

Abstract: Economists have long been concerned that a tendency to compare one's own income to others may reduce social welfare. This paper investigates whether such tendency can be mitigated by a simple information intervention. To this end, we conduct an original randomized online survey experiments in the US and the UK. About each 4,500 respondents in each country are randomized into two treatments and one control group of information provision: first treatment group sees a figure on the famous Easterlin paradox--there seems no link between time series evolutions of happiness scores and the GDP. The second treatment group sees the same figure but salience of making income comparisons is introduced. We find that while the first treatment does not have any effects, the second treatment made respondents compare even more not less. Interestingly, we only find such effects among the UK sample. Further, all the results among UK respondents are driven by women. This paper has implications for the recently emerging literature discussing whether government intervention can affect preferences in a desired way to improve social welfare.