Quality of life in Europe: Subjective well-being

Executive summary

Introduction

How can data on subjective well-being – how people perceive the quality of their lives – be used in policy? And are such data relevant in the context of the economic challenges that Europe is currently facing? This report draws out new policy-relevant findings from the third wave of Eurofound’s European Quality of Life Survey (EQLS), conducted in 2011–2012. It shows how data on well-being can help policymakers identify the groups and countries that are bearing the brunt of the economic crisis, as well as those that are holding out better than expected, and provides a new layer of evidence to aid policy decisions.

The report compares countries and groups across the then 27 EU Member States, identifying the determinants of well-being and the factors that might protect individuals from low well-being. It also looks at how subjective well-being has changed between 2007 and 2011 in the EU as a whole and in individual Member States. The report goes beyond the use of reported life satisfaction to consider a full range of subjective well-being concepts, including hedonic well-being (short-term feelings), eudaimonic well-being (how well people are functioning in their lives) and satisfaction with different aspects of life.

Policy context

Policymakers need to get a picture of the real impact of the crisis on people’s lives. There is a sense that the crisis has deepened inequalities and has had a greater impact on groups that are already vulnerable in society – is this borne out in the well-being data?

Many have argued that new indicators are part of the package needed to help get out of the current crisis and to prevent another one happening. The 2009 Communication from the European Commission ‘GDP and beyond: Measuring progress in a changing world’ calls for a more holistic approach to measurement, including the measurement of well-being, and a greater focus on the distribution of resources and outcomes between social and economic groups, and between regions. The EQLS data are key to informing such a debate.

Key findings

Well-being is highest in the social democratic countries of northern Europe (Denmark, Finland, the Netherlands and Sweden), and lowest in Bulgaria, Greece, Hungary, Latvia and Romania. While well-being correlates with GDP per capita, several countries achieve higher well-being than would be expected based on GDP alone.

Almost all countries have low well-being on at least one measure. For example, despite overall high well-being, the UK has the lowest levels of vitality and neighbourhood belonging. Estonia and Latvia have the lowest levels of health satisfaction.

The population groups that stand out as having low well-being include those limited by illness or disability, unemployed people, those who are separated or divorced, and individuals in the middle age bracket (35–49 years).

Cyprus, Hungary and Romania have the greatest levels of overall well-being inequality, with Germany and the UK not far behind. The analysis identified which well-being inequalities were sharpest in different countries. For example, the well-being gap between those with high and those with low incomes was greatest in Bulgaria, while the biggest gender gaps were in Cyprus, Portugal and Romania.

While life satisfaction increased marginally between 2007 and 2011, happiness has fallen and perceived social exclusion has increased, indicating that well-being has indeed stagnated during the crisis.
Importantly there are different regional patterns, with the European average being elevated by increases in the newer Member States such as Bulgaria and Romania.

Where there have been increases in well-being, particularly in the Baltic states, Ireland, southern Europe and the UK, they have been enjoyed by those in the highest income quartiles. Conversely, the largest falls in well-being were experienced by those in the bottom income quartile.

The strongest predictors of well-being were material deprivation, health, work–life balance and lack of time, and satisfaction with public services.

The predictors varied according to the measure being used. For example, the strongest predictor of loneliness was being widowed, while the strongest predictor of stress was work–life balance.

The predictors also varied between country clusters used in this study. Health was the single most important determinant of life satisfaction in the social democratic cluster. Public service satisfaction was the second most important determinant in southern Europe.

Detailed analysis revealed some surprising results.

- Social aspects of deprivation, such as not being able to invite guests over, were the most important in the index of deprivation created using the EQLS.

- The most important detrimental impact of housing on life satisfaction was not feeling secure that one could stay in one’s house.

- Temporary employment contracts of less than 12 months were particularly detrimental to life satisfaction, while those of 12 months or over had no significant negative impact.

- Face-to-face contact with friends had a strong impact on well-being, while indirect contact (by phone or email) had almost no positive impact.

- When other factors are controlled for, people in rural areas have higher well-being than those in urban areas.

Policy pointers

The data stress the importance of paying particular attention to several groups – those limited by disabilities or ill health, unemployed people and middle-aged people. They also send out warning signals for several countries that have low or falling well-being – Estonia, Greece and Sweden all having notable declines.

Positive lessons can be drawn from some countries. Aside from the usual focus on Scandinavian countries, Poland has higher life satisfaction than many of its neighbours, while Spain (at least in 2011) appeared to be holding up, despite the crisis, in terms of average well-being and low well-being inequality.

From the perspective of increasing well-being, the data make it quite clear what the policy priorities are – reducing poverty and deprivation, tackling unemployment, integrating people with disabilities, addressing work–life balance and maintaining the quality of public services.

The data also highlight the importance of protecting social networks and relationships. This implies, for example, considering the unintended social consequences associated with increasing geographical labour mobility, or the falling social cohesion and trust associated with increased inequality.

Working conditions have an effect on well-being – moving employees from short-term to permanent contracts would have a bigger impact on well-being than moving unemployed people into short-term contracts. Tackling overwork would increase well-being.

Local governments in urban areas could look to rural areas to identify what is providing them with a well-being advantage. Access to green space and community are likely to play a role. Meanwhile, rural policy should ensure there are still employment opportunities available to allow people to live in rural areas.

Physical activity contributes to well-being. Interventions to increase it include greater inclusion in school curricula and broadening active travel opportunities.

Being in debt is negatively associated with well-being for all respondents, but particularly for those on low incomes, highlighting the need for protective measures.

Further information


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