

Hamilton College, Fall 2019
Economics 512: The Economics of Happiness

Instructor: Stephen Wu (swu@hamilton.edu) 315-859-4645

My Office Hours (KJ 206): Mon. 2:30-4pm, Tues. 1-3pm, Thur. 10-11:30am

Note: Thursday office hours are reserved for this course. Mondays and Tuesdays may be busy with Introductory Economics students.

Empirical Research Specialist, Luis Mijares (KJ 205): Sun 2-7 pm, M,T,W: 12-8pm; Thurs: 12-6 pm

Course Description and Goals:

This course provides a theoretical and empirical study of the determinants of happiness, life satisfaction, mental health, and other subjective measures of well-being. We will start with a discussion of the measurement and reliability of well-being measures, and then study the relationships between well-being and variables such as income, employment, and age. We will also look at differences in well-being across various demographic groups. A primary component of this course is the senior project, which will be an empirical study related to a topic in this class.

This course will specifically address several of Hamilton College's education goals: (1) intellectual curiosity and flexibility: we will explore the different ways in which we can understand the concept of well-being in theory and practice; (2) disciplinary practice and (3) analytical discernment: we will study economic theories and use statistical methods to provide systematic evidence in empirical analyses; (4) creativity: you will have the opportunity to design your own research project, find appropriate data, and design your method of research; (5) communication and expression: you will complete a variety assignments to develop your written and oral communication skills; and (6) ethical, informed, and engaged citizenship: we will examine how and why the measurement well-being and understanding of its determinants are important to understand the progress of individuals and societies

Requirements:

I expect students to come to all class meetings and to be on time. Please have the assigned reading finished **prior** to the class period that we will be discussing it. This will make discussions more beneficial to you, and to the class as a whole. Some of the articles may be a bit on the technical side, and sometimes I will tell you to skip or skim certain sections. In addition to your senior project, you will have two in-class tests, two empirical lab assignments, and you will each present and lead a discussion on one of the articles. Grades will be determined by a combination of these factors.

Students with Disabilities:

Hamilton College will make reasonable accommodations for students with properly documented disabilities. If you are eligible to receive an accommodation(s) and would like to make a formal request for this course, please discuss it with me within the first two weeks of class. You will need to provide Allen Harrison, Associate Dean of Students (Elihu Root House; ext. 4021) with appropriate documentation of your disability. All discussions will remain confidential.

Student Wellbeing

In addition to teaching you about happiness and other measures of wellbeing, I am also concerned for your individual wellbeing and welfare. Many of us may feel overwhelmed, anxious, or depressed for various reasons. If at any point you feel unable to complete work for this class, please reach out and discuss with me. I also encourage you to make use of the resources available on campus to help and support you, such as the Counseling Center (315-859-4340), the Associate Dean of Students for Student Support, Lorna Chase (315-859-4600; lchase@hamilton.edu), the Associate Dean of Students for Academics, Tara McKee (315-859-4600; tmckee@hamilton.edu), your faculty advisor, or an RA or Area Director in your residence hall.

Grading (tentative percentages):

Labs	20%
Tests	20%
Article Presentation and Participation	10%
Senior Project and Presentations	50%

Tentative Schedule:

9/2, 9/4	Topic 1
9/9, 9/11	Topic 2
9/16, 9/18, 9/23, 9/25	Topic 3
9/30, 10/2, 10/7	Topic 4
10/9	Test
10/14, 10/16	Presentations: Research Question, Background, Motivation
10/21, 10/23, 10/28	Topic 5
10/30, 11/4	Topic 6
11/6	Test
11/11, 11/13	Presentations: Hypotheses, Methodology, Preliminary Results
11/18, 11/20	In class work
12/2, 12/4	Final Presentations
12/9, 12/11	Final Presentations

Topic 1: Overview and Motivation

9/2 – Introduction, Discussion of Senior Project

9/4 – Importance of SWB for Social Policy: Veenhoven (2002); U.N. World Happiness Report: Introduction, Chapter 5 (2017)

Topic 2: Measuring SWB

9/9 – Different measures of SWB: Veenhoven (2004)

9/11 – Reliability: Krueger and Schkade (2008); Validity: Oswald and Wu (2010)

Topic 3: Income, Growth, and Well-Being

9/16 – Easterlin Paradox: Easterlin (1974)

9/18 – Income, health and well-being globally: Deaton (2008)

9/23 – Macroeconomics of Happiness: Di Tella, et al. (2003)

9/25 – Income and Life Satisfaction vs. Emotional Well-Being: Kahneman and Deaton (2010); Stevenson and Wolfers (2013)

Topic 4: Comparisons and Envy

9/30 – Taste for Social Status: Frank and Heffetz (2011)

10/2 – Neighbors' Income: Luttmer (2005)

10/7 – Envy vs. Solidarity: Davis and Wu (2014)

