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Vol.03 No.02 (2025)
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## WHAT CAUSES PAKISTANIS TO BE HAPPIEST THAN INDIANS?

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#### Abstract

This study investigates the mystery of happiness disparity between Pakistan and India in spite of India's strong economy. The study uses inequality regression models to identify key variables, such as age, gender, education, and geopolitical issues, that contribute to the happiness gap between the two nations. While the unexplained effect suggests elusive forces, the explained effect predominates, highlighting the significance of quantifiable elements. The results highlight the necessity of all-encompassing policies that address both material and immaterial factors in order to promote overall well-being in both countries. **Keywords**: Causes, Happiness, Pakistan, India

### INTRODUCTION

Economic development and national GDP of India have increased significantly in recent decades, despite sporadic setbacks, especially as a result of the COVID-19 epidemic. These developments have also extended to India's remarkable progress in socioeconomic growth as a whole. It is depressing to note, nevertheless, that the general level of happiness among its citizens has not increased in tandem with these advancements. According to recent surveys on happiness worldwide, there is a puzzling trend: despite India's superior performance in a number of areas, the country's happiness rating is noticeably lower than that of its neighbour, Pakistan. India has had a remarkable journey toward societal improvement and economic prosperity. The long-standing rivalry between India and Pakistan, which has shown itself in a number of conflicts, must be acknowledged as part of the background to this narrative of growth. These countries compete militarily, politically, and in sports, treating one another as "traditional rivals." Notably, Pakistan often violates the ceasefire agreement over the "Kashmir" region, which causes losses on both sides. India has often emphasized that addressing Pakistan's cross-border terrorism is a prerequisite for having a meaningful conversation. Both players and spectators have a sense of suspenseful anticipation during cricket matches because of this fierce competition. It's interesting to note that in cricket, India has often Pakistan. This rivalry encapsulates the spirit of competition between these two countries.

India has significantly outperformed Pakistan economically. India's economy has surpassed that of the United Kingdom to become the fifth biggest in the world. Whereas Pakistan has seen political turbulence and uncertainty, the Indian government has remained stable. While Pakistan's purported backing for terrorist organizations has come under international investigation, India has stayed out of any involvement in international terror operations. India's GDP is about 10 times that of Pakistan, demonstrating the stark disparity in economic strength. The World Bank estimates that Pakistan's GDP was \$278.22 billion in 2019 while India's was \$2.875 trillion. In the "Ease of Doing Business" report, India ranked 63rd, while Pakistan's position fell to 108th. The differences between India and Pakistan are further demonstrated by a number of socioeconomic metrics. India has demonstrated greater road infrastructure, a lower CPI inflation rate, and a higher literacy rate than Pakistan. According to the Global Terrorism Index 2020, India is ranked eighth while Pakistan is ranked seventh. However, Pakistan does better than India in a few other important social factors that directly impact individuals, such as income inequality as determined by the Gini coefficient, which has a lower score of 33.5 than India's 37.8. Furthermore, Pakistan has outperformed India in categories including young unemployment rates, gender equality, and wealth distribution.

India has made great strides in many areas, but one fascinating issue still stands: why does India's happiness continue to lag behind Pakistan's? This perplexing problem serves as the foundation for our study, which looks at the happiness levels in both nations and examines the ways in which a number of variables, including wealth, social inequalities, demographic characteristics, and social support networks, affect happiness. India and Pakistan were selected for this study for a number of reasons. First of all, although having similar historical and cultural legacies, the two countries have developed differently since attaining independence, providing a distinct comparative viewpoint. Second, there is a notable disparity in satisfaction between the two nations, which makes them an interesting case study despite India's economic development and its superior performance in a number of socioeconomic metrics. In addition, governments, lawmakers, and common



## Vol.03 No.02 (2025)

citizens in India and throughout the world pay special attention to the long-standing rivalry between India and Pakistan, which is reflected in political, military, and sporting events. As a result, comparing India and Pakistan offers a wealth of opportunities to investigate the ways in which various socioeconomic and geopolitical factors interact to affect the degree of pleasure in each country. This study adds to the body of knowledge on happiness by analysing the contradiction of India's superior socioeconomic statistics and lower happiness rating when compared to Pakistan, despite the country's rapid economic progress. It examines recent findings in happiness research across many cultural and developmental contexts, highlighting the ways in which material and non-material elements affect well-being through the use of a comparative approach.

