



同志社大学
Doshisha University

Keio University



INTERNATIONAL CONFERENCE

Comparative Study on Happiness

**EHESS, Paris
16 - 17 October
2014**

Organized with the support of:
Fondation France Japon de l'EHESS
Center for the Study of the Creative Economy
at Doshisha University
Life Risk Research Center at Doshisha University
Panel Data Research Center at Keio University



Table of Contents

| | | |
|----|--|----|
| 1. | About the Conference | 1 |
| 2. | Purpose of the comparative study on happiness..... | 1 |
| 3. | Conference Program | 2 |
| 4. | Venue | 4 |
| 5. | Information for authors | 5 |
| 6. | Information for editors | 5 |
| 7. | Contact Information | 6 |
| 8. | Abstracts and Biographies | 7 |
| | Session 1..... | 8 |
| | Session 2..... | 12 |
| | Session 3..... | 18 |
| | Session 4..... | 23 |
| | Session 5..... | 28 |
| | Session 6..... | 33 |
| 9. | References on Comparative Study on Happiness..... | 39 |

1. About the Conference

The “International Conference—Comparative Study on Happiness” will be a major outcome of the international research project entitled “Creating a Welfare Society-Happiness and a Stronger Economy” at Doshisha University, Japan in collaboration with EHESS and other cooperating universities in Europe. The purpose of the project is described under “2. Purpose of the comparative study on happiness”.

Researchers in the field of Economics, Public Policies, and Sociology will come together to discuss and propose policies to enable national economies of advanced countries to regain their competitiveness wherein people would live feeling more secure and happier. Specifically, areas of concern such as social security, work-life balance and employment system, education and economic inequality, and culture and creativity will be studied to analyze how they affect the people’s happiness. Papers with wider focus (not particularly drawing on the surveys internationally conducted) will also be presented at the Conference.

The Editorial Committee will meet during the workshop to discuss the publication of the papers presented for the Conference.

This workshop is sponsored by Life Risk Research Center at Doshisha University (Director, Tadashi Yagi), Center for the Study of the Creative Economy at Doshisha University (Director, Nobuko Kawashima), Fondation France Japon de l'EHESS (President, Sebastien Lechevalier), and Panel Data Research Center at Keio University (Director, Yoshio Higuchi)¹.

2. Purpose of the comparative study on happiness

The fiscal crisis of many governments amongst advanced nations over the last two to three decades has led to the decline of the welfare state and simultaneously an increase in income gaps between different groups, as well as in anxiety and unhappiness generally shared amongst people. It has become an urgent issue in Japan, too, for researchers in the social sciences to investigate the causes of the problems and propose policies so that the national economy would regain its competitiveness where people would live feeling more secure and happier. Whilst there are numerous academic approaches to this issue, we aim to address it with the use of surveys to identify the correlations between exogenous factors that affect lives of people such as the system of social security, education, employment, family and friends, the existence of social capital and the degree of happiness and well-being as perceived by them. The primary methodology, thus, is similar to the one described by Easterlin (2002) and Hills and Argyle (2002), but we welcome other approaches from diverse disciplines such as sociology.

With this overall goal, the study has four specific areas of concern for cross-national research:

- 1) Influence of social security on happiness.
- 2) Effects of work-life balance and employment system on happiness.
- 3) Effects of education system and economic inequality on happiness.
- 4) Influence of culture and creativity on happiness.

¹ This international workshop is partly sponsored by the “Multi-Dimensional Dynamic Analysis of Gender Equality and the Role of the Family in Internationally Comparable Data” project, which is carried out by Keio University under the Topic-Setting Program to Advance Cutting-Edge Humanities and Social Sciences Research of Japan Society for the Promotion of Science.

3. Conference Program

Thursday, 16 October 2014

| | |
|--|---|
| 9:15 | Registration open |
| 9:45 | Opening remarks by Professor Pierre-Cyrille Hautcoeur, President of EHESS |
| Session 1 Chair: Sebastien Lechevalier, L'École des Hautes Études en Sciences Sociales | |
| 10:00-10:30 | Why do Japanese Parents and Their Young Adult Children Live Together? Kei Sakata, Ritsumeikan University C.R. McKenzie, Keio University |
| 10:30-11:00 | Adaptation and the Easterlin Paradox Andrew Clark, Paris School of Economics |
| 11:00-11:30 | Does City Size affect Happiness? Yoshio Itaba, Doshisha University |
| 11:30-13:00 | Lunch |
| Session 2 Chair: Victor Ginsburgh, European Center for Advanced Research on Economic and Statistics (ECARES) | |
| 13:00-13:30 | Happiness: Research and Policy Considerations Bruno Frey, University of Zurich, Zeppelin University Friedrichshafen and CREMA Jana Gallus, University of Zurich |
| 13:30-14:00 | A comparative study on happiness and inequality : five countries' case Toshiaki Tachibanaki, Doshisha University Sayaka Sakoda, Doshisha University |
| 14:00-14:30 | Happiness, social cohesion and income inequalities in Britain and Japan Dimitris Ballas, The University of Sheffield |
| 14:30-15:30 | Coffee Break |
| Session 3 Chair: Seiichi Kondo, Doshisha University | |
| 15:30-16:00 | Impact of the arts and culture on happiness--Beyond methodological issues Nobuko Kawashima, Doshisha University |
| 16:00-16:30 | Observing unobserved effect heterogeneity: The importance of domain importance for happiness economics Tim Tiefenbach, German Institute for Japanese Studies Florian Kohlbacher, German Institute for Japanese Studies |
| 16:30-17:00 | Anticipation of Life Satisfaction before Emigration Evidence from German Panel Data Marcel Erlinghagen, University of Duisburg-Essen |

Friday, 17 October 2014

| Session 4 Chair: Toshiaki Tachibanaki, Doshisha University | |
|--|--|
| 10:00-10:30 | Assessing Suicidal Ideation from Responses to Queries on Subjective Well-Being Susumu Kuwahara, Japan Center for Economic Research and ESRI Teruyuki Tamura, Sophia University Akiko Kamesaka, Aoyama Gakuin University and ESRI Toshiya Murai, Kyoto University |
| 10:30-11:00 | Induced Transnational Preference Change: Fukushima and Nuclear Power in Europe Heinz Welsch, University of Oldenburg Philipp Biermann, University of Oldenburg |
| 10:30-11:00 | Effects of Paid and Unpaid Overtime Work on Stress, Earnings, and Happiness Akira Kawaguchi, Doshisha University Takato Kasai, Doshisha University |
| 11:30-13:15 | Lunch |
| 12:00-12:45 | Editorial Committee Meeting (Editors only) |
| Session 5 Chair: Bruno Frey, University of Zurich, Zeppelin University Friedrichshafen and CREMA | |
| 13:15-13:45 | Dislike of inequalities, social beliefs, social mobility, and attitudes to redistribution A comparison between the United States, France, and Japan Sebastien Lechevalier, L'École des Hautes Études en Sciences Sociales Maria Roubtsova, ENS Cachan and Paris-13 university |
| 13:45-14:15 | Raising wellbeing through economic policy reform: Issues of political entrepreneurship and communication Werner Pascha, University of Duisburg-Essen |
| 14:15-14:45 | An overview of intertemporal measures of individual well-being: Do they explain life satisfaction better? Conchita D'Ambrosio, University of Luxembourg |
| 14:45-15:30 | Coffee Break |
| Session 6 Chair: Werner Pascha, University of Duisburg-Essen | |
| 15:30-16:00 | Happiness and Employment Status Tadashi Yagi, Doshisha University Katsuhiko Yonezaki, Doshisha University Kunio Urakawa, Kyushu University |
| 16:00-16:30 | Can Work-Life Balance Policies Foster Happiness within the Family? A Comparison of New versus Old Family Arrangements Álvaro Martínez-Pérez, The University of Sheffield |
| 16:30-17:00 | The Impact of Employment System on Feeling of Happiness in Germany and Japan Toshiyuki Shirakawa, Doshisha University |

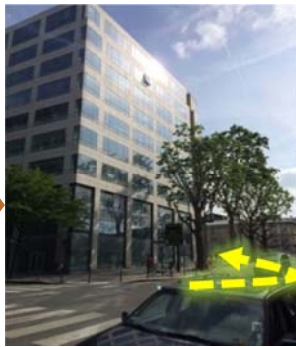
4. Venue

École des hautes études en sciences sociales (EHESS), bâtiment le France"
Room 638-640-641 (6th floor)

Address: 190 avenue de France, 75013 Paris, France Website: <http://ffj.ehess.fr/>



Nearest subway station to the venue, Quai de la Gare.



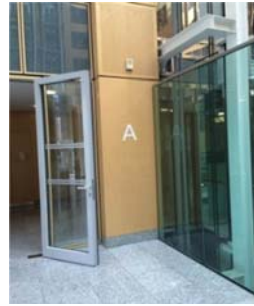
The building of EHESS is in front of Quai de la Gare.



