

# Ec 970: The Economics of Happiness

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Class Time: T/Th, 4:30pm-5:45pm (EST)

Classroom: Sever Hall 104

Web: **Canvas**

Office Hours: By Appointment (Zoom)

Version: Virtual Class - 3/22/20

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## Course Overview

How can we measure an individual's subjective level of happiness, and how should we incorporate a variety of these self-reported measures into common economic models of utility maximization and policy evaluation? In this course, we will explore the complicated relationships between traditional economic indicators and measures of subjective well-being in order to more fully understand what makes people happy.

Some key questions we will explore:

- How do/should we measure happiness?
- Can money buy happiness?
- What do psychological phenomena like present bias, hedonic adaptation, the focusing illusion, and other behavioral quirks imply for our goals as economists?
- What is the relationship between happiness and social capital - like family, friends, and our broader civic environments?
- How does someone's subjective well-being affect their productivity (and other economic outcomes)?
- How do cultural factors and differences in politics affect measures of subjective well-being?
- What effects do physical and mental health have on our day-to-day experiences as well as our overall life satisfaction?
- How should we incorporate these facts about subjective well-being into our evaluations and implementation of public policy?

Economists who study subjective well-being use the methodological and empirical tools of economics to understand how material welfare along with other life factors affect measures of people's self-reported happiness. The readings will make it clear that by incorporating a range of subjective well-being measures into welfare evaluations and public policy formation, economists would be better able to increase people's well-being and life satisfaction.

We will also spend a good portion of the class becoming familiar with "happiness" data commonly used by economists and other social scientists, including the World Values Survey, the General Social Survey (GSS), the Gallup World Poll, the American Time Use Survey Well-Being Module (ATUS-WB), and a variety of other subjective well-being surveys and economic data, both in the US and around the world.

At the end of the course, you should know about many of the important issues surrounding the economics of happiness and subjective well-being. The course is designed to expose students to many potential research ideas. The final research paper should be a culmination of the readings and assignments, allowing students to investigate a well-being related question using one of the datasets we use in class (or with your own data source) along with the empirical skills learned throughout the semester. The ultimate goal is to produce an original research paper that attempts to answer the question or further our understanding of subjective well-being.

## Course Requirements

Below you will find the course requirements and grading scheme for the course.

### Prerequisites

Students should have taken all introductory economics courses (Ec10a, Ec10b, and Ec1010a) before taking this class. Econometrics is not required for this class but it will help. Students should be able to understand most of the readings without any advanced econometrics training, and for the very technical papers students are expected to struggle with these and we will be going over the more difficult parts in our class discussions. The final paper will require an empirical component that will be related to the statistical software skills that you learn in the companion Statistical Software Mini Course class.

### Class Participation and Discussions (10%)

Everyone is expected to attend all classes and participate in class discussions. In order to do so effectively, you should have completed all of the required readings before class.

### Stata Problem Sets (10%)

The four Stata/R assignments in the Statistical Software Mini Course are required for this course and make up 10% of the final grade. The first meeting will be February 13, from 7:30-8:45pm. You can find more details here: <https://economics.harvard.edu/stata>

## Writing Assignments

In addition to Class Participation and the Stata Tutorial assignments, you will also have weekly “response papers” (1 page each) and four additional structured writing assignments. Specific instructions for the weekly response papers can be found below, and detailed instructions for the other assignments will be distributed in class and on Canvas.

**UPDATE:** Starting the week of 3/23, there will be no more weekly response papers. Instead, we will move to a “virtual” discussion format. Students are still expected to have read all of the required readings before the scheduled lectures. The lectures will go over the main parts of the paper, much as we did in our in-person classes, and students who “Zoom in” to the lectures can ask questions and make comments during the live lecture. If you miss the live lecture as it is being recorded, you’ll be expected to watch the lectures sometime at your own convenience (hopefully within the week, if possible).

**Virtual Discussion Board (10%)** Now that we have moved to remote learning, we will utilize the virtual discussion board on the course Canvas site to facilitate remote participation and allow for a-synchronous class discussions. Each week, you should do both of the following:

- 1 **Impression/Question:** Write a 1-paragraph post of your initial impression to one of the required readings, and then pose a question for the rest of the class. Make sure to clearly state which paper you are writing your impression of, and provide any background info or context that you think is appropriate for your peers to understand your question.
- 2 **Peer-Response:** Write a 1-paragraph post in which you respond (politely and constructively) to one of the impressions/questions posed by your peers. This can be you suggesting an answer to your peer’s question, a plan for answering their question, or even just your thoughts on their impression of the paper (e.g. if you agree or disagree with their impression of the paper, and why).

