

## BOOK REVIEWS

### *Parents and Teachers as the Founders of Happiness*

Review of Paul Martin's "*Making Happy People; the Nature of Happiness and its Origins in Childhood*". London, UK: Fourth Estate, Harper Collins Publishers, 2005. ISBN: 0-00-712706-5, 306 pp.

Paul Martin lectured and researched in behavioural biology at Cambridge University. He has been a policy-adviser for the government and wants to shift the direction of public policy away from crude economic goals like wealth to "well-being" and "quality of life". His book does not contain new results in happiness research but offers an interesting translation of the now available results into practical advice for everybody who is interested in happiness. There is some specific advice for governments, parents and teachers. The book is very well written and structured.

### THE NATURE OF MARTIN'S HAPPINESS

Martin defines happiness as a mental state composed of three distinct elements:

- the presence of pleasant positive moods or emotions;
- the absence of unpleasant negative moods or emotions and
- satisfaction, on reflection, with life in general or with at least some specific aspects of life. This definition is rather demanding; many researchers usually just ask for life satisfaction, assuming that respondents somehow assess their positive and negative emotions when they reflect on life satisfaction. Martin is positive about the existing techniques to measure happiness and expects that the analysis of electrical and chemical brain activities will contribute to this measurement.

In Martin's vision happiness has only positive consequences and no negative ones. Happiness breeds success and it is good for your immune system. Unhappiness can be a useful warning that there is something wrong that has to be changed. Objective circumstances are important but happiness is, according to Martin, mostly in the mind. A critical remark at this point could be that this is only true if we compare people who live in comparable circumstances. The profound differences in the average level of happiness in different nations demonstrate that objective circumstances can have a considerable impact, more or less independent of personal characteristics. Further on in his book Martin recognizes the impact of circumstances in a paragraph titled 'Geography', but this has no visible influence on his vision that personal characteristics are the dominant factors.

#### CHARACTERISTICS OF HAPPY AND VERY HAPPY PEOPLE

In order to find the causes of happiness Martin makes an inventory of 17 characteristics of happy people, people living in rich nations like the UK.

Characteristics of happy people, according to Martin

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1. Connectedness	10. Optimism
2. Social and emotional competence	11. Outward focus
3. Freedom from excessive anxiety	12. Present- and future-mindedness
4. Communication skills	13. Humour
5. Engagement in meaningful activity	14. Playfulness
6. A sense of control	15. Wisdom
7. A sense of purpose and meaning	16. Freedom from excessive materialism
8. Resilience	17. Regular experience of flow
9. Self-esteem	

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Compared to *happy* people *very happy* people are even more connected and sociable; this finding by Ed. Diener and Martin Seligman, underlines one of the central themes of Martin's book; that personal relationships are the single most important building block of happiness, Martin makes an inventory of

other ingredients of happiness like geography (characteristics of nations like wealth, culture and politics), genes (influence personality and temperament), health, sleep, physical exercise (very important, as he admits!), education, religion and looking good. Martins also makes an inventory of misunderstandings about happiness in the chapters 'Snares and Delusions' and 'Wealth and Celebrity'. Some examples: mindless pleasure, an easy life, youth and sex, intelligence, empty self-esteem, mindless optimism and drugs. Martin is very critical about the negative effects of TV and advertising on happiness; many people spend too much time watching TV at the expense of their social relations and a good night's rest, and advertising creates excessive materialism.

#### **WHAT GOVERNMENTS COULD DO**

Martin makes an inventory of possible government actions to increase happiness. This inventory is relatively short. Many governments behave as though economic growth is the key to happiness while they, in Martins vision, should give priority to improving personal happiness. At this point he explicitly supports economists like Richard Layard and Andrew Oswald. Governments should consider using taxation or regulation to discourage advertising.

In Martin's vision governments should spend more money on improving mental health and they should put a higher priority on minimizing unemployment, since unemployed people are less happy, less healthy and shorter-lived than people with jobs, Governments should also seek to reduce inequalities in wealth since reducing the disparity between the richest and the poorest tends to raise the average level of happiness in society.

