

To What Extent Does Wealth Influence on the Happiness of Residents in China?

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Abstract. To better understand and consistently improve the public welfare, happiness and wealth have been discussed in the academia for ages, which deserves the researchers' attention to reiterate such relationship when it comes to the case of China. This paper endeavors to briefly review what happiness and wealth are respectively, in what ways they can be measured, and describe the relationship between them. Then, the paper mainly uses second data analysis based on the survey of World Values Survey and National Bureau of Statistics of China to introduce the analytic foundation of this paper, which are key indicators that make up wealth like income, the status of a family's main source of income, expectations of future salary level, etc. and propose the meanings of subjective happiness. Besides, we also discussed the influence of these components of wealth on happiness, vice versa. During the process of research, we discover that although with the increase of wealth, the urgency of survival in China has significantly decreased, and people's happiness has also been on the rise. However, when wealth is no longer the main factor affecting Chinese, other factors such as educational level, and the gap between urban and rural areas have a very unignorable impact on happiness of Chinese people. Therefore, at the end of the paper, conclusions can be drawn upon the positive relevance between wealth and happiness. Whereas, their relationship is a complex and nuanced subject required of more thoughtful observation, and what lies ahead is the focus of extensive research in the fields of psychology, economics, and sociology to give a full picture of this relationship, for example, the negative impact of wealth on happiness in the long run.

Keywords: wealth, happiness, influence, Chinese residents

1. Introduction

Nowadays, with the rapid progress of China and development of science and technology, the wealth of China has been through an increasing rate of growth. At the same time, the income of people in the past also has been rocketing in the last 30 years. According to the statistical data of the National Bureau of Statistics, the median per capita disposable income of Chinese residents in 2022 was 31,370 Chinese Yuan, rising by 4.7 percent year on year. Meantime, in accordance with the World Value Survey, a periodical electronical publication by an Austrian Institute for Comparative Survey Research, it clearly states that the overall happiness of Chinese people has been on the rise from 2010 to 2022.

Nevertheless, general speaking, for every single country in history and at present, there seems to be an eternal topic when discussing the pursuit of economic growth. Similarly, the issue of people's happiness is also the subject of public concern, particularly in China, serving the people for the happiness of people is frequently raised topic in government publications in China. The subjective happiness of Chinese people has constantly appeared in national news as to prevalence of the regional differences among the East and west China, waste of natural resources as well as the environmental problems in metropolitan cities, etc.

Therefore, worthy of discussion here is whether an increase in wealth guarantee an improvement of people's subjective happiness. It is thus necessary to figure out what wealth and happiness are and how they are measured, to what extent increased wealth affect happiness, whether factors such as the educational level, debts, physical and mental health of people, other than wealth have a significant impact on happiness of people.

The purpose of this study is to determine the impact of increasing wealth on people's happiness in China, to know how to measure wealth and happiness respectively, to analyze the advantages and disadvantages of rapid economic development and increasing people's income. Then, it advances theoretical understanding, encourages interdisciplinary collaboration, and informs

policy decisions and practical applications that can enhance individual and societal well-being. Finally, it puts forward corresponding suggestions and measures.

The literature review will elucidate the definition of wealth and people's happiness, and how they interact with one another. The literature review will also prove the improvement of family income plays a positive role in the improvement or enhancement of people's happiness, including the calculation of family income and people's happiness through analysis of survey results and governmental statistics.

The interplay between happiness and wealth is a complex and evolving area of study. As we navigate a rapidly changing world, understanding the dynamics between these factors becomes increasingly important for shaping policies, businesses, and lifestyles that promote holistic well-being. The relevance of this research lies in its potential to guide decision-makers in creating a more balanced and fulfilling future for individuals and societies.

2. Research Review

Wealth and happiness affect people all the time, so, in this section, the research will explain the meanings of happiness and wealth and how to define the two, in addition to describing the relationship between the happiness and wealth.