There will be discussion boards created for each week of readings. Ideally, you should write your impression/question (1) before the lecture for which the readings are required. You can write your peer-response (2) after the lectures for that week if you’d like, but you should complete it by the end of the weekend.

The impression/question should be similar in style to what you all have been previously writing in your weekly response papers. The peer-response should be at a similar level of formality (i.e. can be informal, like a comment you would make in class). Feel free to respond to more than one impression/question and to respond to other’s comments as well! In total, the discussion board posts should take about as long as your weekly response used to take up, though maybe spread out over a couple of sessions on Canvas (don’t spend too long on these).

**Grading:** The discussion board grades are completion, so as long as you make the effort you’ll get full credit! If you are unable to complete the discussion posts on time for some reason, please just let me know so that I can take into account any extenuating circumstances. I hope these discussions will become a fun place for us to talk about subjective well-being and bounce ideas off one another as we think of research ideas!

**Weekly Response Papers (10%):** Each week (starting the week of Feb. 10th), pick at least one of the readings for one of the classes that week, read the paper, and then write a 1-page reaction to the paper (approximately 500 words, with a 1.5 page limit). You can write about what you liked or disliked about the paper, any methodological issues you notice, whether you agree with the authors' interpretation of the results, whether you think the results are important or not, what other questions come to mind after reading the results, etc. Because many of the readings should be challenging, you can also write about things in the papers that you didn't understand fully or that confused you (but be specific about what you are confused about). Do not simply summarize the paper - I've already read it! **These responses should be turned in by 8pm the night before the class for which the readings are required.** This will make it easier for you to participate in class discussions and help me address issues and themes in the readings that you all find important. More details will be given out during the first week of the semester.

**Happiness Survey Exercise (10%):** The happiness survey exercise is designed to help you better understand challenges of collecting and interpreting happiness data. Details will be given out during the semester, and the assignment will be 3-5 pages due on February 28.

**Referee Report (10%):** The referee report assignment will further sharpen your ability to read, understand, and critique academic economic research. Details will be given out during the semester, and **the assignment will be 3-5 pages due on March 27.**

**Prospectus Draft (15%):** The prospectus draft is an opportunity to identify a research question for your final paper, explore data and methods that can help you answer your research question, and get valuable feedback from me before writing the final paper. Details will be given out during the semester, and **the assignment will be 5-7 pages due on April 10.**

**Final Research Paper (35%):** The final research paper is a solo-authored, original empirical project addressing a topic and issue related to happiness and economics. Details will be given out during the semester, and the assignment will be 13-18 pages, not including tables, figures, or references, **due on May 11.**

### **Research Workshop (5% bonus)**

Our tutorial will participate in the pilot Ec 970 Research Workshop this year, to be held on April 25 (exact schedule is still TBD). At the workshop, each student will participate in a panel, giving a polished 15-minute presentation of their term paper topic, discussing the motivation, relevant existing literature, intended methodology, and progress so far. In addition to participating in your own panel, we ask that you attend, and actively contribute to, at least one other panel over the course of the workshop. If you are unable to participate in the Workshop (e.g. because you are part of a sport team that has an away game that weekend), I can schedule a time for you to present your research in our class if you'd like. If this is your situation, please let me know ASAP. Presenting and participating in the conference can earn you up to 5% bonus points on your final grade. In addition to the clear grade incentive, the conference will be a great experience for you to practice your presentation skills and get valuable feedback from your peers on your final research paper project.

## Important Due Dates: Updated 3/22/20

2/10 or 2/12:	First Weekly Response Paper
2/21:	Stata/R Problem Set 1
2/28:	Happiness Survey Exercise
3/6:	Stata/R Problem Set 2
3/27:	Referee Report
3/27:	Stata/R Problem Set 3
4/10:	Paper Prospectus (Research Plan)
4/10:	Stata/R Problem Set 4
<b>Cancelled:</b>	Ec970 Workshop/Presentations
<b>Around 4/27:</b>	<i>Optional:</i> Submit paper draft for one more round of feedback
5/11:	Final Research Paper

## Grading Policy

Details about the specific requirements and grading details for each assignment will be given out throughout the semester. Students may talk to each other about assignments and give each other feedback, but all students must turn in their own original code and writing for all assignments (no group collaborations allowed). Late work will not be accepted unless agreed to in advanced and only for legitimately extenuating circumstances.

