



The Happiness Industry

How the Government and Big Business Sold Us Well-Being

William Davies
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Businesses and governments are turning happiness into a requirement.

Recommendation

Political economist William Davies, a lecturer at Goldsmiths, University of London, discusses the official obsession with happiness. Happy workers are more productive, but today's workers aren't happy. Their frequent absences and general apathy cost billions of dollars in lost productivity every year. Managers and policy makers respond with programs to boost happiness. They hire happiness consultants, create positions like "chief happiness officer" and monitor social media for spikes in sad words. In dispassionate prose spiced with moments of dry humor, Davies offers a detailed, dense and depressing look at the increasingly pervasive monitoring and manipulation of people's moods. *getAbstract* suggests this contrarian view to managers, policy makers, entrepreneurs and those who prefer to determine for themselves how they feel – happy or not.

In this summary, you will learn

- Why 21st-century businesses and governments seek to boost happiness
- How the science of measuring and manipulating happiness developed

Take-Aways

- The world's economic policy elite sees happiness – and worker engagement – as central concerns.
- Happy workers are more productive, but today's workers aren't happy.
- Gallup estimates that worker unhappiness costs the United States more than \$500 billion a year in lost tax revenues, lost productivity and health care expenses.
- Businesses view happiness as a resource, not a goal.
- Science can more effectively and objectively measure happiness.
- Sources – such as social media – that can provide data about a population's well-being gain influence.
- Enlightenment philosopher Jeremy Bentham (1748-1832) – the founder of modern utilitarianism – proposed happiness as a means of social control.
- Happiness initiatives intend to change individuals' attitudes, but don't change the power imbalances that cause depression.

- Mental illness rates correlate closely with social problems such as income inequality.
- An effective approach to well-being is to focus on reforming dysfunctional institutions.

Summary

“As a measurable, visible, improvable entity, [happiness] has now penetrated the citadel of global economic management.”

“In scrapping the possibility that a mental syndrome might be an understandable and proportionate response to a set of external circumstances, psychiatry lost the capacity to identify problems in the fabric of society or economy.”

“It was via the subjective experience of work, as an exercise that gradually increases in painfulness, that capitalists became interested in how we think and feel for the very first time.”

The Happiness Regime

Worker disengagement undermines productivity, and pervasive mental illness strains government resources. The rising rates of depression and worker disengagement may explain why those in power in corporations and government now prioritize cultivating happiness. Business leaders and public policy makers dwell extensively on the techniques and technology they can use to measure and mitigate stress, illness and depression.

Corporations now create such positions as “chief happiness officer.” They draw on neuroscience to track employees’ moods and hire behavioral consultants to craft programs to cheer up the members of their workforce. Governments keep statistics on national well-being and offer optimism coaching to the unemployed. At least one municipality experimented with “positive psychology” programs in schools to inculcate the habits of optimism in children.

The happiness movement ignores such social and political conditions as income inequality and a hypercompetitive culture that contribute to a general malaise. It tends to view depression and other disaffection-related disorders as individual problems to fix with medication or therapy.

A History of Happiness

The concept of happiness as a tool of business and government manipulation dates back to the 18th-century Enlightenment. In his doctrine of economic utilitarianism, philosopher Jeremy Bentham (1748-1832) argued that government policies should bring the most happiness to the greatest number of people. But how could anyone measure the levels of happiness that particular actions might produce? Bentham suggested measuring people’s pulse rates to reveal their inner feelings. This foreshadowed today’s efforts to quantify emotions by monitoring heart rates, brain waves and eye movements. Bentham advocated using the vicissitudes of the marketplace as a model of the mind and its desires. This became a reality in the 19th century.

The Money Metric

In the 1870s, economic theorist William Stanley Jevons (1835-1882) showed how money could serve as an emotional yardstick. His innovation redefined the concept of market value. Instead of regarding a product’s value as the sum of the materials and the work that went into producing it, Jevons identified value as a subjective judgment that a consumer reached independently. As a result, the prices of goods serve as a barometer of public attitudes and desires.

