

Name of Publisher: BRIGHT EDUCATION RESEARCH SOLUTIONS

Area of Publication: Business, Management and Accounting (miscellaneous)



Journal of Management & Social Science

ISSN Online: 3006-4848
ISSN Print: 3006-483X

<https://rjmss.com/index.php/7/about>

RECOGNIZED IN "Y"
CATEGORY BY



[Impact of Economic Rationality on Subjective Well-Being; A Mediation Analysis of Capital Supremacy]

Ali Mardan

Research Scholar, Institute of Banking & Finance, Bahauddin Zakariya University. Email: mardan.q@gmail.com

Dr. Muhammad Irfan*

Assistant Professor, Institute of Banking & Finance, Bahauddin Zakariya University. Corresponding Author Email: dr.mirfan@bzu.edu.pk

Review Type: Double Blind Peer Review

ABSTRACT

This research study consist of fundament concept of economic rationality and its relation with the Subjective wellbeing. It also analysis the mediation impact of capital supremacy. Through this study a positive relationship between the variables is established. The data has been analysis for this study is gathered from two countries, Pakistan and the USA which indicating the generalization of the analysis. The capital supremacy concept is focuses on the money making human behavior. As a rule, thrusts of such a paradigm focus on such elements as economic rationality a significant determinants of economic development and human happiness. To intricate the measured dimensions in detail the research uses a scientific methodological base. The random sampling technique has been used to collect the data and the data has been obtained from two countries Pakistan and United States. Consequently, the process of data collection was carefully done through MS Excel which processed accurate and well-organized data sets. The collected data was analyzed using SmartPLS tool that enabled the handling of multiple investigations of the relationships between the variables. This research shows that economic rationality has directly positive relationship with SWB. However, results also shows that the capital supremacy result of market reliance and capital accumulation decrease this advantages by increasing the financial gaps. This study suggests numerous policies to attain social balance between the neoclassical economic thinking of rationality. While drawing efforts to make a better society across the globe for Subjective wellbeing of people. The work's relevance is especially significant for the policy makers, economists, and social scientists interested in the complexity of the relationship between economic growth and human welfare.

Keywords: Economic Rationality, Subjective Wellbeing, Capital Supremacy, Mediation Analysis, Structured Equation Modeling

Introduction

The historical record demonstrates that people mainly viewed well-being through material success and abundance. Our current world shows increasing acceptance of a dual universal and multifaceted viewpoint toward wellness. The economic success alone cannot determine well-being according to (Arrow et al. 1995) and psychological states and social connections and finding purpose are also essential. The growing interest in human happiness complexities has made economic factors more relevant to universal well-being indicators for modern societies. The modern period has elevated well-being into various dimensions beyond simple economic achievement (Edward Diener & Oishi, 2000). Positive psychology seized the lead in reforming this model following its introduction during the late twentieth century. Positive psychology moved beyond pathology by studying positive emotions and strengths and virtues which create life meaning. The research group consisting of (Scorsolini et al. 2013) explored "Authentic Happiness" and the search for "flourishing" as the core mission of human life. Real life satisfaction consists of multiple diverse dimensions according to this well-being advancement. Subjective well-being offered an inclusive approach to evaluate human well-being because it includes positive emotions alongside engagement, relationships,

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

meaning, and accomplishment. Well-being research began focusing on social relations as essential components that combine personal development while people seek meaningful life experiences. Subjective well-being creates social consequences which go beyond the individual practices. Many countries across the globe dedicate their efforts to citizen welfare through the development of directories that combine economic metrics alongside life satisfaction measures and social trust and environmental sustainability factors. The current revolution shows governments accept that genuine subjective well-being arises when personal prosperity matches development alongside emotional happiness as well as social ties. The common understanding of subjective well-being acts as a compass for societies to evolve their human growth and societal advancement in the face of contemporary world challenges.

Economic Rationality and Decision-Making

During the development of neoclassical economics as well as free market economies economic rationality became a crucial concept involving personal utility and interest in rational choice decision-making. The establishment of market freedom as an economic model shifted collective welfare toward individual success that enables people to compete for personal advantage through buying and saving choices (Arcidiacono & Di Martino, 2016). The approach sparked disputes about how well it explains Subjective well-being because it offers new perspectives regarding economic activities. The economic pursuit for rationality leads to a possible disregard of the organic complexities which stem from human emotions and social connections alongside cultural factors essential to wellbeing achievement. The economic rationality concept serves as modern economic theory because it defines individuals as rational decision-makers who evaluate potential benefits against costs to achieve maximum utility (Weber, 2002). The way individuals view economic rationality plays a key role in explaining how they allocate their funds and select investments and participate in work activities. Analysis of individual economic rationality generates doubts regarding its priority relationship to total well-being assessment. The relentless pursuit of monetary gain through solely rational decision-making avoids human social and emotional aspects in life. Modern economic theory functions on a fundamental principle of economic rationality indicating that people function as rational decision-makers who weigh benefits against costs. Economic behavior studied through neoclassical economics has derived this theory for explaining human behaviors in economic terms. Economic rationality embraces individuals who seek maximum utility through self-motivated pursuit of their own benefits in every decision they make. Decision-making elements of consumption and investment and savings align with economic rational principles. According to this belief people always perform logical assessments during choice-making by assessing the advantages and risks linked to each possibility. Supporting evidence stems from the belief that people possess access to total information alongside the ability to process data and select ideal options based on their preferences. According to economic rationality in consumption events people should assess the value of purchases they wish to acquire before making buying decisions. The Maryland Motel offers utilities whose value depends on prices, quality and individual taste preferences. Economic rationality serves as a decision-making tool in investments since it shows people how to assign their money in order to receive the best investment

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

benefits by thoroughly analyzing both potential risks and earnings. Though economic rationality delivers important insights regarding decision-making behaviors it creates doubts about how well rationality suits actual Subjective well-being (Sterman, 1989). Economic gains pursued through solely rational analysis tend to disregard human emotional factors and psychological elements as well as social connections in achieving satisfaction with life. Decision-making by humans generally involves limiting rational thought. Decision makers fall off rational behaviors when external components together with mental boundaries impact their choices. The primary principle of economic thought states that human beings select options to achieve the greatest fulfillment by thoroughly analyzing the advantages against the expenses. The fundamental value of bounded rationality exists for explaining how people make choices although real-world implementation depends heavily on human information processing capacity as well as behavioral complexities. Economic choices affect human flourishing through their interaction with other Subjective well-being components which is essential for understanding this effect. Market forces together with economic policies receive their direction from economic rationality concepts. Institutional and government departments devise plans which depend on the assumption individuals and customers will show expected responses to economic stimulation. Every market functions based on the belief that people behave rationally to achieve the highest possible level of Subjective happiness. Practical decisions alongside emotions alongside social factors make it difficult to implement economic rationality.

Role of Capital Supremacy

The research investigates capital metaphysics as its core subject matter. People together with social communities and state institutions form the capitalist structure that operates under the guidance of desire logic. Capital supremacy operates based on the principle that requires desire maximization along with satisfaction achievement and pleasure pursuit. Desire maximization takes shape through the prevalent human behaviors of acquiring ownership and competitive actions. A capitalist person justifies and defends every movement through the evaluation of resource acquisition and utilization effects on his possessions. The status of capitalist individual does not align with economic wealth. The exploitative nature of wealth makes up the definition of capital. An exclusive goal of wealth expansion results in its transformation into capital. As a leading framework Capital supremacy directs how resources get allocated and defines institutional approaches together with determining public beliefs and values throughout the community. Capital supremacy extends its influence well past financial transactions because of its capacity to transform all social systems. Economic rationality along with freedom experience changes under its influence which alters conventional activities in society. A capitalistic society represents a particular social arrangement where groups base their decisions through deliberate pursuit of individual desires. Each social institution within such a society eventually gives way to market forces. The primary goal of family education consists of teaching children skills to create capital from their monetary assets. Distributive justice exists as the primary form of justice according to (Cohen, 1999). Every action and undertaking exists in capitalist society only through the perspective of monetary measurement as well as capital market intentions. A capitalist

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

society bases its measurement of worth on monetary value so generating and accumulating capital represents what people consider as true success. Capitalist society exists in complete opposition compared to religious society. The society of capitalism evaluates individual behavior through its contribution to capital accumulation as described by (Amin, 2014). The pursuit of profit earning along with corporate and individual interest advancement has superseded traditional values and social moral beliefs. In capitalist systems only capital accumulation functions as a value-creating expression thereby resulting in price creation (Castel-Branco, 2014). As the dominant lifestyle of capital supremacy creates substantial impacts on economic systems and social values together with patterns of individual conduct. The system extends its influence past financial deals. The influence of this concept creates both societal patterns and elements that modify the economic rationality relationship with Freedom and Subjective well-being.