Students are expected to uphold the [Harvard College Honor Code](#) and abide by the other University policies on academic honesty and integrity as given in the *Harvard College Handbook for Students*. Following the policies of the College, this class has a zero-tolerance policy on cheating. As required by the College, all instances of suspected cheating will be referred to the Harvard Honor Council.

## Course Policies

### Office Hours

Office Hours for the class will be on Thursdays, from 3pm-4:30pm (right before we meet on Thursdays). If you would like to meet at some other time, email me and we can find a time that works for both of us. **Update: Due to the switch to virtual office hours, please email me to set up an appointment if you would like to come to office hours.**

### Email Policy

During the week, I will promise you a response to email questions within approximately 24 hours. During weekends (starting Friday afternoon), I will promise you a response by the following Monday evening. Typically I will respond more quickly, however I can't guarantee it. I will do my best to answer any questions about course logistics (e.g. when an assignment is due, a question about the readings, etc.) over email, or of course feel free to ask me these questions during class. For substantive questions about the material, I can try to briefly answer your question over email, or I may refer you to relevant readings or ask that you come to office hours for a more complete explanation. Note that this email policy means that I may not respond to

questions about assignments the night before they are due, so be proactive in your preparation! This is actually for your own benefit, not mine: it incentivizes you to start assignments and think of questions before it gets too late!

### **Electronics Policy**

Electronics are allowed, but *only* for referencing the readings or for taking notes. Other electronics for accessibility-related purposes are allowed.

### **Inclusivity and Respect**

A key feature of this class is that I really want you all to get something valuable out of it - regardless of whether your goal is to become the next Nobel Prize winning economist or just to get this class over with. In order to do this our class needs to be a place where everyone feels comfortable participating in and engaging with the topics and with each other. I will do my best to make sure that this is a reality, both by being respectful to you and expecting that you be respectful to me and your classmates in return. I am relying on your generosity and understanding to help keep class an inclusive, productive, and fun experience for everyone. I also that you extend the same generosity, understanding, and patience with the rest of your classmates, as we are all in this learning process together.

## Course Structure

### Broad Outline of the Course

- **Week 1:** Introduction, Happiness Data in Economics
- **Weeks 2-3:** Measuring Happiness and Subjective Well-Being
- **Weeks 4-5:** Behavioral Economics and Psychological Factors
- **Week 6:** Subjective Well-Being, Labor Markets, and Productivity
- **Week 7:** Social Roles and Social Connections
- **Week 8:** Culture, Politics, and International Comparisons
- **Weeks 9-10:** Physical and Mental Health
- **Weeks 11-12:** Public Policy and Subjective Well-Being

## Schedule and Required Reading Assignments

Below you will find the list of reading assignments for this class. The date indicates the class by which you should have completed the readings - that is, you should have read the readings for the date indicated *before* you come to class that day. Readings are required unless clearly stated otherwise, and it will be necessary for you to read the papers before class in order to fully participate in the discussion that day.

### Optional/Useful Books

- Loewenstein, George and Jon Elster, 1992. *Choice Over Time*
- Kahneman, Daniel, Ed Diener, and Norbert Schwarz, 1999. *Well-Being: Foundations of Hedonic Psychology*
- Layard, Richard, 2005. *Happiness: Lessons From A New Science*
- Krueger, Alan, 2009. *Measuring the Subjective Well-Being of Nations*
- Hamermesh, Daniel S, 2019. *Spending Time: The Most Valuable Resource*

### Required Readings

#### Week 1: Introduction, Happiness Data in Economics

#### 2/4: Using Happiness Data in Economics

- Bruno S. Frey and Alois Stutzer, 2002. "What Can Economists Learn from Happiness Research?" *Journal of Economic Literature*, 15(2):402-435 [33 pages]
- Rafael Di Tella and Robert MacCulloch, 2006. "Some Uses of Happiness Data in Economics" *Journal of Economic Perspectives*, 20(1):25-46 [21 pages]

