

## **Life Goals and Well-Being: Are Extrinsic Aspirations Always Detrimental to Well-Being?**

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### **Abstract**

Past research has revealed that relative importance a person places on extrinsic life goals as opposed to intrinsic ones is related to lower well-being. But sometimes it is more important why a goal is being pursued than the content of the goal. Materialistic aspirations will not decrease people's well-being if they help them to achieve basic financial security or some intrinsic goals. On the other hand, if social comparison or seeking power drives extrinsic orientation, these aspirations may be detrimental for well-being, since they do not satisfy our basic psychological needs.

Research from Croatia and other, less rich countries suggest that extrinsic aspirations are not necessarily detrimental but may even contribute to well-being. This finding suggests that various factors can moderate the relationship between aspirations and well-being. Intrinsic life goals may probably be affordable only for people who are well off enough. The meaning of financial success in transitional and poor countries may not necessarily be associated with purchase and consumption. On the contrary, it may bring opportunities and possibilities of self-expression and self-growth.

Individualistic societies allow individuals to pursue their intrinsic goals while collectivistic cultures stress extrinsic ones. Although this extrinsic orientation may detract their well-being, the sense of individual well-being may not be as important to them as the survival of the group they belong to or so called social well-being.

**Keywords:** well-being, intrinsic and extrinsic life goals, transitional countries, individualistic/collectivistic cultures

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When people describe their ideas about living happy and meaningful life, they usually discuss their life goals and wishes for the future. Since our thoughts, feelings and behaviors are related to things we value and aspire to, much of our actions are focused on the attainment of these goals. Psychologists as well see goal striving as vital to the well-being and good life (Frisch, 1998). We feel happiness when "we think we are making reasonable progress toward the realisation of our goals" (Lazarus, 1991, p. 267). They give meaning and structure to our lives.

Goals can be defined as internal representations of desired outcomes (Austin & Vancouver, 1996). While adapting to their social environment, people adopt various goals, and these goals become part of their personalities (Emmons, 1986; Sheldon & Kasser, 1995). Goals show person's future orientation and meaning of life, so knowing one's goals help us better understand his/her present and future behavior.

People differ in their sources of satisfaction. Individuals achieve and maintain their well-being mostly from the life domain on which they place greatest importance (Oishi, 2000). Furthermore, people who have set important goals are happier than those who do not have such goals (Emmons, 1996). But the opposite is also true: happy people place more importance on their goals and believe that they are more likely to attain them (Emmons, 1986). Optimistic belief that we can achieve our goals contributes to well-being (Carver & Scheier, 2001), while possession of important goals and progression in goal attainment enhances our chances for long-term well-being (Brunstein, 1993; Emmons, 1986).

### **Extrinsic and Intrinsic Life Goals**

Kasser and Ryan (2001) distinguish between two types of life goals: intrinsic and extrinsic. Intrinsic goals are those involving personal growth, emotional intimacy and community service, while extrinsic goals include financial success, physical attractiveness, and social fame and/or popularity. The contents of intrinsic goals are hypothesized to be naturally consistent with human nature and needs. On the other hand, the extrinsic ones are less consistent with positive human nature. They are strongly shaped by culture, and usually involve obtaining symbols of social status (e.g. highly marked product and brands) and positive evaluation of other people. Intrinsic goals are assumed to emerge from natural growth tendencies, in which individuals move towards expanded self-knowledge and deeper connections with others and the community.

Intrinsic and extrinsic goals relate differently to personal well-being (Kasser and Ryan, 2001; Ryan et al., 1999). People primarily concerned with intrinsic goals have higher life satisfaction and happiness, higher levels of self-actualization and vitality, higher self-esteem and mind openness, and fewer experiences of depression, anxiety, and general health problems (Kasser & Ryan, 1993, 1996; Sheldon & Kasser, 1995). These results have been replicated in various countries:

Germany, Russia, South Korea and Croatia (Kimet al., 2000; Rijavec et al., 2006; Ryan et al., 1999). It appears that the investment in, or success at intrinsic goals is associated with enhanced well-being, whereas investment in or success at extrinsic goals does not enhance well-being. Moreover, placing importance on extrinsic goals often detracts from well-being.

