

# The Relationship between Happiness and Economic Development in KSA: Study of Jazan Region

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## Abstract

It is generally assumed that happiness is a major source of motivation. Though economic growth remains the main goal of all nations, nowadays a society with happy people is an objective to aim at. From this raises the issue of the relationship between happiness and economic growth.

In this paper, researchers try to find how people's happiness influences GDP and economic development. But before that they focused on the question of how happiness is achieved. In order to do so, we start by directly asking Jazan's habitants through a survey about the source of their subjective well-being and what themselves say about what makes them happy. Then how do these sources of happiness influence their economic performance and participation in GDP growth. The sample's answers have been formed according to the quintuple likert scale. We used the statistical technique of Cronbach's Alpha to measure the credibility of the sample's answers.

Researchers used the analytical descriptive methodology in order to analyze all collected data. Results show that social factors are the most important factors drivers of happiness and therefore influencing positively individual's contribution in economic development of Jazan region. However, economic factors and political factors show that social factors are the main sources of happiness for our sample leading to a better economic development.

**Keywords:** happiness, SWB, Jazan, economic development, survey

## 1. Introduction

Economic theory endorsed the view that money makes you happier. Therefore, those with higher income are happier than those with less. Consequently, one can improve its life satisfaction by getting more money. Moreover, if public policy measures aim to increase the society income as a whole, then, there will be an increase in the well-being.

In the same context, some analysis of developed countries, transition countries and less developed countries stated that there exist a positive association between happiness and income in the short run. According to the world happiness report, citizens of countries that are more stable economically have higher happiness levels.

The economist devised a chart which presents that the link between per capita GDP and happiness is quite robust. Though, the importance of GDP growth in increasing living standards and creating new jobs, Gross National Happiness GNH approach, stated that a country's progress does not only depend on the economic development but also on non-economical factors of well being.

Many surveys deduced that contrary to what economic theory assumes about money and happiness is not correct. They found that more money doesn't make people happier. There are other life events such as marriage, divorce, disease, health...do have lasting effects on happiness.

Therefore, knowing what influences happiness can help us all lead happier lives. However judgments of personal well-being differ from one person to another, each person's assessment of their own level of well-being is called subjective well-being. The raised questions are: what are the sources of happiness and how does happiness influence individual contribution in economic growth?

According to the world happiness report of 2017 which contained 155 countries all over the world, Saudi Arabia stands in the rank 37<sup>th</sup> internationally and 3<sup>rd</sup> among Arabic countries after Emirates and Qatar. This world happiness report is the fifth annual report since 2012. It has been based on six factors: per capita GDP, health, social support, trust and lack of government corruption, freedom and generosity.

In this paper we will study the relation between happiness and economic growth which is the annual growth rate of real gross domestic product GDP per capita. Our study focuses on one Arabic country, Saudi Arabia and precisely on Jazan region which is located on the tropical red sea cost in its southern part. Jazan covers an area of 11671 km<sup>2</sup>, including about 5000 villages and towns<sup>1</sup>.

It is important to mention as well, that in 2015, the king issued a decree to assign the royal commission of Jubail and Yanbu in order to manage Jazan econic city renamed recently, Jazan City for Basic and Transformational industries.

Jazan City for Basic and Transformational industries will focus on heavy industries, secondary industries and human capital and life style. It is expected to create 72000 new jobs by 2030.

Jazan City for Basic and Transformational industries is very crucial for the global development of Jazan region. It is an important strategic tool supporting basic and transformational industries. It will provide opportunities to establish relations between Asia and Africa, as well as facilities for navigation and shipping.

This economic city is expected to provide a distinct environment for basic industries, technology exchanges, trade, employment opportunities, education, training and a wide range of socio-economic activities.

Governmental institutions are working on the development of infrastructure and creation of an attractive environment for investment varied between sea façade, urban centers and investment schemes. Many economic indicators proved the promotion of investment in Jazan region during the last ten years: investment contracts increased by 7.32% and revenue by more than 7.14%.

Researchers have chosen Jazan as a case study as it represents an important step in the economic development and maturation of the kingdom's economy.

In order to do so, we start by directly asking Jazan's habitants through a survey about the source of their subjective well-being and what themselves say about what makes them happy. Then how do these sources of happiness influence their economic performance and participation in GDP growth.

