Observatoire du Bien-être CEPREMAP

Newsletter n°46 2021 – 10

CENTRE POUR LA RECHERCHE ECONOMIQUE ET SES APPLICATIONS

La diversité des sujets traités dans les articles que nous relevons dans cette Newsletter d'octobre est un témoignage du dynamisme du champ, mais aussi de l'élargissement de l'usage des indicateurs de bien-être subjectifs à de nouveaux domaines. Nous relevons particulièrement la récente Note du Conseil d'analyse économique sur la manière dont l'économie et la société française ont traversé la crise sanitaire, ainsi que son focus sur la confiance dans les scientifiques. Un autre point d'attention est le débat dont nous relevons quelques articles sur l'existence et la généralité d'une courbe en U du bien-être selon l'âge.

Observatoire

Pandemic Policy and Life Satisfaction in Europe

Abstract: We use data from the COME-HERE longitudinal survey collected by the University of Luxembourg to assess the effects of the policy responses to the COVID-19 pandemic on life satisfaction in France, Germany, Italy, Spain and Sweden over the course of 2020. Policy responses are measured by the Stringency Index and the Economic Support Index from the Blavatnik School of Government. Stringency is systematically associated with lower life satisfaction, controlling for the intensity of the pandemic itself. This stringency effect is larger for women, those with weak ties to the labour market, and in richer households. The effect of the Economic Support is never statistically different from zero.

Clark, A., Lepinteur, A., "Pandemic Policy and Life Satisfaction in Europe", Docweb CEPREMAP 2108, 2021.

Maternal depression and child human capital: A genetic instrumental-variable approach

Abstract: We here address the causal relationship between maternal depression and child human capital using UK cohort data. We exploit the conditionally-exogenous variation in mothers' genomes in an instrumental-variable approach, and describe the conditions under which mother's genetic variants can be used as valid instruments. An additional episode of maternal depression between the child's birth up to age nine reduces both their cognitive and non-cogni-

tive skills by 20 to 45% of a SD throughout adolescence. Our results are robust to a battery of sensitivity tests addressing, among others, concerns about pleiotropy and the maternal transmission of genes to her child.

Menta, Giorgia, Lepinteur, Anthony, Clark, Andrew E., Simone Ghislandi, Conchita D'Ambrosio, "Maternal depression and child human capital: A genetic instrumental-variable approach", Docweb CEPREMAP 2107, 2021

The persistence of unhappiness: trapped into despair?

Abstract: This article investigates whether self-assessed states of unhappiness are persistent. To disentangle state dependence from unobserved heterogeneity in life satisfaction, it estimates a dynamic ordered Logit with correlated random effects on longitudinal data in France, the UK, Australia, and Germany. The persistence of life satisfaction is found to be heterogeneous; people already happy with their lives tend to remain happy while unhappiness sounds more transitory. Overall, there is no empirical evidence of unhappiness traps: rather, every individual faces the risk of experiencing some temporary spell of low subjective well-being in her life course.

Lionel Wilner, The persistence of unhappiness: trapped into despair?, *Oxford Economic Papers*, 2021;, gpab055, https://doi.org/10.1093/oep/gpab055

Covid-19

Les Français au temps du Covid-19 : économie et société face au risque sanitaire

Résumé: Au-delà de ses enjeux sanitaires et économiques, la crise liée à la pandémie de Covid-19 a mis à l'épreuve la coopération entre citoyens, gouvernements et scientifiques. Dans cette nouvelle Note du CAE, Yann Algan et Daniel Cohen proposent un retour d'expérience sur les principaux traits de la crise du Covid-19 avec une attention particulière sur le rôle de la confiance des citoyens envers autrui, envers les instances gouvernementales et envers les scientifiques.

