

## What Happiness Is

■ Eduardo Porter

Eduardo Porter was born in 1963, in Phoenix, Arizona, of a Mexican mother and an American father. When he was six, his family moved to Mexico City, where he lived until he graduated from the Universidad Nacional Autónoma de México in 1987 with a degree in physics. Later he earned an MSc from the Imperial College of Science and Technology in London, England. Porter started his career in journalism at Notimex, a Mexican news agency, where he wrote mostly in Spanish about the stock market and the financial world.



Miriam Berkley

From 1996 to 2000, he worked for America Economía, a business magazine for Latin America. In 2000, he moved to the Los Angeles bureau of the Wall Street Journal, where he covered issues related to the Hispanic community; Porter joined the New York Times in 2004, first as an economics writer in the newsroom and later as a member of the editorial board. Once at the Times, he had the opportunity to explore his long-standing interest in the subtlety of prices. “Slowly,” he shared, “the broader idea that prices are involved in every one of our decisions, that economics affect people’s behavior gelled for me.” His research resulted in *The Price of Everything: Solving the Mystery of Why We Pay What We Do*, published in 2011.

In the following selection, taken from the “The Price of Happiness” chapter in *The Price of Everything*, Porter sheds some light on the “slippery concept” of happiness. As you read his essay, notice how he explores many different perspectives—from Gandhi, Lincoln, and Kennedy to Freud and even Snoopy—on the meaning of happiness, the pursuit of which is guaranteed in the U.S. Constitution, before settling on a broad definition from the world of economics.

### Reflecting on What You Know

What makes you happy—a good relationship? A delicious meal? Satisfying or rewarding work? Money? Is happiness a term that’s easy for you to define, or do you find it somewhat elusive? Explain.

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Happiness is a slippery concept, a bundle of meanings with no precise, stable definition. Lots of thinkers have taken a shot at it. “Happiness is when what you think, what you say, and what you do are in harmony,” proposed Gandhi. Abraham Lincoln argued “most people are about as happy as they make up their minds to be.” Snoopy, the beagle-philosopher in *Peanuts*, took what was to my mind the most precise stab at the underlying epistemological problem. “My life has no purpose, no direction, no aim, no meaning, and yet I’m happy. I can’t figure it out. What am I doing right?”

Most psychologists and economists who study happiness agree that what they prefer to call “subjective well-being” comprises three parts: satisfaction, meant to capture how people judge their lives measured up against their aspirations; positive feelings like joy; and the absence of negative feelings like anger.

It does exist. It relates directly to objective measures of people’s quality of life. Countries whose citizens are happier on average report lower levels of hypertension in the population. Happier people are less likely to come down with a cold. And if they get one, they recover more quickly. People who are wounded heal more quickly if they are satisfied with their lives. People who say they are happier smile more often, sleep better, report themselves to be in better health, and have happier relatives. And some research suggests happiness and suicide rates move in opposite directions. Happy people don’t want to die.

Still, this conceptual *mélange*<sup>1</sup> can be difficult to measure. Just ask yourself how happy you are, say, on a scale of one to three, as used by the General Social Survey. Then ask yourself what you mean by that. Answers wander when people are confronted with these questions. We entangle gut reactions with thoughtful analysis, and confound sensations of immediate pleasure with evaluations of how life meshes with our long-term aspirations. We might say we know what will make us happy in the future—fame, fortune, or maybe a partner. But when we get to the future, it rarely does. While we do seem to know how to tell the difference between lifelong satisfaction and immediate well-being, the immediate tends to contaminate the ontological.

During an experiment in the 1980s, people who found a dime on top of a Xerox machine before responding to a happiness survey

<sup>1</sup>*Mélange*: a mixture of often incongruous elements.

reported a much higher sense of satisfaction with life than those who didn't. Another study found that giving people a chocolate bar improved their satisfaction with their lives. One might expect that our satisfaction with the entire span of our existence would be a fairly stable quantity—impervious to day-to-day joys and frustrations. Yet people often give a substantially different answer to the same question about lifetime happiness if it is asked again one month later.

Sigmund Freud argued that people “strive after happiness; they want to become happy and to remain so.” Translating happiness into the language of economics as “utility,” most economists would agree. This simple proposition gives them a powerful tool to resist Bobby Kennedy’s proposal to measure not income but something else. For if happiness is what people strive for, one needn’t waste time trying to figure out what makes people happy. One must only look at what people do. The fact of the matter is that people mostly choose to work and make money. Under this optic, economic growth is the outcome of our pursuit of well-being. It is what makes us happy.

This approach has limitations. We often make puzzling choices that do not make us consistently happier. We smoke despite knowing about cancer and emphysema. We gorge on chocolate despite knowing it will make us unhappy ten pounds down the road. Almost two thirds of Americans say they are overweight, according to a recent Gallup poll. But only a quarter say they are seriously trying to lose weight. In the 1980s a new discipline called Prospect Theory—also known as behavioral economics—deployed the tools of psychology to analyze economic behavior. It found all sorts of peculiar behaviors that don’t fit economics’ standard understanding of what makes us happy. For instance, losing something reduces our happiness more than winning the same thing increases it—a quirk known as loss aversion. We are unable to distinguish between choices that have slightly different odds of making us happy. We extrapolate from a few experiences to arrive at broad, mostly wrong conclusions. We herd, imitating successful behaviors around us.

Still, it remains generally true that we pursue what we think makes us happy—and though some of our choices may not make us happy, some will. Legend has it that Abraham Lincoln was riding in a carriage one rainy evening, telling a friend that he agreed with economists’ theory that people strove to maximize their happiness, when he caught sight of a pig stuck in a muddy riverbank. He ordered the carriage to stop, got out, and pulled the pig out of the muck to safety.

When the friend pointed out to a mud-caked Lincoln that he had just disproved his statement by putting himself through great discomfort to save a pig, Lincoln retorted: “What I did was perfectly consistent with my theory. If I hadn’t saved that pig I would have felt terrible.”

So perhaps the proper response to Bobby Kennedy’s angst is to agree that pursuing economic growth often has negative side effects—carbon emissions, environmental degradation—that are likely to make us unhappy down the road. Still, it remains true that American citizens—and the citizens of much of the world—expend enormous amounts of time and energy pursuing more money and a bigger GDP because they think it will improve their well-being. And that will make them happy.

### Thinking Critically about This Reading

What do you think Porter means when he says, “While we do seem to know how to tell the difference between lifelong satisfaction and immediate well-being, the immediate tends to contaminate the ontological” (paragraph 4). Do you agree with Porter?

### Questions for Study and Discussion

- Porter opens his essay with the statement, “Happiness is a slippery concept, a bundle of meanings with no precise, stable definition.” How does he illustrate this generalization? (Glossary: *Example*) How effective did you find this beginning? (Glossary: *Beginnings and Endings*)
- According to Porter, what are the three parts of what psychologists and economists call “subjective well-being” (2)? Why is it useful to have this information when discussing the meaning of happiness? Explain.
- In what ways is happiness related to a person’s “quality of life” (3)? What character traits, according to Porter, do happy people possess?
- What point does Porter make with the story about Abraham Lincoln and the pig?
- How does Porter use economics to explain what he thinks happiness is? What are the limitations, if any, of his economic model?