

# **WELL-BEING ACROSS OECD COUNTRIES: IS EUROPE DIFFERENT?**

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## **Abstract**

The answer to this question is a resounding ‘no’. This paper considers a range of wellbeing indicators available for OECD countries in the mid 2000s, including subjective measures of life satisfaction as well as objective indicators of physical and mental health. It then analyses whether participation in the EU or in the euro area affects overall well-being, subject to a large set of possible control variables. The main results are two. First, participation in the EU and the euro area does not matter for well-being and this appears to be a robust result. Second, cross country differences in subjective well-being are largely explained by only three variables, notably the employment rate with a positive sign, and average temperature (which is negatively correlated with the quality of institutions) and a dummy variable identifying Post Communist countries with a negative sign. By contrast, income appears to be important for measures of objective well-being, though in a highly non-linear fashion.

**Keywords:** Life Satisfaction, OECD, EU, euro, happiness economics, well-being.