### **Basic Psychological Needs**

Needs provide a basic motivation for our behavior, but we have to decide exactly how to satisfy them. According to self-determination theory, intrinsic pursuits can directly satisfy basic psychological needs for autonomy, relatedness and competence (Deci & Ryan, 2000). Competence refers to the feeling that a person is effective and able in his/her behavior, rather than ineffective and inapt (White, 1995). Autonomy concerns the feeling that our behavior is self-chosen and meaningful, as opposed to coerced and pressured (De Charms, 1968). The last psychological need, relatedness, refers to the feeling that we are connected to or in harmony with important others, rather than alienated or marginalized (Baumeister & Leary, 1995).

People who strive for intrinsic goals are supposed to be "in touch" with their deeper nature, and to have a greater chance of finding happiness and well-being. In contrast, people focusing strongly on extrinsic goals make themselves dependent on the circumstances of the time and society in which they live and may even become victims of things like fashion, status symbols, attractiveness (e.g. pursuit of a plastic surgery). As a consequence, they may ignore their innate needs which in turn, could deteriorate their well-being. Research shows that people with strong extrinsic aspirations have more difficulty meeting their needs for competence, relatedness, and autonomy (Kasser et al., 2004). Basic psychological needs mediate the relations between extrinsic or intrinsic goals and well-being. Placing value on intrinsic goals, attainment of these goals, and expectation for future attainment contribute to satisfaction of psychological needs and well-being (Brdar, 2006; Rijavec et al., 2006).

Although extrinsic goals can be instrumental for satisfaction of the basic needs, they are less likely to be inherently satisfying. If they become particularly strong and out of balance with intrinsic goals, negative well-being consequences are likely to result (Sheldon et al., 2004). Needs motivate us to do something, but we have to choose the best way of their satisfaction.

Niemiec and colleagues (2009) examined the consequences of pursuing and attaining aspirations over a one-year period in a sample of post-college students. Results indicated that placing importance on either intrinsic or extrinsic aspirations related positively to attainment of those goals. While attainment of intrinsic goals was related to psychological health, attainment of extrinsic aspirations was related to indicators of ill-being. Persons who pursue intrinsic aspirations are more

empathic (Sheldon & Kasser, 1995), more prone to cooperation and prosocial behavior (Sheldon & McGregor, 2000), and have better romantic and friendship relations (Kasser & Ryan, 1996).

It is also possible that some people, who do not satisfy their basic psychological needs, develop overly strong expectations regarding extrinsic goals. For example, a person who does not have satisfactory intimate relationship may feel less confident about his/her personal worth and is thus more prone to believe that money or fame will make him/her more worthy (Deci and Ryan, 1995). Indeed, extrinsically oriented people suffer from anxiety, depression, and substance problems, they are more competitive and have less satisfactory relationships (Kasser & Ryan, 2001). On the other hand, person with stronger intrinsic aspirations invests more effort and care into their social life, thus having better quality relationships.

A number of factors influence the way psychological needs express themselves and the extent to which they are fulfilled – from personality and lifestyle to the culture in which we live (Kasser, 2003). The congruence between person's value priorities and the values prevailing in the environment is also important for well-being (Sagiv & Schwartz, 2000). Congruent environment provides people opportunities to express important values and to attain their goals, while incongruent environment blocks goal attainment. When the environment is congruent, even extrinsic values may lead to positive well-being. In contrast, truly intrinsic values may lead to lower well-being in an incongruent environment. Indeed, power and achievement values were generally positively related to higher subjective well-being among the business students, but the opposite was for psychology students. Similar results were obtained in Croatia (Brdar et al., 2005). Only intrinsic aspirations were positively related to well-being of future teachers and doctors of medicine. But for future entrepreneurs both intrinsic and extrinsic aspirations were positively associated with well-being.

It is often more important why a goal is being pursued than the content of the goal. Having the right reasons for an aspiration, no matter what the aspiration is, contributes to well-being (Carver & Baird, 1998). On the contrary, having the wrong reason, even if the aspirations are intrinsic, leads to lower well-being.

### **Routes to Happiness and Life Aspirations**

There are very few studies investigating the difference between hedonic and eudaimonic well-being and their relationship (Ryan & Deci, 2001). Eudaimonic living can be characterized in terms of pursuing intrinsic goals and values for their own sake, rather than extrinsic goals and values (Ryan et al., 2008). Positive relationship between extrinsic goals and well-being may exist only for hedonic well-being. Does this positive relationship apply to eudaimonic well-being too? So far, the research has not specifically studied the difference between subjective

(hedonic) and psychological (eudaimonic) well-being in the context of life aspirations.