### **REVIEW OF LITERATURE**

The correlation between happiness and money has been a major topic in economic study for many decades, but a conclusive solution has yet to be found. It is generally accepted that greater happiness and a better quality of life should be closely correlated with a rise in wealth. This simple presumption is called into question by the "Easterlin paradox" (Easterlin, 1974), which demonstrates that at a certain point, financial gains may not always correspond to higher levels of happiness. This paradox states that although material wealth and money are important factors in happiness, their impact gradually wanes as people adjust to greater income levels. This link is further complicated by the relative income hypothesis, which holds that happiness is frequently influenced by both an individual's own wealth as well as it compares to that of people around them (Easterlin, 1995). However, more recent research has found a little positive correlation between money and happiness (Stevenson & Wolfers, 2008; Deaton, 2008), casting doubt on the Easterlin paradox's long-term viability. Income is a significant but insufficient driver of happiness, according to this continuing discussion, which highlights the link between money and happiness.

Happiness is influenced by a number of socioeconomic and demographic characteristics in addition to income. According to Clark and Oswald (1994), unemployment is a significant factor that lowers life satisfaction since losing a job has social and psychological effects including stigma and identity loss in addition to lowering income. It has been demonstrated that the effects of unemployment differ by gender, with males generally suffering a more severe drop in happiness during unemployment than women (Hori & Kamo, 2018). The degree to which people trust institutions and their fellow citizens is another important consideration. Religious engagement can also increase happiness by giving people a feeling of purpose and community, especially in more collectivist societies (Zhang & Chen, 2019; Singh, 2020). Trust also promotes social stability and security, which favourably impacts well-being (Helliwell et al. 2014; Das, 2022). Moreover, Frey & Stutzer (2002) demonstrated a high correlation between happiness and personal freedom, namely the capacity to make decisions in life and engage in democratic processes. This research suggests that non-material elements like social integration, independence, and trust have just as much of an impact on total pleasure as income.

The role of wealth disparity, education, and social capital is another aspect of happiness research. According to studies by Bjornskov (2008) and Becchetti et al. (2012), people with strong social support systems tend to have higher levels of life satisfaction regardless of their income, highlighting the significance of strong social networks and community ties in mitigating the effects of income insecurity on happiness. Though its impact is controlled by how effectively it translates into work prospects, education also promotes cognitive abilities and personal development, which both increase pleasure (Nikolaev & Rusakov, 2016). On the other hand, because wide economic gaps can erode social trust, increase sentiments of unfairness, and create tensions in society, they are consistently associated with lower levels of enjoyment (Oshio & Kobayashi, 2010; Schneider, 2012). These results imply that although accumulating income might enhance well-being, how income is distributed within a society is just as important. Even in wealthy countries, high levels of inequality weaken social cohesiveness and cause general discontent. Therefore, the literature shows that in order to completely understand the causes of happiness, income-while important-must be taken into account in conjunction with socioeconomic characteristics like employment, education, and inequality. In spite of India's better socioeconomic indices, our research contributes to this body of knowledge by examining the contradiction of the country's rapid economic growth and lower happiness rating when compared to Pakistan. It offers a distinctive comparative viewpoint by analyzing the ways in which material and non-material elements affect pleasure in these two adjacent countries.

### **TRENDS IN HAPPINESS: PAKISTAN AND INDIA**

One of the United Nations Sustainable Development Solutions Network's groundbreaking publications is the World Happiness Report. It evaluates how individuals in more than 150 nations view their lives using a combination of survey results and secondary data. The report essentially converts the qualitative evaluation of people's well-being into quantitative metrics. This method enables a methodical assessment of life satisfaction



## Vol.03 No.02 (2025)

and pleasure on a worldwide basis. When the UN issued Resolution 65/309, "Happiness: Towards a Holistic Approach to Development," in July 2011, it acknowledged the significance of happiness and well-being in development. This resolution urged governments everywhere to put their populations' happiness and well-being first while seeking economic growth. In order to emphasize the importance of an all-encompassing approach to development, March 20th was subsequently declared the International Day of Happiness, to be honoured yearly.

