

Daniel Gilbert

Stumbling on Happiness

DANIEL GILBERT — SESSION SUMMARY



Daniel Gilbert is Harvard College Professor of Psychology at Harvard University and Director of Harvard's Hedonic Psychology Laboratory. He authored the bestselling book, *Stumbling On Happiness*. You can read more about him at <http://www.wjh.harvard.edu/~dtg/gilbert.htm>.

Some Key Points

Each person will take from this presentation what is most relevant to him or her. Some of the key points Daniel Gilbert made, which are discussed in more detail in the rest of this document, can be summarized as follows:

- ▶ Like Dan Pink, Gilbert sees the gap between wealth and happiness and wonders why it is so great. Also like Pink, Gilbert seeks causes and potential resolutions from understanding the way our brains are “wired.”
- ▶ You can make precisely the right decision at all times if you correctly calculate the odds of achieving a gain and the value of that gain to you.
- ▶ However, we make significant errors when we are assessing odds, because we rely on what we have heard most about. In assessing our own odds of succeeding or failing at something, we tend to be “wildly overoptimistic,” because we “rehearse success” but spend less time thinking about failure.
- ▶ We are also very bad at predicting how much happiness, joy or pleasure we will get from things, for a variety of reasons, including that we compare present choices to past ones or use other inappropriate standards for comparison, and we value things we own more than others value them.
- ▶ Having a variety of options often makes choice harder.

At the end of this section, beginning on page 6, we offer some additional thoughts about happiness from previous years' Masters Forum speakers.

The Brain-Wiring Problem

It is difficult to achieve happiness when our brains are put together for far different times, Gilbert asserted. He described the overall challenge with these words:

People aren't stupid. They're designed for a different world than the one in which they live. Our brain evolved over millions and millions of years for a world that's very unlike the one we have now. It's designed for a world in which we meet very few people, our primary goals are to

mate and to eat, we live very short lives, we never have any interaction with strangers – a very different world than the one we live in. Throughout human history, people have had very few choices to make. Most of the time, the millers milled, the smiths smithed, and they married who they were told to and they lived where their parents lived . . . We now live in a world where there's an explosion of personal liberty. The moment you get up you're faced with choices – “What shall I have for breakfast today?” We are the first generation of our species to ever ask ourselves constantly, “What should I do?” Throughout most of human history people knew exactly what they were going to do at all possible times.

Making the Right Decisions

The calculus for doing precisely the right thing at all possible times is, Gilbert said, as follows: “It's made up of the odds that your decision will lead you to a gain, and the value of that gain to you. All you have to do to make precisely the right decision at all times is to know the odds that you'll win and how happy you'll be when you get it.” Unfortunately, he said, we are generally very bad at making both of those calculations.

Misjudging the Odds

He said that although we all know how to calculate odds, we still don't do it well. He noted that Americans lose more money in slot machines in Las Vegas every year than they spend on all forms of entertainment combined. In general, the greatest barrier to judging odds accurately is that people tend to base their judgment of odds on how quickly they can recall an example: “You assume that because something is easy for you to imagine, it must be highly likely to happen.” For instance, when people are asked how many people are murdered in Michigan in each year, they will guess about one hundred; but when asked how many are murdered in Detroit annually, they will answer about two hundred. Similarly, although having a swimming pool in your backyard puts your family at greater risk than having a loaded gun in your house, most people place having a swimming pool way down toward the bottom on a list of risky situations, because so little is commonly said about that danger. The sale of lottery tickets (which he said economists describe as a “stupidity tax”) is another example.

He said our calculation of odds in business situations is also hampered by the fact that “people are unbelievably optimistic.” For example, most Americans believe that they are much more likely than average to live past a hundred, to have a gifted child, to have a long marriage, and they believe that they are much less likely than average to have a drinking problem or to have a car accident. That's because, he said, “we rehearse success,” and rehearsing success makes it easy to imagine that we will be successful. On the contrary, we don't imagine failure.

Our Hedonic Miscalculations

Gilbert said that in deciding what will make us happy, “The ruler we use is constantly shifting and changing, because we're constantly making different comparisons.” He said that this failure to make sound, reliable comparisons is at the heart of our failure to accurately compute the second part of his formula which states that making the right decision results from knowing the odds that you will gain something and knowing how happy that gain will make you.

Economists would have us calculate the value of something to us by comparing it to everything else that's also available, but generally we don't do it that way. We compare to the past – e.g., to what the same item cost yesterday, or to what we're told it would have cost some time in the past. So, Gilbert said, if a cup of Starbucks coffee costs \$1.89, we don't know why it costs that amount, but we decide it's worth it; but if the next time we go into a Starbucks that same cup of coffee is priced at \$2.89, we probably won't buy it. A CD may cost \$14.44; in deciding whether to buy it, we may be influenced by a sign stating that it previously cost \$19.99.

We are influenced by where the price of something falls within the overall range of prices for items in that same category: that's why stores carry high-priced "aspirational items" that probably no one will ever buy, but which shift the overall price range upwards (so that, for example, the presence of a very expensive bottle of wine in a wine store might mean that instead of buying a \$27 bottle of wine as an appropriate gift, you buy a \$33 bottle instead).