People with different approaches to happiness set diverse life goals, and these goals differently contribute to hedonic and eudaimonic well-being. Seligman (2002) described three possible pathways to happiness: the life of pleasure, the life of engagement and the life of meaning. Eudaimonic approach includes orientations to meaningful and engaged life, whereas the life of pleasure represents hedonic approach.

One study examined how approaches to happiness and life goals relate to eudaimonic and hedonic well being (Brdar et al., 2009). The results showed that all three routes to happiness contribute to well-being but in different ways. As expected, a life of pleasure was related only to hedonic well-being. A life of engagement was linked to both hedonic and eudaimonic well-being, while meaningful life was correlated only with eudaimonic well-being. In addition to direct path from pleasant life to hedonic well-being, indirect path was mediated by extrinsic goals. Meaningful life had also both direct and indirect paths to well-being, the indirect path being mediated by intrinsic goals.

People who seek to attain happiness through the life of pleasure seem to gain higher satisfaction with life or hedonic well-being. Yet other studies found that the pursuit of pleasure was only weakly linked to higher life satisfaction (Peterson et al., 2005; Vella-Brodrick et al., 2009). Besides, a study by Brdar et al. (2009) also indicated that people who pursued pleasant life placed more value on extrinsic aspirations, like money, fame and appealing image. These aspirations fostered their hedonic well-being, but at the same time weakened the eudaimonic well-being. On the other hand, orientations to meaningful or engaged life promoted eudaimonic well-being. Moreover, the life of meaning was robustly linked with intrinsic aspirations, like personal growth, close relationships and community involvement that in turn enhanced eudaimonic well-being.

### **Materialism and Well-Being**

Some people think that money is not important for happiness, or even that rich people are not happy. On the contrary, research has shown that people who are well-off financially are happier than poor people (Diener & Biwas-Diener, 2002; Diener & Seligman, 2004). It has usually been assumed that financial success brings happiness. But it is also true that happy people make more money. Indeed, happy people are successful in many areas of life that require motivation and persistence, including domains such as work and income (Lyubomirsky et al., 2005).

However, giving priority to financial goals can be detrimental to happiness. Striving for material goods can have a negative impact on social relationships, thus lowering the level of happiness. Financial aspiration is an elusive goal, because

one's aspirations for money can rise forever. Is it possible to be a happy materialist? Yes, but only if we are happy with our standard, rather than concerned with material goods we want (Solberg et al., 2004), though this is rarely true.

Relativistic judgment theories suggest that person's satisfaction with his/her income is based on social comparison. People make comparisons to multiple standards – they compare what they had in the past to what they have now, what they have and what they want, and to what relevant others have. According to Multiple Discrepancies Theory, these comparisons explain the level of life satisfaction (Michalos, 1985).

Meta-analysis of studies on materialism reveals an overall negative link between well-being and materialism (Wright & Larsen, 1993). However, the nature of this relationship has generated considerable controversy. It has been established that money does increase well-being in very poor people. Once basic needs are met, the relationship between money and well-being is not so clear.

Some studies show that income contributes to subjective well-being, even after controlling for all the benefits of earnings (Diener & Biswas-Diener, 2002). At higher income levels persons who strived for extrinsic aspirations were happier than persons who strived for intrinsic goals (Malka & Chatman, 2003). Having higher income can to some degree compensate the detrimental effects of materialism, especially in people who value money (Nickerson et al., 2003). Furthermore, the gap between achieved and desired financial status is smaller in wealthier than in poor people.

Contrary to that, other studies showed that materialism has a detrimental effect on well-being and that people striving for financial success have diminished quality of life (Kasser et al., 2004). Above the poverty level, increases in income contribute only to minimal increase in subjective well-being (Oishi et al., 1999). It has been found that people with materialistic orientation have lower well-being in later life (Nickerson et al., 2003). However, this effect was smaller for people who earned a high income. It is also possible that unhappiness motivate people to focus on material wealth.