Many scholars have done a lot of research on the impact of increasing wealth on happiness. With the progress of the times, some researchers are trying to find out the relationship between the above two things. High income people experience more positive emotions, while low-income people experience more negative emotions [1]. Other researchers also concluded that the increase of wealth had little effect on happiness, while personal income had little effect on happiness [2], which led American economists to propose the "Easterlin Paradox" [7]. For example, researchers have investigated the relationship between personal income and happiness of urban residents in six provinces of China, and found that happiness increases slowly with the increase of income level, and found that the explanation rate of personal income for happiness is less than 2%, which is like the results of most foreign researchers. It shows that income has only a weak influence on happiness [17].

2.1. Wealth

In this paper, we will consider the so-called "wealth" at first. According to the Investopedia, wealth measures the value of all the assets of worth owned by a person, community, company, or country. In this sense, we are not talking about spiritual wealth, or natural wealth. It's about material possessions. Because our conditions are limited, we study the wealth of individuals rather than the value of wealth owned by a particular company.

Wealth can be taken precisely as a large amount of money and property, and the value of all property and money owned by someone or something. So, in this paper, wealth can be defined as gross domestic product (GDP), which is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time. To achieve the goal of national happiness, governments turn to increasing national wealth, increasing gross domestic product (GDP) [15]. According to the Encyclopedia Britannica, it measures a country's total income, including the total market value of goods and services produced and everything produced in the economy and legally sold in the market, and is considered the best measure of socioeconomic welfare. GDP measures two things: the total income of everyone and the total spending on goods and services in a certain economy. As regards GDP per capita, it is used as a measure of a country's standard of living from the perspective of an average person. Countries with higher levels of GDP per capita considered to be better off economically than countries with lower levels of GDP per capita. We also take GDP per capita as a measure of wealth.

While GDP per capita is a widely used and informative economic indicator, it should be interpreted with caution and complemented by other measures to provide a more comprehensive understanding of a nation's well-being. For one thing, GDP per capita serves as a widely accepted indicator of a country's overall economic performance, suitable for cross-country comparisons, helps formulating policies, etc. For another, disadvantages of GDP per Capita is obvious: its failure to account for income inequality within a country, not considering non-market activities, and not directly measuring the quality of life since it excludes factors like environmental sustainability, social well-being, and overall happiness.

2.2. Happiness

Happiness contains many meanings in life. It is an attitude to life, but also an evaluation of life. In the eyes of the commons, people's feelings and pursuit of happiness is a good feeling, a positive attitude, a happy habit, and a value pursuit. In January 2022, President Xi Jinping of China has explicitly outlined a comprehensive doctrine or philosophy regarding the happiness of people, "To realize the happiness of the people is the goal and the highest goal of China, and it is also the embodiment of the ultimate value of mankind."

In academia, some scholars give various definitions of happiness. Some propose that subjective happiness refers to people's overall evaluation of their life quality according to internal standards, and is a comprehensive evaluation of people's life satisfaction and all aspects [6]. Others like Bradburn believes, happiness, known as "subjective well-being", which is defined as "a person's cognitive and affective evaluations of his or her life" [4]. Subjective well-being includes three dimensions: positive

emotion, negative emotion, and life satisfaction. It is characterized by subjectivity, stability, and integrity [5]. When there are more positive emotions than negative emotions, an individual will have subjective well-being (Gutierrez, 2004). Happiness is an evaluation of our life, and all aspects in daily life can affect our happiness. Happiness is a positive and happy emotional experience and a sense of self-transcendence when a person's material, spiritual and psychological needs are met or in the process of gradually achieving a set of goals [10]. Noticeably as well, the affective component tends to dominate in the overall evaluation of life [9].

2.3. The Relationship between Wealth and Happiness

In 1973, Easterlin published an article in which he argued that wealth could not buy happiness, and his subsequent observations also concluded that happiness was essentially relative. After this article was published, it attracted the attention of many researchers. Researchers also found that the factors affecting happiness level are not only GDP per capita, but also age and marital status, and are also related to social factors such as environmental pollution, housing problems, education level, interpersonal relationship, policy, and other factors.

