


Dimensionally Decomposed Development and Happiness

Muharrem Burak ÖNEMLİ*

 0000-0001-5087-6420

ARTICLE INFO

Submitted: 30. 06. 2021
Revision Requested: 14. 07. 2021
Final Revision Received: 26. 07. 2021
Accepted: 29. 07. 2021
Published Online: 15. 08. 2021

Keywords:

Economics
Happiness
Life Satisfaction
Development
Development Indicators

ABSTRACT

The primary purpose of this study is to evaluate and compare the relative effects of different developmental dimensions on happiness. However, such an attempt requires an approach that divides the phenomenon of development into building blocks. In this respect, this study focuses on the dimensions of economic prosperity, good governance, education, health, the sustainable environment, gender equality, trade and financial flows, and mobility. Following the general trend in the literature, the relations between the country's average happiness levels calculated from microdata and the development indicators compiled from the World Bank data were analyzed using the least-squares method. In this analysis, Box-Cox transformation was used to ensure that the dependent variable, the average happiness levels, showed normal distribution. Our study reveals that all dimensions have the expected effects on happiness. However, the economic prosperity, sustainable environment, and government efficiency dimensions create the top three blocks of development that have the most significant impact on life satisfaction, respectively. On the other hand, the effects of the remaining aspects on happiness seem relatively minor. Additionally, handling the reflection of the mobility dimension on happiness deserves special treatment since the association between net migration and happiness is most likely tend to indicate a reverse causality, unlike the migration stock and life satisfaction relation.

*Corresponding Author: M. Burak Önemli (Assoc. Prof.), Izmir Kâtip Çelebi University, Faculty of Economics and Administrative Sciences, Department of Economics, Izmir, Turkey ✉ mburak.onemli@ikcu.edu.tr