Our perception of the value of things is also affected by the context in which we encounter them. Students asked to anticipate how good a potato chip will taste tend to expect less from that experience when it takes place in a room where Godiva chocolates are on display than when they are sampling the chip in a room with tinned meats.

Furthermore, we adjust our behavior to account for past experience. If we pay a modest amount to eat at a buffet, we are likely to eat far less than if we have paid a lot for that meal.

If we own something, we tend to like it more than we would if we didn't own it. When subjects are shown a series of Monet prints and asked to rank them, and then they are given one of the prints, they are likely to rank that print higher the next time they are asked to rank them than they did the first time they did the ranking. This rule applies even when the subjects are anterograde amnesiacs, who don't actually know that they own the print in question.

The Variety Conundrum

He showed how having "too many" choices can cause people to make no choice at all. For example, people making investments in their companies' 401(k) programs are discouraged from investing when there are too many choices – for every ten mutual funds added to a list of investment vehicles, participation in a 401(k) program *declined* by 2 percent.

He also described a Stanford experiment in which a table offering samples of jams was set up in an upscale grocery store. Sometimes the table held six different jams; sometimes it held twenty-four jams. After trying whatever jams they wished, customers were given a coupon for a discount on any jam in the store (not just from the sample table). Among those who had approached the table when it held six jams, 30 percent used the coupon. Among those who had approached the table when it held twenty-four jams, just 3 percent used the coupon. With twenty-four jams, the choice had been made so complex that people fell back on the default position that was typical of their regular shopping – to buy no jam at all.

“Too much choice, too much variety, can be a bad thing,” he said.

Some Masters on Happiness

Since the Masters Forum began in 1987, many of our speakers have touched on the subject of happiness. Here are some of the views they expressed.

“There is a secret to happiness, and it is gratitude. All happy people are grateful, and ungrateful people *cannot* be happy. We tend to think that it is being unhappy that leads people to complain, but it is truer to say that it is complaining that leads to people becoming unhappy. Become grateful and you will become a much happier person.”

– Dennis Prager, 1997, “Happiness Is A Serious Problem”

“It is incredibly easy to get caught up in an activity trap, in the busy-ness of life, to work harder and harder at climbing the ladder of success only to discover it's leaning against the wrong wall. It is possible to be busy — very busy — without being very effective at building a life for yourself.”

– Stephen Covey, 1987, “Seven Habits of Highly Effective People”

“The metaphor of flow is one that many people have used to describe the sense of effortless action they feel in moments that stand out as the best in their lives. Athletes refer to it as ‘being in the zone,’ religious mystics as being in ‘ecstasy,’ artists and musicians as ‘aesthetic rapture.’ It is the full involvement of flow, rather than happiness, which makes for excellence in life. We can be happy experiencing the passive pleasure of a rested body, warm sunshine, or the contentment of a serene relationship, but this kind of happiness is dependent on favorable external circumstances. The happiness that follows flow is of our own making, and it leads to increasing complexity and growth in consciousness.”

– Mihaly Csikszentmihalyi, 1991, “Finding Flow”

“Caring about others, running the risk of feeling, and leaving an impact on people, brings happiness . . . When you carry out acts of kindness you get a wonderful feeling inside. It is as though something inside your body responds and says, yes, this is how I ought to feel.”

– Harold Kushner, 1997, “When Bad Things Happen To Good People”

“Ethics consists of those principles of right living that enable one to live a good life and thus achieve happiness. It is also a revolutionary understanding of work. Work is ennobling; labor is completely demeaning. To the extent that a human being is trapped in labor, he or she never transcends their animal nature. To work is to imprint the uniqueness of self upon something in the outside world. Human beings have an imperative need to leave the stamp of themselves upon the world. Any society that doesn't provide that for its people alienates its people. Where is that opportunity for you?”

– David Kirk Hart, 1993, “Of Labor And Work”

“I cried because I did not have an office with a door, until I met a man who had no cubicle.”

– Scott Adams, 1999, “The *Dilbert* Principle”

“Whatever you think matters, doesn’t. Follow this rule and it will add decades to your life. It does not matter if you are late, or early; if you are here, or if you are there; if you said it, or did not say it; if you were clever, or if you were stupid; if you are having a bad hair day, or a no hair day; if your boss looks at you cockeyed, if your boyfriend or girlfriend looks at you cockeyed; if you are cockeyed; if you don’t get that promotion, or prize, or house, or if you do. It doesn’t matter.”

– Roger Rosenblatt, 2005, “Rules for Aging”

Martin Seligman, who spoke at The Masters Forum in December 1995, founded an entire movement, called positive psychology, which aims to help people achieve deep and authentic happiness. At Seligman’s website, <http://www.authentichappiness.sas.upenn.edu/>, you can answer questionnaires regarding just about any aspect of happiness, get instant feedback, and read a whole lot more about attaining happiness.



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