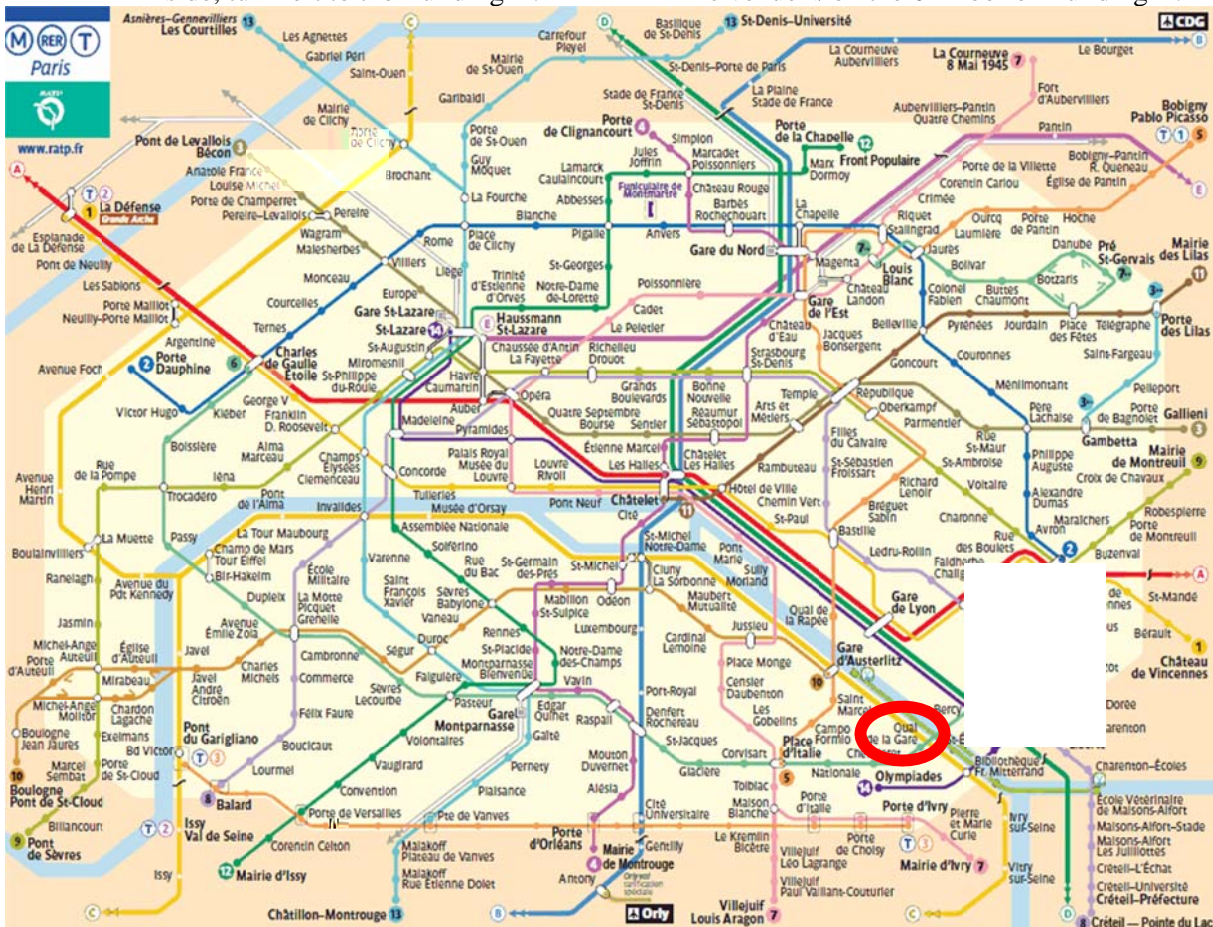
Entrance to the building.



Inside, turn left to the Building A.



The venue is on the 6th floor of Building A.



<http://www.ratp.fr>

5. Information for authors

Information on Presentation:

Each presenter will have 15 minutes for presentation, followed by comments from editors and floor discussion for 15 minutes.

Important Dates:

26 September, 2014: Submission of full manuscripts to the Conference secretariat (rc-risk@mail.doshisha.ac.jp) Each manuscript should be 6,000-8,000 words. Please count each figure or table as 200 words. This will be the length of a book chapter).

3 October, 2014: Submission of presentation file (powerpoint data) to the secretariat (rc-risk@mail.doshisha.ac.jp)

16-17 October, 2014: Paris Conference. Final papers for the publication will be selected by the editorial committee.

The following schedule will be discussed by the editorial committee during the Conference.

15 January 2015: Deadline for final manuscripts. Authors can proofread but cannot change their papers after this date.

February to May 2015: Three month period for final reviewing papers by editors.

December 2015: Publication of the book.

6. Information for editors

Editorial committee members

- 1) Chair, Toshiaki Tachibanaki (Doshisha University, Japan)
- 2) Victor Ginsburgh (European Center for Advanced Research on Economic and Statistics (ECARES), Universite Libre de Bruxelles, Belgium)
- 3) Bruno Frey (The University of Zurich, Switzerland)
- 4) Werner Pascha (Mercator School of Management and Institute of East Asian Studies, University of Duisburg-Essen, Germany)
- 5) Aki Tsuchiya (Department of Economics, The University of Sheffield, UK)
- 6) Sebastien Lechevalier (L'École des Hautes Études en Sciences Sociales (EHESS), France.)
- 7) Nobuko Kawashima (Doshisha University, Japan)
- 8) Tadashi Yagi (Doshisha University, Japan)

Meeting of Editorial Committee

All editorial committee members are asked to attend the lunch meeting which will be held on Friday, 17 October from 12:00-12:45.

During the meeting, the publisher of the book, book chapters, publication schedule, and the specific tasks for each editor will be explained.

7. Contact Information

For registration, please contact:

ffj@ehess.fr (located inside EHESS)

✂All authors, chairs, and editors, and project members from cooperating universities have been registered.

Secretariat of the international workshop

(located inside the Life Risk Research Center and Center for the Study of the Creative Economy)

Telephone: +81-75-251-3728 (international)

Fax: +81-75-251-3727 (international)

E-mail: rc-risk@mail.doshisha.ac.jp

Address: Imadegawa Karasuma Higashi iru Kamigyo, Kyoto, 602-8580, JAPAN

Secretariat during the Conference (only available during 16-17 October, 2014)

(located inside EHESS)

Telephone: +33-1-49-54-83-29

Address: 190 avenue de France 75013 Paris FRANCE

8. Abstracts and Biographies

Session 1

Chair

Sébastien Lechevalier

L'École des Hautes Études en Sciences Sociales

Sébastien Lechevalier is Associate Professor at L'École des Hautes Études en Sciences Sociales (EHESS, Paris). He is also President of Fondation France Japon de l'EHESS (EHESS Paris 日仏財団). His research focuses on the Japanese economy, corporate diversity, evolution of welfare systems in Asia, and inequalities. His recent publications include: *The Great Transformation of the Japanese Capitalism* (Routledge, 2014), “Bringing Asia into the Comparative Capitalism Perspective”, special issue of *Socio Economic Review* (co-edited with B. Amable, S. Casper & C. Storz, 2013), “Wage and Productivity Differentials in Japan. The role of Labor Market Mechanisms” (with Y. Kalantzis, & R. Kambayashi; *Labour: Review of Labour Economics and Industrial Relations*, 2012). He will also edit a special issue of *Review of World Economics* on “Globalization and labor market outcomes: de-industrialization, job security, and wage inequalities” in 2015.

Kei Sakata, Ph.D., C.R. McKenzie, Ph.D.

Title of Presentation

Why Do Japanese Parents and Their Young Adult Children Live Together?

Abstract

This paper examines how the co-residency of parents and young adult children affects the levels of parents' satisfaction and the level of their financial distress. We extend the analysis to examine whether or not there are any gender effects related to co-residence. In order to estimate the impact of co-residence, we estimate the average treatment effects of the treated by the propensity score matching method. It is found that co-residence with their young adult child reduces both the level of life satisfaction and marital satisfaction of Japanese parents. In particular, mothers are more likely to be dissatisfied with co-residing with an adult son, but fathers are less dissatisfied. In contrast, co-residence with an adult daughter does not reduce the satisfaction of mothers, but reduces that of fathers. This may be the reflection of the fact that Japanese fathers want their daughter to get married earlier than their son. The results suggest two interpretations: 1) parents help their single adult child and the parents are financially distressed; and 2) single adult children live with their parents to help their financially distressed parents. Under either interpretation, co-residency plays a role similar to social security.

Biographies

Kei Sakata is Professor in Graduate School of Economics at Ritsumeikan University. He holds a PhD in Economics awarded from Osaka School of International Public Policy at Osaka University. His research field includes labour economics, family economics, and applied econometrics. His recent publication includes *Occupation, Retirement and Cognitive Functioning* (2014) and *Does the Definition of Retirement Matter in Estimating the Effects of Retirement on Cognitive Functioning?* (2013).

Colin McKenzie was educated at the Australian National University, and has held full-time teaching positions at the Australian National University, Osaka University and Keio University. His current research focuses on: the role of underwriters in the Japanese bond market; why young adults live with their parents; the effect of changes in working hours and retirement on cognitive ability; and the effect of the gender of children on their parent's participation in the labor market. He has published in the *Economic Journal*, the *Review of Economics and Statistics*, *Econometric Reviews*, the *Journal of Time Series Analysis*, and the *Journal of Banking and Finance*, and is currently the Managing Editor of the *Asian Economic Policy Review* and an Associate Editor of the *Asian Economic Journal*.

Andrew E. Clark, Ph.D.

Title of Presentation

Adaptation and the Easterlin Paradox

Abstract

Two behavioural explanations of the Easterlin Paradox are commonly advanced. The first appeals to social comparisons, whereby individual i compares her income (Y_{it}) to a comparison income level earned by some other individual or group j (Y^*_{jt}). The second explanation is that of adaptation to higher levels of income. This is of the same nature, but here the individual's current income is compared to her own income in the past (i.e. Y_{it} is compared to $Y_{it-\tau}$, for some positive value or values of τ). The first of these explanations has attracted far more empirical attention than has the second. This is probably for data-availability reasons, as the latter requires panel information.