Y.Algan et D. Cohen, « Les Français au temps du Covid-19 : économie et société face au risque sanitaire », Note du Conseil d'analyse économique, 66, Octobre 2021

Confiance dans les scientifiques par temps de crise

Résumé : Ce Focus analyse le rôle spécifique et primordial de la confiance des scientifiques sur le soutien et le respect des interventions non pharmaceutiques pendant la pandémie Covid-19 évoqué dans Algan et Cohen (2021). Nous exploitons des enquêtes uniques à grande échelle, longitudinales et représentatives pour douze pays sur la période allant de mars à décembre 2020, et nous complétons l'analyse avec des données expérimentales. Nous constatons que la confiance dans les scientifiques plutôt que dans le gouvernement est le moteur de l'adhésion aux politiques sanitaires. L'effet de la confiance dans le gouvernement est plus ambigu et tend à diminuer le soutien aux NPIs (Non Pharmaceutical Interventions) et le respect des gestes barrières dans les pays où les recommandations des scientifiques et du gouvernement ne sont pas alignées. La confiance dans les autres est également très paradoxale : dans les pays où la confiance sociale est élevée, le soutien aux NPIs est faible puisque la population s'attend à ce que les autres respectent volontairement les règles de distanciation sociale. Notre contribution souligne qu'au fil du temps, la confiance dans les scientifiques est le déterminant essentiel de la résilience des sociétés dans leur lutte contre la pandémie. Les individus et les pays pour lesquels la confiance dans les scientifiques a diminué ont également connu une diminution du soutien et du respect des NPIs et ont des attitudes moins favorables à la vaccination. Ces résultats soulignent la nécessité de maintenir la confiance dans les scientifiques pendant une pandémie qui met les citoyens et les gouvernements à rude épreuve.

Yann Algan, Daniel Cohen, Eva Davoine, Martial Foucault et Stefanie Stantcheva, « Confiance dans les scientifiques par temps de crise », Focus du Conseil d'analyse économique, 068-2021, Octobre 2021

Covid vaccination experiences

Abstract: The approval of several effective covid vaccines in record time shifted the emphasis in rich countries away from availability and the logistics of delivery to the issue of vaccine hesitancy. This column looks at vaccination rates across countries, with a special focus on the French experience. It finds that the introduction of a 'corona pass' had a much greater impact on France's vaccination rate than it did in some other countries, possibly in part due to the way it was announced by President Macron.

Mathias Dewatripont, "Covid vaccination experiences", VoxEU, 01 Octobre 2021

Midlife low

Is happiness u-shaped in age everywhere? A methodological reconsideration for Europe

Abstract: A recent contribution to research on age and well-being (Blanchflower 2021) found that the impact of age on happiness is "u-shaped" virtually everywhere: happiness declines towards middle age and subsequently rises, in almost all countries. This paper evaluates that finding for European countries, considering whether it is robust to alternative methodological approaches. The analysis here excludes control variables that are affected by age (noting that those variable are not themselves antecedents of age) and uses data from the entire adult age range (rather than using data only from respondents younger than 70). I also explore the relationship via models that do not impose a quadratic functional form.

The paper shows that these alternate approaches do not lead us to perceive a u-shape "everywhere": u-shapes are evident for some countries, but for others the pattern is quite different.

Bartram, David, (2021), <u>Is happiness u-shaped in age</u> everywhere? A methodological reconsideration for <u>Europe</u>, Papers, arXiv.org.

The well-being age U-shape effect in Germany is not flat

Abstract: Kassenboehmer and DeNew (2012) claim that there is no well-being age U-shape effect for Germany, when controlling for fixed effects and respondent experience and interviewer characteristics in the German Socio-Economic Panel, 1994-2006. We re-estimate with a longer run of years and restrict the age of respondents to those under seventy and find the well-being age U-shape effect is neither flat nor trivial.

Blanchflower, David G. and Piper, Alan, (2021), <u>The well-being age U-shape effect in Germany is not flat</u>, No 921, GLO Discussion Paper Series, Global Labor Organization (GLO).

The Mid-Life Dip in Well-Being: A Critique

Abstract: A number of studies - including our own find a mid-life dip in well-being. Yet several papers in the psychology literature claim that the evidence of a U-shape is "overblown" and if there is such a thing that any such decline is "trivial". Others have claimed that the evidence of a U-shape "is not as robust and generalizable as is often assumed," or simply "wrong." We identify 424 studies, mostly published in peer reviewed journals that find U-shapes that these researchers apparently were unaware of. We use data for Europe from the Eurobarometer Surveys (EB), 1980-2019; the Gallup World Poll (GWP), 2005-2019 and the UK's Annual Population Survey, 2016-2019 and the Census Bureau's Household Pulse Survey of August 2021, to examine U-shapes in age in wellbeing. We find remarkably strong and consistent evidence across countries of statistically significant and non-trivial U-shapes in age with and without socioeconomic controls. We show that studies cited by psychologists claiming there are no U-shapes are in error; we reexamine their data and find differently.