- Daniel Kahneman and Alan B. Krueger, 2006. "Developments in the Measurement of Subjective Well-Being", *Journal of Economic Perspectives* 20(1):3-24 [22 pages]

## 2/6: The Easterlin Paradox, Subjective Well-Being Datasets

- Richard Easterlin, 1974. "Does Economic Growth Improve the Human Lot? Some Empirical Evidence" *Nations and Households in Economic Growth: Essays in Honour of Moses Abramovitz*. P. David and M. Reder, p.89-125 [37 pages]
- Richard Easterlin, 1995. "Will Raising the Incomes of All Increase the Happiness of All?" *Journal of Economic Behavior and Organization*, 27(1):35-47 [13 pages]
- *Class Handout: "Subjective Well-Being Data Sources"*, Kevin DeLuca, 2020.

## Weeks 2-3: Measuring Happiness and Subjective Well-Being

### 2/11: Life Satisfaction

- Betsey Stevenson and Justin Wolfers, 2008. "Economic Growth and Subjective Well-Being: Reassessing the Easterlin Paradox" *Brookings Papers on Economic Activity*, p.1-71 [71 pages]  
<https://www.brookings.edu/bpea-articles/economic-growth-and-subjective-well-being-reassessing-the-easterlin-paradox/>
- Daniel Kahneman and Angus Deaton, 2010. "High Income Improves Evaluation of Life but not Emotional Well-Being", *PNAS*, 107(38):16489-16493 [4 pages]

### 2/13: Measuring Hedonic Pleasures

- Daniel Kahneman, 1999. "Objective Happiness" (Chapter 1) in *Well-Being: Foundations of Hedonic Psychology*, p.1-25 [25 pages]
- Daniel Kahneman, Peter P. Wakker, and Rakesh Sarin, 1997. "Back to Bentham? Explorations of Experienced Utility" *Quarterly Journal of Economics*, 112(2):375-405 [31 pages]

### 2/18: Time Use and National Time Accounting

- Alan B. Krueger, Daniel Kahneman, David Schkade, Norbert Schwarz, and Arthur A. Stone, 2009. "Introduction and Overview" (Introduction) and "National Time Accounting: The Currency of Life" (Chapter 1) in *Measuring the Subjective Well-Being of Nations*, p.1-86 [86 pages]
- George Loewenstein, 2009. "That Which Makes Life Worthwhile" (Chapter 2) in *Measuring the Subjective Well-Being of Nations*, 87-106 [19 pages]
- Erik Hurst, 2009. "Thoughts on National Time Accounting: The Currency of Life" (Chapter 8) in *Measuring the Subjective Well-Being of Nations*, 227-241 [15 pages]

### 2/20: Time Use Continued

- Daniel S. Hamermesh, 2015. "What's To Know About Time Use?" *Journal of Economic Surveys*, 30(1):198-203 [6 pages]



- Alan B. Krueger, 2007. "Are We Having More Fun Yet? Categorizing and Evaluating Changes in Time Allocation" *Brookings Papers on Economic Activity*, 2007(2):193-215 [23 pages]  
<https://www.brookings.edu/bpea-articles/are-we-having-more-fun-yet-categorizing-and-evaluating-changes-in-time-allocation/>
- *Optional*: Mark Aguiar and Erik Hurst, 2007. "Measuring Trends in Leisure: The Allocation of Time over Five Decades" *Quarterly Journal of Economics* 122(3):969-1006 [38 pages]
- *Optional*: Ashley V. Whillans, Elizabeth W. Dunn, Paul Smeets, Rene Bekkers, and Michael I. Norton, 2017. "Buying Time Promotes Happiness" *PNAS* 114(32):8523–8527 [5 pages]

## Weeks 4-5: Behavioral Economics and Psychological Factors

### 2/25: Predicting Your Own Happiness

- George Loewenstein and David Schkade, 1999. "Wouldn't It Be Nice? Predicting Future Feelings" (Chapter 5) in *Well-Being: Foundations of Hedonic Psychology*, p. 85-105 [21 pages]
- George Loewenstein, Ted O'Donoghue, and Matthew Rabin, 2003. "Projection Bias in Predicting Future Utility" *Quarterly Journal of Economics*, 118(4):1209-1248 [40 pages]
- *Optional*: Neil D. Weinstein, 1980. "Unrealistic Optimism About Future Life Events" *Journal of Personality and Social Psychology* 39(5):806-820 [15 pages]

