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Happiness Book review  
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### **Happiness: A Revolution in Economics**

Bruno S. Frey has compiled this book based on happiness research as it relates to economic factors. The research done on different economic forces effects on happiness was conducted by the University of Zurich department of economics, which Frey chairs. The book was part of the lecture series Munich Lectures in Economics and so its primary audience is students of economics. I doubt that too many people outside of the economic realm will read this book. It is comprised of three sections, Major Developments, Pushing Ahead, and Policy consequences. The Major Development section focuses strictly on market factors that affect happiness such as level income, unemployment, and inflation. Whereas the second section moves on to talk about social economic factors such as self employment and the value of public goods. The third section talks about how happiness research can then be applied to the creation of economic policy.

Even though the book is primarily an economics book it also uses theories of psychology to explain several of the economic trends. It also talks about economics as related to society's attitudes and social norms. For instance unemployment is a source of unhappiness for most people not only because of the loss of income but also because of the social pressures put on unemployed people to find a job. There are also chapters about happiness and other social and psychological factors such as marriage and watching television. These theories of what makes people unhappy were fascinating and not something that I expected to be included in economic study of happiness.

I think that the book places too much emphasis on the effects of economics on a person's happiness, especially happiness as it relates to material wealth. Also happiness is difficult to measure and quantify. There is really no good way to collect accurate happiness data, as a person's level of happiness changes for day to day, and it is difficult to measure a person's overall life satisfaction as it relates to different economic factors. The book itself mentions the difficulty of collecting happiness data. And so while the research was well conducted it is hard to say that the theories deduced from the data will be accurate. I think for the most part they are, but I didn't believe 100 percent everything the book claimed because of this fact, and I think it would be unwise to do so.

The book focuses the economics and happiness of the developed world and in particular Europe. I would have liked to see a discussion of economic happiness in third world countries. This would be an especially interesting topic of discussion in looking at the former colonies. The book mentions that happiness has a positive correlation with democracy and the level of government

stability. So it mentions that people in poorer countries would be less happy because poorer countries tend to have unstable, corrupt governments. However, it does not discuss the effects that colonialism has had on these countries and their governments and economies, because Europeans are essentially the reason that those countries are unstable.

This book is an extremely difficult read. It is not a book that you can just pick up and start reading with no background in economics and expect to grasp the concepts. I enjoy studying economics, but I did get frustrated with the amount of heavy technical writing in this book. However, it is a very well written book and is very fascinating if you have an understanding of the concepts being talk about. It poses some interesting theories and explanations and uses ample relevant research to support the claims made even if there is some dispute in the accuracy of the results. It is a great book for anyone who has a good understanding of economics and enjoys the subject. But, I would not recommend the book to anyone who has not studied economics. For instance unless you understand terms like purchasing power parity or neo-Keynesian economics this is not the book for you.