Happiness, Misery and Wealth

The U.S. Declaration of Independence enshrines "the pursuit of happiness" as an inalienable right. But what is happiness? Who is happy? And how does one pursue that elusive experience of well-being? A recent issue of *Time*\(^1\) explores recent "happiness research" that suggests some answers.

Imagine a "happiness-misery index" calibrated from minus five (despair) to plus five (bliss). Modern psychology is preoccupied with misery—the dark realm of mental illness. Psychology's goal is to move patients' misery index from minus towards zero. Until recently, few serious psychologists focused on the happiness index north of zero. Mea culpa: my book on lawyer quality of life focuses on alleviating professional misery, rather than happy lawyering.\(^2\)

New research is exploring happiness—optimism, positive emotions, healthy character traits, our experience of well-being. What makes the human heart sing? Happiness research recalls some old lyrics: "accentuate the positive, eliminate the negative".

Happiness researchers agree that neither wealth nor income raise our sense of satisfaction with life, once basic needs are met. Nor does education or a high IQ. The cerebral virtues—curiosity and love of learning—are less tied to happiness than the interpersonal virtues—kindness, gratitude, and capacity for love. Youth isn't a factor either. Older persons are more consistently satisfied and less prone to dark moods. Married persons seem only slightly more content than singles, not because they're married, but because they started out healthier and happier than singles.

The big contributors to happiness appear to be: religious faith, strong ties to friends and family when coupled with spending time with friends and family. Religious people enjoy more social support, spiritual support, a sense of purpose and meaning, and tend to avoid risky and stressful behaviors.

No one maintains a constant state of bliss. The happiest are down at least 10% of the time; the depressed are elevated about the same amount. Observes one dour evolutionist, we were born for fun i.e. copulating and eating, but neither lasts. One survey of Texas women listed their happiest activities, in order of importance, to be: sex, socializing, relaxing, praying and eating. Even the happiest are brought low for extended periods of time by loss of spouse or loss of job. The sources of one's capacity for happiness seem to be 50% genetic and 50% the cumulative effect of "slings and arrows" i.e. experience.\(^3\)

As one moves upscale on the happiness-misery index, physical well-being improves. The physiological center of happiness appears to be in the left prefrontal cortex of the brain. Neurophysiologists confirm a correlation between happiness and the development of antibodies, resistance to heart disease, diabetes and upper respiratory infections. It's correspondingly unhealthy downscale. Those who are anxious and depressed are more susceptible to disease.

Laughter—"evolution's whooppee cushion"—exercises the heart and elevates our mood. Laughter is contagious: we laugh thirty times more often in social situations than when alone. Men are the leading laugh getters; women are the leading laughers.

Despite a huge growth in affluence since WWII, levels of happiness have remained essentially flat. However, clinical depression is three to ten times as prevalent today as two generations ago. One in fifteen Americans experience an episode of major depression e.g. can't get out of bed. Any suggested correlation between affluence and happiness is therefore suspect.

Of course being poor can cause depression, but we know that. One researcher says that after income exceeds $50,000 annually, happiness and affluence decouple. Further income increases don't drive happiness upscale. The Forbes 400 are only slightly happier than the public at large. Moreover, as
Americans move up the economic ladder, they almost immediately stop feeling grateful for their elevated circumstances and focus on what they still don't have. Whatever their income level, Americans believe they need more to live well. Those who anticipate they'll get still more seem happier.

Happiness at work is being studied. Where "meaningfulness, authentic leadership, and emotional competence" are present in the workplace, there is reduced turnover, more profitability and a competitive edge. A psychologist father-son team administered a "subjective well-being" questionnaire to members of many cultures around the world. Their survey results correlate happiness and annual per capita income with some surprising results. Latin Americans (along with Americans) are among the happiest, while East Asians (Japan, China, South Korea) are among the least happy, with somber Lithuanians and Russians at the bottom.

British Economist Richard Layard examines the role of public happiness in formulating social and economic policies. He endorses the authors of the Declaration of Independence. Public policy should be judged by how it increases human happiness and alleviates human misery. Layard credits focus on public happiness with much of the social progress accomplished over the last two centuries. He castigates economic thinkers for fallaciously viewing human interaction as a means to an end, rather than as a worthy end in itself. Building stable (and happy) families, communities and workplaces deserve to be very high public priorities.

So, if this happiness research is more or less valid, what are its implications for wealthy families and their advisors?

Chinese restaurant menus typically offer an entre called "Happy Family" along with rice and a fortune cookie. The *Time* report doesn't address shared family happiness (or shared family misery), though the research strongly implies that a shared fortune has little effect in either direction, even upon the Forbes 400.

If there were a family happiness-misery index, the wealthy families I have advised would be distributed up and down the scale, without regard to the amount of wealth or how it is managed or consumed. A family's place on the scale would be determined largely by how they manage their relational estate—the whole web of interpersonal relationships that connects them across generations. If the relational estate is distant, expect the family index to drift downscale. If locked in family litigation, it will dive.

A family's relational estate is high maintenance. It's an effort just to keep its index unchanged. A chief hazard is family preoccupation with the wealth itself and corresponding neglect of the relational estate; the powerful inclination to equate financial well-being with family happiness.

Upscale progress on the family happiness-misery index requires hard work. In my experience, the best vehicle for that hard work is an active family council.

—Gerald Le Van, February 2005

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2 Le Van, "Lawyers' Lives Out of Control: A Quality of Life Handbook"
3 To move up the happiness-misery index researchers counsel: (1) count your blessings (2) practice kindness (3) savor joys (4) thank your mentors (5) exercise forgiveness (6) invest time and energy in family (7) take care of your body and (8) develop coping strategies for stress and hardship.
4 By definition work is unpleasant compared to what else we could be doing—that's why we get paid. But it's still better business to pay attention to what employees want and need. Here's some happiness researcher advice for managers: (1) Be there every day—don't count on work appreciation days to boost morale. (2) Don't be a fair weather friend. Retain employees during economic down times; scale down if necessary, but don't terminate. (3) Regard team members as individuals; use each employee's strengths. (4) Silence isn't golden; don't just talk to them when they screw up. (5) Encourage employee friendships, a best friend at work. (6) Be interested in employees' lives beyond work—their homes, kids, their weekends. (7) Be yourself—they recognize phonies readily. (8) Remind subordinates how important their contributions are—that their work matters.
6 See Le Van, "Your Family's 'Relational Estate'”. Families in Business, May/June 2005;