Jevons tried to imagine a method for measuring the amount of pleasure a person exacted from a purchase. One scholar conceived of a machine called the “hedonimeter.” But economists who follow the markets lost interest in subjective feelings. For them, it was enough to track which items sparked consumer preferences.

“Behaviorism”

“The journey time between the founding of American psychology and its application to business problems was extremely short.”

At the dawn of the 20th century, psychologists in America moved even further from abstract and metaphysical issues. The behaviorist tradition took this trend to the extreme. Championed by American Psychological Association president John B. Watson (1878-1958), behaviorism taught psychologists that they didn't need to probe for patients' feelings. They could learn all they needed to know by observing people's responses to various stimuli. Watson eliminated the roles of inner drives, desires and perceptions, declaring he could explain all human behavior as the result of conditioning.

“There is troubling evidence that depression can be triggered by the competitive ethos itself, afflicting not only the ‘losers’ but also the ‘winners’.”

His contentions drew the interest of the field of advertising. In 1920, Watson joined the J. Walter Thompson ad agency where he pursued the idea that the function of an effective ad was not to extol the product but to “trigger” emotions through stimuli.

Watson didn't care what customers wanted. He believed he could tell them what they wanted by triggering the appropriate emotions. As a hedge against Watson's cockiness, the Thompson agency supplemented his behavioral approach with surveys of consumer attitudes. With sound survey methods, marketers could learn what people wanted and market those desires back to them through trigger-laden behaviorist advertising.

Return of the Measurers

In the second half of the 20th century, economists and policy makers increasingly used market-based metrics to calculate people's attitudes about issues outside the marketplace. By establishing a monetary value for everything – including nature – they sought to use economics to settle public legal disputes, such as issues surrounding the extent of Exxon's liability in the 1989 Alaskan oil spill. Researchers calculated the economic toll by surveying US citizens about how much they would be “willing to pay” to have prevented the spill. They reinterpreted citizens' desire for a clean coast in terms of market value.

“Relentless fascination with quantities of subjective feeling can only possibly divert critical attention away from broader political and economic problems.”

Such an expansion of money metrics beyond the market sparked interest in measuring levels of happiness. If economists could gauge happiness, they could compare the happiness levels of people with different incomes and compute a correlation between pleasure and money. With that correlation as a benchmark, they could establish the monetary value of nonmarket commodities – like clean air or a library – by measuring pleasure they provide. British officials used this technique to determine the value of cultural institutions.

Unhappy Workers

Worker disengagement is a major threat to productivity. The Gallup organization believes unhappy workers' frequent absences and apathetic performance cost the US economy more than \$500 billion a year in lost tax revenues, lost productivity and health care costs. Governments worry because lower productivity leads to faltering economies and lower tax receipts.

“By 1920, the advertising industry was fully alert to the potential riches offered by psychology.”

If unhappy workers lose their jobs, the government may have to provide unemployment benefits. Countries with socialized health care may face more costs because many unhappy workers also have low-level mental health problems that can intensify amid the uncertainty of unemployment. Contending with mental disorders consumes 3% to 4% of GDP in the US and Europe.

Most of the mental and physical problems that workers suffer are “nonspecific” complaints that fall under the rubric of “stress.” Studies by psychologist Robert Kahn in the 1960s suggest that the roots of workplace stress may lie in the structure of the workplace itself, where hierarchical organizational ladders and lack of worker autonomy provoke feelings of disempowerment. Yet, instead of modifying that structure, management chose to focus on modifying workers – trying to fix their unhappiness.

“Every leading advertising and market

research guru has come to view the emotional aspects of the mind and brain as the target for their ad campaigns and research.”

“What begins as a scientific inquiry into the conditions and nature of human welfare can swiftly mutate into new strategies for behavioral control.”

“Stress can be viewed as a medical problem, or it can be viewed as a political one.”

“The goal is not to make employees feel valued, but to rearrange power relations such that they are valued, a state of affairs that will most likely influence how they feel as a side effect.”