#### **ADVISE FOR PARENTS AND TEACHERS**

The last two chapters in Martin's book are interesting since they contain practical advice for parents and teachers. The love of parents for their children should be unconditional; independent of the characteristics and the behaviour of the child. But in

their behaviour parents should be critical and provide their children with useful feedback and not shy away from conflict when enforcing the boundaries they have set. In Martin's vision parents should be "authoritative"; that is:

- Warm, supportive and unconditionally loving, but not overindulgent.
- Aware and involved, but not interfering or overly controlling.
- Clear and firm about boundaries, but not excessively risk-averse,
- Permissive within those boundaries, but not neglectful.

Education also plays a crucial role in people's happiness. The personal qualities of happy people are the same as the ones needed to be successful in school, university and in the workplace. Happy pupils learn better and achieve more; so there is no tension between achievements and happiness. However, an educational system that had happiness as one of its key performance indicators would be, in Martin's vision, somewhat different in the sense that it would:

- Promote lifelong love of learning for its own sake.
- Be less preoccupied with short-term measurable attainment.
- Place greater emphasis on social and emotional development.
- Let children play.
- Stop encouraging children to acquire academic qualifications at a younger age.

Martin apparently advocates *lifelong happiness* as a key performance indicator in education. The distinction between intrinsic and extrinsic motivation is important in his plea. People are intrinsically motivated when a task is inherently rewarding; people want to do it for its own sake because it is enjoyable or satisfying. Extrinsic motivation, on the other hand, depends on some form of external reward or punishment such as money, social status, gold stars, praise or the fear of failure. Intrinsic motivation is crucial for lifelong happiness and education systems – and parents – should avoid undermining intrinsic motivation by placing too much weight on extrinsic rewards like

grades, qualifications and the fear of failure. Such undermining can have long-term negative effects on happiness. All in all the book apparently ends where the foundations for happiness are created by parents and teachers.

#### COMMENTS

Martin's message about the importance of intrinsic motivation and the responsibilities of parents and teachers – and perhaps we may include employers – to maintain this type of motivation is very convincing and appears to be valid in most parts of the world. Perhaps his proposals for government actions are more specifically related to the situation in the UK. Looking at these proposals “from abroad” we can make two critical remarks.

1. Martin's proposal to tax advertising would probably be rather ineffective in many nations. Eventually consumers pay for advertising and advertisers would continue their business as usual; perhaps with even higher profits. Another serious drawback is that such taxation would make the markets less accessible for new and/or relatively small competitors, which would diminish competition and lead to higher prices. Perhaps it is preferable to diminish the intrusiveness of advertising on TV and radio by demanding a minimum duration for commercial messages of about 15 min; plus prior announcements comparable to the announcements for regular programmes. These regulations would rule out brainwashing tactics and would create real opportunities for consumers to choose freely whether they want to be confronted with commercials or not. Another option is prohibiting advertising directed at children as in Sweden.
2. A critical remark about Martin's proposal to act against inequality in wealth could be that the negative impact of such inequality on happiness is disputable. Economic growth leads to higher levels of happiness but also to more inequality in income and wealth. This creates a positive correlation between higher levels of happiness and inequality in wealth. The impact of income inequality on happiness

inequality is however rather limited. In poor nations this impact is limited since many goods and services are directly consumed in subsistence farming or bartered within families or local communities, without financial transactions. In rich nations many governments apply a variety of income policies and this has made the availability of important goods and services, like food, education and medical care, less dependent on personal income. To neutralize the potential negative effects of income inequality governments should keep an eye on the happiness of lower income groups, but there is no strong argument to fight financial inequality in general (Ott, 2005).

These marginal notes about actual proposals do not change the fact that Martin's book contains a strong and convincing demonstration of an evidence-based utilitarian policy approach.

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*Call For Policy Shift To Happiness*

Review of Richard Layard's "*Happiness; Lessons from a New Science*". New York: The Penguin Press, 2005, ISBN: 1-59420-039-4, 310 pp.

Richard Layard is an economist and an expert in unemployment and inequality. He worked for the British government as

an economic advisor and in 2000 he became a member of the House of Lords. His ambition is to shift the direction of public policy away from crude economic goals like wealth to “well-being” and “quality of life”. Layard advocates an evidence-based utilitarian policy approach and tries to demonstrate how the insights of the new happiness science, in particular positive psychology, can be incorporated in economics in order to develop a new vision of which lifestyles and policies are sensible.