When analyzing the economics of happiness from the perspective of assets and liabilities from the perspective of household finance, it is necessary to understand the effects of assets, liabilities, and the structure of assets and liabilities on happiness to date [15]. Researchers began to develop research in these directions: Income is one of the main factors affecting wealth. When studying income, many researchers often divide income into absolute income and relative income. Both are related to income and are theories based on income. The theory of absolute income was put forward by Keynes, who believed that in the short run, income and consumption are related, that is, consumption depends on income, and the relationship between consumption and income is also consumption tendency. With the increase of income, consumption also increases, but the growth of consumption is lower than the growth of income, and the proportion of consumption increment in the increase of income is decreasing, representing the relationship between real consumption expenditure and real income. Relative income is another consumption theory proposed by the economist Dusenbe, which is opposite to absolute income. He believes that consumption does not depend on the current absolute income level, but on the income level of others and the highest income level in history relative to oneself. It emphasizes two kinds of psychological behavior of consumers, namely comparison effect and demonstration effect.

Compared with other indicators, income plays a very important role in happiness. For people whose income is lower than the reference group, the income gap will have a negative effect on their happiness, but for people whose income is higher than the reference group, their happiness will have a positive effect. However, other studies have also shown that absolute income is important to happiness. Zhu Jian and Yang Xiao (2009) conducted three surveys on China by using worldview survey and found that the increase of absolute wealth has a significant impact on happiness [18].

Debt is another indicator of wealth. Household debt is an important means of smoothing household consumption and income, along with China's financial and consumer markets development, more and more households participate in financial borrowing [3]. The conditions that make the level of indebtedness available, such as the market price of household assets used as collateral, can influence the rate at which lenders will grant loans; Even household assets and liabilities move in tandem [15]. In addition, through a large number of data, the number of various loans of Chinese households has shown a substantial increase in recent decades, and this is only the formal lending institutions, there are many informal lending institutions in the society has not been recorded data, household debt as a share of GDP has also risen sharply. Debt is formed because of borrowing, and the two are different aspects of the same thing, which belongs to borrowing in the early stage and becomes liabilities in the later stage [3]. Chen also divided debt into bank debt and non-bank debt, and analyzed the urban and rural groups, education level and income, and came to the conclusion that the current household debt has an overall negative impact on happiness, which is caused by non-bank debt, and bank debt has no great impact, and even has a positive effect on some groups.

3. Methodology

This paper focuses on the second data analysis, often referred to as secondary data analysis, involves the utilization of existing data that was collected for a purpose other than the researcher's current study.

Survey is the most basic measurement method and the most common method used by researchers to collect the second data. It will ask a person some questions and measure wealth from the answers, usually using some factors that will affect wealth and then asking them in the form of questions. Compared with registration data, survey needs to overcome more difficulties, such as the one-sided answers collected. It may not cover all people, and many respondents will refuse to answer questions.

On the one hand, we mainly consider the registration data to measure wealth, and we can resort to the National Bureau of Statistics, offering survey and survey data research. By using the advantage of the registered data, the research can be objectively reliable, for there are detailed data of the components of wealth for reference, and there are many samples for researchers to analyze. However, the open data are based on the overall unit rather than individuals, so there is a lack of personal data when checking through the serial data such as GDP and GDP per capita. Therefore, we ought to extract a large amount of data from the database, then use some proper models to calculate these data, set several variables that will affect wealth, and then calculate and analyze.

On the other hand, based on the view that happiness is an individual's subjective judgment, the happiness level of Chinese people in the database of World Values

Survey, a series of questionnaires conducted involving many aspects, such as age, income level, educational level, etc. For happiness, researchers tend to ask, "All things considered, how do you rate your life at this time?" Besides, it is also referenced by the National Bureau of Statistics of China. It conducted a survey on the economic status and mentality of Chinese urban residents in 2009, directly studying and measuring the subjective well-being of residents in a numerical way.

In conclusion, survey research is a powerful tool for collecting quantitative data on a wide range of topics. However, researchers must carefully design surveys to address potential biases, ensure clarity in questions, and consider the limitations associated with the method. Combining surveys with other research methods can provide a more comprehensive understanding of complex phenomena in China.

