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# Do Millennial College Students at an Urban, Non-residential University Believe That There Is a Link Between Material Wealth and Happiness?

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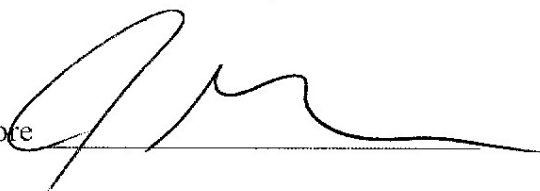
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**Do Millennial college students at an urban, non-residential university  
believe that there is a link between material wealth and happiness?**

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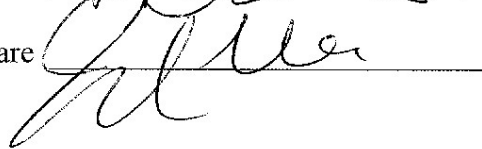


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Bachelor of Business Administration in Finance with a minor in Philosophy with Honors.

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## Abstract

In my study, I tackle the question of whether students *believe* that having greater material wealth can bring them greater happiness. This is an important question to address and answer (that can potentially provide insight into the greater issue of whether money can lead to happiness) because if the students *think* that attaining material wealth can lead to greater happiness (even if it actually might not), then this will affect their judgments regarding the success of their own lives. Subsequently, if they deem themselves unsuccessful because of a lack of monetary wealth, they could judge or cause themselves to become unhappy.

Based on survey responses of 100 students at Baruch College, I found that despite having an understanding of happiness (as provided by me before survey administration), millennial college students at an urban, non-residential university do believe that there is a link between material wealth and happiness. The factors of gender, ethnicity and personal income do not influence students' views regarding whether money can make them happier; country of birth/cultural background seems to be the only factor that has a significant effect on the students' perceptions.

## **I: Introduction/Motivation**

A major interest in the philosophical and scientific community revolves around the role of material wealth in achieving happiness. A growing literature examines this link and some authors suggest that there exists a causal relationship between income or wealth (expressed in monetary terms) and happiness such that an increase in money guarantees greater happiness (all else equal). In my honors thesis research I investigate the complex relationship between material wealth and happiness with a focus of understanding how the Millennial population at an urban commuter school views the hypothesis that money causes happiness and whether it believes that such a relationship exists.

To support the claim that money brings about happiness (in a causal way), it needs to be established that there is a consistent correlation in terms of direction and time ordering between the two variables and that there are no confounding individual or group-specific influences. Observed increases in wealth and happiness could be in part or entirely due to other factors. Consequently, to evaluate the potential causal link between wealth and happiness I examine whether a consistently positive relationship is observed and how sensitive the relationship is to potential confounding factors. This is linked to and provides a reflection of the Millennial perception of happiness in conjunction to wealth and whether this community *thinks* that such a correlation exists. The relationship between wealth and happiness and students' beliefs regarding this relationship is explored theoretically and empirically using a three-pronged approach:

First, I explore the philosophical, theoretical and conceptual notions of the concept and determinants of happiness.

Second, I discuss the existing research on people's beliefs regarding wealth and happiness.

Last, I conduct a survey to test whether selected determinants and mechanisms (gender, race, immigration status, income level) potentially affect the belief in the Millennial population that money can lead to happiness.

My findings demonstrate that Millennial students at an urban, non-residential university do, in fact, think that material wealth has an effect on their happiness.

Throughout this paper, I use the terms material wealth and monetary gain to discuss individuals' views on money. These terms (especially income and wealth) can have different implications behind them; therefore, their meanings and uses must be clarified. In many cases, having a large income leads to having material wealth. For example, an individual who receives an income of \$500,000 per year is believed to have monetary/material wealth. The questions in the survey handed out to students asked about various types of monetary gain (e.g., income and lottery). For the purposes of this paper, we will treat all types of monetary gains as sources of material wealth since the goal of the research is to understand students' views and beliefs regarding the connection between these gains (which would ultimately lead to wealth) and happiness.