The effects of the mid-life dip we find are comparable to major life events such as losing a spouse or becoming unemployed. This decline is comparable to half of the unprecedented fall in well-being observed in the UK in 2020 and 2021, during the Covid19 pandemic and lockdown, which is hardly "inconsequential" as claimed.

Blanchflower, David G. and Graham, Carol L., (2021), The Mid-Life Dip in Well-Being: A Critique, No 923, GLO Discussion Paper Series, Global Labor Organization (GLO).

Lu sur le web

Avoiding a "despair death crisis" in Europe: the drivers of human (un)sustainability

Abstract: The emergence of the despair death crisis in the US stimulates researchers and policymakers to look at subjective wellbeing data from a different perspective. We wonder what can be done to avoid a similar situation in Europe, and to this purpose we analyse factors correlated with depression in the European Social Survey by considering the latter as a proxy of despair deaths. We find the strongest correlations with poor income, high-income expectations, low education, low-skilled jobs, poor social relationships, failure and shocks in affective relational life. We perform robustness checks finding that our results are robust when using alternative measures of psychological health and when instrumenting married status. If causality links between all these drivers and the dependent variable are verified and confirmed, as for marital status, we can conclude that the despair death crisis depends from a mix of material and immaterial factors (with the latter being dominant) that cannot be fully solved by mere monetary redistribution.

Becchetti, L., Conzo, G. Avoiding a "despair death crisis" in Europe: the drivers of human (un)sustainability. *Int Rev Econ* (2021). https://doi.org/10.1007/s12232-021-00379-9

Having too little or too much time is linked to lower subjective well-being.

Abstract: Many people living in modern society feel like they do not have enough time and are constantly searching for more. But is having limited discretionary time actually detrimental? And can there be downsides of having too much discretionary time? In two large-scale data sets spanning 35,375 Americans and two experiments, we explore the relationship between the amount of discretionary time individuals have and their subjective well-being. We find and internally replicate a negative quadratic relationship between discretionary time and subjective well-being. These results show that whereas having too little time is indeed linked to lower subjective well-being caused by stress, having more time does not continually translate to greater subjective well-being. Having an abundance of discretionary time is sometimes even linked to lower subjective well-being because of a lacking sense of productivity. In such cases, the negative effect of having too much discretionary time can be attenuated when people spend this time on productive activities.

Sharif, M. A., Mogilner, C., & Hershfield, H. E. (2021). Having too little or too much time is linked to lower subjective well-being. *Journal of Personality and Social Psychology*. Advance online publication. https://doi.org/10.1037/pspp0000391

Why Does Happiness Respond Differently to an Increase vs. Decrease in Income?

Abstract: The answer is that people's evaluations of their income situation are based on different considerations when the economy is expanding and when it is contracting. When, in the course of economic growth, incomes generally are rising, evaluations tend to be dominated by "social comparison"—what is happening to the incomes of others. An increase in the incomes of others undercuts the tendency for happiness to grow with an increase in one's own income, and happiness remains fairly constant. But in a recession, as people increasingly have difficulty meeting their fixed financial obligations, the benchmark for income evaluations turns inward. "Financial hardship", the shortfall from one's own previous peak in-

come, takes over, and the greater the shortfall, the less one's happiness. There is thus an asymmetry in the psychological roots of income evaluations when income is rising vs. falling, and this causes a corresponding asymmetry in the response of happiness to the direction of income change.

Easterlin, Richard A., (2021), Why Does Happiness Respond Differently to an Increase vs. Decrease in Income?, No 14645, IZA Discussion Papers, Institute of Labor Economics (IZA).

How threatening are transformations of happiness scales to subjective wellbeing research?