4. Findings

The relationship between wealth and happiness is a complex and multifaceted topic that varies among individuals and cultures. In the context of China, several factors contribute to understanding this relationship:

1. Economic Growth and Rising Incomes:

China has experienced rapid economic growth over the past few decades, leading to a significant increase in average incomes. Many people have been lifted out of poverty, and a burgeoning middle class has emerged. This rise in income has contributed to an improvement in living standards for many Chinese citizens.

2. Material Well-being vs. Emotional Well-being:

While economic growth has improved material well-being, the relationship between wealth and happiness extends beyond financial prosperity. Factors such as family relationships, health, work satisfaction, and community engagement also play crucial roles in determining overall happiness.

3. Expectations and Aspirations:

As incomes rise, expectations and aspirations may change. The pursuit of a higher standard of living and increased consumption can sometimes lead to a perpetual cycle of desire for more, impacting satisfaction levels.

4. Social and Cultural Influences:

Cultural and social values in China may influence the perception of happiness. Traditional Chinese philosophies, such as Confucianism, emphasize the importance of family, relationships, and personal development. These values can shape individuals' priorities and contribute to their sense of fulfillment.

5. Urban-Rural Disparities:

Disparities between urban and rural areas in China can affect the relationship between wealth and happiness. Urbanization and modernization may bring economic opportunities to urban dwellers, but rural communities may face different challenges.

6. Environmental Concerns:

China's rapid industrialization and economic growth have also led to environmental challenges, such as pollution. Environmental factors can impact the well-being of individuals and communities.

7. Government Policies:

Government policies, such as social welfare programs, healthcare, and education, can influence the well-being of citizens. China's government has implemented various policies to address social issues and improve the overall quality of life.

8. Social Connections and Community:

Strong social connections and community engagement have been linked to happiness. In the context of China, the importance of family ties and social networks may contribute significantly to people's well-being.

It's important to note that individual experiences and perspectives on wealth and happiness can vary widely. Some may find fulfillment in material success, while others prioritize non-material aspects of life. Additionally, ongoing societal and economic changes may influence the dynamics of the relationship between wealth and happiness in China over time.

5. Discussion / Development

In the last part, we have looked at many different measures of happiness and wealth, but the effects and connections between wealth and happiness have yet to be studied, so to gain a clearer understanding of the relationship between the two, I will further explore the effects of different wealth indicators on happiness, and the effects of other social factors on happiness.

5.1. The Effects of Different Types of Wealth Indicators on Happiness in China

5.1.1. Income

Income is a component of assets, and researchers like Esterlin have concluded that income has a positive effect on happiness, he says within a country, rich people are happier than poor people, but across borders, poor countries are almost as happy as rich people [7]. In economics, income is often equated with utility within

Although the theory that income equals utility is relatively narrow, family happiness does decline gradually after per capita income rises to a certain level, and family primary income does promote happiness to some extent [15].

When researchers study the relationship between income and happiness, they usually divide income into individual income, family income, and national income. [17] studied the relationship between personal income, national income, and happiness, compared the happiness of low-income groups and high-income groups, analyzed the influence of regional affluence on happiness, and concluded that the correlation between personal income and overall happiness of residents in areas with low wealth is stronger than that in areas with high wealth. The happiness level of residents in cities with higher national income is significantly lower than that in cities with lower national income.

By analyzing the relationship between income and happiness, Luo C [13] found that no matter relative income or absolute income, income can significantly improve happiness.

According to the public data of the National Bureau of Statistics in 2022, China's per capita disposable income increased by 5.0 percent in nominal terms and 2.9 percent in real terms over the previous year, wage income increased by 4.9 percent, and consumption expenditure per capita increased by 1.8 percent in nominal terms over the previous year, but decreased by 0.2 percent in real terms. Based on the data of worldview survey, this paper also classifies happiness into four categories: very happy, quite happy, not very happy and unhappy. We classify very happy and quite happy, not very happy and unhappy into one category, and divide income level into high, medium, and low as it is in the table below. The data in the table shows that the data of happiness is significantly higher than that of unhappiness.

