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By Jeanna Bryner, LiveScience Managing Editor | LiveScience.com

Finding the key to happiness may seem as elusive as capturing the fountain of youth, but science is increasingly revealing how the average person can attain bliss. Most recently, a study of rich and poor countries finds that individual wealth, material possessions and optimism are linked to greater well-being.

The findings are contrary to one theory on happiness, which suggests while the rich are happier overall than poor, increases in income don't give happiness a boost.

"We've found that rising income does lead to rising happiness, but it depends on people being optimistic, not having sky-high desires, and the average person being actually able to afford more things," psychologist and study researcher Edward Diener of the University of Illinois said in a statement. "So income is helpful, but only in certain circumstances."

The findings are substantial, according to a scientists not involved in the study, but following individuals for six years as the study did may not be enough to conclude one way or another whether income increases lead to a bump in happiness.

How happy are you?

Diener and two colleagues analyzed data for 135 nations collected between 2005 and 2011 on 806,526 individuals who participated in the Gallup World Poll and answered questions about both overall life satisfaction, and positive and negative emotions experienced the previous day. The researchers used two measures of income: a household income measure from the survey, and so-called gross domestic product (GDP) per capita purchasing power parity, which looks at GDP in terms of equivalent purchasing power in order to control for differences in cost of living among nations. [List: Happiest Countries]

They also examined whether participants had enough money for food, shelter, a TV set and Internet connection; whether they were optimistic about the future; and whether they were satisfied with their current standard of living.

Overall, as household income increased, so did life satisfaction and positive emotions for 64 percent of the countries. An increase in four factors together — income, material goods, standard-of-living satisfaction and optimism — increased life evaluations in 95 percent of the countries surveyed.

Less important for overall well-being (which includes life satisfaction and positive and negative emotions) was GDP, the researchers found.

Clearing up a paradox?

The findings speak to the so-called Easterlin Paradox, named for University of Southern California economist Richard Easterlin, who suggested the rich are on average happier than the poor, though higher average incomes aren't always followed by a bump in happiness.

Easterlin "postulated that social comparisons within nations were responsible for a hedonic treadmill because people's standards for incomes rise when the income of others in their society rise, and therefore there is no net gain in life satisfaction as average societal incomes increase," the researchers write in their research paper. [7 Things That Will Make You Happy]

People often compare themselves with others to evaluate their own goods, and if others have more, then their income seems inadequate, and therefore their feelings of happiness decrease, Easterlin said.

Case in point: Since the 1960s, GDP for the United States has tripled, while average happiness has stayed relatively unchanged.

"There are lots of good things about this study, and the issues are vital to the future of modern society, so I take off my hat to the authors," said Andrew Oswald, of the University of Warwick, who studies happiness. "But a span of six years of data is perhaps not an ideal test bed."

Oswald added in an email to LiveScience, "Richard Easterlin's famous finding is that over long periods of time economic growth does not make countries happier. It is just not easy to get to the bottom of that hypothesis with only six years of data, and it has been known for a while by economists and psychologists that, as one might expect, people do get happier in short-run booms."

The new study found increases in income do matter, but really only if that money brings the ability to buy more material things and if the individuals have optimism about their future and aren't continuing to crave more; in other words, if individuals are satisfied with their finances.

Diener, Louis Tay of Singapore Management University and Shigehiro Oishi of the University of Virginia detail their findings in the Journal of Personality and Social Psychology.