

# When Are We Well Off?

By Peter Singer (excerpted from *How Are We to Live?*)

The problem is that our conception of the good life depends on constantly rising levels of consumption. ...by the early eighties, Americans owned five times as many air-conditioners per head, four times as many clothes dryers and seven times as many dishwashers [as compared to 1958].(23) In 1960, only 1 percent of American homes had color television; by 1987 this had risen to 93 percent. Microwaves and video cassette recorders entered American homes in the seventies and eighties, and within a decade were to be found in nearly two-thirds of all homes.(24) Despite this dramatic increase in material goods, people felt neither more affluent nor happier. The University of Chicago's National Opinion Research Center has for many years been asking Americans how happy they are. The proportion describing themselves as "very happy" has hovered around one-third since the 1950's(25). Why has it not risen with material levels of affluence? Essentially, because though the society was still becoming more affluent, the rate at which it was doing so had slowed:

In judging how well off we are economically... we assimilate new input to our "adaptation level." For many Americans, having one or several color television sets, two or more cars, a home in which there are more rooms than people... these and other features of their lives are experienced as the "neutral point." They do not excite us or arouse much feeling. Only a departure from that level is really noticed. Some pleasure may be afforded by our background level of material comfort, but unless we look elsewhere than the accumulation of goods for the main sources of pleasure and excitement in our lives, we are bound to be on a treadmill--one which, we are increasingly recognizing, can damage our health and shorten our lives. (26)

Contemporary academic psychologists have explored this feature of human psychology, and found that it holds quite generally:

The phenomenon of adaptation (or habituation) to maintained states is a fundamental biological regularity, which is observed at all levels of functioning... At all these levels, the maintenance of a state and the frequent repetition of stimulus event are associated with a decreasing response to that stimulus... Adaptation has two general consequences for subjective experience. The first is that exposure to repeated stimulation tends to produce a neutral subjective state, or null state... The second consequence of adaptation is that contrast is the primary determinant of experience. (27)

...People who have won lotteries are, after a little while, no happier than other people who have not won lotteries. There are limits to adaptation. Even a long time after their accident, paraplegics are not as happy as others.(28) In general, though, no matter what level of comfort, luxury or pleasurable stimulus we achieve, it will soon cease to bring us pleasure that is any more intense than we had before.

The message is that, once we have satisfied our basic needs, there is no level of material comfort at which we are likely to find significantly greater long-term fulfillment than any other level. A 1992 *Time* cover story entitled "Why the Gloom?" confirms that our judgments of how well off we are relative to that to which we have become accustomed. From 1959 to 1973 American incomes grew, in real terms, by 2.7 percent per year; from 1973 to 1991, they grew by only 0.3 percent per year. This is still an increase: there has been no falling back below the levels of the early seventies... Yet when asked whether Americans today can enjoy the same standard of living as recent generations, two thirds of those who gave a clear answer said no. *Time* quotes a leading economist, Allen Sinai, as saying: "The 1973 period marked the beginning of the decline of the American standard of living." Whatever the psychological perceptions may be, it is clear that the figures do not bear this out, unless American economists have become so growth-oriented that they view a fall in the rate of growth as itself constituting a decline. (29)

If we judge our success at least in part by the rate at which our living standard is improving, we also judge it by comparing it with our neighbors, friends and colleagues. Here too, the increasing affluence of society as a whole brings no increase in the average sense of well-being, because as our collection of material goods increases, so does that of our neighbors. Whether people compare themselves with their own wealth the year before, or with what their neighbors have, it is clear that for most people, most of the time, the pursuit of material affluence cannot bring happiness. That may be why the glaring disparities of wealth between Nigerians and West Germans, or between Filipinos and Japanese, do not give rise to any differences in how people from these nations rate their level of happiness. R.A. Easterlin, of the University of Pennsylvania, has carried out a comparative international study of the link between wealth and happiness. His conclusion is that there is very little relationship between the two: "Economic growth does not raise a society to some ultimate state of plenty. Rather, the growth process itself engenders ever-growing wants that lead it ever onward." (30)

If the world continues to pursue material affluence on the Western model, it will therefore risk environmental disaster while failing to make us happier, even if economic growth is achieved.

To say this is not to be against economic growth. There is potential for environmentally sustainable growth. Often ways of doing things that are environmentally friendly are also more labor-intensive than alternatives that consume more fossil fuels or cause more pollution. The Worldwatch Institute has estimated that generating 1,000 gigawatt-hours of electricity per year requires 100 workers in a nuclear power plant, 116 in a coal-fired plant, 248 in a solar thermal plant, and 542 on a wind farm. (31)

...To move towards a sustainable economy would cause unemployment in some industries, but on balance it would create jobs, not reduce them.

## Notes

- (23) Paul Wachtel, *The Poverty of Affluence*, Free Press, New York, 1983, p. 11.
- (24) Alan Durning, "Asking How Much Is Enough," in Lester Brown, ed., *State of the World, 1991: The Worldwatch Institute Report on Progress Towards a Sustainable Society*, Allen & Unwin, Sydney, 1991, pp. 154, 157.
- (25) Alan Durning, "Asking How Much Is Enough," p. 156, citing a personal communication from Michael Worley of the National Opinion Research Center, University of Chicago, Illinois, Sept. 1990.
- (26) Paul Wachtel, *The Poverty of Affluence*, pp. 22-3.
- (27) D. Kahneman and C. Varey, "Notes on the Psychology of Utility," in J. Elster and J. Roemer, eds., *Interpersonal Comparisons of Well-Being*, Cambridge University Press, Cambridge, 1991, pp. 136-7.
- (28) P. Brickman, D. Coates and R. Janoff-Bulman, "Lottery Winners and Accident Victims: Is Happiness Relative?", *Journal of Personality and Social Psychology*, 1978, vol. 36, no. 8, pp. 917-927.
- (29) John Greenwald, "Why the Gloom?", *Time*, Jan. 13, 1992.
- (30) R.A. Easterlin, "Does Economic Growth Improve the Human Lot: Some Empirical Evidence," in P.A. David and M. Abramovitz, eds., *Nations and Households in Economic Growth*, Academic Press, New York, 1974, p. 121.
- (31) Alan Durning, "Asking How Much Is Enough," p. 157.