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Confidence game: Marketing well-being in economic surveys

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Abstract

The recent global financial crisis has also been widely characterized as a massive crisis of confidence. This article examines how economic surveys of well-being are deployed to maintain confidence in market institutions and activities. It argues that these economic surveys, which are ostensibly designed to *measure* confidence, happiness and other states of subjective well-being, are in fact responsible for *enacting* confidence among its respondents and the general public. The article employs a framework of 'marketization', connecting this framework to broader cultural studies of economics and economies that focus on the ways in which markets and the context in which they are received are 'made'. Economic surveys work to create confidence in the current economic system by positing that positive social and cultural attitudes toward market activity are not merely related to but are actually *responsible for* market growth. As such, these surveys accomplish a double objective: they maintain economic expertise, infrastructures and devices as legitimate and necessary; and they maintain the notion that economic growth is central to the maintenance of social welfare and progress. The article concludes that the inculcation of confidence among individuals and institutions precludes the task of reflecting on and recognizing the inadequacy of the current economic situation and diminishes the seeming necessity for political action and reform.

Keywords

Confidence, economy, marketization, markets, surveys, well-being

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> We could describe the modern order-making bustle as an ongoing effort to lay the institutional foundations for confidence: offering a stable framework for the investment of trust and making credible the belief that the presently cherished values will go on being cherished and desired, that the rules of pursuing and attaining these values will go on being observed, stay uninfringed and immune to the flow of time.
>
> Zygmunt Bauman (2000: 165–166)

Circulating confidence

The recent global financial crisis has also been widely characterized as a massive crisis of confidence (e.g. Nanto, 2009; Ricketts, 2011; Shiller, 2008). To account for the scale and scope of the 'worst economic turmoil since the Great Depression' (Neate, 2012) is to link the dysfunction of markets to the faltering of orientations toward them: the failure of Lehman Brothers to the failure of their counterparties to trust in their viability, the bankruptcy of General Motors to consumers' waning belief in the 'heartbeat of America'[1] and the ineffectiveness of fiscal and monetary stimulus to the inability of the public to return to business as usual. But what does it mean to call a financial crisis a crisis of confidence? What are the consequences for critical inquiry of seeing market failure as fundamentally connected to individual or societal beliefs?

Zygmunt Bauman (2000) describes liquid modernity as a condition in which all fetters to the smooth functioning of economic (business-oriented, deregulated, financialized) activity have been 'melted' away (p. 5). 'Liquid' – whether used in financial circles or in everyday parlance – conjures images of convertibility, speed and fluidity. For Bauman (2000), however, liquid modernity embodies a paradox. If the dissolution of solid social formations characteristic of modern times enabled 'the progressive untying of economy from its traditional political, ethical, and cultural entanglements', it simultaneously 'sedimented a new order, defined primarily in economic terms' (p. 4). Perpetuating that new order relied on the inculcation of particular values and beliefs conducive to the maintenance of this order, and above all on instilling confidence in its institutions and actions.

This article focuses explicitly on this paradox. It considers how economic market activity relies on creating trust in political, ethical and cultural realms, even as it appears to have 'dissolved' the political, ethical and cultural considerations that once regulated it. My argument is that this paradox offers an insight into the role of markets in society, specifically, into the ways that markets have come to seem so necessary and natural to the smooth functioning of society, to the point that even in periods of financial crisis, we appear unable to cultivate new knowledge and seek reform (Bryan et al., 2012). Confidence, as Bauman suggests in the epigraph above, is a vital agent of stasis; the inculcation of confidence, of a 'culture of continual growth' (Allon and Redden, 2012), among individuals and institutions precludes the task of reflecting on and recognizing the inadequacy of the current economic situation and diminishes the seeming necessity for political action and change.

This paradox also highlights the importance of circulation as a methodological and theoretical concern for cultural studies. Theoretically, the concept of circulation reminds us that vocabulary is never stable and bounded but contingent and contextual (Williams, 1976). Terms like 'economy', 'economic' and 'market' are not predetermined categories; they are discursively produced and circulate in determinate contexts. It is by attending to the dialectic of words in action that we can demonstrate their cultural significance. The power of metaphors lies precisely in their ability to act as vessels of circulation for larger social imaginaries (Aronczyk and Craig, 2012).

