

The effect of social transfers and social capital on happiness of elderly

Adam Okulicz-Kozaryn Vistula University and Rutgers
Leszek Morawski Polish Academy of Sci

August 29, 2018

Ersa2018Cork; funded by NCN 2016/21/B/HS4/0305

adam.okulicz.kozaryn@gmail.com aok.mooo.com

about this project

- i am new to aging/gerontology
- first what we have already done (still need advice!)
- then work in progress

why bother?

- Europe is aging (Hong Kong, too)
- aging will be a major problem of this century
- all countries grapple with lack of funds for social transfers (pensions, sickness and disability benefits, etc)
- can we make up for lacking social transfers elsewhere?
- after all, social transfers are the the goal, but only a tool
- the goal is SWB, and there are many ways to achieve it, not only through \$
- we will focus on the effect of social capital and specifically volunteering among the elderly
- [Eur, esp SE doesn't volunteer, should learn from US]

why vol– >SWB? 3 happiness theories

- ◇ **adaptation theory** [\$, but not social capital] (Brickman et al., 1978)
 - ▶ adjustment to external stuff
 - ▶ 'hedonic treadmill'
- ◇ **multiple discrepancy theory** [tv watching!] (Michalos, 1985)
 - ▶ social comparison
 - ▶ comparison to various standards
- ◇ **needs/livability theory** [humans have a need to be among other humans] (Veenhoven and Ehrhardt, 1995)

data

- SHARE: Survey of Health, Aging and Retirement in Europe
- underused data for SWB research!
- now most European countries
- many, many modules and variables, eg:
 - comprehensive health measures (like AddHealth);
 - comprehensive income/wealth variables (like PSID);
 - activities; family relationships; healthcare, past experiences and future expectations
-
- and again, elderly matter, and they will matter even more

CASP, Cronbach's $\alpha=.82$, factor loadings:

- Control, Autonomy, Self-realization, and Pleasure

-0.50	My age prevents me from doing the things I would like to
-0.52	I feel that what happens to me is out of my control
-0.57	I feel left out of things
0.45	I can do the things that I want to do
-0.19	Family responsibilities prevent me from doing what I want to do
-0.38	Shortage of money stops me from doing the things I want to do
0.58	I look forward to each day
0.67	I feel that my life has meaning
0.49	On balance, I look back on my life with a sense of happiness
0.68	I feel full of energy these days
0.72	I feel that life is full of opportunities
0.74	I feel that the future looks good for me

volunteering, w1; great var, some sex diff

country	male	female	all
Austria	9.95	6.95	8.28
Belgium	16.88	14.97	15.84
Denmark	18.98	16.87	17.85
France	17.21	12.25	14.45
Germany	10.74	9.46	10.04
Greece	3.14	3.08	3.11
Israel	9.87	12.53	11.32
Italy	7.29	6.15	6.66
Netherlands	19.73	22.88	21.41
Spain	2.37	3.22	2.83
Sweden	21.65	15.43	18.36
Switzerland	13.82	14.75	14.32
Total	12.64	11.54	12.04

OLS of lifests, β coef

	a5	a6	a7
labor income	0.08***	0.04***	0.04***
pension	0.05**	0.03**	0.04**
unemployment benefits	-0.03*	-0.02	-0.02
social assistance	-0.04***	-0.02	-0.01
disability/sickness benefits	-0.05***	-0.01*	-0.02**
household net worth	0.11***	0.05***	0.05***
USUAL CONTROLS (to be repeated in all regressions):			
male		-0.01	-0.01
married and living together		0.15***	0.15***
employed		0.05***	0.03*
age		0.17***	0.15***
years of education		0.05***	0.03***
number of children		0.01	0.01
self reported health		0.32***	0.32***
country dummies	no	no	yes
constant	***	***	***
N	63299	63299	63299

+p<0.10 *p<0.05 **p<0.01 ***p<0.001, robust std err

OLS of lifests, β coef; incl usual controls

	b1	b2	b3	b4
voluntary or charity work:				
less often	0.02	-0.00	-0.00	-0.01
almost every month	0.06***	0.02***	0.02***	0.01+
almost every week	0.07***	0.03***	0.03***	0.02**
almost every day	0.04***	0.02**	0.02**	0.02*
educ or training course		0.04***	0.02**	0.01
sport, soc or other club		0.10***	0.09***	0.04***
polit or comm org		0.00	-0.00	-0.00
books or newspapers		0.12***	0.11***	0.08***
word or number games		0.02*	0.02*	0.02+
country dummies	no	no	no	yes
constant	***	***	***	***
N	62959	62959	62959	62959

