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BOOK REVIEW: WINNING A LOTTERY BRINGS NO HAPPINESS!

Christoph Lau and Ludwig Kramer, *Die Relativitätstheorie des Glücks. Über das Leben von Lottomillionären*. (The Relativity of Luck. About the Life of Lottery Millionaires). Herbolzheim: Centaurus, 178 pp, 2005. ISBN: 3-8255-0605-3.

Does money make people happy? The authors of the book under review pose this old but still popular question. They address it by choosing a quite unusual but from another perspective obvious stand: to study the lives of lottery-winning millionaires. For many people, a lottery win is a lot more than a ticket to economic independence. Conventional wisdom treats it rather as a symbol for unique happiness, as it stands as a synonym for the fulfilment of almost all dreams. It is also one of the basic axiomatic assumptions in classical and neoclassical economics that increasing wealth causes increased happiness. The crucial question of the book is whether this holds true. Do lottery winners really feel happier after hitting the jackpot? Furthermore, how do they function after such an extraordinary, status-boosting event?

In the first chapter, Christoph Lau and Ludwig Kramer initially provide the reader with a brief historical overview about the emergence of games of chance with a special focus on lotteries. One finds out for instance that the first known lottery in the modern sense took place in the Dutch county Flanders in 1445. In the next chapter, the authors consider the gaming behaviour of lottery players. The essential issue here concerns the questions of who plays these games and why do people play these games. We are, for example, informed that lotteries are very popular in most countries, and about 40% of the adult population in Germany play the classical lottery “6 from 49” at least once a

year. The headline of this chapter was chosen programmatically by the words "*homo irrationalis*", which indicates the basic idea: even in games like the lottery, where people can notionally calculate their bad chances of winning, lottery players nevertheless engage in a game where the expected monetary utility is truly negative. But why do they still play? To answer this question, the book provides a concise examination of the major traditions of cognitive psychology theories explaining gambling behaviour. The authors refer for instance to Kahneman and Tversky (1979) who showed that people do have cognitive biases when judging probabilities. People usually tend to overestimate the occurrence of rare events (like winning the lottery) and vice versa, they tend to underestimate the occurrence of frequent events (like losing the lottery).

In Part III, the main part of the book, the authors provide their findings on the lives of lottery millionaires. They observe a total of 14 individuals who won the big lottery jackpot in Germany through semi-structured interviews. The results are then placed in a broader context by giving an overview of former findings of a few international studies about the lives of lottery winners. The book ends with a historical journey through the philosophy of happiness from Aristotle to Kant and Schopenhauer, followed by a brief review on general findings of empirical happiness research over the last 50 years.

What happens now to our level of happiness after hitting the jackpot? First, the moment of winning is an occurrence which causes a quite long-lasting state of happiness in the sense of a top experience. Remarkably, this condition holds longer for females than for males. While the authors might have been more specific in this respect, the reason for this could be a different reaction of women to a sudden gain in financial independence, which could be mediated by a different initial financial situation. Another possibility is different emotional behaviour between males and females as a result of socialization. On the other hand, according to the small sample size, it could also be an effect due to randomness. However, the emotional state of euphoria does not hold forever. After a period of a more or less constant emotional flow experience, most lottery winners state