Methodologically, circulation is integral to a conjunctural mode of analysis, an approach that Stuart Hall has called the 'intellectual vocation' of cultural studies (Hall, quoted in Grossberg, 2006: 4). A conjuncture, according to Grossberg (2006), is a historically specific moment 'defined by an accumulation/condensation of contradictions, a fusion of different currents or circumstances' (p. 5). These contradictions can coexist because they are continually circulating; the conjuncture is 'constantly in search of temporary balances or structural stabilities through a variety of practices and processes of struggle and negotiation' (p. 4). Attending to how, where and by what means such seeming totalities circulate is vital to the cultural studies agenda.

In this article, the relationship of confidence to markets is understood analytically as part of a dynamic process of 'marketization' (Caliskan and Callon, 2010). Marketization is one of several toolkits currently in use in the growing scholarship bringing cultural considerations to bear on economic and financial practices (e.g. Cochoy, 2007; Knorr Cetina and Preda, 2005; Muniesa, 2012; Pryke and Du Gay, 2007) and which seek to account for the sociotechnical processes that constitute the market abstraction (e.g. Callon, 1998; MacKenzie et al., 2007; Mitchell, 2002, 2006). Despite variations in disciplinary commitment (e.g. cultural economy, economic sociology, social studies of finance, science and technology studies), what unites this scholarship is a collective focus on the ways in which markets and the context in which they are received are 'made'. These arguments hold that the discipline of economics not only represents economic 'facts' but also the social and cultural contexts in which such facts are received and instilled.

A major objective of this collective research is to overcome weaknesses identified in earlier cultural approaches to economic science and practice. These earlier approaches tended to attribute to 'the market' a logic, energy and coherence that it does not actually have. They assumed that the object of our attention should be how 'the market' changes society and culture. Instead, our focus should be on how the market *is* society and culture. The market does not have a precultural or preontological status (Charusheela, 2011; Grossberg, 2006: 21). For this reason, the market should be considered a starting point of analysis rather than its end point.

Of particular concern for the analyst is the way in which the market is made to appear intricately linked, or 'entangled', with the social in certain arrangements and distinctly set apart ('disentangled') from the social in others (Caliskan and Callon, 2010; Slater, 2002). This process of entanglement and disentanglement is ongoing since the market is neither stable nor bounded. The process is also what allows the market to appear both 'objective' and 'subjective' at the same time: flexible to social conceptualizations and dispositions and yet independent from them. To recognize this process of entanglement and disentanglement is to recognize an ontological politics at work (Law, 2009; Lury, 2009; Mol, 1999), and this task is vital to the cultural studies agenda. As Larry Grossberg (2010) insists,

> The project of a cultural studies of economies entails finding ways of studying the contextual construction and specification of economies and the economic. We have to understand the economies as completely integrated into the social totality even as we recognize their distinctive mode of existence as standing somehow apart from that totality. (p. 102)

This article sets out to illustrate this process of entanglement and disentanglement of markets by means of economic surveys, particularly that variety of economic survey designed to measure and evaluate what is termed ‘subjective well-being’ (SWB). Surveys of SWB elucidate the paradox of ‘liquid’ and ‘solid’ that Bauman (2000) identified: that is, they show us how markets are entrenched in social and cultural life, even as they maintain an appearance of separateness from society and culture.

Although the market works as an abstraction, this does not mean it is immaterial. Rather, its infrastructures, instruments and tools of measurement are part of the material conditions that make up the context of production, circulation and reception. The metric of the survey is crucial to this process of materialization. ‘Metrology’, Barry (2002) writes, ‘puts new objects into circulation. It multiplies realities by creating objects that can be regarded neither as reflections of reality nor as the expressions of the social subjects who created them’ (p. 277). By creating new objects, measurements such as surveys serve performative functions. They ‘generate not only representations of reality but the realities those representations depict’ (Law, 2009: 239).

