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From Welfare to Well-Being and Happiness*

A tragic fallacy in the Western world is the belief that higher income leads to greater happiness. Empirical evidence shows that not money but people make people happy. The more - the better strategy is a destructive track. Happiness is activity based and strongly related to self-realization and orientation toward others.

The GDP-based welfare approach is a materialistic, economic description of human wellness. There is a need to complement this approach with “well-being” as a holistic, multidimensional concept. Happiness research and positive psychology may contribute to the development of more fruitful measurements. Deep Ecology assumes a world-view that looks at organisms as knots in a field of intrinsic relations. Its fundamental theorem is the self-realization of all beings – not only of man. Self-realization for humans cannot be obtained unless they take into consideration the self-realization of other sentient beings.

The Buddhist Kingdom of Bhutan demonstrates a comprehensive approach to human well-being by employing the measure of Gross National Happiness. In contrast Norway is a rich country which has problems of welfare diseases called "affluenza".

Keywords: material welfare, GDP; the happiness paradox, well-being, good life.

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11.1 The Tragic Search for Happiness

His Holiness the Dalai Lama writes: "no matter what is our situation, whether we are rich or poor, educated or not, of one race, gender, religion or another, we all desire to be happy and to avoid suffering. Our every intended action, in a sense our whole life, how we chose to live it within the context of the limitations imposed by our circumstances - can be seen as our answer to the great question which confronts us all: 'How am I to be happy?'" (Dalai Lama, 2005. pp. 5-6).

There is a popular belief in the Western society that happiness can be achieved through the modern market which presumes that the good life is highly dependent upon a bundle of material goods. The more I can buy, own and consume the better. The logic is simple; more is better than less, and the material commodities are essential for achieving happiness. This idea is part of the consumer culture which dominates the Western world since the 1960s, a culture which created an ever-growing demand for goods. Many people consider shopping as the most important activities of their life. During the last 100 years we have seen a radical shift from a spiritually oriented culture of frugality into a materialistic culture of hedonism supported by the modern media like television, movies, videos, magazines. The commercials and advertising activities in those media homogenize perspectives, tastes and desires. In 2011 the corporate spending for advertisement was more than USD 500 billion globally. Happiness pills have created a new industry called "happyology". In Norway from 1967 to 2010 the use of anti-depressants has grown from 0,4 % to 6 % of the population. It means that about 300.000 people in a country of 5 millions use "happiness pills" daily. And this happens in one of the richest countries in the world.

The ecological consequences of happyology are clear. The overuse of natural resources including ecosystem services is common in every Western country. In addition important psychological problems are connected with the high level material consumption. The problem is diagnosed by several writers as *affluenza*. As an analogue of influenza this metaphor is used to draw attention to the damage that material welfare causes to our health, families, communities, and the natural environment. The core of the affluenza is an obsessive quest for material gains in an endless effort to keep up with one's neighbors. Family-conflicts, higher rates of divorce, longer working hours, anxiety for children, rising debt, loneliness and rampant commercialism are the symptoms of the welfare disease. (James 2008, Hamilton and Denniss 2005, De Graaf et al 2001).

In his book “Living It Up: Our Love Affair with Luxury” J.B. Twitchell writes that the luxury spending in the US has been growing four times faster than the overall spending. The consumption of unnecessary goods and services is going on in different layers on society except on the lowest level. This phenomenon can be considered as a democratization of luxury. Twitchell contends that it has been the single most important marketing phenomenon of our time, and this love affair has united US and the globe in a way that no war, movement or ideology ever has. (Twitchell, J.B. 2002)

The extravagant, wasteful and conspicuous consumption is not a new phenomenon. It was described in Thorstein Veblen’s theory of the Leisure Class in the late 19th century. (Veblen 2005) Hamilton and Denniss (2005) argue that the obsession with material acquisition erodes the more desirable values of a fairer society, because the individualistic self-absorbed capitalism is replacing cooperation with competition. But this malady is not without hope. Different counter-cultures like ‘slow food’ and ‘downshifting’ are good examples of people that voluntarily search for a more simple living.

GDP (Gross Domestic Product) is the conventional indicator used for measuring a nation’s economic performance and its achieved material welfare. Such a one-dimensional materialistic approach to welfare leads to catastrophic consequences for the natural environment. It involves depletion of limited natural resources, and at the same time creates enormous mountains of waste, and more pollution in the ground and the atmosphere, which ultimately leads to more cancer and to climate change.

An indication of the tragic search for happiness is illustrated in *Figure 11.1* which compares the growth of income and the change of very happy people in the USA in the last five decades.