## **II: Happiness Explored and Explained**

### **Part 1: Understanding Happiness**

#### **Definition of Happiness**

Happiness, when considered in the philosophical sense, is defined either as a “state of mind” or a “holistic” sense of well-being. These two senses or definitions are simply accounts of different ways that people speak of happiness. The “state of mind” sense or definition encompasses “only the happiness that one can experience and reflect on from a psychological state; e.g., experiences of pleasure or positive emotional conditions” (Haybron 2011). The well-being definition of happiness “encompasses various components of a person’s life, such as what benefits a person, is good for her, makes her better off, serves her interests, or is desirable for her sake” (Haybron 2011). A holistic sense of well-being is the overall happiness that an individual experiences and reflects on. Overall happiness is the “degree to which an individual judges the overall quality of his/her own life-as-a-whole favorably. In other words: how much one likes the life one leads” (Veenhoven 2015). The well-being definition is thus most plausible and applicable when asking individuals to report on happiness because it incorporates many factors (most importantly in this case – material wealth) that have an effect on personal happiness. This in turn will be the most useful definition for this thesis because Millennial students will be self-reporting on personal happiness and beliefs regarding wealth.

## Theories of Happiness

When systematically studying happiness, it is vital to establish a theory that accords with the well-being definition of happiness. In this section, I will describe how the two senses of happiness –“state of mind” and “well being” – correspond to more formally developed philosophical and psychological accounts of what is genuinely the best way to understand happiness. According to Haybron (2011) there are four main theories of understanding happiness. The first theory is the *hedonism theory*. It identifies happiness with the individual's balance of pleasant over unpleasant experience. This theory asserts that the pleasantness of experience is very significant and perhaps it is even the only thing that is significant. However, this theory is flawed because it identifies happiness with only pleasure and its absence as that which is simply pleasure's opposite: unpleasantness. It fails to consider other aspects, such as a person's emotional state, that can have an effect of one's perception of happiness.

The second theory is the *emotional state theory*, which identifies happiness with a person's emotional condition as a whole. In this theory, “the more “central” affects involving our emotional conditions may bear a special relation to the person or the *self* and the emotional condition may have a deep psychological impact on our mental lives, physiology and behavior” (Haybron 2011). The states involved in happiness, “on an emotional state view, can range widely, even far more than the ordinary notion of mood or emotion” (Haybron 2011). Therefore, it is not enough to consider only a person's emotional state because his or her state at the moment can vary from the individual's



usual or overall sense of happiness, which is just as vital when considering the effect of monetary gain on happiness.

The third theory is the *life satisfaction theory*, which identifies happiness with having a favorable attitude toward one's life as a whole. This theory is holistic – it focuses on global judgments ranging over the entirety of one's life and it is closely linked to an individual's priorities. These judgments “may be more or less explicit, and may involve some form of affect” (Haybron 2011). The theory may also involve some aggregate of judgments about particular items or domains within one's life. However, this theory is also not the optimal theory to use for the purposes of this thesis because while it does consider a person's life as a whole, it again does not consider individual components that can influence one's perception and reflection of happiness.

The last theory is the *hybrid theory*, which attempts an “irenic solution to our diverse intuitions about happiness: identify happiness with both life satisfaction and pleasure or emotional state, perhaps along with other states such as domain satisfactions” (Haybron 2011). This theory is inclusive of all components of subjective well-being, which is important because all these components are vital to the definition of happiness in ordinary discussion.

The *hedonism theory* and *emotional state theory* are versions of the "state of mind" account of happiness: they assert that happiness is what's in your head, how you feel, etc. Therefore, these two theories absolutely do not correspond to the “well-being”

sense of happiness and cannot be followed by the students who will be self-reporting on happiness for the purposes of this paper. In contrast, the *hybrid theory* and *life satisfaction theory* fit into the “well being” sense of happiness. They state that whether or not one is happy is not merely a matter of whether or not a person experiences pleasure; rather, individual happiness depends on many external features of life such as achievement, education, etc.

The theory that best fits with the goals of this thesis (for students to understand and self-report on happiness) is the *hybrid theory* because it considers all components that could be affecting an individual’s state of happiness and is on par with the definition of happiness as a holistic sense of well-being. Thus, this is the theory of happiness that will be most effective when asking Millennial students to self-report on happiness and in supporting and defining the results in this thesis.

### The Components of Happiness

Within the hybrid theory and well-being definition of happiness, there are several components that make up happiness, which need to be considered before reflecting and reporting on personal beliefs regarding the subject. The principal notion of happiness, according to L.W. Sumner (1996), is that of being happy and having a happy life, “which means having a certain kind of positive attitude toward your life, which in its fullest form has both a cognitive and affective component” (p. 145). The cognitive or “state of mind”

component requires an individual to make “an affirmation or endorsement of (or some of all of) the conditions or circumstances of your life, a judgment that, on balance and taking everything into account, your life is going well for you” (p. 145). This type of judgment and affirmation is beyond many people’s abilities, while the affective, “well-being” component of happiness is not because it is less cognitively demanding. There is more involved in being happy than being disposed to think that your life is going well. The “affective side of happiness consists in what we commonly call a sense of well-being: finding your life enriching or rewarding, or feeling satisfied or fulfilled by it” (p. 146).