There is also a suspicion that large changes in Y_{it} are probably accompanied by a movement in some other variable that is also correlated with subjective well-being.

This paper will review the empirical evidence that individuals do indeed compare current to past income, and will then ask whether adaptation is in fact a viable explanation of the Easterlin Paradox. By doing so, it will underline areas where our knowledge is lacking despite the remarkable growth in work on well-being over the past two decades.

Biography

Andrew Clark holds a PhD from the London School of Economics. He is currently a CNRS Research Professor at the Paris School of Economics (PSE), and previously held posts at Dartmouth, Essex, CEPREMAP, DELTA, the OECD and the University of Orléans.

His work has largely focussed on the interface between psychology, sociology and economics; in particular, using job and life satisfaction scores, and other psychological indices, as proxy measures of utility. One particular research question has been that of relative utility or comparisons (to others like you, to others in the same household, and to yourself in the past), finding evidence of such comparisons with respect to both income and unemployment. This work has spilled over into theoretical and empirical work on following behaviour and learning from others' actions. Recent work has involved collaboration with psychologists to map out habituation to life events (such as job loss, marriage, and divorce) using long-run panel data.

In addition to his Paris position, he holds research associate positions at the London School of Economics, IZA (Bonn) and Kingston University. He is on the Editorial Board of ten journals, and has acted as referee for over 160 different journals across the Social Sciences.

Yoshio Itaba, Ph.D.

Title of Presentation

Does City Size affect Happiness?

Abstract

Easterlin Paradox states that growth in per capita income is not reflected in increasing subjective happiness. In other words, the macro-level(or regional-level) variable doesn't give an effect on the micro-level variable (subjective happiness). Many works have been done about this problem. This article focuses on the relationship between and subjective happiness (at micro-level) and city size(at regional-level). There are benefits and costs of big cities. Given these trade-off, we ask whether the city size affects the happiness of residents within a country. Firstly, the relationship between happiness and city size are estimated in japan using survey data which were collected by Internet Survey in 2011. Our results show a certain relationship among these two under some conditions. Secondly, the article tries to find the mechanism which city size affects happiness. Finally, policy implications are mentioned.

Biography

Itaba Yoshio is Professor in Faculty of Economics at Doshisha University. He holds a PhD in Economics awarded from Doshisha University. His research field includes Economic Analysis of Decentralization and Policy Evaluation. Some of his current publication are "What do People think about Basic Income in Japan?" in *Basic Income in Japan*, Vanderborcht and Yamamori(eds.)(forthcoming), *Poverty and Social Security System- Basic Income and Negative Income Tax*(2011,in Japanese) and *Sports Economics and Policy* (2011 in Japanese).

Session 2

Chair

Victor Ginsburgh

Université Libre de Bruxelles

Victor Ginsburgh is honorary Professor of Economics at Université Libre de Bruxelles, and former co-director of the European Center for Advanced Research in Economics and Statistics. He was visitor at Yale University, University of Chicago, University of Virginia, University of Louvain, as well as in Marseilles, Paris, Strasbourg and Alexandria. He wrote and edited a dozen of books (among which *The Structure of Applied General Equilibrium*, Cambridge, MA: MIT Press, 1997, with M. Keyzer) and is the author or coauthor of some 190 papers on topics in applied and theoretical economics, including industrial organization and general equilibrium analysis. His more recent interests go to the economics of languages, as well as to art history and art philosophy, two fields in which he tries to put to use his knowledge of economics. He has published over 50 papers on these topics, some of which appeared in the *American Economic Review*, the *Journal of Political Economy*, *Games and Economic Behavior*, the *Journal of Economic Perspectives* and the *European Economic Review*. He is coeditor (with D. Throsby) of the two volumes of the *Handbook of the Economics of Art and Culture* (Elsevier-North Holland, 2006 and 2013). He also coauthored (with S. Weber) of *How Many Languages Do We need; The Economics of Linguistic Diversity*, Princeton University Press, 2011 and is now working (with S. Weber) on a *Handbook of Economics and Language* to be published by Palgrave.

Webpage:

http://www.ecares.org/index.php?option=com_comprofiler&task=userProfile&user=112&Itemid=263

Bruno Frey, Ph.D., Jana Gallus, M.A.

Title of Presentation

Happiness: Research and Policy Considerations

Abstract

Happiness research has provided us with substantial and useful insights into the determinants of the subjective well-being of individuals. In contrast to indirect material measures such as national income, the determinants of well-being form a welcome basis for public policy more orientated towards the welfare of the citizens. This contribution points out that the knowledge gained should not induce governments to try to directly maximize individuals' utility. Rather, governments should provide the conditions that allow individuals to choose their own way to happiness.

Biographies

Bruno Frey

University of Zurich, Zeppelin University Friedrichshafen (Germany) and CREMA (Center for Research in Economics, Management and the Arts (Switzerland))

Bruno S. Frey was born in Basle, Switzerland in 1941. He studied economics at the Universities Basle (CH) and Cambridge (UK); Ph.D. in Economics 1965 and 1969 Habilitation at the University Basle. He was Associate Professor at the University of Basle (1969-2006), Professor of Economics at the University of Constance (1970-1977), Professor of Economics at the University of Zurich (1977-2012), and Distinguished Professor of Behavioural Science at the Warwick Business School at the University of Warwick, UK (2010-2013). Since August 2012 he was Guest Professor and since 2014 he is Senior Professor at the Zeppelin University, Friedrichshafen (DE).

He has received honorary doctorates in economics of the Universities of St. Gallen (Switzerland, 1998) and Goeteborg (Sweden, 1998), of the Free University of Brussels (Belgium, 2009), the University of Aix-en-Provence/Marseille (France, 2010), and the University of Innsbruck (Austria, 2011).

He is the author of numerous articles in professional journals and books, including *Happiness and Economics* (with Alois Stutzer, 2002), *Economics and Psychology* (co-edited with Alois Stutzer, 2007), *Happiness: A Revolution in Economics* (2008).

His main research activity is the application of economics in non-economic fields such as politics, art, history, conflict, family and the extension of the model of human behaviour by integrating psychological and sociological elements.

Jana Gallus

Jana Gallus is an economics PhD student at the University of Zurich (expected graduation in October 2014), where she is supervised by Professor Bruno S. Frey. Her main research interests lie in the economic analysis of non-monetary incentives, in particular awards and prizes, as well as in the economics of happiness. She holds a double Master's degree in Finance and in International Affairs and Governance from Sciences Po Paris (France) and the University of St. Gallen (Switzerland). She completed her Bachelor studies at Sciences Po Paris and the University of California, Santa Barbara (US), and was a scholarship holder of the German National Merit Foundation during her studies.

Toshiaki Tachibanaki, Ph.D., Sayaka Sakoda, M.A.

Title of Presentation

A comparative study on happiness and inequality: five countries' case

Abstract

The purpose of international comparison research is to analyze and clarify the factors that affect the degree of happiness, unhappiness and inequality. The empirical analysis will focus on how the degree of happiness, unhappiness, and inequality is affected by the factors such as the culture and nationality of each country.

Biographies

Toshiaki Tachibanaki is a professor in Faculty of Economics at Doshisha University and the Director of the Life Risk Research Center. He holds a PhD in Economics, awarded by The Johns Hopkins University in 1973. He has held teaching and research positions at INSEE, OECD, Osaka University, Kyoto University, Stanford University, University of Essex, London School of Economics. He has also served as a director of research groups in the Economic Planning Agency, Bank of Japan, Ministry for Posts and Telecommunication, Ministry of Finance, and Ministry of International Trade and Industry. His research interests cover labor economics, public and financial economics, applied econometrics, economic theory and the Japanese economy.

He is the author of many books including those written in English such as “Capital and Labour in Japan: The Functions of Two Factor Markets” (2012), “The New Paradox for Japanese Women: Greater Choice, Greater Inequality” (2010), “Confronting Income Inequality in Japan: A Comparative Analysis of Causes, Consequences, and Reform” (2009). He has published extensively in journals such as International Economic Review, Review of Economics and Statistics, Journal of Public Economics, Nihon Rodo Kyokai Zasshi, European Economic Review and Financial Review.

Sayaka Sakoda is a graduate of the Faculty of Economics, Doshisha University. She is a Research Fellow at the Life Risk Research Center, Doshisha University, Ph.D Research Fellow at La Fondation France Japon de l' EHESS and Visiting Fellow at École des hautes études en sciences sociales. She has co-authored the book, “Inequal Society in Married Couples” (2013) (in Japanese) with Toshiaki Tachibanaki.

Level' by Professors Pickett and Wilkinson suggesting that Japan is one of the most harmonious of affluent countries in the world, whereas Britain one of the most unequal and hence disharmonious. The paper revisits the 'Spirit Level' evidence according to which Japan is a more equitable and thus socially cohesive society than is any other industrialised country, but especially in contrast with a country such as Britain. It presents a review of relevant literature and a discussion of the key arguments in relation to the links between income inequality, social cohesion and happiness. It also presents a comparison of income inequality measures in Britain and Japan over the past 20 years, followed by comparisons of subjective happiness and well-being measures and their determinants in the two countries. Finally, the paper spells out a research agenda regarding the next steps and on ways of adding a geographical dimension to the study of subjective happiness and well-being in Britain and Japan.