+p<0.10 *p<0.05 **p<0.01 ***p<0.001, robust std err

OLS of lifests/CASP, β coef;w6,4 incl usual

controls

	Life satisfaction		CASP	
voluntary or charity work:				
less often	-0.01	0.01+	0.01	0.01
almost every month	0.01	0.01+	0.03***	0.02*
almost every week	0.02*	0.02*	0.03***	0.04***
almost every day	0.02*	0.01	0.04***	0.02**
pension	0.03**	0.02***	0.04**	0.06***
educ or training course	0.01	0.01	0.02*	0.00
sport, social or other club	0.04***	0.03***	0.06***	0.06***
political or comm organization	-0.00	0.01	0.01+	0.01
books, magazines or newsp	0.08***	0.08***	0.11***	0.11***
word or number games	0.02*	0.03***	0.04***	0.04***
played cards or games	0.03***	0.01	0.03***	0.02*
labor income	0.04***	0.02+	0.02*	-0.00
unemployment benefits	-0.02	-0.01*	-0.01	-0.01+
social assistance	-0.01	-0.00	-0.03***	-0.00
disability benefits	-0.02**	0.00	-0.02**	-0.01

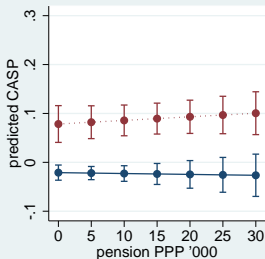
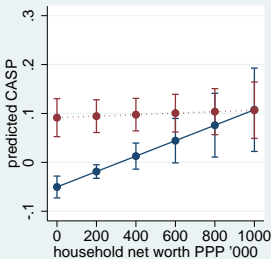
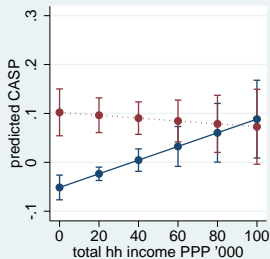
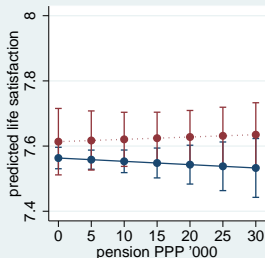
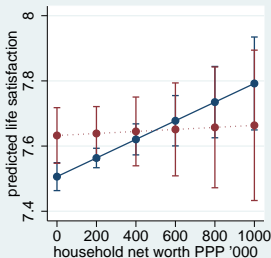
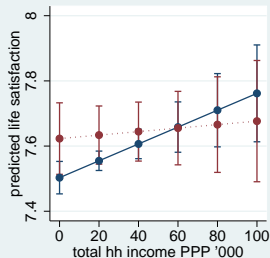
vol— >SWB, but for whom?

- need some min income! cannot survive on volunteering
- but plenty of evidence: even poor manage to volunteer
- and many poor survive only because they receive help from family friends and volunteers
- then perhaps volunteering is especially effective for poor and middle class?
- if you're rich, volunteering may matter less:
 - you'd rather start a foundation, give to charity, etc
-
- then indeed volunteering may be especially good strategy for persons and countries with tight budgets!

vol— >SWB, but for whom?

- yet pensions are different!
- you get it anyway, so doesn't matter for vol
- no opportunity cost

vol – > SWB, but for whom? (solid: non-vol)