## 2. Literature Review

Happiness has not been adopted previously, even in the reports issued by the United Nations. Happiness is one of the most controversial and popular topics of recent times. Recently many economists are looking for sources of happiness. Oswald AJ (2006), Pointed out that Politicians made a mistake when they linked economic growth to happiness, where increased economic growth is not linked to individual happiness. And demonstrated through the results of which surveyed explained that industrial countries have not become happier over time, as well as the high rate of depression of such countries, especially the United Kingdom. Though the high income levels in the United States, which exceeds six times the United Kingdom, the suicide rate ratio is the same.

According to Maddison (1991), despite the improvement and increase of per capita gross domestic product (GDP), happiness has not achieve any improvement through his study.

While Easterlin (1995), Explained through a survey that increased income does not mean the existence of happiness during a certain period, where he presented his evidence after a series of studies nine different European countries, after the World War, that is, during the 1970s. He began his questionnaire in 1972 and ended it in 1991 and found the increase in per capita disposable income in this period was more than one-third. Also reported that happiness varies directly from person to person according to the income of the individual and upon the arrival of the community to a state of justice in the distribution of income g in this case will be achieved happiness. Happiness as a result of increased income and non-achievement will be caused by low income and lack of access to an appropriate level of well-being.

While Hans Messinger (1997), Focused on gross domestic product (GDP) and pointed out that gross domestic product (GDP) was sufficient for the index of social well-being, as well as the measure of economic welfare, which some economists as Tobin and Nordhaus (1972), Explained the measures of economic welfare and defined the requirements of growth as any country in net national product. Also pointed out that there is a GDP gap and

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<sup>1</sup>- Ismail, A. A., Mahfouz, M. S., & Makeen A. (2014). Injection safety among primary health care workers in Jazan region, Saudi Arabia. *The international Journal of Occupation and Environmental Medicine*, 5(3). [www.theijoem.com](http://www.theijoem.com)

economic welfare in San Francisco.

During the beginning of the millennium Richard A. Easterlin (2002: 2003) Reached through his questionnaire that the data of the social survey of happiness according to social studies by psychologists such as marriage, divorce and disability most of the results are inaccurate because of their direct impact on happiness.

Also in another study Richard A. Easterlin et al (2011), Proved that there is a contradiction between happiness and income in the long term through his various questionnaires, which included many questions about happiness and satisfaction of life. Happiness from their point of view does not increase with the rising incomes of the country.

The research continued through Easterlin using long time series to provide evidence that happiness and economic growth would not be realized in the short term but would extend in the long term and the relationship would be positive in developing countries. China has been excluded from these results because of the doubling of GDP growth rates, but the members of the community still do not feel happy and satisfied (Easterlin, 2015).

Differences of views that look at how to achieve happiness Richard Eckersley (2009), Need to achieve the health of the individual and all society, happiness lies in the welfare of society, And to compare happiness among countries through the success of their goals and trends, where the questionnaire of this study based on their own lives and social circumstances. The study showed contradictory results in the statement what is happiness?

Teng Guo, and Lingyi Hu (2011), investigated the relationship between happiness and different economic variables in the United States. Their results showed that individual well-being can be predicted and measured. Authors concluded that there is an inverse relationship between happiness, unemployment and inflation, and this has been proven by many previous studies.

Many researchers in development science usually use the word happiness and relate it to personal well-being, which measures the satisfaction of their lives with happiness. Where Roy F. Baumeister et al. (2013), explained that there is a difference between happiness as life and happiness as meaning, by surveying a sample of 397 adults. He analyzed various aspects of their lives with their behavior, temperament, creative practice and more. The result of study showed that giving is the cause of happiness.

Before studying the assumed link between subjective well-being –happiness- and economic growth in Jazan region, we should start first by analyzing the various sources of happiness.

Recently studies have found the role of technology, especially the use of smart devices in creating happiness to individuals Rossi Kamal and Choong Hong (2015). Also Zining Peng and Maolin Ye (2015) described the relationship between buying process and happiness whereas meeting needs considered as part of happiness, Not only buying supplies but also highlighting the possibility of buying experience will contribute to increasing happiness.

On other hand Shoval D. H., Morag H. (2017) analyzed the possibility of a relationship between Jewish in Israel and Arabian students of nursing schools to find out whether there is happiness or not in dealing with them using questionnaire.

### **3. Sources of Happiness**

#### *3.1 Social Factors*

The social factors affect deeply people's well being and happiness. The factors that can be considered as sources of happiness and show the quality of life are: health, education, unemployment and marital status.

#### **-Health:**

Since long decades many analysis presented the interaction between health and happiness. A good health will make people feel more cheerful and causes a greater contentment in their daily life. However having a bad physical or mental health leads to more restrictions in people's daily activities and causes a pessimistic view of life.

