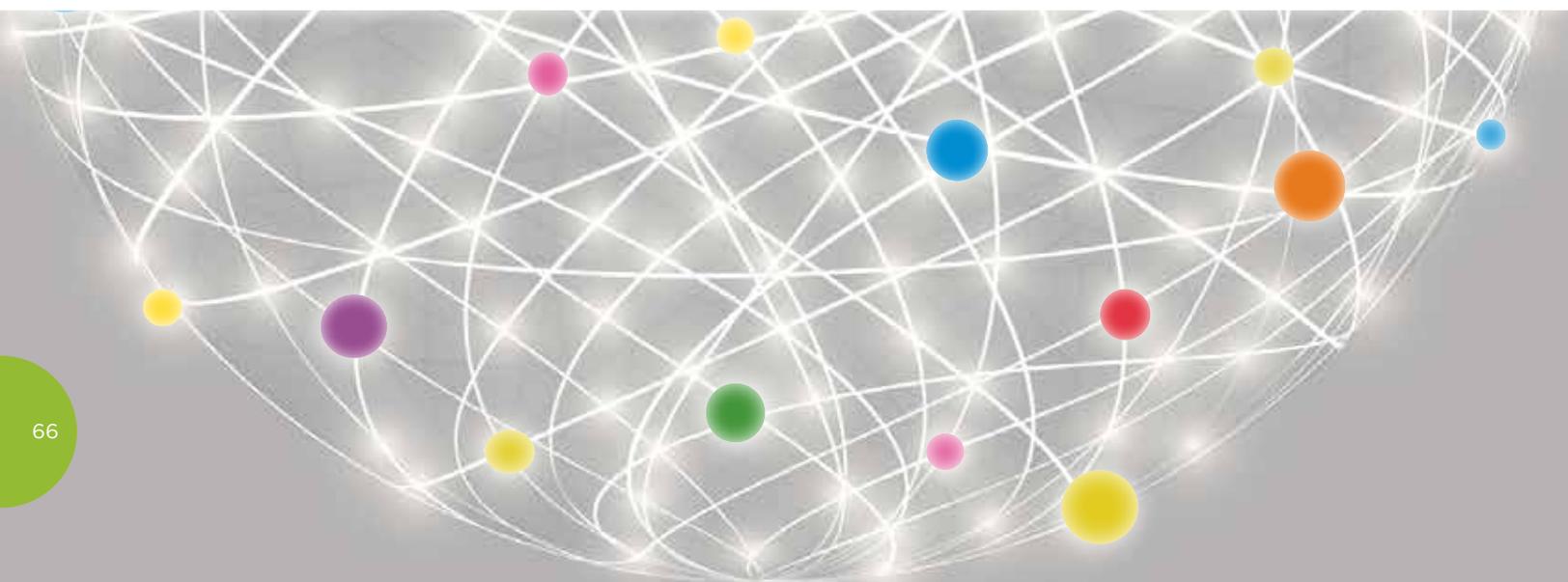


## Chapter 3

# THE CHALLENGES OF PUBLIC HAPPINESS: AN HISTORICAL-METHODOLOGICAL RECONSTRUCTION

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At a severe crisis, when lives in multitudes and wealth in masses are at stake, the political economists are helpless—practically mute: no demonstrable solution of the difficulty can be given by them, such as may convince or calm the opposing parties.

John Ruskin<sup>1</sup>

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Man is a civil animal.

Leonardo Bruni<sup>2</sup>

## Introduction: Old and New Happiness

The way contemporary economics and social sciences consider happiness is far from the classical tradition, and in general, too simplistic. This paper aims to make the use of the term happiness more intricate than in the present debates, showing the complexity of the concept in both philosophical (Aristotelian) and economic traditions. Today happiness is often understood in context of the Utilitarian concept, ignoring the rich and very old discussions about the meaning and nature of human happiness. The social dimension is particularly ignored; what the Romans and the Italians called *pubblica felicità*, or public happiness, is almost totally absent from contemporary studies. We claim, instead, that a reconsideration of the classical concepts of public happiness and eudaimonia can offer important hints and critical tools for a better understanding of our well-being, individually and collectively.

The classical tradition of political economy, with a journey of more than two centuries, began by investigating the means for living well under the hypothesis that economic variables such as income, wealth, or employment are important

goals for a good life, both individually and socially. Reducing unhappiness by means of reducing material poverty then became the telos of economics. In this way, political economy gained its ethical status in the modern period, after a middle age where its moral statute was often questioned.

The science of economics became known as the “science of wealth,” with the “hope that poverty and ignorance may gradually be extinguished” and “that all should start in the world with a fair chance of leading a cultured life, free from the pains of poverty and stagnating influences of excessive mechanical toil.”<sup>3</sup> This hope inspired economists to study the “nature and causes of the wealth” of persons and nations, with the hope and promise that an ever-increasing number of people can enjoy basic material needs, and therefore increase “public happiness.”

In the last few decades, however, something very subtle pertaining to human happiness has begun creeping into economic thought. Doubts have arisen about the moral value of economic growth and the ethical base of progress. A steady stream of critiques questioning the values of modernity and the market economy has characterised modernity since its very beginning. Jean-Jacques Rousseau, the main representative of this anti-modernity tradition, pointed out that the vice of the modern age was luxury, avarice, and the search for wealth.<sup>4</sup> Not only socialism and Marxism, but also Utopian socialists and some branches of the cooperative movement have continued Rousseau’s radical critique of markets and the modern economy, in a tradition that flows parallel to the capitalistic river. During deep and long economic and social crises, this anti-market-economy tradition has always arisen, and gained popularity among the public, the media, and intellectuals.

The literature on the ‘paradoxes of happiness’ offers material for the present-day critique of capitalism. In this paper, we will try to show that

happiness poses to economic life and theory challenges which are numerous, complex, and old.

The expression “paradox of happiness” or “Easterlin paradox” refers to empirical data about two different and controversial issues. In a nutshell, the happiness paradox shows that per-capita income has risen sharply in most countries in recent decades, yet average happiness has stayed constant or has grown less than traditional economics claims.

Explanations for the paradox are many.<sup>5</sup> An idea, however, is present in all economic theories: Economics, focused on its key variables (income, wealth, consumption) neglects some important things that affect people’s happiness. There are, in other words, some ‘happiness externalities’ that are not calculated in the standard economic analysis of income/wealth. In the ‘transformation’ of *economic goods into well-being* something occurs to make the process more complex than standard economic theory supposes.

Today, in the technicalities of the debate on the economics of happiness, we find many nuances and interpretations. But apart from those technicalities, a very sharp cultural message springs: In contemporary market societies, wealth and income, at the individual and social level, are linked in a deep relationship with well-being or happiness. The most important words about our lot are those embodied in the ‘transformation problem’ of goods into well-being, of *wealth* into *weal*. But mainstream economics shows, in general, no interest in the transformation of commodities into happiness. It stops its discourse at the backyard of our well-being.

