

Happiness, Affluence, and The American Dream

by Armand Grossman

The purpose of this paper is to discover the relationship between affluence, happiness and the American Dream. We shall explore the rather fluid definitions of those components and their influence on each other. It is assumed that all of us seek happiness in our lives, in one way or another and that we all seek the “good life” as we also define for ourselves. As is readily clear from the onset, these concepts are defined and perceived on a most broad and yet most individual basis. There are those who might define the “good life” within a context of a vow of poverty and service while at the other end of the spectrum we find those who would define the same within a relentless pursuit of more money and all it can buy. And then there is everything in between.

My ancestors came to America from Europe to pursue what they must have perceived as an opportunity for a better life. They were part of a countless stream of immigrants leaving their homeland for the promise of what we can safely assume to be a perceived expectation of a better life. It is interesting to note my grandparents came from Switzerland and while telling this to someone recently they responded: “Why did they leave?” I never did ask them that as a child, but I did just recently actually visit their home which I had not been in for nearly 50 years. It is a four-bedroom home, one bath, with an attic and a basement. In this house, located within a major northern metropolitan city, they raised five children and ultimately several grandchildren as many members of the family lived in the house from time to time during the depression and World War II, which was common practice in America during those times. I remember the home as a “happy home” as I recall the family gathered around the piano in the “parlor” singing

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after the ubiquitous Sunday dinners in the dining room where they would serve some of the finest dinners an eight year old could ever eat. Plenty of good food, my grandfather had just purchased a new '51 Chevy four door deluxe, and they had one of the first televisions in the neighborhood – a seven inch black and white. My grandparents must have been rich. Did they realize the American Dream? If we could ask them – my guess is their answer would be an unequivocal “Yes.” They were married for over 50 years, raised five children, and truly seemed to enjoy life. They were happy.

My parents graduated from high school just at the advent of the great American depression. The next decade America slipped into, for the most part, a nation of vast poverty. A dollar was hard to come by and just having a job was a rare privilege. In October 1929 the stock market crashed, wiping out 40 percent of the paper values of common stock. Even after the stock market collapse, however, politicians and industry leaders continued to issue optimistic predictions for the nation's economy. But the Depression deepened, confidence evaporated, and many lost their life savings. By 1933 the value of stock on the New York Stock Exchange was less than a fifth of what it had been at its peak in 1929. Business houses closed their doors, factories shut down and banks failed. Farm income fell some 50 percent. By 1932 approximately one out of every four Americans was unemployed.

Many Americans lost their entire savings as well as their homes. These were truly hard times in America. Thusly, that generation grasped of some economic precepts which they have tended to cling to, and have clung to, their entire lives. And they were not in the least reluctant to pass those values onto their children. My generation grew up with

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an economic paradigm of the world that emanated from the values. We routinely heard such economic precepts including:

“Turn the lights off – are you trying to make the electric company rich”

“Money doesn’t grow on trees”

“Clean up your plate – think of all the starving children in China”

“Don’t buy anything unless you can pay for it in cash”

“It takes money to make money”

“Work hard and save”

“Get a good education – you’ll always have a good job”

The economics of scarcity dominated family life during the depression. The subsequent rationing of goods during World War II only further enhanced a distant perception of the American Dream but this gave way to the fifties and a new era. If someone posed the question to that generation at that time, “do you think more money would make you happier” there is no doubt that would have elicited a resounding ‘Yes.’

The first ten years of my life were spent in an apartment within the city only a few blocks from my grandparent’s home. I remember my Father working “overtime” in an industrial job trying to accumulate enough money for a down payment to purchase a home in the new emerging American suburb. Moving to that home in the early fifties I was thrilled to have my own bedroom. The entire family shared one small bathroom but we owned our home and had a television. Was my family, their friends, our neighbors happy? Very much so. Today I live in a home nearly 10 times larger than the one I grew up in with conveniences my parent’s generation would have only dreamed about and my

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grandparents could not even imagine. Located in one of America's most affluent cities, Forbes magazine recently named my development "the most exclusive gated community in America." So are we happier?

The American Dream

For more than twenty years I have been teaching seminars throughout the country. Each week, in major metropolitan areas, I have had the opportunity to speak to hundreds of Americans from all walks of life, from varied and divergent backgrounds. I suspect that in every seminar I have used the term "American Dream" at least once with the assumption it is commonly understood to refer to a basic tenant of the American way of life – upward social mobility through personal advancement. Generally, this is interpreted to mean greater personal financial enhancement - more money.

The American Dream is the idea, often associated with the Protestant work ethic, held by many in America that through hard work, courage and determination one can achieve prosperity. These were values held by many early European settlers and have been passed on to subsequent generations. What the American dream has become is a question under constant discussion.