Emotional health is also one of the strongest factors of happiness and well being. Therefore, developing the ability to cope with feelings of anxiety and depression is very beneficial.

For example, a serious accident or dangerous disease reduces one's happiness. However, when there is medication, health devices such as wheel chairs and a support network of friends and relatives, people can surpass this sadness and become happier. But even with adaptation, still there is a negative effect of poor health on happiness.

In the United States and Europe, governments believe in the strong link between individual happiness and good

quality of health care services received. People's satisfaction is playing an important role in improving the quality of health care reforms.

Health care system in Saudi Arabia can be classified as a national system, as the government provides health care services through government agencies with an increasing role of the private sector. The development of health care services in Saudi Arabia has been given a major priority by the government. Consequently, Saudi population's health has greatly improved in recent years.

However, the Saudi health care system still faces many challenges such as the lack of Saudi health professionals, multiple roles of health ministry, limited financial resources, and high demand due to free services.

In the Jazan region there are 21 hospitals, 3 specialized medical centers, 177 primary health care centers distributed to all governorates, cities, villages and desert areas. Despite these achievements, health care system in Jazan still faces many challenges and difficulties and therefore providing average health care services.

#### **-Education:**

Happiness and education are strongly connected. A good education contributes significantly to personal and collective happiness. It is generally admitted that education improves people's lives in many aspects. Education enhances people's lives as higher educational attainment is linked to better career paths and is also believed to enhance outcomes in other life domains, such as health and relationships<sup>2</sup>.

Education is considered as the most important activity in modern man life. In many countries it is one of the biggest items of public spending.

The well-being of modern society is dependent not only on traditional capital and labour but also on the knowledge and ideas possessed and generated by individual workers. Education is the primary source of this human capital<sup>3</sup>.

However, some recent empirical studies stated the opposite empirical relationship between education and happiness in developed countries. These studies observed that higher levels of education are allied with lower life satisfaction and subjective well being and this is because of high expectations and aspirations of well educated people towards their lives' conditions and jobs. Therefore, we can assume that education affects well-being in part through its effect on income. Determining how does education influence happiness, depends on how one defines "education" and measures its personal happiness.

The Saudi educational policy aims to afford more efficient education to its population in order to meet religious, economic and social requirements of the country and to eliminate illiteracy among Saudi adults. Many government agencies contributed in planning, administrating and implementing the overall governmental educational policy in Saudi Arabia. The Ministry of Education sets overall standards for the country's educational public and private system and oversees special education for the handicapped<sup>4</sup>.

In this research we investigate on the rate given by Saudi people living and being educated in Jazan region to their self-related happiness towards educational system conditions and their levels of education as well as their own child's education. This sounds interesting especially in a country where boys and girls do not attend schools together.

#### **Unemployment:**

Happiness and work was the subject of various empirical economic studies. Jobs are very important for sustaining individual's living, family and health which are the main elements shaping people's happiness. Accordingly, many studies stated a negative effect of unemployment on happiness.

A high unemployment rate can be an indicator of a failing economic system and a call for policy action; this has been illustrated by the Arabic Spring where people suffered from difficult life conditions because of the high unemployment rate. In order to prevent high unemployment rates, governments should create new jobs.

An important finding from the more recent literature is that there are large differences in the effect of unemployment among people—not all people are equally unhappy<sup>5</sup>. As some individual choose voluntary to be

<sup>2</sup> -Alfred M. Dockery. (2010). Education and happiness in the school-to-work transition. Centre for Labour Market Research, Curtin University of Technology.

<sup>3</sup> -Crocker, R. K. (2002). Learning Outcomes: A Critical Review of the State of the Field in Canada, Canadian Education Statistics Council, Ottawa.

<sup>4</sup> -<http://www.sacm.org/Education.aspx>

<sup>5</sup> -Rainer, winkelmann. (2014). Unemployment and happiness. Successful policies for helping the unemployed need to confront the adverse

unemployed because they prefer to receive unemployment benefits and enjoy leisure time.

Another important point to be mentioned is job security, which if declines it affects negatively workers happiness. High unemployment rates increase the fear of losing one's job and lead consequently to lower levels of happiness even for employed people. This means that employed and unemployed workers living in countries with high unemployment rates tend to be more unsatisfied.

One of the most prosperous economies in the world today is Switzerland with a very low unemployment rate. The Swiss applies several tools in order to keep its economy strong, such as, implementing low interest rates, a short immigration policy and a strong banking system.