Abstract: Two recent papers argue that many results based on ordinal reports of happiness can be reversed with suitable monotonic increasing transformations of the associated happiness scale (Bond and Lang 2019; Schröder and Yitzhaki 2017). If true, empirical research utilizing such reports is in trouble. Against this background, we make four main contributions. First, we show that reversals are fundamentally made possible by explanatory variables having heterogenous effects across the distribution of happiness. We derive a simple test of whether reversals are possible by relabelling the scores of reported happiness and deduce bounds for ratios of coefficients under any labelling scheme. Second, we argue that in cases where reversals by relabelling happiness scores are impossible, reversals using an alternative method of Bond and Lang, which is based on ordered probit regressions, are highly speculative. Third, we make apparent that in order to achieve reversals, the analyst must assume that respondents use the response scale in a strongly non-linear fashion. However, drawing from the economic and psychological literature, we present arguments and evidence which suggest that respondents likely use response scales in an approximately linear manner. Fourth, using German SOEP data, we provide additional empirical evidence on whether reversals of effects of standard demographic variables are both possible and plausible. It turns out that reversals by either relabelling or by using Bond & Lang's approach are impossible or implausible for almost all variables of interest. Although our analysis uses happiness as a special case, our theoretical considerations are applicable to any type of subjective ordinal report.

Kaiser, Caspar and Vendrik, C.M., (2020), <u>How threatening are transformations of happiness scales to subjective wellbeing research?</u>, INET Oxford Working Papers, Institute for New Economic Thinking at the Oxford Martin School, University of Oxford.

Young People's Voices on Climate Anxiety, Government Betrayal and Moral Injury: A Global Phenomenon

Abstract

Background: Climate change has significant implications for the health and futures of children and young people, yet they have little power to limit its harm, making them vulnerable to increased climate anxiety. Qualitative studies show climate anxiety is associated with perceptions of inadequate action by adults and governments, feelings of betrayal, abandonment and moral injury. This study offers the first large-scale investigation of climate anxiety in children and young people globally and its relationship to government response.

Methods: We surveyed 10,000 young people (aged 16-25 years) in ten countries. Data were collected on their thoughts and feelings about climate change, and government response.

Findings: Respondents were worried about climate change (59% very or extremely worried, 84% at least moderately worried). Over 50% felt sad, anxious, angry, powerless, helpless, and guilty. Over 45% said their feelings about climate change negatively affected their daily life and functioning, and many reported a high number of negative thoughts about climate change. Respondents rated the governmental response to climate change negatively and reported greater feelings of betrayal than of reassurance. Correlations indicated that climate anxiety and distress were significantly related to perceived inadequate government response and associated feelings of betrayal.

Interpretation: Climate change and inadequate governmental responses are associated with climate anxiety and distress in many children and young people globally. These psychological stressors threaten health and wellbeing, and could be construed as morally injurious and unjust. There is an urgent need

for increases in both research and government responsiveness.

Hickman, Caroline and Marks, Elizabeth and Pihkala, Panu and Clayton, Susan and Lewandowski, Eric R. and Mayall, Elouise E. and Wray, Britt and Mellor, Catriona and van Susteren, Lise, Young People's Voices on Climate Anxiety, Government Betrayal and Moral Injury: A Global Phenomenon. Available at SSRN: https://ssrn.com/abstract=3918955 or https://ssrn.com/abstract=3918955 or https://dx.doi.org/10.2139/ssrn.3918955

The Relationship Between Age and Happiness Varies by Income

Abstract: The link between age and happiness has been the subject of numerous studies. It is still a matter of controversy whether the relationship is Ushaped, with happiness declining after youth before bouncing back in old age, or not. While the effect of age has been examined conditional on income and other socio-demographic variables, so far, the interactions between age and income have remained insufficiently explored. Using data from the European Social Survey, this article shows that the nature of the relationship between age and happiness varies strongly with different levels of relative income. People in the lowest decile of the income distribution experience a 'hockey stick': a deep decline in self-reported happiness until around age 50-55 and a small bounce back in old age. The classic U-curve is found mostly in the middle-income ranks. For people at the top of the income distribution, average happiness does not vary much with age. These results demonstrate the important role of income in moderating the relationship between age and happiness.