### 2/27: Focusing Illusion and Adaptation

- David A. Schkade and Daniel Kahneman, 1998. "Does Living in California Make People Happy? A Focusing Illusion in Judgments of Life Satisfaction" *Psychological Science* 9(5):340-346 [7 pages]
- Andrew E. Clark, Ed. Diener, Yannis Georgellis and Richard E. Lucas, 2008. "Lags and Leads in Life Satisfaction: A Test of the Baseline Hypothesis" *The Economic Journal* 118(529):222-243 [22 pages]
- *Optional*: Richard A. Easterlin, 2005. "Building a Better Theory of Well-Being", (Chapter 1) in *Economics and Happiness: Framing the Analysis*, [42 pages]

### 3/3: Adaptation Continued

- Philip Brickman, Dan Coates, and Ronnie Janoff-Bulman, 1976. "Lottery Winners and Accident Victims: Is Happiness Relative?" *Journal of Personality and Social Psychology*, 36(8):917-927 [11 pages]
- Erik Lindqvist, Robert Östling, and David Cesarini, 2018. "Long-Run Effects of Lottery Wealth on Psychological Well-Being" *NBER Working Paper No. 24667* [39 pages]  
<https://www.nber.org/papers/w24667>
- Ed Diener, Richard E. Lucas, and Christie Napa Scollon, 2006. "Beyond the Hedonic Treadmill: Revising the Adaptation Theory of Well-Being" *American Psychologist*, 61(4):305-314 [10 pages]

- *Optional*: Andrew J. Oswald and Nattavudh Powdthavee, 2006. "Does Happiness Adapt? A Longitudinal Study of Disability with Implications for Economists and Judges" *Journal of Public Economics*, 92(5-6):1061-1077 [17 pages]

### 3/5: Remembered Utility

- Jon Elster and George Loewenstein, 1992. "Utility from Memory and Anticipation" (Chapter 9) in *Choice Over Time*, p.213-234 [22 pages]
- *Optional*: Terence R. Mitchell, Leigh Thompson, Erika Peterson, and Randy Cronk, 1997. "Temporal Adjustments in the Evaluation of Events: The Rosy View" *Journal of Experimental Social Psychology* 33(4):421-448 [28 pages]

## Week 6: Subjective Well-Being, Labor Markets, and Productivity

### 3/10: Subjective Well-Being and Productivity

- Alex Edmans, 2011. "Does the Stock Market Fully Value Intangibles? Employee Satisfaction and Equity Prices" *Journal of Financial Economics*, 101(3):621-640 [20 pages]
- Teresa M. Amabile, Sigal G. Barsade, Jennifer S. Mueller, and Barry M. Staw, 2005. "Affect and Creativity at Work" *Administrative Science Quarterly*, 50(3):367-403 [37 pages]
- *Optional*: Peter H. van der Meer and Rudi Wielers, 2011. "What Makes Workers Happy?" *Applied Economics*, 45(3):357-368 [12 pages]
- *Optional*: James K. Harter and Raksha Arora, 2010. "The Impact of Time Spent Working and Job Fit on Well-Being Around the World" (Chapter 13) in *International Differences in Well-Being* 398-434 [37 pages]

### 3/12: (Un)Employment

- Andrew E. Clark and Andrew J. Oswald, 1994. "Unhappiness and Unemployment" *The Economic Journal*, 104(424):648-659 [12 pages]
- Liliana Winkelmann and Rainer Winkelmann, 1998. "Why Are The Unemployed So Unhappy? Evidence from Panel Data" *Economica*, 65(257):1-15 [15 pages]
- Kerwin Kofi Charles, 2002. "Is Retirement Depressing?: Labor Force Inactivity and Psychological Well Being in Later Life." *NBER Working Paper No. 9033* [38 pages]  
<https://www.nber.org/papers/w9033>
- *Optional*: Peter Warr, 1999. "Well-Being and the Workplace" (Chapter 20) in *Well-Being: Foundations of Hedonic Psychology*, p.392-412 [21 pages]
- *Optional*: Richard Freeman, 1978. "Job Satisfaction as an Economic Variable" *American Economic Review*, 68(2):135-141 [7 pages]

