

## The Pursuit of Happiness

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*We hold these 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 pursuit of Happiness. — That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, — That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness.*

Just what the white males who agreed on these stirring words meant by ‘Happiness’ is unknown. It may be surmised that, if asked, they would have replied in quite simple terms; peace, family, a secure income, a solid faith. They might well have been surprised to be asked the meaning of something so obvious. Even so, although the rights to life and liberty have long since been defined and entrenched, as well as circumscribed, in virtually all legal systems, the right to pursue happiness has consistently evaded any such definition let alone legal consolidation. Happiness has indeed largely escaped from the realm of governance, despite the strictures of the Founding Fathers of the USA, into a much more nebulous arena of personal conduct, mostly defined in terms of the twin poles of acquisition of wealth and, possibly or, the love of a good man or woman. It is only quite recently, around 1990, that happiness has become an independent area of study (a book by Martin Seligman is usually cited as the first source)<sup>i</sup> since when happiness studies has become both an academic subject with its own *Journal of Happiness Studies* and the basis for a therapeutic industry branching in many directions from Seligman’s own ‘Positive Psychology’. There is an odd and revealing paradox in this. It is only in the last three or four decades that the explicit pursuit of happiness has become consecrated as a legitimate, perhaps the major component of human life, at least in the developed world, displacing such simple ideals as ‘hard work’, ‘looking after the family’ or ‘leading a decent life’. Yet the cumulative conclusion of the new field of happiness studies suggests that this pursuit has been a resounding failure, that many societies, in particular Great Britain, are actually less happy than they were before the great consumer revolution began to dominate not just business but also many parts of governance.

Recently, the idea that a social crisis in Britain is a key political issue has become widespread. David Cameron refers to a “broken society” whilst Neal Lawson of Compass often writes about a “social recession”. Lower down the political food-chain, I have been the co-author of ‘Feelbad Britain’.<sup>ii</sup> In this essay I want to review the wider evidence for the claims of the ‘happiness industry’. The literature is vast so I will focus four recent books<sup>iii</sup> which contain big bibliographies for those who want to dig further. They are written from quite different perspectives by authors who are, to a degree, sceptical of the other’s work. Interestingly, two of them at least can claim to be widely read suggesting that the topic is not a narrow, academic issue. Essentially, I want to ask three questions of them: What evidence is offered? In particular, what evidence is offered of a relationship between their version of ‘happiness’ and the sea-change in social circumstance which took place in the late-1970s in the U.K.? Finally, what are their conclusions with regard to causation and to remedy?

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Richard Layard is, by original trade<sup>1</sup>, a labour economist who was a key adviser to the Labour government in its early years on its welfare and unemployment policies. He is probably best known for his advocacy of welfare-to-work policies. The book *Unemployment: Macroeconomic Performance and the Labour Market*, (OUP, 1991) which he co-authored was one of the most important influences on New Labour attitudes to long-term unemployment and welfare when it took office. He seems to have turned away from this subject shortly after receiving his peerage and towards happiness research. In particular, he has been closely involved with an academic group at the L.S.E, the Mental Health Policy Group, engaged in studying the mental health of Britain and which in 2007 produced a Depression Report recommending a major increase in expenditure by the N.H.S. on treatment of mental disorder.

Layard's concept of happiness is simple "By happiness I mean feeling good – enjoying life and feeling it is wonderful. And by unhappiness I mean feeling bad and wishing things were different. There are countless sources of happiness, and countless sources of pain and misery. But all our experience has in it a dimension which corresponds to how good or bad we feel" and so is his perception of how happiness has evolved in modern societies "There is a paradox at the heart of our civilisation. Individuals want more income. Yet, as society has got richer, people have not become happier. Over the last 50 years we have got better homes, more clothes, longer holidays, and above all better health. Yet surveys show clearly that happiness has not increased in either the US, Japan, continental Europe or Britain."<sup>iv</sup>



The key direct evidence offered by Layard in support of this are opinion surveys carried out in various countries which ask a population-sample direct questions about their personal happiness. The only country where consistent and systematic surveys of this kind have been carried out is the United States with the results shown in the figure. Complete data of this kind for Britain exists only since 1970 and this shows that such self-assessed 'happiness' has been static in this period, despite rising income, "and (on flimsier evidence) is no higher than the 1950s" (**Happiness**, p.29)

<sup>1</sup> Originally trained as an historian, Layard spent some time teaching before moving into the role of all-purpose government adviser, initially in the field of education. He acquired formal economic qualifications rather late – perhaps no bad thing for an economist. In any event, he has shown a refreshing ability to move around academic topics quite freely.