The next section of this article examines the politics of method and measure (Law, 2009; see also Adkins and Lury, 2012) in economic surveys of well-being. It considers how these economic surveys work to create confidence in the current economic system by positing that positive social and cultural attitudes toward market activity are not merely related to but actually *responsible for* market growth. As such, these surveys accomplish a double objective: they maintain economic expertise, infrastructures and devices as legitimate and necessary; and they maintain the notion that economic growth is central to the maintenance of social welfare and progress. The following section grounds this discussion in empirical evidence, looking at the recent use of these surveys by American economists at the US Federal Reserve. The final section briefly considers the broad implications of these examples and concludes with suggestions for further research.

Entangling and disentangling markets in the well-being survey

The adoption of factors of SWB into economic measurement is an intriguing instance of efforts by economic science to make and manage a particular vision of ‘economics’, ‘economy’ and ‘markets’. Since at least 1946, with the beginning of the Economic Behavior program at the University of Michigan’s Survey Research Center (Curtin, 1984; Frantilla, 1998), the perspective that psychological factors influenced economic decision-making was institutionalized, nationalized and encoded into economic surveys. Early surveys sought to gain a portrait of consumer confidence. Survey questions were designed to ‘measure the complex motivational forces that influence the American people to buy or save’ (Frantilla, 1998: 30).

From the inception of the surveys, however, the meaning of confidence was clearly linked not only to consumers' individual transactional motivations but also to their faith in the workings of the capitalist system, and even, in the postwar period, to the ability of this system to maintain and perpetuate democracy. The annual American Survey of Consumer Finances, for instance, was carried out for the US Federal Reserve Board from 1946 to 1971. Survey results were deemed to serve multiple objectives: to contribute to the theories of economic science, to influence economic policy and to determine credit and housing market assessments (Frantilla, 1998: 29). As such, they also served an implicit but essential aim: to make and maintain the legitimacy of economists and economic devices of measurement.

SWB has a range of meanings in economic research. Mainly defined in terms of cognitive, affective and emotional reactions to economic change, SWB can refer to such diverse states as happiness, religious engagement, sociability, life satisfaction or work satisfaction. Confidence is not typically included in definitions of SWB in economic studies (except in limited cases as 'self-confidence', for example, Emmons, 1986; Park, 2004). The lack of explicit connection (in either economic research or sociological accounts of this research) between confidence and more frequently cited forms of SWB is surprising, given the concepts' similar roots in behavioral economics and motivation research as well as their parallel evolution as barometers of economic change in opinion surveys (Curtin, 1984; Frantilla, 1998). This article therefore treats confidence as one measure of SWB and recognizes confidence metrics as an exemplar of the category of SWB metrics.[2]

Accounts of SWB as economic resources, whether celebratory or critical, tend to identify 'Easterlin's paradox' (1974) as the origin of this method. Indeed, one might argue that the entire enterprise of SWB measurement in economics was conceived to offset economist Richard Easterlin's central claim: that despite the correlation at a given point in time between happiness and income, there exists no correlation over time between national economic growth and its citizens' well-being. In its own sort of paradox, Easterlin is now known as the 'founder of happiness studies' (*Science Daily*, 2010), a field that now enjoys considerable institutional legitimacy.[3] This legitimacy has clear political implications, expressed in studies like the Sarkozy Report (Fitoussi et al., 2009), an initiative by France's government to explore the value of measuring SWB for public policy and social progress. Governments in the United States, Australia and Canada, among others, are also participating in the collection of national data to assess citizens' positive attitudes and value orientations.