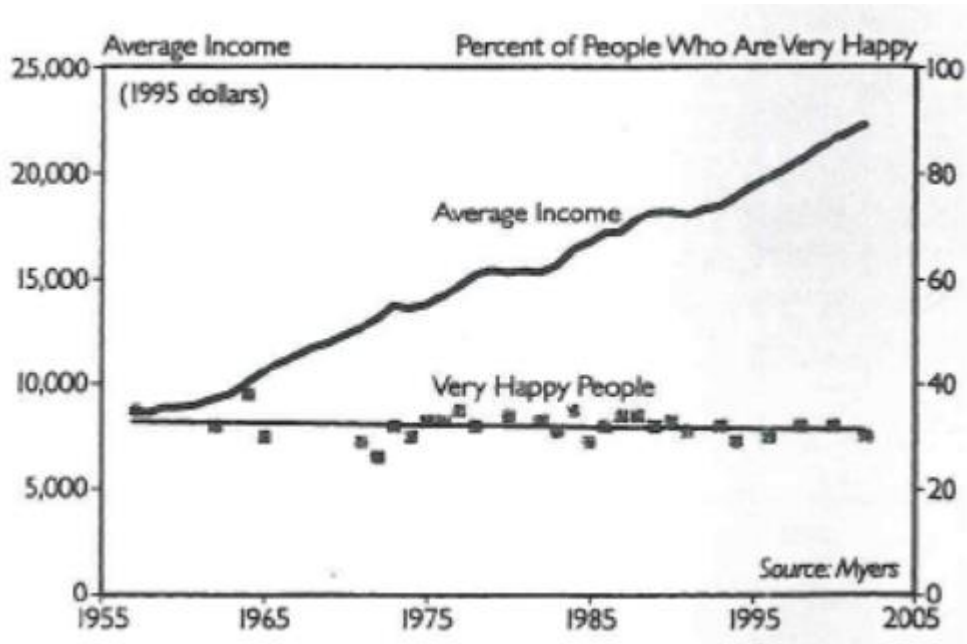


Figure 11.1 Average income and happiness in the United States, 1957-2002

(Source: *State of the World*, 2004)

Figure 11.1 shows that while the average income has increased and more than doubled in the USA in the last fifty years, the percentage of very happy people does not change despite of enormous economic growth. The phenomenon is known as the *Easterlin paradox* (or happiness – income paradox) referring to the American economist Richard Easterlin who described the phenomenon (Easterlin 1974, 1995, 2001, Easterlin and Angelsen 2009). The phenomenon is not only found in USA, but also in other affluent countries, including Japan. (Frey 2008, p 39). As a tentative conclusion we can state that the relation between income and happiness is "far more complex than income-oriented theorists have tended to presume" (Sen, A. 2009, p. 273).

11.2 Traditional Approaches to Happiness

11.2.1 The Welfare Approach

From 1930's onwards one particular method to capture people's "welfare" have been widely used. Its key focus has been economic growth measured in GDP (Gross Domestic Product). As a consequence economic policy became concentrated almost exclusively on the growth of income and the creation of wealth. The growth of income was regarded as "economic

progress". In 1948 the United Nations adopted an underlying System of National Accounts which made the standards of living and the level development of different economies comparable worldwide.

The results of the welfare focus produced surprising effect on human happiness. While income increased above a certain level, happiness did not. In the short run a certain increase in income may increase the level of welfare, that is, at a given point in time happiness varies directly with income, but over time happiness does not increase when a country's income increases. In the short term, when there are fluctuations in macroeconomic conditions, happiness and income are positively related. Easterlin's explanation is that in the long run the aspiration level will increase and people will adapt to the new income. This increase in the level of aspiration occurs when there is long term growth. However, when the income is not increasing, but decreasing, Easterlin does not find that the aspiration level adapts by being reduced. This means that people who suffer from a reduced income will suffer a loss in their welfare. Accordingly, there is no symmetry between an increase and a decrease in income. (Easterlin, R. 1974, 1995, 2001, Easterlin and Angelsen, 2009)

When comparing rich countries with poor countries, rich countries are usually happier on average. The evidence indicates that extra income matters only when we do not have a lot of it. Thus we have a phenomenon showing diminishing marginal returns.

In general economists are well aware of the short-comings of the GDP - approach. British economist Richard Layard (2005) criticizes GDP as a reductionist view on happiness. Frey & Stutzer (2002) points to the "destruction of utility" which is partly measured as output and in fact raises national product. The Norwegian philosopher Arne Næss makes fun of GDP and writes that the acronym means "Gross Domestic *Pollution*".

Clearly GDP is an unsatisfactory measure of happiness because;

- i. Everybody's dollar counts equally
- ii. GDP measures the average buying power in the market. It does not take income inequality into consideration, even if it is well known that relative income does matter for well-being.
- iii. It is based upon a behaviorist view of man which assumes that we can never know what people are feeling – only watch how people behave.

- iv. It is based upon the exchanges in the market where externalities are not accounted for. However in real social life externalities are pervasive. When a colleague is given a wage rise, it affects the other colleagues' perception of the fairness of their own salary.
- v. It also assumes that preferences do not change over time. This implicate that "*more is better*".
- vi. If there is a growth in GDP, it is assumed that the gainers can compensate the losers. One person's income will compensate for another's fall.
- vii. The national product considers only market goods and services. Therefore it "excludes a large part - if not the major part - of social activities". Services that are done in private households, as well as all other interpersonal relationships not based on money, are not measured (Frey & Stutzer, 2002. P. 37).

