

The NBER Digest

NATIONAL BUREAU OF ECONOMIC RESEARCH

December 2008

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Happiness Is More Evenly Distributed Among Americans

Despite robust economic growth over the past three decades, Americans do not report being any happier today than they were thirty years ago. Yet in **Happiness Inequality in the United States** (NBER Working Paper No. [14220](#)), [Betsey Stevenson](#) and [Justin Wolfers](#) find that happiness is more evenly distributed among Americans -- in other words, the happiness gap has narrowed. Examining data for 1972 to 2006, Stevenson and Wolfers find that two-thirds of the black-white happiness gap has disappeared, and the male-female gap has vanished entirely -- and may have even reversed. However, paralleling changes in the income distribution, differences in happiness by education have widened substantially.

“Between 1972 and 2006, two-thirds of the black-white happiness gap disappeared, and the male-female gap vanished entirely.”

Stevenson and Wolfers analyze data from the General Social Survey, which was administered annually until 1994 to a nationally representative sample of about 1,500 respondents and continues biannually with samples of about 3,000 respondents. The survey asks: "Taken all together, how would you say things are these days--would you say that you are very happy, happy, or not too happy?" Examining the data decade by decade, the authors show that the decline in happiness inequality occurred during the 1970s and the 1980s with fewer people reporting that they were "not too happy" and a counterbalancing decline in the percent of people reporting that they were "very happy."

The decline in happiness inequality ceased, and around one third of it was undone, in the 1990s and the first half of the 2000s as happiness inequality rose during the period.

In contrast, income inequality rose sharply in the 1980s throughout the income distribution, with further growth occurring at the top of the income distribution in the 1990s

and 2000s. The broad changes in happiness inequality are not consistent with the observed changes in income inequality, but Stevenson and Wolfers show that change in the distribution of happiness across educational groups is consistent with observed patterns of wage inequality. Happiness has risen among college graduates, fallen among those with some college, and fallen even more sharply among those with a high school degree or less.

The authors decompose the decrease in happiness inequality into the proportion that was driven by a fall in inequality within groups versus that stemming from changes in inequality between groups. This decomposition reveals that much of the decline in happiness inequality occurred within demographic groups and, as such, is not explained by the differences in happiness stemming from observable characteristics such as age, education, race, gender, or marital status.

However, the authors do highlight some important changes in the distribution of happiness between demographic groups. Perhaps most striking is the fact that the gap in average happiness between whites and non-whites has largely been eroded as happiness has risen among non-whites and fallen slightly for whites. Whites, however, remain happier on average than non-whites, a fact that is largely explained by their higher educational attainment. Turning to gender, the authors show that gender inequality in happiness has decreased. Looking at men and women separately, the authors also show that happiness inequality for both men and women narrowed in the 1980s and 1990s, then widened in the 2000s. Finally, the authors show that happiness inequality across age groups has narrowed over time. The average happiness of prime age and older Americans has fallen over time, while the average happiness of the young has stayed the same. Because average happiness typically rises with age, these patterns have meant a reduction in inequality between age groups. The authors note too that the dispersion of happiness also increases with age, with greater differences in happiness among older Americans. These patterns parallel the variance in both income and consumption by age. However, these differences in happiness have narrowed over the past 35 years.