Topic 5: Other Determinants of SWB

10/21 – U-Shape in Age: Blanchflower and Oswald (2008)

10/23 – Happiness of Parents (2014)

10/28 – Genetics: DeNeve et al. (2012)

Topic 6: Well-Being Across Groups

10/30 – Race: Stevenson and Wolfers (2012)

11/4 – Gender: Stevenson and Wolfers (2009)

Other possible research topics

job satisfaction and life satisfaction; happiness of college students, pregnancy/children and happiness; adaptation to happiness; happiness across geographic locations; environmental factors; political outcomes; sporting events; tragic events

Senior Project Guidelines

Due Dates

Part 1: due on or before Monday, October 14 at 9am. This paper is your research proposal and should be about 4-5 pages plus preliminary bibliography. The proposal should explain your main research question, discuss the data you will use to answer the question, and summarize several (approximately 3-5) related articles. In your summary of the articles, be sure to discuss the methodology and data used by the authors and the relationship between those papers and your proposed paper.

Presentations for this part will occur 10/14, 10/16

Part 2: due on or before Monday, November 11 at 9am. This paper should be a fairly complete draft of the introduction, literature review, and data and empirical methodology sections, and should contain some preliminary results from your analysis. In it you should define your research question (as above), and explain why the question is important. You should then discuss the related literature and the theoretical and empirical approaches used to address your research question (or related questions). Discuss your plans for original empirical work on the question including a discussion of the methods and data you will use in your analysis. Then provide any preliminary results that you have. The suggested length is 10 pages plus preliminary bibliography and supporting charts and tables.

Presentations for this part will occur 11/11, 11/13

Part 3: due on or before Monday, December 2 at 9am. This paper will be a solid draft of your entire senior project. In addition to the earlier sections, you should have a complete set of results to present, along with a conclusion that discusses the relationship between your work and earlier research. Suggested paper length is 15 pages, plus bibliography and supporting charts and tables

Final Presentations will occur 12/2, 12/4, 12/9, 12/11

Part 4: due on or before Monday, December 16 at 9am. This is the final version of your senior project, which will incorporate the suggestions you have received on your earlier drafts.

Required Appointments

Writing Center: You are required to schedule a Writing Center appointment in advance of turning in *either* part 2 or part 3 of your paper.

Oral Communications Center: You are required to schedule an Oral Communications Center appointment in advance of your final presentations

Format

1. Title page: This should include paper title, your name, the final due date, and an abstract (less than 150 words) that explains your research question and overviews main results.
2. Introduction: This is where you provide motivation for your topic of study. You should discuss the general topic of your research (which will be pretty similar for all of the papers, given the focus for this class) and then explain the specific research question that you will examine
3. Literature Review: This section discusses the main findings of the research related to your specific question. You need to discuss at least five different academic papers (one of which may be a course reading). Some papers will require more detailed attention than others. A good guideline is that the closer the paper is to your specific question, the more detailed your

discussion of that paper should be. For closely related work, make sure to explain the empirical approach used by the authors.

4. **Data Description and Empirical Methodology:** You may decide to split this section into two separate ones, depending on the uniqueness of the data that you are using. For most of you, it will be fine to have this as one section. This section should describe your data source, introduce the variables used for your analysis, and explain the empirical method of how you will answer your research question. You should provide summary statistics of the data (means, standard deviations).
5. **Discuss of Results:** In this section, you will present the main findings of your research. In addition to presenting the results of your analysis, you should also relate them to prior research.
6. **Conclusion:** You can summarize your findings, discuss the implications for policy makers or practitioners, and possibly provide some suggestions for future research.
7. **References:** This will come at the end of the paper. There are many citation styles and I do not have a preference regarding your choice of style, but just pick one and be consistent (Chicago, MLA, APA, etc...)

Potential Data sources

Here are links to some potential data sources. You should look through the codebooks to see what types of questions are asked in the various surveys. You may also find your own data, or try to obtain data used in papers that you read.

World Values Survey (questions on happiness, life satisfaction, social and cultural attitudes)

<http://www.worldvaluessurvey.org/WVSContents.jsp>

Behavioral Risk Factor Surveillance System (mental and physical health, life satisfaction for 2005-2009 survey years)

https://www.cdc.gov/brfss/annual_data/annual_data.htm

American Time Use Survey (Some well-being questions for 2010, 2012, and 2013 survey years)

<https://www.bls.gov/tus/data.htm>

<https://www.bls.gov/tus/wbdatafiles.htm>

National Health Interview Survey (questions on depression/emotional health for adults and children)

<https://www.cdc.gov/nchs/nhis/data-questionnaires-documentation.htm>

General Social Survey (questions on overall happiness and perspective on life)

<http://gss.norc.umd.edu/get-documentation>

<http://gss.norc.umd.edu/Get-The-Data>