Unemployment Rate in Saudi Arabia decreased to 5.60 percent in the fourth quarter of 2016 from 5.70 percent in the third quarter of 2016<sup>6</sup>.

In order to keep this rate in its lowest levels, Saudi Arabian government launched wide reform strategy known as 2030 vision. This vision aims to reduce unemployment rates among Saudis. The applied strategies are Saudization which means replacing foreign workers with Saudis and creating jobs for Saudi women in retail.

#### **-Marital status:**

Generally, healthy and supportive relationships contribute greatly to higher happiness levels. The last world happiness report stated that, in western countries, having a partner has a strong positive impact on individual's happiness.

However, marriage or divorce doesn't have the same impact on all individuals. If the person is satisfied with his or her life due to having a rich social network, marriage will not have a strong impact on his or her happiness. But, in the case of a lonely person, marriage will influence positively his or her happiness. Moreover, losing a partner of a happy marriage will impact negatively people's satisfaction.

In a study of multiple regression analysis conducted by Steven Stack and J. Ross Eshleman (1998), they found that marriage increases happiness equally among men and women and this positive impact is due to three facts<sup>7</sup>. First, marriage provides a financial satisfaction as married people combine two incomes and may enjoy a higher standard of living. Second, it leads to the improvement of health through the support encouraging partners to follow a medical treatment in case of illness, quitting bad behaviors such as drinking and smoking and helping spouse to follow a healthy diet. Finally, marriage provides greater emotional support which refers to being esteemed, cared about and valued as a person.

However, the extent to which marital status is linked to individual's level of happiness is not the same for all nations.

In Saudi Arabia where Sharia Law is applied, relations between men and women are strictly forbidden outside marital life. Unmarried couples are not allowed to live together or have intimate relationships outside the marital bond as is pregnancy.

Traditionally, the ideal marriage was tribal, related families encourage their children to marry cousins or relatives in order to increase and strengthen the tribe. Another reason for such marriages was that families knew the background of the partner.

According to Sharia law, a Muslim man can have four wives, provided that he can treat them equally. This practice is now decreasing mostly because women are becoming more independent and self-confident and many refuse to accept it. In Saudi Arabia, nowadays, both man and wife are increasingly going out to work, due to the elimination of restrictions on women working.

Standing in the third rank of happiest Arabic countries, Saudi Arabia is one of the top ten Arabic countries in divorce percentage. This fact stresses on the question about the relationship between happiness and marital status in this country.

### *3.2 Economical Factors*

#### **- GDP:**

Economic growth is one of the main objectives of any economy. High economic growth rates and low economic

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effects of unemployment on feelings of life satisfaction. IZA World of Labor 2014: 94.

<sup>6</sup>-<https://tradingeconomics.com/saudi-arabia/unemployment-rate>

<sup>7</sup>- Stack, S., & Eshliman, J. R. (1998). Marital status and happiness: A 17-nation study. *Journal of Marriage and the Family*; May 1998; 60,2; Research Library pg.57.

growth contribute to economic development.

Rising GDP and income per capita for individuals in oil countries, especially Saudi Arabia, is always related to high oil revenues. But after the unexpected global drop in oil prices and the emergence of the budget deficit, we find some people feel unhappy regarding that event.

Richard A. Estriens' researches showed that there is a relationship between happiness and the total income of the country. Therefore, the governments of Saudi Arabia have tended to diversify their sources of income.

The Kingdom's efforts will have a great impact on increasing economic growth rates and thus increasing the income of its members to achieve the required level of happiness.

#### **-Infrastructure:**

Infrastructure is the backbone of many economic, social and political life activities in societies. Countries that do not care about infrastructure will be affected by the decline of its growth and development.

China, Singapore, Malaysia and Thailand are considered the best performers among the world's economies today because they improved their infrastructure. As infrastructure services are important in achieving sustainable development, Also the United States spends more than \$ 150 billion a year to improve its infrastructure in its various states.

Therefore it is necessary to shed light on the Kingdom of Saudi Arabia's infrastructure and its impact on facing the increasing competition with other countries to attract foreign investment, with all the associated techniques and knowledge of markets and that contribute to the achievement of economic and social development.

Saudi Arabia has the physical resources to implement the infrastructure in some areas and already has an ambitious plan for improvement, but we find there is a lack of infrastructure, especially sanitation and roads to some cities such as Jazan as a case study.

### *3.3 Political Factors*

#### **-Freedom:**

It is always believed that people could live happier if their society practices freedom, equality and brotherhood.