The origin of the American dream stems from the departure from European government and economic models. This allowed unprecedented freedom, especially the possibility of significant upward social mobility. From the beginning well in to the nineteenth century, many of America's physical resources were unclaimed and remained

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undiscovered, which provided huge access to the distinct possibility of personal fortune through luck or provident investment. The development of the Industrial Revolution defined the mineral and land wealth which was there in abundance, and stood in sharp contrast to the environmental riches including huge herds of bison and diversity of forests, for the original Native Americans.

Many early American gold and silver prospectors headed west to buy acres of cheap land in hopes of finding their fortune. The American dream was a driving factor not only in the Gold Rush of the mid to late 1800s, but also in the waves of immigration throughout that century and the following.

Impoverished western Europeans escaping the harsh economic realities such as the Irish potato famines in Ireland and the aftermath of Napoleon in the rest of Europe came to America to escape a poor quality of life at home. They desperately wanted to embrace the promise of financial security and constitutional freedom they had heard existed so widely in the United States. We can only assume this was interpreted as an opportunity to provide greater personal fulfillment and happiness.

During the mid-to-late nineteenth century prolific writer Horatio Alger, Jr. became famous for his novels that idealized the American dream. His novels about impoverished “average” individuals who were able to achieve wealth and success helped entrench the dream within the popular culture.

Throughout the 19th century, immigrants fled the monarchies of Western Europe and their post-feudal economies, which actively oppressed the peasant class. These

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economic systems demanded high levels of taxation, which stymied growth and individual achievement. The American economy, however, was built up by people who were consciously free of these constraints.

Nearing the twentieth century, major industrialist personalities became the new model of the American dream, many coming out of the most humble of conditions but later controlling enormous corporations and fortunes. These were the great American capitalists such as Carnegie and Rockefeller. The acquisition of great wealth demonstrated, to many, that if you had talent, intelligence, ambition, and a willingness to work extremely hard, you were likely to be a successful and happy in life as a result.

By the turn of the 20th century, the promise of the American dream had begun to lure substantial numbers of immigrants from eastern and southern Europe. Huge numbers of came to find work in industrial cities such as New York, Pittsburgh, Chicago, Philadelphia and Cleveland. This wave of immigration continued until the outbreak of World War I. Following the war, new immigration laws were passed which restricted the flow of immigration into America reducing the free flow of individuals seeking the American Dream – the hope and promise of a better life for them and their children. Settlement in the new world provided hope for egalitarianism. Martin Luther King invoked the American Dream in what is perhaps his most famous speech:

"Let us not wallow in the valley of despair, I say to you today, my friends. And so even though we face the difficulties of today and tomorrow, I still have a dream. It is a dream deeply rooted in the American dream."

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In the 20th century, the American dream had its challenges. The Depression caused widespread hardship during the Twenties and Thirties, and was almost a reverse of the dream for those directly affected. Racial instability did not disappear, and in some parts of the country racial violence was almost commonplace. There was concern about the paranoid campaign known as McCarthyism carried on against suspected and alleged Communists. A dark page in American History, this crusade deeply damaged many innocent individuals.

Following the end of World War II, young American families sought to live in relative comfort of the new found, and ever expanding, suburb with the added attraction of new shopping malls distant from downtown commercial centers. Individual ownership of the automobile provided widening circles of accessibility and the automobile itself became a personal status symbol. This expansion of wealth was more recently accelerated with the vision of the apparent winning of the Cold War and added advanced technologies.

The American Dream appears to have enduring appeal to many in other countries. The United States remains a magnet for immigrants today, receiving 1 million legal entrants, as well as countless illegal immigrants annually--the highest such rate in the world. Whereas past generations of immigrants tended to come from Europe, a majority of contemporary immigrants hail from Latin America and Asia. Unknown numbers of illegal immigrants also enter the country annually, chiefly from across the southern border with Mexico, a strongly politicized and heated contemporary social issue in post 9/11 America.

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Cal Jilson, in his book *Pursing the American Dream*, states the Dream has always involved a clear sense of the goals to be pursued and means by which they might be achieved. The American Dream has clear expectations both for the individual and the nation. At the individual level, as Penn, Franklin, Alger and so many others knew, the Dream demanded “character;” preparation in school and shop, honesty, hard work, frugality, and persistence. One could make the case that such traits could lead to a strong sense of personal fulfillment and happiness. At the national level, the Dream demanded that society provide an open, fair, competitive, entrepreneurial environment in which individual merit could find its place...again providing a place for individual achievement and expression.