This paper tries to show some of the whys and hows of the lack of attention to this transformation problem in economics, following the main stream of the history of the nexus of wealth-happiness, but also some minor detours from the main economic traditions (the Italian Civil economy and the Cambridge

tradition) where greater attention was paid to the translation of goods into well-being; in some cases, central attention.<sup>6</sup>

In the following sections, we start with an analysis of the Aristotelian idea of “eudaimonia.” Then we discuss the tradition of political economy, with special attention to the Cambridge tradition where the complexity of the transformation of goods/wealth into happiness remained central, despite the continued focus of mainstream political economy, following Adam Smith’s ideas, on wealth and disregarding the difficulty of transforming economic well-being into both individual and public happiness. We conclude with some considerations of the relational nature of happiness, and its policy implications.

### The Old “Civil” Happiness”: Aristotle’s Eudaimonia<sup>7</sup>

The Greek word eudaimonia is very often present today in papers dealing with happiness, in both the social sciences and psychology. However, the term is rarely used with an awareness of its complex meaning. In particular, there is an eudaimonia before Socrates, one in Socrates, and many after him. Here, we choose to start with the use of eudaimonia in Aristotle, given his weight in both Western tradition and contemporary debates on happiness.

Enclosed in the term eudaimonia<sup>8</sup> we find the fundamental coordinates marking the route for the research we describe in the following chapters. Socrates, Plato, and Aristotle, as well as all the classical schools of philosophy (i.e. Stoicism) explored the diverse dimensions of happiness. The fundamental ideas they shared on happiness were: (a) happiness is the final, or ultimate, end of life: the highest good for the human being; (b) happiness is self-sufficient, because there is nothing that, added to it, would increase its value; (c) there is an inseparable bond between happiness and the practice of

virtues; (d) because virtues bear fruits regardless of self-interest, happiness can be reached only as a by-product if it is sought in non-instrumental ways, for example by seeking to be virtuous. On the other hand, differences between Aristotle and the other classical Greek philosophers arose around such questions as the connection between the active and contemplative life, and then, over the role of sociality and civil virtues in order to reach the good life.

The Aristotelian meaning of the eudaimonia is semantically impoverished when translated into the English word happiness: The Greek expression meant the highest end that humans can realize: “What is the highest of all goods achievable by action.”<sup>9</sup> As a consequence, eudaimonia is an end “which is in itself worthy of pursuit more final than that which is worthy of pursuit for the sake of something else...for this we choose always for self and never for the sake of something else.”<sup>10</sup> That makes happiness “the best, noblest, and most pleasant thing in the world.”<sup>11</sup> All the other good things, including wealth, are only means for reaching happiness. Happiness, therefore, *is never a means*; on the contrary, it is the only goal that is impossible to instrumentalize, because of its very nature. For this reason it is the final end: something final cannot be an instrument for something else; there is nothing to be reached beyond it. Out of this comes the thesis that neither wealth nor health can ever be ultimate ends. They can only be important means (instruments) for living a good life. As the philosopher Martha Nussbaum writes: “Happiness is something like flourishing human living, a kind of living that is active, inclusive of all that has intrinsic value, and complete, meaning lacking in nothing that would make it richer or better.”<sup>12</sup>

Furthermore, eudaimonia is a multidimensional and diverse reality. First, one of the primary objectives of Aristotle was to distinguish eudaimonia from the hedonism of Aristippus and his school: “To judge from the lives that men lead, most men, and men of the most vulgar

type, seem (not without some ground) to identify the good, or happiness, with pleasure.”<sup>13</sup> Eudaimonia, then, cannot be identified with pleasure, but also neither with honour nor money. This is why the neo-Aristotelian philosophers in the Anglo-Saxon world preferred to translate eudaimonia as “human flourishing” rather than happiness, because in common language today happiness also indicates momentary euphoria, carefree content, a pleasurable sensation or *tout court* pleasure.<sup>14</sup>

To Aristotle, pleasure is not the *end* of action, then, but only a *sign* that the action is intrinsically good. Pleasure, instead, can signal the value of an activity, not its scope: “Virtuous actions must be in themselves pleasant.”<sup>15</sup> Second, eudaimonia is the end of politics: “what it is that we say political science aims at and what is the highest of all goods achievable by action...for both the general run of men and people of superior refinement say that it is happiness.”<sup>16</sup> The aim of politics is happiness because politics “gives utmost attention in forming citizens in a certain way, that is to make them good and committed to carrying out beautiful actions.”<sup>17</sup> What is more, political life is the only place in which happiness can be fully experienced: “It is natural, then, that we call neither ox nor horse nor any other of the animals happy; for none of them is capable of sharing in such activity.”<sup>18</sup>

As a third (and very crucial) element, eudaimonia is the indirect result, a by-product, of the practice of virtues. The word eudaimonia, in fact, originally derived from “good demon” (*eu daimon*), which meant that only those who have a good demon or good fortune on their side can reach eudaimonia. So happiness and good fortune were used as synonymous words. Socrates, and after him Plato and Aristotle, invested the word eudaimonia with new meanings. The idea that even a person with bad luck could *become* happy by means of virtuous actions began to enter into the philosophical imagination.

Linked with the key connection between virtues and eudaimonia we find a fundamental tension regarding the whole Aristotelian theory of eudaimonia: Although the virtuous life is a way to happiness, virtues bear their fruit (happiness) only if sought *non-instrumentally*, and only if internalised as being *intrinsically good*. In fact, as soon as virtue is used as a means, it ceases to be a virtue. So happiness is the indirect result of practising virtues, which makes them, at the same time, means and ends—part of eudaimonia.

Virtues are means to happiness only if they are *not only* a means: this represents the basic happiness paradox by Aristotle or teleological paradox, which leans in the direction of associating virtues with gratuitousness and genuineness. Virtues lead to happiness only if practised genuinely for their *intrinsic value* (the virtuous action is its own reward).

Only if we keep in mind this fundamental tension in Aristotle's vision of eudaimonia can we properly understand the Aristotelian approach to the relationality–happiness nexus that nowadays receives emphasis in the literature on happiness. Interpersonal relations lead to happiness only if they are genuine expressions of the practice of virtues. Every relational theory of happiness, ancient and modern, is also related to this key idea. And finally, we find this Aristotelian paradox any time we deal with a genuinely civil approach to happiness.

This short analysis of Aristotle's eudaimonia has shown that his vision of happiness is basically one of civil happiness. Following this idea, we find in the *Nicomachean Ethics* a strong point of attraction—perhaps the strongest in the entire Aristotelian ethics—for the *civil* or *political* nature of a good life, of happiness. Notice that Aristotle, like all classical thought, did not distinguish between the civil, social, and political spheres; that is a typically modern distinction. This focus on the civil or political nature of a

good life, of happiness, appears in one of Aristotle's most quoted passages: "Surely it is strange, too, to make the supremely happy man a solitary; for no one would choose the whole world on condition of being alone, since man is a political creature and one whose nature is to live with others. Therefore even the happy man lives with others; for he has the things that are by nature good. And plainly it is better to spend his days with friends and good men than with strangers or any chance persons. Therefore the happy man needs friends."<sup>19</sup>

For Aristotle, then, and in the whole Western civil tradition, there is an intrinsic value in relational and civil life, without which human life does not fully flourish. Though human life must be able to flourish autonomously, in the sense that it cannot be totally jeopardized by bad fortune, it is also true that in the Aristotelian line of thought, some of the essential components of the good life are tied to interpersonal relationships. Participation in civil life, having friends, loving and being loved, are essential parts of a happy life.<sup>20</sup>

