

Study: Can Money Buy Happiness?

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NEW YORK (CBS 2) – You’ve heard it a thousand times: Money can’t buy happiness.

So why do so many people continue to try and accumulate riches?

CBS 2’s Chris Wragge reports new studies have examined the correlation between big bucks and bliss.

Some say the more you have the more you want.

“I think I could manage with about \$10 million. That’s a nice round figure,” a New Yorker on the street told CBS 2.

But at what point do you become content, even happy with what you have?

“Money certainly makes life easier, but it cannot make you happy,” another person said.

“It can make you happy, but it’s not the only thing,” said another.

While we all have our own opinions on the subject, two new studies actually explore the correlation between money and happiness.

“Double the stuff doesn’t necessarily mean double the happiness,” financial planner Dana Levit said.

Levit says the studies — conducted by two U.S. universities — show money does matter, but only to a point.

“Having enough money is important because you need to feel comfortable,” Levit said.

Of course you need to be able to pay for food, housing and health care, but believe it or not the research found making more than \$75,000 a year has no effect on how elated, sad or stressed a person feels on a daily basis.

“Real happiness seems to be driven by whether or not you have good relationships, whether or not you have strong ties, whether or not you have strong community bindings,” Levit said.

That’s not to say you shouldn’t ask for a raise either — says Levit — because the study also found making more than \$75,000 a year helped people feel that their lives were working out — on the whole.

Levit’s best advice?

“One of my favorite exercises is a bit morbid. Basically, write your own obituary and I think that really helps people get at, this is what I really want my life to be about, and then you can come back and say, am I using my money, am I using my resources to get there?” Levit said.

No matter what your income level, family therapist Dr. Jane Greer says the key to happiness is being self-reliant and responsible.

“The more we live up to our own expectations the better we feel about ourselves and of course the better we feel about ourselves the happier we are and the happier we are at our relationships,” Greer said.

So, why is \$75,000 the magic number? Researchers found that a lower income didn’t cause sadness itself but made people feel more worn down by the problems they already had.