For Layard, happiness is feeling good and wanting to maintain this feeling. Unhappiness is feeling bad and wishing things were different. If people report their feelings, they take a long view and accept ups and downs. Since positive feelings damp down negative feelings and vice versa we may assume that happiness is a one-dimensional concept; it is not possible to be happy and unhappy at the same time. Layard rejects – as being paternalistic – the idea of John Stuart Mill to distinguish between types of happiness in terms of higher pleasures, associated with virtuous conduct and philosophical reflection, and lower superficial pleasures. Layard does believe, however, that people who achieve some sense of meaning in life are happier than those who live from one pleasure to the next.

#### IDENTIFYING THE PROBLEM

Layard’s book consists of two parts; Part 1; “The problem” and Part 2 “What can be done”. Layard’s problem is that Western people still want more income even though their income has risen considerably in the last 50 years without any substantial increase in average happiness. In explaining this paradox; also formulated by Easterlin in 1974, Layard puts a lot of weight on the effects of social comparison: our wants are not given but depend on what other people have. Social comparison implicates that people who make more money make other people less happy. Additional explanations are the frustration of two basic needs: the need for security and the need for trust in other people.

Layard posits that seven factors affect happiness in adult life; these “big seven” are:

1. Family relationships
2. Financial situation
3. Work
4. Community and friends
5. Health
6. Personal freedom
7. Personal values

The first five factors are given in order of “importance”. In the last 50 years the financial situation of people, the quality of work and health have improved but family relationships, the strength and safety of communities and the prevalence of unselfish values have deteriorated.

#### **HAPPINESS AS OUR COMMON GOOD**

After some additional analyses of the causes of this deterioration, like broken families, divorce rates, children born outside marriage, television, increased crime and decreased trust, Layard poses the question whether people need a common good. His answer is positive; people care about their reputation and about social approval by others, they have a sense of fairness and want to make commitments. As a consequence they need a common good or goal as a single overarching principle; to solve problems between existing rules, to review rules and to help in situations where rules provide little guidance.

In the first chapter of Part 2 he argues that the greatest happiness should be this single common goal. According to Layard happiness is different from all other goals like health, autonomy, accomplishment and freedom, because it is self-evidently good and not just instrumental in achieving alternative goals. As the American Declaration says: it is a “self-evident” objective. Layard rejects several objections against his utilitarian choice for happiness as the ultimate goal. A well-known objection against the happiness principle is that one innocent person could be killed to set an example for others, with positive effects on average happiness. Layard rejects this objection on the grounds that a happy society has to live by rules, sparing the innocent, telling the truth, keeping promises and so on.

### ADAPTATION OF ECONOMICS

In Chapter 9; “Does economics have a clue?” Layard evaluates the existing economic theory from his utilitarian point of view. Economic theory is correct in his vision in the sense that free markets are indeed very efficient; but only if certain conditions are fulfilled. Layard is concerned in particular with the importance of “externalities”. Externalities are the costs of activities that are not expressed in money, like the happiness cost of the filthy smoke from a mill to the unfortunate neighbors. The mill owner did not take into account such costs when he laid his production plan. To make his plan efficient he should be taxed for such costs. Layard’s key message is that such externalities are pervasive in social life by social comparison: when my colleague is given a raise, this affects me in a negative way even though I am not a party to the exchange. In principle economics can allow for all these interactions to be taken into account, but this the exception in practice. There is a similar systematic failure in cost-benefit analysis. In such analyses losses in happiness, as for people who live in a neighborhood where a new highway will be constructed, should be incorporated but this too seldom happens.

To avoid such failures economists should focus less on purchasing power and more on the process of how well-being is generated. There are five features to be included in such a new vision:

- *Inequality*. Extra income matters more to the poor people than to rich.
- *External effects*. Other people affect us indirectly and not only through exchange.
- *Values*. Our norms and values change in response to external influences.
- *Loss-aversion*. We hate loss more than we value gain.
- *Inconsistent behavior*. We behave inconsistently in many ways.

External effects and changes in values are the two most salient subjects on this list.

**EXTERNALITIES**

Layard mentions seven examples of external effects.

- *Income*. If other people's income increases, I become less satisfied with my own income.
- *Work*. If my friend receives a performance bonus, I feel I should have one too.
- *Family life*. If divorce becomes more common, I feel less secure.
- *Community*. If a transient population moves into my neighborhood, I am more likely to be mugged.
- *Health*. If more social networks form in my neighborhood, I am less likely to become depressed.
- *Freedom*. If people cannot speak their mind, I am impoverished.
- *Values*. If other people become more selfish, my life becomes harder.

