

Economy of Happiness gr.1 (EM1F4M55A1)

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|---------------------------------------|---|
| Program | PGE |
| Module / ECTS / Path / Specialisation | Module :Economy of Happiness : 5 ECTS. <ul style="list-style-type: none">• Visitants |
| Discipline | Economy |
| Year | 2019 |
| Semester | A |
| Open for visitors | yes (5 ECTS) |
| Available places | 45 |

Coordinator

Francis MUNIER

Lecturers

| Instructor | Population | Email |
|----------------|------------|-------|
| Francis MUNIER | Population | |

Course format

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| Working language : | English |
| Volume of contact hours : | 27 h |
| Workload to be expected by the student : | 108 h |

Course track

Track : Attendance

"Attendance" track :

Attendance at lecture / tutorial classes and intermediate / final exams is mandatory. As evaluation of in class work constitutes an essential element of grading, any absence will be penalized and is taken into account for grading purposes (see academic rules and regulations).

"Autonomous" track :

Attendance at intermediate / final exams is mandatory, but students are free to attend lecture / tutorial classes.

For all Master programs and all other programs realized in the form of dual internships (apprentissage), attendance at lecture / tutorial classes and intermediate / final exams is entirely mandatory. Therefore, only the "Attendance" track can be selected.

Contribution of the course to the educational objectives of the programme

How the course contributes to the programme :

Description

"We live in a favored age and yet we do not feel favored." The Progress Paradox sets out to explain "why capitalism and liberal democracy, both of which justify themselves on the grounds that they produce the greatest happiness for the greatest number, leave so much dissatisfaction in their wake." Just how important to happiness is wealth? How important is marriage? Parenthood? Job satisfaction? Leisure time? Health? The rate of unemployment? The rate of economic growth? Democratic institutions? Social safety nets, etc.? In other words, how do various factors such as economic growth, unemployment and inflation, as well as institutional variables, affect individual well-being? Are people with a higher income happier than those who earn less? Can we find a correlation between happiness and GDP, both at the individual and national levels?

It may appear obvious to ask these kinds of questions, but until recently economists, for the most part, ignored them. Therefore, today's interest in this area constitutes a real revolution in the field of economics.

Then, as an alternative approach, we will use the tools provided by the theory of the "economics of happiness". Finally, we will examine the concept of "Capability," which provides a framework for understanding to what extent an individual is truly free.

The objective of this course is twofold. First, it is to give a solid base enabling students to better understand economic matters and their evolution. Second, an opening will be provided on recent work in economics of happiness which relates to critical issues such as quality of life, sustainable development, and measures of economic performance.

Educational organisation

In class

Lectures

Presentations

Learning outcomes

Upon completion of this course, students should be able to :

- **Explain** and retain main evidences of economics of happiness
- **Explain** , apprehend and understand the progress paradox of hypermodern societies
- **Analyze** , understand and describe the new issues to measure progress and to do the link with happiness
- **Analyze** , understand, and describe, the salient facts of happiness
- **Choose** and explore one important issue of economics of happiness (report and oral presentation)

Outline

- I. Some glimpses of Economy of Happiness
 - a. Salient facts on happiness
 - b. GDP and Happiness
 - c. How does income affect happiness?
 - d. How does unemployment and inflation affect happiness?
- II. International Comparisons
 - a. Example of rankings
 - b. The better life index
 - c. How to interpret these international comparisons of happiness?
- III. Creativity and Happiness

Prerequisites

Key concepts to understand :

Knowledge of :

economics

Teaching material

Software

- MS POWERPOINT

Additional electronic platforms

- Slideshows
- Other

Recommended reading

Major works :

Delle Fave A., Brdar I. , Freire T., Vella-Brodrick D. and Wissing M.P (2011), "The Eudaimonic and Hedonic Components of Happiness: Qualitative and Quantitative Findings," Social Indicators Research, January 2011, Volume 100, Issue 2, pp 185-207

Di Tella R., MacCulloch R.J. and Oswald A.J. (2001), "Preferences over Inflation and Unemployment: Evidence from Surveys of Happiness," American Economic Review, vol. 91(1), pages 335-341, March.

Easterlin, R.A. (1974), "Does economic growth improve the human lot? Some empirical evidence", in P.A. David and M.W. Reder (Eds.), Nations and households in economic growth: Essays in honor of Moses Abramowitz. New York: Academic Press.

Florida R., Mellander C. and Rentfrow J. (2013), "The Happiness of Cities", Regional Studies, 47:4, pp. 613-627

Frey, B.S. and Stutzer A. (2002), "What Can Economists Learn from Happiness Research?" Journal of Economic Literature, 40(2), pp. 402-435

Konow J. and Earley J. (2008), "The Hedonistic Paradox: Is homo economicus happier," Journal of Public Economics, vol. 92(1-2), pp. 1-33, February.

Inglehart R. (1997), Modernization and Postmodernization, Princeton University Press, Princeton

Mellander C., .Florida R., Rentfrow J. (2011), "The creative class, post-industrialism and the happiness of nations" Cambridge Journal of Regions, Economy and Society, Cambridge Political Economy Society, vol. 5(1), pages 31-43.

Munier F. and Pan J. (2014), "Creativity, Growth, and Nudge: the Case of Shanghai", Marché & Organisation, april, special session China

Munier F. and El ouardighi J. (2013), "Should the ECB be reformed: Empirical Evidences and Proposals for Public Happiness Policies?", Public Happiness Interdisciplinary Conference Rome June 4-5, 2013, LUMSA University, Rome University of Milan - Bicocca University of Rome - Tor Vergata St. Thomas Aquinas University, Rome HEIRS, CISEPS, IREC

Stiglitz J.E., Sen A. and Fitoussi J.-P. [2010], Report by the Commission on the Measurement of Economic Performance and Social Progress, www.stiglitz-sen-fitoussi.fr

Further reading :

Research works by EM Strasbourg :

Assessment

Intermediate evaluation / continuous assessment 1 :

written + oral / in group / English / weighting : 50%
additional information : report and oral presentation

Final assessment : exam week

written / individual / English / weighting : 50%

Grounds for expulsion from classes

Such behaviors as...

arriving late, leaving early or unannounced leaving of the classroom during class time

disruptive eating or drinking in class

using smartphones and laptops for non class-related purposes

reading non class-related documents

chatting on non class-related issues

showing disrespect towards lecturers

... may lead to expulsion from classes.