The predominant assumption of the research on materialism is that purchase and consumption are main motives for placing high importance on money. But there could be other motives for valuing materialistic goals. It's not the money, it's the motives, conclude Srivastava and colleagues (2001). If the motives are social comparison, seeking power, showing off, and overcoming self-doubt, then attaching importance to money is detrimental for well-being. On the other hand, spending money on others promote well-being (Dunn et al, 2008), because we invest in our social relationships and thus fulfill the need for relatedness. In sum, "it appears that overall, *not* having money accounts for a greater measure of unhappiness than having money accounts" (Tatzel, 2003, p. 412).

### **Life Aspirations in Rich and Poor Countries**

People's life aspirations partly reflect the cultural and economic conditions in which they live. Although research in Western countries suggest that an emphasis on extrinsic goals is negatively associated with well-being, the generalizability of this effect has yet to be tested in other cultures. Some studies suggest that there may be a difference in meaning and effects of extrinsic goals in non-Western countries and that negative effects of extrinsic goals may apply only to affluent countries.

Different theoretical perspectives suggest that diverse kinds of threats can make people shift towards extrinsic goals and away from intrinsic goals (Buss, 2000; Maslow, 1971). People who strive for money and goods might suffer from underlying feeling of insecurity (Kasser & Sheldon, 2000). Their dreams frequently include themes of death and falling, problems in self-esteem and conflictual relationships (Kasser & Kasser, 2001). In contrast, the dreams of people low in materialism show an ability to overcome danger and positive close relationships. Kasser and his collaborators (Kasser et al., 2004) argue that perhaps materialistic pursuits have been evolutionarily ingrained within humans as a way to feel more secure and safe. This could explain the relative importance of extrinsic goals for well-being in poorer countries.

In his theory of post-materialism, Inglehart (1977) claims that people pursue various goals in a hierarchical order – people will aspire to freedom and autonomy only after they meet survival needs. While scarcity prevails, materialistic goals will have priority over post-materialistic goals, such as belonging, esteem, and intellectual satisfaction. Security and freedom mediate a shift from survival values toward self-expression values (Welzelet al., 2003). Poorer countries tend to be more materialistic than richer countries (Abramson & Inglehart, 2005). Generations raised in bad economic times are more materialistic than those raised in prosperous times, and national recessions generally increase people's materialism. They have suggested that poor economic conditions cause feelings of deprivation or insecurity and that people may compensate for these feelings by focusing on materialistic goals. During economic prosperity people become more likely to value 'post-materialist' goals.

Nevertheless, research on happiness should not just focus on economic growth, but also on non-economic aspects of well-being, like democratization and social liberalization (Easterlin, 2005). People living in economically developed countries have more options to choose how to live their lives and this is the major reason for their higher subjective well-being. At higher levels of development, cultural changes foster placing emphasis on self-expression and free choice, thus emphasizing strategies that maximize happiness and life satisfaction (Inglehart & Welzel, 2005). People living in high-income countries have much higher subjective well-being than people of low-income countries (Inglehart et al., 2008).

### Well-Being in Transitional Countries

Market economies are widely recognized as encouraging 'having' versus 'being' lifestyles. During two decades, market-based economics has crossed the boundaries of formerly different political and social countries in Eastern Europe. Such change raises the question of how this transition affected well-being of people in these countries.

The process of transition represents a natural experiment for economists, who were focused only on economic issues. But economic changes also generated social and political changes, which influenced all aspects of people's lives. This resulted in increased unemployment, rising social inequalities, social disorganisation, and heightened corruption. All these changes happened in relatively short period of time and people could not adapt so quickly. The rapid transition resulted in increased stress and increased short-term adult male mortality rates (Stuckler et al., 2009).

In the early years of transition, all countries went through deep recessions. Life satisfaction dropped and recovered somewhat few years later (Easterline, 2008). Studies show that life satisfaction was rising along with income in East Germany, Russia and Hungary (Frijters et al., 2004; Frijters et al., 2006; Lelkes, 2006). Many people from these countries felt deep dissatisfaction even after decade of transition. Sanfey and Teksoz (2007) analyzed data from European countries and concluded that people in transition economies have lower life satisfaction compared with those in non-transition countries. According to World Database of Happiness for the period 1995-2005 (Veenhoven, 2009) and data from World Values Surveys<sup>1</sup> in 1999-2004 period, people in Eastern European countries had significantly lower life satisfaction than people in Western European countries (Brdar, 2009).