Sumner (1996) also identifies well-being with *authentic happiness*—happiness that is authentic in the sense of being both informed (not based on any false beliefs) and autonomous (not the product of any other process). In other words, well-being involves happiness that is a personal response to one’s own life. Therefore, the philosophical, “well-being” component of happiness more easily corresponds to how ordinary, unreflective or untheoretical accounts of happiness would describe it. The affective component is reflectively available to a greater percentage of the population than the cognitive component. The well-being component also causes a person to more deeply reflect on his or her emotional position and sense of fulfillment and thus achieve authentic happiness.

## Measurement of Happiness

If happiness is a scientific and psychological notion that is constantly being researched and tested, then we should consider whether it is something that can be objectively measured on the basis of self-reports, or whether there a more Aristotelian notion of happiness that is relevant. In this case, the critical point is to the compare well-being of lives based on objective factors such as health, education, friendships, etc.

The Aristotelian notion of happiness revolves around *Eudaimonia*, which is often translated as “happiness” from Greek. Kraut (2016) states the following:

The Greek term “*eudaimon*” is composed of two parts: “*eu*” means “well” and “*daimon*” means “divinity” or “spirit.” To be *eudaimon* is therefore to be living in a way that is well-favored by a god. These terms play an evaluative role, and are not simply descriptions of someone's state of mind. According to Aristotle, nobody tries to live well for the sake of some further goal; rather, being *eudaimon* is the highest end, and all subordinate goals—health, wealth, and other such resources—are sought because they promote well-being, not because they are what well-being consists in.

In *Nichomachean Ethics*, Aristotle asserted that *Eudaimonia* is the ultimate aim of human action and thought since it is the only factor that is valuable in isolation, whereas other factors, such as courage, intelligence and wealth, are considered as valuable only in relation to other things. If *Eudaimonia* is the supreme aim of all human behavior and

thought when viewed in isolation, then people should be able to view it in retrospect as a single variable and report on how it affects them. They should also be able to identify in their self-reports whether they think that happiness can be affected by another factor, in this case – material wealth.

If happiness is, actually, something that can be objectively measured on the basis of self-reports, then how can we measure it? It is relatively easy for us to recognize that individuals experience degrees of happiness. For example, a person will probably feel more happiness when reuniting with a good friend that he or she has not seen in years than a finding two dollars on the street. Therefore, if happiness is experienced as allowing a range of degrees (and this is recognizable to an average individual), then there should be some measure or standard in virtue of which those different degrees can be compared.

Although there does not seem to be a way to *precisely* measure how happy a person is, it is possible for researchers to develop approximate measures of happiness. These measures can be created by assessing people's self-reports of happiness and by distinguishing patterns of happiness across large numbers of individuals. The created measures could reveal information about which groups of people are generally happier.

Nonetheless, individual self-reports of happiness can be biased and flawed for several reasons. Firstly, the definition of happiness, if not clarified in the question, can vary across individuals. For example, one person may define happiness simply as pleasure while another might define it as an emotion that is felt in response to outside

stimuli (e.g., receiving an A on a difficult test). Secondly, individuals' moods at the moment when asked to report on happiness can be clouded and their judgments at that moment might not reflect their actual happiness. For example, an individual might generally be a happy person but could be feeling sad at the moment because of a negative occurrence (e.g., receiving an F on a simple test). Finally, the groups that are being measured can *systematically* bias their reports in different ways. For example, "the French might report lower happiness than Americans, for instance, not because their lives are less satisfying or pleasant, but because they tend to put a less positive spin on things" (Haybron 2011). Therefore in order to create the most accurate and unbiased measures in self-reports, researchers must, to the greatest possible extent, address the flaws and biases before commencing and assessing research.

In order to prevent biases in student reports and, subsequently, avoid error in the research results and conclusions for this paper, when testing subjects, I:

1. Explain the definition of happiness before the subjects fill out survey.
2. Have individuals report on their general or usual state of happiness.
3. Test individuals from various backgrounds.