Low							
Low; N=3,679; Weighted results	1989-1993	1994-1998	1999-2004	2005-2009	2010-2014	2017-2022	Total
Very happy	30	13	7	11	13	27	20
Quite happy	38	54	57	53	65	57	54
Not very happy	27	28	28	27	18	14	21
Not at all happy	2	5	8	8	2	3	4
Don't know	2	1	0	1	1	0	1
No answer	1	0	0	0	0	0	0
(N)	680	352	147	681	703	1117	3679
Medium							
Medium; N=5,849; Weighted results	1989-1993	1994-1998	1999-2004	2005-2009	2010-2014	2017-2022	Total
Very happy	22	25	12	23	16	27	22
Quite happy	41	64	66	63	71	65	65
Not very happy	32	10	20	12	11	7	12
Not at all happy	2	1	2	1	1	1	1
Don't know	2	0	0	1	1	0	0
No answer	1	0	0	0	1	0	0
(N)	274	1031	573	891	1268	1812	5849
High							
High; N=593; Weighted results	1989-1993	1994-1998	1999-2004	2005-2009	2010-2014	2017-2022	Total
Very happy	7	36	15	33	27	35	25
Quite happy	48	57	72	57	70	62	65
Not very happy	41	6	12	10	3	3	10
Not at all happy	4	1	0	0	0	0	1
No answer	0	0	0	0	0	0	0
(N)	27	117	234	44	91	80	593

Figure 1. A table about the happiness of different income groups from 1989 to 2022 (World Values Survey)

This shows that income has a positive correlation with happiness and the high- income group has a higher happiness than the low- and middle-income group. Luo C [13] conducted studies on absolute income and relative income respectively, focusing on different income groups in China, such as urban and rural areas, and both showed a relatively obvious positive correlation between income level and subjective well-being, and found that the higher the relative income level, the higher the subjective well-being. Zhao X and Fan X [19] also conducted a study on income and found that absolute income and public subjective well-being showed an inverted "U" shape, that is, absolute income had an important impact on happiness, while sex had a significant promoting effect on income on public happiness, and the effect was higher than absolute income.

In general, both showed that level of income had a strong correlation with degree of happiness. If taking a deeper look at it, while there is likely a positive correlation between income and happiness in China, it is essential to recognize the various factors that influence this relationship: Economic growth, income distribution, cultural values, and government policies all contribute to

the complex interplay between income and happiness. Moreover, individual experiences and perspectives can vary widely, emphasizing the need for a comprehensive and context-specific analysis.

5.1.2. The Influence of the Status of the Household's Main Earner on Happiness

The main income earners of a family also belong to the income, which is also studied in this paper. I summarized the data of this aspect in China based on the world view survey.

World Values Survey Wave 7: 2017-2022				
Feeling of happiness				
	TOTAL	Are you the chief wage earner in your house		
		Yes	No	No answer
Very happy	27.4% (832)	26.5	27.9	29.8
Quite happy	61.5% (1,868)	61	61.8	59.5
Not very happy	9.5% (290)	10.6	9	10.7
Not at all happy	1.5% (45)	1.8	1.3	0
No answer	0.0% (1)	0.1	0	0
(N)	3036	1044	1963	28

Figure 2. A graph about the happiness of the group who are the chief wage earner in house and the group who are not the chief wage earner in the house from 2017 to 2022 (World Values Survey)

In the table, a survey is conducted on the happiness of the group that is the main income earner. It is found that the happiness of the group that is not the main income earner is higher than that of the group that is the main income earner, and the number of the group that is the main income earner feels less happy is also higher than that of the group that is not the main income earner. People who bear the main income of the family are negatively correlated with their happiness. The greater the household income pressure, the lower the happiness.

