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**Concept of Happiness and Happiness in Georgia:
Perceptions and Correlates of Reported Overall Happiness**

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Abstract

The research focuses on exploring the perception of the concept of Happiness of Georgians and the determining factors of reported overall happiness. Quantitative and Qualitative research approaches have been used to study these issues. The qualitative data covers an overview of the self-reported happiness of Georgians based on international and local surveys, also defining the main predictors of overall happiness using CSS survey data (2012) by using the step-wise regression model to identify what Georgian people mean by overall happiness and what the determinants of the reported happiness in Georgia are. Qualitative research was focused on interviews and focus groups to explore the discursive, general understanding of happiness. To summarize the research results, the determining factors of reported overall happiness in Georgia were identified as follows: *Assessment of Current Family Income* and *Expectation of Positive Changes in Family Economic Status in Coming Years* are the most important predictors of self-reported happiness according to the 2012 data. *Consumption Spending, Age* and *Marital Status* also determine the self-reported overall happiness in Georgia. The qualitative research on the perception of overall happiness has revealed that the majority of respondents reflect on happiness in relation to health, family well-being, close relationships/friends, love and income. Young participants tend to emphasize self-oriented activities, freedom, personal independence, self-development, success in career, and enjoying the life; whereas adults underlined the importance of family relationships, health, and income. The literature has depicted that reported happiness is highly correlated with life satisfaction; however, our qualitative study has demonstrated that respondents associate life satisfaction with financial welfare, whereas happiness implies nonmaterial issues.

I. Introduction

The applied research of happiness has surpassed the professional interest of psychologists and attracted the growing interest among economists and sociologists studying the relationships between economic growth and overall happiness levels since 1970. Later, happiness became a matter of interest in development literature, as an alternative measure of the progress achieved by the developing countries; nevertheless, this is a highly controversial area of research. A number of methodological, ideological and policy-related concerns could be raised while discussing happiness as an indicator for development. The key methodological limitation is the validity of reported happiness levels, because the understanding of happiness is subjective and interpretation of proposed measurement scales of overall happiness is challenging. Another methodological constraint is caused by the overlapping concepts related to happiness and subjective well-being in general - the definition of happiness is intertwined with the similar measures like overall well-being, life satisfaction etc. The normative concern of targeting happiness as a policy-relevant factor implies that happiness is an individual responsibility and governments should not be charged with it. The same argument can be extended by the policy-related issues of introducing happiness as a development indicator – regardless, the Gross National Happiness concept of Bhutan discussed in the UN World Happiness Report¹ it can be argued whether states can do anything in enhancing the overall happiness levels or not.

In Georgia, the high levels of reported happiness contrast with the social, economic and political environment existing in the country. In 2012 Georgia qualified as a lower-middle income country.² Georgia's transformation in the past 20 years as a Former Soviet country has included a history of deep economic downturn in the 90s, massive poverty, political and economic instability, and military conflicts in 1991-1995 and 2008. Hence, according to the World Value Survey (1996 and 2009), the 2008 European value survey, and the 2012 survey conducted by the Center for Social Sciences, the overall reported happiness levels in Georgia are high; according to all surveys more than 65% of respondents report to be very happy or happy (Annex 1). In contrast, the Gallup World Poll 2007-2010 data indicates that according to Average Life Satisfaction, similar measure to Overall Happiness Georgia is rated as 4.3 on 1-7 scale ranks 112th among the 129 countries.³ Furthermore, GWP data on affective happiness demonstrates that Georgia ranks as the last among the 156 countries according to the Average Positive Affect 2005-2011 (ibid). The controversy among the different data sources and the contrast of harsh economic, social and political circumstances of Georgia in comparison with the overall happiness levels of European Value Survey (EVS), World Value Survey (WVS), Caucasus Research Resource Center (CRRC) and Center for Social Sciences (CSS) surveys [Annex 1] raised the interest towards the perception and determinants of overall happiness in Georgia.

It should be stated that positive correlation among the overall happiness or similar measures of subjective well-being is not empirically proved. In case of Georgia the reported overall happiness is very high based on CSS, CRRC EVS and WVS value surveys (annex 1); in contrast, based on World Happiness report both the lasting and affective happiness indicators are very low, but in any case the development

¹ World bank data source, Georgia. <http://data.worldbank.org/country/georgia>

² World bank data source, Georgia. <http://data.worldbank.org/country/georgia>

³ John Helliwell, Richard Layard, Jeffrey Sachs (Eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report> p.p. 37-49

indicators such as Gross National Income or Human Development Index does not vary too much. Operationalization of happiness is challenging, but herewith, there could be specific subjective and objective predictors why Georgians say that they are happy no matter what they assume under the happiness.

The presented study aims at identifying how the overall happiness represented is perceived by Georgians and which socio-economic (external) or personal (internal) factors determine the reported overall happiness in Georgia. In the process of studying the happiness determinants and perception of reported overall happiness both qualitative and quantitative approaches have been used: happiness determinants are studied through the stepwise regression series in CSS 2012 survey data; public perceptions on overall happiness are revealed through add-hock street interviews and focus-group interviews. The purpose of survey conducted by the CSS in 2012 has not been the research of overall happiness but to collect the baseline data on social, economic, political indicators and value-related variables to plan the detailed research and data collection in specific directions. The results presented in this study indicate the challenges of the happiness concept in a specific society.

II. Defining Happiness and Its Contributing Factors: problems of operationalization

Measuring happiness and its causal relationships with socio-economic factors has attracted tremendous interest among economists and sociologists. Happiness and well-being in general reflect life quality in specific countries in a more comprehensive manner than the size of the economy or average income. The World Happiness Report of the United Nations⁴ serves as an example of a serious attempt to use the measures of happiness to evaluate developmental progress. Reconsideration of the development model based on ultimate economic growth led researchers and policy makers to focus on happiness and its determinants. The increase of happiness or well-being has not corresponded to the economic growth in some countries. Additionally, the complex task of achieving sustained and inclusive economic development, environmental damage caused by rising consumption patterns both in advanced economies and developing countries support the evidence that subjective wellbeing is not defined by the increased levels of income (“Easterlin paradox”⁵).

Happiness is a subjective and multi-dimensional concept – every individual defines it in a different way, it is relative, and it is related to a wide array of determining factors, including personal traits. Therefore, making it measurable and establishing causal relationships is a challenge. The literature and empirical studies differentiate between the types of happiness and identify the related terms - life satisfaction and well-being. The definitions of identified concepts overlap throughout the literature on happiness and are broken down into several categories. The determinants of happiness, life-satisfaction, and well-being are also interchangeable and interdependent. Below, the key concepts related to happiness and their determinants are summarized in order to identify the major differences among the suggested terms and to establish the conceptual framework.

Human well-being and its components

Happiness is a component of a wider concept - human well-being. The interest in happiness and well-being dates back to Greek philosophers⁶, but empirical research on aggregated happiness data started in the 1970s.⁷ There are the controversies existing in literature - the overlapping definitions of happiness, well-being, life quality and other related concepts, however based on the major studies in the field we can assume that well-being is an overarching concept including in it how the humans actually do and feel about life. Therefore, well-being can be broken down into wider components: objective well-being,

⁴ John Helliwell, Richard Layard, Jeffrey Sachs (Eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report>

⁵ Richard A. Easterlin, *Will Raising the Incomes of All Increase the Happiness of All?* Journal of Economic Behavior and Organization, 27:1 pp 35-48, June, 1995.
<http://www.bsos.umd.edu/socy/vanneman/socy789b/Easterlin95.pdf>

⁶ Ruut Veenhoven, *QUESTIONS ON HAPPINESS: Classical topics, modern answers, blind spots*, in : F. Strack, M Argyle, & N. Schwarz (eds) 'Subjective wellbeing, an interdisciplinary perspective', Pergamon Press, 1991, London, pp 7-26 <http://repub.eur.nl/res/pub/16149/91c-full.pdf>

⁷ Richard A. Easterlin, *Will Raising the Incomes of All Increase the Happiness of All?* Journal of Economic Behavior and Organization, 27:1 pp 35-48, June, 1995.

denoting how people do in their life, and subjective well-being, referring to how humans feel about life⁸. The subjective well-being, or how people feel - is synonymous with happiness.

In 1925, Flugel started to study moods by asking participants to recall emotional events and then summarize their emotional reactions throughout these events.⁹ The term “public happiness” as a policy-relevant indicator was introduced in 1749 by Ludovico Antonio Muratori. He defined public policy as a means of achieving public happiness; however, as mentioned, happiness and well-being were predominantly the subject matter of psychologists¹⁰ until the end of 20th century. The necessity of developing complex measures of well-being, rather than focusing on size of economy as a major indicator of policy success, was identified in the 1960s and instituted in the 1970s after considering the environmental, social inequality, and health effects of economic growth. In 1971, GDP estimates reflecting the environmental impact were developed by Nordhaus and Tobin;¹¹ in 1972 the “Gross National Happiness” – complex composite measure of 33 indicators was initiated by the King of Bhutan¹²; the 1974 article of Richard Easterlin, demonstrating the absent correlation among well-being and GDP, has pioneered a wide array of empirical research on well-being and happiness. In 1990, the UN launched the Human Development Index, and in 1996, the UK was the first country in the world to introduce a set of sustainable development indicators [ibid]. Since then a number of countries have started to measure well-being as a policy relevant concept.