Additionally, it is vital to acknowledge that the test sample taken might not be representative of the entire Millennial population at the university due to several flaws. The first possible flaw is the sample size. 100 students (selected randomly) responded to the survey. This sample size at first look might appear small; however, the size of the student body at the university is limited and it would have been arbitrary to sample thousands of students because that would involve surveying the entire student body

population. Also, the sample of students taken was randomized (every fourth student that passed by a specific location was approached and asked to complete the survey), a sample size that is too large would have removed this randomness. Finally, because the main goal of the thesis and survey is to understand students' beliefs and thoughts regarding monetary wealth and happiness from a philosophical rather than a statistical perspective, a sample that is too large would not provide additional value. In contrast, a smaller sample size would not have provided enough insight into students' beliefs and would not allow for generalizability.

Another possible issue that could contribute to the validity of representation of the sample could be the bias resulting from the day the survey was taken. Different students select class times that best fit their schedules (e.g. those who do not work take classes in the morning and day times during the weekday and those who do take night classes or classes on weekends). To avoid this bias, I surveyed students during in the afternoon hours on weekdays, during evening hours on weekdays and during the weekends. The final issue could be the location in which students were surveyed. Specifically, there are several buildings on campus and each houses mostly specific disciplines (e.g., building on 22 Street offers only Real Estate classes and building on 23 Street offers mostly Liberal Arts classes) and students who belong to a specific major/discipline may be limited to taking classes and being located in only one of the buildings/locations. To avoid this bias and select the largest and most representative population, I surveyed students in a variety of locations on campus.

## Part 2: Existing Studies

### Happiness across culture, age, race and gender

Happiness is a universal emotion and concept that all individuals experience in their lifetimes, regardless of race, gender, age and culture. However, how do we know that when one person from one background says he or she is happy that means the same thing as when another person from a very different background says that?

Myers and Diener in “Who Is Happy?” (1995) consider, through an examination of various laboratory experiments and surveys, happiness with regards to various characteristics such as race, age, gender and culture. Race apparently has little effect on a person’s well-being. For example, African Americans report nearly as much happiness as European-Americans. Also, “blacks and whites, like women and men, and people with or without disabilities, also score similarly on tests of self esteem” (p. 12).

With regards to gender, although “women report slightly greater happiness than men when only positive emotions are assessed, the net result is a roughly equal hedonic balance for both men and women” (p. 12). Hedonic balance is the overall balance between positive and negative elements of the affective “well-being” component of happiness (as discussed in Part 1: Components of Happiness). This can be applied to and generalized worldwide; according to Inglehart (1990), a 1980s survey of 169,776 people



sampled across 16 nations showed that 80% of men and 80% of women reported being at least “fairly satisfied” with life.

According to Myers and Diener (1995), age also does not significantly influence a person’s happiness. At first thought, one might assume that young people (in this case Millennial college students) are generally happier because they are carefree and are not undergoing stress-filled times such as a mid-life crisis or sickness-filled old age. However, happiness does not vary depending on age. Based on the 1980s survey mentioned above, no age group reported being much happier or “satisfied with life” than another.

Culture, on the other hand, does have a significant effect on people’s reports of happiness. For example, Inglehart (1990) reports that in Portugal, about 10% of people report that they are very happy, whereas in the Netherlands, about 40% say the same. According to Diener (1995), although national levels of subjective well-being co-vary with whether basic physical needs are met, wealthy countries such as Japan report lower well being than expected. Additionally, collectivistic cultures generally report lower well-being than individualistic cultures, where norms more strongly support experiencing and expressing positive emotions. As mentioned earlier, individuals from various cultures might systematically bias their results because of intrinsic cultural attitudes.

In my research, I analyze how Millennial students’ reports regarding happiness compare to those studied by Myers and Diener. Specifically, I examine whether

characteristics such as gender, culture and race influence students' beliefs about happiness (and its relationship to material wealth).

Has it been established that happiness is linked to material wealth?

Before we can examine Millennial student beliefs regarding monetary wealth and happiness, we must acknowledge the studies that considered the relationship between these two factors and concluded whether such a relationship exists and whether people believe that money and happiness are directly correlated.

One of the earliest studies, performed by Easterlin (1974), introduced the Easterlin Paradox, which states that high incomes do correlate with happiness, but long term, increased income doesn't correlate with increased happiness. Easterlin concluded that, within a given country people with higher incomes were more likely to report being happy. However, in international comparisons, the average reported level of happiness did not vary much with national income per person, at least for countries with income sufficient to meet basic needs. This suggests that income and happiness are directly linked, but on an international scale and in an extended period of time, there are perhaps other factors that contribute to and are more relevant to an increase in happiness in our lives.