References:

- Ballas, D, Dorling, D, Nakaya, T, Tunstall, H, Hanaoka, K (2013), Income inequalities in Britain and Japan: a comparative study of two island economies, *Social Policy and Society*, (in press, published online before print, 13 March 2013; doi:10.1017/S1474746413000043).
- The Equality Trust (2011), About Inequality, <http://www.equalitytrust.org.uk>
- Wilkinson R and Pickett K (2009) *The Spirit Level: Why equality is better for everyone*, Allen Lane.

Biography

Dimitris Ballas is a Senior Lecturer in the Department of Geography at the University of Sheffield and Deputy Director of the University of Sheffield research Centre for Health and Well-being in Public Policy (CWIPP). He is an economist by training (1996, University of Macedonia, Thessaloniki, Greece) and also has a Master of Arts (with distinction) in Geographical Information Systems (1997, University of Leeds, UK) and a PhD in Geography (2001, University of Leeds, UK). He has significant experience and expertise in the use of Geonformatics and GIS in the Social Sciences and especially in the development and application of spatial microsimulation models. His current research interests include economic geography, social and spatial inequalities, social justice, exploring geographies of happiness and well-being and socio-economic applications of GIS. He has co-authored and co-edited five books and he has published widely on applications of GIS and spatial modelling on a wide range of subjects including local labour market policies, social policy, spatial planning, health, rural policy analysis and human cartography. His most recent work includes a book entitled 'The Social Atlas of Europe' published in June 2014 (Policy Press, Bristol).

Session 3

Chair

Seiichi Kondo

Doshisha University

Seiichi Kondo is Visiting Professor of the Faculty of Economics at Doshisha University. He is a graduate from the University of Tokyo. He specializes in public diplomacy, cultural economics and soft power. His key publications include “A Major Stride for Japan’s Cultural Diplomacy” (*Japan Echo*, 2005), “WTO Negotiations Under the Impact of Globalization: The Opportunity and Challenge of Multilateralism in the Twenty-first Century” (*The WTO: Governance, Dispute Settlement & Developing Countries*, 2008), “Wielding Soft Power: The key Stages of Transmission and Reception” (*Soft Power Superpowers*, 2008) and *The Owl of Minerva and the Future of Japan* (2013)

He has served as Minister of the Embassy of Japan in the U.S.; Deputy Director-General of the Economic Affairs Bureau; Deputy Secretary General of the Organization for Economic Cooperation and Development (OECD) in Paris; Director-General of the Public Diplomacy Department, Ambassador Extraordinary and Plenipotentiary, Permanent Delegate of Japan to UNESCO; Ambassador Extraordinary and Plenipotentiary to Denmark, and Commissioner of the Agency for Cultural Affairs.

Nobuko Kawashima, Ph.D.

Title of Presentation

Impact of the arts and culture on happiness--Beyond methodological issues

Abstract

It has been an unstated assumption of cultural policy, generally aiming for helping excellence in the arts, preservation of heritage and dissemination of culture widely to the public, contributes to happiness of the people. Such an understanding, however, is questionable: both theory and evidence to support this seems to be weak. Cultural policy that particularly addresses the issue of social inclusion apparently has a stronger case for connecting the enrichment of culture and increase in happiness felt at community or individual level. This paper will cast doubt on this simplistic assumption by discussing the pernicious role played by Culture in creating and institutionalising differences and inequality between different groups of people in society. The paper will argue the importance for cultural organizations such as museums to become culturally inclusive.

Biography

Nobuko Kawashima is Professor at the Faculty of Economics, Doshisha University in Kyoto, Japan, teaching cultural economics and cultural policy. Prior to the appointment at Doshisha, she was a Research Fellow at the Centre for Cultural Policy Studies, the University of Warwick in England, from 1995 to 1999, where she received her PhD in Cultural Policy in 1999. She holds MSc in Social Policy and Administration and LLM, both from the London School of Economics. She has written widely on cultural policy and management, including issues of copyright, drawing on theories from cultural economics, public administration, law and sociology. She has published many articles and books both in English and in Japanese. Recent papers in the English language include 'Copyright as an Incentive System for Creativity? The Case of Contemporary Visual Arts' in K. Thomas and J. Chan (eds) *Handbook of Research on Creativity*, Edward Elgar, 2013 and 'Corporate Support for the Arts in Japan—Beyond Emulation of Western Models' *International Journal of Cultural Policy*, 2012. She is currently Vice President of the Japan Association for Cultural Economics. Internationally, she has served the Scientific Committee of the International Conference on Cultural Policy Research since 2000.

Tim Tiefenbach, Ph.D, Florian Kohlbacher, Ph.D.

Title of Presentation

Observing unobserved effect heterogeneity: The importance of domain importance for happiness economics

Abstract

Background:

In happiness economics subjective well-being is usually modeled as a uni-dimensional construct measuring global life satisfaction or global happiness. Most studies do not account for the fact that global life satisfaction or happiness are an aggregate of satisfaction/happiness with different life domains. While there is a small number of studies that have analyzed the relationship between the overall level of subjective well-being and the satisfaction level in different life domains (e.g. van Praag et al. 2003), the underlying assumption is that the importance ranking of different life domains is the same across all individuals. However, this assumption is not realistic as the importance of life domains may differ greatly among individuals. There is preliminary evidence to this effect (Hsieh 2004, 2012), but the existing studies suffer from severe limitations, such as non-representative samples of limited size.

Our study:

To the best of our knowledge, this paper is the first to control for domain importance in analyzing the relationship between domain satisfaction and the overall subjective well-being level based on a national probability sample. Using the 2010 National Survey on Lifestyle Preferences commissioned by the Japanese Cabinet Office, this paper shows how and to what extent the importance of and the satisfaction with different life domains (such as health, income, family etc.) affect the overall happiness level. Our main findings are threefold: (1) Domain importance contributes significantly to the variance explained by the overall happiness regression model. (2) Depending on the respective domain, we find significant interaction effects between satisfaction and importance. This allows us to identify different types of domains based on their interaction patterns. (3) Further, we show that there is substantial effect heterogeneity among individuals with different importance configurations. Taking account of the effect heterogeneity, we find that the coefficients of standard socio-demographic variables vary greatly among the different groups.

Implication for research and practice:

Our findings contribute to happiness research in general by showing that including domain importance in the regression model increases its estimation precision. Our study lends further evidence to findings in happiness research that people tend to mispredict their utility. While this was previously shown to be the case for TV consumption (Frey et al. 2007) and commuting (Stutzer, Frey 2008), our study confirms these findings on a meta-level by demonstrating that some life domains are not considered as important although their satisfaction significantly contributes to the overall happiness level.

Finally, our study highlights that previous results from happiness research have to be interpreted with caution, since those findings may differ depending on the individual's importance ratings. Policy makers should thus avoid a one-size-fits-all approach to happiness policy and beware of effect heterogeneity—which is in the case of importance ratings unobserved in most surveys

Biography

Tim Tiefenbach is a Senior Research Fellow at the German Institute for Japanese Studies (DIJ). He holds a doctorate degree in economics from the University of Bayreuth. In his current research project he uses large-scale survey data to analyze happiness in Japan from the view point of economics. He has published first results of his empirical analysis of happiness in Japan in the Journal of Happiness Studies (Happiness in Japan in Times of Upheaval: Empirical Evidence from the National Survey on Lifestyle Preferences, DOI: 10.1007/s10902-014-9512-9).

Marcel Erlinghagen, Ph.D.

Title of Presentation

**Anticipation of Life Satisfaction before Emigration
Evidence from German Panel Data**

Abstract

Sociological as well as economic research stresses the impact of so called ‘push and pull factors’ on individual migration decisions. These push and pull factors are often understood as a combination of individual socio-economic and socio-demographic determinants and institutional contexts in home and (possible) destination countries. However, within this framework there is only little research on the correlation between life satisfaction and individual migration processes up to now. The paper provides an analysis that aims on investigating the development of individual life satisfaction before emigration from a highly industrialized country under a life course perspective by using longitudinal data from the German Socio Economic Panel (SOEP). The estimated fixed effects models show a significant decrease of life satisfaction between three to two years before the final emigration event. This overall pattern can also be observed in almost all analyzed sub-groups.

Biography

Marcel Erlinghagen (*1971) is Professor for Sociology at the University of Duisburg-Essen (Germany). In addition he is Research Professor at the German Institute for Economic Research (DIW) in Berlin. Erlinghagen is a labour market and economic sociologist and his research is especially characterised by its interdisciplinary theoretical orientation. He has a broad methodological knowledge in the field of quantitative empirical sociological and economic research. Beside his research on labour market mobility, job security and volunteering he particularly investigates in determinants and development of migration.

Selected Publications

- (2011): Nowhere Better Than Here? The Subjective Well - Being of German Emigrants and Remigrants. *Comparative Population Studies* 36 (4), 899-926.
- (2010): Volunteering after Retirement. Evidence from German Panel Data. *European Societies* 12, pp. 603-625.
- (2010) (with Karsten Hank): Dynamics of Volunteering in Older Europeans. *The Gerontologist* 50, pp. 170-178.
- (2010) (with Matthias Knuth): Unemployment as an Institutional Construct? Structural Differences in Non-Employment in Selected European Countries and the United States. *Journal of Social Policy* 39, pp. 71-94.
- (2008) Self-Perceived Job Insecurity and Social Context. A Multi-Level Analysis of 17 European Countries. *European Sociological Review* 24, pp. 183-197.