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There is a much greater volume of such data from other countries for more recent periods and cross-section comparisons of this show that although happiness increases with income in poorer countries, this increase ceases at per capita incomes of around \$20,000 after which it effectively stabilises. Layard is at pains to assert that these measures of happiness are truly cross-cultural, that no basic differences exist in the meaning of 'happiness' when translated into other languages. He does this both by linguistic arguments and by using recent studies using brain-scans which show that the subjective feeling called 'happiness' is directly correlated with a specific brain-activity across ethnic groups, something which "*confirms the objective character of happiness*". (p.20)

In itself, these trends in happiness as measured directly by surveys show stabilisation rather than decline. It is when Layard turns to what he terms "*the third piece of evidence*", that of "*trends in depression, alcoholism and crime*" (p.35) that one encounters evidence of increasing and negative shifts in social activities which Layard correlates with his idea of happiness. It on these and especially on the first that he devotes most of his attention in succeeding chapters. The scope of the problem is seen as huge. In a study entitled **The Depression Report**, prepared by Layard's research group at the London School of Economics, it is stated that:

*Crippling depression and chronic anxiety are the biggest causes of misery in Britain today. They are the great submerged problem, which shame keeps out of sight. But if you mention them, you soon discover how many families are affected. According to the respected Psychiatric Morbidity Survey, one in six of us would be diagnosed as having depression or chronic anxiety disorder, which means that one family in three is affected.*

The actual chronology of these negative changes is given little attention; in general he seems satisfied with rather general statements that things have gone wrong in the last half of the last century. Indeed where he does allude to any periodisation his analysis seems clearly wrong. He notes "*if we take Americans aged thirty-five, roughly 15% remember symptoms that would be classified as major depression. But if we take Americans who were thirty-five in the 1960s, only 2% can remember such symptoms occurring before they were thirty-five. So if people's memories are right, there has been a huge increase in depression in the United States and other countries studied, especially during the golden period of economic growth between the Second World War and the oil shocks of the 1970s.*" Obviously, the last conclusion is the reverse of what the proffered evidence shows: that is that there has been a huge increase in symptoms of depression in young people *since* the 1970s. This carelessness about just when the various social malaises he identifies set in and whether there were differences in timing between countries is one aspect of a more general issue with Layard's approach, that he is, in general, rather unconcerned about any possible relationship between affluence and happiness or at least between the social mechanisms of increasing affluence and changes in overall social happiness. His summary conclusion is that "*Since the Second World War, greater national income has indeed brought some increase in happiness, even in rich countries. But this extra happiness has been cancelled out by greater misery coming from less harmonious social relationships.*"(p. 35) The closest which he comes to any relationship between the two trends is that both largely derive from external, technical factors. "*I want to argue that science and technology are the prime source of the changes that affect our attitudes and feelings. They explain the huge growth in our national wealth and the remarkable improvement in our health\_all of which are blessings. Yet they also explain some of the negative trends that offset these blessings.*"(p.78)

The causal connections he presents to justify this claim often seem either rather banal, for example watching television, or somewhat strained, as in a convoluted argument about gender

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roles. This sets out a chain of improved labour-saving technology in the home making it possible for more women to work which made them financially independent just as the technological revolution in controlling childbirth provided “*new dangers to marriage*” along with the influence of the Rolling Stones and the greater possibilities to meet new sexual partners opened up by work outside the home.(p.84) As a secure relationship is known to be a key element in subjective happiness, technological change is linked to less happiness. Well, perhaps. But maybe other, more social factors have also played a more important role.

The need to evoke technology as the main influence on happiness drives from Layard’s inability to see economic growth and wealth creation as anything other than an autonomous process driven by market forces which are seen as both “*marvellously efficient*” (p.129), something which is their “*enormous strength*” and also as essentially both inevitable and historically seamless in the sense that nothing much has changed since Adam Smith’s famous analysis. In this perspective, socialism becomes not an alternative to capitalism (a word which is absent from the book) but a “*secular religion*” (p.5) which provided “*a social ethic for many people, especially in Europe*” and which “*said there is something greater than ourselves, which we should respect and work for.*” (p.91) He is trapped within the hegemony of neo-liberal capitalism unable to conceive of any form of social organisation outside of ‘marvellously efficient’ global capitalism which, as his section on the challenges of globalisation seeks to demonstrate, (p.169-170) offers no threat but only the luxury of national choice.