Well-being and happiness are complex concepts. Three broad groups of studies were identified in literature - those who distinguish concepts and see them as unrelated, those who see them as identical, and those who see them as relational.¹³ Additionally, it should be mentioned that establishing the relation among happiness and well-being also depends on given definitions and applied measures. UN World Happiness Report, dealing with large cross-sectional and longitudinal country data, differentiates between happiness and well-being and uses happiness as a term synonymous with subjective well-being.¹⁴ The Australian Statistical Unit identifies two broad categories of well-being - subjective well-being and objective well-being:

- ✓ Subjective well-being is focused on an individual's satisfaction with life – how they feel about their life;

⁸ Talina Drabsch, Measuring Wellbeing, Briefing paper No 4, NSW Parliamentary Research Service, July 2012 <https://ala.asn.au/wp-content/uploads/2012/07/205P23032.pdf>

⁹ Ed Diener, Shigehiro Oishi, Richard E. Lucas, ‘Subjective Well-Being: The Science of Happiness and Life Satisfaction’ in C.R. Snyder & Shane J. Lopez (Eds.), *Oxford Handbook of Positive Psychology*. Oxford: Oxford University Press., pp 187- 192, 2009

¹⁰ See Dixon (1997) in Saumik Paul, Marco Ranzani, *Happiness in Transition Countries*, World Bank, p 2, September 10, 2008 <http://dipse.unicas.it/wb2008/papers/Ranzani.pdf>

¹¹ William D. Nordhaus & James Tobin, *Is Growth Obsolete?*, Cowles Foundation Discussion Papers 319, Cowles Foundation for Research in Economics, Yale University, 1971

¹² Talina Drabsch, *Measuring Wellbeing*, Briefing paper No 4, NSW Parliamentary Research Service, July 2012 <https://ala.asn.au/wp-content/uploads/2012/07/205P23032.pdf>

¹³ Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

¹⁴ John Helliwell, Richard Layard, Jeffrey Sachs (eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report>

- ✓ Objective wellbeing is concerned with the material conditions that affect a person's life such as access to education, employment opportunities, etc – how people do in their lives.¹⁵

Similar categories of subjective and objective well-being are offered by the EUR Happiness Data Catalog – happiness is again, defined as synonymous with subjective well-being, emphasizing the fact that happiness is a popular expression of subjective well-being.¹⁶

Affective and Evaluative Happiness

The dual nature of happiness was first identified by the Greek philosophers distinguishing between hedonic and eudemonic happiness. This approach is widely used by psychologists describing the hedonic view as a life goal of pleasure seeking and pain avoidance with happiness as a composite of hedonic moments. In contrast, eudemonia as an Aristotelian perspective of true happiness is achieved through virtue and the practicing of things worth doing. Fromm¹⁷ has described this approach to happiness by differentiating “between those needs (desires) that are only subjectively felt and whose satisfaction leads to momentary pleasure, and those needs that are rooted in human nature and whose realization is conducive to human growth and produces eudaimonia, i.e. “well-being.” In other words...[there is] the distinction between purely subjectively felt needs and objectively valid needs—part of the former being harmful to human growth and the latter being in accordance with the requirements of human nature .”¹⁸

Regardless of the fact that empirical research on cross-country and intra-country happiness levels sometimes refers to hedonic and eudemonic categories of happiness, what is meant by these terms is somewhat different from the above described philosophical connotation of the terms. In happiness measures it is vitally important to distinguish between momentary happiness, sometimes referred as “hedonic effect”¹⁹ and lasting, overall happiness – this is a more stable and general evaluation of human wellness over time. The UN World Happiness Report differentiates between the emotional reports (affective happiness), referring to moods and reported emotional state, and cognitive life evaluations (evaluative happiness), an individual’s judgment of their life. The same report elaborates on the methodology of measuring the affective and overall happiness: affective happiness is captured most frequently with time use surveys, in which respondents are asked to evaluate their moods, to capture the short-term changes. Evaluative happiness is studied through questionnaires about how happy or satisfied people are with their lives.²⁰ From the identified two forms of subjective well-being, evaluative or overall happiness is the main concern of this paper – it is a more stable and policy-relevant indicator in

¹⁵ Talina Drabsch, *Measuring Wellbeing*, Briefing paper No 4, NSW Parliamentary Research Service, July 2012 <https://ala.asn.au/wp-content/uploads/2012/07/205P23032.pdf>

¹⁶ Ruut Veenhoven, World Database of Happiness, Erasmus University Rotterdam, The Netherlands Assessed on (08.07.2012) at: <http://worlddatabaseofhappiness.eur.nl>

¹⁷ Erich Fromm, *On Disobedience and Other Essays*, Routledge and Kegan Paul plc, 1981

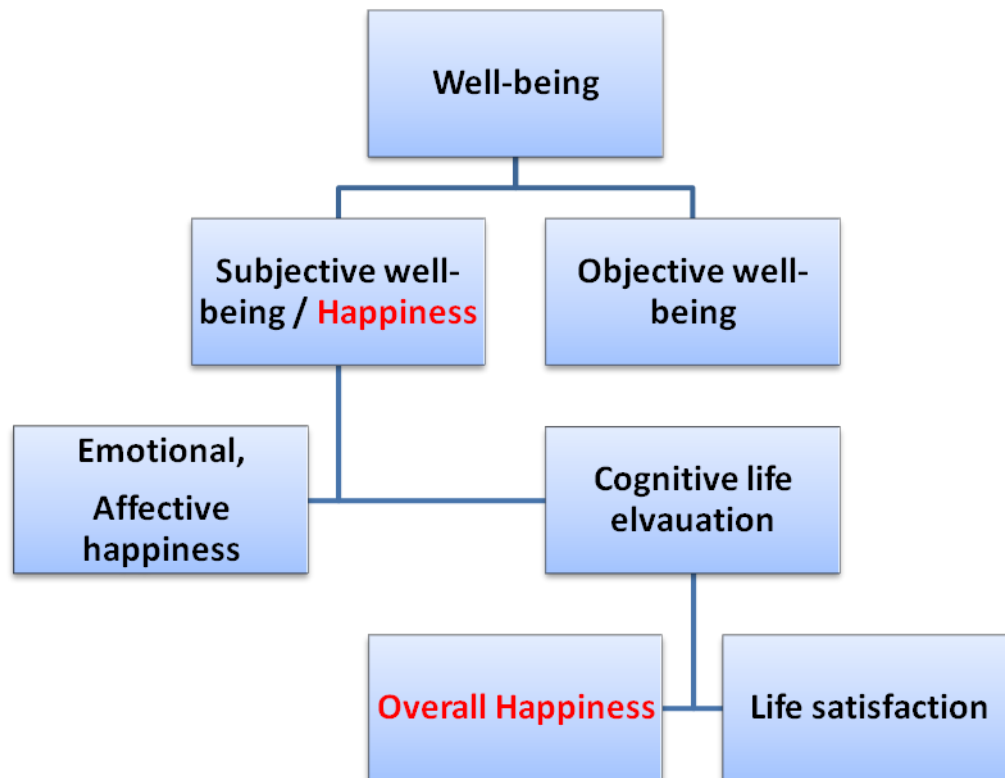
¹⁸ Richard M. Ryan, Edward L. Deci, *On happiness and human potentials: A review of research on hedonic and eudaimonic well-being*, *Annu. Rev. Psychol.* N 52 pp 141-166, 2001 <http://www.uic.edu/classes/psych/Health/Readings/Ryan,%20Happiness%20-%20well%20being,%20AnnRevPsy.%202001.pdf> (accessed...)

¹⁹ Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

²⁰ John Helliwell, Richard Layard, Jeffrey Sachs (eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, pp 11-19, 2012

comparison with affective happiness. The majority of the data obtained in Georgia evaluates overall happiness.

Figure 1. Conceptualizing well-being and Happiness



Overall Happiness and Life Satisfaction: identical measures?