Capital supremacy establishes a leading influence that connects these dimensions through an explanation of financial and personal goal direction within the broad socio-economic system. Economic rationality receives hierarchical guidance through capital supremacy through the generation of both possibilities and limitations that guide personal actions. Economic rationality mostly concentrates on maximization for utility to fuel profit-seeking activities alongside competitive pursuit methods. People obtain economic gains through consumption and financial choices and investment decisions which enable them to better their economic position (Hausman, McPherson, & Satz, 2016). Economic rationality receives an overwhelming influence from profit objectives so much that essential aspects of Subjective well-being become minimized through narrow rational choice interpretations (Jafari & Süerdem, 2012). Capital supremacy produces an operational framework that unites economic rational thinking with Subjective happiness levels. It acts as a contextual system which determines how economic choice frameworks are developed to deliver elevated Subjective well-being results. Economic rationality enables economic gain accumulation which follows the direction paths established by capitalistic systems. To understand the mediation effect from capital supremacy we must address both structural limitations of economic systems and social outcomes resulting from their application. Economic growth has become possible through the capitalistic system (Baumol, 2002) yet this order causes problems about unequal income distribution and resource allocation and environmental preservation. Capital supremacy acts as a mediator in research about economic rationality and subjective well-being since it demands studying these relationship within wider socio-economic settings. Capital supremacy serves as an essential component which explains how people understand the intricate connections between economic rationality and subjective well-being.

Literature Review

Throughout human existence subjective well-being remains the focus of human history. Human beings began working to improve their well-being since their birth as humans. Our research review demonstrated the evolutionary changes within Subjective well-being methods during different periods of time. Human beings learned to inhabit caves while discovering cooking skills which led to societal development through societal rule

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

formation and successive civilization building until human progress became increasingly modern every day. Men continuously pursue happiness while combating his fluctuating set of fears but fails to win every battle against them. Subjective well-being was an idea first introduced by Ed Diener who represents an early stage of social science development. The research by (Ed Diener, Suh, & Oishi 1997) defines subjective well-being as feelings which express life satisfaction together with joy. Someone possesses higher subjective well-being when joyful emotions accompany life satisfaction while the opposite indicates low subjective well-being. All philosophers from fifth to second centuries BCE including Zeno and Plato and Socrates and Aristotle and Parmenides hold the belief that human pursuit of virtues will lead to the attainment of happiness (Nussbaum, 2013). Among all his writing about virtues and happiness Aristotle also outlines another aspect of human psychological functions. Virtuous people who experience happiness will live their best life due to their virtuous behavior but they still encounter surprise experiences regarding death-related fears in their advanced years. Aristotle considers it a human contradiction that courageous virtuous individuals experience happy acceptance of death while having fear about losing things ahead of time. The time known as modern started during the seventeenth century. The period was marked by an intellectual advancement. At this period researchers shifted their focus to study human emotions without respecting divine rules (McMahon, 2006). Capitalist order began to develop throughout Europe from city states before spreading to becoming national systems during the early modern period (Woodiwiss, 2001). The researcher associates this situation to the increasing corruption within the church along with the dispersed religious divisions and the Australian and American wars enacted by imperialist powers that involved most European families. The substantial number of immoral practices swept over the church without the ability to resist. The religious foundation established the essential framework for the artistic and knowledge-centered Christian criticisms which emerged first through the renaissance followed by the enlightenment movement. These movements established themselves through the promotion of grandiose advancement in greed along with lust. The expansion of desire-based logic throughout Europe and America created its social dominance.

When European colonial powers expanded across the planet the capitalist state reached global domination. The world experienced this thorough dominance of capitalist individuality along with civil society only after the rise of human history (Boswell, 1989). Since the 1920s the capitalist system has developed its dominance across epistemological and social and political domains. Modern philosophers including (Deleuze & Guattari 1988, Derrida 2003, Foucault 2012, Lyotard 1988, Rorty 2009) have proven that free market values coordinate and depend on each other. The philosophers established that capitalist individuality requires both social fragmentation along with internal fragmentation. Theoretical investigations conducted in philosophy and science may create generalized findings. The capitalist system expanded its dominance through three different aspects starting from the 1920s up until today. Multiple mainstream philosophers including (Deleuze & Guattari 1988, Foucault 2012) have effectively proven that freedom and progress operate together as essential principles of capitalism. Studies reveal that capitalist individuality exists as both fragmented toward internal parts and socially

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

divided between persons. Theoretical discussions within the fields of philosophy and science enable scientists to create generalized findings. As they maintained the capitalist economic system the entire collection of sustaining agencies now face deterioration. Many theorists have proven that the general price level lacks an objective measuring criteria. The financial market has undergone a transformation rendering it permanently exposed to risks. Due to monopolization within both financial and commodity markets their production and distribution fail to achieve efficiency or fairness in their results. Since 2007 the economic global condition has steadily deteriorated into what experts view as long-term economic stagnation leading to reduced economic growth and increasing unemployment in capitalist markets (Acharya & Schnabl, 2010). Labor collectivity emerged from capitalist order represents the basic origin of this institutional disaster. The transformation of collective work practices led to a change in unified belief systems regarding capital leadership. Labor exercised its capitalist power through exchange unions and social democratic parties to use forces aiming at implementing capitalist justice. According to (Keynes, Moggridge, & Johnson, 1971) the significance of labor struggles for justice toward sustaining capitalist order becomes absolutely clear. Labor movements have come to a termination in present-day circumstances. The social democrat events together with human useful resource control activities have caused labor to evolve into an organizational mass which now operates within capitalist kingdom structures. Every attempt to create capitalist justice has become both futile and impractical. The systematic exclusion of unemployables combined with students and pensioners from capitalist manufacturing and trade is occurring during a specific period. The labor atomization has prompted new groups to establish such as homosexuals (Hilson, 2002), LGBT, feminist movement, environmentalist pacifists along with other forms of protest. These protest actions serve only as entertainment sanctuaries but lack any capability to participate in the restructuring of capitalist order or attainment of systemic capitalist justice. Capital supremacy expresses itself through the current onset of democratic systems' breakdown. Media as a social enterprise holds dominance by converting information to a marketable commodity. Media markets produce artificial public sentiments. Today democracy functions as an operational component within the media sector. Nowadays most effective representatives of capital can use their popularity as a form of power to legislate. Electoral participation continues to decrease throughout Europe for decades alongside with the fact that Franklin Roosevelt remains the only president who won office without obtaining majority voter support. Leading EU intellectuals do not advocate contemporary democracy in modern times. The major spokesperson of modernism as discussed in (Habermas & Leaman, 1988) observes that communicative movement has transformed fundamentally since dialogic democracy now faces extinction. Democracy functions today as a system for controlling general populations through capitalist frameworks according to (Badiou, 2007).

All previous researchers working in this field share the same perspective on SWB as an emerging field of knowledge. The researchers consider SWB structures to be complex so accurate observation methods with precise measurement tools remain crucial for enhancing societal subject well-being (Ed Diener, 2000). Research by Stevenson & Wolfers (2008) shows through extensive studies that different SWB factors

operate at both social and individual levels to affect personal well-being through mental perception. The researchers Campbell (1976) examined SWB at an individual level where groups and each person has a predefined subjective well-being which people adapt their life events to their existing Subjective well-being . Under the set point theory this phenomenon unfolds. According to Brickman and his co-authors in 1978 the individual factors which influence SWB such as friends, job, physical health and vehicle ownership show minimal relevance to subjective well-being or are completely unrelated. Studies indicate that specific life choices including war and homelessness together with accidents and poverty produce major negative consequences for Subjective well-being according to (Veenhoven 1991). Numerous studies by (Chen et al. 2013, Corra et al.2009, Zimmermann 2006) establish that factors including salary, religious freedom and age factor, sex, race, health and education significantly influence individual Subjective well-being . Research at the macro level discovered that societal factors create relationships with SWB. (Easterlin et al. 2010) proved that national income fails to directly affect overall SWB scores of the population. The relative income standard theory explains that when people change their financial situation they tend to compare themselves against the higher social class resulting in dissatisfaction along with greedy feelings. Nevertheless various research reports show that rising national income leads to higher Subjective wellbeing outcomes for the country during specific time periods (Inglehart, Foa, Peterson, & Welzel, 2008; Stevenson & Wolfers, 2008). SWB faces influence from numerous elements. (Ed Diener and Ryan 2009) established through research that SWB demonstrates an apparent link to societal culture. The self-esteem and prestige values directly affect SWB in individualistic western cultures while collectivist eastern societies do not demonstrate such a strong connection. The distinct social environments generate varying subjective well-being rates because different cultural values possess greater relevance in each community versus the other communities.

