

MTSDT 2019

Modern Tools for Sustainable Development of Territories. Special Topic: Project Management in the Regions of Russia

METHODOLOGY FOR ASSESSING THE LEVEL OF REGIONAL HAPPINESS

M. V. Kivarina (a)*, V. V. Matveev (b)

*Corresponding author

(a) Yaroslav-the-Wise Novgorod State University, ul. B. St. Petersburgskaya, 41, Veliky Novgorod, Russia,
mariya.kivarina@novsu.ru

(b) Yaroslav-the-Wise Novgorod State University, ul. B. St. Petersburgskaya, 41, Veliky Novgorod, Russia,
vyacheslav.matveev@novsu.ru

Abstract

In the 21st century, Russia faced a complex of complicated problems and contradictions, ambitious tasks, the solution of which requires a qualitative change in modern Russian society. Therefore, on the agenda the question of creating a policy that combines economic, social, managerial and other ideas and resources arises. In the future, we can talk about the restructuring of the management sphere under a policy that gets the name of felicitous policy, i.e. “politics of happiness” (from the Latin “felicitas” – happiness). Felicitous policy should proceed from a complex, multifactorial model of the environment in which a person lives, from studying how each of the factors affects human self-awareness and how actions of the state / regions can affect these factors. The organization of regional monitoring should be the first brick in assessing the effectiveness of regional management, an indicator of people's perception of economic, social and political decisions. The author's methodology for assessing the level of regional happiness presented in the article is based on an integrated system of interrelated indicators that are grouped into certain categories. For each of the categories, an aggregate index of happiness can be calculated, the value of which should be compared with the reference one. As a result of the study, the authors proved that the most acute problems in the Novgorod region are: low wages, negative trends in the labor market, pessimism in the mood of citizens, the outflow of young people to neighboring more successful regions.

© 2019 Published by Future Academy www.FutureAcademy.org.UK

Keywords: Categories of happiness, felicitous policy, happiness, index of happiness.



This is an Open Access article distributed under the terms of the Creative Commons Attribution-NonCommercial 4.0 Unported License, permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

1. Introduction

In modern science, the category of “happiness” is considered as a specific sociocultural phenomenon converging various aspects of social reality. This is a complex, multifactorial and multilevel phenomenon, the study of which, for all its subjectivity, requires a sound scientific approach. That is why, at present, scientists and practitioners from many countries of the world are making numerous attempts to analyze the phenomenon of “happiness” through objective methods.

The relevance of the problem of studying happiness is largely due to the fact that in the middle of the twentieth century, during the transition of a number of countries to post-industrial forms of management, two interconnected processes found their development:

- a high degree of satisfaction of the physiological needs of mankind, which led to a decrease in the severity of the problem of physical survival;
- meeting the needs of a higher level (social, spiritual), which accentuated the attention of society on the intangible aspects of their life.

This marked the beginning of the formation of the phenomenon of happiness as goals of the development of society and of positive social transformations.

2. Problem Statement

The introduction of the category of happiness into scientific circulation is due to the fact that in some countries economic growth is no longer considered the main factor causing an increase in the level of happiness of the population (Figure 01) (Gallup International, 2019).

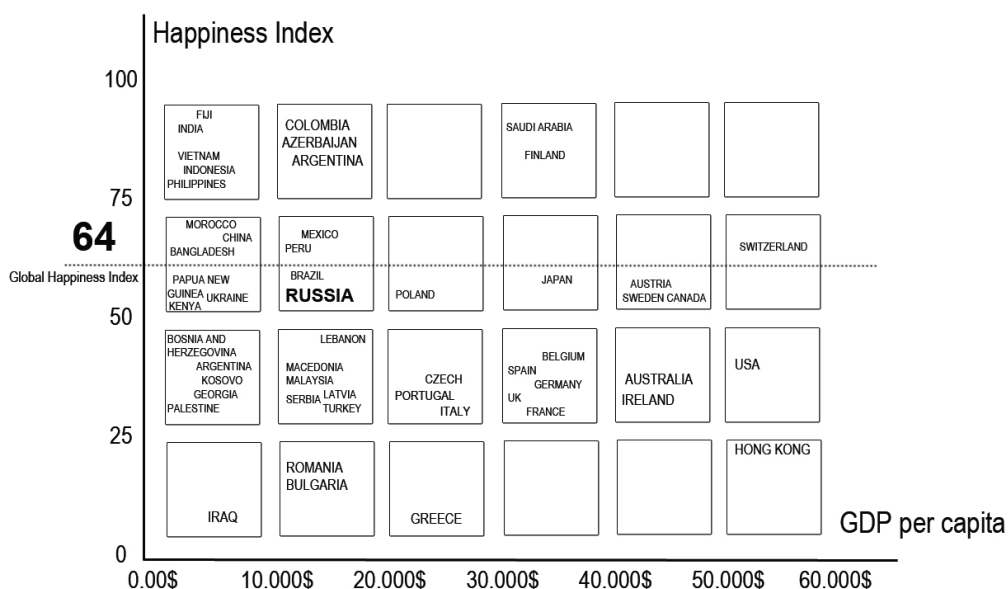


Figure 01. Correlation between the level of the index of happiness and the indicator of GDP per capita