According to Layard the challenges are: How to take inequality into consideration? How to account for external effects? How to take into consideration changes in values, when we know that personal norms and values change in response to external influences, and that loss – aversion is worse than a proportional gain? (Layard 2005, p. 135). In an address about the gross national product Robert F. Kennedy said the following: "The gross national product does not allow for the health of our children, the quality of their education, or the joy of their play. It does not include the beauty of our poetry or the strength of our marriages; the intelligence of our public debate or the integrity of our public officials. It measures neither our wit nor our courage, neither our wisdom nor our learning; neither our compassion, nor our devotion to our country; it measures everything, in short, except that which makes life worthwhile" (cited in Gable and Haidt 2005, p. 103).

We need to develop richer measures of human well-being. An interesting classification of different perspectives of the terms 'happiness' and 'welfare' is developed by Veenhoven (2000), who makes a distinction between different qualities of life. On the one hand she makes a distinction between chances and results and on the other hand between outer and inner qualities. The outcome is the following matrix (*Figure 11.2*);

Figure 11.2 Different Qualities of Life

	Outer Qualities	Inner Qualities
Life chances	liveability of environment	life-ability of the person
Life results	utility of life	appreciation of life

The meaning of "liveability of environment" is relatively close to the term 'welfare' used by mainstream economists. However it includes not only material conditions, but also the habitability of the environment. Ecologists describe liveability in the natural environment in terms of pollution, global warming and degradation of the ecosystem. The term "life-ability of the person" refers to the personal capacities, and how well a person is equipped to grapple with the problems of life. This quality of life aspect is termed 'capability' by Amartya Sen (2002, 2009). "Utility of life" refers to that a good life must be good for something beyond the individual person. It presumes some higher transcendental values like the 'meaning of life'. The term "appreciation of life" denotes the inner outcomes of life – the quality "in the eye of the beholder" (Veenhoven 2000, p. 7). This means a conscious and subjective appreciation and is often referred to by terms like 'happiness', life-satisfaction and "subjective well-being". It may include a combination of intensity and duration of the enjoyment of life.

A good life involve all four qualities. The matrix expresses that a life can be useful but not happy, or happy but not useful. However we believe that these qualities often go together.

A deeper understanding of the idea of the good life and the way to reach a good or happy life is to be found in our philosophical traditions. We will take a look at some of the most famous philosophers that had stamped their mark in the history of thought.

11.2.2 *Philosophy of Happiness*

A conventional distinction is made between "hedonic" and "eudemonic" theories of happiness. Epicurus is attributed to the hedonic position and Aristotle to the eudemonic position. Epicurus may be considered as a forerunner of social reformer Jeremy Bentham (1748-1832), known for his utility calculus which has served as a model for modern cost – benefit analysis. The utility calculus presumes that all pleasure is good and all pain is bad.

Since pleasure is always good, we should maximize the pleasure in the society. In this way happiness is reduced to pleasure.

On the other hand Aristotle's conception defines happiness as realization of one's best abilities. In fact Aristotle considered hedonic happiness to be a vulgar ideal, and claimed that deep happiness is linked to expression of virtue – it is not a feeling or a mental mode. Thus happiness is connected to activities - to be happy is to have success with one's projects. It is not enough to win a lottery; because happiness has to be based on one's own efforts. Even if some activities may lead to pleasure, they are not good for humans and will not lead to real happiness. The eudemonic theories tell us that human beings are happiest when they are able to live as they really are – that is as *authentic* individuals that have a *telos*, a worthwhile goal.

British philosopher and lawyer Jeremy Bentham (1748-1832) developed what he called “felicific calculus”. Bentham was convinced that his calculus had solved the problems of the measurement of happiness once and for all. His idea was that the calculus could measure happiness with mathematical precision, and thereby also providing a system to guide all moral choice and public policy. The basis of the system was psychological hedonism, a theory according to which human beings seek to attain pleasure and to avoid pain.

The overriding moral principle was to create “*the greatest happiness of the greatest number*”, a central principle in the utilitarian tradition. Bentham redefined the concept of happiness to mean happiness as *utility*...”that property in any object, whereby it tends to produce benefit, advantage, pleasure, good, or happiness (all this in the present case comes to the same thing) or....to prevent the happening of mischief, pain, evil, or unhappiness to the party whose interest is considered” (cited in Bok 2010, p. 85).

For Bentham the measurement of happiness was reduced to simply a matter of calculation. The task was to compute the value of each “prospective pleasure or pain for an individual by measuring its intensity, its duration, the certainty or uncertainty” of its likelihood, its remoteness, its likelihood of producing further pleasure or pain and the chance of not being followed by sensations of the opposite kind, i.e. its purity (Bok 2010, p 85.)

It may be fair to say that Bentham's moral vision was too limited assuming that man is not capable of developing excellence as moral virtue. But by promoting a utilitarian view on political reform, Bentham has played an undeniable historical role. His view of the *common*

good, that the happiness of the majority of the member of any state should be the standard by which all the affairs of the state should be judged, was radical and have played an influential role in economic thinking up till now.

