#### PENGUIN BOOKS

## Happiness by Design

'For Dolan, purpose and pleasure are both basic constituents of happiness. This is a bold and original move . . . Among the imperfect definitions of happiness, the pleasure–purpose concept that Dolan offers is, I believe, a strong contender. It is a good description of what I wish for my grandchildren: a life that is rich in activities that are both pleasurable and meaningful. Paul Dolan is an inveterate optimist who has overcome many obstacles on his way to becoming an internationally recognized expert on wellbeing. The optimism shows on every page of this book. In particular, Paul is optimistic about you, his reader. He believes that you can make your life both pleasurable and meaningful with deliberate choices, about the environment you create for yourself and about the aspects of life that deserve your attention. He offers a great deal of sound advice on how to make these choices and how to follow through with them' Daniel Kahneman

'Professor Happy... refreshingly unpatronising food for thought. The strategies he recommends – seeing one's friends more, privileging experience over buying, listening to music – are not radical, but his principle of redesigning one's life to be made of such moments is' Hannah Betts, *Evening Standard* 

'Dolan's book is aimed at the lay reader who wants to be more cheerful without recourse to airy-fairy notions of spirituality or philosophy' Rowan Pelling, *Daily Telegraph* 

'[Dolan's] discoveries at once confound your expectations and provide an appreciable way of acting on that knowledge . . . full of facts that make you go: "Huh." Richard Godwin, *Evening Standard* 

'Overall, Dolan gives a comprehensive overview of the science of happiness and useful tips to achieve it. In his quest to explain what makes us happy, Dolan touches on a powerful idea: happiness need not be pursued, simply rediscovered. In other words, sources of pleasure and purpose are all around us, if only one knows where to look' Daisy Yuhas, *Scientific American* 

Paul Dolan is an internationally renowned expert on happiness, behaviour and public policy. He is currently a Professor of Behavioural Science at the London School of Economics. He has been a visiting research scholar at Princeton University, where he worked closely with Daniel Kahneman. Among various other roles, he is a member of the US National Academy of Sciences Panel on measuring national wellbeing, a member of the National Wellbeing Advisory Forum for the Office for National Statistics in the UK, and is Chief Academic Advisor to the UK Government on how policymakers should value the impact of goods that are hard to measure, like health.

## PAUL DOLAN

## Happiness by Design

Finding Pleasure and Purpose in Everyday Life



#### PENGUIN BOOKS

#### UK | USA | Canada | Ireland | Australia India | New Zealand | South Africa

Penguin Books is part of the Penguin Random House group of companies whose addresses can be found at global.penguinrandomhouse.com.



First published in the United States of America by Hudson Street Press, a member of Penguin Group (USA) LLC 2014 First published in Great Britain by Allen Lane 2014 Published in Penguin Books 2015

> Copyright © Paul Dolan, 2014 Introduction copyright © Daniel Kahneman, 2014 The moral right of the author has been asserted

Printed in Great Britain by Clays Ltd, St Ives plc

A CIP catalogue record for this book is available from the British Library

ISBN: 978-0-141-97753-9

www.greenpenguin.co.uk



Penguin Random House is committed to a sustainable future for our business, our readers and our planet. This book is made from Forest Stewardship Council\* certified paper.

## **Contents**

Part 1. DEVELOPING HAPPINESS
1. What is happiness? 3
Happiness as evaluation 3
Happiness as feelings 5
The pleasure-purpose principle 7
The PPP for life 18
2. What do we know about happiness? 23
Experience sampling 24
German days 25
American episodes 30
Other evidence on happiness 35
The measure matters 41
3. What causes happiness? 45
From widgets to happiness 45
Above and below the surface 51
Behavioral spillovers 56
The shifting sands of attention 60
Attending to happiness 68

Foreword vii

A note to the reader ix

A little warm-up xiii

*Introduction: stuttering into happiness* 

vi Contents

71

4. Why aren't we happier? Mistaken desires Mistaken projections 82 Mistaken beliefs Reallocating attention 99 Part 2. DELIVERING HAPPINESS 5. Deciding happiness Pay attention to your own feedback Pay attention to the feedback of others 114 Don't try too hard Happier by deciding 122 6. Designing happiness 125 Priming 127 **Defaults** 130 Commitments 131 Social norms 136 Designing habits 141 Happier by designing 143 7. Doing happiness 145 Pay attention to what you are doing Pay attention to who you are doing it with 154 Don't get distracted 155 167 Happier by doing 8. Decide, design, and do 169 Dither less 170 Distribute more 176 Efficient production 188 Conclusion 189 Acknowledgments 195 Notes 199 Index 229