This list of examples demonstrates Layard's broad and social interpretation of the externality-concept. In his vision values are important for happiness, since happiness depends on the gap – or correspondence – between people's wants and people's actual property like cars and bedrooms (p. 139). People's needs depend in their turn on changing values; people get used to what they have and, comparing themselves with other people, they usually adapt their values and want more. These comparisons permanently create bigger or smaller gaps between reality and needs with negative or positive effects on happiness. In this way social comparison by one individual always creates external effects in the interaction between other people; as is demonstrated in Layard's seven examples of external effects.

**HOW CAN WE TAME THE RAT RACE?**

In Chapter 10, "How can we tame the rat race?", Layard describes some possibilities to create better conditions for happi-

ness in Western societies. He reformulates and emphasizes again the importance of social comparison by demonstrating the impact of hierarchical status on happiness with statements like the following on p. 150.

‘We want to entertain other people as well as they entertain us, and we want our children to have the things their friends have. These are not ignoble sentiments of envy; the desire for status is basic to our human nature.’

Money is one of the things that bring status and if money was simply wanted for the sake of status, the quest for money would be totally defeating. The number of ranks in income distribution is fixed, and one person’s gain would be another’s loss. Fortunately people also want income for its own sake and not only for its value relative to others. At this point Layard refers to a study that found that people care about absolute income twice as much as they care about relative income (Blancheflower and Oswald, 1999, 2000, 2004), The struggle for relative income is self-defeating and should be discouraged. A collective agreement would be a solution but there are too many people to make such an agreement possible; we need to find some other way.

Layard has five ‘other ways’ or principal proposals to tame the rat race.

1. Tax on income from work, or in Layard’s words, ‘taxing pollution’ in order to help people to preserve their work-life balance.
2. Taxing addiction, like a tax on cigarettes, to compensate for the fact that people do not sufficiently anticipate the addictive effects of certain products.
3. Discourage performance related pay because this type of payment stimulates dysfunctional social comparison and undermines intrinsic motivation.
4. Ban commercial advertising directed at children under 12 like in Sweden.
5. Create a better balance between competition and co-operation by stimulating co-operation.

### COMMENTS

Layard's argument is strong and interesting and the following remarks, about his selection of research results and about the logic of his proposals, seem to be appropriate.

#### **Selection of Research Results**

- In his selection of research results, Layard is inspired by his Labor background and in some points his selection is somewhat selective. His list of seven important factors for happiness is not clearly related to empirical research.
- Layard's assessment of the importance of social comparison is not very precise. He admits that people care more about absolute income than about relative income but he still puts a lot of weight on social comparison.
- Layard seems to overestimate this importance of social comparison for happiness. Social comparison is important but cannot really explain differences in happiness within nations and between nations. Differences in objective circumstances like wealth, freedom and institutional developments are more influential. One reason is that people can only compare themselves in a few domains of life like financial situation and work. In important domains of life like community and social relations, marriage, leisure and physical and mental health, such comparison is difficult or even impossible in practice.
- Perhaps as a consequence Layard seems to overestimate the negative effect of income-inequality on happiness. There is no significant correlation between income inequality in nations and inequality in happiness. In rich nations this is probably due to the fact that governments apply income policies, including social security and many transfers and subsidies. This has made the availability of important goods and services, like food, education and medical care, less dependent on personal income (Ott, 2005).

#### **Logic of Proposals**

- In this light Layard's proposal to tax income from work, in order to help people preserve a balance between their work

and their life, is somewhat premature and drastic. Premature since income inequality has no substantial negative effect on happiness and too drastic since problems in the balance of work and life are usually rather specific and related to temporal overload. Such problems require more flexibility and individualization in the division of work; this can be achieved by specific policies. The Scandinavian countries and the Netherlands have some interesting legislation in this respect. In the Netherlands employees – men and woman – are for instance entitled to maternity leave, parental leave, emergency leave and adjustment of working times.

- Layard's other proposals (2/5) are more convincing. Performance related pay is an old-fashioned carrot-and-stick approach; outdated in a modern economy where knowledge has become a key-factor for productivity. Advertising has become a real intrusive nuisance in western societies with negative effects on happiness from stimulating extrinsic motivation and materialism at the expense of intrinsic motivation.