By definition, we have said, eudaimonia cannot be reached instrumentally: it is the *indirect* result of virtuous actions, carried out for their intrinsic value. Nussbaum calls "friendship, love and political commitment"<sup>21</sup> the three basic *relational goods* in Aristotle's *Ethics*. Therefore, they have intrinsic value, are part of eudaimonia, and cannot be used as just a means. This has been a common point of agreement for many philosophers throughout history and still today, despite other differences between their schools of thought.<sup>22</sup>

The peculiarity of Aristotle's theory of the happiness-relationality nexus emerges from his analysis of the diverse forms of friendships found in the eighth book of the *Nicomachean Ethics*. Friendship, for Aristotle, "is besides most necessary with a view to living."<sup>23</sup> Thus, to him, true friendship is virtue-friendship. It is

that which remains in the virtuous and happy person even after he has reached contemplation. It is not friendship “for the sake of pleasure” or “for the sake of utility,”<sup>24</sup> but desired for the good of the friend. Because they are *made of* relationships, “relational goods” can be enjoyed only in reciprocity.<sup>25</sup>

So, by affirming the importance of relational goods in a happy life (“The happy man needs friends”), Aristotle brings happiness back under the influence of fortune.<sup>26</sup>

This internal tension in the Aristotelian eudaimonia—that it must, at the same time, be the final end, self-sufficient, *and* fragile (because it depends on others)—marks the deepest difference between the two approaches of the happiness-sociality nexus (i.e. the Aristotelian and the Platonic) that have characterised the whole Western cultural trajectory until now. Though Aristotle agrees with Plato that the contemplative life is superior to the active life, at the same time he affirms the necessity of friends for every stage of life. In an Aristotelian approach, happiness, the good life, is at the same time constitutionally civil and therefore fragile. To renounce its fragility would mean we would have to renounce the good life itself.

This is the basic stress on which the happiness-sociality nexus leans. The awareness of the civic life’s fragility accompanies the trajectory of Western thought up to modern times, when the invention of the market economy was considered the major tool for eliminating fragility from life in common.<sup>27</sup> More than any other modern invention, the market emancipates us from dependence on other people. It frees us from the benevolence of our fellow citizens. The market emancipates us from dependence, but in doing so may remove the locus of genuine sociality. We’ll return to these issues at the end of the paper.

## Roman and Italian Public Happiness

The Aristotelian idea of happiness/eudaimonia remained alive during the Middle Ages, in particular in the Thomistic tradition of virtue ethics and common good. A moment of a particularly relevant offspring of that tradition in modernity has been the Neapolitan *Economia Civile*, which is a strict and direct continuation of the Aristotelian and Roman conception of happiness and good life, with a substantial dimension of sociality.

In fact, while the fathers of American revolution were writing the right to the “pursuit of happiness” in the opening of the Declaration of Independence, in Italy the first economists put “public happiness” as their motto for the new science.

*Non sibi, sed domino gravis est, quae servit egestas:* “A servant’s poverty is hard on the master, not the servant.” This sentence of Lucanus, put *in esergo* to his *Lezioni di Economia Civile*, represents a good synthesis of Antonio Genovesi’s idea of both *Economia Civile* and *Pubblica Felicità*. Genovesi, as an Enlightenment philosopher and reformer, had the sovereign as a privileged interlocutor. Not by chance, even Adam Smith, the founder of the modern political economy, wrote at the core of his *Wealth of the Nations* (the title of the book is also very telling): “Political œconomy, considered as a branch of the science of a statesman or legislator, proposes two distinct objects: first, to provide a plentiful revenue or subsistence for the people, or more properly to enable them to provide such a revenue or subsistence for themselves; and secondly, to supply the state or commonwealth with a revenue sufficient for the public services. It proposes to enrich both the people and the sovereign.”<sup>28</sup>

From that point of view, civil economy is not only very similar to political economy, but also to late-mercantilism, physiocracy, and maybe cameralism, and the adjective *civil* can properly

be seen as just the Latin version of the Greek word *political* (or social). But actually, to acknowledge that moral philosophers and the first economists of modernity were writing with the aim of being useful to the policymakers of their times, to make their countries richer and powerful, is not a very interesting and fecund intellectual exercise. It is just to restate what the scholar of modern political and social ideas knew very well. Genovesi's *Economia Civile*, however, is also something more.

Genovesi's idea of public happiness has been surely influenced by the Roman *felicitas publica*, as many scholars knew and wrote.<sup>29</sup>

But, in spite of what D'Onofrio<sup>30</sup> claims, Genovesi had no need to pass thought-out Germany to ground his theory in Roman and classical thought. The *Lezioni di Commercio o sia di Economia Civile* have hundreds of Greek and Latin sentences, languages that Genovesi mastered—he taught both in Latin and in Italian. In his *Lezioni* we find he quotes Cicero about 10 times, which becomes 45 in the *Diceosina* (a title that is an Italianization of the Greek “On the Just and Honest”); quotes Plato 40 times in *Lezioni* and 50 times in the *Diceosina*. He quotes Aristotle respectively 50 and 42 times, Homer about 30 times in each, Aquinas 10 times in the *Diceosina* and once in the *Lezioni*, and we could continue with tens of other Latin and Greek philosophers, poets, and historians. Counting quotations is not, in general, the best tool for determining the influences of one author on another. But when one finds hundreds of direct quotations of Latin and Greek authors on eudaimonia and *felicitas publica*, and zero quotation of Wolff in either *Lezioni* or *Diceosina*, it becomes heroic to find serious bases for thinking and even writing that “Genovesi's particular version of natural law was deeply influenced by Wolff's.”<sup>31</sup> Genovesi was surely influenced by the natural law tradition, but his influences were the authors Locke, Grotius, Shaftsbury, Althusius; most of the modern philosophers including (essentially) Rousseau, Montesquieu; and the

French authors Mélon, Cary, and Vico. These were the fundamental references for Genovesi's philosophy and for his civil economy (and totally absent in D'Onofrio's reading). Among those, Genovesi surely knew the work of Wolff and maybe the Cameralist tradition,<sup>32</sup> but from this, to arrive at the statement that Civil Economy was nothing new in Modern Europe, and that Genovesi was just repeating or applying northern or even Cameralist authors (or just a late mercantilist<sup>33</sup>) is unjustified, incorrect, simply wrong.

Furthermore, the concept of *felicitas publica* is a typical Latin concept. It is not the English happiness, even less the German *glück* that refers directly to good luck or fortune (happiness comes from *hap*, to happen). The prefix *fe-* in the word *felicitas* is the same of *fecundus*, *femina*, *fetus*, *ferax*. *Felicitas* then recalls the concept of fecundity, and hence the cultivation of humanity and virtues. The Latin verb *feo* means to produce. In the Roman culture *infelix* designates the sterile tree, and *felix* as the fertile one. *Felicitas*, then, means bringing fruits, something very different from good fortune. In the coins of Roman republic, it was very common to put in one side the inscription *felicitas publica*. But in the other side of those coins the icons were children, agriculture tools, women: life, generation, cultivation.

Therefore, there is a strong continuity between the Roman *pubblica felicità* and the Aristotelian eudaimonia.