Layard’s turn to mental health and towards specific individual treatments is, given this analytic framework, inevitable and historically almost pre-determined. He acknowledges the influence of Martin Seligman, who effectively invented happiness studies and who also founded an influential therapeutic ‘movement’ (Layard’s word) called “positive psychology”, a general term which covers the cognitive behavioural therapy (CBT) on which Layard places so much weight. CBT essentially works by training individuals to develop positive rather than negative patterns of thought and to focus on their individual strengths rather than weaknesses. It is almost diametrically opposite to many forms of therapy in that it does not try to diagnose, for example to find out why a patient is depressed but rather to work on cognitive patterns which will remove the depression. Its greatest claim is that ‘it works’ and there is evidence to suggest that this is so \_ at least in the short-term. What it fails to do, indeed makes no claim to do, is to provide any general understanding as to why depression and anxiety have become such a prevalent disorder in the first place whilst any solution to this epidemic based on social reform is quite outside its understanding. It is easy to understand why CBT has become New Labour’s therapy of choice.

It would be wrong to suggest that the only policy advocated by Layard is that of more individual therapeutic care. He puts forward a range of measures such as more flexible working practices, better childcare, subsidies for activities that promote community life, more aid to the Third World, less performance-related pay and other, less specific ways to make society more friendly.(p233-4) However it is fair to suggest that none of these are measures which infringe on the fundamentals of current market-based economies. An important example of this is unemployment which he recognises as a major source of unhappiness. However, in policy terms, he views it as a welfare issue; how to get people back to work rather than something which derives from how the market economy functions under particular policy regimes. Given that he has lived through the a period in which unemployment was a basic and open policy tool of the Thatcher period, this is surprising, to say the least. In general, Layard shares a view of a society which has gone badly wrong socially, in particular one in which depression and anxiety have become epidemic diseases. However, by clinging so hard to neo-liberal capitalism as the only possible mode of social organisation he effectively cripples his ameliorative response and is often reduced to banality.

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Avner Offer's book **The Challenge of Affluence**, published in 2006, covers a lot of Layard's territory though it extends his analysis in a number of areas and is, in its use of data, more authoritative. This is, in part, because Offer writes as an economic historian setting out a picture of society as it appears to him but refraining from much in the way of recommendation about social policy. He sets out to "*be diagnostic, not therapeutic*" (**Affluence** p.357) and is careful within this framework to evaluate the strengths and weaknesses of his evidence. Even so he covers such a range of ground, including advertising, obesity, cars, sex, children, television to name just the most prominent as well as more general indicators of social well-being that it sometimes hard, as with Layard, to bring it all into focus. However, he differs from Layard's analysis in several, important ways.

First, he relies much more on alternative economic measures to the standard form of Gross National or Domestic Product (GNP or GDP) which, as he points out, was only standardised in 1953 in the System of National Accounts agreed by the United Nations and which was criticised as a benchmark for welfare policy almost from the outset. One major problem with GNP is that it excludes many human activities which are outside the market but which contribute significantly to individual welfare notably leisure pursuits and housework. If an individual works an extra hour this contributes to GNP and is recorded as economic growth but the hour lost to playing football or reading a book, although important to individual welfare, is unrecorded. Similarly, all the activities associated with childcare or housework, if undertaken voluntarily, are unrecorded though the use of nurseries or the employment of cleaners which may replace this voluntary labour if the person, usually a woman, goes to work will be recorded as growth in GNP. According to Offer "*typically, the imputed value of leisure equals or exceeds the value of GDP, and household production adds another 25 to 45 per cent*". (p. 18) A second, major issue is that of external environmental damage. Curiously, this does not figure very prominently in either Offer or Layard perhaps because their books just missed the climate change furore. Yet, it is becoming increasingly clear that insofar as human activity registered as growth in GNP contributes towards the global havoc of climate change then it also acts to reduce long-term human welfare. There have been numerous efforts to replace GNP with a measure which more obviously factors in such elements of human welfare or destruction. The one which has become most widely used was developed in the 1980s, the Index of Sustainable Economic Welfare (ISEW) and though this remains controversial, notably because it excludes leisure activities on the not unreasonable grounds that forced leisure through unemployment, a 'benefit' which grew greatly in the 1980s, should not be included.<sup>2</sup> It also includes inequality as a net disbenefit. The evidence of such indices is clear and unequivocal: in the early part of the last century, they track GNP reasonably well but since around 1970, they show that overall welfare has actually declined even as GNP has moved up. (An alternative to ISEW developed at the University of Surrey is the Measure of Domestic Progress). Offer does utilise the same 'happiness' indices as Layard though he prefers to use the more technical term 'subjective well-being' (SWB) for these. Offer's analysis of even more extensive data-sets than those used by Layard confirms the conclusion that above a certain level, any increase in income fails to provide any further increase in SWB in any of the countries studied.

