The new results are in. The U.S., for all its riches, stands just 17th in the new world happiness rankings released today in the World Happiness Report 2013. Denmark tops the world tables. Indeed, there is something good going on in the northern latitudes. The top five countries are Denmark, Norway, Switzerland, Netherlands, and Sweden.

So what gives? The U.S. per capita income is actually higher than in most of the countries ahead of the U.S. in the rankings. Well, perhaps it doesn't shock us to discover that money isn't everything. Six factors seem to count the most, according to the path-breaking research of Professor John Helliwell, one of the co-editors of the report.

Yes, income per capita is one of them, but the list also includes good health, a strong social support network, low government corruption, high generosity of the citizenry, and the freedom to make life choices. Of course there are many countries that show up as less happy than the U.S., around 130 to be precise. But still, one gets the nagging feeling that the U.S. has not been very effective at turning its great productivity and natural resource wealth to the best use.
The U.S. social fabric is fraying. Social trust has been declining for decades. Washington is widely and rightly seen as riddled with corruption. And while the U.S. spends by far the most on its health care, it certainly doesn’t get the best outcomes -- its system is over-priced and uneven in coverage, and hampered by economic and social inequalities.

The result is that the U.S. has gotten much richer over time, but not happier. Being 17th on the list should be a wake-up call to Americans, but right-wing publications like the *Wall Street Journal* constantly tell us not to look at countries like Denmark, Norway, and Sweden, because they are "European." Well, yes, they are. And they are exceedingly happy.

What distinguishes these Scandinavian social democracies is not only their economic prosperity (though typically not quite at U.S. income levels on average, except for Norway), but also their very strong social support networks, low corruption, terrific health outcomes (delivered with universal public health coverage) and strong social ethic that does not see making more money as the key to life. The Scandinavians even believe that the government should help mothers and fathers to stay home with their young children, to give their infants a solid start in life. Yes, the Scandinavians pay a lot more in taxes than the U.S. to pay for these services, but those taxes clearly don't bring them down! They like the civilized, prosperous and more balanced lives they get as a result.

This second *World Happiness Report* is of course not just about the U.S. It covers 149 countries, and shows how these countries rank in life satisfaction (Figure 2.3). Do have a look. You will perhaps be surprised at your own country's standing. You will also be happy to learn that some of the most difficult (and traditionally least happy) places on the planet are now making progress not only in the economy, but also in happiness. Sub-Saharan Africa is a winner in the report, showing a marked rise in happiness in many countries of the region during the past decade.
What does the report actually mean by happiness? Well, you'll have to read it to get the details, but in shorthand there are two distinct concepts. The first is emotional happiness, which people report when they are asked how they felt the preceding day. The second is life satisfaction, which people report when they are asked how they evaluate their lives on a scale from 0 to 10. This latter concept is the one that the country rankings reflect.

The report has a point: Our governments should pay more attention to the happiness of their citizens and less attention to money alone (and still less attention to war!). The world would be much happier, indeed, if governments understood that their real purpose is not to feather the nests of the politicians, nor to serve the lobbying groups, but to promote the well-being of their citizens. Those governments that take that perspective have lots of tools at their disposal to raise the well-being and life satisfaction of their citizens.

Since money alone is not the key to happiness, and since the single-minded pursuit of money can easily lead to deep unhappiness (including addictive gambling, lying, social isolation, and lack of generosity), we would be wise to pay more attention to non-monetary goals, like saving the environment. Why indeed wreck the planet for a small gain in national income that doesn't even make us more satisfied with our lives?

For policy makers, the key issue is how best to promote happiness. According to the important article in the volume written by Professor Richard Layard, another lead editor of the report, mental health may be the single most important determinant of whether a person is happy or not. Yet, even in rich countries, less than a third of mentally ill people are in treatment. Good, cost-effective treatments exist for depression, anxiety disorders and psychosis, and the happiness of the world would be greatly increased if they were more widely available.

The Report also shows the major beneficial side effects of happiness. Happy people live longer, are more productive, earn
more, and are also better citizens. Well-being should be developed both for its own sake and for its side effects.

Here's some more good news discussed in the report. More and more governments are measuring the well-being of their citizens with the goal of making well-being a key to policy making. One chapter of the Report, written by Lord Gus O'Donnell, former UK Cabinet Secretary and Head of the Civil Service, shows just how this can be done. It shows how different policy conclusions are when health, transport and education are viewed in happiness perspective.

I'll wager this. If our governments get the main message of this year's World Happiness Report, that they should measure and promote the life satisfaction of their citizens, we will build a much happier world for our selves and our children.

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