One strong opponent of the utilitarian view is the British philosopher Bernard Williams who argues that the utilitarian view violates personal integrity in favor of advantages for the common good. William states strongly that the character, identity, and virtue of a person should not be ignored. Williams's arguments is that according to utilitarian moral thinking, it is morally right to kill a person in order to save nineteen lives (Williams, 1989, pp. 190 – 191). From a common good perspective it may be acceptable, but it is not so clear for the agent who should kill or for the person who would be killed. Looking only on the *consequences* of lives saved is only part of the whole story. William argues that we as moral subjects are responsible for what we *do*, rather than for what we do not do, or what other people might do. Williams states that utilitarianism shows simple-mindedness in having too few thoughts and feelings to match the concrete experienced complexity of actual moral situations.

Another objection to utilitarian reasoning is that the theory cannot account for justice and freedom and in some instances even runs against it (Sen 2002). In his analysis of justice Amartya Sen (2009) relates happiness to the agent's capabilities to do things he or she has reason to value. A person's advantage in terms of opportunities is more important than concentrating on individual happiness or pleasure. Evidently, human objectives can be quite different from seeking personal happiness. Contrasting human agency and well-being, Sen argues that happiness should not have such an imperialist role in the society as given by welfarism.

There are many examples that the pursuit of personal goals might be other than personal well-being. The agent's freedom to advance his or her personal goals might be more important than his or her own well-being. When Gandhi acted to liberate India from the British Empire, he fasted for long periods for political reasons. It is clear that Gandhi gave priority for agency over his own well-being (Sen 2009, p 290). In this sense we may say that a person's freedom to act for the best of other persons may be more valuable for him or her than concentrating only on his or her own well-being.

Summing up, the principle of "*the greatest happiness of the greatest number*" may violate individual rights in favor of the common good. Utilitarian reasoning is an amalgam of three

axioms; consequentialism, welfarism and sum-ranking with no attention to inequalities. Utilitarian thinking does not see actions as good or bad in themselves, because the moral value of actions based upon their consequences and nothing else. Actions are simply means that lead to certain consequences.

11.3 Positive Psychology, Deep Ecology and Buddhist Strategies

11.3.1 Positive Psychology

American psychologists Seligman and Csikszentmihalyi state that the study and cure of pathology has almost been the exclusive focus of the discipline of psychology. The result has been a model of human being that lacks hope, wisdom, creativity, courage, spirituality, responsibility and future mindedness. They maintain that psychology should also be the study of strength and virtue. “Treatment is not just fixing what is broken; it is nurturing what is best”. It is a quite different approach to amplify strength rather than repair the weaknesses. Furthermore, psychology should also be concerned with important domains in a person’s life as work, education, love, growth and play. (Seligman and Csikszentmihalyi 2000, p. 7) Some of the assumptions in positive psychology express that human strengths and virtues can act as buffers against mental illness.

Happiness as a research field was introduced in 2000 in a dedicated international journal – *Journal of Happiness Studies*. The new science of happiness tries to measure feelings of happiness. Most happiness studies ask people questions like; “Taking all things together, would you say you are very happy, quite happy, or not very happy?” The central element is *subjective well-being* (SWB), and which mood one experiences as prevailing (cf Hellevik, 2008, pp. 11-13). Some researchers have been concerned with whether engagement and meaning in life is one aspect of happiness (see Vittersø 2005). Other researchers like Veenhoven (2000), take the whole life into consideration and define happiness as “the degree to which an individual judges the overall quality of his life-as-a-whole favorably.” This conception of happiness is similar to the Eudemonic view put forward by Aristotle. It means that well-being may be distinct from happiness per se, since not all desires –not all outcomes that a person values – would promote well-being when achieved. Even if some outcomes generate pleasure, they “are not good for people and would not promote wellness” (Ryan and Deci 2001, p. 146).

Hungarian-born American psychologist Mihaly Csikszentmihalyi studied artists and other people who enjoyed what they were doing but were not rewarded for it by fame or money. They were motivated by the quality of experience they felt when they were immersed into the special activity. These strong motivational feelings did not come to them when they were taking drugs or alcohol, or consuming the expensive privileges of wealth, or when they were relaxing. In contrast it often involved difficult and painful activities that stretched the person's capacity and involved elements of discovery and novelty. This optimal experience was called *flow* (Csikszentmihalyi, 1975, 1990). The flow activity is enjoyable, as opposed to being simply pleasurable. The flow activity is a kind of "autotelic" reward – which has its own reward in the present. The persons are not searching pleasure but perform an activity due to intrinsic motivation. To obtain flow is a very healthy state with many positive outcomes like increased self-esteem. (Csikszentmihalyi 1990, p. 196).

The flow model has two central concepts; skills and challenges, and flow is obtained when there is a *balancing of skills and challenges* (Csikszentmihalyi 1990, p 74). There are different levels of skills and challenges and to avoid being bored, one has to steady increase the challenges. This demands greater skills from the doer. When the challenges are higher than the skills, the doer will feel a state of anxiety. Thus the doer will strive to be in the *flow channel* thereby going beyond anxiety and boredom and enjoying more complex experiences. It is a dynamic feature of the model that the motivation to enjoyment will lead to behavior at an ever higher level of complexity. Every flow activity provides a sense of discovery, a creative feeling of transporting the person into a new reality, pushing the person to higher level of performance.