A scale of 0 to 10 is the basis for the Happiness Index used in the study, with 10 denoting the best possible existence and 0 the worst. This index offers a quantifiable and comparative perspective on the happiness and well-being of individuals across various nations. A comparison of the Happiness Rank and Index for India and Pakistan from 2013 to 2021 is shown in Table 1. Notably, the table's data shows several fascinating trends. Over the years, India's Happiness Rank has consistently increased, pointing to a downward trend in happiness, with the exception of 2023, when it fell from 136 to 126. On the other hand, except for 2021 and 2022, Pakistan's Happiness Rank increased throughout time. In terms of the Happiness Index, it emphasizes that between 2013 and 2023, Pakistan continuously outperformed India.

	India		Pakistan		
Year	Happiness Rank	Happiness Index	Happiness Rank	Happiness Index	
2013	111	4.772	81	5.292	
2015	117	4.565	81	5.194	
2016	118	4.404	92	5.132	
2017	122	4.315	80	5.269	
2018	133	4.190	75	5.472	
2019	140	4.015	67	5.653	
2020	144	3.573	66	5.693	
2021	139	3.819	105	4.934	
2022	136	3.777	121	4.516	
2023	126	4.036	108	4.555	

Table 1: Happiness Index and Rank for India and Pakistan

## Source: World Happiness Reports.

#### DATA AND EMPIRICAL METHODS DATA

The World Happiness Report uses data from the Gallup World Poll Survey to calculate and publish happiness rankings and indices for over 100 nations. This study uses face-to-face interviews in some countries and random-digit-dialing (RDD) telephone polls in others to reach respondents who are at least 15 years old. The Gallup World Poll Survey's sample size, which only covers a few thousand respondents each nation and, in certain situations, a maximum of two thousand respondents annually, is a major drawback. A more thorough dataset is offered by the World Values Survey (WVS), which is released by the World Values Survey Association. The WVS, which covers 120 nations, including India and Pakistan, and represents 94.5 percent of the world's population, is carried out in waves every five years. The WVS has a somewhat bigger sample size than the Gallup World Poll Survey and provides unit-level data on happiness as well as a variety of factors that affect happiness levels. As a result, the WVS is used in this study to examine happiness between India and Pakistan in greater detail. Since 1981, the WVS has been carried out in partnership with the European Values Study (EVS), and it consists of seven survey waves until 2020. Religious beliefs, gender roles, job motives, democracy, good governance, social capital, political involvement, tolerance of different groups, environmental preservation, and pleasure are all reflected in the survey's evolving values. The study provides a thorough grasp of cultural, socioeconomic, and attitudinal variances worldwide by interviewing representative national samples using standardized questionnaires. The particular dataset utilized in our analysis comes from the World Values Survey's sixth wave, which was carried out in 2014. This is because India was left out of the most recent survey's seventh wave (2020). Responses from 1200 respondents in Pakistan and 4078 respondents in India make up the sixth wave. However, we used STATA software to do thorough data cleaning and analysis in order to guarantee data accuracy and dependability. Our final sample for analysis consists of 1085 respondents for Pakistan and 2578 respondents for India after correcting for missing values and irregular data points.

The dependent variable in this study, "life satisfaction," was first scored on a 10-point scale using data from the World Values Survey database. Apart from the recalibrated life satisfaction measure, the World Values Survey (WVS) offers a plethora of demographic data as well as the respondents' self-rated socioeconomic and



#### Vol.03 No.02 (2025)

political characteristics. In order to identify the causes impacting the happiness inequality between India and Pakistan, the current study uses this additional data to include these variables into the analytical model.

