

Measuring Wellbeing: Individual Based Approach

Discussant

Shatakshee Dhongde

Associate Professor of Economics

Georgia Institute of Technology, Atlanta, USA

Overview of the Paper

- Objective:
 - Identify factors that are associated with individuals' happiness
- Design:
 - European Social Survey Database
 - 4 rounds: 2008, 2010, 2012 and 2014
 - Estimate OLS regression models
 - Dependent Variable: Individual's subjective assessment of happiness
 - Independent Variables : Individuals, regions and countries
- Finding:
 - Richest EU regions are not necessarily the happiest, but the poorest are the least happy

Big Questions

- What is the relation between an individual's happiness and (subjective) well-being?
 - Discuss the philosophical background
 - Make the distinction clear
- Which factors “determine” happiness versus which factors are “correlated” with happiness?
 - Independent variables on demographic features: age, gender, ethnicity
 - Independent variables on attainment: income, education, employment
 - Justification for the variables chosen: WGI

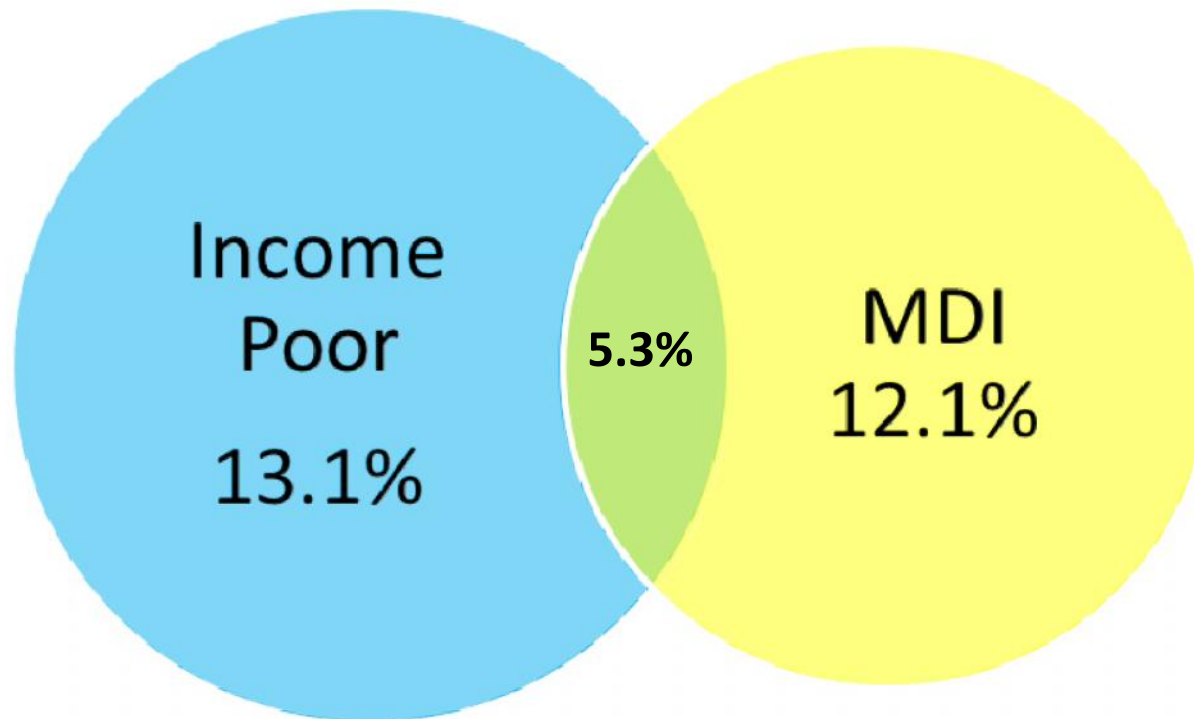
Suggestions to Improve the Analysis

- **Dependent Variable: Individual's subjective assessment of happiness**
 - Survey design bias
 - Range, mean, median, variance of this variable
 - Regional variation, over time variation
 - Limited dependent variable taking discrete values
- **Endogeneity, Heteroskedasticity and Multi-collinearity**
 - Use of IV
 - Robust standard errors

Comment on the Result

- Richest EU regions are not necessarily the happiest, but the poorest are the least happy
- Define regions in EU
 - Variation in size
- Evidence in the literature suggests a non-linear (often quadratic) relation between happiness and income
- How does the slope and the turning point vary?
- At low income levels, do multidimensional measures become less relevant? And do they become more relevant at high income levels?

Multidimensional Deprivation in the U.S



Dhongde and Haveman (2016) Measuring Multidimensional Deprivation in the U.S. Social Indicators Research