Since the mid-1980s, this field experienced rapid growth, mostly due to developing successful research methods: whereas early survey instruments included only a single question about happiness or life satisfaction, now more valid and reliable multi-item scales became available. However there are still several challenges connected with the validity of self-report instruments: a person may not really experience what s/he has just reported or can be influenced by current mood, and the ease of retrieving negative or positive information when evaluating average life satisfaction. Nevertheless, global reports are quite valuable as they show how people make judgments about their own life, and identify individual and cultural differences.²¹

Overall happiness and life satisfaction are often used as identical terms; they both are a measure of cognitive life evaluation. In the EUR Happiness Data Catalog, overall happiness and life satisfaction are defined as synonymous concepts.²² Still, the different questions are asked to measure overall happiness

²¹ Ed Diener, Shigehiro Oishi, Richard E. Lucas, 'Subjective Well-Being: The Science of Happiness and Life Satisfaction' in C.R. Snyder & Shane J. Lopez (Eds.), *Oxford Handbook of Positive Psychology*. Oxford: Oxford University Press., pp 187- 192, 2009

²² Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

and life satisfaction (How happy /how satisfied you are with your life) and some questionnaires include both questions.²³ Comparison of the life satisfaction and overall happiness surveys demonstrated that they are similar concepts: correlation of happiness and life satisfaction data is very high, and the same factors are identified as determinants. However, the average mean of life satisfaction is higher than that of overall happiness.²⁴

The Determining Factors of Overall Happiness

As noted above, happiness is a complex concept, intertwined with the other measures of objective and subjective well-being. The complexity of overall happiness is reflected in its determinants as the wide array of social, economic, personal, and cultural factors have an influence on happiness levels. According to the above mentioned definition, overall happiness is part of a wider well-being concept. Therefore, the contributing factors of happiness / subjective well-being fall in the range of well-being determinants. Furthermore, the contributing factors of well-being and happiness are inter-related- it is almost impossible to cluster separately the determinants of overall happiness, well-being, and life satisfaction. This paragraph summarizes the determining factors of happiness and well-being identified by the major, world-wide studies and other fundamental literature on happiness studies. Alongside genetic and personality dispositions, two big groups of factors affecting happiness are defined: “internal” and “external” ones.

In the Barometer²⁵ qualitative study of the factors contributing to well-being, nine broad categories are distinguished. These categories include subjective well-being, economic and employment situation, education and intellectual development, health and nutrition, infrastructure, interpersonal relationships, civic life, cultural and spiritual activities, and environment. Each of them consists of various narrower factors. Subjective well-being depends on satisfaction; freedom of choice; expectations; mood; uncontrollable factors such as luck, fate, genetics and personality; values such as sharing, altruism, being outward-looking; stability; and predictability. Economic and employment situation deals with job satisfaction, income, non-essential consumption, basic needs (such as housing, food etc.), debt, and savings. Education and intellectual development includes educational opportunities, educational attainment, and intellectual aspirations; while the health and nutrition category focuses on personal health, nutritional intake, healthcare, and physical fitness issues. Infrastructure depends on the quality of one’s living area, residence, and services. Interpersonal relationships incorporate friends, family situation, overall satisfaction in marriage/partnership as well as with children, growth and development of future generations, and other kind of relationships. Civic life issues deal with the current government (those that are mostly perceived to have a negative effect on well-being), freedom of expression, general political and economic situation, trust in political institutions, and respect for rights, discrimination, and society.

²³ Ed Diener, Shigehiro Oishi, Richard E. Lucas, ‘Subjective Well-Being: The Science of Happiness and Life Satisfaction’ in C.R. Snyder & Shane J. Lopez (Eds.), *Oxford Handbook of Positive Psychology*. Oxford: Oxford University Press., pp 187- 192, 2009

²⁴ John Helliwell, Richard Layard, Jeffrey Sachs (Eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, p 15, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report> (accessed ...)

²⁵ Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

Cultural and spiritual activities include time for leisure activities, spirituality and religiosity, as well as cultural life. The environment category consists of weather and natural disaster issues.

According to the European Barometer study the range of contributing factors of happiness in order from most influential to least influential are as follows: health, family, employment, personal financial situation, housing, personal freedom/rights, friends, job satisfaction, education, fitness, leisure time, diet, cultural life, neighborhood, economy, discrimination, government, and spirituality/religion. From them the first nine factors make a core definitive list, while the other nine are additional. When it comes to participants' associations with well-being four, broad categories were distinguished: economic or financial factors, physical factors, psychological or personal factors, and environment (ibid).

The Oxford Handbook of Positive Psychology²⁶ differentiated among the three broad theoretical approaches to subjective well-being / overall happiness:

- ✓ The need and goal satisfaction theories: assuming that reduction of tension leads to happiness. Represented by Freud's pleasure principle and Maslow's hierarchical need's model. Subjective well-being is changeable;
- ✓ The process of activity theories: assuming that engagement in interesting activity that matches the level of skill provides happiness as well as making progress towards an important goal. Goal theories combine elements of need satisfaction and pleasure activity. Subjective well-being is changeable;
- ✓ The genetic and personality disposition theories: assuming that Subjective well-being is influenced by stable personality dispositions (mostly extraversion and neuroticism) and genetic inheritance. Subjective well-being is more stable;

The empirical findings show that several aspects can be related to subjective well-being, such as income (although income changes over time has very little effect on subjective well-being- goals and expectations have to be taken into account to understand this relationship), age (with age pleasant affect declines but unpleasant affect and life satisfaction shows no change), marital status (can differ for men and women) etc. Despite strong links between personal dispositions and subjective well-being, life events are still very important. Although it was believed that people are generally easily adaptable, recent research showed that those who experience sudden unfortunate changes such as divorce, becoming disabled, etc. find it very hard to return to a pre-incidence level of happiness. When exploring hedonic adaptation for positive events, studies show that a person would feel happy longer if s/he was unable to explain why this event happened (ibid).

The importance of genes and environment (life-related circumstances) are stressed in the World Happiness Report.²⁷ However, two groups of determinants are identified additionally: "external" factors including income, work, community/governance, and values/religion; and "internal" factors comprised with mental health, physical health, family experience, education, and gender/age.

²⁶ Ed Diener, Shigehiro Oishi, Richard E. Lucas, 'Subjective Well-Being: The Science of Happiness and Life Satisfaction' in C.R. Snyder & Shane J. Lopez (Eds.), *Oxford Handbook of Positive Psychology*. Oxford: Oxford University Press., pp 187- 192, 2009

²⁷ John Helliwell, Richard Layard, Jeffrey Sachs (Eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report> (accessed ...) p. 59.

Finally, it should be noted that the European Barometer is a largely qualitative study focusing on the determinants of well-being, and the World Happiness Report covers empirical evidence based on studies of the determinants of reported overall happiness. Not considering the difference, the identified contributing factors of happiness and well-being are similar and range from person-related determinants to community / governance related factors. Even if it was possible to rule out from the analysis highly subjective genetic and life-events related factors, the huge array of “internal” and “external” determinants affect happiness and well being.

III. Determinants of reported overall happiness in Georgia

The objective of the quantitative analysis was to find out the determinants of reported overall happiness - the factors contributing to variability of reported happiness in Georgian reality. The stepwise regression model was used to analyze the wide range of variables included in the Public Opinion Survey performed by CSS in 2012. The analysis has revealed that both internal and external factors, as identified in the theoretical review, contribute to the variability of reported overall happiness in Georgia; yet, the determinant with the highest predictive value for different variations of the model is the *Evaluation of Current Economic Situation of Household*, unlike the *Personal Income*, which was found to have a predictive power in limited cases. Furthermore, the changes on the composition of predictors, joint explanatory contribution, and predictive power were revealed in the categories according to settlement type and employment status.

Methodology and Data

A stepwise multiple regression model was used for data analysis. This stepwise regression is a useful instrument of inferential statistics to analyze the large pull of determinants; as stated in the theoretical review, the wide array of subjective and objective factors affects the independent variable - overall happiness. According to the research objectives, an optimal model of predictors was developed – maximizing the explanation of variance of reported happiness based on available variables in the dataset. Therefore, the factors with the best predictive power were identified and included in final model. The variables that could potentially influence variability of reported happiness in the final model were conditionally divided into “internal” and “external” factors, based on conceptual framework. External factors incorporate economic and other external variables, while internal factors include subjective variables directly connected to an individual, e.g. social-demographic indicators. The two initial models were used for setting up the final model. The determining factors included in each model and, respectively, in the final model are listed below [Annex 2, Annex 3].

The CSS public opinion survey was used to find out the main determinants of overall happiness in Georgia. The survey was conducted in February 2012 with a nationwide sample, excluding the separated territories of Abkhazia and outh Ossetia. In total, 6839 respondents participated in the survey - 41.5% males and 58.5% females. The determinants of reported happiness were analyzed in three categories:

1. The overall sample results;

2. The results according to the respondents' residence place: urban and rural settlements, and the capital Tbilisi;
3. The results according to the respondents' employment status: Employed in private organizations, employed in state organizations, self-employed, economically inactive, two groups of unemployed (the groups are specified below).

Despite the extensive list of variables, the analysis includes certain limitations to be taken into account. Firstly, there are some important determining factors affecting the variance of overall happiness that are not available in this data set – e. g. the health quality and work satisfaction. Secondly, none of the below described models have explained more than 30% of variance of overall happiness, therefore we can assume that identified determining factors are relevant, but it should be taken into consideration that there might be other important determining factors that are not included in the analyzed data set. Finally, the general methodological drawback of happiness research, the subjectivity whether respondents report themselves as happy or not (addressed in the qualitative part of this research), stands also for this study and data.