A team of researchers led by (Dittmar, Bond, Hurst, & Kasser, 2014) conducted a meta-analysis of "materialistic orientation and their personal well-being". The research demonstrated that people who emphasize wealth over all else will experience diminished levels of wellbeing. A mediation analysis conducted within the study established that psychological materialistic behaviors negatively affect Subjective wellbeing. Among children from low socioeconomic backgrounds materialism tends to increase while their wellbeing decreases according to research by (Nairn & Oprea 2021, Rindfleisch et al.1997). The findings suggest that people most affected stem from these circumstances. When people feel unable to fulfill their psychological needs (Sheldon & Gunz, 2009) these requirements gain greater importance to the individual. People who both struggle financially and emphasize materialistic values experience difficulty achieving their 'needs' because their wellbeing declines as a result. According to the perceived gap hypothesis those with higher SES positions who experience no issues with their well-being due to their personal values should be identified. The study leads to different findings. Materialistic persons from higher socioeconomic status groups who successfully accumulate material possessions compared to those lower on the socioeconomic scale do not demonstrate higher self-worth or life satisfaction because of their accomplishments. People with classic materialistic motives who accomplished their

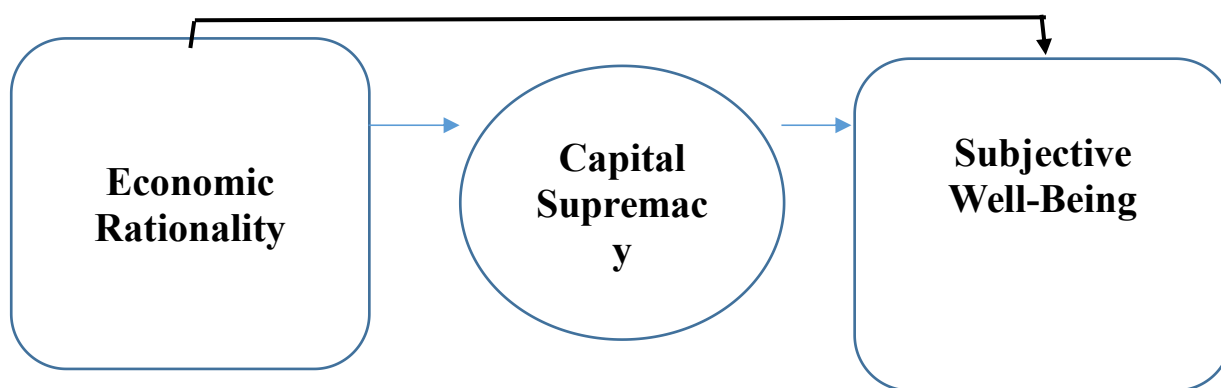
Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

monetary objectives rated their life satisfaction lower than individuals with modest financial aspirations according to (Martos & Kopp, 2012). A society which displays aspirations for materialistic achievements might reduce the association between deprived well-being and materialistic desires. Business students were examined to determine how their life satisfaction related to their attitudes toward materialistic achievement while researchers predicted that such educational conditions would create students who are materialistic yet satisfy their life goals. The researchers identified that individuals who embraced power and wealth achievement the most experienced reduced self-actualization alongside lower happiness levels along with signs of psychopathology (Kasser & Ahuvia, 2002). The research on 12,000 university entrants from 1976 revealed that students displaying higher financial motivation demonstrated superior levels of life satisfaction according to (Nickerson et al. 2003). The results gave different patterns after researchers studied specific aspects of life satisfaction. The consistent job satisfaction measurement methods produced significant enhanced satisfaction results which correlated with greater earnings. The data indicated that all life satisfaction measures displayed a negative correlation when connected to increase financially oriented conduct.

The levels of satisfaction within romantic and social relationships and physical health together with family life overall scored lower on assessment scales. The study's results indicated that work satisfaction was high among people who achieved their materialistic goals yet it had negative consequences for their life domains. Through the findings presented one can see that materialistic value principles harbors destructive properties for personal well-being. Going into greater detail these key thoughts underlie the research goals used in this current project. Economic rationality has been studied through numerous research factors in prior investigations within the existing literature. Research findings have revealed how cognitive abilities affect the level of economic rationality. Studies conducted by (Tibbetts & Gibson 2002) along with (Tymula et al. 2013) have proven that people with superior cognitive capability choose decisions based on reason rather than emotion. People with minimal cognitive capacity tend to make choices which lack logic. The research by (Heukelom 2007) shows cognitive biases interrupt economic rationality and cause decisions which fall short of maximum potential. Recent economic research investigates how institutions influence two key outcomes: environmental sustainability along with income distributions between social groups. According to (Thorbecke & Charumilind, 2002) organizations which prioritize economic efficiency together with resource relocation often generate increased income disparities because they give privileged treatment to the affluent population while abandoning the poor. The research by (Connor and Dovers 2004) shows that organizations focusing on economic efficiency and profit above social and environmental factors tend to use resources in an unsustainable manner and deteriorate the environment. Different studies have investigated the way economic rationality affects institutional development. According to (Weyland, 2008) economic rationality serves as a tool to change institutions in ways which enhance efficiency and creative capability. The changes brought by economic rationality mechanisms might lead to modifications which harm both social sustainability and environmental sustainability. The study led by (Roland, 2004) identifies

how organizations which prioritize economic rationality react poorly to economic and social changes they face which produces organizational rigidity toward accepting change. Social and environmental stability along with economic results and social welfare are impacted by the institutional relationship with economic rationality according to these research findings. Both positive and negative results originate from using economic rationality when designing institutions because it influences their development yet the broader social and environmental consequences might create unanticipated outcomes. Discovering all dimensions of economic rationality together with institutions will help develop effective policies to maximize economic growth along with social well-being. The long-term sustainability together with fairness of established institutions must be properly addressed.



Hypothesis

- H1:- Capital Supremacy has a significant impact on Subjective well-being.
- H1a:- Capital Supremacy has significant impact on Subjective well-being in Pakistan.
- H1b:- Capital Supremacy has significant impact on Subjective well-being in USA.
- H2:- Economic Rationality has significant impact on Capital Supremacy.
- H2a:- Economic rationality significant impact on Capital supremacy in Pakistan.
- H2b:- Economic rationality significant impact on Capital supremacy in USA.
- H3:- Economic Rationality significant impact on Subjective well-being.
- H3a:- Economic Rationality has a significant impact on Subjective wellbeing in Pakistan.
- H3b:- Economic Rationality has a significant impact on Subjective wellbeing In USA.
- H4:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being.
- H4a:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being in Pakistan.
- H4b:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being in USA.

Methodology

According to Saunders, Lewis and Thornhill (2009) this research study uses the positivistic approach and statistical analysis for testing hypotheses to evaluate variables. The research utilizes descriptive research methods to assess independent variable (economic rationality and freedom) relationships with dependent variable (Subjective well-being) together with the mediation influence of capital supremacy on these relationships (Rogers & Revesz, 2019). The research adopted a correlational mechanism

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

because it studies the quantitative aspects of variables (Seeram, 2019). The authors obtained data using a five point likert scale questionnaire format. Participants need to select their answer from five options beginning with strongly agree up to strongly disagree for every survey item. An online survey approach serves as the data collection method for obtaining casual and descriptive information from a chosen population (Mehrad & Zangeneh, 2019). Online survey method is chosen because this study collects data from numerous respondents who come from both Pakistan and United States of America. Online survey method (Evans & Mathur, 2018) stands as the most practical way to gather information from two independent world geographical locations. Random sampling has been used to obtain data from the chosen population for this research purpose. The method functions as probability sampling because it gives equal opportunities for any existing possibility to appear within the collected data (Etikan & Bala, 2017). The validity of all sampling methods depends upon unbiased sampling according to (Drott, 1969). The sample needs to display the actual character of the complete population. The 300 respondents per country had to be used because of time and financial limitations. Measurement The survey questionnaire exists as two parts. The first section of the study included demographic variables including information about education level education and country. The measurement items section appears in the second part of the survey instrument. Research participants used a five-point Likert scale to answer the survey questions that had been graded accordingly. The researcher designed the survey with easy completion while maintaining consistent scores through a five-point Likert type scale according to Dawes (2008). The measurement scale for "Subjective well-being " comes from (ED Diener, Emmons, Larsen, & Griffin 1985). Researchers developed the Capital supremacy scale. Researchers adopted the economic rationality scale from (Pacini & Epstein, 1999). Data Analysis The entire questionnaire data from the fieldwork is entered manually into Microsoft excel. The researchers eliminate incomplete questionnaire data at this point because of its inaccuracy. The statistical information was transferred into the SPSS software system. The authors imported the gathered data into Smart PLS software for subsequent assignment to questionnaires. The exact and correct data entries were limited to Smart PLS software application.

