
Volume 21, Issue 2, April 2011
ISSN 1057-7408
ELSEVIER
Journal of
CONSUMER
PSYCHOLOGY
The Official Journal of
The Society for Consumer Psychology

Available online at www.sciencedirect.com
ScienceDirect
Journal of Consumer Psychology 21 (2011) 139 – 141
Journal of CONSUMER PSYCHOLOGY

Research Dialogue

What's the use of happiness? It can't buy you money☆

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Received 12 August 2010
Available online 12 March 2011

The target article by Dunn, Wilson, and Gilbert offers solutions to the puzzle of why money does not bring happiness. We question the assumption that money is for being happy. Our position, gleaned from our research, is that money is a fungible facilitator of unfettered goal pursuit. Additionally, money can take away some of the pain of life. People who have been reminded of money, versus those who have not, work longer and harder to reach personal goals, resist offers of help, take on more work than is necessary, and react against potential threats to their autonomy. In addition, people reminded of money are not bothered by physical pain nor social ostracism. Therefore, money is not a happiness-giver. Rather money is a resource that does supremely well what most resources do to various degrees: It enables its owner to solve problems and avert suffering.

"What's the use of happiness? It can't buy you money."
Henry (Henny) Youngman (1998)

Dunn et al. offer eight principles for how to use money to increase happiness. They do a masterful job of summarizing the literature on how money leads to happiness, which is to say that it mostly does not. Their practical advice, gleaned from research in consumer and social psychology, offers tips on how money could be used to boost happiness and why people often fail to do the very things that would make them happy.

Our response to their piece is to question the question that they are asking. Taking a wider perspective, one might ask why anyone would expect that money would lead to happiness? Dunn et al. offer only a small comment on this, which is to say that money should bring happiness because they say that it allows people to "do what they please" (p. 2). But being able to do what one pleases is not really what money does for people. People who are wealthy have jobs to uphold (at least most of them), mates to attract or retain, households to run, friends to see, and bodies to keep up. True, money can transform many of these basic activities, from onerous to less so. This is the point of our response—money does not eliminate having to do things in life, but it makes doing them easier.

Our research on the psychology of money has pointed to a conclusion that is missing from the debate at which Dunn et al.'s principles are aimed: The purpose of money is not to boost happiness. Its function is to aid autonomous goal attainment. Money is not a happiness-giver but rather a fungible facilitator of unfettered goal pursuit. Plus money can take away some of the pain of life. Even if money does not make people happy, it seems able to make people less unhappy.

People can use money instead of relying on others to get things done

One of us recalls reading Freud as a student and being impressed with the brash wisdom of the psychoanalyst. Freud even tackled the question of life's purpose. He commented that although philosophers may fret and brood over that question, for most people the answer is simple: They want happiness. Freud went on to point out, however, that nature does not seem to have designed human beings with their happiness in mind. More recently, evolutionary theory has made the same point. Like all other living things, humans were designed by nature to survive and reproduce. If they get happy along the way, then that is a bonus. If anything, feelings of happiness and unhappiness were shaped by natural selection to improve their chances of survival and reproduction (Kenrick, Griskevicius, Neuberg, & Schaller, 2010).

Where does money fit in? Although humans may evaluate things according to their yield of happiness, psychological

☆ The authors gratefully acknowledge McKnight Presidential Professorship funds awarded to Kathleen D. Vohs.
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1057-7408/$ - see front matter
doi:10.1016/j.jcps.2011.02.003

theory should perhaps evaluate them first in terms of their reproductive payoffs. We regard it as uncontroversial that money improves both survival and reproduction. The social safety net may be improving in recent years, but throughout most of history, money offered essential advantages for both survival and reproduction. Rich people live longer than poor people (and generally always have). Rich parents can take better care of their children than can poor parents. Throughout much of history, marriage required money, including the up-front resources for a dowry or bride-price as well as the ongoing economic resources to support a family. Even today, for men at least, money is a key to their appeal as a mate (Buss, 2003; Hatfield & Rapson, 1996; Hitsch, Hortaçsu, & Ariely, in press).

You do not need others if you have money. Many animals obtain food and other necessities directly from their natural environment. Social animals cooperate to help each other perform these tasks. As cultural animals, humans get what they need from their social group and its systems (Baumeister, 2005). This makes people heavily interdependent (Baumeister & Leary, 1995). As a result, perhaps, most people are strongly concerned about social approval, because others' willingness to give them what they want may depend on how much these other people like them.

Money can be said both to simplify and complicate the interdependence of human beings. The essence of money is that it enables individuals to move the social system to give them what they want. Others' liking and approval become less relevant: A person with money can get food, shelter, and companionship from even complete strangers. If you want a house built, you can ask family members and neighbors or you can hire a crew of construction workers. Need a buddy for the movies, a pal for the company picnic, or a gambling partner? RentAFriend.com, a Las Vegas based service, provides consumers with strictly platonic companionship for a few hours—and the right price.

