentioned hypotheses, this study proposes conceptual research framework of the critical factors affecting happiness of Vietnamese people as in Figure 1:



4. CONCLUSION

The World Happiness Report 2016 of the New Economics Foundation in the UK states that Vietnam ranks the top 5th with regard to happiness planet index all over the world, just after Costa Rica, Mexico, Colombia, and Vanuatu. To get a comprehensive picture of the factors affecting the happiness of Vietnamese people, this study summarizes the key factors influencing the happiness of people all around the world. Then, it builds a theoretical and conceptual framework and proposes hypotheses about the factors affecting the happiness of Vietnamese people. Finally, the study results are expected to make a significant contribution to the literature on happiness as well as for the further studies on it.

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