Generally, comparing the income with a reference group has a negative impact on well-being. The opposite is true for Eastern Europe - reference income contributes to happiness (Caporale et al., 2009). It seems that increased income inequality at the early stages of transition becomes socially more acceptable. Income does not impact well-being through social comparison but rather through the expectations about future economic situation. In uncertain and adverse situations people often interpret any positive change in their environment as a signal for the future improvement in their own situation. This has been supported by the study conducted in Croatia, which has shown that when goals were important (both intrinsic and extrinsic), hope was the main factor that contributes to well-being (Rijavec et al., 2008).

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<sup>1</sup> World Values Survey 1981-2008 Official Aggregate v.20090901, 2009. World Values Survey Association ([www.worldvaluessurvey.org](http://www.worldvaluessurvey.org)). Aggregate File Producer: ASEP/JDS, Madrid.

### **Life Aspirations in Transitional Countries**

Research from Croatia and other, less rich countries suggest that striving for extrinsic aspirations is not negatively related to well-being. In one study conducted in Croatia, we tried to classify 835 college students according to their life aspirations (Rijavec et al., 2005). Cluster analysis suggested four groups and the same four-cluster solution was obtained for goal importance, present attainment of goals and likelihood of their future attainment. The groups were formed according to low or high intrinsic and extrinsic aspirations. The group with high scores on both type of goals had the highest level of well-being, followed by the group with high intrinsic and low extrinsic aspirations. These two groups had also higher level of satisfaction of psychological needs when compared to groups with low scores on intrinsic values.

In one study conducted in USA and Russia it was found that stronger relative emphasis on extrinsic versus intrinsic aspiration was positively related to various indices of well-being in both samples. The only exception occurred for life satisfaction. While in American sample only the attainment of intrinsic goals predicted life-satisfaction, in Russian sample both intrinsic and extrinsic goals contributed to life satisfaction (Ryan et al., 1999). Similar results were obtained in China (Lekes et al., 2009). In the study involving high school students in the United States and China, positive relationship between valuing intrinsic life goals and well-being among adolescents in both countries was found. However, placing importance on extrinsic life aspirations was associated with well-being in China but not in the USA. In Hungary and Macedonia, intrinsic goals significantly contributed to well-being, but extrinsic ones were also positively, although weakly, related to well-being (Martos, in press, Spasovski, 2009a).

One of the possible explanations lies in the fact that all these countries are transitional countries with economic difficulties and people have relatively few financial assets. For some of them extrinsic goals could represent means for achieving other, more important intrinsic goals (like completing education or helping parents). Study by Martos (in press) indicates that life goals, labeled as extrinsic or materialistic, have to some extent a different meaning in Hungarian society. They may not exclusively be imbued with the pursuit for external rewards, but also with an inner striving for achievement and a kind of work ethic. In a study of goal structure in various cultures (Grouzet et al., 2005) it was found that financial success was further from hedonism and closer to safety/physical health goals in the poorer cultures than in the wealthier cultures. This is understandable, since financial success in poorer cultures is probably more likely to concern basic survival than in wealthier cultures, where financial success is more often a means to acquire status and non-essential pleasures (Wong & Ahuvia, 1998). Intrinsic life goals may probably be affordable only for people who are well off enough. Similarly, the finding that financial success aspiration were somewhat closer to

affiliation in poorer than in wealthier nations might reflect that individuals in poorer nations may strive to make money in order to ensure the basic welfare of those they care about. Priority that people give to extrinsic compared to intrinsic goals increases in the cases of existential threat, economic threat, and interpersonal threat (Grouzet et al., 2005).

We must not forget that in mentioned countries intrinsic goals were more important for well-being than extrinsic one. These findings are the same as in rich, Western countries. The difference is in the contribution of extrinsic goals. While in rich Western countries extrinsic goals are not related to well-being and are even detrimental to it, in transitional countries these goals contribute to well-being but in lesser extent than intrinsic goals.