Kahneman and Deaton (2010), a study that was performed using an analysis of more than 450,000 responses to the Gallup-Healthways Well-Being Index, a daily survey of 1,000 US residents conducted by the Gallup Organization. The study concluded that, “More money does not necessarily buy more happiness, but less money is associated with emotional pain” (p. 16492). There is a point beyond which “further increases in income no longer improve individuals’ ability to do what matters most to their emotional well-being, such as spending time with people they like, avoiding pain and disease, and enjoying leisure” (p.16492). This supports the idea that there are numerous other aspects to note when considering happiness associated to material gain, such as culture, average income level in one’s area of residence and source of gain (salary/pay from job vs. gifts/inheritance vs. lottery/casino winnings). These aspects, along with the mentioned emotional factors might actually count against any monetary threshold and correlation between income and happiness.

When considering these other factors, a most recent study (Matz 2016) discovered that money could buy happiness when spending fits our personality. According to Matz (2016), money can indeed increase happiness if it is spent the “right way” (e.g., on experiences or on other people). Based on a field study using more than 76,000 bank-transaction records, individuals spend more on products that match their personality. For example, “a participant with an extraversion score in the 84th percentile spent approximately \$77 more each year on “pub nights” than a participant with an extraversion score in the 16th percentile” (Matz 2016). Additionally, people whose purchases better match their personality report higher levels of life satisfaction. A follow-

up study showed a causal effect: “Personality-matched spending increased positive affect. Therefore, when spending matches the buyer’s personality, it appears that money can indeed buy happiness” (Matz 2016).

In my study, I ask several students to explain their perception of the relationship between money and happiness. Most students report that they believe that money can make them happier because it allows them to afford the things they like and engage in activities they find interesting. This would support Matz’s conclusion that money can make individuals happier if they spend it on things that are personal to them and match their personalities.

### **III: Data Collection**

I explore the empirical and scientific aspects of the idea regarding wealth and happiness by conducting a survey on individuals in the Baruch College campus. The survey targets individuals of various races, genders and income levels in order to detect if there is a difference in reported happiness levels of individuals from various cultural and economic backgrounds.

I recruited the subjects equitably throughout the Baruch College campus. I approached students and informed them of the study (without exposing my position or hypothesis). In order to ensure randomness in the selection process, I approached every 4th person that walked by a designated spot on campus. All approaches to subjects were non-coercive and the subjects voluntarily participated in the recruitment process. All subjects will remain anonymous in all aspects of research and no sensitive information will be revealed in the publication of the thesis.

As in all experiments, there exist methodical difficulties in obtaining accurate empirical results, as individuals are prone to bias and false remembrance and their answers might depend on various personal and social factors. Haybron (2007) explores the limits of introspection and recall and claims that “serious errors in the self-assessment of affect are a genuine possibility—one worth taking very seriously. For we are subject to a variety of errors concerning the character of our present and past affective states, or ‘affective ignorance’” (p. 394). In order to minimize error, before administering the

survey, I provide students with the definition and components of happiness (as defined in Part 1 of the thesis) and ask them to follow the *hybrid theory* when self-reporting on their happiness and its effects on material wealth. I also ask students to consider their general or usual state of happiness and attempt to not have answers swayed by their current state.

The survey research, just like all experimental research, is subject to external validity. External validity is the measure of generalizability of research results to other populations and situations. The results of the survey may be dependent on other variables and therefore may limit the generalizability of the outcome. Some limits and threats to generalizability include situational threats and Aptitude–Treatment Interaction.

Situational threats involve all situational specifics; in this case, the relevant situational specifics include time and location. As discussed in Part 1, I surveyed students at various times of the day and days of the week, and approached students at various locations on campus. Therefore, the situational threats in this research were largely eliminated.

Aptitude-Treatment Interaction involves recruiting and employing a specific sample of volunteers who respond to an experiment or survey in specific ways that others might not (e.g., a sample of smokers might have more positively than non-smokers to a survey asking about attitudes toward smoking). In order to avoid this issue in my research, I did not collect data about students prior to surveying them and the recruitment process was randomized.

The most important way to disarm the threats to external validity is to prevent bias in sampling. I achieve this in my survey research by approaching and sampling every

fourth student that walked past a designated spot on campus. All selections were random and there was no pre-screening process involved except confirming that students belonged to the Millennial population (ages 18-35). Pre-existing factors such as gender, race and religious background were not considered, so pre-selection bias was not a threat. Students were approached on different days, times and locations throughout the campus in order to further ensure randomness and prevent bias in the selection process.

