## Life Satisfaction and Education in South Africa: Investigating the Role of Attainment and the Likelihood of Education as a Positional Good

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Abstract This paper explores various dynamics in the relationship between life satisfaction and education in South Africa using the 2008 National Income Dynamics Survey. The results indicate a strong positive association between educational attainment and individual satisfaction with life, which is true in the overall sample and for men and women. This positive relationship also holds for Black and Coloured individuals, but is insignificant in the Asian and White samples. Evidence indicates that education is a positional good, in that people who have attained more than the mean level of education in their relevant cluster are significantly more satisfied with life compared to those possessing less than the mean education.

Keywords Subjective well-being Positional concerns · Education · South Africa

1 Introduction

The expansion in the subjective well-being literature over the past three decades has uncovered numerous factors associated with self-reported levels of well-being. As one of the determinants of individual well-being, the influence of education has produced some interesting results. While most studies report a positive relationship between education and subjective well-being, insignificant and even negative associations have also been reported. In general, therefore, the evidence regarding the relationship between life satisfaction and educational attainment is relatively ambiguous (Ferrante 2009; Cuñado and de Gracia 2012). With respect to existing South African studies especially, the relationship between education and well-being is unclear.

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