The second difference from Layard is that Offer provides a clear periodisation in the various trends in social well-being. In his words "*Our decades fall into two parts, with a turn in the 1970s. This turn occurs in many seemingly unrelated domains, and suggests an underlying dynamic that is common to all... that 'great transition' is an ideological and institutional upheaval which is still unfolding, unevenly, and not without resistance across the globe. It is still*

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<sup>2</sup> The British ISEW can be found in conveniently interactive form on the Friends of the Earth web-site, [www.foe.org.uk/progress](http://www.foe.org.uk/progress) allowing the user to build their own version by adding various indices.

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*rather poorly understood, and has not been adequately explained in terms of economic and social fundamentals.” (p.7) At the end of the book, he refers to this shift in direct political terms as “the shift from New Deal to New Right, from social democracy to market liberalism” (p.365) though without providing any closer characterisation.*

Thirdly, Offer provides, as an hypothesis, a much clearer link than Layard between individual and social behaviour. This hypothesis is presented at the very start of the book as “*Affluence breeds impatience, and impatience undermines well-being*” (p.1). His argument to support this generalisation is interesting, though somewhat technical, and has implications which are profound, though relatively undeveloped in some respects. The core of his position is that the central premise of market economics is that “*the unfettered choice of individuals adds up to maximise the welfare of society*” (p.68) and that this premise can only be justified if the individual acts in a fashion which is rational and consistent. However, all evidence is that “*the ubiquity of inconsistent preferences has placed these assumptions in doubt*” (p.69) As he emphasises “*a great deal is at stake here: at a technical level, the assumption of consistency in choice, which is a pillar of economic analysis. At the level of ideology, the justification of market outcomes as being both efficient and equitable. At the political level, the bias in favour of deregulation, privatization, and low taxes.*” (p.70) He places great importance upon what he terms ‘commitment technologies’ that is the “*conventions, expectations, and institutions [which] have built up gradually over decades and centuries, to form a stock of equipment to deal*” (p.3) with the individual problem that the satisfaction of immediate desires may not, in practice, be in the individual’s best long-term interests. His conclusion is that the “*great transition*” of the 1970s marked a turn away from these ‘commitment technologies’ and that it is the conflict between the long-term importance of these and the increasing dominance of short-term decision making which is the root cause of the decline in social well-being since the 1970s. He is remarkably dismissive of the contemporary economics in which Layard places such confidence. “*In affluent societies, the doctrines of economics tend to be aligned with the interests of the powerful. The competition that economists extol is one which the educated, the wealthy, the powerful, are already well-placed to win. It strives to exact the greatest efforts from the weakest, to dismantle their securities and defences. In a rich society, the virtue of efficiency appears to be overrated, and also miscalculated. When the benefits of growth are added up, the costs to the losers are often invisible. The winners’ prizes are often disproportionate to the efforts invested, and their social value is often questionable: enormous resources are staked and won to secure positional power.*” (p.366) It would be difficult to phrase it better.

However, Offer shares with Layard a gap in analysis which is all the more curious because, unlike Layard, he clearly has great problems with the hegemonic story of the current era, that of the efficiency and equity of market forces. Also unlike Layard, he draws out from the huge volume of data studied a clear historical moment of change, the 1970s ‘from New Deal to New Right’ in both Britain and the USA and also striking differences between social change in these two countries and continental Europe. Yet in almost complete agreement with Layard, his causal explanation for the change relies almost wholly on technological change. “*As an economic historian, my inclination is to explain changes in the pattern of choices by means of changes in the pattern of incentives. I see the prime driver in technological change and its concomitant, economic growth...My hypothesis is that the shift from New Deal to New Right, from social democracy to market liberalism, the largest historical shift of the last fifty years, has worked up from technologies, to new opportunities and rewards, which unsettled the individual psyche, to consequences both unintended and desired, at the level of society and politics*”. (p.365) Yet as an explanation this is almost totally incoherent, both temporally (Why the 1970s?) and geographically (Why did technological change impact so unevenly on the individual psyche between the Anglo-Saxon world and continental Europe?).