The Founders well understood that a free, stable, and prosperous society required constitutional rules of the game which were carefully crafted. Great emphasis was placed on individual responsibility even for their own character and preparation. Jilson states further that they were expected to foster good habits and avoid bad habits; to be honest, fair, and truthful, and to avoid lying, drinking, and swearing. They were also to prepare themselves, through education and preparation for a job or career, to be useful and productive members of their society. Then they were expected to work hard, save, invest, persevere, and with a little luck, to succeed and perhaps to prosper. But no matter how well they prepared, how hard they were willing to work, society and the economy had to be well organized and vibrant enough to provide the opportunities over which they might compete. This was the American Dream with undeniable responsibility being placed upon the individual coupled with governmental responsibility to provide open access.

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Criticism of the American dream

The concept of the American dream itself has also been the subject of much criticism. The main criticism is the American dream is misleading. These critics say that, for various reasons, it is simply impossible for everyone to become prosperous through determination and hard work. The consequences of this belief can include the poor feeling it is their fault that they are not successful. It can also result in less effort towards helping the poor since their poverty is "proof" of their laziness. The concept of the American dream also ignores other factors of success including the family and wealth one is born into and inheritable traits such as intelligence. To some the American Dream is widely considered superficial and largely meaningless. Such arguments are essentially adaptations of the old adage "Money doesn't buy happiness."

The term "American Dream" was first used by James Truslow Adams in his book *The Epic of America* which was written in 1931. He states: "The American Dream is "that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement. It has always been a difficult dream for the European upper classes to interpret adequately, as well as many marginalized Americans who have grown weary and mistrustful of it. It is not a dream of motor cars and high wages merely, but a dream of social order in which each man and each woman shall be able to attain to the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position." (Adams)

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Immigrants, such as my ancestors, who came to the United States were looking for their bite of life, liberty and the pursuit of happiness. I believe this was their Dream. Were Homesteaders who left the big cities of the east to find happiness and their piece of land in the unknown wilderness were, in large, pursuing their inalienable Rights. And what was the desire of the veteran of World War II, my father's generation, to settle down, to have a home, family, and a car. The question persisted: was the American Dream generally attainable by all Americans?

Some say, that the American Dream has become the pursuit of material prosperity - that people work more hours to get bigger cars, fancier homes, the fruits of prosperity for their families - but have less time to enjoy their prosperity. Others say the American Dream is beyond the grasp of the working poor who must work two jobs to insure their family's survival. This was amplified and surfaced on televisions throughout the world following the storm Katrina. Others look toward a new American Dream with less focus on financial gain and more emphasis on living a simple, fulfilling life.

When I employ the term and vision of the American Dream I am referring to what Thomas Wolfe said, "...to every man, regardless of his birth, his shining, golden opportunitythe right to live, to work, to be himself, and to become whatever thing his manhood and his vision can combine to make him." This is the American Dream.

In the United States' Declaration of Independence, our founding fathers: "...held certain truths to be self-evident, that all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are life, Liberty and the

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Pursuit of Happiness." This sentiment may very well be considered as the foundation of the American Dream. Clearly the American Dream's most implicit component is that it holds strongly the promise of personal happiness.

Happiness

In simple conversational tones, as well as broad based surveys, I have asked many people how they would define happiness for themselves. Responses have varied from a look of incredulousness that I would even ask such a question as if to say, "everybody knows the answer to that," to more profound thoughtful, mindful responses. It is not at all unusual to hear, "well if I had more money" to other factors such as family, friends, service, etc. It is clear that a simple definition, a one size fits all, is elusive.

When people are asked, "How many of you are content and happy with what you have?" the reply of an overwhelming majority of people is "Not me." And when they are asked what do they want most out of life, the typical reply is "I want to be happy," as if happy is some kind of place, like Disneyland or Happy Land. But happiness is not a destination. (Myers) It's a process. Happiness is not even so much a sentiment (contrary to popular culture reinforced by the media) but more of a state of being and an attitude. It emanates from a perceived feeling of being connected with one's surroundings and with the people therein. It is the level of our awareness that makes the difference between living "happily" or unhappily. Living in an increasingly "artificial world," it's easy to neglect spiritual roots – a confirmed source of happiness - and hard not to live the illusion of life rather than life itself.

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When we live by the motto: “He who has the most toys wins,” rather than “He with the most joys lives,” we invariably experience artificial joy that prevents us from living fully in the present and now while connecting with real people, real life and having real joy. Perhaps that’s because knowingly or unknowingly, many of us fell victim to the illusion of The American Dream and its promise for sweet success based on a materialistic values system.

So before rushing to say: “I want more money,” and confusing material success with experiencing more love and joy the real question should be “at what cost? Is the high price tag for achieving success, as narrowly defined by The American Dream, worth the effort and the great sacrifice? In the pursuit of the Dream it’s easy to overlook what is really significant and only see the many trappings of success. Is it possible to sacrifice so much just “to get there” only to discover there is no “there” there. There is more to life than material success and living by the code of external and shallow values that really don’t serve our highest good and purpose. This would only result in a disillusioned life empty of experience devoid of meaning and real joy or purpose. In teaching seminars, ostensibly with a curriculum of personal financial enhancement it is most important to include such balance.