## Spring Break

3/17: No Class

3/19: No Class

## Week 7: Social Roles and Social Connections

### 3/24: Family, Parenthood, and Gender Differences

- Betsey Stevenson and Justin Wolfers, 2009. "The Paradox of Declining Female Happiness" *American Economic Journal: Economic Policy*, 1(2):190-225 [36 pages]
- Luca Stanca, 2012. "Suffer the Little Children: Measuring the Effects of Parenthood on Well-Being Worldwide" *Journal of Economic Behavior and Organization*, 81(3):742-750 [8 pages]
- Sophie Cetre, Andrew E. Clark, and Claudia Senik, 2015. "Happiness and the Parenthood Paradox" *Unpublished Working Paper* [24 pages]  
[Working Paper Link](#)
- *Optional*: Susan Nolen-Hoeksema and Cheryl L. Rusting, 1999. "Gender Differences in Well-Being" (Chapter 17) in *Well-Being: Foundations of Hedonic Psychology*, p.330-350 [20 pages]

### 3/26: Social Connections

- David G. Myers, 1999. "Close Relationships and Quality of Life" (chapter 19) in *Well-Being: Foundations of Hedonic Psychology*, p.374-391 [18 pages]
- Ashley V. Whillans, Chelsea D. Christie, Sarah Cheung, Alexander H. Jordan, and Frances S. Chen, 2017. "From Misperception to Social Connection: Correlates and Consequences of Overestimating Others' Social Connectedness" *Personality and Social Psychology Bulletin*, 43(12):1696-1711 [15 pages]
- *Optional*: Ashley V. Whillans, Jessie Pow, and Michael I. Norton, 2018. "Buying Marital Bliss: Time-Saving Purchases Promote Relationship Satisfaction" *Harvard Business School Working Paper No. 18-072* [80 pages]  
<https://www.hbs.edu/faculty/Pages/item.aspx?num=53939>

## Week 8: Culture, Politics, and International Comparisons

### 3/31: Cross-Country Comparisons

- David G. Blanchflower, 2009. "International Evidence on Well-Being" (Chapter 7) in *Measuring the Subjective Well-Being of Nations*, p.155-226 [71 pages]
- David G. Blanchflower and Andrew J. Oswald, 2004. "Well-Being Over Time in Britain and the USA" *Journal of Public Economics*, 88(7):1359-1386 [28 pages]

- *Optional*: David G. Blanchflower. 2020. "Is Happiness U-Shaped Everywhere? Age and Subjective Well-Being in 132 Countries" *NBER Working Paper No. 26641* [20 pages]  
<https://www.nber.org/papers/w26641>
- *Optional*: David G. Blanchflower. 2020. "Unhappiness and Age" *NBER Working Paper No. 26642* [19 pages]  
<https://www.nber.org/papers/w26642>

#### 4/2: Culture and Politics

- Alberto Alesina, Rafael Di Tella, and Robert J. MacCulloch, 2004. "Inequality and Happiness: Are Europeans and Americans Different?" *Journal of Public Economics*, 88(9):2009-2042 [34 pages]
- Lamar Pierce, Todd Rogers, and Jason A. Snyder, 2015. "Losing Hurts: The Happiness Impact of Partisan Electoral Loss" *Journal of Experimental Political Science* 3(1):44-59 [16 pages]
- *Optional*: Lucía Macchia and Ashley V. Whillans, 2019. "Leisure Beliefs and the Subjective Well-Being of Nations", *The Journal of Positive Psychology* 14(2) [10 pages]
- *Optional*: Piers Steel, Vasyl Taras, Krista Uggerslev, and Frank Bosco, 2018. "The Happy Culture: A Theoretical, Meta-Analytic, and Empirical Review of the Relationship Between Culture and Wealth and Subjective Well-Being" *Personality and Social Psychology Review* 22(2):128-169 [42 pages]

### Weeks 9-10: Physical and Mental Health

#### 4/7: Pain, Disabilities, and Labor Force Participation

- Alan B. Krueger, 2017. "Where Have All The Workers Gone? An Inquiry into the Decline of the U.S. Labor Force Participation Rate" *Brookings Paper on Economic Activity* [59 pages]  
<https://www.brookings.edu/bpea-articles/where-have-all-the-workers-gone-an-inquiry-into-the-decline-of-the-u-s-labor-force-participation-rate/>