Session 4

Chair

Toshiaki Tachibanaki
Doshisha University

Toshiaki Tachibanaki is a professor in Faculty of Economics at Doshisha University and the Director of the Life Risk Research Center. He holds a PhD in Economics, awarded by The Johns Hopkins University in 1973. He has held teaching and research positions at INSEE, OECD, Osaka University, Kyoto University, Stanford University, University of Essex, London School of Economics. He has also served as a director of research groups in the Economic Planning Agency, Bank of Japan, Ministry for Posts and Telecommunication, Ministry of Finance, and Ministry of International Trade and Industry. His research interests cover labor economics, public and financial economics, applied econometrics, economic theory and the Japanese economy.

He is the author of many books including those written in English such as “Capital and Labour in Japan: The Functions of Two Factor Markets” (2012), “The New Paradox for Japanese Women: Greater Choice, Greater Inequality” (2010), “Confronting Income Inequality in Japan: A Comparative Analysis of Causes, Consequences, and Reform” (2009). He has published extensively in journals such as *International Economic Review*, *Review of Economics and Statistics*, *Journal of Public Economics*, *Nihon Rodo Kyokai Zasshi*, *European Economic Review* and *Financial Review*.

Susumu Kuwahara¹, M.Phil., Teruyuki Tamura, M.A.

Akiko Kamesaka, Ph.D., Toshiya Murai², Ph.D.

Title of Presentation

Accessing Suicidal Ideation from Responses to Queries on Subjective Well-Being

Abstract

Japan's suicide rate rose after the Asian Crisis and the subsequent economic downturn, and has remained high since. In 2009, the male suicide rate was the third highest among OECD countries, and the female suicide rate was the second highest. According to the National Police Agency, more than 30,000 people committed suicide on average in each year from 1998 to 2011; in 2013, 27,283 people killed themselves in Japan. However, because of the lack of available individual-level data, little is known about the risk factors driving Japanese people to commit suicide. We use Japanese internet survey data collected in 2012 by the Economic and Social Research Institute (ESRI), a Cabinet Office of Japan, which includes a question on "suicidal ideation." We try to show a relationship between the responses to the queries on general subjective well-being and the respondents' suicidal ideation. Since we sometimes need to take considerable care in asking questions that are directly related to suicidal ideation, understanding the relationship between responses to queries on subjective well-being and suicidal ideation has practical value, because it allows us to infer suicidal ideation from replies on subjective well-being. The wording of the "Suicidal ideation" question in this study is: "Have you ever thought of committing suicide?" Out of a sample size of 10,469, 510 (4.9%) answered yes to this question.

We also aim to examine the relationship between "suicidal ideation" and individual characteristics such as gender, age, education, income, marital status, employment status, subjective well-being, social support and receipt of social welfare benefits (e.g. Public assistant benefit). We conduct a factor analysis using questions on three aspects of well-being: (1) Life evaluation, (2) Affect, and (3) Eudaimonic Well-Being (OECD Guidelines, 2013).

We found that 16.2% of young respondents aged 15-19 thought about committing suicide within the last year, although only 1.7% of elderly respondents (aged 60-69) had suicidal thoughts. These results are consistent with the fact that there are more young suicide victims; this number has increased in recent years in Japan. With regard to income, having higher household income plays a role in preventing suicide. Recent studies report a positive relationship between the suicide rate and unemployment in many countries; we also found that unemployed respondents tend to think more about committing suicide. Regarding social welfare, we found that more than 25% respondents who are receiving public assistance benefits or disability benefits had

¹ Economic Research Department, Japan Center for Economic Research. Economic and Social Research Institute (ESRI), Cabinet Office, Government of Japan.

² Department of Psychiatry, Graduate School of Medicine, Kyoto University.

suicidal ideation. We also analysed the relationship between suicidal ideation and “social support.” To measure social support, we use the question: “How many friends or neighbours do you have who would help you when you are in trouble?” The respondents who have no friends or no neighbours tend to have higher suicidal ideation. Replies on subjective well-being did correlate to some extent with suicidal ideation. Respondents who answered 0, 1, or 2 on the happiness question had suicidal ideation percentages of 42.6%, 31.6% and 26.2%, respectively.

For our factor analysis, we used 40 questions and found 4 underlying factors using Principal Factor Method and Promax rotation. Factors 1, 3 and 4 capture positive emotions and Factor 2 captures negative emotions. The group having suicidal thoughts exhibited fewer positive emotions and higher negative emotions. We can also divide suicidal thoughts group into three categories using the question “When have you thought of committing suicide?” 1 (at present), 2 (within three months) and 3 (three months to a year). When we compare these three groups, the mean of factor scores for respondents who have suicidal thoughts at present exhibits the least positive emotions and the highest negative emotions.

Biographies

Akiko Kamesaka is a Professor at Aoyama Gakuin University in Tokyo Japan, School of Business Administration. She is also a visiting research fellow at the Economic and Social Research Institute, Cabinet Office, Government of Japan, and a temporary member of the Council on Customs, Tariff, Foreign Exchange and Other Transactions in Japan. She has worked as an accountant at a large accounting firm in Tokyo, and has studied at the University of Tokyo graduate school of economics. She has served as a member of Osaka City Council, Kyoto City Council and several other institutions. Her interests include analysis on well-being, worldview, and investor behavior, and she has many publications in economics and finance. She received the Ibbotson Associates Japan Research Award at the Asia-Pacific Finance Association / Pacific-Basin Financial Management Society / Financial Management Association joint conference for her research on investor behavior in Japan. She currently works on several household panel data sets constructed in Japan and analyses the changes in Japanese people’s subjective well-being. She was invited to speak at a panel on subjective well-being and sustainability at the 4th OECD World Forum, and has presented her work at many other large conferences and meetings.

Teruyuki Tamura is a Postdoctoral Fellow of the Graduate School of Economics at Sophia University in Japan. His research interests include the study of subject well-being, job satisfaction, poverty and suicide. He has co-authored the paper, “Investor Response to a Natural Disaster: Evidence from Japan’s 2011 Earthquake” (with M. Hood, A. Kamesaka and J. Nofsinger; *Pacific-Basin Finance Journal*, 2013).

Heinz Welsch, Ph.D., Philipp Biermann, M.A.

(University of Oldenburg)

Title of Presentation

Induced Transnational Preference Change: Fukushima and Nuclear Power in Europe

Abstract

We test whether the relationship between subjective well-being (SWB) of European citizens and the structure of electricity supply has changed after the Fukushima nuclear accident of March 11, 2011. Survey data for about 124,000 individuals in 23 European countries reveal that while European citizens' SWB was statistically unrelated to the share of nuclear power before the Fukushima disaster, it was negatively related to the nuclear share after the disaster. Taking the relationship between SWB and the electricity supply structure as an indicator of preference, this suggests the existence of an induced transnational preference change.

Biography of Co-author

Philipp Biermann is Research Assistant at the Chair of Economic Theory in Oldenburg (Germany) since 2012. He has studied in International Economics at the University of Göttingen (Germany) from 2007-2012. His publications include Heinz Welsch and Philipp Biermann (2013) "Induced Transnational Preference Change: Fukushima and Nuclear Power in Europe"

- Heinz Welsch and Philipp Biermann (2013) "Electricity Supply Preferences in Europe: Evidence from Subjective Well-Being Data"

Akira Kawaguchi, Ph.D., Takato Kasai, M.A.

Title of Presentation

Effects of Paid and Unpaid Overtime Work on Stress, Earnings, and Happiness

Abstract

This paper compares the effects of paid and unpaid overtime work on stress, earnings, and happiness. Applying a mediation analysis to Japanese data reveals the following facts: 1) Working time does not cause much stress as far as it is paid; 2) unpaid overtime work significantly increases stress; and 3) stress has a negative effect and earnings has a positive effect on happiness. We also find that there are differences between the sexes as follows: 1) female workers' 'unpaid overtime work' is, in fact, compensated; 2) an effect of unpaid overtime work on stress is larger for females than males; and 3) the total effect of unpaid overtime work on happiness is negative, and is larger for females than males. Thus whether workers recognize overtime work as paid work or unpaid work has a decisive influence on stress and happiness.

Biographies

Akira Kawaguchi is Professor at the Faculty of Policy Studies, Doshisha University in Kyoto, Japan. His research field is economic policy, especially policies related to gender equality. He received his PhD in Economics from the Australian National University. Prior to the appointment at Doshisha University, he has been a Professor at the Faculty of Economics, Otomon Gakuin University, Japan. He has published articles and books in Japanese which include: Kawaguchi, A. and K. Mizuno (2011) "Deregulation and Labour Earnings: Three Motor Carrier Industries in Japan," *Labour Economics*, Vol.18, No.4, pp.441-452, and Kawaguchi A. (2013) *Discussing Gender in Japan*, Yuhikaku.

Takato Kasai is a Ph.D student of the Faculty of Economics, Doshisha University. He also is a Research Fellow at the Life Risk Research Center, Doshisha University. His research field is history of economic thought and history of economic theory, especially Karl Polanyi's welfare theory. He received MA degree in Economics from Doshisha University, 2012. He has published papers on both history of economic thought and labor economics, in Japanese, which include: Takato Kasai (2013) "A Criticism of 'Nineteenth-century Civilization' and 'Double Movement' by Karl Polanyi: Economic Liberalism and Social Policy," *Doshisha Economic Review*, Vol.65, No.1, pp.321-347, and Akira Kawaguchi and Takato Kasai (2013) "Measures to promote the use of female workers' abilities and corporate performance: analysis of small and medium-sized firms in Osaka Prefecture," *Doshisha Policy Study*, Vol.15, No.1, pp.85-97.

