

# I'm sad because you have a red Ferrari

John Roskam reviews  
*Happiness: Lessons from a  
 New Science*  
 By Richard Layard.  
 (Alan Lane,  
 2005, 310 pages)



Seven hundred and fifty actors and actresses have ever been nominated for an Academy Award—those who won an Oscar lived, on average, four years longer than those who had been nominated but didn't win.

How happy you are in the your twenties is a good predictor of how long you will live.

The Himalayan country of Bhutan had banned television and public advertising until 1999. When the ban was lifted, the crime rate rose and drug-taking increased.

According to Richard Layard, an economist at the London School of Economics, former adviser to the Blair Government in the UK, and now a member of the House of Lords, 'happiness' can be scientifically determined by measuring electrical activity in the brain. We might not know exactly what happiness is, but we know it when we've found it.

It is with information such as this that Layard constructs his argument that the goal of government should be happiness for all. Money doesn't buy happiness, therefore governments should abandon their concentration on economic growth and instead focus on generating happiness. The way to do this is for governments to create the concept of 'the common good' whereby individuals stop competing with each other and instead learn to co-operate.

Layard suggests, presumably in all seriousness, that a solution to the problem of competition for status and money is 'a collective agree-

ment to limit the race of all against all'—but he says that, sadly, such an agreement would never work because 'there are just too many people to make such an agreement possible'. Layard doesn't seem too bothered by the fact that such an agreement would involve interference with individual rights on an almost unprecedented scale.

He freely acknowledges that his greatest happiness for all principle is utilitarian in the extreme, and utilitarianism has always had problems accommodating personal liberty. Layard discusses the legacy of the first great utilitarian, Jeremy Bentham, who claimed that the best society was one in which the citizens were the happiest—'the greatest happiness for the greatest number'. Such a philosophy was profoundly egalitarian because the happiness of the richest person had the same weight as the happiness of the poorest, but the problem with utilitarianism—and the reason why Bentham's disciple John Stuart Mill rejected it—was because it was fundamentally illiberal.

On a strict application of utilitarianism, if society were comprised of three people, and two people gained happiness through the infliction of pain on a third, there would be nothing objectionable in such an outcome. There is no scope in utilitarianism for

individual rights. Similarly, in Layard's preferred society, individuals shouldn't be allowed to work to earn money to buy a red Ferrari, because he believes, first, that red Ferraris don't make people happy anyway, and second, that those of us who don't have red Ferraris are jealous of those who do. What Layard would like to do is not necessarily prohibit us from buying red Ferraris (although one suspects he wouldn't be averse to such a ban). He suggests that taxes should be increased so that individuals are discouraged from working too hard, and he says that taxes are good because 'they are holding us back from an even more fevered way of life'.

Layard cites various studies which show that, while in recent times we have got wealthier, we haven't got any happier—and that people may actually be less happy than they were in previous decades. For example, the incidence of clinical depression has increased since the Second World War. From this he concludes that increased wealth is the cause of many of our problems. But even though events may correlate, that obviously doesn't mean that they are casually related. It could just as easily be said that the creation of the modern welfare state has resulted in a higher rate of depression.

For those who believe that the fall of the Berlin Wall signalled the triumph of liberal political ideas and free-market economics—think again. In a feature about him on ABC Radio earlier this year, Layard announced that civil servants in Britain were 'taking some interest' in his ideas.

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