#### **Foreword**

There are two central issues in the study of happiness (I tend to prefer the label of subjective well-being). The first is a classic distinction, which goes back at least to Aristotle, between two views of the good life: a life of pleasure, contentment, and other positive feelings, or one that is well-lived and meaningful. A clear choice of one over the other has its problems. A preference for joy over meaning gets you labeled a hedonist, which is not a compliment. On the other hand, you are properly called a scold if you proclaim that pleasure is frivolous and that only virtue and meaning matter. How should you define happiness if you wish to be neither a hedonist nor a scold? The other great question about happiness is how to measure it. Should we study how people feel as they go about their life, whether they mostly experience happiness or misery? Or should we ask people to stop and think about their life, and report whether or not they are satisfied with it?

The two questions appear to be related. It seems natural to use measurements of life satisfaction to study whether people find meaning in their life, and to identify happy feelings by measuring ongoing experience. That was also my view for many years, but Paul Dolan has a different idea. To begin with, he is much more interested in people's experiences of life than in their evaluations of their life. The novel idea is to consider

viii Foreword

"meaningful" and "meaningless" as experiences, not judgments. Activities, in his view, differ in a subjective experience of purposefulness—volunteer work is associated with a sense of purpose that channel-surfing lacks. For Dolan, purpose and pleasure are both basic constituents of happiness. This is a bold and original move.

The question "What does happiness consist of?" is not answered by listing facts about happiness. It is about the proper use of the word: when people speak of "happiness," what do they have in mind? No answer can be completely satisfactory, because people do not always have the same idea in mind when they use the word. Among the imperfect definitions of happiness, the pleasure-purpose concept that Dolan offers is, I believe, a strong contender. It is a good description of what I wish for my grandchildren: a life that is rich in activities that are both pleasurable and meaningful.

Paul Dolan is an inveterate optimist who has overcome many obstacles on his way to becoming an internationally recognized expert on well-being. The optimism shows on every page of this book. In particular, Paul is optimistic about you, his reader. He believes that you can make your life both pleasurable and meaningful with deliberate choices, about the environment you create for yourself and about the aspects of life that deserve your attention. He offers a great deal of sound advice on how to make these choices and how to follow through with them. The rest, he says, is up to you.

Daniel Kahneman

### A note to the reader

I'd like to thank you for buying my book. It makes me happy, and I hope it will make you happy, too. I'm fascinated by happiness and human behavior, professionally and personally, and I get plenty of opportunities to fuel my fascination. Before writing an entire book on happiness, I was asked to devise the questions that are now being used in large surveys of happiness in the UK and also to advise the UK government on how to design better behavior change interventions. I am now increasingly being asked to advise charities, multinational companies, and other governments about how they can improve happiness and influence behavior.

My professional fascination with happiness came about largely by chance. I had spent a decade conducting academic research into how we should measure and value the benefits of health care spending. This work was recognized with a Philip Leverhulme Prize in 2002 for my contribution to health economics, which meant that I could take some time out from teaching at the University of Sheffield and attend a few conferences. One such conference, on the economics of happiness and held in Milan in March 2003, turned out to be the most significant event of my academic life. On the way to the conference dinner, I sat next to a man who introduced himself as Daniel (Danny) Kahneman. I knew

exactly who he was. As many of you know, too, Danny is a psychologist who won the Nobel Prize in Economic Sciences in 2002. He has subsequently written *Thinking*, *Fast and Slow*, which is a brilliant book about human behavior and decision making.

Danny was immediately engaging and interested to hear about what I was working on. After a few minutes, he said, "Why not come to Princeton [where he worked] and we can work together?" I thought about that for about a nanosecond and said, "Yes, please." Beyond being one of the nicest people I have ever met, Danny is my intellectual hero. In fact, that whole conference was pretty life changing as I also met Richard Layard, one of the most famous happiness researchers in the world and author of *Happiness: Lessons from a New Science*. Richard was instrumental in my move to the London School of Economics in 2010.