Session 5

Chair

Bruno Frey

University of Zurich, Zeppelin University Friedrichshafen and CREMA

Bruno S. Frey was born in Basle, Switzerland in 1941. He studied economics at the Universities Basle (CH) and Cambridge (UK); Ph.D. in Economics 1965 and 1969 Habilitation at the University Basle. He was Associate Professor at the University of Basle (1969-2006), Professor of Economics at the University of Constance (1970-1977), Professor of Economics at the University of Zurich (1977-2012), and Distinguished Professor of Behavioural Science at the Warwick Business School at the University of Warwick, UK (2010-2013). Since August 2012 he was Guest Professor and since 2014 he is Senior Professor at the Zeppelin University, Friedrichshafen (DE).

He has received honorary doctorates in economics of the Universities of St. Gallen (Switzerland, 1998) and Goeteborg (Sweden, 1998), of the Free University of Brussels (Belgium, 2009), the University of Aix-en-Provence/Marseille (France, 2010), and the University of Innsbruck (Austria, 2011).

He is the author of numerous articles in professional journals and books, including *Happiness and Economics* (with Alois Stutzer, 2002), *Economics and Psychology* (co-edited with Alois Stutzer, 2007), *Happiness: A Revolution in Economics* (2008).

His main research activity is the application of economics in non-economic fields such as politics, art, history, conflict, family and the extension of the model of human behaviour by integrating psychological and sociological elements.

Sebastien Lechevalier, Ph.D., Maria Roubtsova

Title of Presentation

**Dislike of inequalities, social beliefs, social mobility, and attitudes to redistribution
A comparison between the United States, France, and Japan**

Abstract

There are significant differences across countries in terms of redistribution by the government and they may correspond to underlying dissimilarities in preference for redistribution across the population of these countries. In particular, previous literature has compared the US and Europe from this viewpoint and proposed several explanations of these differences, from aggregation of individual determinants (e.g. one's income) to more holistic ones such as shared values at the national level (Alesina & Giuliano, 2009; Alesina & La Ferrara, 2004; Alesina et al., 2004).

The purpose of this paper is to contribute to this literature by testing three hypotheses regarding the dislike of inequalities, social beliefs and social mobility, and by trying to extend the comparison between Europe and the US by including the case of a developed Asian country, Japan. More precisely, by relying on the 2009 issue of the International Social Survey Program, our aim is to explain different preferences for redistribution across the US, France and Japan.

While there are clear differences between France and the US regarding both the level of unhappiness due to the level of inequalities and preference for redistribution, Japan stands in the middle. Moreover, different social beliefs related to the relative importance of luck and effort in social outcomes have been emphasized by the literature to explain the different patterns in Europe and in the US. However, the rationale behind Japanese patterns is unclear and a purpose of this paper is to provide some explanations that make possible a generalization of previous literature on the topic.

References

- Alesina A. & La Ferrara E. (2005), Preferences for redistribution in the land of opportunities, *Journal of Public Economics*, 89 (5-6): 897-931
- Alesina R. Di Tella R. & R. MacCulloch (2004), Inequality and Happiness: are Europeans and Americans Different? *Journal of Public Economics*, 88: 2009-2042.
- Alesina, A., & Giuliano, P. (2009), Preferences for redistribution. NBER Working Papers 14825.
- Fong, C. (2001), Social Preferences, Self-Interest, and the Demand for Redistribution. *Journal of Public Economics* 82(2): 225-246.
- Fong, C. (2006), Prospective mobility, fairness and the demand for redistribution. mimeo.
- Lefranc A., N.Pistolesi and A.Trannoy (2009), "Equality of opportunity and luck: Definitions and testable conditions, with an application to income in France" *Journal of Public Economics*, 93 (11-12): 1189-1208

Linos K. & M. West (2003), Self-interest, Social Beliefs, and attitudes to redistribution. Re-addressing the issue of Cross-national variation, *European Sociological Review* 19 (4): 393-409.

Neher F. (2012), "Preferences for redistribution around the world", Discussion Papers from Free University Berlin, School of Business & Economics No 2012/2

Piketty T. (1995), Social mobility and redistributive politics, *Quarterly journal of economics*, vol. 110, no 3, p. 551-584.

Biographies

Sébastien Lechevalier is Associate Professor at L'École des Hautes Études en Sciences Sociales (EHESS, Paris). He is also President of Fondation France Japon de l'EHESS (EHESS Paris 日仏財団). His research focuses on the Japanese economy, corporate diversity, evolution of welfare systems in Asia, and inequalities. His recent publications include: *The Great Transformation of the Japanese Capitalism* (Routledge, 2014), "Bringing Asia into the Comparative Capitalism Perspective", special issue of *Socio Economic Review* (co-edited with B. Amable, S. Casper & C. Storz, 2013), "Wage and Productivity Differentials in Japan. The role of Labor Market Mechanisms" (with Y. Kalantzis, & R. Kambayashi; *Labour: Review of Labour Economics and Industrial Relations*, 2012). He will also edit a special issue of *Review of World Economics* on "Globalization and labor market outcomes: de-industrialization, job security, and wage inequalities" in 2015.

Maria Roubstova is a Master student in economics and social sciences, from ENS Cachan (social sciences) and Paris-13 university (Economic Policies in the age of Globalization program). In 2013, she conducted a research internship in the Life Risk Research Center of Doshisha University in Kyoto.

Werner Pascha, Ph.D

Title of Presentation

Raising wellbeing through economic policy reform: Issues of political entrepreneurship and communication

Abstract

Trying to raise the general wellbeing or “happiness” through non-incremental public policy measures will usually involve significant institutional reform. Limiting the discussion to parliamentary democracies, the political economy of reform demonstrates that under realistic scenarios such change is often quite unlikely (time inconsistency problem of political promises, status-quo orientation, war of attrition, role of veto players, etc.). This has led to a renewed interest in political entrepreneurship that might be helpful or even necessary to overcome such situations. The paper looks at this discussion and stresses the role of “ideas” and political communication in this context. The arguments are exemplified with respect to the recent Japanese experiences with so-called Abenomics, which can be interpreted as an attempt to break out of a low-growth scenario through an unconventional policy mix that was unavailable to policy makers before.

Biography

Werner Pascha is Full Professor of East Asian Economic Studies/Japan and Korea at the University of Duisburg-Essen (UDE), Germany; assigned to the Mercator School of Management and to the (university-level) Institute of East Asian Studies (IN-EAST). He is a member of the Graduate Training School on “Risk and East Asia”, funded by the German Research Foundation (DFG), and of the IN-EAST School of Advanced Studies on Innovation in East Asia, funded by the German Federal Ministry for Education and Research (BMBF).

He has studied economics at the University of Freiburg, Germany, at the London School of Economics and Political Science and at Nagoya University, Japan.

Recent visiting positions include Doshisha University, Kyoto (JSPS Invitation Fellowship) in 2011 and Busan National University in the Republic of Korea in 2013.

Among honorary activities, he is a member of the Steering Group and of the Executive Board of EastAsiaNet (European Research School Network of Contemporary East Asian Studies) and co-editor in chief of the Asia Europe Journal, published by Springer.

His research interest includes the political economy of institutional change in East Asia, particularly Japan and Korea, and international economic relations of the East Asian region and between Europe and the region.

Conchita D'Ambrosio, Ph.D.

Title of Presentation

An overview of intertemporal measures of individual well-being: Can they explain life satisfaction better?

Abstract

Traditional economic modeling has neglected the basic fact that individual well-being depends on one's own life course. This assumption has been challenged by an increasing number of contributions in the income-distribution literature on the measurement of individual well-being. These have proposed various indices which allow different aspects of past experiences to be brought into the analysis of the phenomenon under consideration.

This article is a review of these measures with the aim of offering some guidance to the recent developments of the parallel literature on happiness. These two literatures have a common object of analysis - individual well-being - but differ with respect to the approach, with the former appealing to objective indicators, such as income, functionings and wealth, and the latter mainly relying on self-reported measures.

The article starts by reviewing indices of social exclusion and intertemporal material deprivation, which are key concepts for European social policy. We then move to the measurement of poverty over time, and conclude with the very new literature on the measurement of economic insecurity.

Biography

Conchita D'Ambrosio is Professor of Economics at Université du Luxembourg. She is an economist, with a Ph.D. from New York University (2000). Her research interests have revolved around the study of individual and social well-being and the proposal of various measures that are able to capture its different aspects. Two main points were stressed: Individual well-being depends on comparisons with a reference situation; Individual well-being depends both on one's own life course and on the histories of others. Towards this aim, she has proposed a number of different indices, which have been axiomatically characterized. She has applied these to the study of different societies and analyzed their empirical links with subjective well-being, via their correlations with self-reported levels of satisfaction with income and life overall.

She has published in *Economica*, *Economics Letters*, *International Economic Review*, *Social Choice and Welfare*, the *Review of Income and Wealth* among other academic journals. She has been member of the editorial board of the *Review of Income and Wealth* since 2001 and managing editor of the same journal since 2007. She has recently joined the editorial board of the *Journal of Economic Inequality*.

Session 6

Chair

Werner Pascha

University of Duisburg-Essen

Werner Pascha is Full Professor of East Asian Economic Studies/Japan and Korea at the University of Duisburg-Essen (UDE), Germany; assigned to the Mercator School of Management and to the (university-level) Institute of East Asian Studies (IN-EAST). He is a member of the Graduate Training School on “Risk and East Asia”, funded by the German Research Foundation (DFG), and of the IN-EAST School of Advanced Studies on Innovation in East Asia, funded by the German Federal Ministry for Education and Research (BMBF).