There are as many critics (e.g. Davies, 2011; Easterlin et al., 2010; Sen, 1985, 1987) as there are proponents (e.g. Bok, 2010; Deaton, 2008; Oswald and Clark, 1994; Veenhoven and Hagerty, 2006) of SWB as metrics for economic policy. Even its most prominent proponents, however, have been forced to admit to liabilities in their work. Some express concern over the concepts employed in the studies. The most common complaint is that the notion of what constitutes well-being itself is fraught. Some economists interpret it in terms of hedonic impulses, while others consider it in terms of life satisfaction (Diener and Suh, 1997). Other concerns stem from the potentially damaging effects of universalizing SWB. Amartya Sen notes, for instance, that if respondents are accustomed to economic misery, their reported feelings of well-being 'in spite of' their economic situation are not commensurate with similar levels of well-being reported by candidates in different economic circumstances (Sen, 1985, 1987, quoted in Deaton, 2011: 4). One might also ask about personality. Are some people simply more positive than others? Econometrics has not devised ways to account for such variation.

Further critiques implicate the surveys themselves. Some question the ability of respondents to accurately and honestly articulate their feelings of well-being, especially over time (Krueger and Schkade, 2008; see also Swidler, 2001). Others note the effects of priming and question order on survey responses (Easterlin, 2010; Kahneman et al., 2006; Smith, 1986, quoted in Stevenson and Wolfers, 2008). The most damning indictment is that these measures are not in fact designed to account for nor to increase well-being but serve solely as forms of political justification for economic status quos. As Davies (2011) suggests, low levels of well-being are of concern to governments primarily because they 'undermine the viability of post-industrial capitalism' (p. 75).

Whether or not SWB metrics are accurate for the well-being of society, they appear to be effective for maintaining the well-being of economics. Econometrics that admit factors of SWB as data points are primarily concerned to elucidate a connection between economic growth and well-being. In this context, social welfare indicators are not conceived as ends or values in themselves but are instead valued in terms of whether and how they index economic growth. At the same time, the value of growth *itself* to either economies or societies remains unquestioned. Considering that Easterlin's paradox is still in place nearly 40 years after its initial formulation (Easterlin et al., 2010), the studies devoted to countering it exhibit a notable disinterest in contesting the assumption by economics that ongoing growth is an incontrovertible benefit.

It seems fair to argue that the goal of this ensemble of studies is indeed not to account for or increase well-being, but to further the idea that SWB is a necessary condition for economic growth. The point of these studies is to nurture a cycle of belief between positive social dispositions and economic growth as a normal and desirable state of affairs, with economic expertise and instruments as the intermediary. The methodology of the survey is part of this objective. Employing the survey method offers the mechanism of public opinion as an evidentiary check on economic activity. If respondents report a high level of confidence in market activity, for example, this suggests that market activity should take place.

In 'Seeing Like a Survey' (2009), John Law highlights the relationship of knowledge practices like surveys to the contexts in which they are deployed. Research methods are heavily 'invested' in the techniques, expertise and theoretical frameworks by which knowledge is generated. It is 'costly' both literally and metaphorically, Law writes, to undo the 'realities' that research methods like surveys claim to reveal. This means that research methods and the realities they describe are mutually constitutive. This is one way in which markets get entangled with society and culture: the SWB survey does not measure positive social orientations so much as 'make' them. It claims to measure positive social orientations toward the market by suggesting that positive social orientations toward the market are necessary for the market to function properly.

Economic surveys geared to measuring and evaluating confidence or any other form of SWB are not in fact about measuring or evaluating but about creating a particular understanding of the market in society as well as creating the value orientations required for the social acceptance of the market system. They are about reinforcing the power of economics to bind markets to society and culture. At the same time, they maintain the economy as a separate entity. When society views the economy as a separate entity, it is easier to reinforce the role of economic experts and expertise as a legitimate and necessary domain. The realities generated by these surveys can only exist in a particular system, or culture, of circulation (Law, 2009: 242) that recognizes economic expertise, tools and techniques as legitimate. A culture of circulation is an 'interpretive communit[y]' which 'determine[s] lines of interpretation, found[s] institutions and sets boundaries based principally on [its] own internal dynamics' (Lee and LiPuma, 2002; see also Aronczyk and Craig, 2012).