I used the data that I received from my research to validate my theories and doubts and reach a conclusion on *whether Millennial students believe that material prosperity has a link to happiness*. The experimental work (survey administration) was performed at Baruch College. Before research commenced, approval from the CUNY Institutional Review Board was received. The library research was primarily conducted in the Baruch Library. Some research was done online through various scholarly sources, such as the Stanford Encyclopedia of Philosophy.

## **IV: Research and Results**

### **Inferences from Findings**

Although my research does not directly examine the question of whether money leads to happiness, the information contained in my study could help contribute to answering that separate question. This is because if people *think* that something is required for achieving and maintaining happiness—even if it actually is not—that will affect how they judge the success of their own lives. They might internalize the belief that money is necessary for happiness and, if noticing that they don't have what they think of as the appropriate amount of wealth, might judge themselves unhappy. Subsequently, thinking that they are unhappy might indeed cause them to become unhappy.

I conducted a survey (which can be found in Appendix A of this paper) on 100 students on the Baruch College campus. *Based on the survey results, Millennial college students do believe that there is a link between material wealth and happiness.* The student responses/basic sample derivatives of all variables can be found in Appendix B of the paper. 87% of students think that monetary gains have a significant affect on their happiness levels. These students responded with “somewhat” (4) or “greatly” (5) (on a Likert scale of 1 to 5) to questions 6, 7, 8 and 10 on the survey (average taken of all questions). In fact, 65% of students responded with a 5 (again, average taken of all questions), meaning that monetary gain “greatly” affects their happiness levels.



There is a large consensus amongst Millennials at the university that having more money can, indeed, make them happier. Factors such as gender, race, country of birth, income level, and usual state of happiness or well-being do not significantly influence students' beliefs when considering if money can make them happier.

In some cases, individuals from opposite genders, different countries of birth, different income levels and different usual states of happiness shared the exact same opinions regarding whether they would be increasingly happier if they had more money. For example, let us compare a white, American-born male with an income of \$20,000 to \$39,999 and a reported "somewhat happy" usual state of well-being to an Asian, immigrant female with an income of \$0 to \$999 and reported "extremely happy" usual state of well-being. In this instance, both reported that their happiness levels increase "greatly" when they receive monetary gain in any form and both believe that they need salaries between \$100,000 and \$149,999 to be substantially happy. Based on this, it seems that a student's background does not matter with regards to his or her beliefs on whether money can secure happiness.

In 5 random surveys distributed, I asked students to write a short response on whether they think that there is a link between personal monetary gain and happiness. The consensus was that money is an important factor when considering happiness because it can provide a way of access to enjoy leisurely and recreational activities. For example, one student (let's call her Student X), reported that if she gains or receives

significant amounts of money, she will be able to achieve her dream of traveling and will thus be made increasingly happy. Therefore, according to her beliefs, wealth greatly affects her level of happiness. Another student (let's call him student Z), claimed that money makes him happier because it allows him to go out and enjoy various activities with his friends that he would be unable to afford otherwise. These two claims also support the recent study (Matz 2016) that money can buy happiness when we spend it on things that fit our personality (e.g., travel for Student X, going out with friends for Student Z). In contrast to students X and Z, one student (let's call him Student Y), who was born and raised outside the United States, reported that money is a more important factor to him when living in NYC than when living in his country of origin because of the cultural differences in the way that his peers in each location spend their free time. This anecdotal evidence supports the existing data that culture has an effect on beliefs regarding happiness.

Despite the seemingly unanimous consensus and claims by the students at Baruch College that money can provide happiness, in order to truly understand and make conclusions on students' beliefs it is vital to explore confounding factors – the selected determinants of gender, ethnicity, country of birth and income. Thus, in the following sections I delve deeper into these factors.

## Gender

Beliefs regarding whether monetary gain has an effect on happiness did not vary much among the Millennial men and women at Baruch College. Both groups reported that receiving money increases their levels of happiness. Specifically, 87.2% of men and 86.7% of women responded with answers of “somewhat” (4) or “greatly” (5) to questions 6, 7, 8 and 10 of the survey. Therefore, both male and female students at the university think that having more money could make them increasingly happier.

Additionally, Millennial men and women report similar levels of happiness (question 5) to those studied by Inglehart (1990). As mentioned earlier, in Inglehart’s study, 80% of both men and of women reported that they are at least “fairly satisfied” with life. In my study, 80.8% of men reported feeling on average at least “somewhat happy” and 83% of women reported the same. Hence, there is not a significant discrepancy among the groups and gender is not an influential factor when considering individuals’ reports on happiness. Since the data received from the sample of students at the university is similar to that of Inglehart, it is possible to assume generalizability regarding student beliefs of happiness.