Result & Analysis

The data collection process took place in the nations of Pakistan and United States of America. The gathered survey responses numbered 600. Table 1 shows the survey yielded 600 responses where 350 respondents came from the USA and 250 were from Pakistan. The nine questionnaires obtained from USA needed elimination because they lacked essential information. The nine missing responses do not cause meaningful effects on the final outcome. The tested respondents amounted to 591 individuals. The respondents complete the questionnaire through their responses. The author distributed questionnaires in Pakistan then gathered responses before seeking assistance from a research associate who obtained survey responses from USA because of travel borderlines such as visa problems.

Journal of Management & Social Science
VOL-2, ISSUE-2, 2025

Table 1: Demographic

Demographic	Category	Frequency	Percentage
Gender	HE	382	64.6
	HER	209	35.4
	Total	591	100
Country	Pakistan	341	57.7
	USA	250	42.3
	Total	591	100
Age	Under 30	75	12.7
	31 TO 40	203	34.3
	41 TO 50	196	33.2
	over 50	117	19.8
	Total	591	100
Education	High School.	20	3.4
	Bachelor.	215	36.4
	Master.	318	53.8
	Ph.D	38	6.4
	Total	591	100
Profession	Doctor	69	11.7
	Engineer	93	15.7
	Business	197	33.3
	IT	98	16.6
	Law	76	12.9
	Others	58	9.8
	Total	591	100

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

The VIF values from the current results demonstrate in table 2 are acceptable multicollinearity levels because they remain below 10 which indicates that the independent variables do not severely influence the regression analysis. The variance inflation factor value of 10 indicates the variance expansion rate reaches 10 times the standard value because of multicollinearity. A practical limit of VIF values at 10 is commonly used because it signifies a noteworthy increase in variability. The value of 10 functions as an established criteria when performing regression analysis. Attaining VIF values below 10 indicates adequate model quality but further examinations need to be made when scores exceed 10. Mathematical analyses with high VIF indicators result in larger standard error values that modify hypothesis testing and confidence interval calculations. When setting the threshold value to 10 researchers can detect variables which cause important multicollinearity problems to enable identification of suitable solutions for minimizing these effects.

Table 2: Multicollinearity Assessment

	Tolerance Level	VIF
ER	.372	2.697
CS	.185	5.381

DV: SWB

The findings demonstrated in table , the satisfactory composite reliability results which allowed the conclusion that internal consistency reliability was strong. Results showed violation of composite reliability values above 0.8895 and up to 0.9558 that exceeded the threshold standard of 0.8 (Considine, Botti, & Thomas, 2005)

Table 3: Reliability Analysis

	Cronbach's alpha	Composite reliability	Average extracted variance
Capital Supremacy	0.868	0.895	0.469
Economic Rationality	0.842	0.878	0.479
Subjective Wellbeing	0.877	0.898	0.424

On construct level the Fornell-Larcker test evaluates discriminant validity (Fornell & Larcker, 1981). The postulate established in this test requires the construct's variance to exceed its shared contribution with other constructs in the full model. The square root of AVE construct values must be higher than their correlations with other constructs in the current research (Vinzi, Chin, Henseler, & Wang, 2010). This relation needs to remain under 0.8 because it makes the analysis crucial. The construct validity was supported by a set of tests where the square root value of the AVE exceeded off-diagonal correlations at each measurement point according to Hulland (1999). Table 4 demonstrate that all the value are within the acceptable range for discriminant validity test.

Table 4: Discriminant Validity: Fornell-Larcker Criterion

	Capital Supremacy	Economic Rationality	Subjective being	Well-
Capital Supremacy	0.685			
Economic Rationality	0.796	0.692		
Subjective Wellbeing	0.733	0.641	0.651	

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

The correlation matrix holds a central position when performing quantitative data analysis as a statistical tool. The table 5 structure provides analysis by showing relationship strength between two or more variables to determine linear relationships between them. The *r* coefficients measure between 0.70 to 1. When the value exists between 0.70 to 1.00 it indicates strong positive linearity and values between -0.7 and -1.0 signify strong negative linearity. The computed correlation values spanned from 0.30 to 0. The positive coefficient of 0.69 points to a moderate, linear sort of association. The two variables exhibit a limited connection however it remains insufficient to prove significant correlation between them. The Pearson correlation coefficients fall inside the range of 0.00 to 0.29 along with their negative counterparts from Less than -0.00 up to -0. A coefficient value between zero and 0.29 indicates the absence of linear connection. The correlation matrix provides insights about variable relationships before analysts proceed with leading techniques including regression modeling and factor analysis, principal component analysis. The detection of multicollinearity problems becomes easier through using correlation matrices due to their ability to identify strong relationships between predictor variables. The paper adoption of correlation matrices serves two major purposes: to measure stronger inter-variable relationships in data while strengthening evidence-based conclusions and to perform basic examinations of variable relationships. Measurement of the structural model The structural impression defines the way theory-based variables interact with each other. PLS-SEM uses heuristic assessment criteria which are based on the model's prediction capability (Shmueli et al., 2019) to evaluate its structural model. The indices measure the assessment of endogenous constructs while abandoning goodness-of-fit criteria which CB-SEM approach uses (Hair et al. 2013; Hair et al. 2014).

Table 5: Correlations

		SWB	ER	CS
SWB	Pearson Correlation	1		
ER	Pearson Correlation	.605**	1	
CS	Pearson Correlation	.693**	.756**	1

** . Correlation is significant at the 0.01 level (2-tailed).

Researched literature recognizes β values starting from 0.20 or above as significant according to table 4.5 (Hair et al. 2013; Hair et al. 2014) when R^2 values demonstrate data variance explanation of 50% or higher (Hair et al. 2013; Hair et al. 2014). The empirical *t* statistics ($t = \beta / se$) need to exceed the significance level of confidence (*p*) to confirm (denial) hypothesized relationships (Hair et al. 2014). The items showing *t*-values exceeding 1.96 indicate a 95% probability chance level ($p < 0.05$). *T*-values higher than 2.58 indicate a significance level of 99% chance while *T*-values above 1.96 reached 95% chance ($p < 0.05$ and $p < 0.01$ respectively). Statistical *t*-values were compared against 1.96 during this analysis while maintaining *p* less than 0.05 which validated that path coefficients achieved significance at 95% confidence level. The study results shown in table 6 confirm all studied hypotheses to be valid. The value of R^2 reflects the predictive power and stem from the correlation between both endogenous factors and their influential variables (Hair et al. 2014). The R^2 value stands as the primary evaluation indicator in PLS-SEM to

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

determine the extent of incident explanation (Hair et al. 2014). The predictive accuracy rises as R2 value increases within its 0 to 1 range (Hair et al. 2014). We applied values of 0.25, 0.50 and 0.75 and above to determine strong, moderate and weak relationships between variables respectively (table 4.5).

Table 6: Regression

				Sample mean (M)	Path Coefficient s (β)	Standard deviation	T statistics	P values
Capital Wellbeing	Supremacy	->	Subjective	0.872	0.862	0.06	14.352	0.000
Economic Supremacy	Rationality	->	Capital	0.292	0.290	0.027	10.739	0.000
Economic Wellbeing	Rationality	->	Subjective	0.197	0.198	0.052	3.815	0.000
Economic Supremacy	Rationality	->	Capital	0.253	0.255	0.026	9.805	0.000
Supremacy -> Subjective Wellbeing								

Table 7 shows the regression analysis, the p value, beta value, standard deviation and original mean of the data collect from Pakistan. All the regression shows the p-value acceptance on 0.000 level except the regression between economic rationality and Subjective wellbeing which has the acceptance level of 0.05. All the other parameters like beta value, standard deviation and the original sample are within the acceptance level.

