

# What Happy People Know

An Interview with Dan Baker

*Interviewed by Jane Gerloff*



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*Dan Baker, Ph.D., is the founder and director of the Life Enhancement Program at Canyon Ranch Health Resort in Tucson, Arizona. In their book What Happy People Know: How the New Science of Happiness Can Change Your*

*Life for the Better (Rodale, January 2003), Dr. Baker and co-author Cameron Stauth discuss principles and tools from the field of positive psychology and how they can be used to help people become happier. Dr. Baker also holds an adjunct position in community and family medicine at the University of Arizona. Previously, he was a tenured faculty member at the University of Nebraska, with appointments in the departments of pediatrics and psychiatry.*

**MTM:** You've worked with a lot of people to help them become happier. Some of them have a lot of money. So tell us, does money make people happy?

**BAKER:** I know a lot of people who, from the outside, look in and say, "Boy, it would be great to have lots of money." Barbara Walters once interviewed entertainment mogul David Geffen. She said, "O.K., David, now that you're a billionaire, are you happy?" He shot back without hesitation: "Barbara, anybody who believes money makes you happy doesn't have money."

It's a brilliant insight, because money *doesn't* make you happy.

**MTM:** And why doesn't it?

**BAKER:** Because of what psychologists call accommodation. In my first job out of college, I made \$6,500 a year and I

thought that was great; in college I had been working in the student union for about \$1.55 an hour. Today, when I think of making \$6,500 a year, it's not anywhere near the income I would typically think about generating. Of course, there has been inflation, but even so, the fact is that I've gotten used to a certain level. I've accommodated.

A Gallup survey asked people who made \$10,000 a year, "Who is wealthy and happy?" Their response was, "That's simple—people making \$50,000 a year." So Gallup went to folks making \$50,000 and asked the same question. Their response was, "People making \$100,000." For people making \$200,000, the sense of who is wealthy and happy was a couple of million dollars. We tend to push the bar above and beyond where we are, no matter where we are, because of accommodation. continued on p. 6

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**MTM:** But it's not actually the money that people are expecting will make them happy, is it? Isn't it what money will get them—like freedom, security, or status?

**BAKER:** Yes. In particular, people do expect *things* to make them happy. Madison Avenue has had a mantra for years: Happiness is in your next purchase. That's a great marketing concept,

*What Happy Companies Know:  
Discovering What's Right with  
America's Corporations*

By Dan Baker, Ph.D., and  
Cathy L. Greenberg, Ph.D.  
(Prentice-Hall, forthcoming)

In this new book, Baker and Greenberg analyze the practices of outstanding, principle-centered businesses. Each business they studied exhibited at least three of the following characteristics:

1. Leadership is inclusive and visionary. Leaders know they don't have to have all the answers. They invite their employees, customers, clients, vendors, and other stakeholders to talk to them and share ideas.
2. Their employees are enthusiastic and passionate. They love to get up and go to work every morning.
3. Stakeholders are their strongest marketers. Clients, customers, and vendors market freely for the company.
4. The company is an acclaimed, constructive citizen of its community.
5. The company is profitable.

because it's never-ending. There will always be one more purchase.

Once I understand that I'm being set up to keep looking for satisfaction—or whatever it is I think will make me happy—in a never-ending succession of purchases, I'm not going to think that the new sports car, or the new home on the beach or in the mountains, or this or that, is going to bring happiness, because I begin to understand that happiness isn't in things.

**MTM:** What *is* happiness and how do you find it?

**BAKER:** Happiness is a side effect of living life in a certain way. It's not a mood—moods are biochemically regulated—and it's not even an emotion, because emotions seem to be somewhat event-dependent. What I'm talking about is a way of living a meaningful, purpose-focused, fulfilling life.

When we wrote our book, *What Happy People Know*, Cameron Stauth and I studied the literature on happiness and identified concepts or characteristics most frequently identified with happiness. Of course, love is at the top of the list. But the list also includes qualities like optimism, courage, a sense of free-

dom, proactivity, security, health, spirituality, altruism, perspective, humor, and purpose. These are qualities associated with people who are essentially happy. So happiness is both about living well in your own situation and also about living meaningfully and fully in relationship to others.

**MTM:** That seems to go way beyond what people typically think of when

## Build Your Own Happiness

**MTM:** How can people use their money to increase their happiness?

**BAKER:** In almost every culture and religion there is a belief that says you ought to take a portion of what you have and share it with others. I think that's very important.