## Ethnicity

Ethnicity does not appear to influence the Millennial student's belief regarding whether more money can bring him or her more happiness. When each group is isolated and compared to any and all other groups (e.g., Caucasian vs. Asian vs. African American), a difference amongst the groups does not emerge. For example, 86.6% of Caucasian students reported that monetary gains at least "somewhat" increase their levels of happiness, while 88% of Asian/Pacific Islander students reported the same. Hence, this factor is not a significant indicator or stimulus in shaping students' viewpoints regarding the concept of wealth and happiness. In other words, being from a specific ethnic background seemingly does not and cannot cause a student to think that receiving money can provide happiness. This could be because the students have been living in New York City for a significant amount of time and the culture of the city has influenced their beliefs. Specifically, because living in this city and being able to participate in various activities requires having money, the students (regardless of what ethnic background they are from) have been similarly influenced into believing that they need money in order to be happy.

## Country of Birth

Whether one was born in the United States or another country does have a slight effect on beliefs regarding increases in happiness with regards to monetary gain. At first

look, both groups of students predominantly state that their happiness levels increase when receiving monetary gain in any form. However, when examined more closely, there are several variations in reports between the two groups.

Firstly, American-born students were more likely to report feeling, on average, “extremely happy” than students born outside the United States. Specifically, 30.0% of American-born reported usually feeling “extremely happy” while 25.0% of foreign-born reported the same. This could be because American students could be largely happier with their lives, which would support Myers and Diener’s (1995) conclusion that culture has an effect on people’s happiness. However, this could also support Haybron’s (2011) claim that cultural groups can unknowingly and *systematically* bias their reports because the variation of reported happiness from attaining money could be due to foreign-born students having a less positive view of life or their personal introspections on feelings regarding happiness.

Secondly, American-born students were more likely than foreign-born students to report that their happiness level “greatly” increases when they receive monetary gain. Specifically, 72.5% of American students responded with “greatly” to at least one of questions 6, 7, 8 and 10 while 60% of foreign-born students responded with the same. Therefore, American born students seem to be more concentrated on monetary gain and are more personally influenced by the effects of money (i.e., receive substantial positive emotions/thoughts) than the students born outside the United States.

## Income

When viewed in isolation, income does not alter one's perception of whether monetary gain can bring him or her happiness (i.e., belonging to a specific income bracket does not directly change a student's response to whether he or she usually feels happy or whether receiving money makes him or her feel happy). However, students with higher incomes (\$20,000+) reported that they felt they needed a higher salary (question 11), generally of amounts \$150,000+, to bring them substantial happiness when compared to students with incomes below \$20,000, who mostly reported that they needed salaries between \$35,000 and \$149,999. Students who already make significant amounts of money feel that they need even MORE to be happier (which goes against Kahneman's theory that there is a point beyond which increases in money become insignificant).

Interestingly enough, the students who reported needing less income in the future to be happy also generally reported higher levels of usual happiness. Therefore, if the students who make less money now feel that they need less money in the future to be happy, it seems as if the students who make more are excessively focusing on material wealth and thus causing themselves to be unhappy.

Is there a specific amount of income that Millennial students believe would bring them happiness?

There is no specific income that Millennial students believe would bring them happiness. However, most students think that they would be substantially happier if they received a potential yearly salary of at least \$71,000. This could be because the students are living in New York City and thus believe that they need higher salaries to feel comfortable and afford the activities (restaurants, movies, etc.) that they engage in during their free time. This, in turn, would support Matz's research on personality-specific spending; because the students live in a city that requires spending large amounts of money in order to be capable of engaging in various leisurely activities and purchasing various items, they expect larger monetary gains in order to be able to afford the personality-specific things that they believe make them happy.

## **Conclusion**

This thesis has investigated happiness (its meaning and elements) and its relationship to material wealth (as explored in existing studies). Specifically, I was interested in understanding whether Millennial students at an urban, non-residential university believe that a relationship between happiness and material wealth exists. Based on my study, results showed that students *do* think that a relationship exists (i.e., they believe that receiving more money can make them happier). This suggests that monetary wealth is an important factor for Millennial students when judging the success of their own lives, which subsequently affects their happiness. Further work on this topic would explore the specific hypothesis of whether (after attaining greater monetary in future years) these students do, in fact, feel and experience greater well-being in their lives; which would, in turn, help answer the greater question of whether money leads to happiness.