Table 7: Regression Analysis Panel 1 (Panel Data 1 Pakistan Pakistan)

				Original sample O	Path Coefficients β	Standard deviation	T statistics	P values
Capital Supremacy	->	Subjective Wellbeing		0.93	0.945	0.095	9.822	0.0000
Economic Rationality	->	Capital Supremacy		0.279	0.28	0.04	6.904	0.0000
Economic Wellbeing	Rationality	->	Subjective	0.164	0.164	0.073	2.24	0.0260
Economic Rationality	->	Capital Supremacy		0.262	0.264	0.042	6.262	0.0000
-> Subjective Wellbeing								

The evaluation in Table 8 of this research in United States of America produced a p-value which fell below the accepted threshold level of .005. The regression analysis beta value matches the required threshold level.

Table 8: Regression Panel 2 (Panel Data 2 USA)

				Original sample	Path Coefficients	Standard deviation	T statistics	P values
Capital Wellbeing	Supremacy	->	Subjective	0.807	0.821	0.083	9.738	0.0000
Economic Supremacy	Rationality	->	Capital	0.307	0.307	0.037	8.398	0.0000

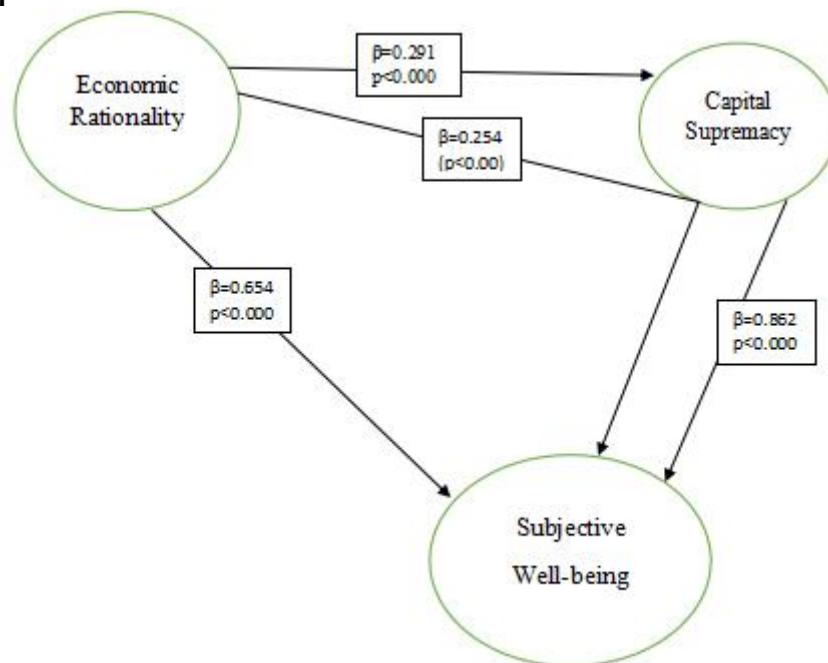
Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

Economic Rationality -> Subjective Wellbeing	0.234	0.236	0.07	3.347	0.0010
Freedom -> Capital Supremacy	0.652	0.653	0.037	17.393	0.0000
Economic Rationality -> Capital Supremacy	0.248	0.251	0.035	7.142	0.0000
Supremacy -> Subjective Wellbeing					

The numerical p-value helps researchers understand the predictors' link to effect occurrences and determines whether to reject the null hypothesis. Research typically uses P-value of .005 as its minimum acceptance threshold. The sign and scale of predictor variables within the model help analysts understand the dependent variable relationship making model assessment easier. Positive beta coefficients signify that raising one variable leads to higher values in the other variable yet negative values show a variable increase results in decreased values of the other variable. These three analysis measures create together an efficient framework for comprehending the regression model structure and predictor behavior as well as their influence on the outcome.

Graphical Representation of the Model



The graphical representation shows the combined data regression analysis. As shown in the figure p-value of regression between economic rationality and capital supremacy is accepted on 0.000 level. Same like economic rationality and Subjective wellbeing is accepted at 0.000 level and capital supremacy and Subjective wellbeing is also regressed at p-value 0.000. Like p-value the beta value is also within the acceptable limit as the values are 0.255, 0.654 and 0.862 respectively.

Discussion

Here is the detailed discussion according to hypothesis

H1:- Capital Supremacy has a significant impact on Subjective well-being.

H1a:- Capital Supremacy has significant impact on Subjective well-being in Pakistan.

H1b:- Capital Supremacy has significant impact on Subjective well-being in USA.

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

To examine the relationship between capital supremacy and subjective well-being this hypothesis requires investigating the research findings which studied this subject. The scarcity of direct capital supremacy research studies does not preclude us from finding useful information in investigations regarding related concepts such as capitalism and economic systems and income distribution patterns. This hypothesis of H1 in the thesis demonstrates substantial correlations with Subjective well-being due to empirical data that exhibits a 0.000 p-value along with a beta value of 0.861. The end result establishes essential consequences while inviting researchers to study economic system connections with personal assessments of personal well-being. Hypothesis H1a contains panel data samples from Pakistan and demonstrates significant statistical results. The p-value demonstrated a strong correlation at 0.000 during the hypothesis evaluation. Beta value stands at 0.946 and fulfills the threshold requirement along with .05 significant level achieved by p-value. The hypothesis evaluation demonstrates statistical significance at a 0.01 level through its total p-value of 0.000. The results are significant according to the beta value 0.821. The panel data 2 consists of information obtained from United States of America which is presented through H1b hypothesis. Most studies about capitalism and human well-being alignment or discord focus on economic growth together with income inequalities and market autonomous features. The research of (Alesina et al. 2004) demonstrated that capitalist economies grew rapidly yet maintained high income disparities which formed obstacles to overall progress. This study analyzes capital supremacy as a concept above traditional capitalist markers by examining behavioral relationships between capital accumulation and human actions. The outcome of this research shows capital supremacy serves as a major indicator for Subjective well-being measurements as it creates both an examination of capital supremacy effects on people's welfare scale. Research on the connection between capitalism and personal happiness has been conducted by many scientists through various theoretical approaches. Studies by (Miller, et al. 202, Teague, et al. 2020) document that nations with economic freedom rated high indicate more life satisfaction among their citizens. Researchers have not yet discovered the mechanisms showing how capitalism creates positive Subjective well-being results. Researchers have thoroughly examined income inequality which worsens because of capitalist dominance through analysis related to Subjective well-being.

The authors (Wilkinson and Pickett 2009) demonstrate that socially stratified communities experience reduced levels of social wellness which presents through deteriorating mental health while decreasing trust as well as weakening community bonds. Subjects with capital dominance experience lower Subjective well-being when combined with income inequality. The analysis of different economic structures through transnational experimental methods has forced scholars to study the connection between economic structures and Subjective well-being. Research conducted by (Frey and Stutzer 2002, Inglehart and Klingemann 2000) indicates that the people living in social democratic welfare states experience greater life satisfaction because these states provide enhanced redistribution and social protection. Subjective well-being proves superior in economic systems uniting market powers with social welfare programs than single-absorption capital supremacy systems. Cross-border survey analysis across

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

different economic models provides actionable data about how systems structure Subjective life quality. The (Selezneva, 2011) demonstrates that residents living under social democratic welfare states show superior life satisfaction than those residing in liberal market economies. This research offers relevant setting to analyze human responses linked to capital supremacy effects but the analysis specifically explores capitalist markets' dependence on capital dominance. People's perceptions of their own welfare depend on capital market dynamics including resource accumulation and market competition because it influences social welfare benefits. Investigators can strengthen their knowledge on how capital supremacy influences subjective well-being when they analyze past findings alongside this present study's proposed hypothesis. The available data about capital supremacy remains limited but we can effectively study how economic systems influence human assessment through comparable philosophical methods. The second hypothesis confirmation supports the strong influence of economic supremacy on people's personal life satisfaction which is evident through remarkable measurement results. The investigation adds to general knowledge of economic system influence on individual welfare by examining research data related to this field. The policy formation framework receives input that strengthens social cohesion.

