Abstract

The creator of the GDP tool, Simon Kuznets, warned already in 1934 about impossibility of deriving the general welfare from the data obtained with the use of the GDP. Recent economics do not take into account all of the important factors affecting the distribution of the consumer´s preferences, thus threating the assumption of the consumer´s rationality. This thesis analysed significant factors that strongly affect the level of subjective welfare. The discussion of the reasons of the weak correlation between changes in income and level of happiness was emphasised as well. In the part devoted to the methodological issues were presented major problems that can occur in the research about happiness together with the possible ways how to deal with them.