It is thus that economic surveys of well-being 'help to enact the world that they describe' (Law, 2009: 249; see also Mitchell, 2011). Economic surveys illustrate how economic agents create both the market abstraction and the character of common responses to it, both the valuation practices and the social conditions of acceptance of such practices, both its technical requirements on the 'inside' of markets and its social features on the 'outside' – while maintaining the presumption of a separation between this 'inside' and that 'outside'.

This is not to say that economic agents are all-knowing potentates or puppeteers. The aim is not to attribute to economic agents and their measures a power and intention that they do not reasonably have.[4] The task at hand is rather to recognize and distinguish the various social, cultural and technical processes and discourses that organize our understanding of the market in society. To this end, we turn now to some empirical cases that illustrate how marketization works in practice.

Economic surveys at work: the US Federal Reserve

The Federal Reserve is the central banking system in the United States. Its two primary mandates are to foster employment and to stabilize prices 'by influencing money and credit conditions in the economy' (Federal Reserve, n.d.). As the public has witnessed over the past 5 years, this influence has a long arm. By purchasing US government securities, engaging in the euphemistically named process of 'quantitative easing' and reducing borrowing costs for consumers and investors, the 'Fed' has demonstrated its power not only to monitor but also dramatically shape the terms of economic change.

As discussed in the previous section of this article, the Federal Reserve is no stranger to the use of economic surveys of well-being. In recent years, the use of surveys has been combined with more flexible and experimental attitudes toward measuring American attitudes and orientations. Since November 2007, the central bank has been experimenting with new forecasting techniques. They have increased the frequency, the content and the time horizon of economic projections, disseminated through press releases and on their website. The underlying rationale is that a more robust communications policy will have a positive impact on the public's interpretations of the central bank's monetary policy. Admitting that economic forecasting was 'a highly uncertain enterprise', Federal Reserve Chair Ben Bernanke nevertheless maintained the view that by giving the public more information about these forecasts as well as policymakers' assessments of the risks associated with those forecasts, the public will 'be able to judge the extent to which the Committee's rationale is reasonable and persuasive' (Bernanke, 2007).[5]

If projecting rationales for monetary policy seems a relatively subtle way to increase the public's confidence (confidence in both the policies and the power of the Federal Reserve itself), a more explicit form of projection was recently adopted by the Fed as a mechanism to influence public confidence. Newspapers reported in January 2012 that the month prior, the Fed had decided not only to continue to publish expanded communications about its policy and rate decisions but also to *project the rates themselves*. This was an extraordinary move: by promising to maintain a rate into the future, regardless of the attitudes and behaviors of the public, the central bank was effectively disentangling markets from social orientations toward them. At the same time, it effectively sought to shape not just the terms of economic change but also the terms of the narrative that accompanies this change. The Fed seeks to create both the policies and the environment of confidence required for these policies to work.

The foregoing is not an example of surveys but an example of another device, rates. But we can see how these rates connect to SWB surveys in the following example. On 6 August 2012, Bernanke made a short speech on economic measurement at the annual conference of the International Association for Research in Income and Wealth. With members from 55 countries (although the largest number of members is from the United States), the association's main goals are to contribute to the development of national, economic and social accounting systems, statistics and methodologies and integrate these into economic policy. Bernanke's speech began as follows:

> In many spheres of human endeavor, from science to business to education to economic policy, good decisions depend on good measurement. More subtly, what we decide to measure, or are able to measure, has important effects on the choices we make, since it is natural to focus on those objectives for which we can best estimate and document the effects of our decisions … As we think about new directions for economic measurement, we might start by reminding ourselves of the purpose of economics. Textbooks describe economics as the study of the allocation of scarce resources. That definition may indeed be the 'what', but it certainly is not the 'why'. *The ultimate purpose of economics, of course, is to understand and promote the enhancement of well-being.* Economic measurement accordingly must encompass measures of well-being and its determinants. (Bernanke, 2012, emphasis mine)

Yet this purpose was not being reflected in current econometrics. Indeed, in recent months, Bernanke went on to observe, the measurements typically used by the Federal Reserve to account for American citizens' well-being were not working. Key aggregate measures, such as gross domestic product (GDP), were on the rise; but these did not seem to be capturing the current experience of average Americans, many of whom were still facing negative effects of the financial crisis. Bernanke proposed a solution to this problem of economic method. Rather than look at aggregate data or even microeconomic indicators of economic growth, economists should look more closely at indicators of SWB. Since 'exclusive attention to aggregate numbers is likely to paint an incomplete picture of what many individuals are experiencing', economists ought to pay attention to social and psychological factors. Both 'happiness' and 'life satisfaction' surveys and indices, Bernanke suggested, could provide alternative forms of evaluation of social progress.