According to Seligman (2002, 2006) psychology should not only concentrate on repairing what is wrong. It should also be about identifying and nurturing what is good. Positive psychology are based upon three pillars i) positive emotions, ii) positive properties – first and foremost the strengths and the virtues, iii) the positive institutional contexts, as for example democracy, family etc.

Seligman has given the virtues a new focus and a new place within psychology, emphasizing the possibilities any person has to be happy by finding and cultivating his or her signature strengths. Researchers collected character strengths and virtues which were common in different cultures, philosophies and religions. The virtues are 1) Wisdom and knowledge, 2) Courage 3) Love and humanity, 4) Justice 5) Moderation, 6) Spirituality and transcendence.

The latter virtues included strengths like gratitude and optimism. Gratitude is a kind of thanks that are very effective as self-therapy – “counting your blessings”, but it is always other directed – and thus it may start a positive self-enforcing circle of thanksgiving.

According to positive psychology there are three routes to happiness; 1) The Pleasant life -2) The Good life, and 3) the Meaningful life. If all are satisfied we may describe it as “the Full life”.

“A pleasant life is a life that successfully pursues the positive emotions...” Positive emotions can be divided in pleasures and in gratifications. While pleasures are feelings, gratifications are activities which absorb and engage us fully. Gratifications block felt emotion, except in retrospect (Seligman 2002, p. 262).

In the “good life” your signature strengths are used to obtain “abundant gratification in the main realm of your life” (Seligman 2002, p. 262). It means that you apply your virtues and your signature strengths in work, family life, and in your leisure time. Happiness is realized by many routes, and it also means that happiness might be connected to an individual who do not feel any positive emotions and gratifications. However flow is a very important activity that characterizes the good life.

The “meaningful life” includes the good life, but assumes that you use your signature strengths and virtues in the service of something larger than yourself (Seligman, 2002, p. 263). The “full life” then includes the pleasant life, the good life, and using these strengths beyond oneself in order to obtain meaning.

In the tradition of positive psychology Jonathan Haidt (2006) has put forward the following equation to sum up the degree of happiness of an individual may have. (Box 11.1)

Box 11.1 *The Happiness Hypothesis*

$$H = S + C + V + VE$$

- H is happiness
- S is biological set point which is genetic determined.

The assumption is that S counts about 50 per cent and is constant. Whether you feel you are happy or not, is for a substantial part depended upon your genetic heritage.

- C is conditions that in principle are changeable in the long run. But in the short run there are conditions like the distance of commuting, the noise in the close neighborhood and the people you relate to that affects your happiness. C assumes that people are ultra-social creatures and needs friends, strong connections and dependable relationship, and love and work are for people analogues to water and sunshine for a plant.
- V is voluntary activities, which first and foremost are the capacity and your possibilities to be absorbed in flow activities that have an intrinsic motivation.
- VE is vital engagement, which is the extent of fittingness of what you are doing, not the least your work and how it is rewarded in your environment. If you have a job you are proud of, you may be rewarded by the activities themselves. You may also be rewarded by a receiving a fair salary and respect from people in the society. Vital Engagement is a relationship to the world characterized by experiences of flow and meaning – a strongly felt connection between self and external objects.

Some of the insights from the formula are that happiness comes from "between". You cannot reach happiness directly; it only comes as a byproduct (Haidt 2006).

Haidt (Haidt 2006) also argues that happiness is related to two central principles:

- 1) *The progress principle*, which states that it is not the destination, but the journey – the pursuit of the goal – that leads to happiness. The psychological terms for this are two types of positive affect, i) "pre-goal attainment positive affect", which is feelings of pleasure that arises when you make progress towards a goal. ii) The post –goal positive affect arises when you have obtained the goal. The duration of this is usually very short-lived. Shakespeare framed this in two sentences. "Things won are done; joy's soul lies in the doing".
- 2) *The adaption principle*, which states that you will judge your situation based upon what you have been accustomed to. If you have become used to a certain income level – that particular level will not arise positive feelings. It is the change – not steady states that nerve cells respond to. As Haidt writes, "we don't just habituate, we recalibrate. We create for ourselves a world of targets, and each time we hit one we replace it with another. After a string of successes we aim higher, after a massive setback...we aim lower. Instead of following Buddhist and Stoic advice to surrender attachments and let events happen, we surround ourselves with goals, hopes, and expectations, and then feel pleasure and pain in relation to our progress" (Haidt 2006, p. 86).

