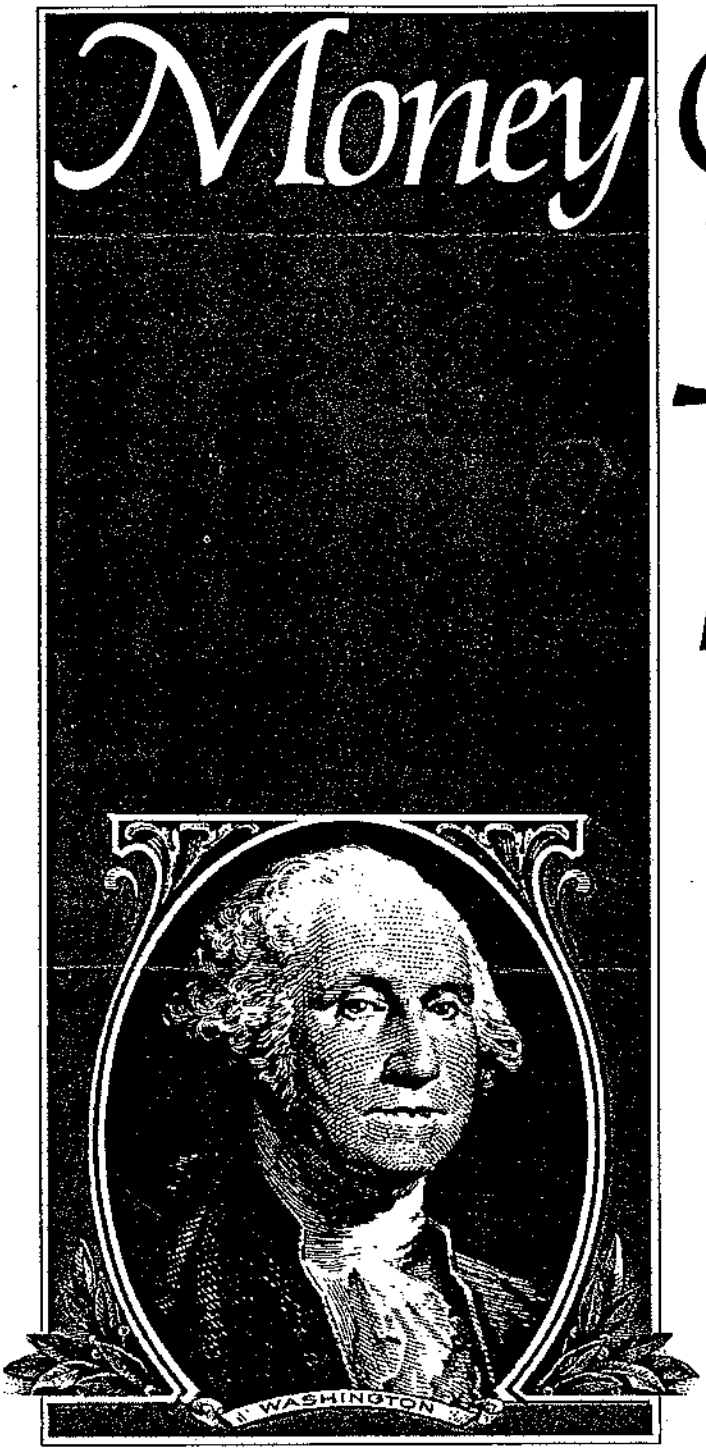
Finding life's riches with or without wealth

FINANCES

What Money Can't Buy



by David Myers and Thomas Ludwig

Why do yesterday's luxuries become today's necessities? Why do many people feel their needs are always slightly greater than their income?

Several factors enter in. First, finding satisfaction or dissatisfaction with the same set of circumstances often depends on our past. Prior experience helps form expectations for the future. If our achievements rise above those expectations, we feel satisfaction. If our achievements fall below our prior experience, we feel dissatisfied. This principle was plainly evident in the high suicide rate among people who lost their wealth during the Depression.

A temporary infusion of wealth, however, can leave one feeling worse than if it had never come. Thus, Christmas basket charity may be counterproductive, making the recipient family acutely aware of their poverty the other 364 days a year.