This Roman tradition of *felicitas publica* remained very alive in the European Middle Ages, and experienced a new revival during the Italian civil humanism of the 15<sup>th</sup> century and later in the Renaissance, when Roman civilization returned to play a central role. It was also very present and central in Vico, Genovesi's master. Thus, Genovesi and Muratori had a direct link to the Roman tradition; no need to imagine or invent a North passage. Middle Age, *comuni* and the *civiltà cittadina*, civil humanism and his

'invention' of *Vita civile* and *Vita activa* were alive and active in Italy in the 18<sup>th</sup> century. *Felicitas publica* and the *civitas* were in the DNA of modern Italian civilization, culture, philosophy.

That public happiness was an identity element in the Italian tradition of civil economy is evident when one considers the titles of many books by Italian economists in the second half of the 18<sup>th</sup> century: Palmieri, Bianchi, Paoletti, and Verri, among others. Achille Loria, maybe the most influential Italian economist of the end of 19<sup>th</sup> century, wrote: "All our [Italian] economists, from whatever regional background, are dealing not so much, like Adam Smith, with the wealth of nations, but with Public Happiness."<sup>34</sup> The Neapolitan philosopher Paolo Mattia Doria's book, *Della vita civile*,<sup>35</sup> (a clear "civic humanist" heading) had an influence on Genovesi's thought and that of the Neapolitan School in general. The book begins with the following words: "Without a doubt, the first object of our desire is human happiness." And Pietro Verri: "The discussion *on happiness* has as its object a very common argument upon which many have written."<sup>36</sup> Was all this movement just an importation or repetition of what Cameralists were doing in Germany? Obviously not.

Second, the idea of happiness in Genovesi is not only the "public happiness" in Muratori's sense. Muratori's conception of public happiness<sup>37</sup> was present in all Europe at least since the old Romans. In Genovesi, there is also another idea of happiness, more 'horizontal,' directly linked to his vision of the person as a relational entity, and to the crucial role he assigned to interpersonal relationships in human well-being. It would be enough to read his books—that, I know, are too huge and difficult to be read entirely and carefully: summaries and secondary literature are much easier—to find an impressive degree of attention to the Aristotelian idea of happiness related to interpersonal relationships, where the 'happiness of others' is essential to one's own happiness: "The more you work for interest, the more you must be virtuous,

unless you are a fool. It is a universal law that we cannot make ourselves happy without making others happy as well."<sup>38</sup>

## Wealth or Happiness of Nations?

Modern political economy is supposed to have been a by-product of the modern need to make the search for wealth and individual self-interest socially and morally legitimate. However, before Adam Smith published his *Wealth of Nations* in 1776, in which he defined wealth as the subject of a newborn discipline, a different approach had gained ground. In the mid-18<sup>th</sup> century in the French and Italian traditions, the issue placed at the core of modern economic reflection was "public happiness." The first author who used the expression *pubblica felicità* as the title of one of his books was the Italian philosopher Ludovico Antonio Muratori (*On Public Happiness*) in 1749, and after him the term 'happiness' appeared in the title of many books and pamphlets by Italian economists of that time: examples include Giuseppe Palmieri's 1788 *Reflections on the Public Happiness*, Pietro Verri's 1781 *Discourse on Happiness*, and others. Happiness became a landmark of the Italian classical civil economy. The eighteenth-century Italian tradition was in continuity with civic humanism, and with the idea in particular that comes from the Aristotelian-Tomistic tradition that happiness is 'social' by nature—man is a social animal and therefore, as Aristotle wrote, the "happy man needs friends."<sup>39</sup>

It should also be noted that in Italy the theme of public happiness was coupled with the idea of *ben-vivere sociale* (the social weal), an association that had been characteristic of the Italian civic humanist tradition, from Francesco Petrarca to Leon Battista Alberti and Lodovico Antonio Muratori. A special Neapolitan echo of that tradition stayed alive in Naples, thanks to Giambattista Vico, Pietro Giannone, and Paolo Mattia Doria.<sup>40</sup> Some years later, in France, philosopher-economists such as Rousseau, Linguet,

Maupertuis, Necker, Turgot, Condorcet, and Sismondi all gave happiness a place in their analyses, and the *félicité publique* was one of the key ideas of the French Enlightenment movement: “The mass of the [English] nation seems to forget, as do philosophers, that the increase in riches is not the end of political economy, but the means by which to provide the happiness for all.”<sup>41</sup>

Sismondi’s thesis has to be circumstantiated. In fact, if it is true that Smith or Ricardo did not attribute a central place in their economic theories to happiness, the issue of happiness was still far from absent in the British debate of their time. It suffices to remember that classical Utilitarianism was an offspring of that intellectual climate.<sup>42</sup>

Smith’s position is well-known. In his *Theory of Moral Sentiments* (TMS), one can find the classical (Aristotelian) idea of happiness as the final goal of human life.<sup>43</sup> Human happiness does not present a peculiar characteristic for human beings in respect of other creatures, and under the Stoic influence happiness is defined as “tranquillity and enjoyment.”<sup>44</sup> Smith does not emphasize the idea that happiness is related to interpersonal relationships, although his moral system is built on relational categories such as “fellow-feeling” —categories absent, however, in his economic theory of wealth.

The key idea in the relationship between wealth and happiness is that wealth is instrumental to happiness; wealth is just a means for being happy,<sup>45</sup> a thesis not far from the classical one. However, Smith’s vision of happiness in relation to the economic field is more complex than the simple equivalence of more wealth = more happiness. The argument runs as follows: The emulation of the wealth and greatness of the rich is the engine of both social mobility and economic development. So the “poor man’s son” submits “to more fatigue of body and more uneasiness of mind [...] he labours night

and day to acquire talents superior to all his competitors.”<sup>46</sup>

This dynamic, however, is based upon a deception; namely, the idea that the rich man is happier than the poor, or that he possesses “more means for happiness.”<sup>47</sup> In reality, this is not true, but it is the engine of social and economic development (by means of the “invisible hand” argument). This ‘good deception’ (for the common good) is the core of Smith’s theory of the invisible hand.

Smith’s illustration of the workings of deceived human imagination is a piece of psychological analysis that finds its completion in the description of the *real* and actual condition of the rich, as people paradoxically sharing the same lot as the poor:

It is to no purpose, that the proud and unfeeling landlord views his extensive fields, and without a thought for the wants of his brethren, in imagination consumes himself the whole harvest that grows upon them. The homely and vulgar proverb, that the eye is larger than the belly, never was more fully verified than with regard to him. The capacity of his stomach bears no proportion to the immensity of his desire, and will receive no more than that of the meanest peasant.”<sup>48</sup>

The fate of the rich, in fact, is *merely* that

“they only select from the heap what is most precious and agreeable. They consume little more than the poor, and in spite of their natural selfishness and rapacity, though they mean only their own conveniency, though the sole end which they propose from the labours of all the thousands whom they employ, be the gratification of their own vain and insatiable desires, they divide with the poor the produce of all their improvements. They are led by an invisible hand to make nearly the same distribution of the necessaries of life,

which would have been made, had the earth been divided into equal portions among all its inhabitants, and thus without intending it, without knowing it, advance the interest of the society, and afford means to the multiplication of the species. When Providence divided the earth among a few lordly masters, it neither forgot nor abandoned those who seemed to have been left out in the partition. These last too enjoy their share of all that it produces. In what constitutes the real happiness of human life, they are in no respect inferior to those who would seem so much above them. In ease of body and peace of mind, all the different ranks of life are nearly upon a level, and the beggar, who suns himself by the side of the highway, possesses that security which kings are fighting for.<sup>49</sup>

Smith's use of the *invisible hand* metaphor in the *TMS* parallels the logic of the happiness paradox in the current literature. In Smith's moral theory, the rich and the ambitious are moved by frivolous and temporary illusions. "Power and riches<sup>50</sup> appear then to be, *what they are*, enormous and operose machines contrived to produce a few trifling conveniences to the body . . . which in spite of all our care are ready every moment to burst into pieces, and crush in their ruins their unfortunate possessor."<sup>51</sup>

In the *Wealth of Nations*, the issue of happiness is almost totally absent. The title of the book itself defines the object of the newborn political economy: it deals with wealth not with happiness, even if in Smith's choice of the word 'wealth' instead of 'riches' one can rightly see the idea that wealth (weal or well-being) is more and something different from simply possessing riches.

