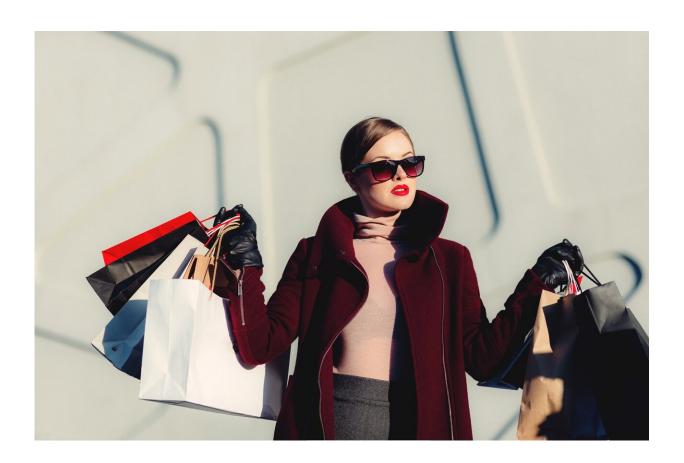# Study reveals people with higher incomes feel more confident

April 5 2021

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Earning a higher income makes people feel more contented, confident and have a greater sense of self-pride—this was a key finding that emerged from a recent study that was conducted by Associate Professor

Eddie Tong and his team from NUS Arts and Social Sciences. The study was published in the American Psychological Journal *Emotion*.

Financial wealth predicts better psychological health with past studies revealing that income shapes the way people think about their lives. However, it was unclear whether income reliably affects how they feel. To shine a light on how income affects emotional well-being, Associate Professor Tong and his team analyzed data from five studies, including a survey of more than 1.6 million people across 162 countries. They found consistent evidence to show that income reliably predicted greater positive self-regard emotions (e.g., pride, confidence, determination) and lower negative self-regard emotions (e.g., anxiety, sadness), and that sense of control mediated the relationship between income and such emotions.

The analyzes which are the most comprehensive to date, also included a category of emotions people feel toward others, such as love, gratitude, compassion and anger. While higher income was associated with self-regard emotions, there was no robust evidence that it was associated with these other-regard emotions.

The team then went further to investigate if income is linked to future emotional well-being. Analyzing data in a longitudinal survey of more than 4,000 participants in the US, they found that income predicted greater positive self-regard emotions and lower negative self-regard emotions 10 years later. Hence, current income can predict the types of emotions one may feel over the long-term.

Associate Professor Tong said, "We started this study because past research had not produced strong and replicable evidence that income is linked to emotions. We suspected that it was because past research did not examine the different types of emotions. This research indeed shows that how much you earn and what emotions you tend to feel are linked,

but only for certain kinds of emotions. The more you earn, the more likely you could feel emotions such as pride and confidence and the less likely you would feel emotions such as worry and sadness. However, we found no replicable evidence that income is associated with social emotions such as gratitude and compassion. That is, earning more does not make you more or less caring."

He added, "Findings from our analysis of self-regard emotions a decade later reveal that policies aimed at raising the income of the average person and boosting the economy can in the long term contribute to emotional experiences that can enable personal development, resilience, and achievement. However, policymakers should bear in mind that while greater financial prosperity is predictive of positive self-regard emotions, it may not necessarily contribute to emotional experiences related to communal harmony."

Although these findings are based on several highly powered studies, Associate Professor Tong advocates that more studies should be conducted to further test their replicability. Future studies should also examine whether any individual difference, cross-cultural, and situational variables moderate these relationships.