In the many empirical studies on happiness or subjective well-being (SWB), what do respondents have in mind when they address question about their satisfaction with their lives-as-a-whole (Lane) helps us arrive at some workable definition of happiness. For Frank Andrews and Stephen Withey, the matter is commonsensical: in their informed opinions the dream of happiness is a “dream to be loved, liked and accepted,

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responsible, respected, somewhat independent, somewhat secure, interested in life, comfortable, successful and to have fun...We suspect” “they say, “that people diverge more in how much of these attributes they want, and in what domains they want them, than in what the criteria mean to them.” (ibid)

Lane goes on to cite Jonathon Freedman’s imaginative study of many thousands of magazine readers give more vivid, personalized responses. What do people say when they describe happiness? Freedman divides the responses into the two basic dimensions (1) fun, pleasure, excitement, and (2) peace of mind. Excitement was defined as:

“Enjoying myself,” “things going well,” “pleasurable experiences.” These people focus on the active enjoyment of life. They use the term pleasure frequently...from all sources – sex, a good meal, a successful tennis match, a “fun” movie, a good party and so on. This dimension also includes acts of creativity, helping a friend, being loved, doing something nice for people you love or having them do so for you, and sharing in the success and satisfaction of loved ones. A clear theme...is that pleasure and good times, whatever their source, involve mostly active, dynamic experiences.

And then there is what Freedman calls peace of mind or what others may refer to as tranquility:

“Self – satisfaction and equilibrium,” “happiness is being satisfied,” “peace of mind,” “ability to cope,” feeling content with myself,” “being secure in my feelings about myself,” “feeling fulfilled and worthwhile.” This view often focused on the absence of negative feelings or “not being unhappy,” “being peaceful, quiet, passive, and perhaps internal. It involves satisfaction rather than thrills, contentment rather than fun, peace instead of pleasure...and a feeling of having done well.” (ibid)

What is clearly conspicuous by its absence is money or some refer to as “financial independence.” Clearly the relationship between money and happiness is a most curious relationship. When I have polled audience on the question, “Can money happiness?” the overwhelming response is a universal “no.” Yet when polled individually quite a

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different and disparate response is garnered when I inquire, “Do you think a little more money in your life would make you happier?” Overwhelming the response is an adamant “yes.” Then when asked do you think you would be happier if you won the lottery the response is an even stronger affirmative response often eliciting a strong smile and an obvious emotional euphoria stemming from visualizations of a new larger home, possibly the Bentley in the garage, a fine yacht, etc.

This clearly emanates from an ever-rising tide of materialism found in America. In the recent UCLA/ACE surveys, "very well-off financially" has been the top ranked of 19 rated goals, outranking "becoming an authority in my own field," "helping others in difficulty," and "raising a family." And it's not just collegians. Asked by Roper pollsters to identify what makes "the good life," 38 percent of Americans in 1975 and 63 percent in 1996 chose "a lot of money." (Myers)

It would therefore seem only logical that in our society that money-financial affluence would have a direct impact on our level of happiness. It has been said “money can’t buy happiness... but it makes a great down payment! “If you think money is so bad...try poverty.” Yet contrary to this common assumption it appears that, as various facts and studies prove, that an influx of money may bring a temporary rush of contentment this achievement soon becomes a normal expectation and the rush rapidly erodes. Noted writer on the subject of Happiness, Robert Frank refers this as the “hedonic adaptation and social comparison”. Once we receive the big raise or make a new purchase, it is rapidly accepted as a new standard and we want more. This is referred to as the “hedonic treadmill.” It simply means we adapt to the improvement in our

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circumstances then ultimately seek only more. The more we acquire, the more we want and so on. Ultimately we get to a point when we cannot sustain the velocity of the treadmill yielding a feeling of dissatisfaction which is antithetical to our happiness. Frank goes on to reports that, with more people having more money to spend, late-1990s spending on luxury goods was growing four times as fast as overall spending. Thousand-dollar-a-night suites at the Palm Beach Four Seasons Hotel were booked months ahead for weddings, as were \$5000-a-night suites at Aspen. The number of America's 100-foot yachts doubled to 5,000 compared to a decade ago, and each may cost more than \$10,000 per hour of use. Cars costing more than \$30,000 (in 1996 dollars) increased during the 1990s from 7 to 12 percent of vehicles sold. (Ibid)

Recent studies of multimillion-dollar lottery winners experience a temporary jolt of joy but as soon as they adapt to the new wealth, the euphoria subsides. (Myers) I recall seeing former lottery winners on Oprah who actually regretted that they had won this money as it tended to foster negative lifestyle habits that engendered a great degree of unhappiness. I recall that a surprising number of them had gone bankrupt within a decade after they gained wealth that should have lasted a lifetime. I suspect this may have stemmed from a lack of worthiness as they had not earned their new wealth. The rewards of personally earning their wealth can contribute greatly to a strong sense of personal fulfillment – a foundation of personal happiness.

