

Hamilton College, Spring 2023
Economics 419: Economics of Happiness

Instructor: Stephen Wu (swu@hamilton.edu) 315-859-4645
Office Hours (KJ 206): M,W 11am-12:30pm or by appointment

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, age, and other individual and group characteristics. This course will specifically address several of Hamilton College's educational goals: (1) intellectual curiosity and flexibility: we will explore ways in which to understand 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; (4) creativity: you will have the opportunity to write a proposal for how to improve well-being at a local, regional, or national level; (5) communication and expression: you will complete assignments to develop written and oral communication skills; and (6) ethical, informed, and engaged citizenship: you will examine how and why measuring and understanding determinants of well-being is important for 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. There will be two in-class tests, a final exam, two empirical lab assignments, a policy paper, and three article summaries through the semester.

Classroom Policies

In general, masks are optional for vaccinated students, but please wear a mask if you are experiencing any cold or flu-like symptoms (even if you have tested negative for COVID) or if you have been a close contact with someone who has tested positive for COVID in the last five days. If you contract COVID, remain in isolation for a minimum of 5 full days following a positive test. After Day 5, you may resume attending classes in person as long as you are fever-free for at least 24 hours, have abating symptoms, and wear a mask until after Day 10.

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 (315-859-4021; aharriso@hamilton.edu) 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, Sarah Solomon (315-859-4600; ssolomon@hamilton.edu), the Associate Dean of Students for Academics, Adam Van Wynsberghe (315-859-4600; avanwyns@hamilton.edu), your faculty advisor, or an RA or Area Director in your residence hall.

Grading (tentative percentages):

Article Summaries	15%
Labs	20%
Paper	20%
Tests	45%

Tentative Schedule

1/19, 1/24, 1/26	Topic 1
1/31, 2/2 2/7	Topic 2
2/9	Topic 3, Work on Lab 1 (due 2/17)
2/14, 2/16	Lab 1, Topic 3
2/21, 2/23	Topic 4
2/28	Test
3/2, 3/7	Topic 4
3/9, 3/28, 3/30	Topic 5
4/4	Work on Lab 2 (due 4/14)
4/6, 4/11, 4/13, 4/18, 4/20	Topic 6
4/25	Test
4/27, 5/2, 5/4, 5/9	Topic 7

Topic 1: Overview and Motivation

Introduction; Utility Framework for Happiness: Layard (2006)
 Importance of SWB for Social Policy: Veenhoven (2002)
 Usefulness of Happiness Data: Di Tella and MacCulloch (2006)

Topic 2: Measuring SWB

Different measures of SWB: Veenhoven (2004); Deci and Ryan (2008)
 Reliability: *Krueger and Schkade (2008); *Ryff (1989)
 Validity: Gabriel et al. (2003); *Oswald and Wu (2010)

Topic 3: Understanding and Predicting SWB

Adaptation and Relativity: *Brickman et. al (1978)
 (Mis)predicting Happiness: Weinstein (1980); Schkade and Kahneman (1998)

Topic 4: Income, Growth, and Well-Being

Easterlin Paradox: Easterlin (1974)
 Income and Wellbeing Globally: Deaton (2008)
 Macroeconomics of Happiness: Di Tella, et al. (2003)
 Income and Life Sat/Emotional Wellbeing: *Kahneman/Deaton (2010); *Stevenson/Wolfers (2013)

Topic 5: Comparisons and Envy

*Taste for Social Status: Frank and Heffetz (2011)
 *Neighbors' Income: Luttmer (2005)
 Envy vs. Solidarity: Davis and Wu (2014)

Topic 6: Individual Characteristics and Well-Being

Age: Blanchflower and Oswald (2008)
 Culture: Diener, Oishi, and Lucas (2003)
 Gender: Stevenson and Wolfers (2009)
 Family Structure: *Herbst and Ifcher (2016); *Stack and Eshelman (1998)
 Genetics: *DeNeve et al. (2012)

Topic 7: Other Correlates of SWB

Inequality: Alesina et al. (2004)

Work: *Van der Meer and Wielers (2013)

Social Media: Braghieri et al. (2020)

COVID 19: Banks et al. (2021)