5.1.3. Expectation of Future Salary Level

In this paper, expectation refers to an individual's expectation of future salary level. Murphy's law indicates that the lower the expectation, the higher the happiness. According to Zhou Ying's [20] article, there are several parameters, which are Happiness, Future Income, Unfairness, Real wealth, are mentioned, ordinal probit model being calculated, and discover the future income coefficient is significantly positive, indicating a person for his future wages more optimistic, the higher his happiness, the more optimistic people are about the future, the happier they are in the present. Zhao X and Fan X [19] also analyzed expectations and divided them into four models, namely, the relationship between expectations and happiness, absolute income, the relationship between expectations and happiness, relative income, and the relationship between expectations and happiness. Finally, he compared and calculated the four models together and found that expectations had a significant positive effect on citizens' subjective happiness, although the effect was smaller than that of relative income, but it's greater than absolute income. So, expectation has a positive effect on the happiness of Chinese residents.

5.2. The Effects of Wealth on Happiness of Different Social Groups in China

5.2.1. Education Level

With the continuous development of China's economy and society, many people are paying more and more attention to their lives after work, and the Chinese government is also constantly paying attention to the happiness of residents. According to the China Family Finance Research Center in 2015, the relationship between education level and residents' happiness is not significant. However, many scholars believe that education level is positively correlated with happiness, such as Liu Wenmin and Wu Dan [11] and Wu Xiuyun [16].

According to the world view survey, the happiness statistics of people with different levels of education are divided into seven levels, early childhood education, primary education, lower and upper secondary education, and the university is subdivided into bachelor's degree, master's degree, and doctor's degree, and the very happy and very happy are grouped together.

	TOTAL	Highest educational level: Respondent [ISCED 2011]							
		Early childhood education (ISCED 0) / no education	Primary education (ISCED 1)	Lower secondary education (ISCED 2)	Upper secondary education (ISCED 3)	Bachelor or equivalent (ISCED 6)	Master or equivalent (ISCED 7)	Doctoral or equivalent (ISCED 8)	No answer
Very happy	27.4% (832)	41.7	32.6	27.1	24.2	21.8	16	39	18.3
Quite happy	61.5% (1,868)	48.9	56	61.2	64.6	70.2	65.2	61	57.1
Not very happy	9.5% (290)	7.2	10	9.8	10	7.1	18.8	0	24.6
Not at all happy	1.5% (45)	2.3	1.4	1.8	1.2	1	0	0	0
No answer	0.0% (1)	0	0	0.1	0	0	0	0	0
(N)	3036	171	566	1215	543	482	21	2	36

Figure 3. A table about the happiness of different educational levels groups in 2011 (World Values Survey)

From this table, we found that the happiness of doctoral students is the highest among all education levels. Before entering the university, people's happiness is less than 90%, but after entering the university, the happiness is more than 90%, reaching 92%, and then reaching the highest in the doctoral degree. According to these data, it is proved that with the increasing level of education, people's happiness also increases. However, some scholars have proposed that if wealth such as income is adjusted, the relationship between subjective well-being and education level is not obviously positive. According to the research of Yu Fengqin, Chen Zheng, and Wang Wenxue (2023), they studied the relationship between education level and personal wealth accumulation, sorted out the data of Hurun Report Rich List in 2020 and 2021, and then calculated these data through OLS, and found a significant positive correlation between education level and wealth accumulation. Ma Wenwen (2002) found that education level has a high positive correlation with wage income by studying the wage income of Chinese and foreign students with different educational programs.

5.2.2. Urban-rural Gap

Wealth has more and more influence on residents' consumption. According to the National Bureau of Statistics, in the past ten years, the consumption level of rural residents in China has grown faster than that of urban residents, and the imbalance between urban and rural areas has eased. The consumption of urban and rural residents is affected by multiple factors. Theoretically speaking, income is the most important factor affecting consumption, and the structural heterogeneity of income between urban and rural residents, such as the difference in wage income, wealth income and transfer income, will inevitably lead to the difference in consumption between urban and rural residents, and then have an impact on the consumption imbalance between urban and rural residents [12]. When the gap between urban and rural areas is narrowed, urban residents will be less happy than before. This shows that urban residents themselves hope that the gap between urban and rural areas will widen, or at least not change, out of consideration for their own happiness. The increasing gap between urban and rural residents will reduce the subjective well-being of rural residents, but increase the subjective well-being of urban residents (Feng J & Chen Z, 2015). According to the World View survey, in recent years in China, the happiness of urban residents is higher than that of rural residents.