More and more people in the world began to share the idea that economic development is necessary not only to satisfy the material needs of mankind, but also to meet the needs of people for happiness and self-expression. This idea largely transforms the traditional logic of economic and social assessments, emphasizing the primacy and importance of subjective well-being, through which one can assess the quality of the objective characteristics of people's lives (Lewis, Thiruvady, & Morgan, 2019). Thus, the modern economy is gradually shifting to a system of humanistic coordinates, combining the tools of creating well-being both for society as a whole and for each person individually.

Despite the fact that happiness is a rather voluminous and multifaceted concept, captured mainly on an intuitive level, research on happiness already has its own history. People from different cultural traditions, professing different religions, and having different political values thought about happiness (Yang, 2008; Joshua, 2019). The merit of precisely these people is that gradually in the mass consciousness a need began to form in the rejection of the usual perception of happiness in the meaning of luck or fortune, good luck, joy, etc. in favor of his assessment as the conscious goal of human life (Ma, Sellaro, Lippelt, & Hommel, 2016).

In the twentieth century, the small country of Bhutan became a pioneer in this process, when in 1972 the king of Bhutan, Jigme Singh Wangchuk, replaced the generally accepted macroeconomic indicator of gross domestic product (GDP) with the category of "gross national happiness", with the constitutional consolidation of this provision (Navaitis, 2016).

Another attempt to find an alternative to GDP was the creation of a special commission to measure economic achievements and social progress in 2008 in France, led by Nobel laureates A. Sen and D. Stiglitz. In the course of its activities, the commission came to the conclusion that one of the causes of the global financial crisis was the exaggerated significance of the dynamics of GDP. The result of the commission work was the introduction of an indicator of happiness in the list of indicators to assess the development of the country (Bondarchik, Jabłońska-Sabuka, Linnanen, & Kauranne, 2016).

In 2011, the development of a national happiness index began in China. According to the methodology of Chinese researchers, the indicator of happiness should include not only traditional economic indicators (income, unemployment, spending structure, etc.), but also how many people in the country evaluate themselves as happy. The happiness index began to be used in China to measure the performance of provincial officials, which in a number of provinces led to significant layoffs (Bixter, 2015).

In the Russian Federation, in recent decades, empirical studies on the issue of happiness have also begun to be conducted. For example, since 2012, Russia has been included in Better Life Index of the well-known international Organization for Economic Cooperation and Development. The ranking of countries is based on these official statistics and surveys of the Gallup Institute. One of the major domestic research centers, calculating the index of happiness, since 1992, became ARCSPO (All-Russian Center for the Study of Public Opinion). Other sociological centers and services (FPO, Romir, HSE, etc.) also measure happiness in Russia at various intervals.

The idea that in modern Russia sustainable regional development is ensured by a combination of social, economic, political and other interconnected processes, and important factors for the development of regions are not only the economic and political situation, but also the development of human potential,

is universally recognized. The Russian state and regions invest a lot in the development of human capital, realizing that this is an important factor in the development of the country and individual territories, so the significance of such investments requires the development of an adequate assessment of the effectiveness of managerial decisions. If the current state and regional policies are ineffective, then social groups and individuals begin to feel a decrease in social comfort and an increase in social deprivation. It follows that the leveling of deprivation moments in various groups of the population should be one of the goals of state and regional policy.

Studying the problem of happiness, all domestic analysts point out that contemporary Russian reality must be considered not only at the country level, but also through the prism of the diversity of Russian regions and the peoples living in them, since the latter may have specific ideas about happiness, about the premises and sources of a happy life (Radio Svoboda, 2009). The published all-Russian studies of happiness try to capture data on its regional specificity, but cannot fully give an idea of how subjective satisfaction with life is formed at the regional level. Thus, the problem of organizing regional monitoring of happiness, its measurement and use is becoming increasingly relevant, since this is associated with the effectiveness of regional management and development of the region as a whole.

3. Research Questions

The disclosure of the problem of organizing regional monitoring of happiness, its measurement and use, gives rise to necessitates the search for answers to the following questions:

- What methods are used in the world to assess the level of happiness in the regions?
- What are the features of each of them in identifying integrated categories for assessing the level of happiness?
- What is appropriate to use as key integral categories for the analysis of the socio-economic policy of the Novgorod region?
- How will the developed methodology reveal the strengths and weaknesses of the felicitious policy of the Novgorod region and its individual regions?