H2:- Economic Rationality has significant impact on Capital Supremacy.

H2a:- Economic rationality significant impact on Capital supremacy in Pakistan.

H2b:- Economic rationality significant impact on Capital supremacy in USA.

The following hypothesis demonstrates that Economic Ratio along with Capital Supremacy show a meaningful statistical relationship. The results from empirical research support this finding through 0.000 p-value and 0.290 beta value. The discovery from this study provides meaningful findings that enable analysts to compare additional research for broader knowledge about economic decisions alongside economic systems as they impact individual welfare. The significant results emerge from H2a because this segment contains Pakistani data. The hypothesis testing produces P-values that equate to 0.0000. These results demonstrate a strong significance at .01 level. The beta value of 0.28 lies within the threshold level. The panel data 2 collected from unite state demonstrates significant results at 0.01 level according to its p-value 0.0000 and beta value 0.307. The analysis using beta value 0.307 supports the findings of this research. H1b Previous investigations of economic rationality mainly examined how such concepts influenced both personal decisions and economic performance. Economic decision-making depends on cognitive biases and heuristics which contradicts traditional economic theory according to (Thaler, 2016, Kahneman, Lovallo, & Sibony, 2011). These research investigations only analyze individual-level decisions. This research venture continues the investigation at a system level by analyzing how economic rationality functionally depends on capital supremacy in economic frameworks. The beta value analysis confirms economic reason as a fundamental force which shapes capital dominance in economic structures that could alter market functions and distribute resources and increase financial wealth. The economic investigation of economic systems consisting of capitalism socialism and combination economies parallels the results presented in this research. Multiple scholars (Chase-Dunn & Nagy, 2022; Marshall, 2020) demonstrated that capitalist systems naturally contain structural inequalities and

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

inefficiencies thus requiring regulatory interventions for remedy purposes. This study will link economic rationality to the capital supremacy framework that centers on asset accumulation and market strength yet the previous investigations studied individual economic systems. The significant beta value found in the current research confirms that economic rationality allows capitalist economies to strengthen capital supremacy which produces worsened inequality together with increased market dominance. This study explores detailed relationships that exist between Economic Rationality and Capital Supremacy. The information obtained in this study helps create guidelines for both macroeconomic planning and economic regulations. The programs combining financial literacy and behavioral nudges show evidence of producing external effects on the economic role of money because of their high beta value. The problem exists with adopting economic policies which balance behavioral understanding with structural recognition of empire capitalism. Studies conducted by (Ariely & Jones 2008, Tversky & Kahneman 1974) in behavioral economy demonstrate that decision-making processes of human beings heavily rely on dysfunctional psychological tendencies and unreasonable thought patterns. The dominance of capital results in people behaving with capitalistic values despite their genuine lack of such values in an economic system based on profit maximization and risk-taking decisions. Research comparisons between economic rationality in my study reveal the ways capitalists shape individual choices as well as procedural conduct in economic settings. The research results validate the sophisticated link between economic reasoning and business decisions when power rests with capital. The study contributes to an expanded academic understanding about how economic rationality takes dominance over capital in capitalist economic systems by specifically comparing results to other research. This contributes to improved understanding between theoretical economics and practical policy development.

H3:- Economic Rationality significant impact on Subjective well-being.

H3a:- Economic Rationality has a significant impact on Subjective wellbeing in Pakistan.

H3b:- Economic Rationality has a significant impact on Subjective wellbeing In USA.

The first section of this work provides an in-depth evaluation connecting multiple elements that include economic rationality with freedom together with Subjective wellbeing within capital supremacy conditions. The authors establish that economic rationality plays a substantive role in shaping Subjective wellbeing based on their hypothesis findings. The hypothesis testing confirmed that the strong connection between the two constructs had a p-value of 0.000 and beta value of 0.198 showing very robust and statistical significance. The significant outcome also appears in H1a since this part contains data from panel studies and Pakistan's population. The hypothesis testing produces results with a p- value at 0.0260. The beta value equals 0.164 while showing a significant result at the p-value of 0.05. The analysis shows critical H1b results through a p-value of 0.0010 that indicates statistical significance at 0.01 level. The significant findings emerge from both the beta value 0.236 and the recorded results. The H1b hypothesis includes the panel data 2 that originates from unite state. The existing research has detected relationships between economic variables and Subjective wellbeing assessments. (Kahneman & Deaton 2010) demonstrated through their study that higher income leads to increased happiness which reaches a point where additional

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

income produces no further happiness effect. According to (Easterlin, 1974) the Easterlin Paradox thesis asserts that rising income levels alone fail to produce enhanced happiness for a society across time. The mentioned research provides insight into how economic growth creates intricate relationships with Subjective well-being alongside demonstrating that economic conditions determine how content people become. The results of this investigation match with the found activation factors through pathway identification. This study investigates economic rationality as a broader concept which includes decision-making processes and resource allocation together with attitudes toward economic matters. These aspects surpass the focus of previous predominant studies by (Carter 2011, Stutzer & Frey 2010) on immediate income and wealth impacts on Subjective well-being. The research explores the importance of economic rationality as a directional factor for Subjective wellbeing assessment. This research represents an important advancement in existing research about rational economic interactions and their effects on complete life contentment. The different result of this current study establishes separate factors that determine the relationship between economic rationality and Subjective well-being. Research done by (Arrondo, et al. 2021, Hansen, 2010) definitively show economic factors have substantial influence on Subjective well-being though scientists use different economic classifications. The debate focused either on how wealth and income levels affect this relationship or on how economic policies together with societal structures determine it. This research enhances existing knowledge through its definition of capital supremacy as a concept extending beyond monetary elements towards thinking patterns and resource utilization attitudes.

This discovery of similar research outcomes with the current study reveals factors which remain unidentified during the process. The current study follows economic rationality as its research foundation because this concept extends past cash flow determinants to include resource management alongside economic perspectives. Research aims to prove that economic rationality serves as a direct cause of subjective wellbeing which enhances the comprehension of measured life happiness and contentment stemming from rational economic actions. Subjective wellbeing responds significantly to economic rationality according to the current research results which confirms the practical importance of this phenomenon for understanding individual and collective wellbeing. These experimental results verify previously established knowledge regarding the same subject. The research findings validate earlier work while confirming that economic rationality strongly influences the way people experience life satisfaction. The present study backs previous academic recognition of economic rationality through empirical findings which strengthen the theoretical base related to this link. Subjective wellbeing receives substantial influence from economic rationality based on this study's large beta value thus indicating its relevance for understanding personal along with societal wellbeing promotion. The research has several limitations which need to be mentioned as part of the analysis. The collected data shows a direct association between practitioners' economic rationality and their personal psychological satisfaction. Research needs additional investigation to determine which way the relationship between these factors flows and how each element impacts the other. Subjective wellbeing might act both as a cause leading to economic rationality while showing

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

mutual influence with it. The research data might be influenced by unknown elements which were not included in the present examination. Assessment of the first hypothesis allows a deeper comprehension of how economic conditions influence individual perceptions of happiness. The study develops our knowledge about how economic rationality affects personal happiness by using research outcomes within capital supremacy principles.

H4:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being.

H4a:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being in Pakistan.

H4b:- Capital Supremacy significantly mediate between Economic Rationality and Subjective well-being in USA.