In his book “Authentic Happiness” Martin Seligman, focuses on the cultivation of character. (Seligman 2002) When well-being stems from engaging a person’s virtues and his strength, his life is imbued with authenticity. Traits in contrast to states are either negative or positive characteristics across different situations and time. Virtues are the positive characteristics that create the good feeling and gratifications. “Positive emotions alienated from the exercise of character leads to emptiness, to inauthenticity, to depression, and, as we age, to the gnawing realization that we are fidgeting until we die.” (Seligman 2002, p. 8). Seligman’s message is that as long as we are not entitled to the positive feelings we have, we have a problem. For sure we have a lot of shortcuts to feeling good like television, chocolate, shopping and drugs, but Seligman insists that happiness comes from exercise of kindness more readily than it does from having fun (Seligman 2002, p. 9). The reason is that “the exercise of kindness is a gratification, in contrast to a pleasure”. A gratification calls on your strength and consists in total engagement and in the loss of self-consciousness” (Seligman 2002, p. 9). Seligman stresses that well-being needs to be anchored in strengths and virtues, which in turn must be seen in a larger perspective. Just as the good life is something beyond the pleasant life, the meaningful life is beyond the good life” (Seligman 2002, p. 14).

The American economist Robert Frank writes about the happiness traps, the misguided pursuit of happiness. (Frank 1999). His findings include;

- Conspicuous consumption (values come from the statement the goods make about the owners status) is not a valid way to happiness. It does not lead to good and close social relationships. In contrast it may awake envy and distrust since the goal is often assumed to show off. The problem is also that this kind of consumption is analogous to arms race. Inconspicuous consumption, which is goods and activities that are valued for themselves and are usually consumed privately, have a better social potential.
- Doing versus having. The pursuit of luxury goods is a happiness trap. The key difference between doing activities together with other people and to motivation to impress others. Activities connects us (to others) while objects separate people.
- The paradox of choice. Too many choices does not give people an expected higher happiness, because it needs much time to make a reasonable choice, and after the choice, you will not be sure whether you have taken the right decision. There are evidences that it might be an advantage to have constraints and limit the number of alternatives. According to Schwartz (2004) you can use your time more wisely by getting to know better your lovers, children, parents and friends.

Swiss economist Bruno Frey finds a correlation, but a very weak one between income and happiness. (Frey, B. 2008) One of his findings is that additional income does not increase happiness ad infinitum. It is not a linear relationship between income and happiness since there is diminishing marginal utility with absolute income. One of Frey's conclusions is that there are many other factors than higher income that are decisive for happiness. One personality factor that might be relevant is how a person values material goods. Those that "prize material goods more highly than other values in life tend to be substantially less happy", and people "with intrinsic goals....tend to be happier than those with extrinsic goals" such as financial success or social approval (Frey 2008, p. 29).

11.3.2 Deep Ecology

Most of the approaches toward happiness assume an anthropocentric worldview in which the human being is on the top of the world and are free to utilize other sentient beings for his or her purposes. Deep ecology is an alternative philosophy that presupposes an eco-centric worldview where animals and other sentient beings have intrinsic values. Norwegian philosopher *Arne Næss* (1912-2009) is acknowledged as a pioneer of deep ecology which may be seen as a contrast to shallow ecology that is a reformist and technocratic approach to the environmental problems.

The highest norm in deep ecology is *self-realization for all beings* (Næss and Rothenberg, 1989). The meaning of self-realization within deep ecology extends the usual concept of realizing oneself. In Western society self-realization is typically regarded as an ego trip, an individual's effort to satisfy his or her own wishes. Deep ecology redefines the Western concept of self, and opens up the possibility that all sentient beings are ecological selves. Self-realization in this wider sense assumes that human beings have the ability to identify with other sentient beings and to develop a transpersonal Self. This thinking has a consequence that if we damage nature, we hurt our Selves. The unit of survival is not the organism alone, but organism and its environment together.

The deep ecology is not only an abstract philosophy, but is also a practical platform for action that is summed up in eight points. Only the main points are presented here (for a broader description see Ims 2011)

- The well-being and flourishing of human and nonhuman life on earth have value in themselves - independent of their usefulness for human purposes.
- The ideological change needed is mainly that of appreciating life quality (dwelling in situation of inherent value) rather than adhering to an increasingly higher standard of living. There is a profound difference between big and great.
- Those who support these points have an obligation to directly or indirectly attempt to implement the necessary changes in a non-violent way.

In the context of happiness we may see the need for an ideological change in the direction of non-material consumption. Appreciating life quality by using time on activities outside of the market, can lead us to sustainable well-being. Happiness as *hilaritas* is a notion inspired by Spinoza who noted that perfection of ones abilities may lead to deep and intense enjoyments. We may sum up the essence of deep ecology thinking by the motto of Næss: “Live a rich life with simple means.”

11.3.3 Buddhist Strategy towards Happiness

Buddhism has a well-developed philosophy that presents a radical challenge for mainstream Western economic thinking. (Zsolnai 2008, 2011) While the Western economics is characterized as an ‘egonomical framework’ centered on self-interest understood as satisfaction of the wishes of one’s ego, Buddhism has a radically different conception, the “no-self” or “anatta”. What is typically thought of as the Western ‘self’ is an aggregated mix of constantly changing physical and mental constituents, “which give rise to unhappiness if clung to as though this temporary assemblage represented permanence” (Zsolnai 2008, p. 280). Aided by wisdom, moral living and meditation, Buddhist practitioners detach themselves from this clinging to the illusion of a self.