There is a generous and a more critical way to look at Bernanke's commentary. The more generous interpretation is that it is encouraging to learn that even within the largest and most influential monetary policy institutions, there are decision-makers willing to consider creative alternatives to established precedents. A more critical perspective, however, is that what Bernanke appears to be saying is that the narrative needs to correspond to the numbers. In other words, social and cultural conditions ought to correspond to economic measures, and when they do not, alternative social and cultural conditions must be established. GDP is rising in the United States; the Dow Jones Industrial Average and other analytics are registering business and industry growth; but surveys of public opinion are continuing to register a lack of confidence. By proposing that economists look to alternative metrics of well-being, the suggestion to economists is to locate an alternative narrative that will continue to maintain the legitimacy of the numbers.

Alternative narratives are proposed to the public as well. Two years earlier, Bernanke delivered a commencement address entitled 'The Economics of Happiness' to a graduating class at the University of South Carolina. After introducing the graduates to the notion of happiness economics, and reviewing recent research by economic policymakers or the relationship between SWB and economic growth, Bernanke posed a rhetorical question What if, 'as your parents always told you', money doesn't buy happiness? Bernanke mused that happiness stems from relationships with friends, family and community; that is also a matter of doing what we love, of pursuing and achieving goals. 'Finally – and this is one of the most intriguing findings', Bernanke says,

> … happiness can be promoted by fighting the natural human tendency to become entirely adapted to your circumstances. One interesting practical suggestion is to keep a 'gratitude journal', in which you routinely list experiences and circumstances for which you are grateful. Devices like gratitude journals help people remain aware of the fortunate aspects of their lives, offsetting the natural tendency to take those things for granted after a while. (2010: 9)

Here, we have a fascinating insight into the entanglement and disentanglement of economy in relation to society and culture. In the first instance, Bernanke (2012) insists upon the inseparability of economics and society: 'Economists researching happiness and life satisfaction have found that both inflation and unemployment detract from happiness …' (p. 3). The initial suggestion is that economics seeks ways to measure and account for SWB because economic wealth is an index of SWB. Yet in situations where one might question the ability of economic growth to contribute to SWB, Bernanke offers alternative ways to be happy, ways that have nothing to do with economic growth. The idea that there might be something foundationally wrong with the workings of economics is not at issue. Rather than questioning the value of numbers, Bernanke focuses instead on the value of the narrative.

Let us turn to Poovey (1998) for a perspective on this. The difference between numbers and narrative, she argues, is a created difference, one that stems from centuries-old assumptions about the bases of knowledge and the establishment of determinate practices to organize this knowledge. The difference between 'facts' and 'fiction', in other words, is less of a gulf than we imagine it to be. But the maintenance of this gulf by certain sciences, notably economics, is critical to maintain the conditions of economic experts and expertise. In order to maintain that separation, the facts must be left intact.

Economic practitioners work to maintain a separation between fact and fiction, between measures and attitudes, between numbers and narratives and between values and value. Not to maintain the separation is to question the authority earned by economists over the last 50 years (Yarrow, 2010).

Conclusion: confidence game

Increasingly, economic studies of SWB are supplemented by algorithmic aggregation (Benjamin et al., 2012), geotagging (Madrigal, 2013) and neurological studies (Lee et al., 2007; Loewenstein et al., 2008). These new research methods seek to capitalize on broader and deeper methods of data collection on human behavior. They also serve to integrate economic science more broadly and more deeply into society and culture. Davies (2011) suggests that methodological advances such as 'neuroeconomics' are increasingly popular among economists because they serve to make the question of SWB even more amenable to 'objective' measures, to the point where economists would no longer need to perform surveys at all (p. 76n19).