4. Purpose of the Study

The purpose of the study is the formation of a methodology for measuring, monitoring and analyzing the assessment of the population's satisfaction with the quality of life, which should become one of the tools for identifying "bottlenecks" and the main problem areas in the socio-economic development of regions (on the example of the Novgorod region).

5. Research Methods

The study identified tasks, the main of which is the development of a methodology for constructing key integral categories (a system of aggregated indicators of the level of happiness). The selection of these categories should be the foundation for constructing on their basis a system of

indicators that can be used as criteria for the effectiveness of the socio-economic policy carried out in the region.

The following sources were identified for forming the list of categories: special literature on the topic; population survey data; regional documents.

To study the assessment of the level of happiness in the Novgorod region were used:

- methodology of ARCSPO and FPO for calculation: index of happiness; social index of happiness; authorities rating index; public protest potential index; personal protest potential index; fear index; index of social expectations; unemployment index;
- questionnaire with questions regarding assessments by the population of various spheres of life.

Since ARCSPO and FPO methods use multilevel scales as indices (happiness index, government rating, fear index, social expectation index and unemployment index can range from -100 to +100; and social happiness index, public protest potential index and index personal protest potential can range from 10 to 90), then before calculating the integral index of the gross level of happiness in the region, it is necessary to adjust the obtained values of the indices in this way so that they take a value from 0 to 1.

To determine the integral indicator of the region's level of happiness in a graphical way, you can build a pie chart that displays a comparison of actual indicators with the reference (desired) values. The integral indicator of the level of happiness is defined as the area of the polygon, the number of vertices of which corresponds to the number of indicators taken into account. The area of the formed polygon reflects the level of the current level of happiness in the region. The values of local indicators of the level of happiness vary in the range from 0 to 1. The larger the value approaches 1 - the higher the level of happiness of the region, 0 - characterizes the position of the region as unhappy.

The formula for determining the integral indicator of the level of happiness will be:

$$S = \frac{1}{2} \sin \frac{360^\circ}{n} \left[\sum_{i=1}^{n-1} R_i \cdot R_{i+1} + R_1 \cdot R_n \right]$$

where n – number of indicators;

R_i – reduced value of the i -th indicator;

i – index number;

S – integral indicator of the level of happiness.

According to this formula, the integral indicator of the level of happiness (S) is in the range from 0 (a situation of absolute misfortune) to $2\sqrt{2}$ (≈ 2.83) (a situation of absolute happiness).

6. Findings

An analysis of the specialized literature showed that various indicators of the socio-economic situation of people are calculated by international and domestic organizations using a variety of methods that have a number of features in identifying integrated categories to assess the level of happiness. If we single out the categories most widely represented in the described methods, then by the frequency of

mention they are distributed in a certain way. Below are the names of the categories (using their broad interpretation) that are present in all methods, or in most of them (Sidorov, 2019):

- management / participation in social and political life / involvement in civic responsibility;
- health / healthcare;
- culture / leisure / tourism / cultural diversity;
- culture / leisure / tourism / cultural diversity;
- education;
- economy / income / welfare / labor / employment / material well-being;
- lifestyle / standard of living;
- ecology / geography of the country / state of the environment;
- demography / population;
- security / crime.

Survey data can also serve as a source for the formation of a system of key integral categories for the region. Below are the data of a population survey conducted by order of the Government of the Novgorod Region on January 15, 2018 (400 people aged 18 and over were surveyed). So, to the question “What is most important for you in life?” The respondents chose as their main priorities: health - 21.7%, family - 21.5%, material well-being - 16.1%, friends, communication - 7.9%, quality education - 7.2%, career, business, work - 6.8% (Good news, 2018).

Thus, “health and healthcare”, “family relations” and “friends, communication” (as possible indicators of lifestyle), “material well-being” are considered by people as the most important areas of their life.

The following answers were received to other questions of the questionnaire:

- 46% of respondents assess the environmental situation in their area as unfavorable or aspiring to it;
- up to 32% of respondents report unsatisfactory security systems in their area of residence;
- from 35 to 40% of the population, characterizing the courtyard - district - city of residence, speak of a feeling of discomfort;
- up to a third of those who wish to move from the Novgorod region (30%) indicate, as a possible reason, difficulties in finding a job and low wages;
- 16% identify tourism and culture as priority areas for the development of the Novgorod region;
- up to 40% of respondents to a question about the future, note that it causes them concern.

The survey data show that respondents accurately describe those areas of life and factors that form their positive or negative assessments of these areas; important for respondents and were identified by them as the most important; require close attention of authorities at all levels.