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The gap in both cases centres around the word which neither at any point uses: 'capitalism'. This is an omission which is all the stranger because it is a word which, although less used in polite society in the immediate post-war decades when phrases such as 'the mixed economy' became common, was proudly resurgent in the 1980s. What Thatcher and Reagan and their followers were about in the 1980s, openly and explicitly, was a renewal of capitalism \_ a good thing \_ as opposed to socialism \_ a bad thing. Both Offer and Layard see the 1980s as a time when social democracy fell apart. But neither are able to see this as the failure of a form of social organisation. Layard sees it as a kind of religious decline, a personal loss of faith, whilst Offer seems unable to focus on the idea of any distinct form of social organisation. When he refers to 'social democracy' as distinct from 'market liberalism' it is rather unclear as to just what he means by the former. In passing, he dances around the issue. "*In 'the Great U-Turn', the trend towards greater equality in the post-war 'golden age' was reversed after the 1970s. Britain in particular became more unequal during the Thatcher years. This was justified in terms of higher productivity and economic growth for all, but a more plausible interpretation is that it was driven by positional competition (less politely, by class conflict)*" (p.361) but he seems unaware of the deeper implications. Class conflict may be a less polite formulation than 'positional competition' in Oxford circles but it also refers to a quite different level of social analysis; positional competition refers to individuals, class conflict refers to antagonisms between relatively homogeneous social groups within a specific social formation.

This problem occurs throughout Offer's formulations. The concept of 'commitment technologies' relates to fundamental social mechanisms. "*Since individual calculation is not reliable, people fall back on social conventions, norms and institutions. These 'commitment devices' form the fabric of civilisation...the heritage and conventions of their social and national cultures, of institutions, law, governance, and commerce.*" (p.358) It may seem a convenient shorthand so to describe such a complex nexus of social relations as a 'technology' or 'device' but the essential effect is to reduce them to external forces which just appear within society forcing adaptations, a process accelerated by affluence. "*Under affluence, the environment changes faster than commitment strategies can keep up with it. Adaptive technologies take time to form...This can be likened to an evolutionary process: society gradually adapts into greater fitness with its environment*". (p.74) None of this really fits at all with the processes which Offer himself identifies as involved in the 'great transition' of the 1970s including decline in trade union membership (p.271), stopping council-house construction (p.258), reduction in welfare benefits (pp. 285&297), unemployment (p.293), reduction in taxes for the wealthy (p.297); in general, the collapse of social democracy. These were not external environmental changes but a deliberate assault on a form of social organisation and to fail to accept this seriously limits the explanatory power of the analysis. Offer's 'commitment devices' as he lists them were not agencies which, so to speak, popped out of national culture; they were almost all social advances fought for over successive generations.

It follows that Offer's remedial proposals, presented, as he states, "*tentatively*", although much more socially orientated than Layard's highly individualistic solutions remain somewhat fuzzy. He is clearly somewhat daunted by the public choice theorists such as Buchanan (p.365) in proposing any solutions to his social malaise which involve any form of policy-led interventions, though his reliance on the concept of 'commitment technologies' as the appropriate mechanisms on which to rely inevitably leads to just this. The tentative solutions he proposes, though in themselves sensible enough, seem somehow unattached to any real or plausible social mechanisms precisely because he is unable to formulate any social analysis of society as it is and as it might be.

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It is significant that the third of the authors reviewed here, Oliver James, has far fewer inhibitions with regard to the use of social descriptors than either Layard or Offer. A clinical child psychologist by training and practice, he is less constrained by the polite terminology of modern economics than our two economists. In **Affluenza**, he has little doubt where to lay the blame for his appraisal of modern social malaise; it is Selfish Capitalism, in capitalised glory “*a nasty form of political economy [which] caused an epidemic of the Affluenza Virus, accounting for much of the increase in distress since the 1970s. By Selfish Capitalism I mean four basic things. The first is that the success of businesses is judged almost exclusively by their current share price. The second is a strong drive to privatise public utilities, such as water, gas and electricity, or, in the case of America, to keep them in private hands. The third is that there should be as little regulation of business as possible, with taxation for the rich and very rich so limited that whether to contribute becomes almost a matter of choice. The fourth is the conviction that consumption and market forces can meet human needs of almost all kinds*” (**Affluenza** p.xiv)

The Affluenza Virus (AV) is defined as “*a set of values which increase our vulnerability to emotional distress. It entails placing a high value on acquiring money and possessions, looking good in the eyes of others and wanting to be famous.*” (p.vii) One’s own possible ‘infection’ with the AV can be found by answering on a yes/no basis a set of sixteen questions beginning with “*I would like to be a very wealthy person*” to “*I want a lot of luxury in my life*”. James asserts that “*If you answered ‘yes’ to any of the questions, then you have, like most people in the English-speaking world contracted the Virus.*” (p.viii) The degree of one’s infection can then be found by scoring a further questionnaire.