#### 4/9: Health-Related Quality of Life

- Milton C. Weinstein, George Torrance, and Alistair McGuire, 2009. "QALYs: The Basics" *Value in Health* 12:S5-S9 [5 pages]
- Peter J. Neumann, Sue J. Goldie, and Milton C. Weinstein, 2000. "Preference-Based Measures in Economic Evaluation in Health Care" *Annual Review of Public Health*, 21:587-611 [25 pages]
- (*Skim*): Norma-Jean Simon, John Richardson, Ayesha Ahmad, Angela Rose, Eve Wittenberg, Brittany D'Cruz, and Lisa Prosser, 2019. "Health Utilities and Parental Quality of Life Effects for Three Rare Conditions Tested in Newborns" *Journal of Patient-Reported Outcomes* 3:4. [10 pages]

#### 4/14: Mental Health and Mental Illness

- Daniel S. Hamermesh and Neal M. Soss, 1974. "An Economic Theory of Suicide" *Journal of Political Economy*, 82(1):83-98 [16 pages]
- Jonathan de Quidt and Johannes Haushofer, 2016. "Depression for Economists" *NBER Working Paper No. 22973* [44 pages]  
<https://www.nber.org/papers/w22973>
- Barbara Biasi, Michael S. Dahl, and Petra Moser, 2019. "Career Effects of Mental Health" *Working Paper, 2019 Version* [39 pages]  
<https://www.barbarabiasi.com/>, find under "Research" tab
- *Optional*: David M. Cutler, Edward L. Glaeser, and Karen E. Norberg, 2001. "Explaining the Rise in Youth Suicide" (Chapter 5) in *Risky Behavior among Youths: An Economic Analysis*, p.219-269 [50 pages]  
Available online: <http://www.nber.org/books/grub01-1>
- *Optional (Skim)*: [National Survey on Drug Use and Health, 2017](#)
- *Optional*: "The Loneliness Epidemic" *The Ezra Klein Show*  
<https://www.stitcher.com/podcast/vox/the-ezra-klein-show/e/64496902#/>

#### 4/16: Melioration and Addiction

- Richard J. Herrnstein and Drazen Prelec, 1992. "Melioration" (Chapter 10) in *Choice Over Time*, p.235-264 [30 pages]
- Gary S. Becker, Michael Grossman, and Kevin M. Murphy, 1992. "Rational Addiction and the Effect of Price on Consumption" (Chapter 14) in *Choice Over Time*, p.361-370 [10 pages]
- Richard J. Herrnstein and Drazen Prelec, 1992. "A Theory of Addiction" (Chapter 13) in *Choice Over Time*, p.331-360 [30 pages]

### Weeks 11-12: Public Policy and Subjective Well-Being

#### 4/21: Using Happiness Data in Public Policy

- John F. Helliwell, Haifang Huang, and Shun Wang, 2020. "Happiness and the Quality of Government" *NBER Working Paper No. 26840* [24 pages]  
<https://www.nber.org/papers/w26840>
- *Optional*: Mark D. White, 2015. "The Problems with Measuring and Using Happiness for Policy Purposes" *Mercatus Research, Mercatus Center at George Mason University* [25 pages]  
<https://www.mercatus.org/system/files/Problems-Measuring-Using-Happiness-Policy-Purposes.pdf>
- *Optional*: Matthew D. Adler, 2013. "Happiness Surveys and Public Policy: What's the Use?" *Duke Law Journal* 62:1509-1601 [92 pages]

#### 4/23: Macroeconomic Policy

- Rafael Di Tella, Robert J. MacCulloch, and Andrew J. Oswald, 2001. "Preferences over Inflation and Unemployment: Evidence from Surveys of Happiness" *American Economic Review* 91(1):335-341 [7 pages]
- Rafael Di Tella, Robert J. MacCulloch, and Andrew J. Oswald, 2003. "The Macroeconomics of Happiness" *Review of Economics and Statistics*, 85(4):809-827 [18 pages]

#### **4/28: Taxes as Self-Control**

- Jonathan H. Gruber and Sendhil Mullainathan, 2005. "Do Cigarette Taxes Make Smokers Happier" *Advances in Economic Analysis and Policy*, 5(1):1-43 [43 pages]
- *Optional*: Ted O'Donoghue and Matthew Rabin, 2006. "Optimal Sin Taxes" *Journal of Public Economics* 90(1):1825-1849 [25 pages]