

Abstract

Current economic policy, favoring particularly economic growth as a condition for the growth of well-being, is confronted with empirical evidence that despite this effort, population is not always satisfied. This thesis examines, in addition to economic growth, also other important economic indicators such as unemployment and inflation, their interrelations and connections of these indicators with the satisfaction of population. It presents reasons for importance of the development of these variables for the satisfaction of residents and to what extent satisfaction can be affected by these variables. Variables are investigated from the perspective of mainstream economics and the economics and happiness. In conclusion, this thesis summarizes recent findings of leading economists on possible revision of economic policy to better reflect present empirical evidence.

Key words: Economic policy, subjective well-being, well-being, income, unemployment, inflation, Easterlin paradox