The National Opinion Research Center at the University of Chicago has been studying this subject for many years. They report the number of people defining themselves as “very happy” peaked at 35 percent in 1957. This has declined to 30 percent today (a

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figure which has remained relatively constant since the early '70's) despite the fact that the gross national product and personal consumption expenditures per capita have nearly doubled since then. (Levite) There appears to be a consensus in the literature that American reached its high water mark in personal happiness just a time when only a few families had a "color television" or an "electric dishwasher." Since that time major technological advances have relieved so many burdens and have served to enhance quality of life issues yet this has produced a decline in the amount of Americans who consider themselves "very happy." Television shows such as "Happy Days" portray the era with a certain degree of accuracy. Growing up at that time it was most unusual to not find a mother and father in the home of my friends. Marijuana and other street drugs were all but non-existent and the most serious of school offenses was chewing up in class or the real shocker, "smoking in the boy's room." Television became a strong cultural influence and shows (in black and white) such as *Leave it to Beaver*, *the Donna Reed Show* and the classic *Ozzie and Harriet* were seen weekly in American homes. These shows portrayed American family life in a most positive way with happy family interaction. This lends corroboration to those who would postulate that the main deterrents of happiness are unrelated to consumption but rather focus on such things as satisfaction with family life (particularly marriage), satisfaction with work (significance) coupled with sufficient leisure time to develop and exercise one's own talents and to enjoy gratifying personal, valued friendships.

If this is the case, then to what extent does Money or the role of the American Dream, widely interpreted to mean the acquisition of wealth, play in our personal

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happiness? Opinions on this are varied. Some claim that material possessions cannot substitute for family pleasures and that riches cannot, for example, compensate for the loss of loved ones. I would state, however, this is not the purpose of money. Money does not exist to affect human happiness in an overall or direct sense.

Clearly, being unemployed or living in poverty can be discouraging and frustrating. In this case, securing a job with a generous salary can bring about increased happiness. Yet, many social scientists now understand that once we attain a certain income level that provides basic comfort (security), happiness is hardly increased at all by greater affluence! Beyond a certain point, according to Oliver James, greater affluence does not increase happiness or mental health. The question then becomes, what is that “certain point?” It could be all relative. This thought that says how much money you have in absolute terms isn't as important for happiness as how much you have compared to everyone else. Where you live and the standards in that community affect our self-perception. So having more money may produce a relative uptick in the happiness level the study suggests having more money than your point of comparison may create even more happiness.

When a group of MBAs were asked whether they'd rather make \$100,000 when everyone around them made \$120,000, or make \$90,000 when everyone around them made \$70,000, a majority opted for the lesser salary if everyone at the company knew about the discrepancy. But if the salary discrepancies were kept confidential, about half said they'd opt for the \$100,000 job. (Sahadi: cnnmoney.com)

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The study indicated their reasons ranged from the practical (it's more money) to the philosophical (more money is better than power) to the strategic (I have a better chance of not being laid off if I'm not the highest paid; I'm more likely to get a raise; and it's a higher base from which to negotiate pay at my next job). The few who opted for the \$90,000 post -- at least if the salary discrepancy was known -- offered fewer reasons: "Cuz I'm an egomaniac;" "I believe relative wealth is a greater determinant of happiness;" and "I assume that living costs around me would reflect the prevailing lower wage." (ibid)

An article in Psychological Science called "Zeroing in on the Dark Side of the American Dream" looked at results from a study done on more than 12,000 people from their freshman year in college through their late thirties. (ibid) With the exception of adults making over \$290,000, those who said financial success was important were less happy than those in their income groups who thought it wasn't important. The lower a respondent's household income, the more negatively his or her happiness was affected by valuing financial success. (The negative effect became negligible for those making over \$87,500.)

"If you're not making money, it's much better to be convinced it's not important," said Norbert Schwarz, a professor of psychology at the University of Michigan who coauthored the study. Schwarz, whose career has been spent in academia, was asked how important it is for him to have money. His answer: "somewhat important." More important, he said, is intellectual freedom. His job allows him to explore his interests. "I don't want to think about something I don't want to think about just to make more

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money," he said. As for the pay, he added, "it's fine for a pleasurable life." (Ibid) So is a "pleasurable life" the American Dream. Many would say yes. We are then left with the question: if money alone can't buy happiness, what does contribute to personal contentment and a feeling of fulfillment?