# METHODOLOGY

This work adopts the Firpo, Fortin, and Lemieux (FFL) decomposition methods and the Recentered Influence Function (RIF) regression, going beyond conventional regression models and the Oaxaca-Blinder decomposition approach (Firpo, et al. 2009; Firpo, et al. 2018). These cutting-edge techniques are perfect for this study's focus on happiness inequality between India and Pakistan since they are especially well-suited for examining inequality within a distributional perspective. In many different domains, the RIF regression and decomposition approaches have been widely used. For instance, Niimi (2018) used RIF regressions to study happiness inequality in Japan, Yang et al. (2019) used the approach to examine inequality in China, Lakshmanasamy & Maya (2020) used the framework to quantify happiness inequalities in India, and Becchetti et al. (2014) used similar methods to analyze happiness inequality in Germany. These studies demonstrate how adaptable and successful RIF-based methods are in answering distributional problems.

We apply these techniques to the comparison of happiness inequality between India and Pakistan in the current study, with the goal of capturing the complete range of distributional differences, not just with regard to central trends like the mean, but also with regard to the entire distribution. This method makes it possible to comprehend the causes of the happiness gap between India and Pakistan in greater detail.

The empirical model's central tenet is that, like wealth or income, happiness varies in distribution among populations. Differences in material elements (like money and social status) and non-material factors (including age, health, religion, and leadership perceptions) can contribute to disparities in happiness. The capacity of traditional regression models to evaluate these distributional changes is constrained by their emphasis on mean effects. However, rather than focusing just on average results, RIF regression allows the investigation of how changes in variables impact distributional statistics of the dependent variable, such as variance and the Gini index. The composition effect, which illustrates how variations in individual characteristics (age, income, marital status, etc.) contribute to inequality, and the coefficient effect, which illustrates how variations in the returns to these characteristics across populations (like India and Pakistan) shape inequality, are the two main mechanisms through which happiness inequality can be understood in this context. Through the division of the overall difference in happiness inequality into explained and unexplained components, the FFL decomposition approach enables us to separate these impacts.

This study's initial empirical method uses RIF regression to look at how happiness inequality is affected by important variables, including age, sex, marital status, religion, health, money, social class, good leadership, and faith in charity. This enables us to look at how variations in these variables affect the distribution of happiness as a whole. These factors were chosen because of their shown influence on inequality and well-being. For instance, psychological or cultural elements (religiosity, leadership perception) and material well-being (wealth, social class) have a direct impact on people's happiness and contribute to the disparity that is seen.

The FFL decomposition framework, which is used in the second empirical approach, breaks down the happiness inequality between India and Pakistan into two separate parts: the unexplained effect, which takes into account variations in returns to these covariates, and the explained effect, which captures the role of observable covariates in explaining inequality. In studies of inequality that compare two countries, this is especially helpful because it lets us measure the proportion of the observed difference in happiness inequality that can be ascribed to differences in characteristics versus differences in how these characteristics are valued or experienced in the two nations.

There are several phases involved in the breakdown process. A weight function that takes into consideration the disparities in distribution between India and Pakistan is first estimated. This is accomplished by computing the counterfactual distribution of pleasure in Pakistan with traits similar to those in India using a Logit model. After that, we use distributional statistics, including variance and the Gini index, to both the actual and counterfactual distributions in order to break down the difference in happiness inequality into its explained and unexplained components.

The decomposition Equation (1) captures this process:

 $\Delta H = p1 - p2 = (p1 - pc) + (pc - p0)(1) \dots (1)$ 

where p0 and p1 stand for the happiness distributions in Pakistan and India, respectively, and pc is the counterfactual distribution that blends the traits of Pakistan with the returns of India. The unexplained effect (differences in the returns to attributes) is represented by the second term on the right-hand side, whereas the explained effect (changes owing to characteristics) is represented by the first term.