**Affluenza** is written as a popular treatise in a style which eschews virtually all the trappings of academic aspiration. In this it is no different to **Happiness**, also directed to a popular audience. In a follow-up to **Affluenza** \_ **The Selfish Capitalist** \_ James provides a more detailed evidential basis for the argument of **Affluenza** though it broadly follows the pattern of the earlier book in relying largely upon mental health indicators. The second book is much more specific about the root cause of the claimed social malaise being a shift in the functioning of the capitalist system. “*The advent of Selfish Capitalism in English-speaking nations since the 1970s has caused a high increase in the amount of emotional distress (what psychiatrists call ‘mental illness’) over and above any increasing trend since the 1950s.*” He is particularly emphatic in carrying through this argument into the policies of New Labour since 1997 right up to the elevation of Gordon Brown.

Four, distinctive things need to be taken on board to appreciate James’ argument.

First, his argument is directed towards ‘emotional distress’ by which he means all those conditions which “*psychiatrists call mental illness*” and which he regards as being socially created. He is quite unequivocal about this. “*Like many before me, I have come to the conclusion that it is grossly inaccurate to depict depression, anxiety, or even schizophrenia and other psychoses, as physical diseases of the body requiring medical treatment...[as] genes play a minimal role in the vast majority of cases. Cards on the table, I contend that most emotional distress is best understood as a rational response to sick societies. Change these societies, and we will all be less distressed.*” (**Affluenza** p.xv) This is a classic restatement of the position of R.D. Laing and is, to say the least, a controversial view of mental disorder. James’ Affluenza Virus might even be linked to Laing’s most famous aphorism that “*Life is a sexually transmitted*

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*disease.*” It is statistics of this ‘emotional distress’<sup>3</sup> which are the main evidential base for his assertions presented in the book.

Second, he distances himself sharply from the concept of ‘happiness’.<sup>4</sup> “*Typical of our time in history, rather than facing the fact that we are truly in a bad way, emotionally, the facts of our despair, frustration and anger are spun, and in place of analysis of its real cause come endless treatises on how to have a positive psychology and be happy...The evidence regarding happiness, rather than emotional distress, is anyway not very sound. My focus is on why we are so fucked up, not with dangling a false promise of the possibility of happiness.*” (p.xiv) Life is a battle against hostile odds made much worse by Selfish Capitalism but always tending towards the gloomy from infancy onward. James is in the Larkin camp:

*They fuck you up, your mum and dad.  
They may not mean to, but they do.  
They fill you with the faults they had  
And add some extra, just for you.*

This is the third, key point about James. He has very specific views on infant-care aligned with the views of John Bowlby. These insist that infants between six months and three years require the constant presence of a single adult carer if they are not to develop tendencies towards insecurity and depression in various forms in later life. The thread which runs through all of James’ views of the countries he visits is as much about their patterns of childcare as their economic structure. In Denmark, which he believes is almost free of the Virus, he nevertheless devotes much space to a critical view of their social policies of having infants in full-time kindergartens before, he believes, they are ready for this. He is also full of praise for the Chinese system of infants being looked after by their grandmothers with the result, he believes, that Shanghai is much freer of the Virus than Singapore as shown by widely different rates of adult depression. A consequence of this focus is that it is difficult to separate the relative weights of Selfish Capitalism as an economic system and infant-care practice as causes of the Virus in different countries. The proposal that “*emotional distress is best understood as a rational response to sick societies*” is not obviously compatible with the idea that most adult depression is related to how an infant was treated in its first three years.