Noted Cornell economist, Robert Frank, in his book *Luxury Fever* distinguished himself from the majority of anti-business culture advocates with new insights according to reviewer, Samuel Brittan. Frank's starting point is a wealth of opinion survey studies suggest that increasing real income does not itself make people happy. (Britton) Health and family or personal relations always seem to come higher in most people's list of influences affecting their well-being. According to Frank, within a particular country at a particular time, money does seem to help. Middle-income people report higher happiness levels than the poor, and the upper income groups report greater happiness still.

In sharp contrast Geoffrey Miller writes the "usual suspects" in explaining individual differences in happiness have almost no effect. A person's age, sex, race, income, geographic location, nationality and education level have only trivial correlations with happiness, typically explaining less than 2% of the variance. (Miller) Goddard offers a rather simple explanation stating that the happy tend to say happy, the morose cling to their misery and today's rejoicer is likely to be jubilant tomorrow. (Goddard) Some may consider this to be a genetic component. Le Van claims the sources of one's happiness seem to be 50% genetic and 50% experience. (Le Van) One thing does seem rather conclusive throughout the literature is that people who "buy into" the messages of

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consumer culture report lower personal well-being. Individuals who say that goals for money, image, and popularity are relatively important to them also report less satisfaction in life, fewer experiences of pleasant emotions, and more depression and anxiety. (American Psychological Association) In three sets of studies published in psychology journals since 1993 the researchers sketch an increasingly bleak portrait of people who value “extrinsic goals” like money, fame and beauty. (Kohn)

America does seem to be a happy place to live. In a recent study conducted by World Values Survey analyzed how levels of satisfaction and happiness vary from country to country. The study, which examined 65 countries and territories concluding the United States, is the 16th happiest place. Nigeria, Mexico, Venezuela, El Salvador and Puerto Rico round out the top five respectively. Eastern Europeans were found to be the least satisfied. Romania, Russia and Armenia five the fewest happy people, according to the study. (Maushalt) The study went on to say most Americans see happiness as a reflection of personal achievement. It furthered showed Americans valued a distinct sense of self and personal expression. (ibid)

So, what does make us happy? I trust it has become convincing clear, even for Americans that money alone and materialism do not. In the 1987 classic movie, *Wall Street*, the famed Gordon Gekko, epitomizes the greed and materialism of ‘80’s Wall Street. However, the best change of live experience is best portrayed in the movie *The Game* with Michael Douglas who plays wealthy financier Nicholas Van Orton. Van Orton gets a strange birthday present from his wayward brother Conrad: a live-action

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game that consumes his life. The gift is a “profound life experience” which completely reorients his view of the world around him. The second half of Van Orten’s life is dramatically changed. Bob Buford’s successful book, *Half Time*, discusses this subject matter in changing the “game plan” from success (monetary) to significance (service) is the second half of one’s life.

According to writer Christine Larose, happiness comes from a sense of autonomy, competence, closeness with others and self-esteem. Blair Lewis, author of *Happiness, the Real Medicine* states that happiness is not good self-esteem but rather states that good self-esteem is the result of happiness. Lewis makes the point that from the moment of our birth, most our learning has been based on imitating others. From walking and smiling to table manners and professional courtesies, we watched someone else and then mimicked their behavior. Lewis offers six prominent qualities of a happy individual. They include, a quiet mind, self-restraint, endurance, disinterest in worldly charms, a congruent mind – free of conflicts and distractions, and a burning desire for happiness itself which he defines as the desire for liberation from the tyranny of the mind. (Lewis)

A survey of the literature also reveals substantial discussion and research regarding the link between sex and happiness. In a recent preliminary and unpublished study, “Money Sex, and Happiness,” researchers from Dartmouth College and Warwick University (UK) found that people who consider themselves happiest are those who are having the most sex. (Rondini) The study does not claim that having sex causes happiness or vice versa. But of the 16,000 people in the research sample, happiness was associated with sex for both women and men and people under and over the age of

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40.(Blanchflower) This would appear to be easily explained by experiences that induce positive emotions cause negative emotions to dissipate rapidly. (Seligman) The study also found little connection between increased wealth and long- term happiness. (Rondini) Furthermore, despite popular opinion, they found that having more money doesn't mean you get more sex. (Kirchheimer)

The literature is replete with personal relationships particularly a strong marriage and personal integrity as vital components of happiness. (Danko) In his book *God wants you to be Rich*, Paul Pilzer states, "God does want us to be rich in every possible way – health, love, and peace of mind as well as material possessions. Weighing in from a spiritual side Pilzer is quick to place material possessions in perspective with all the other factors listed.

