

BUT WILL IT MAKE YOU HAPPY?

She had so much. A two-bedroom apartment. Two cars. Enough wedding china to serve two dozen people. Yet Tammy Strobel wasn't happy. Working as a project manager with an investment management firm in Davis, Calif., and making about \$40,000 a year, she was, as she put it, caught in the "work-spend treadmill."

So one day she stepped off.

Inspired by books and blog entries about living simply, Ms. Strobel and her husband, Logan Smith, both 31, began donating some of their belongings to charity. As the months passed, out went stacks of sweaters, shoes, books, pots and pans, even the television after a trial separation during which it was relegated to a closet. Eventually, they got rid of their cars, too. Emboldened by a Web site that challenges consumers to live with just 100 personal items, Ms. Strobel winnowed down her wardrobe and toiletries to precisely that number. [...] "The idea that you need to go bigger to be happy is false," she says. "I really believe that the acquisition of material goods doesn't bring about happiness."

While Ms. Strobel and her husband overhauled their spending habits before the recession, legions of other consumers have since had to reconsider their own lifestyles, bringing a major shift in the nation's consumption patterns. [...]

On the bright side, the practices that consumers have adopted in response to the economic crisis ultimately could — as a raft of new research suggests — make them happier. New studies of consumption and happiness show, for instance, that people are happier when they spend money on experiences instead of material objects, when they relish what they plan to buy long before they buy it, and when they stop trying to outdo the Joneses.[...]

'It's better to go on a vacation than buy a new couch' is basically the idea. Current research suggests that, unlike consumption of material goods, spending on leisure and services typically strengthens social bonds, which in turn helps amplify happiness.[...]

Thomas DeLeire, an associate professor of public affairs, population, health and economics at the University of Wisconsin in Madison, recently published research examining nine major categories of consumption. He discovered that the only category to be positively related to happiness was leisure: vacations, entertainment, sports and equipment like golf clubs and fishing poles.[...]

While it is unlikely that most consumers will downsize as much as Ms. Strobel did, many have been, well, happily surprised by the pleasures of living a little more simply. The Boston Consulting Group said in a June report that recession anxiety had prompted a "back-to-basics movement," with things like home and family increasing in importance over the last two years, while things like luxury and status have declined.

Adapted from *The New York Times*

August 2010

(2 784 characters)