	TOTAL	Urban-Rural	
		Urban	Rural
Very happy	27.4% (832)	26.3	29.2
Quite happy	61.5% (1,868)	63.6	58.3
Not very happy	9.5% (290)	8.8	10.8
Not at all happy	1.5% (45)	1.3	1.7
No answer	0.0% (1)	0	0.1
(N)	3036	1856	1180

Figure 4. A graph about the happiness of the group who are live in the urban area and the group who are live in the rural area (World Values Survey)

Gu Chudan, Wang Fenglong and Luo Feng [8] studied the differences and influencing factors of the happiness of urban and rural residents in China. Excluding factors such as lifestyle and living environment, wealth, such as housing problems and income problems, have a great impact on happiness. The multi-level regression model was used to calculate and draw a conclusion. The happiness of urban and rural residents is positively influenced by their social class and family income. However,

the expectation of future social class improvement is more important for urban residents, indicating that with the advancement of urbanization, residents are increasingly concerned about their personal development opportunities. Therefore, wealth has a positive effect on people's subjective well-being, but it has a greater impact on the well-being of urban residents.

5.3. How to Deal with the Relationship between Wealth and Happiness

This article examines the effects of different types of wealth on happiness, as well as the effects of wealth on different aspects of happiness. But when people become too obsessed with wealth, they also lose some of their happiness. Carol Graham (2005) once mentioned that the happiness level of rich people in a country must be higher than that of poor people. From the economic point of view, wealth is the material basis and necessary condition of all life activities, and it is also the embodiment of a person's value and dignity in society. At the same time, wealth is also a double-edged sword. If you cannot scientifically plan your life, having wealth will not only fail to increase the happiness index, but will get a miserable end, and happiness will not exist at this time [10].

In examining the relationship between wealth and happiness, this paper considers several aspects related to wealth, and discusses the effects of different social groups on happiness. The main solutions are as follows:

- 1) This paper studies income and divides it into absolute income and relative income. According to reliable data analysis, income is positively correlated with happiness, and both relative income and absolute income can promote people's happiness. Therefore, the country should increase people's income, to improve people's happiness.
- 2) The main income bearer of a family is also a part of the income, and we also studied its data and found that the happiness of people who are the main income earners in a family is lower than that of people who are not the main income earners. Therefore, we believe that the country should reduce the financial burden of families, to improve the happiness, and appropriate government subsidies and social welfare can be set up.
- 3) Personal expectations of future salary levels are also related to wealth and have a significant impact on happiness. The greater the expected wage increase, the higher the happiness. So, in real life, people should be more optimistic about the future to improve their own happiness, and existing happiness will also increase.
- 4) There is a significant positive correlation between education level and residents' happiness. With a higher education level, you will get a higher job and income than other people, which will also improve the living standard. Therefore, the higher the happiness level, the more educated people may also face greater work pressure, but it is easier to find a good job than those with less education level. All these things affect happiness.
- 5) The gap between urban and rural areas also continuously affects the happiness of residents, and there is a significant difference in the happiness of urban and rural residents. The overall happiness of urban residents is stronger than that of rural residents. Therefore, the fruits of urbanization should be shared by all citizens. While continuing the road of urbanization, more rural residents should be integrated into urbanization, and the process of urban and rural public service integration should be accelerated.

5.4. Counter-argument: The Negative Impact of Wealth on the Happiness of Chinese Residents

While wealth can contribute to happiness, it's important to recognize that there are potential negative impacts on the happiness of Chinese residents associated with increased wealth. Some researchers have found that increasing personal wealth does not necessarily lead to increasing subjective well-being (Diener, 1984; Diener et al., 1993; Myers, 2000).