My personal favorite holiday is Thanksgiving. Maybe it's the time of the year or maybe it is just Turkey and dressing. Actually, both play a role but it really is family and the pause for gratitude. Gratitude is a major contributing factor to happiness. It is a time when we give thanks for the things that are really important to us. My guess is money, for most people, is not one of them – or at least that is what most people would acknowledge. This is a product of what we have been led to believe "money doesn't buy happiness."

Frankly, I am not so sure. The research consistently tends to indicate that people with a lot of money express a higher subjective happiness than people with very little. (Myers) Again referring to data from the National Opinion Research Center, people in the top fifth of income earners are about 50% more likely to say that they are "very happy" than people in the bottom fifth, and only about half as likely to say that are "not

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very happy.” Research tends to continue to indicate that one of the major factors that contribute greatly to this could be a strong sense of autonomy or a certain sense of control over our lives. (Myers) That same sense of autonomy contributes to a strong sense of personal security.

Of considerable irony, there is however, generally little change in the average level in happiness in the population as a whole as America has grown wealthier. It is a challenge to explain how America reached its high-water mark in subjective wellbeing in 1957 and there has been a decline since that point notwithstanding huge technological advances (DeAngelis) that level has remained relatively constant since 1972. (Ibid) Social critics of “consumerism” and “materialism” explain this by claiming that what makes rich people happy is not money per se, but rather they have more of it than others so if more people in general get richer - happiness remains unchanged. The critics go on to say that income differences lead to unwholesome feelings of superiority, so therefore an incremental tax structure (the rich pay more) can improve our moral fiber by simply reducing the disparities in net income. (Krugman)

As incomes rise so does government revenues and personal spending. But beyond earning, taxing and spending there is an even clearer link between money and happiness – and that would be philanthropy. Seligman distinguishes pleasure from gratification. Gratification is the byproduct of an act of kindness. Helping other through the giving of money or time is an immense source of personal gratification – significance.

When one gives of their time or money this produces a strong sense of well-being which is a derivative of engaging our strengths and virtues and in doing so our lives are

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imbued with authenticity (Seligman) – a great source of personal happiness. My observation is givers of charity earn substantial mental and physical rewards, even more than do the recipients of charity. Indeed, it is more blessed to give than to receive. So many institutions that offer such great benefits to society, e.g. colleges and universities, hospitals, social agencies etc. are so very dependent on those gifts. Those gifts would not be possible but for those who have achieved financial independence and have chosen to share their wealth.

In my seminars I often speak of Lance Armstrong and his most remarkable accomplishments. Having overcome great personal challenges and then going on to win his seventh Tour d'France Armstrong rides a bicycle that has a cost of nearly \$10,000. Each wheel on that bicycle contains numerous spokes. Should even one of those spokes be out of tune the bicycle will not perform properly. The interesting thing is the cost of the spoke is less than \$1.00. While of little monetary value each spoke is vital to the performance of the bicycle. If we were to look at life as the wheel and each spoke representing a component of life (happiness) the spokes must be in balance and tuned for the wheel to roll at an optimum level. Money is only one of those spokes.

Following are some observations on true life individuals whom I have personally known for at least the past 30 years. Each of these people is unique in their own way. Their patterns of behavior, lifestyles, sense of self are clearly different. None are at either extremity of the economic continuum.

Don is very proud of being an attorney as is quick to share that with anyone who should ask. He has been practicing law for over 30 years. He lives in what may be described as a slightly above average home with his wife of nearly 30 years. His wife has worked

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outside the home for the entire time of the marriage. Don was raised by “very ethnic” blue collar depression era parents. Approximately ten years ago he shared with me his strong displeasure with practicing law to the extent that he was seriously considering returning to school in order to complete the necessary course work to obtain a teachers certificate. In his younger years Don was quick to let anyone know how successful he was and actually would go so far as to say how much money he had in the bank. More recently he intimated in regard to his financial condition, “good thing we don’t have any kids” referencing the attendant costs of raising children. Don’s wife experienced significant personal change early in the marriage when she joined alcoholics anonymous and has been most faithful in her meeting attendance for nearly the past 25 years. By most outward appearances Don takes great pride in his golf game and his for Gordon Setters but there seems to be an uncertain void which troubles him.

Jim has been a professional educator all his life as a teacher and administrator in the Midwest. The father of two grown children and grandfather of six, he was always the sole financial provider for the family. He has been married for over 45 years. Eighteen years ago, his wife was stricken with Alzheimer’s disease. She recently passed away however for the past nine years she was in a nursing home unable to recognize her husband or her own children. For the past several years Jim has served as a “care giver” counselor and more recently have been teaching seminars training others to become “care givers.” He has recently met another woman whose husband passed away as the result of Alzheimer’s as well and they seem to “treasure” each other’s friendship. Jim was not in a high paying profession and was the sole family provider all of his life. What saving he had was largely consumed by the long-term care of his wife. Today his disposition can only be described as “sunny” which has been consistent throughout his entire life. He is a much sought after speaker as his message of hope and optimism is well received. He continues to golf with his longtime friends. Recently he married his friend with over 300 friends and family in attendance.

