**Economics of Happiness**

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**Objective / summary of the lecture**

“We live in a favored age and yet we do not feel favored.” How to explain this Paradox? Just how important to happiness is wealth, inequalities, job satisfaction, unemployment, economic growth, institutions, or social safety nets, etc.? 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. The objective of this course is to consider recent work in economics of happiness which relates to critical issues such as quality of life, creative development, work-life balance, or inequalities.

**Plan of the lecture**

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, innovation and Happiness

IV. Inequalities and happiness

V. Recognition and Happiness

**Main references**

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**Learning outcomes**

Students will be able to understand and analyze the new issues to measure progress and to do the link with happiness; to understand, and to explain the perspectives of economics of happiness on the analysis of unemployment, inflation, inequality, growth. Students should have a step back by showing an ability to criticize.