The paper describes in details the results of the final model, comprised of external and internal factors. The results of the final model are presented in Table 1, and the results of the internal and external factors affecting happiness levels in Georgia are provided in Annex 2, 3. The model composed by external (mainly economic) factors demonstrates a higher percentage (21.8%) of variability of reported happiness, than the model containing the factors directly linked with the individual (14.7%). The final step of analysis incorporated all independent variables with the predictive importance in the “internal” and “external” models. The results are presented according to aforementioned categories of analysis: overall sample, settlement / residence type, and employment status.

Main Findings

The final model explains 26.6% of variance in **overall sample** ($F(8, 2272) = 104.35, p < .001^{28}$). Standard error varies between 0.018 and 0.000 – indicating that obtained results are significant. The model was comprised of the following independent variables:

- ✓ Evaluation of the Current Economic Situation of the Family (Beta Standardized Coefficient (hereafter Beta weight) 0.256, unique contribution to explaining dependent variable (hereafter unique contribution) 6.4%);
- ✓ Age (Beta weight -0.219, unique contribution 5%);
- ✓ Marital Status (Beta weight 0.159, unique contribution 2.9%);
- ✓ Expectation for Improving Economic Condition of the Family in Four Years (Beta weight 0.114, unique contribution 1.2%);

²⁸ It should be noted, that in all described cases the results were checked to exclude the Multicollinearity effect; implying that the Tolerance and Variance Inflation Factor were checked and the critical value of Mahalobnnis Distances was controlled. The results are satisfactory according to all mentioned parameters.

- ✓ Expectation for Improving Economic Situation of the Family in Current Year (Beta weight 0.104, unique contribution 1.2%);
- ✓ Degree of Trust in Religious Institutions (Beta weight 0.064, proportion of variance 0.5%);
- ✓ Average Monthly Expenses of the Family (Beta weight 0.059, unique contribution 0.4%)
- ✓ Level of Education (Beta weight 0.039, unique contribution 0.2%);

It should be stressed that in the overall sample, as well as in other models, the predictor - *Evaluation of the Current Economic Situation of the Family* – explained the largest proportion of variance of reported happiness. In this model it explained 15.9% of variance, with the Beta weight of 0.399.

Two variables have the highest predictive power, from which one belongs to economic factors and the other to subjective characteristics of the respondent - *Evaluation of the Economic Situation of the Family* and *Age of Respondent*. These variables explain approximately twice as much variance of dependent variable, than the other factors considered altogether. In the obtained range of variables, three have average predictive value; predictive contribution of the subjective factor *Marital Status* is twice as much as the rest two economic factors independently (*Expectation for Improving Economic Condition of the Family in Current Year* and *Expectation for Improving Economic Condition of the Family in Four Years*). *Degree of Trust in Religious Institutions* belongs to the group of variables with the least predictive power, followed by the *Average Monthly Spending of the Family* and *Education Level*.

From the potential predictors included in the model several variables were distinguished with no reliable predictive power:

- ✓ Personal Income for the Last Month;
- ✓ Satisfaction with the Freedom of Speech (whether the respondent thinks that freedom of speech is protected or not);
- ✓ Indicator of General Degree of Trust;
- ✓ Employment Status of the Respondent;

Analysis based on **settlement type** of respondents revealed that explanatory ability of the model does not depend on this factor - the model obtained in Tbilisi sample explains 29.3% variance of reported happiness, the model obtained in urban sample – 26.2%, and the model obtained in rural sample – 25.7%. Although the range of variables included in each sample and their predictive value does not vary too much, we can assume that among the respondents based in Tbilisi five factors appeared to be important for evaluating oneself as happy: *Evaluation of Economic Situation of the Household* (current, short-term and long-term perspective), *Age* (the older is the respondent, the less likely s/he is to evaluate his/herself as a happy person), and *Marital Status* (being married increases the level of reported happiness). Contribution of each of the listed factors in explaining the variance is considerable; nevertheless the three described variables have especially high predictive value – *Evaluation of Current Economic Situation of the Household, Age, Marital Status*.

Table 1. Determinants of Reported Overall Happiness in Georgia: Internal and External Factors

Dependent variable: reported overall happiness (stepwise regression model)	Overall sample	Residence place			Employment status					
		Tbilisi	Urban	Rural	Employed - private sector	Employed - state sector	Self-employed	Unemployed (Looking for a job)	Unemployed (interested, not looking for a job)	Economically Inactive
Explained variance (R-squared)	26.60%	29.30%	26.20%	25.70%	19.20%	18.70%	22.20%	17.60%	29.90%	24.90%
Evaluation of the current economic situation of the household	0.256 ²⁹ (6.4%) ³⁰	0.270 (7.8%)	0.252 (6.7%)	0.265 (6.7%)	0.234 (5.6%)	0.192 (3.8%)	0.268 (7.5%)	0.248 (5.7%)	0.297 (8.1%)	0.273 (7.8%)
Expectation for improving economic situation of the household in current year	0.104 (1.2%)	0.122 (1.7%)	0.160 (3%)	0.070 (3%)	0.162 (3%)	0.115 (1.4%)	–	0.093 (0.9%)	0.103 (1.1%)	0.167 (3.2%)
Expectation for improving economic situation of the household in four years	0.114 (1.2%)	0.143 (2%)	–	0.168 (2.8%)	0.232 (5.4%)	–	0.227 (5.4%)	0.110 (1.1%)	0.173 (2.5%)	–
Average monthly spending of the household	0.059 (0.4%)	–	0.097 (1.0%)	–	–	0.129 (1.8%)	–	–	–	0.132 (2.1%)
Personal income of the last month	–	–	–	–	–	–	–	–	–	–
Age	-0.219 (5%)	-0.248 (6.7%)	-0.204 (4.4%)	-0.234 (5.7%)	–	-0.226 (5.4%)	-0.163 (3.0%)	-0.163 (2.4%)	-0.176 (3.5%)	-0.186 (3.5%)
Marital status	0.159 (2.9%)	0.176 (4%)	0.181 (3.8%)	0.139 (2.2%)	–	0.170 (3.2%)	0.121 (1.7%)	0.163 (2.7%)	0.138 (2.4%)	0.212 (4.9%)
Satisfaction with the freedom of speech	–	–	–	–	–	0.110 (1.4%)	–	–	–	–
Degree of trust in religious institutions	0.064 (0.5%)	–	0.065 (0.55%)	0.084 (0.94%)	–	–	0.087 (1%)	–	–	–
Level of education	0.039 (0.2%)	–	0.080 (0.8%)	–	–	–	–	–	–	–
Indicator of general degree of trust	–	–	–	–	–	–	–	–	–	–
Employment status	–	–	–	–	–	–	–	–	–	–

²⁹ Beta weight

³⁰ Unique share

Unlike the model obtained from the overall sample, in the Tbilisi sample the following variables were not distinguished with predictive value:

- ✓ Degree of Trust in Religious Institutions;
- ✓ Average Monthly Spending of the Household;
- ✓ Level of Education;

The model obtained among rural respondents is similar with the model obtained in Tbilisi in terms of variables with predictive power. Nevertheless, in rural settlements one more predictor was revealed - *Degree of Trust in Religious Institutions*. In the model obtained among the rural respondents the contribution of two factors is leading – external (*Evaluation of the Current Economic Condition of the Family*) and internal (*Age*). *Expectation of Improving Economic Situation of the Household in Four Years* and *Marital Status* have the average explanatory power; the two other factors *Degree of Trust in Religious Institutions* (internal) and *Expectation of Improving Economic Situation of the Household in Current Year* have irrelevant explanatory power.

The model obtained in the urban sample is identical with the model obtained in the overall sample in terms of included variables, although there is one considerable difference – *Expectation of Improving Economic Situation of the Household in Four Years* is irrelevant for evaluating oneself as a happy person. In this model, *Evaluation of Current Economic Situation of Household*, *Age*, *Marital Status* and *Expectation for Improving Economic Situation of Household in Current Year* obtain all have predictive power.

Employment Status³¹ of respondents is more important in terms of the predictive ability of the model than the settlement type. For some of the respondents' categories included in employment status the model explains a lower proportion of variability of reported overall happiness when compared to the overall sample; these are *Unemployed Respondents, Looking for a Job* (joint contribution 17.6%); *Employees of State Organizations* (joint contribution 18.7%) and *Employees of Private Organizations* (joint contribution 19.2%). However, for the rest of the respondent groups the joint contribution of variables included in the model are similar to the joint contribution obtained for the overall sample. These groups include *Economically Inactive Respondents* (joint contribution 29.5%), *Unemployed Respondents, Intersected, but Not Looking for a Job* (24.9%) and *Self-employed Respondents* (22.2%)

Employment status affects the variables with the explanatory power identified for each category:

- ✓ For Unemployed and Economically Inactive categories five factors have predictive power: *Evaluation of Economic Situation of the Household* (current, short-term and long-term perspective), *Age* and *Marital Status*;

³¹ For the first case we mean the segment of employment the respondent belongs to – state sector, private or self-employment (that also includes rural-agricultural work). On the other hand, the principle of categorizing unemployed respondents is connected with their will to find the job: they are looking for a job; want to have a job but are not looking for it currently; are not interested in finding a job.