He has studied economics at the University of Freiburg, Germany, at the London School of Economics and Political Science and at Nagoya University, Japan.

Recent visiting positions include Doshisha University, Kyoto (JSPS Invitation Fellowship) in 2011 and Busan National University in the Republic of Korea in 2013.

Among honorary activities, he is a member of the Steering Group and of the Executive Board of EastAsiaNet (European Research School Network of Contemporary East Asian Studies) and co-editor in chief of the Asia Europe Journal, published by Springer.

His research interest includes the political economy of institutional change in East Asia, particularly Japan and Korea, and international economic relations of the East Asian region and between Europe and the region.

Tadashi Yagi, Ph.D., Kunio Urakawa, Ph.D.,
Katsuhiko Yonezaki, PhD

Title of Presentation

Happiness and Employment Status

Abstract

Throughout the depression period of Japanese economy during 1990s and 2000s, regular workers are replaced by non-regular workers from the cost reduction reasons in Japan. The ratio of non-regular worker has been gradually increasing since 1990, and it exceeded around 30% in 2013. Especially, the ratio of non-regular workers in age class 15-24 increased drastically during the end of 1990s, and exceeded 50% (including part-time worker of students). This ratio remains roughly constant after 2000 until now. According to the “2013 Labor Force Survey” compiled by the Ministry of Internal Affairs, 14.8% of female non-regular workers and 31.1% of male non-regular workers choose non-regular status involuntarily from the reason that they couldn’t find the job with regular status.

The purpose of the paper is to examine the possibility of cooperation among regular workers and non-regular workers theoretically, and analyze the effects of employment status on the state of happiness in detail by using the Japanese panel data. Then, we compare the mechanisms of affecting the happiness by the employment status among 5 countries (Japan, US, UK, France, Germany) by using the international comparative survey on happiness.

The incentive of cooperation with non-regular workers for regular workers stems on the efficiency wage effect. By redistributing income from regular workers to non-regular workers, it might be possible to increase the income amount of regular workers through the increase in productivity of non-regular workers. We will analyze the conditions for this mechanism to lead to the increase in distribution share of non-regular workers.

The empirical analysis focuses on the effects of working environment and compensation system on happiness by employment status. This analysis is conducted by using Japanese panel data and international comparative survey data.

The results of the analysis show that the sources of happiness differ much between the regular workers and non-regular workers. There are many differences in the effect of employment status among countries, which reflect the incentives for working and working environments.

Biographies

Tadashi Yagi is Professor of the Faculty of Economics at Doshisha University. He holds PhD in Economics, awarded by Nagoya University in 1996. His research areas are wide-ranging, including public economics, human resources management, income distribution, welfare economics and cultural economics. He has written many papers

in refereed academic journals and chapters in edited volumes. Recent works include 'The Income Security System in Japanese Traditional Performing Arts: A strategy for utilizing the nation's traditional arts resources', (co-authored with C. Takashima and Y. Ushi) *Journal of Modern Auditing and Accounting* (2013), 'Economic Growth and the Riskiness of Investment in Firm-Specific Skills' (co-authored with Taichi Maki and Koichi Yotsuya), *European Economic Review* (2005).

Katsuhiko Yonezaki is a Research Fellow of Life Risk Research Center, Doshisha University and also a Researcher at the Institute of Economic Research, Kyoto University. His main research areas is game theory.

His publications :

- 'Does ICT Promote The Private Provision of Local Public Goods?' (with Y. Shiozu, Koya Kimura, K. Shimohara), *Human Interface and the Management of Information. Information and Interaction Design. (16th International Conference, HCI International 2014 Proceedings)*, Part I, pp.629-640, 2014.
- 'Incentive structure of Participation in community activity' (with Y. Shiozu, K. Shimohara), *Human Interface and the Management of Information. Information and Interaction Design. (15th International Conference, HCI International 2013 Proceedings)*, Part I, pp.259-268, 2013.
- 'Fragmented Society and Provision of Meeting Places to Foster Social Preferences' (with H. Imai), *Kyoto Economic Review*, vol.78, no.2, pp.115-126, 2009.

Kunio Urakawa is an Associate Professor in Faculty of Economics at Kyushu University. He holds a Ph.D. in economics from Kyoto University. His research interests are economics of redistribution and poverty. He has published *Study on Poverty*, University of Tokyo Press (in Japanese) with Professor Toshiaki Tachibanaki. His recent academic articles include :

- "The association between perceived income inequality and subjective well-being: Evidence from a social survey in Japan," *Social Indicators Research*, in press, 2014. (with Prof. Oshio, T.)
- "Neighbourhood satisfaction, self-rated health, and psychological attributes: A multilevel analysis in Japan," *Journal of Environmental Psychology*, Vol.32, Issue.4, pp.410-417, 2012. (with Prof. Oshio, T.)
- "The welfare impact of marginal consumption tax reforms on young households in Japan," *Keizaigaku Kenkyu*, Kyushu University, Vol.78, No.5-6, pp.89-106, 2012.
- "Comparing marginal commodity tax reforms in Japan and Korea," *Journal of Asian Economics*, Vol.21, No.2, pp.579-592, 2010. (with Prof. Oshio, T.)
- "Trends in Poverty among Low-income Workers in Japan since the Nineties," *Japan Labor Review*, Vol.5, No.4, pp.21-48, 2008. (with Prof. Tachibanaki, T.)

Álvaro Martínez-Pérez, Ph.D.

Title of Presentation

**Can Work-Life Balance Policies Foster Happiness within the Family?
A Comparison of New versus Old Family Arrangements**

Abstract

This paper investigates the impact of childcare policies in the life satisfaction of families with dependant children. The focus of the inquiry lies in the comparison of families living in ‘old’ family arrangements (couples with dependant children) versus those living in new family arrangements (lone mothers and fathers with dependant children). Hence, this paper aims to offer novel evidence on the relationship between family structure and life satisfaction in a context of increasing fluidity of the family structure as a result of the changing process of coupledness and the importance of marital instability and divorce risks. Altogether, these two phenomena have spurred a growing number of individuals to opt for new family arrangements. Yet, despite the appearance of new, more unstable, living arrangements there is consistent evidence found in cross-country comparative research that the family remains as the key institution for the provision of care and wellbeing and where the life chance of individuals over their life course are shaped. Within this context of transformations of the family policies to support the care and wellbeing needs of its members play a key role for a better understanding of the extent of social inequalities. Particularly, the paper argues that the existence and type of childcare policies available to help families reconcile work and family responsibilities maybe especially relevant for the new family forms where time pressures, and social risks (e.g. poverty and exclusion) are more demanding. Instead of looking at the influence of these policies on the individual and social risks of families living in ‘old’ and ‘new’ family arrangements, the paper concentrates in life satisfaction. Life satisfaction as an overall measure of wellbeing provides a comprehensive subjective evaluation of family happiness where the different social and individual risks families face are collated. Finally, the paper pays special attention to unravelling the motives for the gender inequalities in life satisfaction within and between the various family arrangements analysed. The empirical analysis is based on the British Household Panel Survey. The use of econometric panel methods allows controlling for the impact of unmeasured individual characteristics on life satisfaction and, therefore, isolates better the causal relationship between childcare policies and life satisfaction for families with dependant children in ‘new’ and ‘old family arrangements.

Biography

Álvaro Martínez-Pérez joined the Sheffield University Management School (SUMS) as Research Associate in October 2014. He has a PhD in Applied Social and Economic Research (ISER, University of Essex) and is a Doctor-Member of the Juan March

Institute (CEACS). He also holds a Masters in Social Sciences (Juan March Institute), a MSc in Political Science and International Relations (UAM), and a BA in Political Science and Public Administration (UCM).

Prior to joining SUMS he was Research Associate at the Interdisciplinary Centre in Social Science (University of Sheffield). Previously, he was Postdoctoral Fellow at the Department of Sociology and Organisational Analysis (Universitat de Barcelona) and Research Fellow at the Research Institute for the Evaluation of Public Policies (IRVAPP, Fondazione Bruno Kessler, Trento, Italy). During his postgraduate studies he was a visiting student at Nuffield College (University of Oxford) and the European University Institute.

His research interests include family sociology, economics of the family, social stratification, electoral behaviour and management. He has specialised in econometric and quantitative methods for the analysis of large scale and complex datasets. He has published on these topics several articles, monographs and book chapters.

Toshiyuki Shirakawa, Ph.D.

Title of Presentation

The Impact of Employment System on Feeling of Happiness in Germany and Japan

Abstract

The goal of this paper is to reveal an effect of the characteristics of the employment opportunity on the levels of a feeling of happiness and to compare that process between Germany and Japan. We discuss recent employment environment in these two countries. And then, we construct hypotheses about the mechanism that influences the levels of a feeling of happiness of people in the labor market. Quantitative data are analyzed to unveil how the labor market integration, i.e. opportunity to get a job and instability in employment in two countries, affects a feeling of happiness and to present some political implications.

Biography

Toshiyuki Shirakawa has completed the course of Graduate School of Social Studies, Doshisha University. He is a Research Fellow at the Japan Society for the Promotion of Science. His research interests are social stratification and social mobility, inequality of educational opportunity. He is the author of the paper, "Educational Expectations and Gender in Contemporary Japanese High Schools: Analyzing Interaction Effects between School Type and Educational Level," *Journal of Educational Sociology* (2011) (in Japanese).

9. References on Comparative Study on Happiness

The list has been compiled by Doshisha University for suggestive purposes only.

