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Balancing 'full life': An economic approach to the route to happiness

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ABSTRACT

This paper presents a formalization and modification of Martin Seligman's concept of *full life*, employing basic microeconomics. A class of Stone–Geary utility functions is proposed as an analytical tool for scrutinizing individual decision making with respect to a pleasant, engaged and meaningful life. Using this specification of Seligman's concept, we explain why people may differ with respect to the levels of a pleasant, engaged and meaningful life that they are trying to achieve. Moreover, we modify Seligman's *full life* to the concept of *balanced full life*. This extension requires that, in addition to differences in people's preferences regarding various aspects of life, differences in their time opportunity costs also be taken into account. Finally, the unique role of a meaningful life is discussed.

1. Introduction

The conceptualization of happiness is a difficult endeavor. Apart from empirical studies focusing on self-reported happiness, there are also normative studies as to what makes people really happy. The question of the determinants of happiness is probably one of the oldest confronting mankind, as can be seen from the debates and proposals since antiquity, by, for instance, religion and philosophy. Nowadays, there are also answers from psychology, especially positive psychology.

In this paper, we take a closer look at one of the answers given by positive psychology, namely Martin Seligman's concept of *full life*. In our opinion, his approach is a very instructive example of a normative concept of 'objective' happiness, in that Seligman prescribes the route to happiness. Although Seligman draws on a remarkable amount of the world's written cultural heritage in order to construct his concept, the result is nonetheless of a normative nature, insofar as it states how 'objective' happiness may be attained. Therefore, Seligman's concept may be regarded as closer to that of Aristotle's good life than to today's hedonist happiness.

In its present form, Seligman's concept is not formalized. In this paper, a formalization and quantification is attempted, using basic microeconomic analysis. The objective of this procedure is to clarify the implications of the concept, by taking

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into account that people face constraints in trying to make their lives more comfortable. The most fundamental objective constraint is the available *time*. Therefore, we introduce a time constraint for people pursuing their life goals.

The paper is organized as follows. In Section 2, we first present Seligman's route to happiness as the basis for the formalization. We then briefly discuss the inclusion of subjective as well as objective constraints in positive and normative concepts of utility and happiness from the past. Section 3 contains the formalization of Seligman's concept from an economic perspective. The results and consequences are also discussed in this section, along with some variations and extensions. The fourth section concludes.

2. Objectives and constraints on the way to happiness

2.1. Seligman's route to happiness

In the scientific happiness literature, different concepts co-exist. One prominent position from positive psychology is credited to Martin Seligman. In the following analysis, this so-called "Seligman approach" (Vittersø, Oelmann, & Wang, 2009) is presented. In this approach, happiness is defined as a multidimensional goal that can be attained via three different routes (Seligman, 2002; Seligman, Rashid, & Parks, 2006) that might be dubbed 'Seligman's trinity': a pleasant, engaged and meaningful life. These routes correspond to the three ethical theories of self-interest described by Parfit (1984). The first is based on hedonistic theories of happiness, the second is an offspring of desire theory and the third is associated with objective list theories (Seligman & Royzman, 2003).[1]

The first route to happiness is a pleasant life, "that successfully pursues the positive emotions about the present, past and future" (Seligman, 2002, p. 262; Seligman, 2003, p. 127). This concept is backed by the hedonistic notion of a life full of bodily and higher pleasures. Bodily pleasures are those momentary positive emotions induced by sensual perceptions. The so-called higher pleasures are those that can be achieved in more complicated, sophisticated and more cultivated ways (Seligman, 2002, 2003). The pleasant life, thus, refers to the philosophical theory of hedonism, namely concentrating on the pursuit of pleasures. This hedonism is exemplified by the utilitarian theory of Jeremy Bentham, who defines happiness as the sum of pleasures over time, the amount of which is to be maximized.[2]

The second route to happiness is an engaged life (Seligman et al., 2006).[3] An engaged life consists of "using your strengths and virtues to obtain abundant gratification in the main realms of life" (Seligman, 2003, p. 127). An individual can achieve this by developing her various strengths and virtues. Seligman and his colleagues differentiate between these characteristics in their Values in Action (VIA) classification, identifying 24 character strengths (Park, Peterson, & Seligman, 2004; Peterson, Park, & Seligman, 2005a; Peterson & Seligman, 2004). Although other authors use different classifications, they all seem to agree on a certain canon of core virtues. In the philosophical tradition, this corresponds to a (Neo-)Aristotelian approach in which a happy life implies a virtuous one. This road to happiness also corresponds to the concept of flow developed by Csikszentmihalyi (2002).[4] Flow is "the state in which people are so involved in an activity that nothing else seems to matter" (Csikszentmihalyi, 2002, p. 4). For an individual to achieve a high degree of engagement, according to Seligman and colleagues, it is useful to identify the individual's central strengths, his "signature strengths" (Seligman, 2002, p. 13; Peterson & Seligman, 2004) and apply them in daily life.

A meaningful life is the third route to happiness (Peterson, Park, & Seligman, 2005b; Seligman, Parks, & Steen, 2004). A life is considered meaningful if it is based on a higher purpose than the person itself. Such ends consist of a variety of "positive institutions" (Seligman et al., 2006) as, for instance, religion, politics, family, community or nation (Seligman et al., 2006). Seligman relates the concept of the meaningful life to the ethical "objective list" theories. These theories assume that there are certain universal objectives that would be pursued by all human beings (if they only knew what is best for them) irrespective of whether these universal values originated from anthropological necessities or from religious revelations.

Seligman (2002) states that to pursue all three routes to happiness simultaneously is the way to achieve the ultimate goal of "authentic happiness", i.e., a *full life*. According to Seligman, this full life "consists in experiencing positive emotions about the past and future, savoring positive feelings from the pleasures, deriving abundant gratifications from your signature strengths, and using these strengths in the service of something larger to obtain meaning" (Seligman, 2002, p. 263). Peterson et al. (2005b, pp. 35 f.) present results based on their Orientation to Happiness Questionnaire. The (revised) Orientation to Happiness measure consists of 18 items, which support a three factor model of a pleasant, engaged and meaningful life. The results of the study with $n = 845$ adults underscore that simultaneously low values on all three routes to happiness imply an 'empty life', i.e., lower levels of life satisfaction than would have been expected by the small values (Peterson et al., 2005b, pp. 35 f.).

Peterson et al. (2005b, p. 37) also show that an orientation toward pleasure is a weaker predictor of individual life satisfaction than an engaged and meaningful life. Following the route of a pleasant life seems to be significantly less important than that of an engaged or a meaningful life. However, as one would expect, the three orientations to happiness are not

[1] It is noteworthy that the economist John C. Harsanyi had a somewhat similar concept of the ingredients of individual utility functions; see Harsanyi (1986, 1995, 1997). For the relationship between utility, informed preferences and happiness in Harsanyi's concept, see Ng (1999).

[2] For an overview of the history of utility theory see Read (2007) and the literature cited therein.

[3] In some of his works, Seligman uses the expression "good life" for this route, e.g., Seligman (2002), p. 249 and Seligman (2004).

[4] Describing happiness as a feeling of flow is much older and goes back at least to the Greek philosopher Epictetus. See Hudson (1996), p. 109, Fn 12.