Since meeting Danny and Richard, I have been conducting research into happiness and its causes. Sometimes this has involved analyzing existing data sets; other times it requires me to gather my own data. This has quite naturally led to research into understanding human behavior, using experiments conducted in the lab and in the real world. A large part of how you feel is determined by what you do, what you do is largely motivated by the expected impact on your happiness, and happiness is the feedback you receive about the impact of what you do. You can see how it's all very cyclical.

As one of the small number of researchers working on *both* happiness and behavior, one of the main aims of this book is to demonstrate the links between these two research fields, and in so doing to bring the latest insights from happiness research and behavioral science to bear directly on the questions of what you are trying to achieve (more happiness) and how you can bring it about (by behaving differently). I was trained as an economist but I am now a professor of behavioral science, which probably gives me more in common with psychologists these days. My research, and now this book, seeks to combine the best bits from these two disciplines: the formal and explicit consideration of costs and benefits from economics alongside the recognition from psychology that our behavior is heavily influenced by context and situation.

I also bring a distinctive personal perspective to the book. My dad had many low- or semiskilled manual jobs over the years, and my mum worked in clerical roles to supplement the family income. I grew up in social housing and attended run-of-the-mill state schools. Money was tight, but not too tight to mention. We did not go on holiday very often, but my parents made sure we were always well fed and wore pretty decent clothes, too. Many of my current friends have not attended university, while others have had privileged backgrounds. I therefore continue to have experiences that are different from many of those who write about human happiness and behavior. A good understanding of the academic research matters, but so, too, does a little knowledge of the complexities and quirks of the real lives of people from a range of different backgrounds.

As I'm sure you are only too well aware, managing other people's expectations of you is an important skill, and so I won't make any promises to change your life; but I do hope to provide some insights into how you can change what you do. Behavioral science teaches us that what you are told matters a bit but *who* it is that tells you matters a lot. You listen more to some people than to others. Ideally, good messengers have three attributes: they can be trusted; they are experts; and they are like you. As a consequence of my academic work and my personal background, I would like to think I have all three attributes. All the more reason to pay attention to what follows.

## A little warm-up

 $B^{
m efore}$  we move ahead, I'd like you to look at the following list of twenty items that could potentially make you happier.

From this list, what are the four items that would make you happiest? Place an X in the "make me happiest" column alongside the four items. For each of the four items you chose, please rate how difficult it would be to achieve on a scale from 0 to 10, where 0 represents "not at all difficult" and 10 means "very difficult indeed."

You might want to keep your selections in the back of your head as you read on.

		Make me happiest	Difficulty in achieving (0–10)
1	More money		
2	New experiences		
3	Children		
4	More time with the kids		
5	The kids leaving home		

		Make me happiest	Difficulty in achieving (0–10)
6	A new partner		
7	More sleep		
8	More sex		
9	A shorter commute		
10	More time with friends		
11	A new house		
12	A new job		
13	A new boss		
14	New work colleagues		
15	More exercise		
16	To be healthier		
17	To be slimmer		
18	To stop smoking		
19	More holidays		
20	A pet		

# Introduction Stuttering into happiness

Here's a confession that until recently I would have made only to my family and very close friends. I have a stammer (or stutter, if you prefer; they mean the same thing). It has probably been the single biggest blot on my landscape of happiness. It has been with me all my life and it has always affected me, despite my largely successful attempts to keep it hidden.

My mother took me to see a speech therapist when I was about seven years old and I was told that I would grow out of it. My stammer was especially awful when I was a teenager. I couldn't say my name. I hated using the phone. Any small speaking situation that nonstammerers take for granted brought on severe anxiety attacks before and during the event, and feelings of utter despair afterward.

The reason a stammer is such a problem is because it is the perfect attention-grabbing condition. It is the focus of a great deal of attention for the stammerer, and it draws attention to itself every time a speaking situation arises. As any stammerer will tell you, its frequency and severity are variable and so it takes a lot of what I shall call "attentional energy." If I had always stammered on every sixth word, say, I would not have attended to it anywhere near as much; and others would soon have become used to the pattern, too. Uncertainty grabs your attention, just as