Yet even as economics finds ways to extend its entanglements into social and cultural life, we continue to act as though the economy is fundamentally delinked from both our everyday experience and our ability to make changes to it. Consider, for example, the 2012 London Inter-bank Offered Rate (LIBOR) scandal. The LIBOR index was a global benchmark for interest rates worldwide, 'part of the unnoticed infrastructure of financial markets' (MacKenzie, 2008) and, until recently, a device which enabled innumerable transactions to be made with confidence. As we now know, LIBOR estimates were consistently manipulated by the banks responsible for setting the rates. By setting rates lower than they were, banking decision-makers were able both to increase the value of trades and to maintain their legitimacy among investors, regulators and creditors when the numbers went down – a massive confidence game. James Surowiecki, writing for *The New Yorker*, suggests that the result of this practice was that 'instead of reflecting what was real, LIBOR reflected what the banks wanted us to believe was real' (Surowiecki, 2012: 25). This statement is not quite accurate. Instead of representing a given reality, the banks create a reality, one in which both the numbers and the narrative fall within their domain of expertise. The culture of circulation (Lee and LiPuma, 2002) of economic science maintains its unbroken circle of confidence and legitimacy. Our inability to recognize the situation as such is reflected in our reaction to such scandals. We point fingers and seek scapegoats, determined to identify and fix the broken piece of the system. What we might do instead is recognize that what is needed is a new way of imagining the social, a different set of practices altogether, in which we can reform the social and cultural system that made such scandals imaginable in the first place.

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Notes

1. The famous advertising slogan for General Motors' Chevrolet in the late 1980s, when the company was nearly synonymous with powerful American industry.
2. By 'confidence metrics', I am including indices such as the Gallup US Confidence Index (which began daily tracking in 2008) as well as the related Gallup Healthways Well-being Index (founded 2008); the Edelman Trust Barometer (founded 2000); the Chicago Booth/Kellogg School Financial Trust Index (founded 2009); and other proprietary systems recently designed to account for and value behavior in economic transactions. See also the Yale School of Management Stock Market Confidence Indexes, produced by the International Center of Finance at the Yale School of Management, Yale University, which has conducted surveys of investor attitudes since 1984.
3. In the United States, see, for example, the activities and publications at the National Bureau of Economic Research and at the Center for Health and Wellbeing at Princeton University (as well as the publications issued in the last decade by Princeton University Press advocating the capture of attitudes and dispositions toward economic growth, for example, Frey and Stutzer (2002) and Bok (2010)). In the United Kingdom, see the recent publication of the Office for National Statistics, *Measuring National Wellbeing: Life in the UK* (2012), part of the country's 'national debate' on the science of well-being (http://www.ons.gov.uk/ons/guide-method/user-guidance/well-being/index.html) and the Action for Happiness initiative (http://www.actionforhappiness.org/). In Canada, there is the Canadian Index of Wellbeing (founded 2011), housed at the University of Waterloo. In France, see the activities of the Commission on the Measurement of Economic Performance and Social Progress (http://www.stiglitz-sen-fitoussi.fr/en/index.htm).
4. A particularly revealing instance of the lack of awareness on the part of economic actors is found in Deaton (2011). Deaton notes that the Gallup Healthways Wellbeing Index reports that SWB levels tracked stock market levels very closely during the financial crisis. Deaton is surprised by these index results. He finally surmises that the explanation resides in the public's close attention to the headlines in the financial and business press: Deaton realizes that both the stock market and the public's confidence in it were tied up with journalists' interpretations of the crisis in the media, skewing the poll results.
5. 'Committee' refers to the Federal Open Market Committee, made up of those members of the Federal Reserve who are engaged in monetary policymaking. Note that the Fed had previously engaged in forecasting techniques; but important changes were made at this time. See Bernanke (2007).

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