

## Subjective Well-Being and the Impact from Climate Change

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### Abstract

The following paper analyzes the relationship between subjective well-being as a non-income welfare measure and climate variables such as extreme weather events, temperature or precipitation rates. We estimate the effects from events related to climate change on subjective well-being and point out the possible welfare losses and gains due to climate change.

Even though that there is a growing number of research done on well-being in terms of income measures and climate change, there is only little research done on the effect of climate change and non-income measures such as subjective well-being. Further those studies lack some comparison. Except Rehdanz and Maddison (2005) all studies turn to national analyses when analyzing the influence of climate on subjective well-being. So far there are very few studies on middle- and none on low-income countries done, but at the same time extreme weather events may especially affect people in poorer countries. Therefore, we test this relationship for a middle-income country and put the results in comparison to earlier studies.

We focus on subjective well-being and climate change in Argentina. We apply survey data from the World Value Survey and Latinobarometro which cover the years 1985-2007. In the first place we set up an Ordered Probit regression to estimate subjective well-being in Argentina and control for gender, age, marital status and income. Then in a second step we introduce climate variables such as the deviation from the mean of temperature and precipitation rates as well as extreme weather events.

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