This study demonstrates Economic Rationality and Subjective well-being have an intermediary relationship which is mediated through socioeconomic status. This study uses accountable methods to prove the hypothesis H4 through a p-value of 0.000 and beta value of 0.255. Researchers can gain essential insights regarding economic rationale and capital determination as they relate to personal happiness in modern society because of these results. The results of H4a hypothesis generated from Pakistan panel data 1 prove significant outcomes. The p-value calculated by Hypothesis amounts to 0.0000. These test results establish a relationship significance at .01. The estimated beta value stands at 0.264 which fulfills the acceptable level of measurement. The significant results in Hypothesis H4b appeared through a p-value of 0.0000 at the .01 statistical significance level. A strong association exists between the analyzed variables. The beta value of 0.251 together with its significant results completes the analysis. Panel data 2 comes from the United States of America and this hypothesis demonstrates the assessed data. The available literature about economic factors' mediating effects focuses mostly on explaining which economic elements act as socio-behavioral bridges between personal activities or societal arrangements and health and welfare standards. According to (Gasper, 2005; Luhmann, et. al, 2011) income inequality functions as a link between economic growth and individual Subjective well-being. The current research examines how capital supremacy affects the relationship between egoistic reasoning and Subjective well-being of individuals. The large beta value demonstrates that power supremacy represents an essential factor which plays a role in economic rationality's ability to drive people toward Subjective well-being interpretations within capitalist systems. Past research has explored the connection between economic systems like capitalism, socialism and economic mixes when determining how these systems impact both private and public well-being. Two research teams conducted nation-level investigations about economic policies together with institutions on Subjective well-being (Dluhosch, 2018; Dluhosch, 2018; Ervasti & Venetoklis, 2010). This research explores economic system effects on human well-being but additionally examines the environment through which capitalism prevails in capitalist economies that links economic efficiency to personal happiness. Research findings show that capital centrality plays an essential role in forming public assessments of prosperity which result from economic management combined with market forces. The study explains how capital

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

dominance modifies this relationship through an intermediate process which results from its conduct. Such findings hold specific implications regarding policy development together with economic direction. Such high degrees of capitalist supremacy likely trigger public interest in both economic rationality advancements and independent outcome empowerment while society needs to address these structural systems across capitalist nations. The formulation of solutions requires full examination of both how people act and think in relation to their economic standing and power systems. The traditional economic theorists analyzed how economic elements modify the results of health measurement. Studies deliver valuable insights about Subjective well-being but omit how such influences connect to the basic structures of economic systems. The current work intends to demonstrate how capital supremacy functions as a structural intermediary by influencing personal well-being through its effects on economic selection and market systems. A comparison of the current research results versus previous findings regarding mediation and capital supremacy stands as evidence for this work's original contribution. This research approaches the topic using multiple perspectives to deliver detailed information on economic frameworks and philosophies affecting well-being. The research methodology generates insights which affect public governance and allows strategic interventions and forthcoming recommendations for this specific area.

Conclusion

The investigation examined economic rationality and its association to subject well-being through capital supremacy while establishing positive findings between these constructs. The research data was gathered from both Pakistan and United States of America. Results from the USA demonstrate our conclusion with exceptionally positive indices from the survey participants. Economically rational behaviors together with personal and economic freedom in the United States create a positive connection to subjective well-being for individual residents. An American setting built on economic freedom and business opportunities and free-market systems delivers extensive proof validating the economic rationality-to-well-being connection. The goal of capital accumulation in Pakistan reveals a similar positive link to SWB just like the United States. Economic growth along with innovative productivity measures under capital supremacy leadership has increased both the quality of living standards and career development prospects throughout the United States economy. The American nation benefits from capital superiority despite the risk factors associated with income inequality and social assimilation. The availability of resources with higher income levels and market improvements as well as economic growth resulted in better experienced well-being for Americans.

Reference

- Acharya, V. V., & Schnabl, P. (2010). Do global banks spread global imbalances? Asset-backed commercial paper during the financial crisis of 2007–09. *IMF Economic Review*, 58(1), 37-73.
- Alesina, A., Di Tella, R., & MacCulloch, R. (2004). Inequality and happiness: are Europeans and Americans different? *Journal of public economics*, 88(9-10), 2009-2042.
- Amin, S. (2014). *Capitalism in the age of globalization: The management of contemporary*

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

- society: Bloomsbury Publishing.
- Arcidiacono, C., & Di Martino, S. (2016). A critical analysis of happiness and well-being. Where we stand now, where we need to go. *Community Psychology in Global Perspective*, 2(1).
- Ariely, D., & Jones, S. (2008). *Predictably irrational*: HarperCollins New York.
- Arrondo, R., Cárcaba, A., & González, E. (2021). Drivers of Subjective well-being under different economic scenarios. *Frontiers in psychology*, 12, 696184.
- Arrow, K., Bolin, B., Costanza, R., Dasgupta, P., Folke, C., Holling, C. S., . . . Perrings, C. (1995). Economic growth, carrying capacity, and the environment. *Ecological economics*, 15(2), 91-95.
- Badiou, A. (2007). *Being and event*: A&C Black.
- Baumol, W. J. (2002). *The free-market innovation machine: Analyzing the growth miracle of capitalism*: Princeton university press.
- Boswell, T. (1989). Colonial empires and the capitalist world-economy: A time series analysis of colonization, 1640-1960. *American Sociological Review*, 180-196.
- Brickman, P., Coates, D., & Janoff-Bulman, R. (1978). Lottery winners and accident victims: Is happiness relative? *Journal of personality and social psychology*, 36(8), 917.
- Campbell, A. (1976). Subjective measures of well-being. *American psychologist*, 31(2), 117.
- Carter, S. (2011). The rewards of entrepreneurship: Exploring the incomes, wealth, and economic well-being of entrepreneurial households. *Entrepreneurship Theory and Practice*, 35(1), 39-55.
- Castel-Branco, C. N. (2014). Growth, capital accumulation and economic porosity in Mozambique: social losses, private gains. *Review of African Political Economy*, 41(sup1), S26-S48.
- Chase-Dunn, C., & Nagy, S. (2022). Global inequality and world revolutions: Past, present and future *Handbook of revolutions in the 21st century: The new waves of revolutions, and the causes and effects of disruptive political change* (pp. 1001-1024): Springer.
- Chen, F. F., Jing, Y., Hayes, A., & Lee, J. M. (2013). Two concepts or two approaches? A bifactor analysis of psychological and Subjective well-being. *Journal of happiness studies*, 14(3), 1033-1068.
- Cohen, J. (1999). Reflections on Habermas on democracy. *Ratio Juris*, 12(4), 385-416.
- Connor, R., & Dovers, S. (2004). *Institutional change for sustainable development*: Edward Elgar Publishing.
- Considine, J., Botti, M., & Thomas, S. (2005). Design, format, validity and reliability of multiple choice questions for use in nursing research and education. *Collegian*, 12(1), 19-24.
- Corra, M., Carter, S. K., Carter, J. S., & Knox, D. (2009). Trends in marital happiness by gender and race, 1973 to 2006. *Journal of Family Issues*, 30(10), 1379-1404.
- Dawes, J. (2008). Do data characteristics change according to the number of scale points used? An experiment using 5-point, 7-point and 10-point scales. *International Journal of Market Research*, 50(1), 61-104.
- Deleuze, G., & Guattari, F. (1988). *A thousand plateaus: Capitalism and schizophrenia*: Bloomsbury Publishing.

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

- Derrida, J. (2003). *The work of mourning*: University of Chicago Press.
- Diener, E. (2000). Subjective well-being : The science of happiness and a proposal for a national index. *American psychologist*, 55(1), 34.
- Diener, E., Emmons, R. A., Larsen, R. J., & Griffin, S. (1985). The satisfaction with life scale. *Journal of personality assessment*, 49(1), 71-75.
- Diener, E., & Oishi, S. (2000). Money and happiness: Income and Subjective well-being across nations. *Culture and Subjective well-being* , 185-218.
- Diener, E., & Ryan, K. (2009). Subjective well-being : A general overview. *South African journal of psychology*, 39(4), 391-406.
- Diener, E., Suh, E., & Oishi, S. (1997). Recent findings on Subjective well-being . *Indian journal of clinical psychology*, 24, 25-41.
- Dittmar, H., Bond, R., Hurst, M., & Kasser, T. (2014). The relationship between materialism and personal well-being: A meta-analysis. *Journal of personality and social psychology*, 107(5), 879.
- Dluhosch, B. (2018). Trade, inequality, and Subjective well-being : Getting at the roots of the backlash against globalization: LIS Working Paper Series.
- Drott, M. C. (1969). Random sampling: a tool for library research. *College & Research Libraries*, 30(2), 119-125.
- Easterlin, R. A. (1974). Does economic growth improve the human lot? Some empirical evidence Nations and households in economic growth (pp. 89-125): Elsevier.
- Easterlin, R. A. (2015). Happiness and economic growth—the evidence *Global handbook of quality of life* (pp. 283-299): Springer.
- Easterlin, R. A., McVey, L. A., Switek, M., Sawangfa, O., & Zweig, J. S. (2010). The happiness–income paradox revisited. *Proceedings of the National Academy of Sciences*, 107(52), 22463-22468.
- Ervasti, H., & Venetoklis, T. (2010). Unemployment and Subjective well-being : An empirical test of deprivation theory, incentive paradigm and financial strain approach. *Acta Sociologica*, 53(2), 119-139.
- Etikan, I., & Bala, K. (2017). Sampling and sampling methods. *Biometrics & Biostatistics International Journal*, 5(6), 00149.
- Evans, J. R., & Mathur, A. (2018). The value of online surveys: A look back and a look ahead. *Internet Research*.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of marketing research*, 18(1), 39-50.
- Foucault, M. (2012). *Discipline and punish: The birth of the prison*: Vintage.
- Frey, B. S., & Stutzer, A. (2002). What can economists learn from happiness research? *Journal of economic literature*, 40(2), 402-435.
- Gasper, D. (2005). Subjective and objective well-being in relation to economic inputs: puzzles and responses. *Review of Social Economy*, 63(2), 177-206.
- Habermas, J., & Leaman, J. (1988). A kind of settlement of damages (Apologetic tendencies). *New German Critique*(44), 25-39.
- Hansen, T. (2010). Subjective well-being in the second half of life: The influence of family and household resources: Department of Behavioural Sciences in Medicine, Faculty

