

It's not me, it's you: money, education work and happiness

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1. INTRO

Does the size of our bank account, whether we have graduated or managed to land a 'great' job matter for our happiness? The answer is yes - but, as is usually the case with research, it depends.

This research investigates how the answer to this question depends on two things - (1) what happiness means and (2) our position relative to other people.

2. HAPPY

The definition of happiness has been debated for thousands of years (e.g. Aristotle, Bentham).

There are differences between our thoughts and feelings, or our 'evaluations' and 'experiences' (e.g. Kahneman & Riis, 1995).

There are also differences between 'pleasure' and 'purpose'. Watching TV might feel more pleasurable and working might feel more purposeful (Dolan, 2014, Dolan & Kudrna, 2016).

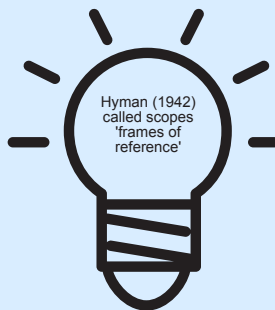
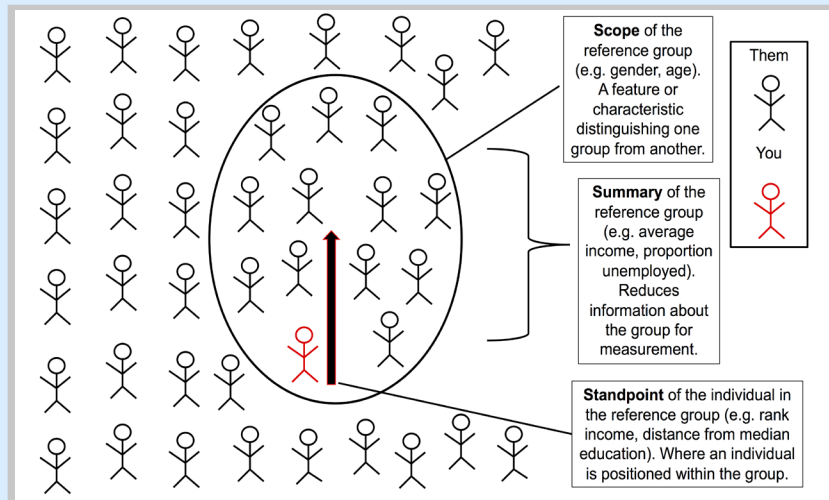
3. RELATIVE

Our happiness doesn't just depend on what we have but on what others have.

Reference groups are the people to whom we compare (Hyman, 1942; Runciman, 1966) or simply know about.

In prior research on income and education, when other people do better than us - regardless of how we are doing - our happiness is usually lower though not always (e.g. Luttmer, 2005; Davis & Wu, 2013; Nikolaev, 2016).

But which groups matter for our happiness?



4. METHODS

A new reference group framework (top left figure) was created because the reference groups in prior research were very different between studies.

300+ reference group measures were created from various scopes, summaries and standpoints (word cloud, bottom left).

8 measures of happiness were used and nearly 4K regression models were analysed by importing a p-value ranking approach from genetics research.

US & UK datasets: American Time Use Survey (ATUS) & English Longitudinal Study of Ageing.

5. RESULTS

More money, education & employment generally improved people's thoughts but not always their experiences. In ATUS, high income (\$100K+) was associated with less feelings of pleasure & purpose relative to some other lower income groups.

The scope age mattered consistently for happiness & geography alone never did. Summary outperformed standpoint measures. When others did better than us, we were less happy - except higher unemployment rates made us unhappy.

6. CONCLUSION

The ways that work, education and employment affect happiness depend on how happiness is measured.

We need to identify with our neighbours in some way, such as age, in order for comparisons to them to matter for our happiness.

Low income is associated with less happiness but high income can also be associated with less happiness. An argument for redistribution?

Do household surveys capture everyone?