Experienced Life Cycle Satisfaction in Europe: A Comment

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In a recent article in this journal Morgan and O'Connor (2017), henceforth MO, examined Eurobarometer data for 17 countries[1] for the years 1973-2016 and argued that there is a M-shape in age rather than a U-shape after controlling for country; year, cohort and education effects. This stands in marked contrast to findings in Blanchflower and Oswald (2008 and 2019) and Blanchflower and Clark (2019) using the same Eurobarometer data that found U-shapes. Blanchflower (2020) found U-shapes. in 132 countries using many data files including the Eurobarometers and there was no evidence of an M-shape in any other data file for any other European country. This included the European Social Surveys; the European Quality of Life Surveys and the World Values Survey. In all cases there were U-shapes.

MO argue there is a local maximum in life satisfaction around age 30, declining life satisfaction until around age 50 followed by rising life satisfaction, and then declining life satisfaction after age 75.[2] It turns out that their results are driven by the fact that they exclude (happy) students from their analysis and sample. This M-shape is not there when students, who tend to report high levels of happiness, are included in the analysis.

The M-shape arises because happy young students are excluded. When they are included a U-shape re-emerges. The authors kindly provided me with their data, but it turns out the sample MO used dropped students entirely. The authors argue that they did so as they were interested in individuals who had completed their education. This exclusion explains why MO observe an M-shape, that I can replicate in their data and in the Eurobarometer data file I use here.

I examined a pooled Eurobarometer file from 2009-2019 used in Blanchflower and Clark (2019) with around 1 million observations covering 37 European countries. Below are the life satisfaction scores of the young happy students in this 2009-2019 Eurobarometer file for those age 15-27 in the first column versus an overall average in the sample as a whole of 2.94. Without students, happiness rises with age, without them it falls.

	Student	With students	Without students
15	3.36	3.32	2.80
16	3.30	3.27	2.92
17	3.26	3.21	2.93
18	3.20	3.13	2.91
19	3.18	3.10	2.95
20	3.15	3.05	2.93
21	3.14	3.04	2.93
22	3.13	3.01	2.92
23	3.12	2.99	2.93
24	3.13	2.99	2.94

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[1] The countries included in their study are France, Belgium, the Netherlands, West Germany, Italy, Luxembourg, Denmark, Ireland, Great Britain, Northern Ireland, Greece, Spain, Portugal, East Germany, Finland, Sweden, and Austria.

[2] Life satisfaction here is measured on a 4-step scale where respondents are asked "*On the whole, are you very satisfied, fairly satisfied, not very satisfied or not at all satisfied with the life you lead – not at all satisfied; not very satisfied; fairly satisfied and very satisfied*?"

25	3.14	2.98	2.95
26	3.16	2.98	2.96
27	3.14	2.98	2.96

Students, account for 45% of those ages 27 and under in the sample. Life satisfaction is higher among students than among the other groups – working (37%); responsible for shopping (4%); unemployed (12%) and unable to work (2%). Happiness among students is especially high for ages 15, 16 and 17. Including students in the second column shows an obvious steady decline in happiness. Excluding them in the third column shows a steady rise in happiness which is what the M-shape is picking up. There is no basis to drop the happy students.

To show this another way I ran a series of life satisfaction regressions which included single year of age dummies as well as year and country dummies. In Chart 1 I did this first for the overall sample and then excluding students. I took the individual coefficients in each case and added them to the constant and plotted. There is the uptick among the young – the M-shape reported by MO – which disappears when students are added, and a clear U-shape emerges.

Once controls are included – for gender, education, labor force and marital status plus year and country dummies there are U-shapes for both samples with and without happy young students. Chart 2 reports what happens when controls for marital and labor force status, cohort and education are added and the age coefficients once again are added to the constant and plotted. Both lines show clear U-shapes. The U-shape is sharper using the controls. The M-shape only occurs when controls are omitted in the no-student sample.

The M-shape emerges in the MO paper because of the exclusion of young, happy students.
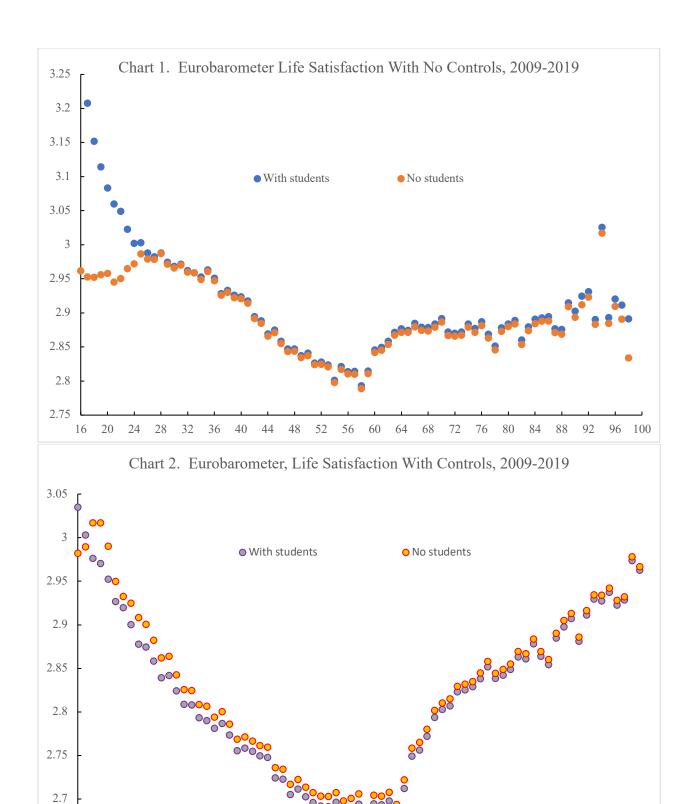
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Chart 1. Eurobarometer Life Satisfaction With No Controls, 2009-2019

● With students   ● No students

Chart 2. Eurobarometer, Life Satisfaction With Controls, 2009-2019

● With students   ● No students