Fourthly, although James utilises a range of evidence to back his assertions, the keystone of his method is the case-study, in **Affluenza** realised through a set of lengthy interviews with specific individuals in each country. There is a long history of this approach in therapeutic psychology and it clearly provides particular insights into therapeutic practice. The issue, however, if one wishes to extend insights of individual therapy into social analysis is always just how representative are the chosen case-studies. Thus the opening case-study “*Sam is a thirty-five-year-old New York stockbroker who earns £20 million a year and will inherit about a billion when his dad dies. He lives alone in a five-storey apartment in central Manhattan. He used to be addicted to heroin, now it is sex with teenagers. He is paranoid, pessimistic, lonely, riddled with Affluenza and not a very nice person*”. (p.xv) Sam is hardly a novel figure. It would be hard to find a wealthy Wall Street tycoon or corporate lawyer in American literature who is happy with their lot; it is almost a literary cliché. Most of the other individuals who figure in **Affluenza** are somewhat less wealthy than Sam but they also dwell in the top five or ten per cent of earners in their countries and, sure enough, they are riddled with the Virus. James seems to find difficulty with interviewing many people who are average or even struggling in financial terms, and those

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<sup>3</sup> Defined as including depression, anxiety, substance abuse and impulsivity rather than the wider set of all mental disorders.

<sup>4</sup> Though he does give Layard, personally, credit for his work (p.319)

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that are seem much better adjusted than the wealthy (for example, Chet, the New York taxi-driver that James meets by chance). (p.15) Yet statistics show that the poor have a greater rate of 'emotional distress' than the wealthy, at least in affluent countries. James' interviews do not reflect this nor sustain a social as distinct from an individual focus.

Even so, it is odd that, despite his relative lack of interest in wider social statistics compared with either Layard or Offer, it is James, the psychologist, who is much freer with economic and social policy recommendations than the two economists. This is particularly true of his second book, **The Selfish Capitalist**. Admittedly, these are, as James himself suggests, sometimes the other side of wacky. He proposes, for example, that the government values all houses in the country then, by law, knocks a nought of this valuation. It would then nationalise all estate-agents (financed by cuts in the defence budget) and set up a state-run system of house selling, always at no more than the government-fixed price. Well, the credit-crunch and housing crisis would be solved. On the other hand, some ideas come close to genuine political objectives, for example, that all parents should have the option of three years at national average wage to look after their child or that state universities should only take 7% of their intake from private schools \_ this being the proportion of children in private education. (p.333-5)

These are, however, thrown out very much as afterthoughts; the emphasis of the book is very much on how individuals may act in order, as James puts it, to vaccinate themselves against the Virus. In some ways these are close to therapy and indeed he does recommend this for most of us as "*only a quarter of us probably had the kind of childhood that immunises against Affluenza.*" (p.293) For the remaining three-quarters, a two-step process is needed, first therapy to reinstate in some way the condition which would have prevailed had we had proper infant care, then a second stage which involves rejecting the *status quo* of Selfish Capitalism by a set of alterations in how one actually lives life. This shows up the central problematic of James' analysis mentioned above. It seems to suggest that there is a golden quarter of the population which has been immunised against the Virus by their fortunate childhood. What is unclear is whether one can tell these people by their Virus-free living or whether they too need to take positive steps to resist infection. Nor is it clear as to why the therapy recommended by James which frees "*ourselves from the damaging values and maltreatment that most parents unwittingly impose on their children*" (p.293) should not also automatically guarantee the same Virus-free immunisation provided to the golden quarter. Perhaps this asks too much of the simple summaries provided in a brief text. What is clear is that James is deeply hostile to the cognitive behavioural therapy so espoused by Layard precisely because it rejects any idea of investigating childhood experience.

In summary, all three agree on the same general premise: that Britain is in the grip of a deep social malaise. Layard provides relatively thin evidence for this relying on 'happiness' surveys and a range of data on mental health as well as general assertions about the social condition of the country whilst James relies very much on detailed mental health statistics and is sceptical about the value of 'happiness' data possibly because it is deployed mainly by proponents of a therapeutic regime to which he is deeply hostile. However, Offer provides a wealth of evidence from economic and social sources as well as offering cautious support to the 'happiness' survey data. Each provide large bibliographies to back up their assertions.

Two of the three accept that the 1970s were a crucial turning point in the growth of this social malaise. Offer refers to this decade as the 'great transition' whilst James similarly dates the onset of his Selfish form of capitalism. Layard provides no chronology at all relying instead on a general association of social problems with various technological shifts which have quite different time-lines of development. In fact, he appears, perhaps unconsciously, keen to deny a

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dating provided in the specific mental health data he provides which appears to support the Offer and James view.