“High-end wellness consultants make large sums of money by teaching corporate elites how to maintain

A booming business in happiness consultancy sprang up to help companies and government agencies meet that goal. “Happiness gurus” now offer motivational psychology and meditation practices for disengaged workers and for managers who fear burnout. One top happiness guru even recommends laying off the 10% of workers who demonstrate the least zeal for the happiness syllabus, claiming that the surviving employees suddenly become “super-engaged.”

Others keep tabs on happiness through surveillance. Managers evaluate employees through algorithmic analysis of office emails. Increasingly managers are turning to real-time health data to monitor performance. One company offers a wearable device that tracks and archives data on such variables as an employee’s tone of voice. These managers look on happiness as a “resource.” Well-being becomes merely a means of achieving profits, status or power. Managers view experiences like office friendship as valuable only because they can extract the happiness friendship brings as fuel for their next business challenge.

Technology’s Influence

Many experts are optimistic about their ability to manipulate mood because modern technology opens opportunities for monitoring and interpreting population behavior.

Experts can access to a vast repository of granular data, thanks to technological innovations and societal changes such as:

- **The rise of big data** – People’s daily transactions with businesses, government as well as the networked “smart” infrastructure produce behavioral records that institutions can use to analyze.
- **The rise of “narcissism”** – People often lack the patience to answer surveys and polls. Yet they happily offer their “thoughts, tastes, likes, dislikes and opinions” on Facebook, which preserves their entries in its data banks.
- **“Emotionally intelligent” computers** – Researchers can now program or “teach” computers to deduce moods and attitudes based on people’s behaviors. Analysts designed algorithms to uncover underlying emotions in Twitter and Facebook posts. Programs also can read emotions in facial expressions captured on surveillance cameras. Tesco supermarkets experimented with surveillance systems that interpret customers’ moods and show display ads appropriate to each customer’s state of mind.

Society may realize Bentham’s dream of discovering how to stimulate measurable increases in happiness, but then society itself would become a laboratory where policy makers access enormous stores of psychological data. An ominous indication of the future came in 2014, when Facebook revealed the results of an “emotional contagion” experiment in which the company tried to regulate users’ moods by secretly modifying their newsfeeds.

Consequences

The drive to cultivate happiness focuses on seeing people as damaged entities in need of repair. It ignores the context in which individual unhappiness arose, disregarding whether the emotion is a reasonable response to a condition of people’s lives. The medicalized view of the mind may contribute to this problem. Many psychologists describe the link between mental illness and feelings of disempowerment. Perhaps the view of the mind as a broken thing to fix with behavioral treatment or pharmaceutical intervention encourages the passivity associated with being disempowered. To address this sense of being powerless, society must face the “social, political and economic institutions” that cause it.

Alternatives

themselves in a state of optimal psychosomatic fitness.”

Research traditions try to incorporate the context of people’s lives into how they are treated for depression and disengagement. The “community psychology” tradition, for instance, tries to understand individuals within the context of their society. Some clinical psychologists also explore sociological and political influences on emotion. Throughout the history of capitalism, these sociological perspectives have inspired movements to reform social and economic institutions. Challenging the status quo is difficult, and the focus of such campaigns tends to eventually shift to changing people’s experience of the status quo.

“The only escape from a manager who wants to be your friend is to become physically ill.”

To address the happiness deficit effectively, people need to feel that they have the agency and empowerment to speak for themselves, to state what they like or dislike about their jobs, and to stop relying on experts’ measurements to explicate their feelings. For that to happen, powerful people would have to hear criticism without labeling it as a symptom of unhappiness and trying to cure it. In fact, seeing criticism or complaining “as a form of ‘unhappiness’ or ‘displeasure’ is to bluntly misunderstand what those terms mean, or what it means to experience and exercise them.”

To create alternatives, society should “de-medicalize” misery. As psychiatrists and clinical psychologists know, the problem of unhappiness doesn’t originate within people apart from the context of their lives. Society should redirect some expenditures from the happiness budget and use those resources, instead, to re-engineer the structure of political and economic institutions.

For instance, you could reshape the structure of your business, dropping the hierarchy in favor of “cooperative control.” When employees have input into their work, they don’t need happiness exercises to appreciate their own worth.

About the Author

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