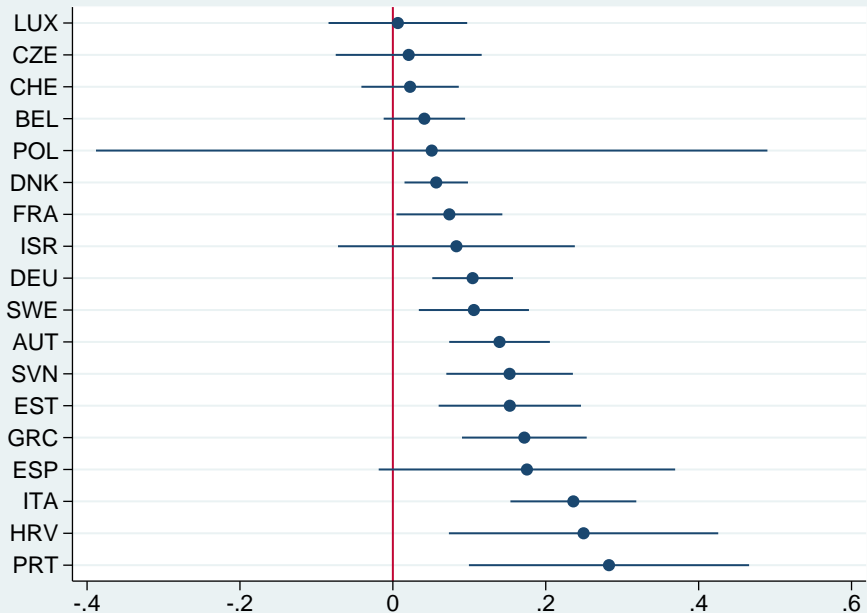
discussion

- sure, still: social transfers at person level
are like welfare state at country level, BUT:
- positive spillovers from volunteering:
 - self-satisfaction from helping
 - and gratitude from being helped;
 - \$ saved (say on helping kids cross the road)
- but neg spillovers from income! (guess incl soc transf)
 - relative deprivation, comparisons, envy, etc
- simply handing out money can be a perverse incentive
 - see recent experiment by Oswald in UK
 - welfare recipients became poorer and less happy

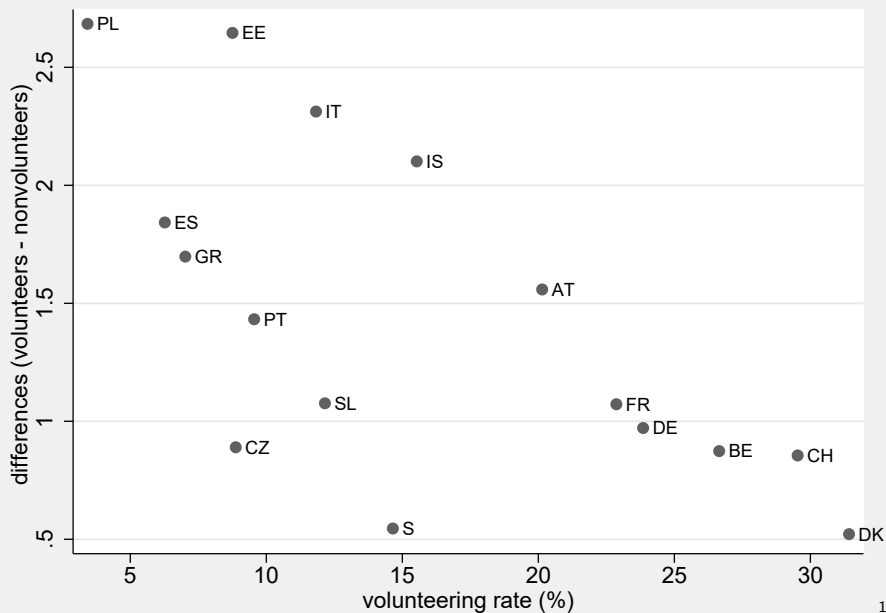
now some prelim findings

- looks like the poorer the country,
- the more volunteering (and pensions) matter for SWB

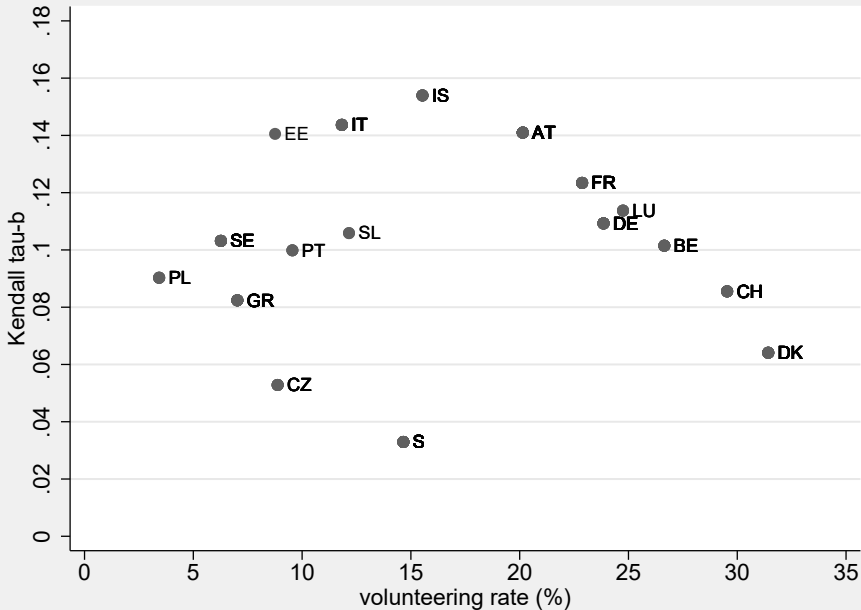
volunteering – > SWB



the higher the vol %, the lower the effect on SWB



CASP corr; ingroup, drop-in-a-bucket effects?



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