The core of Buddhist wisdom is to simplify desire in order to want less, and to be liberated from all suffering. By want negation and purification of the human character one may be able to reach Nirvana as an end state. The British economist E.F. Schumacher states in his book “*Small is beautiful*” that the central values of Buddhist economics are simplicity and non-violence. (Schumacher 1973) Through mindful living, practicing The Middle Way, knowing how much is enough or “just right”, substantial benefits for the person, for the community and for nature will be the result. One important consequence of this thought is that non-consumption can also contribute to well-being.

Thai economist Apichai Puntasen connects the Buddhist conception of happiness with Aristotle's concept of human flourishing. Puntasen differentiate between necessities needed for survival and the higher values known as "the good life". In the Buddhist tradition "sukha" or wellness from acquisition represent a lower level and has similarities with hedonism. Sukha from non-acquisition, from giving, from meditation, or from helping others to be relieved from pain are examples of a higher level of wellness. (Puntasen 2007)

If we are summing up some of the insight from the Buddhist tradition, the degree of wellness might be written as the following formula:

$$\text{Wellness} = \text{Wealth/Desire}$$

Buddhism may therefore be seen as a sustainable and very rational strategy for the future of the humanity in general. By reducing our desires we may increase our happiness by the same level of material properties and level of consumption. People in the West may be liberated from the hedonic treadmill by a reorientation of their values, by changing the consumption mix in favor of low environment-intensity goods. It means to change from fossil fuels and meat consumption toward "services" and human activities which includes enjoyment of music, entertainment and cultural experiences, education, crafts, skills, charity, physical exercises, apprehension of art and nature (Daniels 2011, p. 46).

11.4 Real World Examples

11.4.1 Bhutan

Bhutan is a small Buddhist Kingdom in the Himalayas between India and China. The land is characterized by high mountains, deep forests, and glacier-fed rivers which are not easily accessible to foreigners. In 1972 the King of Bhutan declared that "Gross National Happiness" rather than Gross National Product will be the nation's measure for progress. Since then on Bhutan's new economic and social policy followed "Four Pillars" of Gross National Happiness. The pillars are the following

- 1) Good governance and democratizations. The assumption is that democracy offered the surest guarantee of happiness in the long run. The king gradually moved the ruling institutions toward democracy based upon an elected assembly, and executive council of ministers chosen by the assembly, and a separate system of courts.

- 2) Stable and equitable socioeconomic development. It means to refrain from maximizing immediate growth and to maintain a slower, steadier expansion in the long run. The gains from this development should be shared equitably.
- 3) Environmental protection
- 4) Preservation of culture. It means to retain certain elements of Bhutan's traditional culture but also promoting values as voluntarism and service to others, tolerance, cooperation and a harmonious balance between family, work, and leisure.

The Government of Bhutan has produced 72 indicators for measuring progress along these pillars, and a remarkable progress has been reported. Gross per capita income exceeds that of India, infant mortality has fallen from 163 deaths per 100.000 births to 40. The average life expectancy has risen from 43 years in 1982 to 66 years in 2010. The World Bank Survey writes that the quality of governance has improved steadily and now ranks well about that of India, China and Nepal (Bok, 2010).

Bhutan's Gross National Happiness (GNH) index is a holistic measure while GDP is a one-dimensional measure. GNH has become a multidimensional measure of true well-being. GDP on the other hand is measuring welfare from a materialistic viewpoint. GNH is much more complex, associated with the multiple dimensions of life and includes a plurality of values of which many are not easily measurable.

11.4.2 Norway

Norway is one of the richest countries in the world. After discovering oil in the 1970's Norway has become an affluent country with markedly increases in prosperity. Looking at the period 1985-2001 it turns out that Norway fits well into the patterns reported in Figure 11.1.

Why has the level of happiness not raised as expected by welfarism? Hellevik (2003, 2008) analyses the development of happiness in Norway. One interesting finding is *changes in value orientation* - a change in the materialism-idealism dimension. The development from 1985 to 1987 was an idealist direction, but from 1987 the trend changed towards materialism, and in particular the shift was strong in the 1989-1995 period. From 1999 to 2001 we find a minor shift towards idealism. But as a whole the Norwegians are on the average more materialistic than ever before which has a negative effect on their happiness.

Results from Norway also show that economic inequality in the society will reduce happiness (Hellevik, 2008, p. 261). There has been a growing inequality in the Norwegian society. Financial incentives and performance based salaries - sometimes exorbitant executive compensation - might be seen as a kind of “social pollution”. Such compensation schemes are provoking the sense of fairness in the Norwegian society.

There are strong forces that draw Norwegians into a materialistic value orientation. On the airports: “Shopping is good for you”, and the large number of shopping malls is rather subtle in their efforts to increase the sales. The point is to make people not satisfied with themselves, and then present shopping as a solution to their problem. A number of TV channels, some of them directed to the children, presents movies and advertising with exciting clouds and tempting toys. This materialistic pushing will probably influence the value orientation in the long run.

In *Table 11.1* different values and their scores relating to happiness are presented (Based upon Hellevik, 2008, p. 245). All value-items contribute to happiness, but in different degree.