- ✓ The same holds for the Self-employed Respondents, however, instead of *Expectation of Improving Economic Situation of the Household in Current Year*, the *Degree of Trust in Religious Institutions* was found to have a predictive value;
- ✓ In the sample of Employees of State Organizations the *Satisfaction with Freedom of Speech* has the predictive power of reported overall happiness; additionally, the *Expectation of Improving Economic Situation of the Household in Current Year* was found irrelevant; instead *Average Monthly Spending of the Family* affects the happiness level in this sample;
- ✓ The most fundamental change of the model can be noticed in the sample of Employees of the Private Organizations: the three factors were distinguished with the predictive power and all of them are related to economic situation – *Evaluation of Economic Situation of the Household* (current, short-term and long-term perspective).

Conclusion

The most efficient explanatory model of reported happiness incorporates “internal”, as well as “external” factors. Although the two categories of determining factors included in the preliminary models are equally presented, their predictive values are different; the variable - *Evaluation of the Current Economic Situation of the Family* has the highest predictive power. The difference between the predictive factors is clearly marked when settlement type and employment status are included in assessing the predictive ability of the model.

According to the final results, the variables can be divided into three categories according to their predictive value (the overall sample is considered):

1. Variables with highest predictive power - *Evaluation of the Current Economic Situation of Household*, and *Age*;
2. Variables with the average predictive power - *Marital Status*, *Expectation of Improving Economic Situation of Household in Current Year*, and *Expectation of Improving Economic Situation of Household in Four Year*;
3. The variables with the least predictive power - *Degree of Trust in Religious Institutions*, *Average Monthly Spending of Household*, and *Education*.

Settlement type of the respondent does not have a considerable effect on the predictive ability of the model. Nevertheless, it should be noted that the highest explanatory power of the model was found in the Tbilisi sample and the least in the case of the rural respondents’ sample.

The predictive value of the model largely depends on Employment Status of the respondents; furthermore, this parameter affects the composition and predictive value of the determinants of reported overall happiness for the sample included in each Employment Status Category.

As for two other models – (1) made up only by economic (external) factors, and (2) containing more subjective (internal) variables, it appeared that the one with only economic predictors has far better and more stable predictive ability than the model with only subjective predictors,.

- In the model that incorporates only economic factors, the following factors have predictive value: evaluation of the current economic condition of one's own family; expectation of improving economic condition of one's own family in near or distant future; average monthly expenses of the family. Variables, such as private income of the respondent for last month; evaluation of the current economic condition of the state; expectation for improving economic condition of the state in current year, have no predictive value.
- In the model of subjective factors, the following factors have the most predictive value: age and marital status of the respondent, followed by an indicator for the freedom of speech protection, degree of trust in religious institutions, education, and private income. The smallest contribution is made by the *general trust* indicator towards people, and employment status of the respondent. Trust in various institutions, the aim and purpose of which is to deliver physical as well as spiritual benefits and security to the population, has no predictive value. Excluded from this is trust in religious institutions.³²

³² We should emphasize that naturally, the presented analysis was based only on the data and variables found and studied in the frame of a data which was not collected specifically for the research of subjective well-being. Therefore, many other factors that can be important and influential for happiness and life satisfaction level were left out. These factors may include not just employment status as such, but the job satisfaction, managing leisure according to one's own goals and needs, health quality etc.

IV. Qualitative Research on Perceptions of Happiness

The qualitative research on happiness aimed to reveal the respondents' perceptions about what they imply under the concept of happiness and what factors come to mind when asked how happy they are. 78 respondents (42 females and 36 males) have been selected using convenience sampling in two cities of Georgia: Tbilisi and Telavi. The respondents' ages ranged from 16 to 76. In addition, two focus group interviews have been conducted with the participants representing two age groups, 21-25 and 39-59, in order to get a more detailed picture of different generations' perceptions of happiness. It is noteworthy that no significant discrepancies have been revealed in the perception of happiness based on the respondents' sex though certain variations have occurred based on their age.

The following factors have been identified by the young people and adults as the main determinants of happiness:

YOUNG PEOPLE	ADULTS
Personal freedom	Good and stable health
Individualism	Peace, stability and social security in the country
Having time of one's own (free from duties)	Well-being of the family members and friends (in the light of financial well-being and good health)
Sleep	Freedom of word, choice, opinion
Diversity in life	Success (in one's own family, in education, in career)
Financial independence	The environment where one feels good
Financial well-being/Good salary	Love/a loved person/ the ability to love
Having opportunity of self-development, self-realization	Child's birth
Partner/private life/love/ a loved person	Having friendly and supportive family
Well-being of the family members and friends (in the light of financial well-being and good health)	Financial well-being
The environment where one feels good	Helping and supporting others
Good and stable health	Feeling that one is loved by the surrounding people
Libido	Traveling
Having positive emotional background	Experiencing art
Peace of mind	Having fun with friends
Hope for the future	
Traveling/Enjoying being in nature	Spirituality
Parties	
Reading books	

In order to categorize these factors, we can roughly divide them into wider thematic groups as follows: 1. **Subjective well-being** implying personal freedom, individualism, self-development and self-realization, and success (in various fields of life) etc. These factors top the young people's list of determinants of happiness, while their position is less dominant in the list provided by the adults. 2. **Economic situation** (in P. Bourdieu's words, **economic capital**³³) consisting of financial well-being, financial independence, and a good salary. It is remarkable that in the case of adults, financial well-being is more about financial stability, while the young participants emphasize financial independence, which is closely linked to personal independence. What is also notable is that the respondents stress the importance of not only personal financial well-being but also that of their family and friends, which is not unusual for such a traditional society, as Georgia's is, with a strong orientation toward in-group unity and well-being. 3. **Interpersonal relations** (in P. Bourdieu's words, **social capital**) implying emotionally close relationships such as marriage and partnership as a source of love, hence happiness; children as an inseparable part of one's family life; and finally, friends for sharing fun and contributing to a positive emotional state. 4. **Health (of body and mind)** – again the importance of not only personal health but also that of family members and friends is emphasized to secure the feeling of happiness. The young people also stress the importance of libido, as well as good sleep. 5. **Leisure activities** such as traveling, enjoying parties, experiencing arts, reading books, etc. have been considered as crucial contributors to one's happiness by both younger and older generations; however, it is noteworthy that the role of spirituality has been mentioned only by the older group.

The abovementioned five groups of factors are mentioned by both the young people and adults, while one more category can be identified in the list of key factors contributing to happiness provided by the interviewed adults, namely, **socio-political environment** or **civic life**. The older respondents believe that peace, stability and social security in the country, as well as freedom of word, choice, and opinion are significant contributors to one's happiness. Although both younger and older respondents talk about the importance of the environment where one feels good for securing happiness, having a friendly and supportive family environment, as well as living in a stable and socially secure country, is the focus of the older rather than the younger generation.

Overall, comparing the key factors contributing to happiness listed by the young people and adults, it can be concluded that although both consider quite similar factors as determinants of happiness, younger generation puts more emphasis on personal freedom, individualism, and self-realization, while the older one on social capital. Thus, if we consider happiness in terms of well-being, it can be stated that **personal well-being** is what matters for young people, while **social/collective well-being** is of utmost importance for the older generation.

A number of quotes can be used as an illustration of the above statement:

"I want to underline that I don't fully understand what's meant by happiness and it is difficult for me to list priorities for my happiness. Firstly, what comes to my mind are positive emotions, material welfare, free time and being engaged in activities that are interesting for me." (Male aged 24)

³³ Bourdieu, Pierre, *Masculine Domination*, Stanford: Stanford University Press, 2001

“To do what I like to do, to have a good salary and especially the work I really enjoy; freedom and independence; travelling; I’m happy when I sleep well, when I have a beloved person and good friends, a pleasant environment where I feel free and comfortable. And I would also like to add libido.” (Female aged 24)

“Good health - maybe it’s banal but when I feel sick, I start to worry about my health. It’s crucial to have beloved people around and tight relations with them, as well as a stable financial situation, an interesting work, professional growth and self-realization. For me the key point is to grow as a person, to gain self-improvement. Relaxation is also important to me...” (Female aged 22)

One can easily see the differences between the abovementioned quotes representing the young people’s views of happiness and the ones produced by the adult respondents that are presented below:

“My happiness is what I have in my life that is valuable for me: my children, family, spirituality... I consider myself as a happy person because I’m not an unhappy person.” (Female aged 39)

“The feeling of security and peace, social protection and stability, freedom of choice and opinion.” (Male aged 43)

“Everybody agrees that health and material welfare, love, enjoying living, spirituality are important factors. I would like to add art - valuable cinematography, theatre, music, travelling and freedom.” (Female aged 41)

From the first sight it is noticeable that the young people stress the importance of personal freedom and self-realization, whether it relates to professional or leisure activities. Even a simple discourse analysis reveals that there is too much emphasis on one’s self in their narratives- be it self-realization, self-growth or self-improvement. If for both generations their social environment matters, for the younger respondents it is represented by pleasant surroundings where they feel free and comfortable, while for the older ones it is a secure and socially protected place. If looking at the frequency of mentioning certain factors, the ones related to subjective well-being dominate the list provided by the youngsters and the ones related to interpersonal relations are decisive for the inquired adults. No variations have been revealed based on the respondents’ sex.

