

“Money and Happiness”

(Summer Term 2024)

Prof. Dr. Lea Cassar

Preliminaries: The seminar will take place in person as a *block course* on **Monday April 15, 2024**. The seminar will be taught in English.

Outline: The course is paper-based and covers the topic of the relationship between income and happiness. The course is centered around one of the core references on the reading list, to be presented by groups of two students, followed by a general in-class discussion. Students are expected to read and be familiar with all the listed core references. The written seminar paper is supposed to build on a larger base of the relevant literature.

Prerequisites: This seminar is open to BSc and MSc students. Students should have solid knowledge in microeconomics, game theory, and (micro)econometrics.

Registration: To participate to the seminar, you need to register in FlexNow by **January 31**.

Questions: All of your questions will be hopefully addressed during the online startup meeting on **February 7**. Any questions before that may be directed at lea.cassar@ur.de. In order to participate to the seminar, you **MUST** attend the startup meeting.

Assessment:

1. Seminar presentation (ca 30 min, 80%)
2. Written seminar paper (10 pages, 20%)

Group work (presentations and seminar papers) will be graded for the group as a whole, and each group member receives the same grade. Students who insist on individual grades must notify us **in advance**. Active participation in the general class discussions following the presentations is strongly encouraged and can upgrade your final grade by up to 0.4.

Summary of the Important Dates:

- Until January 31: Mandatory registration via Flexnow
- February 07, 09:30 - 10:30, via Zoom: **Startup meeting** and assignment of groups for the presentations (**Mandatory attendance!**). Please look at the papers in the reading list before the startup meeting so that you can make a more informed choice.

The meeting will take place at the following link:

<https://uni-regensburg.zoom.us/j/5054341076?pwd=aFJvN081ZWxiaEF0dEpHTHE2TS81QT09>

- 14 February: Deadline to deregister from the seminar on FlexNow. If you attended the startup meeting and later decided to deregister please also inform us by email at `sekretariat.Cassar@ur.de`
- April 15, 2024, 12:00 - 16:00, in Room “tba”: **Seminar takes place**
- May 17, 2024, 23:59: **Deadline** for submitting the **written seminar papers** by email to `sekretariat.Cassar@ur.de`.

Seminar References

Money & Happiness

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 - Solnick, S. & Hemenway, D. (1998) Is more always better?: A survey on positional concerns. *Journal of Economic Behavior & Organization*, 37(3), 373-383. <https://www.sciencedirect.com/science/article/pii/S0167268198000894>
2.
 - Kahneman, D. & Deaton, Angus. (2010). High Income Improves Evaluation of Life But Not Emotional Well-Being. *Proceedings of the National Academy of Sciences of the United States of America*, 107 (38), 16489-16493. <https://doi.org/10.1073/pnas.1011492107>
 - M. A. Killingsworth. (2021). Experienced well-being rises with income, even above 75,000 per year. *Proc. Natl. Acad. Sci. U.S.A.* 118. <https://doi.org/10.1073/pnas.2016976118>
 - Killingsworth, Matthew & Kahneman, Daniel & Mellers, Barb. (2023). Income and emotional well-being: A conflict resolved. *Proceedings of the National Academy of Sciences of the United States of America*. 120. <https://doi.org/10.1073/pnas.2208661120>
3. Di Tella, R., New, J. & Macculloch, R. (2007). Happiness Adaptation to Income and to Status in an Individual Panel. *Journal of Economic Behavior & Organization*, 76, 834-852. <https://doi.org/10.1016/j.jebo.2010.09.016>
4. Lindqvist, E., Oestling, R. & Cesarini, D. (2020). Long-Run Effects of Lottery Wealth on Psychological Well-Being, *The Review of Economic Studies*, 87(6), 2703–2726. <https://doi.org/10.1093/restud/rdaa006>

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6. Kuhn, P., Kooreman, P., Soetevent, A. & and Kapteyn, A. (2011). The Effects of Lottery Prizes on Winners and Their Neighbors: Evidence from the Dutch Postcode Lottery. *American Economic Review*, 101 (5): 2226-47.
<https://www.aeaweb.org/articles?id=10.1257/aer.101.5.2226>
7. Frijters, P., Haisken-Denew, J. and Shields, M. A. (2004). Money Does Matter! Evidence from Increasing Real Income and Life Satisfaction in East Germany Following Reunification, *American Economic Review*, 94(3), 730–740,
<https://doi.org/10.1257/0002828041464551>.
8. Gardner, J. and Oswald, A. J. (2007). Money and Mental Wellbeing: A Longitudinal Study of Medium-sized Lottery Wins, *Journal of Health Economics*, 26, 49–60,
<https://doi.org/10.1016/j.jhealeco.2006.08.004>.