MEASURING PROGRESS OF PHILIPPINE SOCIETY: 
WHAT MAKES THE POOR HAPPY? 

by 
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In 2007, the 2nd OECD World Forum on Statistics, Knowledge, and Policy held in Turkey issued the Istanbul Declaration which highlighted the need to measure progress of societies beyond the conventional economic measures and on which discussion was continued during the 3rd OECD World Forum held in Busan, Korea in 2009. The emerging view in these fora is that while the GDP remains as a very useful instrument to measure economic development, there is a need for supplementary measures that more adequately capture progress of societies, including measures of happiness. More recently, the Stiglitz Commission Report, prepared by Joseph Stiglitz, Amartya Sen et al., for the President of France Nicholas Sarkozy, came out with essentially the same recommendations.

During the 10th National Convention on Statistics, Virola & Encarnacion presented a paper that formulated the Philippine Happiness Index (PHI) using a conceptual framework that, unlike other initiatives on the subject recognizes that different individuals have different sources or domains of happiness. The framework allows individuals to identify their sources of happiness and to give value to the degree of importance of each of these sources. Results were presented using a non random survey of respondents from a group of individuals most of whom were professionals. Since then, presentations were made in various local and international fora, and based on comments received and insights gained, other domains of happiness have been added like love life, sex life, peace and security, and food. On February 10, 2010, the National Statistical Coordination Board (NSCB) decided that the NSCB should pursue the PHI agenda forward and for NSCB and the National Statistics Office to work as partners in generating the happiness index.

Towards the institutionalization of the PHI in the Philippine Statistical System (PSS), this paper attempts to assess the validity of the PHI framework with other sectors
of society, particularly the poor. Specifically, it investigates whether the sources and levels of happiness of the poor are basically the same as those of the nonpoor. Correlation analysis is undertaken to assess association among the different domains to address possible double counting or overweighting of some of the domains. The paper presents results of a nonrandom survey conducted with poor individuals as respondents. Lastly, it offers recommendations on the way forward in measuring the PHI by the PSS.

KEY WORDS AND PHRASES: GDP, progress of society, conceptual framework, domains of happiness, Philippine Happiness Index, poor and nonpoor.