It is noteworthy that our data corresponds to the findings of the Eurobarometer Qualitative Studies of Well-being (September 2011), where quite similar factors (with similar content) contributing to well-being were identified, namely, the following 9 key factors were underlined: subjective well-being, economic and employment situation, education and intellectual development, health and nutrition, infrastructure, interpersonal relationships, civic life, cultural and spiritual activities, and environment (p. 7). The only factor being absent in the Georgian respondents’ list is **infrastructure**, implying the quality of one’s residence, whereas other factors are either explicitly or implicitly presented in the Georgian list. It is also notable that although because **education and intellectual development** does not relate merely to gaining knowledge in a formal sense but to the general desire of self-development, it is not excluded from the Georgian respondents’ list but implied in the thematic group of subjective well-being. In addition, our findings correspond to the ones of the Eurobarometer in that no obvious distinctions have been identified between the male and female perceptions of well-being (p. 13).

If our research findings regarding happiness (the respondents were asked to name the key factors contributing to their happiness) are so close to the Eurobarometer's findings on well-being³⁴, can it be argued that people imply the same things under these two concepts? Thus, are these concepts overlapping and furthermore, do they imply life satisfaction as well?

To begin with, we can refute the above argument (by the UN World Happiness Report, the EUR Happiness Data Catalog, etc.³⁵) that subjective well-being, or how people feel about life, is synonymous with happiness. As our qualitative research illustrates, subjective well-being is just a component of happiness (though quite an important one) alongside several other components. In the same vein, we can refute the argument that life satisfaction and overall happiness are synonymous concepts (as defined by the EUR Happiness Data Catalog) stating that life satisfaction might overlap with subjective well-being, defined as how people feel about their life, (referring to different aspects of life such as economic capital, social capital, cultural capital, etc.); therefore, life satisfaction can also be considered a vital component to happiness.

What do our respondents think about the links between happiness, life satisfaction, and well-being? According to their evaluations, these concepts are quite close to one another, though not synonymous.

Concerning the link between happiness and life satisfaction, it is stated that if one is satisfied with all the things around, he/she is happy. However, it is quite rare; a person might be satisfied with certain aspects of life and not satisfied with others. Moreover, these conditions might continuously change, causing changes in one's life satisfaction. However, the feeling of happiness is perceived as a deeper inner state that cannot change along with the changes in life conditions.

While comparing happiness and well-being the respondents possess quite similar views, as in the above case. They think that happiness is more than just well-being, as one can have it (financial well-being, health, a beloved one, etc.) but no feeling of happiness might occur. Again, different aspects of well-being might be in a constant change, the changes in objective well-being affecting the subjective one, but happiness is a rather profound feeling that cannot be so easily affected.

Thus, it seems that for our respondents life satisfaction and well-being are quite similar concepts comprised of rather material or tangible elements, while happiness is a wider concept comprised of both life satisfaction and well-being but implying more than that with its non-material and intangible essence. The respondents admit that despite being satisfied with one's life and feeling pretty well at the current moment, one might not feel happy. Although these factors do contribute to happiness, the latter is a rather deep and rare condition.

³⁴ Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

³⁵ Eurobarometer Qualitative Studies, *Well-being*, Aggregate report, September 2011

John Helliwell, Richard Layard, Jeffrey Sachs (Eds.) *World Happiness Report*, The Earth Institute in Columbia University, UN, 2012. <http://issuu.com/earthinstitute/docs/world-happiness-report> p.p. 37-49

V. Conclusion

We have studied the determinants of reported overall happiness (subjective well being) and perception of overall happiness in Georgia. The research on determinants of overall happiness (through the stepwise regression series) identified that the most efficient explanatory model of overall happiness includes both “internal” and “external” factors. The variable - *Evaluation of the Current Economic Situation of the Family* has the highest predictive power alongside *Marital Status*, *Expectation of Improving Economic Situation of Household in Current Year*, and *Expectation of Improving Economic Situation of Household in Four Years*. *Degree of Trust in Religious Institutions*, *Average Monthly Spending of Household*, and *Education Level* also have a small impact on overall reported happiness. As for two other models – (1) consisting only by economic (external) factors, and (2) containing more subjective (internal) variables- it was found that economic predictors have higher and more stable predictive ability than the model with subjective predictors. It should be noted that some important determinants (e.g. jobs satisfaction) described in literature on happiness were missing from the data set – this limits the obtained results.

The qualitative research including the street interviews and focus groups, inquiring as to the perceptions of the populace on overall happiness, has found that the greater part of respondents relate happiness with health, family, family well-being, close relationships/friends, love, and income. Younger participants focus on self-oriented activities, freedom, personal independence, self-development, success in career, and enjoyment of life. In contrast, adults consider family relationships, health, and income as the most relevant factors contributing to happiness. The street interviews identified that the factors contributing to happiness and life satisfaction are generally the same, while focus group participants emphasized that happiness is a wider concept in comparison with life satisfaction; life satisfaction has been associated with financial welfare, whereas happiness implies nonmaterial factors as well.

Annex 1. Description of the Survey Data on Overall Happiness in Georgia

The Annex 1 presents the existing longitudinal data on reported happiness and life satisfaction in Georgia to find out what are the levels of happiness/satisfaction and observe if there are any considerable changes over time. The public opinion surveys providing the data on overall happiness and life satisfaction in Georgia are as follows: World Values Survey (1996/2009), European Values Study (2008), Caucasus Barometer Survey by The Caucasus Research Resource Center (2010/2011)³⁶ and Center for Social Sciences Survey (2012).

Annex 1, Table 1 presents the questions and measurement scales from WVS, EVS, CB and CSS surveys that provide the data about overall happiness of people in Georgia. In case of WVS (1996, 2009) and EVS (2008) questions and scale-points are the same. Accordingly, code 1 means ‘very happy’ and code 4 ‘not at all happy’, but some differences should be noted. In case of WVS 1996 there is only 5-point scale represented in the questionnaire as far as the responses ‘No Answer’ (NA) and/or ‘Refuse Answer’ (RA) has been incorporated into the survey questionnaires of the following waves. Hereby, the scale of CSS and all the other surveys diverge in two ways: CSS survey formulates the question in a slightly different way and the order of its scale points are reversed; accordingly, code 4 corresponds to ‘very happy’ and code 1 to ‘not at all happy’. However, regardless of the aforementioned differences the data are still comparable.³⁷

TABLE 1 Descriptions of scales and charts of happiness and life satisfaction

Year/source	World Value Survey 1996	European Value Survey 2008	World Value Survey 2009	Center for Social Sciences Survey 2012	Caucasus Barometer 2010, 2011
Sample size	2,008	1500	1500	6893	2,089/2,287

³⁶ Caucasus Research Resource Centers. (2010) (2011) "Caucasus Barometer".

<http://www.crrcenters.org/caucasusbarometer> (accessed 15 August 2012, 14:30)

³⁷ Merab Pachulia, Hans D Klingemann, World Value Survey 1996 <http://www.worldvaluessurvey.org> (accessed 17 August 2012, 15:30) WVS (2009). World Value Survey 1981-2008 official aggregate v.20090901, 2009. World Values Survey Association (www.worldvaluessurvey.org). Aggregate File Producer: ASEP/JDS, Madrid.

² EVS (2010): European Values Study 2008, 4th wave, Georgia. GESIS Data Archive, Cologne, Germany, ZA4789 Data File Version 1.1.0 (2010-11-30) doi:10.4232/1.10182 (<http://dx.doi.org/10.4232/1.10182>) (accessed 17 August 2012, 17:30)

³ Despite the data are collected in Georgia on Jan-Feb in 2009, the World Value Survey includes them officially in 2005-2008 datasets, whereas CSS refers to the original fieldwork period (that is Jan-Feb, 2009)

4. DK- Don't know

5. NA- No Answer

6. RA- Refuse Answer

Question	Taking all things together, would you say you are:		Taking all things together, would you say you are:		Taking all things together, would you say you are :		Please, tell me overall, how happy are you? You are:		Overall, how happy would you say you are? Please use this CARD, where:
	1	Very happy	1	very happy	1	Very happy	4	Very happy	
	2	Quite happy	2	Quite happy	2	Quite happy	3	Happy	Code 1 corresponds to 'Extremely unhappy' and code 10 corresponds to 'Extremely happy'
	3	Not very happy	3	Not very happy	3	Not very happy	2	Not happy	
	4	Not at all happy	4	Not at all happy	4	Not at all happy	1	Not at all happy	
	9	DK ⁴	8	DK	8	DK	-1	DK	
			9	NA ⁵	9	RA ⁶	-2	RA	