### Malthus's happiness of nations

Malthus, "the first of the Cambridge's economists" as J.M. Keynes defined him,<sup>52</sup> followed a different path. His *Essay on Population*<sup>53</sup> reserves an important role for happiness, a word that

appears even in the title of the second, 1803 edition of the book.<sup>54</sup> In a very central passage he writes:

The professed object of Dr. Adam Smith's inquiry is the nature and causes of the wealth of nations. There is another inquiry however perhaps even more interesting, which he occasionally includes in his studies and that is the inquiry into the causes which affect the happiness of nations [...]. I am sufficiently aware of the near connection of these two subjects and that the causes which tend to increase the wealth of a state tend also, generally speaking, to increase happiness [...]. But perhaps Dr Adam Smith has considered these two inquiries as still more nearly connected than they really are.<sup>55</sup>

From this sentence, we have the main elements to understand the key points of Malthus' idea of happiness and his evaluation of Smith's position. To Malthus, happiness is not wealth, but in general, he agrees with Smith that more wealth leads to more happiness. According to Malthus, however, Smith was not sufficiently aware that the relation between these two concepts is complex and worth investigating on its own: he was aware, then, of the 'happiness transformation problem.' In particular, Malthus belongs to those economists (Sismondi, Genovesi, and many Italians) who thought that "the happiness of the nations" was "another inquiry however, perhaps still more interesting" than that of wealth, as the modern theorists of happiness also think.

It is important to notice, however, that Malthus's wish to directly study happiness as the object of political economy did not last long. In his *Principles of Political Economy*,<sup>56</sup> there are no references to happiness, and the object of his inquires becomes wealth, as in Smith and the classical mainstream tradition of economics. (Something similar will occur also for Marshall, as we will see later). In particular, although Malthus was fully aware that by focusing on the

material and quantitative aspects of human interactions, political economy was losing important elements of well-being, he left outside all interpersonal dimensions of wealth:

A man of fortune has the means of [...] collecting at his table persons from whom he is likely to hear the most agreeable and instructive conversation [...]. It would not be denied, that these are some of the modes of employing wealth, which are always, and most justly, considered as much superior in respectability, to the purchase of fine clothes, spending on furniture, or costly jewels [...]. But it is a wide step in advance of these concessions, at once to place in the category of wealth, leisure, agreeable conversation [...]. The fact really is, that if we once desert matter in definition of wealth, there is no subsequent line of demarcation which has any tolerable degree of distinctness, or can be maintained with any tolerable consistency, till we have included such a mass of immaterial objects as utterly to confuse the meaning of the term, and render it impossible to speak with any approach towards precision, either of the wealth of different individuals, or different nations.<sup>57</sup>

In the Cambridge tradition, however, Malthus's issues remained alive.

Alfred Marshall's analysis of happiness, an expression that he uses synonymously with well-being, is strictly interrelated with his theory of sociality in economics. It is well-known that Marshall made room for altruism in his economics, denying, in contrast with economists such as Pantaleoni,<sup>58</sup> that individualistic self-interest is an essential requisite of economic science. He wanted to study the "man in flesh and blood," and therefore, any human dimension could theoretically find its place within his economics.<sup>59</sup> The only limitation of the economic domain for Marshall is the possibility of monetary measurement of economic variables. Therefore, economic goods are those that "can be measurable by a money price."<sup>60</sup> It is a

methodological operation very close to that performed by Malthus in shaping the boundaries of economic wealth.

A few pages earlier we introduced Malthus's position on happiness: Apart from the reference to a direct study of happiness that one can find in the *Essay*, we have shown that he sharply spotted the distinction between happiness and wealth, although in his economic analyses he chose to deal with wealth and only indirectly with happiness. This approach, by the founder of the Cambridge tradition, was continued by Marshall and his school (Pigou in particular). Marshall, opening his *Principles*, wrote:

"Political economy or economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of well-being. Thus it is on the one side a study of wealth; and on the other, and more important side, a part of the study of man."<sup>61</sup>

In this, Marshall was a really 'neo'-classical, his approach fully in agreement with Malthus. Given his moral approach to economics, partially inherited from Ruskin and Carlyle, and his concern for poverty, he was very aware of the complexity of the happiness/wealth relationship. From the above passage, significantly placed at the beginning of his *Principles*, we get the basic elements of Marshall's vision of economic agency: Economics does not deal directly with "well being" (which to Marshall is a substitute for happiness), but with the "material requisites" of it. We do not find the word happiness anymore, (which in England was linked to the utilitarian and hedonistic philosophy, from which Marshall wanted to distance himself). There is, however, the expression "well-being" (not completely new among economists of his time), later translated by his follower Pigou into "welfare," the key-category of his *Economics of Welfare*.<sup>62</sup>

The ‘material requisites’ of well-being essentially consist of ‘wealth’, in line with the Smithian classical tradition.

In the ‘Introduction’ to the *Principles* we also find the theoretical key for understanding Marshall’s idea of the relationship between happiness and wealth: “It is true that in religion, in the family affections and in friendship, even the poor may find scope for many of those faculties which are the source of the highest happiness. But the conditions which surround extreme poverty, especially in densely crowded places, tend to deaden the higher faculties. Those who have been called the Residuum of our large towns have little opportunity for friendship; they know nothing of the decencies and the quiet, and very little even of the unity of family life; and religion often fails to reach them.”<sup>63</sup>

Happiness, to Marshall, depends largely on extra-economic factors that are not wealth in the usual economic sense; and that do not pass through the market, such as religion, and, mainly, genuine interpersonal relationships, such as family affections and friendship. We still find in Marshall the classical (Aristotelian in particular) idea that happiness does not coincide with wealth, and also that happiness has a social nature.<sup>64</sup>

Anyone who knows Amartya Sen’s theory of the ‘the standard of living’<sup>65</sup> will find a strong consonance between the two Cambridge economists: It is quite easy to be persuaded that being happy is an achievement that is valuable, and that is evaluating the standard of living, happiness is an object of value (or a collection of object of value, if happiness is seen in a plural form). The interesting question regarding this approach is not the legitimacy of taking happiness to be valuable, which is convincing enough, but its exclusive legitimacy. Consider a very deprived person who is poor, exploited, overworked and ill, but who has been made satisfied with his lot by

social conditioning (through, say, religion, political propaganda, or cultural pressure). Can we possibly believe that he is doing well just because he is happy and satisfied? Can the living standard of a person be high in the life that he or she leads is full of deprivation? The standard of life cannot be so detached from the nature of the life the person leads.<sup>66</sup>