Table 11.1 Value scores pertaining to happiness

Proximity (a wish to have a close relationship to other people)	25
Anti-materialistic	24
Self-realization	18
Law respect	18
Altruism	14
Private solutions	10
Religion	10
Reason before feelings	9
Hedonism (pleasures of life)	9
Tolerance	8

The Norwegian data indicate that women are happier than men. Why? Women are in average more idealistic than men, and gives priority to other goals than men. This value orientation compensates for some of the negative consequences that women suffer in several domains of life because they are positioned worse than men in terms of resources and pay. (Hellevik 2008, p. 246). While the objective economic differences are relatively small, the subjective differences are substantial. The materialistic oriented persons express that they need more money to be able to live a satisfactory life. It seems like the materialists typically have a gnawing feeling to lack things and very strong wishes to acquire them but lacks enough

money to buy what they feel they need to live a good life. With materialistic values people suffer from economic worries and frustrations which in the last resort decrease happiness. For a given income an idealist will experience his/her economic situation as relatively better than a materialist does. We might speak about the “the curse of materialism”.

The Norwegian example shows that economic growth generates a problem if it stimulates materialistic value orientation. As Hellevik reports (2008) this kind of development made Norwegians not only less happy, but also less willing to share their affluence with others or care for the environment.

11.5 Conclusions

The concept of happiness is a rich concept. Philosophers like Epicurus and Aristippus who have been regarded as hedonists, valued a moderation in life – in order not to be enslaved by external goods. Valuing friendship and cultivating social relationship was an important aspect of a good life. In Aristotle we find a eudemonic holistic view considering a person’s whole life span which is prevalent in the thinking of today’s positive psychologists.

Socrates’ claim for self-examination can be useful to reflect on how we are living and what the results of our life are on the society, nature and future generations. Clearly Socrates challenged a hollow happiness concept and demanded that meaning, integrity and life-projects should be part of a good life. A meaningful activity for an economist could be to care for the existential conditions of the stakeholders of “economic” decisions, and not the least start to count the individual and organizational “ecological footprints.”

We may also see Socrates’ quest for self-reflection as a requirement for human dignity. A human being’s dignity should not depend on producing material value. The philosopher Immanuel Kant stated that any human being has moral worth by being a person, which presumes some degree of freedom of choice. Sen’s (2002, 2009) capability approach supports the view that human freedom might be more important than human well-being.

The importance of the phenomenon of flow is multifold. Optimal experiences are not based upon pleasure, but gratification, which means that they demand that the doer is an active and creative being. Flows activities do not need extrinsic rewards. The hidden cost of extrinsic rewards is well explained by Frey (1997) and should be taken into account also in

instrumental organizations. Extrinsic rewards are either scarce or expensive in terms of human economy. Material possessions and money require the exploitation of natural resources and labor. The obvious danger is to drain the planet from its natural resources. Another type of extrinsic motivation concerns power, fame and esteem which are based upon comparisons between persons. However, status plays and conspicuous consumption are following a zero-sum pattern. There are always winners and losers and the latter pay with decreased self-esteem (Frank, 1999). In contrast autotelic rewards of flow activities give less pressure on the ecosystems, and leads to increased self-esteem.

In organizational theorizing and practice we find many elements of a “positive” neo-humanistic turn which focuses on how positivity might be developed. With reference to Socrates quest for self-examination, and organizational whistle blowing when organizations are not practicing what they should, it is important with a critical look at some of the “tools” used within HRM (Human Resource Management) programs of empowerment and having fun at work (Fineman 2006). One recent strand in organizational thinking is to find ways of “unlocking capacities for...meaning creating, relationship transformation, positive emotion, cultivation and high-quality connections” (Cameron et al. 2003, p. 10). Such organizational efforts should not be overused, because they can easily be misused and have a conservative and stifling effect on the ethical reflection of the members of the organization. In the perspective of positive psychology we know that depressive people are more accurate observers of themselves and the actions of their organization. Because modern organizations and corporations have enormous power to do harmful acts with serious and dangerous impact on people, nature and future generations (Jonas 1984), one should be critical to make such organizations into cozy places and play gardens for the decision makers. If happiness is reduced to pleasurable feelings, it is certainly dysfunctional.

Peter Singer’s (2009) claim that Western people had not yet understood the profound happiness that can be gained by giving, not acquiring. Thereby realize a sense of meaning, fulfillment and even “kick” to what would otherwise be less-rewarding lives (Singer 2009, p. 78). The most important task in such a new culture of giving is to challenge the norm of self-interest. There are empirical evidences that an idealistic value orientation gives highest probability for increased happiness (Hellevik 2008). Since these are the values that also are compatible with permanent genuine life on earth, we do not have to choose between our own wellbeing and others wellbeing. The American psychologist Tim Kasser summarizes the problem of materialistic value orientation eloquently: “research shows that the more that

people focus on materialistic goals; the less they tend to care about spiritual goals. Further, while most spiritual traditions aim to reduce personal suffering and to encourage compassionate behaviors, numerous studies document that the more people prioritize materialistic goals, the lower their personal well-being and the more likely they are to engage in manipulative, competitive, and ecologically degrading behaviors". (Kasser 2011, p. 204)

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