Freedom is considered as having the opportunity to choose and being able to. This means that being free requires the absence of restrictions in economic, political and personal life. Absence of economic and political restrictions can be used to measure differences across nations in their degree of freedom.

According to previous studies, freedom is positively linked to happiness in rich countries. There are different opinions about the impact of freedom on happiness. Different philosophies express different effects and suggest different analysis.

A conservative thought asserts that freedom might have negative consequences. According to this vision, people don't know what is best for them and their freedom has gone too far and about to destroy vital institutions. However, other schools have different opinion; they emphasize that only economic freedom which improves human well being but not political freedom. According to other thoughts, freedom leads to happiness under specific conditions such as people maturity.

The comparative study conducted by Ruut Veenhoven (2000) ranked nations according to the measure of two indexes "opportunity to choose" and "capability to choose". These indexes were combined in a comprehensive measure of freedom. The rank order on that overall index shows that Nigeria, India, and China are the lowest scorers and the top ones are the US, Switzerland, and Canada<sup>8</sup>. These top countries are among the countries that have the happiest populations according to the world happiness report. A Comparative survey data conducted by Inglehart et al.(2008) shows that the effect of political freedom is highly linked to an increase in happiness<sup>9</sup>.

These studies were basically conducted among Western populations where political freedom is a constant background. In Saudi Arabia restrictions on dissent and freedom of expression are high. Though, the country combines a very low political freedom index with a fair degree of happiness. This fact can confirm the hypothesis that political freedom has a slight impact on people's happiness.

<sup>8</sup>- Veenhoven, R. (2000). FREEDOM AND HAPPINESS A comparative study in 46 nations in the early 1990's. In Diener, E. & Suh, E.M. (Eds.), Culture and subjective wellbeing (pp. 257-288). MIT press, Cambridge, MA USA, 2000, ISBN 0 262 04182 0.

<sup>9</sup>-Bavetta, S., Patti, A. M., & Navara, P. (2014). Autonomy, Political Freedom, and happiness. Mimeo, PPE Research Unit, University of Pennsylvania.

### **-Corruption:**

Corruption is generally considered as an important factor which defines the quality of countries' governance. It doesn't have any geographical limits and exists everywhere. As shown by Abed and Gupta (2002), even though corruption is more spread in poor countries, it isn't restricted to specific region or levels of economic development<sup>10</sup>.

According to economic theories, corruption at the macroeconomic level can be beneficial as well as harmful to economic progress and consequently can affect SWB. Boon vision asserts that corruption can serve to overcome institutional inefficiencies which in turn promote economic growth. Whereas, bone theorists propose that inefficiencies are originally caused by corruption itself and consequently restrict growth.

In corrupt societies, wealthy residents have more freedom in their behavior and decisions than poor ones because their wealth helps them in purchasing conveniences. Therefore, in these societies, income matters more than SWB. In general, corruption reduces the institutional trust which in turn erodes SWB.

Living in a country reigned by corruption and discriminatory institutions can lead to unhappiness. This is illustrated by a report released by the United Nations Human Development program about the case of Bosnia and Herzegovina in 2002. The reported survey showed that 70% of people in these countries strongly believe that their local authorities and international aid organizations are corrupt.

The report concluded that citizens of these countries are not happy because of corruption which in their point of view has broken all barriers and rules of life.

As corruption represents a serious obstacle to good governance, economic growth and stability, international organizations such as United Nations and International Monetary Fund, launched guides of anti-corruption strategy in order to help countries enhance transparency and justice.

In Saudi Arabia there is a growing feeling among Saudis that corruption is spread in all sectors because of the delay of implementing many projects and the deterioration of existing projects. According to the corruption Perceptions Index reported by Transparency International in 2016, Saudi Arabia occupies the rank 62 of least corrupt nations out of 175 countries<sup>11</sup>. This classification motivated the Saudi government to launch a national anti-corruption commission "Nazaha" in 2011.

The Saudi Royal order gave to Nazaha all the authority to control all governmental sectors of the kingdom. Its main objectives are to protect the integrity, increase transparency and eliminate corruption. However, this commission still has not achieved any significant results and public opinion still has the same feeling of widespread corruption.

### **4. Research Methodology**

In this paper, researchers used the analytical descriptive methodology, which is based on the collection of facts and information, compare, analyze and interpret them to find solid conclusions.

After reviewing multiple previous findings treating the same subject from different framework, we designed a questionnaire of 37 questions classified to three sections, social factors, economic factors and political factors of happiness. The sample's answers have been formed according to the quintuple likert scale.