Marshall’s line of thought was followed by his heir in Cambridge, Arthur Cecil Pigou, who moved the fulcrum of the issue at hand toward the other magic word in economics: welfare. In his *Economics of Welfare*, Pigou states that he intends to deal only with the economic aspects of general welfare (what he calls “economic welfare”), or that part of total welfare that “can be expressed, directly or indirectly, by a money measure.”<sup>67</sup>

In this choice, that per se is legitimate; there was an important missing link: analysing how, and if, economic goods may become happiness, or well-being (without adjective). In fact, what we see today in the debate on economics and happiness is that the efforts to acquire material goods have systematic negative effects on the other components of wealth—in particular interpersonal relationships—and more income can lead (as the growing literature on the paradox of happiness shows) to less well-being. Such a line of thought was also developed by Keynes, in particular in his *Economic Perspectives of our Grandchildren*, where he distinguished between “basic” and “relative” (or relational) needs.<sup>68</sup> To Keynes, economic or material growth can properly satisfy the basic needs, but the relative ones have only a tiny and indirect connection with income.

In Marshall’s *Principles*, however, there is also an intuition of this possible inverse (and perverse) tendency that was completely ignored by the founders of contemporary economics. It is his theory of the “standard of life,” the last chapter of his *Principles*.

In this chapter, with a full Aristotelian flavor, states that “the true key-note of economic progress is the development of new activities rather than new wants,”<sup>69</sup> specifying that the question that “is of special urgency in our generation” is “the connection between changes in the manner of living and the rate of earning.”<sup>70</sup>

In order to analyze this urgent question, he distinguishes between two concepts: “the standard of life” and “the standard of comfort,” where “the standard of life is taken to mean the standard of activity adjusted to wants”<sup>71</sup> and “the standard of comfort [is] a term that may suggest a mere increase of artificial wants, among which perhaps the grosser wants may predominate.”<sup>72,73</sup>

The main reason is clearly stated here for why the political economy avoided dealing with the interpersonal, qualitative aspects of economic transactions. Malthus was convinced not only that “enjoying conversations” with friends was an important, “superior” form of using wealth, but even that “leisure and agreeable conversations” can rightly be considered components of a person’s wealth and welfare. However he considered these components too ill-defined to include them in the economic domain, which required data and objective measurement. I.e., needs ‘matter’—a methodological position very close to the Austrian school of Menger at the end of 19th century. Something had to be sacrificed at the altar of the new science of objective and scientific measurements, and one victim was the social and immaterial components of wealth. A science seeking to encompass the first “scientific” reflections on economic relations chose to concentrate its analyses upon objective elements such as labour value or redistribution of income. Such a science, however, does not have the tools to study the “happiness of nations,” as the young Malthus claimed.

## Bentham and the New Name of Happiness

Cambridge’s approach to happiness did not become mainstream in England, nor in neoclassical economics. The University College, where Bentham founded the Utilitarian tradition and Jevons studied economics, took the lead. In fact, it is impossible to reconstruct the evolution of the idea of happiness in economics without taking into account Utilitarianism, built around the golden rule, “The greatest happiness for the greatest number.”

In Bentham’s idea of happiness, we immediately see that in his system, happiness is equal to “pleasure.” This comes straight from the very first lines of his *An Introduction to the Principles of Morals and Legislation*: “Nature has placed mankind under the governance of two sovereign masters, pain and pleasure.”<sup>74</sup>

The Benthamite vision of happiness can therefore rightly be called psychological hedonism, having an individualistic nature; people are depicted as seekers of happiness-pleasure. This psychological feature is essential to the Utilitarian programme in which social happiness is seen only as an aggregation, a sum of individual pleasures. John Stuart Mill, who on happiness diverges deeply from Bentham and from his father, James, in his Utilitarianism, explicitly states that in early Utilitarianism there was an identification between pleasure and happiness: “By happiness is intended pleasure.”<sup>75</sup>

Bentham’s other key word is “utility” (from which the term Utilitarianism came). His “principle of utility” (inherited from Beccaria’s *Dei delitti e delle pene*) is stated, appropriately, on the first page of his introduction to be “foundation of the present work.”<sup>76</sup> In all Bentham’s works, the words happiness, pleasure, and utility are used interchangeably as different ways of expressing the same basic concept of Utilitarianism. In chapter I of *An Introduction to the Principles of Morals and Legislation*, he wrote that by

utility he meant “that property in any object, whereby it tends to produce benefit, advantage, pleasure, good or happiness.”<sup>77</sup>

With Bentham, the distinction between end (happiness) and means (wealth) disappeared. Happiness-pleasure also became the direct end of economic actions. Bentham’s approach to happiness, therefore, is far from both the classical vision of happiness (from Aristotle to Genovesi) and the Cambridge tradition that kept the distinction between happiness (the final end) and wealth.

Bentham’s methodological project, as is well-known, nurtured economics, thanks mainly to the works of Jevons and Edgeworth. Most of the leaders of the new economics based their subjectivist approach to economics on a hedonistic philosophy. In Edgeworth’s early works up to his *Mathematical Physics*,<sup>78</sup> the Utilitarian and hedonist philosophy had a great impact. To him, happiness means pleasure, and maximizing happiness means maximizing pleasure.<sup>79</sup> Happiness entered neoclassical economics fully identified with utility, the new subject of the new economics. Jevons not only states the old Utilitarian thesis that happiness is related to utility, but also that economics is the “calculus of pleasures and pain.”<sup>80</sup> To Jevons, pleasures are different “only in degree, not in kind.”<sup>81</sup> Economics deals with the “lowest” pleasures, and he does not exclude the fact that that men can renounce pleasures from the economic domain for the sake of ethical or superior pleasures, but as in Bentham, his ethical rule is to maximize the sum of pleasures, both individually and socially. In the *Theory* he states: “The theory which follows is entirely based on a calculus of pleasure and pain and the object of economics is to maximize happiness by purchasing pleasure as it were, at the lowest cost of pain.”<sup>82</sup> For British marginalist economists, economics became the science of the direct analysis of happiness/pleasure. The domain of economics was no longer wealth, but happiness/pleasure directly. While the classical economists were

dealing with objective, external aspects (“material prerequisites”), Jevons or Edgeworth economics came back to a “subjective” approach; the domain of economics is inside man’s mind.

Contemporary rational choice theory (based on the preference-satisfaction approach) is, from a methodological point of view, a continuation of the Benthamite approach: “The analysis assumes that individuals maximize welfare as they conceive it.”<sup>83</sup> Contemporary rational choice theory is far from the classical/neoclassical economists and very close to Bentham or Jevons (more than they thought: Consider Hicks’ and Samuelson’s battle against hedonism in economics in the 1930s). Why? First, as for Jevons, the domain of economics is maximizing pleasure (preferences); second, the place of pleasure has been taken by preferences-satisfaction, but the core elements of the utilitarian approach are still there:

- (a) The domain of economics is no longer wealth or economic welfare (the material prerequisites), but to directly bring about happiness, which can be translated into concepts such as pleasure (old marginalists), ordinal utility or preferences (Hicks), or choices (Samuelson);
- (b) The tools utilized for studying the ‘means’ (maximization, quantitative calculus, instrumental rationality) are now used for specifically studying ‘happiness.’

