SATISFACTION WITH LIFE IN EUROPE

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What makes Europeans satisfied with their lives? Do supportive relationships and the quality of public services matter? Do some things matter more to poor than to rich European citizens? These were some of the questions addressed in a recent report** using data on 31 countries from the 2007 European Quality of Life Survey (EQLS).

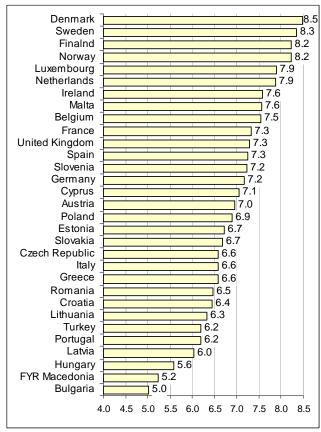


Figure 1: Average Life Satisfaction by Country

Source: EQLS 2007, Satisfaction with life: "All things considered, how satisfied would you say you are with your life these days?" Scale: 1=lowest level of satisfaction to 10 is highest level.

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It is now generally recognised that it is not enough to focus on wealth and economic growth in order to improve the quality of life: health, relationships, social participation, education, work and the quality of public services also need to be taken into account. Indicators of life satisfaction have a key role to play in this process as they directly capture people's experience and draw attention to aspects of people's lives that matter to them.

There are important differences in life satisfaction by country, with the highest levels in the Scandinavian countries and the lowest in Bulgaria, FYR Macedonia and Hungary (Figure 1). Ireland is in the top third of countries in terms of overall life satisfaction.

Health is very important to life satisfaction. Compared to those who report good health, those who report bad health are less satisfied by 1.1 points on the 10-point satisfaction scale, when other factors are controlled.

Living standards matter a great deal in all countries. This is captured by a measure counting which of the following six basic items the household does not have because of lack of resources: keeping the home adequately warm, having an annual holiday, replacing worn-out furniture, having a meal with meat, chicken or fish every second day, buying new rather than second hand clothes, having friends or family for a meal or drink once a month. In all countries, those who cannot afford two or more of these six basic goods and services are less satisfied (by 1.7 points, on average) than those who have access to all six.

Unemployment has a negative impact on life satisfaction, over and above its effect on income levels and standard of living. Those who are unemployed are less satisfied than those at work by 0.6 points. Retirement, on the other hand is associated with slightly higher satisfaction levels than being at work, as long as income is adequate and health is good.

Relationships matter as well. With other factors controlled, those who are separated, divorced or widowed are 0.3 to 0.5 points less satisfied than those who are married, and those parenting alone are 0.4 points less satisfied. We also examined social support more generally, based on asking people from whom they would get support if they needed to urgently raise €1,000 to face an emergency (financial support); if they were feeling a bit depressed and wanted someone to talk to (moral support) and if they needed help around the house when ill (practical support). Not surprisingly, those who have nobody they can rely on for support have lower levels of life satisfaction Social support matters most to people who are materially deprived. Support from family members is even more important than support from other people in buffering the impact of deprivation on quality of life.

Gender and age differences in life satisfaction are small, when other factors (including marital status, income, living standards, health and economic status) are taken into account. Women are slightly more satisfied than men and younger and older adults are slightly more satisfied than people in the 35-64 age group.

We measure the quality of public services using a 10-point index, representing people's average rating of the quality of six public services: health, education system, public transport, child care, care services for the elderly and state pension system. People who give a high rating to the quality of public services tend to be more satisfied with their lives by between 0.8 and 1.4 points on the ten point satisfaction scale. Even more important, however, is the finding that the quality of public services matters most to people who are materially deprived. This is understandable: people with greater resources can more readily insulate themselves from the impact of poor quality public services.

To return to the questions we asked at the beginning, material living standards, good health, access to employment and social relationships all matter to people's quality of life. Supportive social relationships, particularly from family, can buffer the impact of poor living standards on life satisfaction. The quality of public services also matters, and it matters most to those who are economically vulnerable.

It is important to note that the data were collected in 2007, months before the crisis in the world economy. This has brought rising unemployment and pressure to cut public spending throughout Europe. The results reported here indicate that both of these changes are likely to further reduce the quality of life among the most vulnerable European citizens.

**WATSON, D., F. PICHLER and C. WALLACE, 2010. <u>Second European</u> <u>Quality of Life Survey: Subjective Well-being in Europe</u>, Dublin: European Foundation for the Improvement of Living and Working Conditions.