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# RESULTS

# Vol.03 No.02 (2025)

The socioeconomic and demographic traits of respondents from both India and Pakistan are examined in this phase of the empirical research, which offers important insights into the sample's prior knowledge. Age, gender, marital status, education, religion, health, income, social class, and political views are just a few of the characteristics of the respondents' profiles that are included in the study. Table 2 summarizes the main conclusions. In India, respondents are 40.4 years old on average, compared to 34.6 in Pakistan. In Pakistan, women make up 46% of the 1085 samples, with men making up the remaining responses. Approximately 40% of the 2578 samples in India are female, and 60% are male. Compared to 87 percent in India, 73 percent of respondents in Pakistan are married. Ten categories are created based on the respondents' educational backgrounds, with 1 denoting no formal education and 10 denoting university-level education. Interestingly, the majority of responders from Pakistan and India had completed technical and vocational training in addition to an incomplete secondary school education. Eleven percent of respondents in India identify as atheists or agnostics, compared to 89 percent who are religious. On the other hand, 99 percent of Pakistani respondents identify as religious. Approximately 79% of respondents from Pakistan believe they are in good health, compared to 37% of respondents from India. Ten scales are used to classify income, with 1 denoting the lowest income category and 10 the highest. Pakistan has an average income of around 6, which is somewhat higher than India's average of over 5. Both Indian and Pakistani respondents are mostly from the working or lower socioeconomic classes. When it comes to political preferences, 47% of Pakistanis say they want a strong leader to guide their country, compared to 64% of Indian respondents. Additionally, compared to roughly 66 percent of Indians, just 40 percent of Pakistanis say they have faith in benevolent and humanitarian organizations. Our knowledge of the sampled population is improved by these data, which offer insightful information on the varied traits and viewpoints of respondents from Pakistan and India.

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<b>Fable 2:</b>	<b>Basic Chara</b>	acteristics of 1	Respondents

Variables	Pakistan	India	Difference
Demographic factors			
Age	34.677(11.899)	40.419(13.813)	-5.741
Sex (female=1)	0.464(.498)	0.408(.491)	0.0564
Marital Status (married =1; others=0)	0.739(.439)	0.871(.334)	0.132
Education	4.038(2.222)	4.362(2.625)	0.323
Religiosity (religious=1; not religious=0)	0.997(.052)	.897(.302)	0.099
Health Scale	0.791(.406)	0.370(.483)	0.420
Income & Inequality Income Scale Ladder	5.508(2.145)	4.620(2.116)	0.888
Social Class Ladder	3.211982(1.034)	3.244(.979)	-0.032
Social Supporting System			
Strong Leader	.4709677(.4993)	0.649(.477)	-0.178
Confidence in Charity	0.4082949(.491)	0.662(.472)	-0.254
Sample Size	1085	2578	

Source: Estimated from World Values Survey (Sixth Wave).

Table 3 presents the estimated Recentred Influence Function Regression (RIF). It demonstrates that in both India and Pakistan, age appears to be a positive predictor of happiness inequality, indicating that the average level of happiness generally rises with age. The accumulation of life events, personal development, and heightened resilience throughout time are probably the causes of this favorable link. Nonetheless, the effect's size is somewhat greater in Pakistan than in India, suggesting possible contextual or cultural variations. In both nations, gender has a major impact on happiness inequality, with being a woman being linked to a lower happiness mean. This result implies that there are gender differences in subjective well-being, which may be caused by differing life experiences, gender roles, and cultural standards. The negative consequences are more noticeable in Pakistan, which is noteworthy since it highlights the difficulties that women may encounter there. Marital status is a major factor in determining happiness disparity, especially in India, where marriage is associated with a markedly lower happiness mean. The intricate intricacies of Indian marriage life may be reflected in this outcome, which might be impacted by interpersonal connections, cultural norms, and



