

# The definition of *happiness*



Happiness researcher Professor Alois Stutzer talks about how the weather affects voting and whether money makes us happy.

BY CHRISTINE SCHLUMPF



**Americans earn more than Finns but are not happier.**

**You're an economist, so why did you decide to research happiness?**

When I began my PhD in mid-1998, it was a completely new and provocative subject in economics. I was fascinated by the topic and saw an opportunity to use it in my specialist field of political economics, too.

**This topic always used to be one for the philosophers...**

True, and in the 1960s psychologists turned their attention to happiness, too. The primary goal was not just to better understand the mentally ill; researchers also wanted to know more about happy people.

**And what did they discover?**

Oh, a lot! One particularly interesting correlation for the life sciences is the effect of happiness on health. Experiments have shown that happy people are more resilient.

**There is no uniform definition of happiness. How do you go about researching or even measuring happiness?**

There are probably as many definitions of happiness as there are



people. Economics has one key advantage when it comes to measurement: contrary to what many people think, it is a subjective science. It is based on estimates by individuals. And that is also how we approach happiness research. We use a standard technique to ask people for their assessment: Overall, how happy are you with your life on a scale from 0 (completely unhappy) to 10 (completely happy)?

**And the data you get is comparable?**

Yes, because we ask everyone exactly the same question. Comparability across individuals and groups is important. A high level of expressed happiness is strongly linked to phenomena that we associate with happiness, such as smiling in social interactions. We learn something about people's true feelings, and then use this information for statistical analyses. Empirical happiness research takes advantage of the fact that individual well-being has become measurable and comparable. Without such a process, we would be mired in philosophical squabbles.

**They say that while money does not bring happiness, it does at least make unhappiness more tolerable.**

**So does money make us happy?**

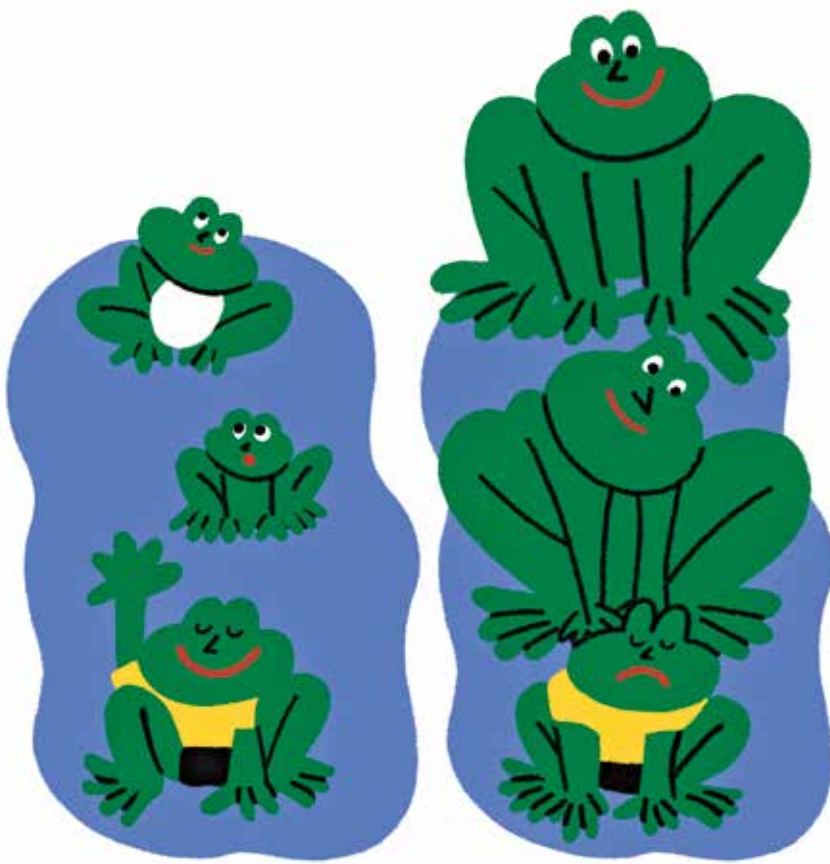
Higher income and higher wealth are reflected in higher levels of happiness in surveys. There are various reasons for this. Wealth gives us security. In many cases, higher-paying jobs are also more attractive jobs. And happy people are often healthier and more adventurous, which makes them more successful.

**And how do poor countries compare to rich ones?**

People are unhappier in countries with a low per capita income. Lower consumption is only one reason, however. In many of these countries, other factors such as uncertainty and corruption also come into play. But the reverse is not so clear. People in the US have a higher average income than the Finns, for example, but they are not happier. Per capita income has grown sharply in the US over the last 30 years, but average happiness has not increased.

**And why is that the case?**

One important factor is inequality. Not everyone has benefitted equally from income growth; social cohesion—trust in each other and in the government—has deteriorated.



**Comparing ourselves with others can influence our own happiness.**

**On the subject of inequality: humans have a tendency to compare themselves with others. And according to Kierkegaard, that is the end of happiness ...**

Happiness research has enabled us to measure the incredible power of social comparisons. Many studies illustrate the effect of relative income. The most important thing is not how much you earn in absolute terms, but relative to other employees and colleagues. In the past, economists have neglected these social comparisons.

**Comparing ourselves with others influences our own happiness?**

Yes, let's talk about unemployment, for example. In Germany and Switzerland, work gives us a strong sense of identity. Societal pressure to earn a living by working is considerably higher in these two countries than elsewhere. If we are surrounded by people who do not have a job, however, then it is still tragic, but we suffer less

as individuals because we are not held responsible to the same extent. We do not suffer the additional social stigma of being asked questions like: "Oh, shopping on a Tuesday morning—are you on holiday?"

**How do economists approach the topic of emotions?**

By asking ourselves questions like: How optimistic is a person's outlook on the world and how is this influenced by our emotional state? This has specific effects on how people assess risks and how risk tolerant they are.

**Are there specific studies on this?**

Yes. We concentrate on what are known as "incidental emotions". These are emotions triggered by our environment and our individual circumstances. Take the weather, for instance. We have looked at how it affects voting behaviour in referendums. In Switzerland, almost all referendums work the same way. "Yes" means change, and "no"

means things stay as they are. We have observed that rainy weather increases the number of "no" votes by 1.2 percentage points. This gives us a clue as to how emotions affect our behaviour. If it is raining and we feel gloomy, our appetite for risk and our desire for change decreases.

**I'd like to finish with a personal question. Has your field of study affected your life?**

I have a broader perspective for thinking about economic issues, as I now have an expanded view of welfare. Traditional economics primarily deals with income and material factors. And since my job is a very important part of my life, happiness research does indeed have a big effect on it. ■



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is Professor of Political Economy in the Faculty of Business and Economics at the University of Basel. He deals with the basic effects of political institutions and their impact on the behaviour and well-being of various political actors. He is also interested in numerous other research topics, such as the role of media attention on the influence of interest groups, the consequences of political participation rights on the integration of immigrants and the effect of emotions on people's voting behaviour.