Firstly, economic development and wealth accumulation often come at the cost of environmental degradation. Issues such as pollution, deforestation, and climate change can negatively impact the well-being of residents and contribute to a decline in happiness. In the case of China, rapid industrialization and urbanization in China have led to severe air pollution in many cities. Emissions from factories, power plants, and vehicles contribute to high levels of particulate matter, sulfur dioxide, and nitrogen oxides, impacting air quality and public health. Industrial discharges,

agricultural runoff, and untreated sewage have resulted in widespread water pollution in China. Many rivers and lakes suffer from contamination with heavy metals, chemicals, and other pollutants, affecting both aquatic ecosystems and water supplies for human consumption.

Secondly, rising expectations and pressure is unavoidable. As incomes rise, so do expectations and societal pressures. There may be an increased desire for material possessions and a higher standard of living, leading to stress and anxiety if individuals feel they cannot meet these expectations.

Lastly, China has experienced significant income inequality, with a substantial wealth gap between the rich and poor. This inequality can lead to feelings of injustice, social tension, and lower levels of happiness, especially among those who feel economically disadvantaged.

6. Conclusion

This dissertation, firstly, gives a description of happiness, also known as subjective well-being, and concludes that happiness is a feeling formed when a person is satisfied in all aspects and when positive emotions exceed negative emotions. Besides, this dissertation also divides subjective well-being into three different dimensions, and happiness is also the goal pursued by many countries. Next, the dissertation describes wealth, so we also discuss the direct relationship between wealth and happiness. Many articles define wealth as gross domestic product (GDP), which measures the living standard of a country, so many people believe that the increase of GDP will increase people's happiness. Therefore, in this paper, we will use the public data of the Chinese government, such as the data of the National Bureau of Statistics, and the data of the world view survey, and make some conclusions by analyzing some survey data of Chinese regions in other scholars' research papers.

After that, the dissertation analyzes the relationship between wealth and happiness based on the conclusions of many researchers' articles, and finds that the influence of happiness is not only limited to wealth, but also related to many other social factors. However, this dissertation only focuses on happiness and wealth, so it only gives a simple description of social factors. In this dissertation, wealth is divided into several aspects, the first is income, and it is found in many papers that researchers divide income into absolute income and relative income, so this paper also explains the two. In addition, different researchers have different views on these two aspects, some researchers believe that relative income has a greater impact on happiness. But other researchers argue that absolute income has a bigger effect, and some argue that the two have a similar effect on happiness. In addition to income, debt is also a large part of wealth. With the continuous development of China and the continuous rise of prices, many families are under increasing financial pressure. Families will take loans to buy houses, buy cars and support their children's education, which leads to the formation of debt. The increase in debt will also lead some people to go astray and do some illegal and criminal things. Therefore, many researchers have conducted studies on debt, and found that debt has different effects on happiness of different groups, some are negative, while others are positive.

In addition, this paper discusses the influence of different types of wealth indicators on happiness, and discusses and analyzes several representative wealth indicators. The first one is income. After studying several articles on income, I find that income does promote happiness to a certain extent. It is concluded that income and happiness are positively correlated, which also means that income growth will increase happiness, while relative income and absolute income have a positive relationship to happiness. The second is the main source of family income. This paper analyzes the data of the world view survey and finds that people who bear the main income of the family are negatively correlated with happiness, and the increasing financial pressure of the family leads to the decline of happiness. The third point is the expectation of the future salary level. This paper analyzes the data and conclusions of several articles and finds that the higher the expectation, the more optimistic the future life and the stronger the happiness.

The following, this paper discusses the relationship between social factors other than wealth and happiness, including education level and urban-rural gap. This paper studies several articles on education level, and uses the data on the relationship between education level and happiness in the World view survey, and finds that with the improvement of education level, the relationship between happiness level and happiness level will increase. People's happiness will also increase. The widening gap between urban and rural areas is bad for people living in the countryside, while it has little impact on urban residents, and even increases their happiness. Having discussed these, this article also publishes personal suggestions and corresponding strategies for these relationships.

For the future development, how citizens can better deal with the relationship between wealth and happiness, let citizens receive better education, and how to narrow the gap between urban and rural areas as soon as possible to make people happier, these issues can be studied.

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