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

of Medicine

- Hausman, D., McPherson, M., & Satz, D. (2016). *Economic analysis, moral philosophy, and public policy*: Cambridge University Press.
- Heukelom, F. (2007). Kahneman and Tversky and the origin of behavioral economics.
- Hilson, C. (2002). New social movements: the role of legal opportunity. *Journal of European Public Policy*, 9(2), 238-255.
- Hulland, J. (1999). Use of partial least squares (PLS) in strategic management research: A review of four recent studies. *Strategic Management Journal*, 20(2), 195-204.
- Inglehart, R., Foa, R., Peterson, C., & Welzel, C. (2008). Development, freedom, and rising happiness: A global perspective (1981–2007). *Perspectives on psychological science*, 3(4), 264-285.
- Inglehart, R., & Klingemann, H.-D. (2000). Genes, culture, democracy, and happiness.
- Jafari, A., & Süerdem, A. (2012). An analysis of material consumption culture in the Muslim world. *Marketing Theory*, 12(1), 61-79.
- Kahneman, D., & Deaton, A. (2010). High income improves evaluation of life but not emotional well-being. *Proceedings of the National Academy of Sciences*, 107(38), 16489-16493.
- Kahneman, D., Lovallo, D., & Sibony, O. (2011). Before you make that big decision.
- Kasser, T., & Ahuvia, A. (2002). Materialistic values and well-being in business students. *European journal of social psychology*, 32(1), 137-146.
- Keynes, J. M., Moggridge, D. E., & Johnson, E. S. (1971). *The Collected Writings of John Maynard Keynes* (Vol. 30): Macmillan London.
- Luhmann, M., Schimmack, U., & Eid, M. (2011). Stability and variability in the relationship between Subjective well-being and income. *Journal of Research in Personality*, 45(2), 186-197.
- Lyotard, J.-F. (1988). *Le différend* (Vol. 46): U of Minnesota Press.
- Marshall, T. H. (2020). Value problems of welfare-capitalism *Welfare Law* (pp. 157-174): Routledge.
- Martos, T., & Kopp, M. S. (2012). Life goals and well-being: Does financial status matter? Evidence from a representative Hungarian sample. *Social Indicators Research*, 105, 561-568.
- McMahon, D. M. (2006). *Happiness: A history*: Grove Press.
- Mehrad, A., & Zangeneh, M. H. T. (2019). Comparison between qualitative and quantitative research approaches: Social sciences. *International Journal For Research In Educational Studies*, Iran.
- Miller, T., Kim, A. B., & Roberts, J. M. (2022). *Economic freedom*. The Heritage Foundation, 490.
- Nairn, A., & Oprea, S. J. (2021). TV adverts, materialism, and children's self-esteem: The role of socio-economic status. *International Journal of Market Research*, 63(2), 161-176.
- Nickerson, C., Schwarz, N., Diener, E., & Kahneman, D. (2003). Zeroing in on the dark side of the American dream: A closer look at the negative consequences of the goal for financial success. *Psychological Science*, 14(6), 531-536.
- Nussbaum, M. C. (2013). *The therapy of desire*: Princeton University Press.

Journal of Management & Social Science
VOL-2, ISSUE-2, 2025

- Pacini, R., & Epstein, S. (1999). The relation of rational and experiential information processing styles to personality, basic beliefs, and the ratio-bias phenomenon. *Journal of personality and social psychology*, 76(6), 972.
- Rindfleisch, A., Burroughs, J. E., & Denton, F. (1997). Family structure, materialism, and compulsive consumption. *Journal of consumer research*, 23(4), 312-325.
- Rogers, J., & Revesz, A. (2019). Experimental and quasi-experimental designs *The Routledge handbook of research methods in applied linguistics* (pp. 133-143): Routledge.
- Roland, G. (2004). Understanding institutional change: Fast-moving and slow-moving institutions. *Studies in comparative international development*, 38, 109-131.
- Rorty, R. (2009). *Philosophy and the Mirror of Nature*: Princeton university press.
- Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research methods for business students*: Pearson education.
- Scorsolini-Comin, F., Fontaine, A. M. G. V., Koller, S. H., & Santos, M. A. d. (2013). From authentic happiness to well-being: The flourishing of positive psychology. *Psicologia: Reflexão e Crítica*, 26, 663-670.
- Seeram, E. (2019). An overview of correlational research. *Radiologic technology*, 91(2), 176-179.
- Seleznova, E. (2011). Surveying transitional experience and Subjective well-being : Income, work, family. *Economic systems*, 35(2), 139-157.
- Sheldon, K. M., & Gunz, A. (2009). Psychological needs as basic motives, not just experiential requirements. *Journal of personality*, 77(5), 1467-1492.
- Shmueli, G., Sarstedt, M., Hair, J. F., Cheah, J.-H., Ting, H., Vaithilingam, S., & Ringle, C. M. (2019). Predictive model assessment in PLS-SEM: guidelines for using PLSpredict. *European journal of marketing*, 53(11), 2322-2347.
- Sterman, J. D. (1989). Misperceptions of feedback in dynamic decision making. *Organizational behavior and human decision processes*, 43(3), 301-335.
- Stevenson, B., & Wolfers, J. (2008). Economic growth and Subjective well-being : Reassessing the Easterlin paradox: National Bureau of Economic Research.
- Stutzer, A., & Frey, B. S. (2010). Recent advances in the economics of individual Subjective well-being . *Social Research: An International Quarterly*, 77(2), 679-714.
- Teague, M. V., Storr, V. H., & Fike, R. (2020). Economic freedom and materialism: An empirical analysis. *Constitutional Political Economy*, 31(1), 1-44.
- Thaler, R. H. (2016). Behavioral economics: Past, present, and future. *American Economic Review*, 106(7), 1577-1600.
- Thorbecke, E., & Charumilind, C. (2002). Economic inequality and its socioeconomic impact. *World Development*, 30(9), 1477-1495.
- Tibbetts, S. G., & Gibson, C. L. (2002). Individual propensities and rational decision-making: Recent findings and promising approaches. *Rational choice and criminal behavior: Recent research and future challenges*, 3-24.
- Tversky, A., & Kahneman, D. (1974). Judgment under Uncertainty: Heuristics and Biases: Biases in judgments reveal some heuristics of thinking under uncertainty. *Science*, 185(4157), 1124-1131.
- Tymula, A., Rosenberg Belmaker, L. A., Ruderman, L., Glimcher, P. W., & Levy, I. (2013).

Journal of Management & Social Science

VOL-2, ISSUE-2, 2025

Like cognitive function, decision making across the life span shows profound age-related changes. *Proceedings of the National Academy of Sciences*, 110(42), 17143-17148.

Veenhoven, R. (1991). Is happiness relative? *Social indicators research*, 24(1), 1-34.

Vinzi, V. E., Chin, W. W., Henseler, J., & Wang, H. (2010). *Handbook of partial least squares* (Vol. 201): Springer.

Weber, M. (2002). *The Protestant Ethic and the Spirit of Capitalism: and other writings*: Penguin.

Weyland, K. (2008). Toward a new theory of institutional change. *World Politics*, 60(2), 281-314.

Wilkinson, R. G., & Pickett, K. E. (2009). Income inequality and social dysfunction. *Annual review of sociology*, 35, 493-511.

Woodiwiss, M. (2001). *Organized crime and American power: A history*: University of Toronto Press.

Zimmermann, A. C., & Easterlin, R. A. (2006). Happily ever after? Cohabitation, marriage, divorce, and happiness in Germany. *Population and development review*, 511-528.