The great gap in at least two of three authors is that of mechanism: just why such a significant shift occurred in the 1970s. Layard implicitly denies any form of economic organisation which may vary between countries and over time. The word 'capitalism' does not exist in his vocabulary whilst socialism appears only as a kind of secular religion. Market forces are simply the normal, usually efficient and essentially unchanging mechanism for promoting economic growth. Offer shows a similar, though more surprising, reluctance to consider any underlying reason for his "*great transition*". He is happy to trash the fundamentals of neo-classical economics and to regard it as a system which serves the interests of the powerful. However, again 'capitalism' does not exist in his vocabulary whilst 'class forces' are introduced only as a slightly "*impolite*" alternative to a more euphemistic jargon. Yet is unlikely that he can be unaware of the work of Glyn, a member of the same Oxford economics faculty, on the rate of profit in Britain over the last fifty years.<sup>v</sup> A plot on non-financial corporate profits in the period shows an almost exact inverse relationship to the ISEW measure of 'real' economic development upon which he places considerable weight. Profits slide down from a high of around 15% in the early fifties until a 'great transition' in the mid-1970s when they move steadily upwards until, in the fourth quarter of 2006 they reach an historic high of 15.4%. This could, of course, be entirely coincidental but it is surprising that a distinguished economic historian should fail at least to comment on the relationship. Offer places significant weight upon the change from "New Deal to new right" but he appears to regard this shift as a purely political one with no deeper roots or, if they have any, they are as yet "*poorly understood*" despite the wealth of economic and political writing on post-war economic development and the crisis of the 1970s. It is James, the non-economist, is quite happy to write about capitalism, at least in its Selfish form, and can perhaps be forgiven for making any deep excursions into the realm of economic analysis.

The point is simple and really not particularly controversial within the discourse of neo-liberal and resurgent capitalism: that in the mid-1970s, the capitalist system was running close to empty with profits, the key indicator of the system's health, at an unsustainable level. The economic and social policies followed thereafter, which are commonly called Thatcherism, all follow from this simple diagnosis. Many celebrate this shift as necessary for economic health. What seems almost perverse is that those observers, such as the three highlighted here, who, far from succumbing to this celebration, point to increasing social problems across a wide and detailed range and deny the value of a simply increasing national income, often fail to make the obvious links to the fundamental way in which society is ordered.

This hesitancy spills over into the kind of remedy proposed. James' brief and self-confessedly Panglossian ventures excepted, all focus on what all three agree is one of the main sources of social discontent; income inequality. It would seem fairly straightforward to propose remedies for this based upon taxation and, possibly, income caps. The normal New Labour response to such proposals, is that any further taxation of large incomes, even the removal of such as the non-resident tax loopholes which have made Britain such a haven for the super-rich, would cause a loss of incentives to perform and even a flight of 'talented' personnel from this country and consequent losses to national income growth. To which our well-being specialists could respond 'So what' given that they believe that GNP growth of itself does nothing to promote social well-being whilst lowering income inequality does. Yet one would search both Layard and Offer in vain for anything other than the vaguest of references to such obvious policies. Thus Layard: "*On taxes, we should recognise the role they play in preserving the work-life balance*". (**Happiness** p.233) Whatever that may mean. Offer mentions taxation policy only briefly and then to warn against any shifts towards taxation on consumption, even on luxury goods, as, quite

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rightly, he suggests that these are often “*captured by the rich, who have shown considerable ability in recent years to shed the burdens of taxation*” (**Affluence** p.370)

This all suggests that the power of the neo-liberal hegemony is indeed strong when even such obvious policy issues are fudged and dodged. James provides his own poetic interpretation of our situation taken from T.S.Eliot:

*We have lingered in the chambers of the sea  
By sea-girls wreathed with seaweed red and brown  
Till human voices wake us and we drown*

There is an underlying fear in both Layard and Offer that what is required to shift our society out of the growing malaise, which they identify so clearly, are remedies which may breach just this hegemony and which could drown them. Well, maybe so but we have still lingered too long.

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<sup>i</sup> Martin Seligman, **Learned Optimism**, (Knopf, 1991)

<sup>ii</sup> Available at [www.hegemonics.co.uk](http://www.hegemonics.co.uk)

<sup>iii</sup> R. Layard, **Happiness**, Penguin, London, 2005; A. Offer, **The Challenge of Affluence**, OUP, Oxford, 2006; O. James, **Affluenza**, Vermilion, London, 2007; O. James, **The Selfish Capitalist**, Vermillion, London, 2008

<sup>iv</sup> *The Secrets of Happiness*, New Statesman, pp 25-28, 3 March 2003

<sup>v</sup> A. Glyn, **Capitalism Unleashed**, OUP, Oxford, 2006, p. 146