Examining the Link between Economic Factors and Societal Well-being: The Importance of Income Inequality

Date: February 13, 2015 (Friday)
Time: 11:30 a.m. – 12:30 p.m.
Venue: Room 813, 8/F, The Jockey Club Tower, Centennial Campus, HKU
Speaker: Mr. Felix Cheung
Department of Psychology
The University of Hong Kong

Modern societies spend countless resources pursuing and maintaining economic growth. One reason for this pursuit is that economic prosperity may promote citizens’ well-being. However, it is unclear whether such efforts actually translate to increased societal well-being. In this talk, I will first summarize existing conflicting findings on the connections between economic growth and societal well-being. I then propose income inequality as an explanation for the mixed findings. Economic growth, when accompanied by increased income inequality, may be beneficial to the well-being of richer individuals but detrimental to the well-being of poorer individuals. This argument is supported by evidence from a sample of 1,751,843 participants from 2,425 counties in the United States. Future directions involve additional explanations of the mixed findings regarding economic growth and well-being from cross-cultural and cross-national perspectives. Finally, policy implications on improving societal well-being will be discussed.