The general conclusion is that, when the spheres allocated by the population are superimposed on the integrated categories distinguished in scientific methods, a large segment of their coincidence can be

seen. This once again confirms the thesis put forward earlier that the study of subjective satisfaction with life and the factors influencing it can act as a criterion for evaluating the effectiveness of managerial decisions.

The main regional document on which we rely in the course of our study is the draft Strategy for the socio-economic development of the Novgorod region until 2025. Among the priority areas of socio-economic development of the Novgorod region in the draft Strategy are the following: demography, healthcare, education, economic growth, a modern transport complex, food security, culture, housing and urban environment, ecology and natural resources, digital economy, public administration. Each of the areas of socio-economic development of the Novgorod region listed in the Strategy can be an independent category for assessing happiness in the region.

7. Conclusion

Based on the above three sources, we consider it appropriate to use the following as key integral categories for the analysis of the socio-economic policy of the Novgorod region:

Category 1. Health and healthcare system - the development of human capital is a key priority of the region.

Category 2. Education and science - the formation of a new education system in the region should correspond to the modern needs of economic development.

Category 3. Ecology and natural resources - the most important task is to create a modern environmentally friendly socio-economic environment for residents of the region.

Category 4. Digital society - according to the adopted development program of Russia, the modernization of the digital economy in the country is a priority, because a developed digital economy determines the growth of the quality of life of the population in the region.

Category 5. Public administration - effective regional governance will improve people's living standards, ensure their well-being and security.

Category 6. Economics - stimulating economic growth is a prerequisite for the sustainable development of the Novgorod region in the long term.

Category 7. Culture and tourism are one of the potential directions for the development of the Novgorod region, since a large number of objects of ancient Russian culture, architectural monuments and objects of cultural heritage are located on its territory.

Category 8. The way of life of the population is an important structural component of the quality of life of the population. By means of indicators of this category, one can comprehensively characterize the value attitudes of residents of the Novgorod region and the features of their implementation in everyday life in the field of work, life, the use of free time, and the satisfaction of spiritual needs.

The developed methodology reveals the strengths and weaknesses of the felicitous policy of the Novgorod region and its individual regions. Having similar data on other regions of Russia for different time periods, it is possible to conduct a comparative analysis, to assess the dynamics of the level of happiness of the regions. In addition, an assessment of the level of happiness should be used as a starting point in the process of developing a strategy for socio-economic development of the Novgorod region.

References

- Bixter, M. T. (2015). Happiness, political orientation, and religiosity. *Personality and Individual Differences*, 72, 7-11. <https://doi.org/10.1016/j.paid.2014.08.010>
- Bondarchik, J., Jabłońska-Sabuka, M., Linnanen, L., & Kauranne, T. (2016). Improving the objectivity of sustainability indices by a novel approach for combining contrasting effects: Happy Planet Index revisited. *Ecological Indicators*, 69, 400-406. <https://doi.org/10.1016/j.ecolind.2016.04.044>
- Gallup International. (2019). *Recent National Public Opinion Poll*. Retrieved June 25, 2019, from <http://www.gallup-international.com>
- Good news. (2018). *How to measure happiness and can it be done?* Retrieved June 30, 2019, from <https://icocnews.ru/izuchenie-biblii/lichnyj-opyt-izuchenie-biblii/kak-izmerit-schaste-i-mozhno-li-jeto-sdelat.html>
- Joshua, H. (2019). How to be a maker: Is your plant happy? *New Scientist*, 243(3239), 51. [https://doi.org/10.1016/S0262-4079\(19\)31336-3](https://doi.org/10.1016/S0262-4079(19)31336-3)
- Lewis, R., Thiruvady, D., & Morgan, K. (2019). Finding happiness: An analysis of the maximum happy vertices problem. *Computers & Operations Research*, 103, 265-276. <https://doi.org/10.1016/j.cor.2018.11.015>
- Ma, K., Sellaro, R., Lippelt, D. P., & Hommel, B. (2016). Mood migration: How enfacing a smile makes you happier. *Cognition*, 151, 52-62. <https://doi.org/10.1016/j.cognition.2016.02.018>
- Navaitis, G. (2016). *Felicitate perspective*. Moscow: MPSU. [In Russ.].
- Radio Svoboda. (2009). *How to measure the level of happiness*. Retrieved June 30, 2019, from <https://www.svoboda.org/a/481741.html>
- Sidorov, V. (2019). *Can happiness be measured?* Retrieved July 12, 2019, from <http://netler.ru/articles/happiness.htm>
- Yang, Y. (2008). Long and happy living: Trends and patterns of happy life expectancy in the U.S., 1970-2000. *Social Science Research*, 37(4), 1235-1252. <https://doi.org/10.1016/j.ssresearch.2007.07.004>