

Review of Gregg Easterbrook, *The Progress Paradox: How Life Gets Better While People Feel Worse*, New York: Random House, 2003, 376pp.

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We are all familiar with the cliché, “money can’t buy happiness.” In his new book, Gregg Easterbrook tries to understand why a slight variant of this cliché is so. The paradox that underlies Easterbrook’s endeavor is that over the last fifty years, by almost all objective standards, things have improved in the United States and Europe. At the same time, surveys of satisfaction and happiness have not changed since the 1950s. Why, Easterbrook asks, have objective measures of well-being increased while overall satisfaction and happiness have remained constant?

The first three chapters survey the various objective measures showing a steady increase in progress over time. These chapters are an enjoyable read as Easterbrook draws on a wide range of facts and evidence to support his contention that things are improving across the board. Much of the analysis put forth in this section of the book will remind the reader of Julian Simon’s *The Ultimate Resource*. The general indicators considered include crime, the environment, public health, virtue, brainpower, equality, and both domestic and global economics. Among other things, Easterbrook tells us that crime is falling, the state of the environment is improving, we have become more virtuous (measured by illegal drug use, alcohol consumption, cigarette use, divorce and teen abortions), brainpower (measured by IQ) is increasing, equality is increasing and the economic situations in both the domestic and global spheres have improved over time.

The myriad of interesting facts makes this book a worthwhile read. To give the reader a sample, I will briefly note some of the ones I found especially interesting:

- In 2001, Americans spent \$25 billion, more than the GDP of North Korea, on recreational watercraft (6).
- During the 1950s, a cheeseburger at McDonalds cost half an hour of typical wages; today, a McDonald's cheeseburger costs the typical American three minutes of work (9).
- Today, 58% of American men and 52% of American women work in white-collar occupations (27).
- The average American home has 5.3 rooms for an average of 2.6 people (17).
- Only 3% of the American population live in a dwelling that is overcrowded – defined as more than one person per dwelling room (18).

The main point is simple – no matter how you cut it, things are getting better. It is refreshing to see a clear recognition of the progress that has been made in a relatively short period of time. In an age where we are bombarded with various crises – global warming, pollution, guns, education, etc. – on a daily basis, the reader will be surprised to see just how much things have improved. Easterbrook points out that in trying to attract viewers and readers, the media often distorts the severity of issues at hand, completely neglecting how things have progressed over time. The one disappointing aspect of these chapters is that there is no real discussion of the mechanism that has caused this progress over time. I will return to this point later.

After demonstrating the many ways in which things are getting better, Easterbrook turns to the apparent paradox in chapters four through eight. In these chapters, Easterbrook focuses on the results of satisfaction surveys dating back to the 1950s. These surveys show that the overall level of satisfaction or happiness has remained relatively stable over time.

Among the surveys discussed, Easterbrook cites a 1996 poll in which 52% of the respondents said the United States was worse now than when their parents were growing up and 60% said they expected their children to live in an even worse country. Only 15% of the respondents believed that overall national conditions were improving (32). In 1997, 66% of Americans reported that they believed “the lot of the average person is getting worse” (81). How is this possible, Easterbrook asks, given the drastic increase in general progress?

In addition to discussing the surveys, Easterbrook provides the reader with some potential reasons for the apparent paradox. One potential explanation offered is “choice anxiety.” In the past, many individuals had few options as a result of limited income or a limited amount of goods and services available. However, Easterbrook argues, there is a flip side to the stress of having too few options. Just as having too few options can be stressful, so too can having too many options. Because there are so many goods and services to choose from in an ever-increasing range of categories, the simplest choices become stressful. According to Easterbrook, the consumer can never be sure if he is choosing the right product or service, leading to stress and unhappiness.

“Abundance denial,” or the construction of mental rationales for individuals considering themselves materially deprived, is another explanation offered by Easterbrook. In other words, no matter how much individuals actually have, they never consider themselves to be prosperous. Through this process, individuals continually make themselves unhappy. As Easterbrook notes, a majority of Americans envision only the rich as “well-off” even though most Americans live relatively better than more than 99% of humans who have ever lived.

Another potential explanation is “collapse anxiety,” the widespread fear that the prosperity of the United States and Europe may come to an end due to an economic crash, environmental problems, terrorism or some other catastrophe. Even if individuals are better off, the constant fear that it is unsustainable makes individuals unhappy and unsatisfied. It is difficult for individuals to recognize and appreciate what they have when they fear it could end any day.

Finally, Easterbrook considers “the revolution of satisfied expectations” as a potential explanation. This is the uneasiness that accompanies things that an individual dreamed of having. For the last century, Easterbrook contends, Western life has been characterized by increasing expectations. Each generation expected to have more than the preceding generation. However, we have now reached the point where many people have most of what they need. In other words, this explanation contends that it is hard to imagine things getting any better than they already are. As such, individuals don’t have anything to look forward to.