After Bentham, happiness/pleasure became the object of economics; therefore, it is not true that happiness is not central in neoclassical economics. The reductionism of happiness/eudaimonia to utility/pleasure is the real breaking point in the history of happiness in economics: the distinction between material prerequisites and happiness. Cambridge’s and classical political economy’s cornerstone, has been lost.

## Conclusion: Relational Goods

Cambridge's epistemology was potentially open to making space for the analysis of some aspects of happiness within economics; the mainstream, however, has followed a completely different path, and the present resurgence of the 'paradox of happiness' is an eloquent sign that during the 20th century, mainstream economics has lost the methodological categories for even understanding the 'happiness transformation problem.'

The reasons are many. The most obvious is the cultural atmosphere of the 1930s when modern microeconomics came to life. It was so much influenced by neo-positivism and behaviourism that it disregarded Marshall's social considerations, and at the same time welcomed Paretian positive economics.

The word richness is a distant derivative of *rex* in Latin (king), therefore it has to do with power and even with disposing of people through money and goods. To possess riches has always been, and is still, deeply connected with the possession of people; the border line where democracy turns into plutocracy (the rule of the rich) is always quite faint, fragile, and little-guarded by those sentinels who are not paid by the plutocrats.

But richness also means *wealth*, and this English word comes from *weal*, meaning well-being, prosperity, individual and collective happiness. Adam Smith chose to use the word wealth (and not riches) for his economic study *The Wealth of Nations* also to suggest that economic richness is something more than the mere sum of material goods or our GDP.

From the second half of the 19<sup>th</sup> century, the tradition of *pubblica felicità* became an underground river, and the old idea of well-being understood as wealth gradually disappeared. And so in the whole of the West, the semantic range of richness became much poorer—and so

did we. We have created a financial type of capitalism that generated much of the wrong 'richness' that did not improve our lives or that of the planet. Then, maybe, the tradition of *pubblica felicità* can still have something important to say.

One field, particularly relevant, where the tradition of public happiness/eudaimonia is alive again (almost always implicitly) is the recent debate on relational goods.

Thanks also to the emergence of both experimental and behavioral economics, words typical of the civil tradition have been brought back to economic theories and models. Reciprocity, trust, intentions, fairness, esteem, and similar concepts can nowadays be found even in the top economics journals, showing that something new really is going on.<sup>84</sup> More generally, psychological studies offer plenty of data on the importance of relationality on happiness and life satisfaction, and these, more and more, are influencing the economics and happiness debate. There has been increasing appreciation within psychology of the fundamental importance of supportive interpersonal relationships for well-being and happiness. Especially within the eudaimonic approach, many authors see a universal association between the quality of relationships and well-being: "Evidence supporting the link of relatedness to SWB is manifold. Studies suggest that, of all factors that influence happiness, relatedness is at or very near the top of the list ... Furthermore, loneliness is consistently negatively related to positive affect and life satisfaction."<sup>85</sup> Ryff *et al.*<sup>86</sup> also reviewed evidence that positive relations predicted physiological functioning and health outcomes: "Central among the core criterial goods comprising optimal living is having quality ties to others. Across time and settings, people everywhere have subscribed to the view that close, meaningful ties to others is an essential feature of what it means to be fully human."<sup>87, 88</sup>

In economic theory, the new concept of relational goods is slowly but steadily emerging.<sup>89</sup>

Uhlener defined them as goods that “can only be ‘possessed’ by mutual agreement that they exist after appropriate joint actions have been taken by a person and non-arbitrary others.”<sup>90</sup> Relational goods are goods (in the economic sense) that cannot be produced, consumed, or acquired by a single individual because they depend on interaction with others, and are enjoyed only if shared with others. According to Uhlener, “goods which arise in exchanges where anyone could anonymously supply one or both sides of the bargain are not relational.”<sup>91</sup>

In a study based on the data of *World Values Survey*,<sup>92</sup> we found robust evidence about the nexus between happiness and relational goods. For example, membership of a voluntary organisation—used as a proxy for relational goods—is associated with a statistically significant increase in life satisfaction. It is interesting to observe that the effect of volunteering on life satisfaction is quantitatively the same as that of moving up by *one decile* in the income scale. These results suggest that the relational component of participation in voluntary organisations, represented by the actual interaction with other people, has an independent positive effect on life satisfaction. Furthermore, time spent with the family has the largest effect on life satisfaction, and time spent with friends and with people from sport activities have positive and significant coefficients.

To conclude we are convinced that, in contemporary market societies, the idea of a sharp separation between market relations (seen as the domain of instrumental dealings) and non-market ones (conceived as the realm of reciprocity and genuine sociality) is not very useful for imagining a good society. Markets today occupy most of the social areas formerly covered by family, church, or community. Quality of life, perhaps, could improve if we also begin to conceive of market relations as a form of friendship, or of reciprocity, and then if we design civil institutions that could make this possible.

The aim of this paper is to suggest: “Complicate happiness.” More to the point, one stream of the tradition of economic science said that the experience of self-reported happiness is important, but is not enough for a good life: An Aristotelian-inspired approach would say that it is important what we feel but even more, what we do with our freedom, rights, and capabilities that contribute to human flourishing even though they are associated with suffering and pain.

Finally, scholars of happiness—almost all economists—are in continuity with the Benthamite idea of happiness. “I use the terms happiness, subjective well-being, satisfaction, utility, well-being, and welfare interchangeably.”<sup>93</sup> For Frey and Stutzer, “Happiness research in Economics takes reported subjective well-being as a proxy measure for utility.”<sup>94</sup> Ruut Veenhoven “use[s] the terms ‘*happiness*’ or ‘*life satisfaction*’ for the comprehensive judgement.”<sup>95</sup> Subjective happiness is certainly important, but it alone is not sufficient to evaluate the goodness of life: the evaluation of well-being cannot be entrusted solely to self-evaluation.

Then, there is a tension and *conflict* between different dimensions of good human life: happiness (even Aristotle’s *eudaimonia*) is not everything. In modern times, there are other “ultimate ends”: freedom, dignity, the happiness of children. To be aware of this tension is a promising way for the future developments of happiness studies.