If improvements persist, we adapt to them. What was once seen as positive is now neutral, and what was once neutral becomes negative. Black and white television, once a thrill, begins to seem ordinary. An even higher level, a bigger "fix," is needed to give us another surge of pleasure.

Why Richer Doesn't Mean Happier

Although income has increased during the past several decades, the average American today reports no

greater feeling of happiness than thirty years ago. In 1957, for example, 35 percent reported themselves "very happy." By 1980, after two decades of growing affluence, only 33 percent stated they were "very happy."

Rich and poor nations don't differ in self-reported happiness. Egyptians are as happy as West Germans, Cubans are as happy as Americans. "Poverty," said Plato, "consists not in the decrease of one's possessions but in the increase of one's greed." Assuming that inequality of wealth persists, there is a real sense in which we shall "always have the poor." The poor remain poor partly because the criteria for poverty are continually redefined.

Researchers at Northwestern University recently found that state lottery winners typically said that winning was one of the best things ever to happen to them. Yet their reported happiness did not increase. In fact, everyday activities like reading or eating breakfast became less pleasurable. Winning the lottery was such a high point that life's ordinary pleasures paled by comparison.

The dissatisfactions bred by affluence are compounded when we compare ourselves with others. When climbing the ladder of success, people look up, not down. Such upward comparison whets our appetites but unfortunately, the ladder's rungs go on forever. Unless we gain a broader perspective, we will be forever comparing ourselves with those above us.

Our Amazing Ability to Adapt

All this sounds a bit pessimistic. Is there any cause for optimism? Yes, because adaptation works in both directions: Not only do we become accustomed to increased wealth and take it for granted, but if we're forced to adopt a less affluent lifestyle, we will eventually adapt and recover our normal level of happiness or discontent.

In the aftermath of the 1970s' gas price hikes, Americans managed to reduce their "need" for large gas-slurping cars. Even paraplegics, the blind, and other severely handicapped persons generally adapt and find near-normal levels of life satisfaction. Of course, victims of traumatic accidents would surely exchange places with those not paralyzed, and most of us would be delighted to win a state lottery. Yet, after a period of adjustment, none of these groups differs noticeably from the others in moment-to-moment happiness. Human beings have an enormous adaptive capacity.

Staying Up When Feeling Down

What steps can we take to stay up when we begin to feel down about our financial condition?

Learn from history. Most of us are preoccupied with the short run; we compare our salaries or bank accounts with last month's or last year's. But when we lift our gaze to the more distant past, the recent economic stagnation is but a blip on almost five decades of rising affluence. Looking at the long run, such as comparing the 1982 recession to the 1930s Depression, can trigger greater satisfaction with our current affluence.

Recognize that happiness is relative. Remember that elation over an achievement always fades, only to be replaced by a new challenge. Recognizing our *perceived* needs are usually relative can diminish our feelings of *actual* deprivation.

Jesus taught in the Sermon on the Mount: Happy are those who renounce selfish ambition. The abundant life comes by losing one's life, not by clutching at things. Simple living unclutters the heart and makes room for things of ultimate value.

The Preacher of Ecclesiastes expressed a similar sentiment: "I have also learned why people work so hard to succeed: it is because they envy the things their neighbors have. But it is useless. It is like chasing the wind. They say a man would be a fool to fold his hands and let himself starve to death. Maybe so, but it is better to have only a little, with peace of mind, than be busy all the time with both hands, trying to catch the wind."

No, this is not apathy or fatalism. If we feel deprived because of something subject to our control, then we should struggle mightily to correct the problem. If, however, it lies outside our power, we should accept our situation with calmness and equanimity.

Cut the "poortalk." People often grouse about how they can't exist on a mere $20,000 income. Poortalk is objectionable on two counts: First, it is insensitive to the truly impoverished, just as self-pitying "fat-talk" by a slightly overweight person is insensitive to the truly obese, or "sicktalk" by a reasonably healthy person is insensitive to the agonies of those seriously ill; second, poortalk sours our thinking. Social psychologists have repeatedly observed that what we say influences what we feel. Thus, one way for middle class folk to gain a healthier perspective on their situation is to cut the poortalk.

"I *need* that" usually means "I want that."