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## **Appendix**

### **Appendix A**

This Appendix contains the survey handed out to students at Baruch College from which conclusions in this thesis were formed.

#### **Survey**

1. What is your gender?

- a) Male
- b) Female
- c) Other

2. To which racial or ethnic group do you most identify?

- a) African-American (non-Hispanic)
- b) Asian/Pacific Islanders
- c) Caucasian (non-Hispanic)
- d) Latino or Hispanic
- e) Native American or Aleut
- f) Other

3. Were you born in the United States?

- a) Yes
- b) No

4. What annual income bracket do you belong to? (Please indicate personal, not household income).

- a) \$0 to \$999
- b) \$1,000 to \$4,999
- c) \$5,000 to \$19,999
- d) \$20,000 to \$39,999
- e) \$40,000+

5. On average, how happy do you feel?

- a) Not at all happy
- b) Somewhat happy
- c) Extremely happy

6. When you receive payment for your work, by how much would say your happiness level increases?

Not at All	Not Really	Undecided	Somewhat	Greatly
1	2	3	4	5

7. When you receive gifts of monetary value (e.g., cash, checks), do you think that your happiness levels increase?

Not at All	Not Really	Undecided	Somewhat	Greatly
1	2	3	4	5

8. If you were to win the lottery, do you think that your happiness level would increase?

Not at All	Not Really	Undecided	Somewhat	Greatly
1	2	3	4	5

9. If answered 3,4 or 5 to the previous question, what minimal amount would you need to win in order to feel a significant increase in happiness?

- a) Any amount
- b) \$20 to \$99
- c) \$100 to \$999
- d) \$1000 to \$19,999
- e) \$20,000 to \$199,999
- f) \$200,000+

10. Do you think that the amount of compensation you receive from work (yearly salary) has an effect on your happiness?

Not at All   Not Really   Undecided   Somewhat   Greatly

1                    2                    3                    4                    5

11. If answered 3, 4 or 5 to the previous question, what is the minimal potential yearly salary that you feel would bring you substantial happiness?

- a) \$10,000 to \$34,999
- b) \$35,000 to \$70,999
- c) \$71,000 to \$99,999
- d) \$100,000 to \$149,999
- e) \$150,000 to \$199,999
- f) \$200,000+

## Appendix B

This appendix contains the responses of students to all survey questions.

### Survey Responses

1. What is your gender?

Male	47
Female	53
Other	0

2. To which racial or ethnic group do you most identify?

African-American (non-Hispanic)	13
Asian/Pacific Islanders	34
Caucasian (non-Hispanic)	30
Latino or Hispanic	16
Native American or Aleut	3
Other	4

3. Were you born in the United States?

Yes	40
No	60

4. What annual income bracket do you belong to? (Please indicate personal, not household income).

\$0 to \$999	19
\$1,000 to \$4,999	16
\$5,000 to \$19,999	27
\$20,000 to \$39,999	18
\$40,000+	20

5. On average, how happy do you feel?

Not at all happy	18
Somewhat happy	55
Extremely happy	27

6. When you receive payment for your work, by how much would say your happiness level increases?

Not at All	3
Not Really	3
Undecided	7
Somewhat	24
Greatly	63

7. When you receive gifts of monetary value (e.g., cash, checks), do you think that your happiness levels increase?

Not at All	4
Not Really	1
Undecided	9
Somewhat	21
Greatly	65

8. If you were to win the lottery, do you think that your happiness level would increase?

Not at All	3
Not Really	2
Undecided	7
Somewhat	22
Greatly	66

9. If answered 3,4 or 5 to the previous question, what minimal amount would you need to win in order to feel a significant increase in happiness?

Any amount	31
\$20 to \$99	3
\$100 to \$999	7
\$1000 to \$19,999	13
\$20,000 to \$199,999	24
\$200,000+	17

10. Do you think that the amount of compensation you receive from work (yearly salary) has an effect on your happiness?

Not at All	2
Not Really	4
Undecided	3
Somewhat	25
Greatly	66

11. If answered 3, 4 or 5 to the previous question, what is the minimal potential yearly salary that you feel would bring you substantial happiness?

\$10,000 to \$34,999	11
\$35,000 to \$70,999	21
\$71,000 to \$99,999	22
\$100,000 to \$149,999	15
\$150,000 to \$199,999	13
\$200,000+	12