All in all Layard seems to be a bit too pessimistic about happiness in rich nations. Perhaps the increase in happiness is low compared to the increase in wealth in the last 50 years but we should appreciate – at least! – two facts: the level of happiness is very high? and the relationship between income and happiness has become rather loose. Politicians should cherish this distance between income and happiness and further increase it. In addition to that, happiness probably requires the identification and tackling of specific problems; like work overload, mental problems, performance related pay and advertising. Despite some pessimism and some selectiveness in research interpretation, Layard has made a strong argument in favor of an evidence-based utilitarian policy approach.

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*Situational Happiness*

Review of Rotraut Walden's "Glück and Unglück; Glücks- and Unglückserlebnisse aus interaktionistischer Sicht" (Happiness and Unhappiness: An Interactional View on Experiences of Happiness and Unhappiness). Ansanger Verlag: Heidelberg, 2003, ISBN 3-89334-408-X.

This book, a dissertation, consists of two parts. The first part reviews much of the research on happiness and emotions and the second part is empirical in nature.

The first part is thorough. Walden offers short and adequate summaries on work that has been done on positive affect and happiness, but it is not altogether clear who will profit from all this work, Walden does not offer enough guidance to readers who are new to the field. The descriptions of existing viewpoints and data are scant, which makes these texts difficult to follow. The book also lacks a meta-view that could put the building blocks firmly into place. The different elements exist next to each other, but it is largely up to the reader to see cohesion. Readers who are familiar with the field are less vulnerable to this problem, but such readers have less reason to read this part. The summaries do not offer new viewpoints, so experts can only refresh their memory and check whether their knowledge is complete.

Such readers can start reading from page 95, the beginning of the empirical part. Walden rightly considers this second part

as the heart of the book. This part offers additional value because it studies happiness as an emotion in great detail. Walden's work is interactional in nature. She studies the events which make people feel good or bad, how people react to the situation and how important individual preferences for social or technical work are in these circumstances. This is accomplished with questionnaires, so the validity of the results depends on the self-knowledge of the participants. This is a potential drawback. To give just one example: in the review of Baumeister (2003) self-confidence was almost unrelated to performance in different aspects of life, like school grades, giving-up smoking, preventing unwanted pregnancies and having good social relations. Taking initiative is the exception because self-confidence is really helpful in this respect.

Examples of positive events studied by Walden are: getting to know a new partner, finding recognition in a group, feeling one with nature, the birth of a child and solving a difficult task. Negative situations are the loss of some one close, losing face in a group, falling ill, being disappointed by a person you love and being the cause of an accident.

According to the participants happy situations lead to a range of affective reactions like feeling that life is worthwhile, feeling strong, free and aware. Other strong tendencies are the urge to do things, to laugh and to feel relaxed. Less strong reactions in happy situations are making plans for the future, searching for contact with others, being more sensitive to other people and feeling safe and well taken care of. Not typical and not atypical of happy situations are helping, listening to music, dancing, singing, to stop thinking, thinking things over and buying things. Eating, drinking, watching television and withdrawing are very uncommon in happy situations.

In unhappy situations the most common behaviour is thinking things over, feeling down, lonely and withdrawing. Neither typical nor atypical are crying, feeling tired, listening to music, searching for contact with others, missing the meaning in life and talking to oneself. Atypical reactions are helping, buying, eating, drinking, watching television and doing handwork. If we add the individual differences to these situations it is clear that young people tend to show a stronger reaction to unhappy or

happy situations than older people, women react more strongly than men, and people in social occupations react more strongly than people who work in the natural sciences. But the individual differences within these groups can be quite pronounced.

Walden's work on happiness is based on a broad interactional viewpoint and her findings are intriguing. For example, why didn't the participants want to eat when they experienced an unhappy event? Food can often offer consolation, but perhaps the events described are too severe for such an easy way out. Or maybe the participants only answered the question with the strict time limits of the event described in mind and, of course, you do not eat while losing face in a group. The eating is done when you are alone at home with a well-filled refrigerator. But Walden pays little attention to a discussion of the dynamics of the emotional reactions to the event and she does not refer to the research about the long term consequences of life events on happiness, like that of Headey and Wearing (1992). The theoretical and practical implications of her findings are not very clear. Walden describes the different trees in the neighbourhood, but does not get into the helicopter to describe the forest. She leaves the reader with the 'so what' question.

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