- [1] Abe, Y. and Akiko, S. Oishi(2007) 'The role of married women's labor supply on family earnings distribution in Japan.' *Journal of Income Distribution*, 16, pp.110-127
- [2] Becker, G. (1993) 'A Treatise on the Family' Harvard University Press.
- [3] Belfiore, E. (2002) 'Art As a Means of Alleviating Social Exclusion: Does it really work? A critique of instrumental cultural policies and social impact studies in the UK', *International Journal of Cultural Policy*, 8,1: 91-106.
- [4] Benet-Martinez, Veronica and Oliver P John (1988), "Los Cinco Grandes Across Cultures and Ethnic Groups: Multitrait Multimethod Analyses of the Big Five in Spanish and English", *Journal of Personality and Social Psychology* Vol. 75, No. 3, 729-750
- [5] Bille Hansen, T. (1995) 'Measuring the Value of Culture', *European Journal of Cultural Policy*, 1, 2: 309-322.
- [6] Bourdieu, P. (1984) *Distinction*, Trans. Richard Nice, Routledge, London.
- [7] Burtless, G. (1999) 'Effects of Growing Wage Disparities and Changing Family Composition on the U.S. Income Distribution.' *European Economic Review* 43 pp.853-865
- [8] Carbonell, F., and A. P. Frijters.(2004) "The Effect of Methodology on the Determinants of Happiness", *The Economic Journal* , 114(497), pp.641– 659.
- [9] Coombs, R.(1991) "Marital Status and Personal Well-Being: A Literature Review", *Family Relations* , 40(1), pp.97– 102.
- [10] Diener, Ed., C. Gohm., E. Suh., and S. Oishi.(2000) "Similarity of the Relations Between Marital Status and Subjective Well-being across Cultures", *Journal of Cross Cultural Psychology* , 31(4), pp.419–436.
- [11] Dueland, P. (2008) 'Nordic Cultural Policies: A critical view', *International Journal of Cultural Policy*, 14,1: 7-24.
- [12] Easterlin, R. A. (2001), "Income and Happiness: Towards a Unified Theory," *Economic Journal* 111, 465-484.
- [13] Frey, B. S.(2008) *Happiness: A Revolution in Economics*, The MIT Press, Cambridge Massachusetts.
- [14] Florida, R. (2005) 'The Flight of the Creative Class' Harper Business
- [15] Galloway, S. (2006) 'Cultural Participation and Individual Quality of Life: A review of research findings', *Applied Research in Quality of Life*, 1: 323-342.
- [16] Hills, Peter and Michael Argyle (2002), "The Oxford Happiness Questionnaire: a

compact scale for the measurement of psychological well-being," *Personality and Individual Differences* Vol. 33, 1073–1082.

[17] Hooper-Greenhill, E. (2000) *Museums and the Interpretation of Visual Culture*, Routledge, London.

[18] Jordan, G. and Weedon, C. (1995) *Cultural Politics*, Blackwell, Oxford.

[19] Kato, A. (2005) 'Determinants of Divorce in contemporary Japan Family Structure, Social Stratification, and Economic growth' NFRJ working paper, 01.

[20] Kawashima, N. (2006) 'Audience Development and Social Inclusion in Britain', *International Journal of Cultural Policy*, 12,1: 55-72.

[21] Kohara, M. (2007) 'Is the Full-Time Housewife a Symbol of Wealthy Family?' *The Japanese Economy*, vol.3, no.4. pp.25-56.

[22] Laibson, D.I. (1996), "Hyperbolic discount functions, undersaving, and savings policy", NBER Working Paper 5635.

[23] Lesthaeghe R.(1995) 'The Second Demographic Transition in Western Countries: An Interpretation' Karen Oppeheim Mason and An-Magritt Jensen edit. 'Gender and Family Change in Industrialized Countries'. Oxford Clarendon press.

[24] Loewenstein,G. (2000), "Emotions in economic theory and economic behavior," *The American Economic Review*, Vol. 90, No. 2, Papers and Proceedings of the One Hundred Twelfth Annual Meeting of the American Economic Association, pp. 426-432.

[25] Lucas, R. E.(2007a) "Adaptation and the Set-point Model of Subjective Well-Being: Does Happiness Change After Major Life Events?" *Current Directions in Psychological Science*, 16(2), pp.75-79.

[26] Lucas, R. E.(2007b) "Time Does Not Heal All Wounds. A longitudinal Study of Reaction and Adaptation to Divorce" *Psychological Science*, 16(12), pp.945-950.

[27] Lucas, R. E., and A. E. Clark. (2006) "Do People Really Adapt to Marriage?" *Journal of Happiness Studies*, 7(4), pp.405-426.

[28] Lucas, R. E., A. E. Clark., Y. Georgellis., and E. Diener.(2003) "Reexamining Adaptation and the Set Point Model of Happiness: Reactions to Changes in Marital Status" *Journal of Personality and Social Psychology* , 84(3), pp.527-539.

[29] McLanahan, Sara(2004) 'Diverging Destinies: How Children are Faring under Second Demographic Transition' *Demography*,41, pp.607-627.

[30] Merli, P. (2002) 'Evaluating the Social Impact of Participation in Arts Activities', *International Journal of Cultural Policy*, 8, 1: 107-118.

[31] Michalos, A.C. and Kahlke, P.M. (2010) 'Arts and the Perceived Quality of Life in British Columbia', *Social Indicators Research*, 96: 1-39.

[32] Michalos, A.C. and Kahlke, P.M. (2008) 'Impact of Arts-Related Activities on the

- Perceived Quality of Life', *Social Indicators Research*, 89: 193-258.
- [33] Michalos, A.C. (2005) 'Arts and the Quality of Life: An exploratory study', *Social Indicators Research*, 71:11-59.
- [34] Myers, D.(1999) "Close Relationship and Quality of Life", In *Well-Being: The Foundations of Hedonic Psychology*, ed. D. Kahneman., E. Diener., and N. Schwarz. Russell Sage Foundation.
- [35] Potts, J (2008), 'Why Creative Industries Matter to Economic Evolution, *Economics of Innovation and New Technology*, 18, 7: 663-673.
- [36] Raymo, J. M., Iwasawa, M. and Bumpass, L. (2009) 'Cohabitation and Family Formation in Japan'. *Demography*; 46(4). pp.785-803.
- [37] Sandell, R. (1998) 'Museums as Agents of Social Inclusion', *Museum Management and Curatorship*, 17, 4: 401-418.
- [38] Scitovsky, T. (1976) *The Joyless Economy*, Oxford University Press, London.
- [39] Schueller, Stephen M. (2009), "Promoting Wellness: Integrating Community and Positive Psychology," *Journal of Community Psychology*, Vol. 37, No. 7, 922–937 (2009)
- [40] Shefrin, H. M., and R. H. Thaler. 1988. "The behavioral life-cycle hypothesis." *Econ. Inquiry* 26 (October): 609–43.
- [41] Shiraishi, Y, and K. Shiraishi.(2009) "Work Life Balance and Female's Happiness" In *Japan's Happiness: Disparity, Labor and Family*, ed. Otake, F., Y. Shiraishi., and Y. Tsutsui., Nihonhyouronsya, [in Japanese].
- [42] Stack, S., and J. R. Eshleman.(1998) "Marital Status and Happiness: A 17-Nation Study", *Journal of Marriage and the Family*, 60(2), pp.527– 536.
- [43] Stiglitz, J. E, A. Sen, and J-P. Fitoussi.(2010) "Mis-Measuring Our Lives: Why GDP Doesn't Add Up", The Report by the Commission on the Measurement of Economic Performance and Social Progress, New York: The New Press.
- [44] Thaler, R.H. and S. Benartzi (2004), "Save more tomorrow: using behavioral economics to increase employee saving," *Journal of Political Economy*, 2004, vol. 112, no. 1, pt. 2, S164-S187.
- [45] Thaler, R.H. (1995), "Psychology and savings policies," *The American Economic Review*, Vol. 84, No. 2, Papers and Proceedings of the Hundred and Sixth Annual Meeting of the American Economic Association, pp.186-192.
- [46] Veenhoven, Ruut (1989), " Is Happiness Relative?", in J.P. Fargas & J.M. Innes (eds.) 'Recent advances in social psychology: an inter-national perspective'. *Elsevier Science*, 1989, Amsterdam, pp 235-247.
- [47] Vestheim, G. (1994) 'Instrumental Cultural Policy in Scandinavian Countries: A

- critical historical perspective', *European Journal of Cultural Policy*, 1, 1: 57-71.
- [48] Weiss, Y. and R. J. Wills (1997) 'Match Quality, New Information, and Marital Dissolution', *Journal of Labor Economics*, 15(1) pp.293-329.
- [49] Wilkinson, (2007), "In Pursuit of Happiness Research: Is It Reliable? What Does It Imply for Policy?" *Policy Analysis*, No.590, pp.1-40.
- [50] Yamaguchi, K.(2009) " Satisfaction about Marital Relationship and Work Life Balance", In *Work Life Balance: Empirical Corroboration and Policy Recommendation*, ed. Yamaguchi, K., Nihonkeizaishinbunshyuppansha, [in Japanese].
- [51] Zimmermann, A. C., and R. A. Easterlin.(2006) "Happily Ever After? Cohabitation, Marriage, Divorce, and Happiness in Germany" *Population and Development Review*, 32(3), pp. 511-528.
- [52] Zimmerman, Marc A. and Julian Rappaport (1988), "Citizen Participation, Perceived Control, and Psychological Empowerment", *American Journal of Community Psychology*, Vol. 16, No. 5, 1988.