Even if the reader finds the potential reasons for unhappiness to be somewhat accurate in explaining the surveys, he will come away from this section of the book dissatisfied. Granted, measuring the magnitude of each suggested cause is difficult. Easterbrook never takes a firm stance on what exactly is causing the unhappiness and the reader is left with the general conjectures outlined above. The author does provide some general advice for overcoming the paradox in chapters seven and eight. Drawing on psychology literature and especially on positive psychology, Easterbrook contends that forgiveness and a “rebirth of thankfulness” are necessary in order to remove unhappiness and anxiety. In other words, individuals must work toward a positive mental frame of mind.

Like the proceeding chapters, the reader will come away from this discussion dissatisfied. One gets the feeling that Easterbrook is claiming that all would be well if we were all just a bit more positive. While this is not necessarily incorrect, the reader will find the proposed remedy too vague and simplistic.

At this point, I would like to raise some general issues related to Easterbrook's endeavor as a whole. The first deals with the issue of happiness. The first fourth of the book relies on objective measures over time to establish a steady increase in progress. In order to establish the paradox, these objective facts are compared to the subjective measure of happiness. While the author recognizes and admits that the surveys regarding happiness are not perfect, he claims that they are "illuminating nonetheless" (168). I think this is questionable.

The notion of happiness is not static across individuals at one point in time, let alone across several decades. Each person has a subjective view of what happiness entails. Depending on the time and the individuals selected, the very meaning of happiness could be substantially different. In addition to each person possessing a subjective view of what they consider to be happiness, they also have a subjective perception of what others experienced in the past and what others will experience in the future. So when pollsters ask respondents if their parents were better off or if their children will be better off, this is not some objective measure but a subjective perception of the past and future. In short, it is not clear why we would expect the level of subjective satisfaction to increase with objective well-being. It seems as if Easterbrook's explanation is that in the past, everything seemed to be getting better. Now, due to the high level of progress in a relatively short period of time, it seems that things can't get that much better in the future. But the reader will wonder, if things

have progressed to this point, why can't they continue to do so in the future? There are always unsatisfied wants to be filled. It is unclear why people should think that progress cannot continue and, therefore, have lower expectations for the future. This question is left unanswered.

Throughout the book, Easterbrook injects his own normative views - in many cases, with no support. The discerning reader will find issue with this. For instance, when writing on the topic of ensuring safe working conditions in the global economy and the impact on prices, Easterbrook writes, "Western prices would rise a little, but Western prices *should* rise a little so that those in developing nations could live better" (64, emphasis original). These normative quips are peppered throughout the book and detract from the quality of the overall endeavor. The author's normative claims come to a head in the last fourth of the book (chapters nine through twelve).

In the last section of the book, Easterbrook speculates regarding the relationship between public policy and increased happiness. Among other things, he calls for nationalized healthcare and an increase in the minimum wage to \$10. In my opinion, these chapters are the worst of the book. Easterbrook calls for major policy changes with no analysis of the relevant costs. In fact, all major costs and objections are glossed over. In comparison to the first fourth of the book, which incorporated extensive facts and research from a variety of sources, these chapters read like a rushed add-on.

These policy conclusions tie into perhaps the largest oversight of the book. As mentioned earlier, Easterbrook fails to discuss the mechanism that has allowed this fantastic progress to take place. The mechanism is the capitalist system which encourages innovation and entrepreneurship. Easterbrook does make passing mention of the market system but

fails to fully appreciate what the capitalist system produces. At one point, the reader is told that he would be “foolish” to think that capitalism is the best ordering for society (153).

While it may be the best we have right now, we are told, some superior system may await us in the future. In failing to understand fully the benefits of the capitalist system, Easterbrook is also unable to even consider the economic implications of his policy prescriptions.

There is one final point to be made regarding the underlying paradox which Easterbrook sets out to solve. This is that perhaps there is no paradox at all. Most people would agree that money and material things are not the equivalent of happiness. Given this, why would we expect to see a correlation between an increase in progress and an increase in happiness? It is not clear that the claim has ever been that prosperity will lead to the removal of all uneasiness. It is also unclear that public policy can achieve this. The best we can aim for is an institutional environment – political, legal and economic – that allows individuals to remove as much uneasiness as possible. Historically, the system that has been the most successful at this is *laissez-faire* capitalism.

In sum, this book is a disappointment. The first fourth is excellent. Introducing the average person to the facts and subsequent implications in these chapters would be a major achievement in itself. After these initial chapters, the quality of the book declines. While not uninteresting, the middle chapters dealing with the psychological aspects of unhappiness fail to provide a satisfactory conclusion. The last chapters serve no purpose in the endeavor and detract from the overall quality of the book. The reader walks away frustrated. On one hand, the author recognizes the great progress that has been achieved. At the same time, he fails to understand how it was achieved – via an environment allowing markets and entrepreneurs to flourish. It is true that markets cannot solve all problems or remove all

unhappiness, but they can enable substantial increases in living standards. It seems that the removal of physical deprivation has much intrinsic value separate from any claims of happiness.