### **Life Goals in Individualistic and Collectivistic Cultures**

On the whole, individualism is prevailing in richer nations, while poorer nations tend toward collectivism (Diener et al., 1995; Oishi et al., 1999; Veenhoven, 1999). In individualistic cultures the ties between individuals are loose: everyone is expected to look after himself or herself and his or her immediate family. On the other hand, in collectivistic cultures people from birth onwards are integrated into strong, cohesive in-groups, which throughout people's lifetime continue to protect them in exchange for unquestioning loyalty (Hofstede, 1991). Core elements of individualism are personal uniqueness and independence, while duty to the in-group and maintaining harmony are the main constituents of collectivism (Oyserman et al., 2002a).

In a large cross-cultural study it was found that people living in individualistic countries were happier than those in collectivistic nations (Diener & Diener, 1995). On the other hand, suicide rates and divorce rates in these same individualistic nations are higher than in collectivistic ones (Diener & Suh, 1999). It seems that at individual level individualism contributes to subjective well-being, but with a clear cost in social capital. Why do these differences occur?

Suh and Oishi (2002) state that individualistic cultures emphasize individual's rights, personal choice and freedom. People are free to choose their own personal goals and lifestyles which may be very important when it comes to happiness. But on the other hand, in these societies there is less social support during the troubled periods, and when adverse life events happen, they can have extremely negative consequences. In more collectivistic societies the goals and needs of significant in-group take priority over those of an individual, but at the same time there is more social support and help for in-group members.

Kasser's work suggests that pursuing intrinsic goals out of intrinsic motivation results in higher subjective well-being. It seems that individualistic cultures allow people to create life-styles according to their preferences and aptitudes (Veenhoven, 1999). They are more free to pursue their intrinsic goals and satisfy basic

psychological needs. Being true to one's inner self is more important than conforming to social pressure or seeking the approval of others. In collectivistic (especially East Asian cultures) individuals subordinate their personal goals to collective ones. While "independent self" is the psychological hallmark of an individualist culture (Wong & Ahuvia, 1998) collectivism essentially revolves around face, honor, and public image. Threats and rewards to one's public reputation are often used to ensure compliance with group norms. In terms of self-determination theory, these coercive pressures represent extrinsic motivation that contribute to lower levels of well-being. In line with these interpretations are findings that there do exist some collectivistic, non-rich countries in Latin America, characterized by high life satisfaction and perceptions of high personal freedom and life control (Minkov, 2009)

Since collectivistic countries are on average poorer than individualistic ones, collectivism may be highly functional in that environment. Individuals are more dependent on their group for material and social support, therefore being more prone to conform to group norms. This assumption is confirmed in a study by Veenhoven (1999). It was found that individualism was positively related to happiness in richer countries, but negatively associated with happiness in poor countries. In several studies it was found that within the same country middle and upper-class subcultures are more individualistic than working and lower-class subcultures (Holt, 1998; Triandis et al., 1990). In Macedonia, which is country with collectivistic culture, increase in tendency toward collectivism was positively related with increase in subjective well-being (Spasovski, 2009b).

Individualism and collectivism can also be viewed as two dimensions that can co-exist. "It seems reasonable to assume that all societies socialize for both individualism and collectivism but differ in the likelihood that one or another of these systems will be triggered" (Oyserman et al., 2002b, p. 115). Different circumstances can trigger either our individualic or collectivistic mindset.

But we can also question the assumption that happiness is the main value that underlies human action. It may be so in individualistic societies that emphasize the importance of intrinsic goals such as "enjoying life" or "leading interesting life". In collectivist societies extrinsic goals as "social recognition" or "honoring elders" can be particularly strong and more important for individuals. That may detract their well-being, but the sense of individual well-being may not be as important to them as the survival of the group they belong to or so called social well-being.

## Conclusion

At the end, is it important what we wish for? Generally, our chances for increased well-being are better if we value and pursue intrinsic goals. However, the value of extrinsic goals in poor countries and non-Western cultures should not be overlooked. Rich countries have come to construe financial success largely in terms of wealth and see financial success as providing necessary security. But in transitional European countries financial success means opportunity and possibilities of self-expression and self-growth (Frost & Frost, 2000). Also, financial success in poorer cultures is probably more likely to concern basic survival than in wealthier cultures, where financial success is more often a means to acquire status and non-essential pleasantries. We can not ignore the cultural impact since financial satisfaction is a stronger predictor of life satisfaction and subjective well-being in poor nations than in wealthier ones (Diener & Diener, 1995; Kasser & Ahuvia, 2002). In addition, the survival of the group in some cultures could be a stronger motive than individual happiness.

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