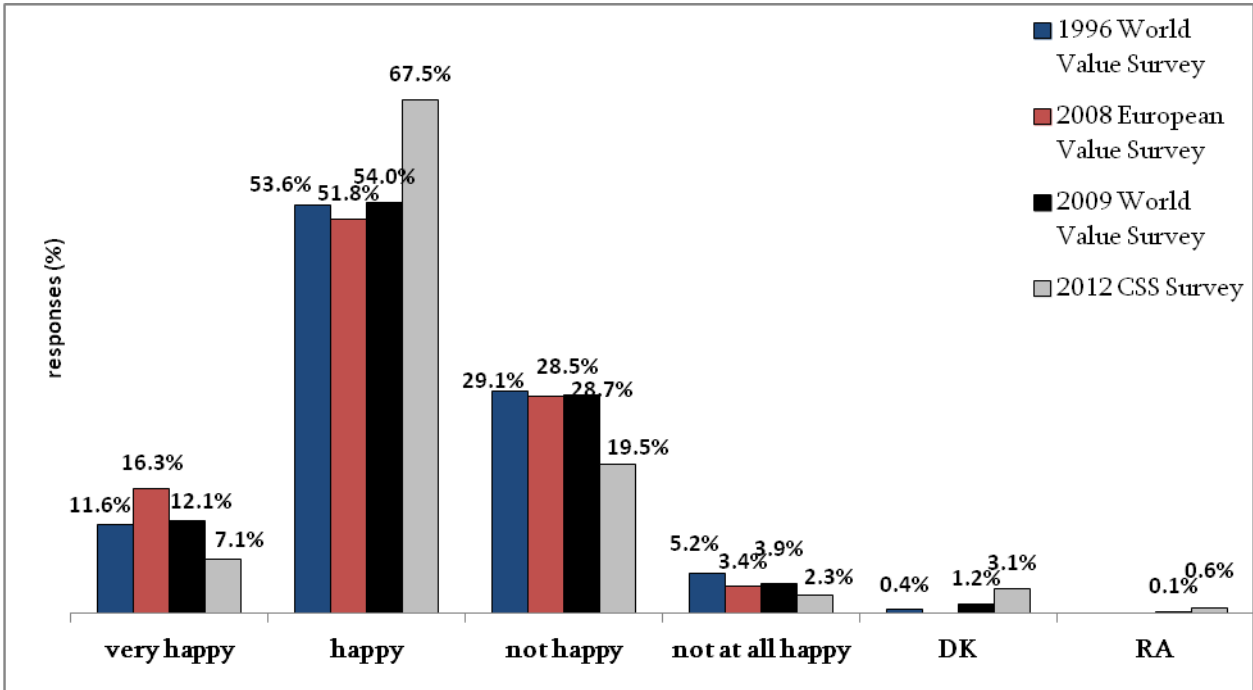
Table 2 presents all questions and scales from WVS, EVS, CSS and CB surveys that provide the data on life satisfaction of Georgian people. There are minor differences concerning a) the wording of questions and points, b) there is no 'Refuse Answer' point on the scale in WVS 1996 and finally c) in CB 2010 and 2011 there are different codes identifying 'Don't Know' and 'Refuse Answer' points. The WVS, EVS, CSS and CB survey data are represented separately because of the different scales measuring overall happiness (WVS, EVS, CSS vs. CB).

Annex 1, Table 2, Sample size of Happiness Data, Questions and Scales

Year/source	Sample size	Question	Scale									
			1	2	3	4	5	6	7	8	9	10
World Value Survey 1996	2,008	All things considered, how satisfied are you with your life as a whole these days?	1 Dissatisfied	2	3	4	5	6	7	8	9	10 satisfied
European Value Survey 2008	1500	All things considered, how satisfied are you with your life as a whole these days?	1 Dissatisfied	2	3	4	5	6	7	8	9	10 satisfied
World Value Survey 2009	1500	All things considered, how satisfied are you with your life as a whole these days?	1 Dissatisfied	2	3	4	5	6	7	8	9	10 satisfied

Caucasus Barometer Survey 2010	6893	All things considered, how satisfied are you with your own life as a whole nowadays?	1 Not satisfied at all	2	3	4	5	6	7	8	9	10 Completely satisfied
Caucasus Barometer Survey 2011	2,089/2,287	All things considered, how satisfied are you with your own life as a whole nowadays?	1 Not satisfied at all	2	3	4	5	6	7	8	9	10 Completely satisfied

Annex 1, Diagram 1. Self-reported Happiness by WVS, EVS, CSS Survey

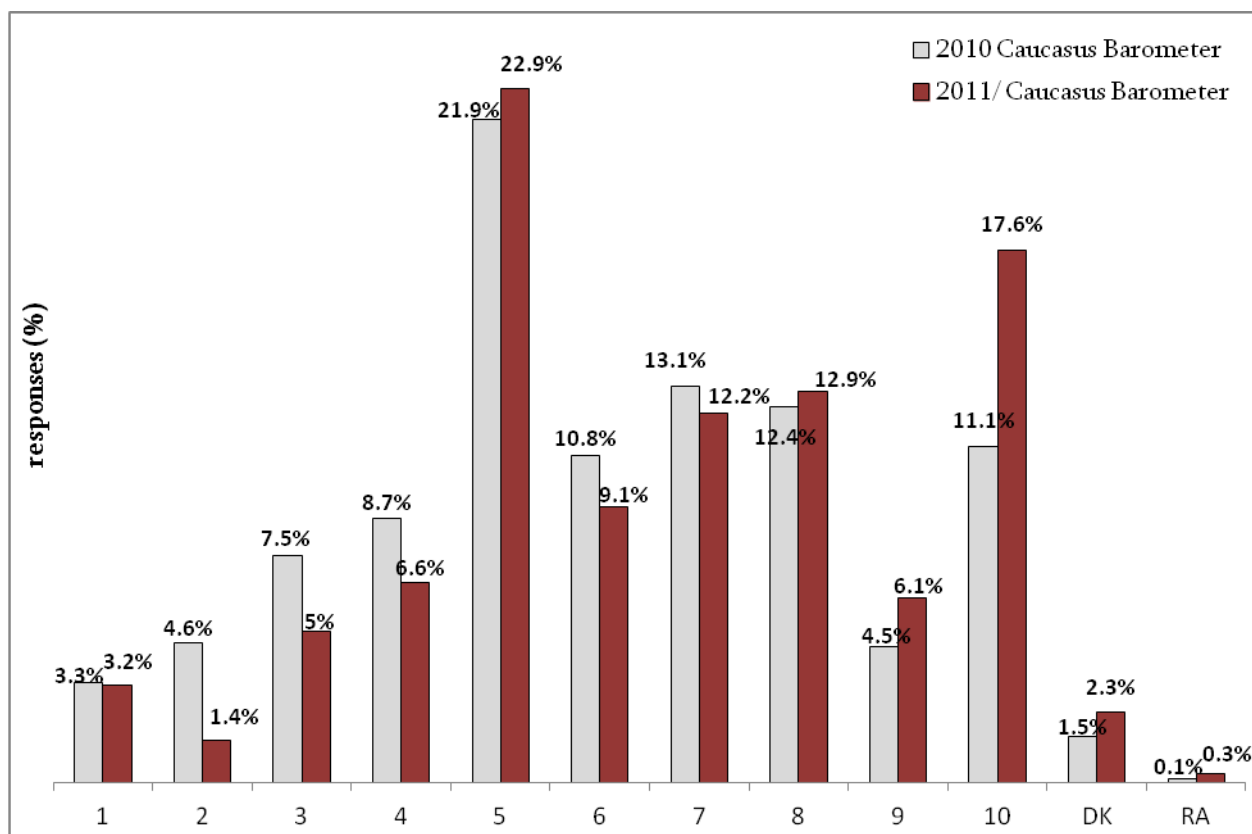


Overall happiness of people in Georgia varies throughout different time periods.