To me, money is a tool. The question is, do I use that money as an anesthetic, as a diversion, as a way of creating a false sense of reality? People can and do use money in those ways. Do I let that tool lie idle in the toolbox, or do I take it out and use it to create something? Do I build something that makes life better for someone? I think human beings, by their nature, are constructive. We want to build families. We want to build neighborhoods. We want to build communities. Intrinsicly within us is a desire to build. Happy people build lives that contribute to others.

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they say, “Are you happy?”

**BAKER:** Absolutely. The thing about being happy is that it's not about having more money or more things. Research shows that having more does not make us happier, either as a society or as individuals, once our basic needs have been met. In fact, in my own work, I often observe an inverse relationship between money and happiness: The more materi-



*"This lovely car has not brought us happiness. You agree, Morris? That is why I am now thinking in terms of having the entire house recarpeted."*

alistic we are, the less happy we are. I see so many instances of things owning people, as opposed to people owning things. When people have a lot of material things, they begin to worry about upkeep and management and maintenance and staff. The list goes on and on.

**MTM:** In your book, you say that you can't have happiness without choice. Yet

"How important money is to you, more than money itself, influences your happiness. Materialism seems to be counterproductive: At all levels of real income, people who value money more than other goals are less satisfied with their income and with their lives as a whole..."

—From *Authentic Happiness: Using the New Positive Psychology to Realize Your Potential for Lasting Fulfillment* by Martin E. P. Seligman, Free Press, 2002, p. 55.

Original research reported in "A Consumer Values Orientation for Materialism and Its Measurement: Scale Development and Validation" by M. L. Richins and S. Dawson, *Journal of Consumer Research*, Vol. 19, 1992, pp. 303–316 and "Materialism and Quality of Life" by M. J. Sirgy, *Social Indicators Research*, Vol. 43, 1998, pp. 227–260.

it seems that the more money people have, the more choices they have. Shouldn't people with more money be happier because they have more choices? Why doesn't it work that way?

**BAKER:** Some research indicates that when people have too many choices, they become overwhelmed. For example, I'm working with a young man who is a talented businessman. He's like the proverbial kid in the candy store, running from one possible job to another

without ever really focusing. He says, "I can do this and I can do that." And all of that's true. But I said to him, "O.K., but a handful of those things you do better than all the rest." I had to sit him down with somebody who could help him look at his strengths. We picked out his top three or four strengths and now we will look at his career options from that point, because otherwise he has too many choices and he doesn't know how to deal with them.

**MTM:** You've written that children in

high-status families are less happy than other children. Why is that?

**BAKER:** At Canyon Ranch, I work with a lot of parents who have come from somewhat impoverished backgrounds and are now relatively affluent. They're very proud of having overcome the challenges in their lives. They'll say, "I had a paper route when I was nine," or "I had only two pairs of jeans. One I wore, the other was being washed." Their life experiences called on them to fully develop their potential. Although these people are very proud of having had those difficulties themselves, they don't want their children to have them. So they *give* their children things. They don't understand that they are literally robbing their kids of the desire to develop their own potential.

I call it "enriched deprivation." Kids who get everything have a very false sense of reality. Even if you're wealthy, you don't get everything. You fall in love with somebody who doesn't fall in love with you. You want your grandparents to live and they die. Wealth doesn't keep you from being knocked hard by life.

**MTM:** What can parents do to help their children be happier?

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**"Kids who get everything  
have a very false sense of reality."**

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**BAKER:** Every time you make a decision about your child, you must ask yourself, "Am I challenging my child? Am I helping my child to develop his or her own potential to live more fully—or am I inhibiting growth by making everything come so easily that he has no desire, no motivation, no passion for life?" One thing you see in children who have been indulged is that they're bored. There's nothing that challenges or excites them.

**MTM:** Do you encourage parents to insist that their continued on p. 10

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children get jobs?

**BAKER:** Absolutely. A lot of parents had jobs when they were kids. I talk about VERBs: Victimization, Entitlement, Rescuing by somebody else, and Blaming. These are attitudes that are obstacles to happiness. I often see a sense of entitlement in children of affluence, but in fact the world doesn't entitle any of us. I don't care whether you're a king, a pauper, a president, or whoever, the world really does not respond to people who walk around with a sense of entitlement.

**MTM:** But we all imagine that it will, right?

**BAKER:** Exactly. So that's another question parents need to ask: "Am I giving my kid resilience?" If every time my child comes to me I say yes, then I'm not teaching my child about the real world. I need to be able to say no sometimes. The child is going to cry and I'm going to feel bad that he's crying; I might even be so emotionally connected to the child that I cry. But the point is, a lot of parents indulge their children so that the *parents* won't feel bad. That's not good. They need to feel good that they're raising strong children and that they're raising children who understand the value of money. Even when parents could well afford to buy the child something, they can say, "No, you go work for it." Or, "You use your allowance to buy it."