Harold grew up in New York, went to college in Florida, and graduated at the top of his class as a business major. A very popular guy, he married his college girlfriend and they have been married nearly thirty-five year and have raised two boys both of whom can only be described as “good kids.” They have just recently become grandparents for which they are thrilled. After graduation Harold went to work for a major airline as a financial analyst. After working for the airline for several years Harold found himself unemployed when the airline went out of business. He then went to work in the real estate business working, once again as a financial analyst, with a commensurate executive salary. Harold was in his early forties when this company was acquired by a larger company and his employment was terminated. Following a succession of jobs Harold is once again unemployed. In his early sixties Harold is most concerned that he and his wife cannot afford life insurance and clearly no one is going to hire him at this age. Still quick with a joke and a great sense of humor, Harold is very well read and can critique the New York Times best seller list with relative ease. He often laments that he did not become a teacher and find a career in academia.

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Peter took a lot of shop classes when he was in high school and was always a very “handy” guy. Following high school, he entered a local junior college which yielded him a draft deferment as college students were exempt from the draft during the Viet Nam war. Shortly after beginning college he applied for and was accepted into an apprenticeship program with a trade union which also carried an attendant draft deferment. Union pay, even for an apprentice was very high (twice that of a teacher or policeman) and Peter was very proud of his income which he was not slow to flaunt. Peter always has placed on huge value on his financial net worth. In fact, money has always been the dominate force. Peter does not play any sports or socialize much outside of his church activities. A very religious person he takes great pride that he tithes all of his income as God has promised he will multiply whatever Peter gives to God. During his tenure in the trades Peter had numerous “accidents” or what he referred to as “state claims.” This yielded a lot of money to him. Ultimately there were so many that he became “disabled” and “retired” in his early 40’s. Today, and for the past 15 years, he sits at home on his computer and plays the stock market every day as a day trader. Recently he won another large lawsuit for a work-related injury. He claims to have a strong “work ethic.” He is quick to let you know that he owns his own home “free and clear” and is financially secure if not even a little bit above all those “yuppies” (for which he harbors a particular disdain) who live in his neighborhood. Having voted against every school board issue in his town he places very little value on education after all “look where I am, and I didn’t waste my time in college.”

Following a short term as a Catholic priest Gary has spent his career in education. First teaching at the secondary level he then ultimately spent 30 years at a small Midwestern college. An English professor and writer he is now retired living in a beautiful apartment in a major northern urban city. Still traveling extensively, he and his wife of nearly 40 years, visit European museums frequently. Gary starts nearly every day in the gym and this is followed five days a week caring for his 4 year old granddaughter. He doesn’t own a home, has one mid size car and lives on his university retirement money and social security. Still very well read and a brilliant conversationalist Gary and his wife attend concerts, go to plays and enjoy the fruits of urban living.

So, who do you think are the happy ones? Why?

Here are some thoughts on what *really* provides happiness...

1. Realize that enduring happiness does not come from simple financial gain. Clearly its complete absence brings misery but money of itself does not provide happiness. An obsession with obtaining money often becomes a formula for selfishness, anxiety and depression.
2. Get organized and be mindful of your time while being of service to others. There is rarely enough time to do all the worthwhile things we desire so it is important to determine your *own* priorities. Your rewards in life will always be commensurate with your service in life.

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3. Engage in self-care. Take care of your body and mind with regular exercise coupled with a nutritious diet. Putting the wrong things in our bodies can steal our happiness.
4. Give the highest priority in life to developing and maintaining close personal relationships. These relationships have the potential of bringing a high degree of love, happiness and contentment.
5. Focus beyond yourself and be grateful for the things you *do* have in life. The Attitude of Gratitude will produce much happiness. Studies also show that people with a high degree of *Faith* in their lives have a greater degree of happiness and self-fulfillment.

Socrates once said, in essence, that all learning is defining. So how do we define happiness and how do we define the American Dream? While happiness has some well-established defined components it still remains very much individually defined. The American Dream is one of the most commonly misunderstood ideals in American culture. The term, often referred to in terms of acquisition of wealth, home ownership, financial independence, etc. really is much more. The American Dream is really opportunity - opportunity to pursue one's own desires and to realize autonomy and personal fulfillment. Having done so – one would have lived the American Dream as we all seek two things in life. We all seek security and significance. And while both security and significance come to us all in various forms and in various ways those factors would be elusive without a personal financial foundation sufficient to make them a reality. Thank you for allowing me to share my thoughts with you.

...Armand Grossman

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