The percentage of ‘happy’ people in Georgia increased in the period from 1996 (WVS) to 2012 (CSS) and moreover, it is obvious that the percentage of ‘happy’ people was the highest one when compared to the other three points (conditions) during this time period. The proportion of ‘very happy’ people increased from 1996 (WVS) to 2008 (EVS), and later it decreased to the lowest demonstrated levels in 2012 (CSS) – 7.1%. There are significantly fewer ‘very happy’ people in Georgia than there are ‘not happy’ people, but ‘very happy’ people still surpass the number of ‘not at all happy’ ones. The percentage of ‘not happy’ people in Georgia was consistent from 1996(WVS) to 2009(WVS) and noticeably went down in 2012 (CSS). In the case of all three data sources (WVS 1996/2009, EVS 2008, CSS 2012) rating scale questions, and namely, the Likert scale, are used to measure respondent’s

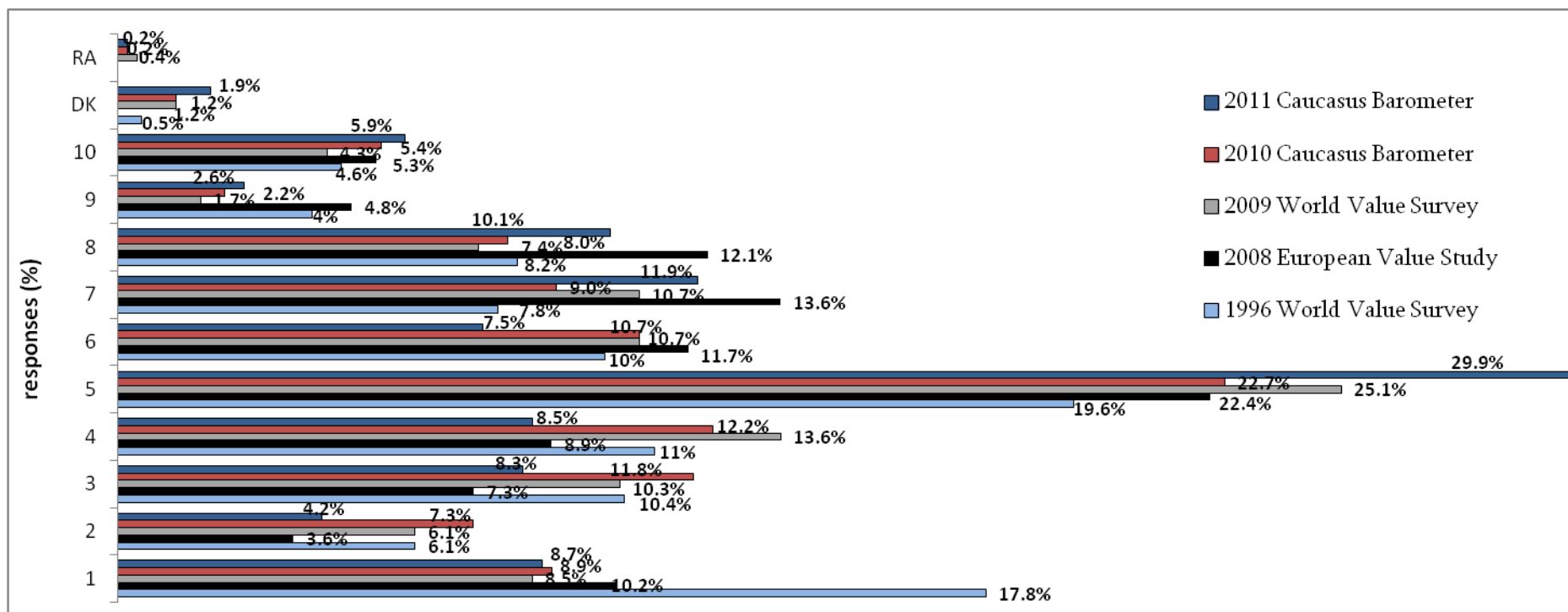
happiness. People in Georgia were especially 'happy' in 2012 (67.5% by CSS 2012), were especially 'very happy' in 2008 (16.3% by EVS 2008), especially 'unhappy' in 1996 (29.1 % by WVS 1996), though a similar situation is observed in 2008(28.5% by EVS 2008) and 2009 (28.7% by WVS 2008). And finally the larger percentage of 'not at all happy' people in Georgia were in 1996 (5.2% by WVS 1996).

Annex 1, Diagram 2. Self-reported happiness assessment according to CB



According to the Caucasus Barometer Survey, throughout 2010/2011 people in Georgia tended to report themselves happier rather than unhappy. Data are measured on the 10-point (without DK and RA) Likert scale where point ‘1’ signifies the point ‘extremely not happy’ and ‘10’- ‘extremely happy’. The majority of the respondents estimated their overall happiness with the middle ‘5’ point – 21,9% in 2010 and 22,9% in 2011 year.

Annex 1, Diagram 3. Self - Reported Life Satisfaction according to WVS, EVS, CB



Life satisfaction of people in Georgia varies throughout different time periods. Data are measured on the 10-point (without DK and RA) Likert scale where point ‘1’ signifies total non-satisfaction with life and point ‘10’ - total satisfaction with life. Evidently, point ‘5’ is mostly cycled by interviewed Georgian people while assessing their life satisfaction according to all 5 studies. It is noteworthy that that proportion progressively increases from 1996 (19.6% by WVS, 1996) to 2009 (25.1% by WVS, 2009). In 2010, overall life satisfaction levels go down (22.7% by CB, 2010) and afterwards rise again in 2011 (29.9% by CB, 2011).

Totally not satisfied (point ‘1’) with their lives people in Georgia were in 1996 (17.8% by WVS, 1996) and totally satisfied (point ‘10’) in 2011 (5.9% by CB, 2011).

Annex 2. Determinants of Reported Overall Happiness in Georgia: Internal Factors

Dependent variable: reported overall happiness (stepwise regression model)	Overall sample	Residence place			Employment status					
		Tbilisi	Urban	Rural	Employed - private sector	Employed - state sector	Self-employed	Unemployed (Looking for a job)	Unemployed (interested, not looking for a job)	Economically Inactive
Explained variance (R-squared)	14.70%	17.70%	15.30%	12.40%	10.90%	14.50%	8.60%	7.10%	13.50%	14.50%
Age	-0.328 ³⁸ (9.6%) ³⁹	-0.381 (14.1%)	-0.300 (8.7%)	-0.330 (9.3%)	-0.266 (6.6%)	-0.260 (6.8%)	-0.240 (5.7%)	-0.259 (5.8%)	-0.350 (10.7%)	-0.317 (9.2%)
Level of education	0.078 (0.7%)	–	0.115 (1.4%)	0.056 (0.35%)	–	–	0.084 (0.7%)	–	0.087 (0.8%)	0.167 (2.8%)
Employment status	0.035 (0.1%)	–	0.099 (1.1%)	–	–	–	–	–	–	–
Marital status	0.191 (3.6%)	0.184 (3.7%)	0.217 (4.8%)	0.165 (2.6%)	0.174 (2.9%)	0.208 (4.5%)	0.142 (2%)	0.193 (3.8%)	0.178 (3.2%)	0.240 (5.5%)
Personal income of the last month	0.084 (0.6%)	0.148 (2.6%)	–	0.117 (1.5%)	0.146 (2.3%)	0.108 (1.3%)	0.091 (0.9%)	–	0.102 (1.1%)	–
Satisfaction with the freedom of speech	0.091 (0.94%)	–	–	–	–	0.134 (2.0%)	0.100 (1.1%)	0.082 (0.7%)	0.114 (1.5%)	–
Degree of trust in religious institutions	0.082 (0.8%)	–	0.075 (0.6%)	0.100 (1.1%)	0.97 (1.0%)	0.108 (1.3%)	0.090 (0.9%)	–	0.104 (1.2%)	0.110 (1.2%)
General degree of trust	0.056 (0.4%)	0.117 (1.6%)	0.068 (0.5%)	0.068 (0.34%)	0.102 (1.1%)	0.113 (1.4%)	–	–	–	–

³⁸ Beta weight

³⁹ Unique share

Annex 3. Determinants of Reported Overall Happiness in Georgia: External Factors

Dependent variable: reported overall happiness (stepwise regression model)	Overall sample	Residence place			Employment status					
		Tbilisi	Urban	Rural	Employed - private sector	Employed - state sector	Self-employed	Unemployed (Looking for a job)	Unemployed (interested, not looking for a job)	Economically Inactive
Explained variance (R-squared)	21.80%	25.60%	21.50%	20.50%	19.20%	12.60%	19%	15.40%	26.70%	20.90%
Evaluation of the current economic situation of the household	0.269 ⁴⁰ (6.6%) ⁴¹	0.261 (6.9%)	0.252 (5.9%)	0.282 (7.2%)	0.234 (5.6%)	0.206 (4.1%)	0.286 (8.1%)	0.257 (6%)	0.304 (8.1%)	0.298 (8.8%)
Expectation for improving economic situation of the household in current year	0.116 (1.4%)	0.143 (2.2%)	0.172 (3%)	0.079 (0.5%)	0.162 (3%)	0.156 (2.5%)	–	0.102 (1%)	0.104 (1.1%)	0.175 (3.3%)
Expectation for improving economic situations of the household in four years	0.150 (1.9%)	0.150 (1.9%)	0.80 (0.53%)	0.172 (2.6%)	0.232 (5.3%)	–	0.246 (6.2%)	0.105 (0.92%)	0.222 (4.1%)	–
Average monthly spending of the household	0.108 (1.2%)	0.169 (3%)	0.152 (2.4%)	0.58 (0.3%)	–	0.175 (3.3%)	–	0.094 (0.9%)	–	0.179 (3.8%)
Personal income for the last month	–	–	–	–	–	–	–	–	–	–
Evaluation of the current economic situation of the country	–	–	–	–	–	–	–	–	–	–
Expectation for improving economic situation of the country in current year	–	–	–	–	–	–	–	–	–	–

⁴⁰ Beta weight

⁴¹ Unique share