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- 1 Ruskin (1862).
- 2 Bruni (1558).
- 3 Marshall (1945, pp. 3–4).
- 4 Bruni and Sugden (2013).
- 5 For a recent discussion on happiness paradox, its interpretations and limits, see Easterlin (2015).
- 6 The paper is an elaboration and development of Bruni (2016). See also Bruni and Zamagni (2016).
- 7 This session is based on Bruni (2006).
- 8 In Greek philosophy there are many words for expressing the concept of what we now call in English *happiness*. In particular, the happy man is called *Makar*, *Eudaimon*, *Olbios*, or *Eutyches*. Nevertheless, in Plato, Aristotle, and also for Epicurean and Stoic philosophers, eudaimonia was by far the most used term (in the Gospels, the most used term was instead *makar*).
- 9 Aristotle, *Nicomachean Ethics* (NE), I, 4, 1095a.
- 10 *Nicomachean Ethics* (NE), I, 7, 1097a.
- 11 NE, I, 8, 1099a.
- 12 Nussbaum (2005, p. 171).
- 13 NE, I, 5, 1095b.
- 14 Following the same line of thought, the “Aristotelian” Thomas Aquinas wrote that the *dilectatio* (pleasure) is the very *accidens* of the virtuous life. The relationship between happiness and pleasure is conceived by the Aristotelian theory in a substantially different way than by hedonism and Utilitarianism.
- 15 NE, I, 8, 1099a.
- 16 I, 4, 1095a.
- 17 I, 9, 1099b.
- 18 I, 9, 1099b.
- 19 NE, IX, 9, 1169b.
- 20 We can’t help but recall *Raffaello’s* masterpiece, “The School of Athens”, as a splendid icon of these two souls of Greek philosophy. Plato, with *Timaeus* under his arm, pointing to the sky, expresses the contemplation of beauty in itself, while Aristotle, embracing the *Nicomachean Ethics*, indicates the *polis*, the civil life.
- 21 Nussbaum (1986).
- 22 The entire Ciceronian theory of friendship, later appropriated by Medieval monastic ethics (see *The Spiritual Friendship* by Aelred of Rievaulx in the twelfth century), was based on the conviction that friendship cannot exist except among virtuous persons (*summa amicitia proprie non est nisi inter bonos*). Thomas Aquinas called the virtue-friendship *amor amicitiae*.
- 23 *Nicomachean Ethics* VIII, I, 1155a.
- 24 NE VIII, I, 1155a.
- 25 This concept is well expressed by Martha Nussbaum: “Mutual activity, feeling, and awareness are such a deep part of what love and friendship *are* that Aristotle is unwilling to say that there is anything worthy of the name of love or friendship left, when the shared activities and the forms of communication that express it are taken away. The other person enters in not just as an object who receives the good activities, but as an intrinsic part of the love itself. But if this is so, then the components of the good life are going to be minimally self-sufficient. And they will be vulnerable in an especially deep and dangerous way.” (1986, p. 344).
- 26 It is not by chance, as Nussbaum remarks, that Aristotle gives particular attention to the catastrophes which can happen because of the *philia*, when he writes about catastrophes. He tries to deal with the problem by defining eudaimonia as a self-sufficient reality that is, however, dependent on other people.
- 27 Bruni (2012).
- 28 Smith (1976b, IV, p. 1).
- 29 See also Bruni (2006, cap. 4); Bruni (2012, 2013).
- 30 D’Onofrio (2015).
- 31 D’Onofrio (2015).
- 32 As De Matteis (1999) notes, Genovesi quotes Walff in his Latin book on philosophy (in 1745).
- 33 *New Palgrave Dictionary of Economics* II: 514 (Durlauf and Blume, 2008).
- 34 Loria (1904, p. 85).
- 35 Doria (1710).
- 36 Verri (1963, p. 3).
- 37 Muratori (1749).
- 38 Genovesi (2013, p. 449).
- 39 Aristotle, *Nicomachean Ethics*.
- 40 Bruni (2006).

- 41 Sismondi (1819, p. 52).
- 42 At the same time, we must however recognize that British classical political economy did not choose public happiness as a direct object of its enquiries, focusing instead on the wealth of nations, its distribution, creation and growth.
- 43 Smith (1976a, p. 166).
- 44 Smith (1976a, p. 149).
- 45 Smith (1976a, p. 166).
- 46 Smith (1976a, p. 181).
- 47 Smith (1976a, p. 182).
- 48 Smith. (1976a, IV, 1, 10).
- 49 Smith. (1976a, I, 10).
- 50 Smith. (1976a, I, 8).
- 51 Smith. (1976a, I, 9).
- 52 J.M. Keynes (1933, p. 95).
- 53 Malthus (1966).
- 54 In fact, the expression 'Human happiness' was not present in the first edition of the *Essay*.
- 55 Malthus (1966, pp. 303–4).
- 56 Malthus (1820).
- 57 Malthus (1820, pp. 31–2).
- 58 Bruni and Sugden (2007).
- 59 Marshall (1890, 27–ff.).
- 60 Marshall (1890, p. 33).
- 61 Marshall (1890, p. 1).
- 62 Pigou (1912).
- 63 Marshall (1890, p. 2).
- 64 Nevertheless, poverty, even if in itself does not necessarily mean unhappiness, determines those objective conditions that render it very difficult, if not impossible, to develop the dimensions of life and the interpersonal relationships on which happiness actually depends. Therefore, to Marshall the economists' role in society is very important: to study the ways of increasing wealth or reducing poverty, far from being in contrast with general well-being or happiness, is a means for directly increasing the standard of life by fostering the interpersonal dimensions of life. In this direction goes the fact that Marshall (following the German writers) was the first to use, in the English language, the word 'good' for 'commodity' in his *Principles*.
- 65 Sen (1987).
- 66 Sen (1987, pp. 7–8).
- 67 Pigou (1920, p. 16).
- 68 Keynes (1930).
- 69 Marshall (1890, p. 688).
- 70 Marshall (1890).
- 71 Marshall (1890, p. 689).
- 72 Marshall (1890, p. 690).
- 73 A first application of this analysis is Marshall's recommendation to reduce in general the hours of labour, which is likely to cause a little net material loss and much moral good; a case where a reduction of income can lead to a higher standard of life (happiness). At the end of the chapter Marshall explains why: "Even if we took account only of the injury done to the young by living in a home in which the father and the mother lead joyless lives, it would be in the interest of society to afford some relief to them also. Able workers and good citizen are not likely to come from homes, from which the mother is absent during a great part of the day; nor from homes to which the father seldom return till his children are asleep: and therefore society as a whole has a direct interest in the curtailment of extravagantly long hours of duty away from home." (Marshall 1890, p. 721).
- 74 Bentham (1996, p. 11).
- 75 Mill (1963, p. 210).
- 76 Bentham (1996, p. 11).
- 77 Bentham (1996, p. 12).
- 78 Edgeworth (1881).
- 79 Edgeworth (1881, 7, 16). Jevons (1971) defined economics as the science of utility, explicitly stating his acceptance of the Utilitarian philosophy of Bentham.
- 80 Jevons (1970, 'Introduction').
- 81 Schabas (1990, p. 39).
- 82 Jevons (1970, p. 91).
- 83 Becker (1996, p.139).
- 84 Bruni and Porta (2016).
- 85 Deci and Ryan (2001, p. 154).
- 86 Ryff *et al.* (2001).
- 87 Ryff and Singer (2000, p. 30).

88 In particular, Ryff and her colleagues show empirical and theoretical evidence on the strict nexus between interpersonal relationships–health–happiness: “Viewed from the standpoint of interpersonal flourishing and positive health, two key points emerge. First, studies of the beneficial and positive features of social relationships, be they secure attachments in childhood and adulthood, or loving and intimate relationships in adulthood, are rarely connected to health. Second, when health or biology has entered the picture, it is overwhelmingly on the side of negative social interaction and adverse health consequences, including an expansive array of physiological systems.” (Ryff and Singer, 2000, p. 34). Furthermore, reduction of genuine interpersonal relationships “predicted incident cardiovascular disease, decline in physical function, and decline in cognitive function.” (ibid: 38).

89 Gui and Sugden (2005).

90 Uhlener (1989, p. 254).

91 Uhlener (1989, p. 255).

92 Bruni and Stanca (2008).

93 Easterlin (2001, p.465).

94 Frey and Stutzer (2005, p. 116).

95 Veenhoven (2005, p. 245).

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