#### Vol.03 No.02 (2025)

conventional gender roles. The impact of education on happiness inequality varies between the two nations. The positive impact of educational possibilities is highlighted by the fact that higher education in Pakistan is linked to a rise in the mean level of happiness. In contrast, the link is weak and non-significant in India, suggesting that there is less of a correlation between happiness and education. In both nations, religiosity shows up as a strong positive predictor of happiness mean, indicating the psychological advantages of religious convictions. The greater influence in Pakistan could be a reflection of the social and cultural importance of religion in determining people's well-being there. In both India and Pakistan, health consistently contributes to happiness, highlighting the universal significance of physical well-being in influencing subjective happiness. The somewhat greater influence in Pakistan implies that happiness is more strongly influenced by health there. The connection of socioeconomic circumstances and altruistic attitudes is shown by the positive associations that are shown between the happiness mean and income scale, social class, and confidence in charity. These results highlight the complexity of well-being, with distinct contributions to happiness coming from social position, financial security, and altruistic tendencies. Happiness mean is positively impacted in both nations by confidence in a strong leader, although the effect is greater in Pakistan. This finding implies that views of governance and leadership may be important in determining the overall disparity in happiness, with people in Pakistan reporting a more noticeable effect on their well-being depending on their level of trust in the leadership.

<b>Table 3: Regressors of Happiness</b>	<b>Inequality Between</b>	India and Pakistan
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	Pakistan		India	
	Mean	Gini*100	Mean	Gini*100
Age	0.00203	0.004	0.0019	0.015
	(-0.0068)	(-0.0004)	(-0.0043)	(-0.0002)
Sex	35732**	2.103**	-0.13379	-0.224
(female =1;male =0)	(-0.1711)	(-0.0098)	(-0.1254)	(-0.0061)
Marital Status	-0.24012	-0.741	35025*	-3.468***
(married=1;others=0)	(-0.2043)	(-0.0155)	(-0.212)	(-0.0101)
Education	.08829*	-0.178	-0.01392	-0.353***
	(-0.0458)	(-0.0026)	(-0.0259)	(-0.0013)
Religiosity	1.3955***	-3.163	.32603*	0.397
(religious=1;not religious=0)	(-0.3427)	(-0.1037)	(-0.1783)	(-0.0095)
Health Scale	.71848***	-7.062***	52664***	-0.536
	(-0.1206)	(-0.0145)	(-0.107)	(-0.0062)
Income Scale	.21790***	-0.91***	.16816***	-1.491***
	(-0.0406)	(-0.0033)	(-0.046)	(-0.0018)
Social Class Ladder	.17219**	1.839***	14842*	0.042
	(-0.0745)	(-0.0047)	(-0.0818)	(-0.0034)
Strong Leader	.64986***	2.158**	0.19254	0.853
	(-0.1701)	(-0.0107)	(-0.1325)	(-0.0071)
Confidence in Charity	.96225***	-1.208	.47901***	-0.111
	(-0.1455)	(-0.0094)	(-0.1414)	(-0.0048)
Constant	6.0385***	22.93**	9.7108***	29.021***
	(-0.7948)	(-0.1143)	(-0.6102)	(-0.0269)
Average RIF	10.53	0.154	10.2	0.19

Source: Estimated from World values survey, 2012.

Note: Bracket shows bootstrap standard error; \* Indicates 10 percent level of significance; \*\*\* Indicates 5 percent level of significance.

Every determinant contributes differently to the disparity in happiness between India and Pakistan, indicating the interaction of social, cultural, and personal elements. These results add to a more complex understanding of subjective well-being in various settings. The study used Recentred Influence Function (RIF) regression for the Gini coefficient as a robustness check. The findings confirmed the previously noted trends. The stability of the factors impacting happiness inequality between India and Pakistan is further supported by the use of RIF regression on the Gini coefficient.

The RIF decomposition approach provides interesting insights into the underlying factors when the happiness inequality between India and Pakistan decreases. The explained effect and the unexplained effect are the two main components that make up the difference in happiness levels. Table 4 demonstrates that the explained



# Vol.03 No.02 (2025)

effect, which accounts for a significant 31.6 percent of the total happiness gap, suggests that the two countries' unique qualities have an impact. The observed differences in happiness are mostly explained by variables including age, sex, marital status, religion, good health, wealth, social class, strong leadership, and confidence in philanthropic endeavors. This suggests that noticeable differences between India and Pakistan in these areas account for over one-third of the happiness divide. On the other hand, although being statistically significant, the unexplained impact is much less. This implies that there are underlying variables that go beyond the traits that can be measured—factors that are difficult to classify but clearly influence the happiness gap. The intricacy of the happiness dynamics of the two nations is shown by this unexplained impact, which is frequently linked to discrimination or other invisible causes.