Toshkov, D. The Relationship Between Age and Happiness Varies by Income. *J Happiness Stud* (2021). https://doi.org/10.1007/s10902-021-00445-7

A Multisite Preregistered Paradigmatic Test of the Ego-Depletion Effect

Abstract: We conducted a preregistered multilaboratory project (k = 36; N = 3,531) to assess the size and robustness of ego-depletion effects using a novel replication method, termed the paradigmatic replication approach. Each laboratory implemented one of two procedures that was intended to manipulate self-control and tested performance on a subsequent

measure of self-control. Confirmatory tests found a nonsignificant result (d = 0.06). Confirmatory Bayesian meta-analyses using an informed-prior hypothesis (δ = 0.30, SD = 0.15) found that the data were 4 times more likely under the null than the alternative hypothesis. Hence, preregistered analyses did not find evidence for a depletion effect. Exploratory analyses on the full sample (i.e., ignoring exclusion criteria) found a statistically significant effect (d = 0.08); Bayesian analyses showed that the data were about equally likely under the null and informed-prior hypotheses. Exploratory moderator tests suggested that the depletion effect was larger for participants who reported more fatigue but was not moderated by trait self-control, willpower beliefs, or action orientation.

Vohs, K. D. et al. (2021) 'A Multisite Preregistered Paradigmatic Test of the Ego-Depletion Effect', *Psychological Science*. Doi: 10.1177/0956797621989733.

Perceived income inequality and subjective social status in Europe

Abstract: This paper analyzes how perceived income inequality is associated with subjective well-being. Using four waves of the "Social Inequality" module of the International Social Survey Programme, I show that the higher the level of perceived income inequality is, the lower the individual's perception of her social standing, even if objective income inequality and preferences for the legitimate level of income inequality are controlled for. The results are robust to the measure of perceived inequality and the choice of the outcome variable. The analysis also provides evidence that the estimated association is weaker for individuals with higher income, higher education, and countries without postcommunist history. Overall, the results suggest that not only do objective inequality and perception of fairness have consequences regarding subjective well-being but also the perceived level of income inequality itself.

Hajdu, Gábor, (2021), <u>Perceived income inequality</u> and subjective social status in Europe, No 926, GLO Discussion Paper Series, Global Labor Organization (GLO).

Deviations From Standard Family Histories and Subjective Wellbeing at Older Ages

Abstract: Life course research emphasizes that health and wellbeing at older ages are influenced by experiences occurred in the previous stages of life. Several studies have focused on fertility and partnership histories and health at older ages, but fewer have examined subjective wellbeing (SWB), especially using a holistic approach. Another strand of the literature demonstrated that non-standard family behaviors negatively influence SWB. We contribute to these strands of the literature by examining the association between non-standardness of family histories and SWB at older ages. We argue that individuals who experienced non-standard trajectories have been exposed to social sanctions throughout their life course which could exert negative long-term influence on their SWB. We apply sequence analysis and optimal matching on retrospective data from the seventh wave of the Survey of Health Ageing and Retirement in Europe (SHARE) to calculate the degree of non-standardness of family histories between age 15 and 49. Subseuently, we estimate linear regression models to assess the association between non-standardness of family histories and older people's SWB. Our results show a negative association between non-standardness of family histories and SWB, which is stronger for lower educated individuals and in Southern European countries.

Arpino, Bruno, GumÃ, Jordi and JuliÃ, Albert, (2021), Deviations From Standard Family Histories and Subjective Wellbeing at Older Ages, No 2021_16, Econometrics Working Papers Archive, Universita' degli Studi di Firenze, Dipartimento di Statistica, Informatica, Applicazioni "G. Parenti".



Le CEPREMAP est né en 1967 de la fusion de deux centres, le CEPREL et le CERMAP, pour éclairer la planification française grâce à la recherche économique.

Le CEPREMAP est, depuis le 1er janvier 2005, le CEntre Pour la Recherche EconoMique et ses APplications. Il est placé sous la tutelle du Ministère de la Recherche. La mission prévue dans ses statuts est d'assurer une interface entre le monde académique et les administrations économiques.

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Observatoire du Bien-être

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