In short, people do not need to be especially competent or likable to get desirable goods when they have money. Having money itself may or may not translate directly into happiness, but it offers the security of being able to provide for self and others.

The idea that money can be an effective substitute for social approval and acceptance was the basis for a series of experiments by Zhou, Vohs, and Baumeister (2009). These studies examined reactions to both physical pain and social exclusion. Both painful physical stimuli and interpersonal rejection can cause unpleasant feelings. We found that exposure to money (even by something as simple as counting a stack of bills rather than a stack of paper) reduced or eliminated these negative reactions.

Why? Money appeared to increase feelings of being strong. Thus, money had beneficial effects for warding off distress, not by inducing joy or any other kind of happy feeling, but rather by promoting a sense of being powerful.

Money is for getting things done. At a fundamental level, what gives money its power is its tool-like qualities (Lea & Webley, 2006). Trade was greatly enabled when people shifted from bartering methods to using intermediary resources as stores of value (Weatherford, 1998). Prior to money, when a seller wanted to offload excess chicken eggs but needed milk, he had to hope that the person with the cow also needed eggs that day. That concern vanished when the seller could buy milk with a fungible store of value (e.g., shells, gold ingots). Money injected efficiency into the system of securing goods and services.

Alongside this enhanced efficiency came a widening of social networks. To be sure, disagreements over money can cripple or kill relationships. But the ability to use money resulted in an expansion of relationships, such that people had interactions with a far greater number of others than they had before money. Those relationships were different, in that they were shallower but fairer (Weatherford, 1998), and governed by exchange and not communal norms (Clark & Mills, 1979). With money, nepotism was no longer the (only) route to gaining precious goods or services. Money-made relationships are functional relationships, formed for an express purpose (Fiske, 1992).

Our work makes use of the repeat and consistent ties between goal pursuit and money. We have found that mere mentions of money can stimulate goal pursuit. Using a variety of methods to subtly activate the concept of money, we have seen consistent—and big—changes in behavior. People become motivated to achieve their goals after they have been reminded of money.

Two experiments showed that people will work longer and harder if they have been reminded of money than if they have not. In one experiment (Vohs, Mead, & Goode, 2006), some participants were reminded of the idea of money through a word puzzle, whereas others performed a word puzzle that did not make salient the idea of money. The task that came next was the challenging 9-dot problem that has been used in cognitive studies on insight. Participants were told the goal of the task and then told that if they needed help or tips, they could ask the experimenter. Despite the tough task and the opportunity to get help, participants reminded of money worked longer than participants not reminded of money.

Another experiment found that people who were recently reminded of money were willing to take on more work than was necessary. In this study, the concept of money was activated via a visual prime. Participants came into the laboratory and sat down at a desk to complete some (paper) questionnaires. On the desk also sat a computer monitor that displayed a screensaver that either showed hard currency or fish floating in an underwater scene. After some time, the experimenter told participants that because of random assignment, they had been given the opportunity to choose how they would perform the next task. The next task was said to be an 'advertising development task' that they could choose to complete with another participant or alone. People reminded of money overwhelmingly chose to work alone rather than with another person (83% compared to 31% and 25% in nonmoney conditions) (Vohs et al., 2006). Given that the task was the same regardless of the number of workers, choosing to work alone presumably meant a preference to take on more work than necessary.

More recent work offered more stringent tests of the desire to behave autonomously using social influence attempts. Social influence is the process whereby one person alters the reactions or behaviors of another, and is typified by interactions with salespersons or parents. Often people are swayed by social influence tactics but people's responses can run counter to the intent of the social influence agent. The latter phenomenon is called reactance, and it stems from a desire to reassert one's ability to act freely. We used a social influence context to test the psychological links between money and freedom of action. Across three experiments, we found that when the idea of money had been activated and someone attempted to influence participants' behavior, they felt highly threatened and showed reactance (Liu, Smeesters, & Vohs, 2010). These data suggest that the concept of money stimulates the desire for autonomy, which is consistent with our thesis that money's purpose is to enhance personal goal pursuit.

In closing

Our work describes the psychological architecture of money. When people are reminded of money, the motivational to behave autonomously is stimulated and they work longer and harder at attaining their goals. We suspect that the modest correlation between income and life satisfaction (e.g., Diener, Ng, Harter, & Arora, 2010) is due to money's effects on motivation and autonomy, as freedom to follow one's goals a known contributor to life satisfaction (Ryan & Deci, 2000).

When people ask why money fails to increase happiness, we think they are asking the wrong question. Happiness is not the purpose of money. Instead, money is a resource that does supremely well what most resources do to various degrees: It enables its owner to solve problems and avert suffering.

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