Table 4: Decomposition of Hap	piness Inequality	between India and Pakistan
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Inequality measure	Mean	Gini
Happiness gap	31644***	-3.59***
	(-0.080)	(-0.005)
Explained effect	3408**	-4.19***
	(-0.152)	(-0.041)
Unexplained effect	-0.024*	0.65*
_	(-0.181)	(-0.165)

Source: Estimated from World values survey, 2012.

Note: Bracket shows bootstrap standard error; \* indicates 10 percent level of significance; \*\* indicates 5 percent level of significance.

The results of this breakdown are concisely summarized in Table 4, which demonstrates the explained effect's dominance in explaining the happiness gap. A significant amount of the observed variance may be explained by the careful examination of factors such as age, sex, marital status, religion, health, income, social class, strong leadership, and faith in charitable giving. Furthermore, the continued existence of a sizable unexplained impact indicates that, although quantifiable traits play a considerable role, the happiness difference is also influenced by subtle and potentially elusive causes. This suggests that the very small happiness gap between India and Pakistan may be influenced by invisible factors. The RIF decomposition offers a sophisticated perspective on happiness inequality, shedding light on both measurable and intangible elements that influence the disparity in happiness between India and Pakistan. Additional aspects may be revealed by deeper investigation and study into these unexplained factors, providing a more thorough understanding of the complexities of the happiness gap between the two countries.

### CONCLUSION

This study explored the unexplained happiness gap between India and Pakistan in spite of India's impressive advancements in social and economic development. India has surpassed Pakistan in a number of areas, such as socioeconomic and economic indices, but according to international surveys, it trails behind in terms of happiness. This situation is made more difficult by the history and current rivalry between the two countries. The study used a dual empirical method to investigate the regressors of happiness inequality between India and Pakistan using the FFL decomposition framework and Recentered Influence Function (RIF) regression. According to the RIF regression, the following variables significantly influence happiness inequality in both countries: age, gender, married status, education, religion, health, income, social class, faith in charity, and trust in leadership. The FFL decomposition further clarified the explained and unexplained effects that contribute to the happiness gap, highlighting the significance of quantifiable and elusive elements, respectively. The significant influence of social class and income implies that improving general well-being requires both social mobility and economic stability. The unexplained impact, on the other hand, suggests that addressing happiness gaps calls for a comprehensive approach to social and institutional reforms, as well as more than just economic interventions. These concerns include discrimination and cultural norms. There are several ramifications for researchers, governments, and society at large from the study's conclusions. First, recognizing the role of demographic and socioeconomic variables in happiness inequality can help guide focused policy initiatives. Initiatives that improve social support networks, advance health and education, and address gender inequality, for example, may help ensure that happiness is distributed more fairly. Second, the study highlights the significance of identifying invisible elements that lead to differences in satisfaction. This realization motivates more investigation into the many facets of social and individual well-being that could be difficult to measure. In order to promote holistic pleasure, more extensive policy frameworks may be developed once these elusive aspects are well understood. The third factor that may have an impact on happiness is the rivalry between India and Pakistan, which has its roots in historical and geopolitical conflicts.



### Vol.03 No.02 (2025)

A more favorable psychological environment for the people of both countries may result from diplomatic initiatives to resolve fundamental problems and encourage peaceful coexistence. Broadly speaking, the study highlights the necessity of a comprehensive strategy to development—one that takes into account the intricate interactions between cultural, social, and political elements that influence happiness in addition to economic metrics. The pursuit of well-being ought to be a key component of the policy agenda as countries work to advance. This empirical study offers important insights into the disparity in happiness between India and Pakistan, laying the groundwork for further research and policy actions aimed at improving the general wellbeing of their populace.

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