that they are eager to demonstratively return back to their ordinary lives. A further finding that goes along with this is that the majority of employees in the sample, six of eight winners, do not actually want to quit their current job activity. This is a fact which is not confirmed by previous research: Kaplan (1978) reports on 40 of 54 employed US-American lottery winners who quit their jobs nearly immediately. In general, given a Lottery win, continuing to work seems to be a function of education, job satisfaction, work centrality and the amount won (see also Arvey et al., 2004). But is this a sufficient indication on the effect of happiness? What could be the effect on happiness from a theoretical perspective? Just like the classic sociological work of Durkheim (1973), who classified the “anomic suicide” as a consequence of sudden changes in wealth due to a disturbance of a society’s regulatory function in moral integration, the authors argue that a lottery win could as well provoke a state of anomie which could lead to a reasonable reduction of happiness. Lottery winners have to cope with their fortune. The sudden increase of wealth causes completely new life-chances and it offers many new opportunities which have to be managed. For some people this could lead to an overwhelming situation where the repertoire of proved everyday behaviour patterns has to be readjusted. Even the stability of social ties can get disturbed. The winner has to face the dilemma of whom to tell the news and from whom to keep it a secret. This is, according to the authors, one of the most important decisions which a winner has to make. A great fortune means nothing if nobody knows about it. But to spread the word about the prize could carry some negative consequences in relation to the people in the social network of the winner. The authors, in fact, report on a few winners who did not even inform their nearest relatives about their prize. The reason for this secrecy can be seen as a way to avoid states of anomie in the sense of interrupted social ties and to keep the status quo. In two cases that are reported, parents decided not to tell even their children about their prize. The educational reason for this can be understood in the light of what Albert O. Hirschman (1982) has called the “*dolce vita*” scenario: extraordinary increases in

wealth will have a build-in propensity to erode the virtues of frugality which Max Weber (1988) described in his essay on *The Protestant Ethic*. While in theory it sounds plausible that a lottery win could provoke some state of anomie, it is not easy to measure it empirically. In this study we at least find no sufficient evidence to confirm a causal conjunction like this. The book gives a theoretical discussion and a description of particular cases but no systematic test of the anomie-thesis. This rather leads to the provisional assumption that winning the lottery has no significant positive or negative effect on happiness in the sense of subjective-well being or life-satisfaction. There might be some individual outliers in both directions, but on average, winners are not happier or unhappier than before or than non-winners. After a period of peak experience, winners return back to their prior level of happiness. This conclusion is indeed consistent with the outcome of some previous studies on this subject (see Eckblad and van der Lippe, 1994; Falk and Mäenpää, 1999; Kaplan, 1988), although other studies suppose an anomie-reducing effect to the point of a positive relationship between sudden wealth and happiness (see Abrahamson, 1980; Gardner and Oswald, 2001). Other previous research indicates a more relative definition of the term happiness. The authors refer to a psychological investigation by Brickman et al. (1978), who state that winners are not happier than a control group because they take, by reason of their windfall profit, significantly less pleasure from some ordinary events like buying clothes or talking to a friend. They argue through adaptation-level theory that first, the period of peak experience reduces the perception of ordinary pleasures and second, this perception gets habitualized which prevents an elevation of the general happiness level. From this perspective, happiness seems to be a relative category which is constantly being measured by the individual at certain reference parameters like experiences, habits, fashions or the peer group. In general, one has to be conscious of the full range of possible operating factors – so that a final conclusion to the question is not easily drawn. One has also to take into account the peculiarity of the target population: lottery winners are not a pure simple random sample of the general population; they

are instead a random sample of lottery players with sample-inclusion probabilities directly proportional to the amount of tickets bought. This means that lottery winners are expected to match the specific socio-demographic and personal characteristics of *heavy* lottery players – and this group differs in some key aspects from the general population. Heavy players are more likely male, middle class, middle-aged and undereducated. It seems to be plausible that the response to sudden wealth is different in this group than it might be in the general population.

On the whole, Christoph Lau and Ludwig Kramer, both social pedagogues, offer an exploratory and interesting story about the life of lottery millionaires. One criticism emerges in the way the authors fit their method to their intention. The study provides a descriptive analysis, built on safe ground of scientific argumentation, but it lacks a bit of an appropriate empirical test of their theoretical discussion. This makes it difficult to place the findings in a more general context. Additionally, according to the small sample size, it is not easy to prove whether some of the observed differences between groups may be occurred systematically or due to randomness. In consequence it is hard to conclude some robust generalities from the data. However, one has to keep in mind the comparably difficult access to the target population of lottery winners. Furthermore, the two authors address their inquiry not exclusively to (social-) scientists in general or happiness researchers in particular. The text is primarily directed to a broader audience. But this is no inherent drawback for the interested happiness researcher. It is rather a quality that gives the book an essayistic flavour and makes it pleasurable to read, especially because of the authors demanding language style. The life of lottery winners is a fascinating field to study and so is this book: fascinating and well worth reading.

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