The questionnaire has been distributed to Jazan region habitants in order to collect opinions about the impact of the different mentioned factors on people's happiness and well being, as well as, to focus on information about the impact of happiness realized due to a specific factor on economic development. We used the statistical technique of Cronbach's Alpha to measure the credibility of the sample's answers. Our study has been based on following hypothesis:

H01- There is no correlation between individual's happiness and economic development.

H1- There is a correlation between individual's happiness and economic development.

H02- There is no relationship between social factors influencing people's happiness and economic growth.

H2- There is a relationship between social factors influencing people's happiness and economic growth.

H03- Unlike social factors, economic and political factors do not influence people's happiness.

H3- Economic and political factors have a low impact on people's happiness.

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<sup>10</sup>-Abed, G., & Gupta, S. (2002). Governance, Corruption, and Economic Performance, Washington, DC: International Monetary Fund.

<sup>11</sup>-<https://tradingeconomics.com/saudi-arabia/corruption-rank>.

### 5. Finding and Analysis

We tested the reliability of the sample’s answers to all the survey’s question by applying Cronbach’s Alpha method.

Cronbach’s Alpha is equal to 67%, this value is acceptable and confirms the stability and reliability of the sample. In order to get higher Cronbach’s Alpha which reached the value of 76%, we recommended to remove few questions with low credibility which are q7, q19, q20, q22 from social factors section, that asked the sample about the impact of marriage in their well being and performance at work, study or home as well as their opinion about unemployment and its economic impact in the region; q4,q5 from economic factors about the impact of the increase of salary and the status of infrastructure on individual productivity and q4,q5,q6 from political factors about existence of corruption and its impact.

Therefore answers given by the sample to the remaining questions have a high credibility and allow us to build strong conclusions. That means, results are stable and even if we distribute the same questionnaire in the same society, we will receive the same answers.

Then we analyzed the correlation between the three sections of the questionnaire. The results are shown in the following table:

		Total factors	Social factors	Economic factors	Political factors
Total factors	Pearson Correlation	1	.917**	.633**	.360**
	Sig. (2-tailed)		.000	.000	.000
Social factor	Pearson Correlation	.917**	1	.426**	.093
	Sig. (2-tailed)	.000		.000	.238
Economic factor	Pearson Correlation	.633**	.426**	1	-.023
	Sig. (2-tailed)	.000	.000		.773
Political factor	Pearson Correlation	.360**	.093	-.023	1
	Sig. (2-tailed)	.000	.238	.773	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

We found that there is a strong positive correlation between social factors and total factors that determine happiness. However for economic factors the correlation with total factors that determine happiness is average. On the contrary, answers given by the sample in the political section has a very low credibility as well as a low correlation.

In order to examine deeply the reliability of the sample we divided the questions of every section to two through a split-half test. The results of this test are shown in the table below.

Happiness Factors	Number of questions	Correlation between forms	Spearman-Brown coefficient
Social Factors	22	76%	86%
Economic Factors	8	60%	75%
Political Factors	7	42%	59%

After applying the split-half test, results show that social factors, economic factors and political factors’ correlation increased reflecting a higher reliability.

Our findings prove the confirmation of the hypothesis that happiness impacts positively the economic development. However, happiness is realized by the improvement of social factors confirming our second hypothesis. Therefore, economic and political factors do not have the same effect as social factors.

The economics of happiness is an approach to assess the social dimension which combines the theories used by economists and psychologists. The Index of Happiness is one of the indicators developed from 33 indicators by the United Nations, Where classified under the nine areas: mental health, health, education, cultural diversity,



flexibility, and the use of time and good governance, community vitality, environmental diversity, flexibility and living standards (United Nations: 2017).

Happiness is the integration of social progress indicator because there is no distinction or difference in meaning between a large measure of happiness or measure social progress.

## 6. Conclusion

According to our sample's answers, social factors are the main source of happiness that drives economic development. Therefore, we can conclude that there is a strong relationship between social factors which are in our survey: health care, education, unemployment and marital status, and economic development.

Development efforts in Jazan region must focus on inclusive growth strategies that target social progress, several measures have been proposed to measure the social dimension of development, combined together or independent of economic indicators. These indicators are tools for measuring the extent to which countries contribute to the social economic and environmental progress of their citizens.

Governmental societies should accord happiness a major importance as an input not just an output. As happiness is now an accepted and crucial policy to implement and execute the objectives of the government targeting big aggregates such as economic growth or unemployment.

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