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Subjective wellbeing and the region: multilevel approaches

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Abstract

The rise of interest in the subjective perception of wellbeing is complementing, and at times even rivalling policy interest in regional variations in the often quite different objective measures of wellbeing. The attraction of the former lies in the presupposition that people act on the basis of what they perceive rather than external measures of their condition.

To date most of the economics of happiness literature has used the country or region simply as a control, when partitioning the variance in subjective wellbeing across demographic and socio-economic attributes of the individual. Considerably less attention has been paid to *geographic heterogeneity* - to the way in which residence in a given country, region or city might moderate the influence one or more attributes might have on subjective wellbeing: the effect of country development on the role played by personal income for example, or the influence education has in moderating the negative effect of large city residence on wellbeing.

The multilevel model offers a flexible opportunity to explore the presence of such context effects. After a review of the way the multilevel model has been applied regional variations in subjective wellbeing I apply the model to the European Social Survey 2006 in order to illustrate several examples of geographic heterogeneity, the theoretical questions they raise and their potential policy implications.

Keywords: subjective wellbeing, multilevel modelling, heterogeneity

1. Introduction

The rise of interest in the subjective perception of wellbeing is complementing, and at times even rivalling policy interest in regional variations in wellbeing. The attraction lies in the

presupposition that people act on the basis of what they perceive rather than objective measures of their condition.

To date most of the economics of happiness literature has used the country or region simply as a control, along with various attributes of the individuals in accounting for statistical variation in a single measure of subjective wellbeing. Considerably less attention has been paid to the way in which geographic context – the country, region or city – might moderate the way the subjective wellbeing is influenced by the attributes of the individuals.

It is the role of geographic context in accounting for interpersonal variation in subjective wellbeing that this paper is primarily concerned. The multilevel model offers a flexible opportunity to explore the presence of such context effects.

After a review of the application of the multilevel model to the regional context I apply the model to the European Social Survey 2006 in order to illustrate several interactions which we are only just beginning to be recognised both empirically. I then consider several theoretical and policy implications.

Section 2 introduces the multilevel model and describes the way it has been applied to understanding spatial variations in subjective wellbeing to date. **Section 3** introduces the European Social Survey and **section 4** applies the multilevel model. **Section 5** specifically addresses the specification and testing of 'geographic heterogeneity' – the way context (the characteristics of the spatial unit) interact to varying degrees with attributes of individuals to modify their level of subjective wellbeing. The paper concludes in **section 6**.

2. The multilevel model

To be updated

3. The European Social Survey

The European Social Survey (ESS) is an academically-driven multi-country survey, which has been administered in over 30 countries to date. It has three aims. The first is to monitor and interpret changing public attitudes and values within Europe and to investigate how they interact with Europe's changing institutions. The second is to advance and consolidate improved methods of cross-national survey measurement in Europe and beyond. And the third is to develop a series of European social

indicators, including attitudinal indicators. [1] The authors might have added a fourth, which is to enhance our theoretical and empirical understanding of wellbeing.

To be updated

4. Application to the 2014 European Social Survey

To be updated

5. Geographic heterogeneity

To be updated

Figure ____ Country random intercept variation. Europe, 2014

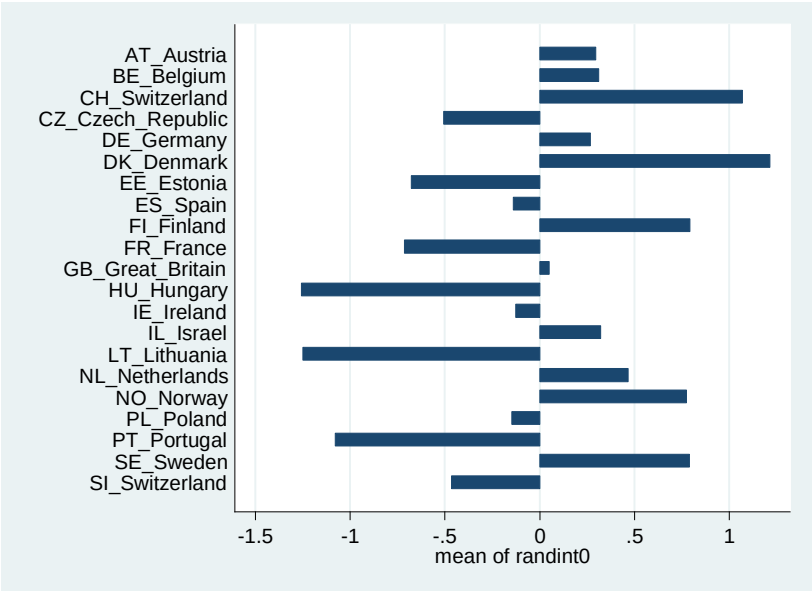
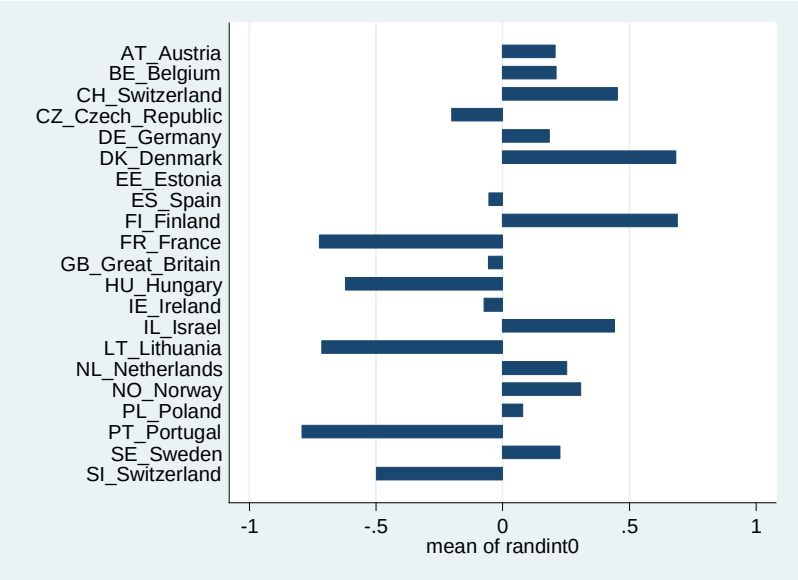


Figure ____ Country random intercept variation after the application of controls. Europe, 2014

[1] These two paragraphs draw heavily from http://nesstar.ess.nsd.uib.no/webview/index.jsp?v=2&submode=abstract&study=http%3A%2F%2F129.177.90.83%3A80%2Fobj%2FfStudy%2FESS7e02.0&mode=documentation&top=yes



To be updated

5. Conclusion

To be updated

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