## Gross National Happiness: Why Happiness Matters for America—And How We Can Get More of It

Arthur C. Brooks. 2008. New York: Basic Books. ISBN: 978-0-465-00278-8, $26.95.

*Reviewed by John P. Tiemstra, Calvin College.*

This book presents for a popular audience some of the results of statistical research on what makes people happy according to their own reports. This is an important topic that deserves serious engagement by Christian economists. Cultural variables are considered in the first half of the book. These include religion, family status, political values, and government policies. The second half takes up more clearly economic variables, including income, inequality, jobs, and charity. The conclusion focuses on government policies that may promote happiness.

The author has a thoroughly conservative political agenda, with which I am not personally sympathetic. He concludes that the happiest people are devoutly religious, given to charity, politically conservative, married, working as much as possible, and living in a country with low levels of government expenditure. The nine "lessons for our leaders" in his conclusion include promoting opportunity, not economic equality; not imposing greater leisure (as the Europeans do with limited workweeks and mandatory vacations); and limiting government spending. His only departures from the Republican platform are recognition of the importance of unions for fairness in the labor market (p. 172), and support for an expanded Earned Income Tax Credit (p. 173). However, these points do not make it into the concluding nine lessons.

By claiming statistical validation for his conclusions, Brooks tries to appear objective and scientific (pp.18, 39). However, he habitually dismisses research with which he disagrees as the product of allegedly pervasive liberal bias in the academic world (pp. 24, 138, 195). He dismisses data from San Francisco because, after all, how could a conservative be happy in San Francisco (pp. 25, 115)? This contributes to an annoyingly smug tone, at least in the first half of the book. Later on he acknowledges that legitimate disagreement with his position might be possible (p. 192).

Some of the statistical evidence presented for highly controversial conclusions turns out to be pretty thin. Brooks' idea that more government spending makes people unhappy is based on his own OLS time-series regression of the percentage of unhappy people on per capita income, per capita government spending, a constant, and a time trend. The R-squared is 0.31 (p. 215). On this hangs concluding lesson number nine. His claim that income inequality does not affect happiness is apparently based entirely on casual observation (pp. 136, 213).

Brooks' ideological presuppositions often get in the way of clear economic thinking. One of his pet ideas is that government activity makes people less happy by taking away their control over their own lives. He writes "It is terrible to feel like you are at the mercy of circumstances or other people" (p. 32), but he never acknowledges that the purpose and effect of social insurance is to mitigate exactly that feeling of helplessness in the face of impersonal circumstances, and in a way that only government can accomplish.

In another example with relevance to the role of government, Brooks states: "Osama bin Laden is a threat to America; trans fats in our food are an annoyance" (p. 108). The truth is that many more Americans will be killed by trans fats than by the plotting of Osama bin Laden. Dealing with this public health menace will cost much less than the effort to capture bin Laden and his henchmen, and has a much greater chance of success. By all means go after Al Qaeda, but pay attention to public health, too. Brooks' impatience with government focuses on things like airport security (p. 104). He should be more concerned about *habeas corpus* and "extraordinary rendition."

One of the key ideas in Brooks' argument concerns the connection between pay and success, or "creating value." Money doesn't make people happy—success does. But money is a measure of success. So when people appear to be chasing money in a greedy, materialist way, they are not. They are only engaged in a laudable pursuit of success, and with it, happiness (p. 131). On the other hand, those who want to redistribute money must be motivated by materialism and envy, because they think that redistribution will make the poor happier (pp. 138, 202). And of course high taxes reduce the incentive of the affluent to work (p. 202).

First, either money is a motivator or it is not. Brooks wants to claim that taxes make people unhappy independent of their incentive effects (p. 29) so he can say that pursuing wealth does not involve greed. But when it suits him, he appeals to incentive effects to argue against redistribution. He cannot have it both ways. Furthermore, Brooks gets the proponents of greater equality wrong. They are not trying to redistribute happiness. They want to see greater equality of incomes because of the effects that money has on power and status in our society. Brooks dismisses this idea in half a sentence (p. 201), but it is at the bottom of concerns with inequality. It is also an idea with biblical roots (see e.g., Prov. 22:22–23, 14:31).

This inconsistency also gives Brooks a problem with economic growth. He does not care about GDP growth (that would be materialism), but he wants success to grow, and since money measures success, GDP has to grow. The love of money leads to sin only because we forget that money is just a measure of success (p. 200). But the love of success is not evil—it has to be good.

The difficulty about inequality ties Brooks in knots. He does not take up the Easterlin Paradox. To do so would be inconvenient, since it would mean accepting that inequality does matter (see Clark, de Frijters, & Shields, 2008, pp. 123–125). The only argument in favor of equality that he entertains is the argument from diminishing marginal utility, and he does not in fact engage it, but merely dismisses it (p. 139). He does not consider the role of positional goods, or the ways in which we compete for position in this society, or whether that competition leads to a healthy result. He argues that more work always makes people happier without considering the role of positional competition in this rat race, or the effects it has on families, church life, and philanthropy (chapter seven).

A concept of sin more adequately based in scripture would have served Brooks better. We all have mixed motives for virtually all of our actions. This is what we Calvinists call "total depravity." People who pursue money are rarely free from greed, however much they may also desire success (whatever that is), or opportunities for giving, hospitality, or other good works. People who desire greater economic equality have serious reasons for holding this view. For example, they may want a society in which we can see people for who they are, not just for their clothes, their cars, their houses, or their resumes. Proponents of equality may also suffer from a touch of envy. Let us agree that we are all sinners in need of God's gift of salvation.

The best recent books on this topic are both by Robert H. Frank: *Luxury Fever* and *Falling Behind*. They are well worth the read and are interesting to both economists and laypeople. David Myers, the Christian psychologist from Hope College, did a wonderful book called *The Pursuit of Happiness,* which is still worth reading. Economists of a certain age remember with fondness Tibor Scitovsky's *The Joyless Economy,* which began this literature and makes all the important points.

In summary, Brooks is quite right to emphasize that happiness does not come from ever-greater consumption, but rather from faith, family, friends, and a sense of purpose in life. As our Lord said, a person's life does not consist in the abundance of possessions (Luke 12:15). It is important for us to see how this works out in social science data, and this book offers a good review. But the author tries to evade biblical warnings about the temptations of wealth by introducing a rather tenuous distinction between money and success. The Bible says not to lust after money, but it is all right to desire success, and the money that inevitably comes with it. That way Brooks can say that the profit motive is good while maintaining it is not greed. This does not work. He also tries to dismiss Christian concerns about economic inequality by maintaining that it has no effect on happiness. This is a dubious reading of the evidence, and does not do justice to the biblical underpinnings of this concern.

## References

**Clark, A. E., Frijters, P., & Shields, M. A.** (2008). Relative income, happiness, and utility. *Journal of economic literature,* 46(1), 95–144.

**Frank, R. H.** (1999). *Luxury fever: Why money fails to satisfy in an era of excess*. Princeton: Princeton University Press.

**Frank, R. H.** (2007). *Falling behind: How rising inequality harms the middle class*. Berkeley: University of California Press.

**Myers, D. G.** (1992). *The pursuit of happiness: Who is happy, and why?* New York: William Morrow.

**Scitovsky, T.** (1976). *The joyless economy: An inquiry into human satisfaction and consumer dissatisfaction*. Oxford: Oxford University Press. ■