**MTM:** Your book gives a lot of advice about how to be happy. You tell people, for example, to keep their expectations under constraint. What do you mean by that and how can people actually do it?

**BAKER:** People often make themselves unhappy by setting unreasonable expectations. They might, for example, have the expectation that their partner is going to be a certain way or do something in particular. For instance, I might have the expectation that my wife will be the smartest woman in the world.

Well, my wife is smart, she really is, but I'm not sure she's the smartest woman in the world. Or let's say I expect to become the president of the country club and I only make it to vice president. Am I going to look at what I don't have, or am I going to embrace and appreciate what I have? Happy people are pretty good about appreciating what they have; they don't spend a lot of time looking at what they don't have.

**MTM:** That seems similar to what you call "changing the story of your life" because it's choosing to focus on the positive aspects.

**BAKER:** Yes. For instance, I was working with a woman who had an abusive childhood. She had told herself that she

had a terrible childhood, and she was very engaged in that.

So I asked her nonchalantly, "Do you love your kids?"

"Oh, yes," she said.

I said, "Do you ever make comparisons between your children's childhood and your own?"

"Oh, yes," she answered.

I pointed out that her children's experience of childhood is obviously a lot better than hers was, and she agreed. So I asked, "Why do you think you're such a conscientious mother?"

Tears came to her eyes, and she began to get it. Because of what she had endured, she had determined to be a good parent. She wouldn't have any child be abused in any way. That's the "180 principle." You make a 180° turn

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**"The story you tell yourself about your life  
makes all the difference  
in how happy you are."**

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### Childhood Chores

Chores are an "astonishing predictor of adult success." In youth-to-death studies of the Harvard classes of 1939 to 1944 and Somerville, Massachusetts inner-city men, "having chores as a child is one of the only early predictors of positive mental health later in life."

—From *Authentic Happiness: Using the New Positive Psychology to Realize Your Potential for Lasting Fulfillment* by Martin E. P. Seligman, Free Press, 2002, p. 224. Original research reported in "Work as a Predictor of Positive Mental Health" by G. Vaillant and C. Vaillant, *American Journal of Psychiatry*, Vol. 138, 1981, pp. 1433–1440.

from what you experienced and determine to do the exact opposite. If I am hurt, then I can learn a lesson of kindness from that. I don't have to become an abuser myself.

When this woman realized that she had turned her painful experience into something positive, she was able to change the story she told herself about her past. She was able to say, "It *was* extremely painful and difficult, but out of that I learned to be a very conscientious, loving, and nurturing mother."

The story you tell yourself about your life makes all the difference in how happy you are. I always say, "If you paid the tuition, get the lesson."

**MTM:** Some people think trying to be happy is selfish. Why do you think it's important to be happy?

**BAKER:** Happiness is important

because people who live a fulfilled life are, on the whole, healthier than those who are less happy. There is a lot of research that suggests that positive emotions and good mental and physical health go hand in hand. Happiness is also important for relationships. People who are described as happy people typically have better relationships with those they love and care about than unhappy people do.

**MTM:** In your book you say that you think the quest to achieve happiness can change a whole culture. What do you think that new culture will look like?

**BAKER:** When people are in a positive state of emotion they are generally civil and even kind and caring human

beings. To ascertain the validity of this observation, think about your own personal experience and that of the people you know. You will never see a truly happy and simultaneously hostile person because those two states are essentially neurologically incompatible. This is because positive emotions evoke activity in the frontal lobes of the brain. The frontal lobes allow us to see abstract possibilities and to understand concepts of good and evil; they are essential to the understanding of ethics, morality, and civility. This is why I believe that positive emotions, such as appreciation, happiness, joy, and love—with all their power for good health physically, mentally, emotionally, spiritually, and socially—are extremely important to civilization and its continued evolution.

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### The Secret of Altruism

**MTM:** Why does altruism make people happy?

**BAKER:** One of the interesting things about positive emotions is that they're intrinsically reinforcing. When I do something kind for somebody else, I feel good. People who are passive are not particularly happy people. People who go out and engage life actively, proactively, and meaningfully are happier. It's kind of a side benefit of doing good for others. *I'm happy because I've made a difference in somebody's life today; I've done something good for my little niche in the world.*

It is true that war is a “statistical norm” for humanity. Human beings have been at war with one another somewhere on this planet almost constantly since time immemorial. However, we have within us the capacity to build a more constructive future civilization by virtue of this “higher order moral brain.” Though we always carry with us the capacity to live in fear and engage in massively destructive acts, I believe that human beings will ultimately choose civility over destruction and will benefit from all the consequences of this choice, including creativity, ethics, and morality. ■