"I am underpaid" usually means "I spend more than I make."

That familiar middle class statement "I can't afford it," if honestly translated, is "I choose to spend my money on other things." Most of us *could* afford almost any reasonable item, *if* we made it a top priority. The fact is, we have other priorities on which we *choose* to spend our limited income. The choice is ours. "I can't afford it"

denies the choices we have made, reducing us to self-pitying victims.

Choose your comparison groups carefully. We can resist the tendency to compare ourselves with those higher on the success ladder and instead choose to remember those less fortunate. Earlier generations called it "counting your blessings." It's not a trite cliche.

We can avoid settings where we're surrounded by other people's luxury. We can even go out of our way to confront true poverty, to drown our relative deprivations in the absolute deprivation facing so many human beings. Discovering how relatively small our problems are can make us more sensitive to real poverty. We begin to see that some people's unmet needs — such as clean water, adequate nutrition, or medical care — are things we take for granted.

As Abraham Maslow noted, "All you have to do is go to a hospital and hear all the simple blessings that people never before realized *were* blessings — being able to urinate, to sleep on your side, to be able to swallow, to scratch an itch. Could *exercises* in deprivation educate us faster about all our blessings?"

A research team led by Marshall Dermer put a number of University of Wisconsin-Milwaukee women through some imaginative exercises in deprivation. After viewing vivid depictions of how grim life was in Milwaukee in 1900, or after imagining and then writing about various personal tragedies, such as being burned and disfigured, the women expressed a greater sense of satisfaction with the quality of their own lives.

View life from the eternal perspective. Christian faith encourages us with the good news that our struggles will not endure forever. Authentic Christian hope is not built on a make-believe escape from life's frustrations and agonies, but it does promise that evil, deprivation, and heartache are not the last word.

At the end of his *Chronicles of Narnia*, C. S. Lewis depicts heaven as the ultimate liberation from the relativity of experience. Here creatures cannot feel deprived, depressed, or anxious. There is no letdown after an achievement, for happiness is continually expanding. Here is "the Great Story, which no one on earth has read: which goes on for ever: in which every chapter is better than the one before." This resurrection hope does not eliminate the ups and downs of day-to-day life, but it does offer a liberating cosmic perspective from which to view them.

To paraphrase Ruben Alves, the melody of the promised future enables us to dance even now. As a folk hymn of the St. Louis Jesuits puts it:

Though the mountains may fall,
and the hills turn to dust,
Yet the love of the Lord will stand
As a shelter to all who will call on his name;
Sing the praise
And the glory of God.

Here on earth we will never completely escape the "hedonistic treadmill." But by pausing to recall the deprivations of our more distant past, by recognizing the relativity of happiness, by cutting our poortalk, by consciously selecting our comparison groups, and by viewing life from the perspective of Resurrection faith, we can begin to experience the radical liberation of the Psalmist: "The Lord is my shepherd; I have everything I need."

Why We Feel We're Not Getting Our Share

When a company or an institution awards merit salary raises, at least half the employees will receive only an average raise or less. Since few see themselves as average or below average, many will feel an injustice has been done. (Few would feel they have been overpaid!) The people's impression that they've been unjustly evaluated, however, doesn't signify actual injustice. Likewise, self-serving biases can fuel feelings of deprivation.

A fixed-percentage or fixed-increment salary increase doesn't resolve the problem. Many people then feel that equal pay is, for them, inequitable, since they are more competent and committed than most of their colleagues.

The resentment that accompanies high inflation — even in times when wage increases keep pace with prices — reflects the self-serving bias. Economist George Katona observed that people tend to perceive their wage increases as the reward for their talent and effort, and thus see price increases as cheating them of gains which are rightfully theirs.

This relative deprivation principle has some intriguing implications. For example, as a family increases in affluence and social status, they elevate the comparison standards by which they evaluate themselves. Paradoxically, this means that actual gains in income, possessions, or status may be offset by psychological losses stemming from the change in comparison group.

The ladder of success seems infinite. Unless we renounce the climb, we will forever be comparing ourselves with others above us. We're like rats on a hedonistic treadmill, requiring an ever-increasing level of income and social status just to feel "neutral."