



# **Time Use, Income and Social Class: Shedding Light on the Social Foundations of Subjective Wellbeing**

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## **Abstract**

The first part of the thesis challenges the widespread view that relative income – a function of own income in relation to others' income – affects subjective well-being (SWB). This view is based on weak empirical evidence: mostly cross-sectional, small coefficients and often a simplistic view about how social comparisons work. This chapter starts by questioning the very basic way in which social comparisons are supposed to be made. It then shows empirically that changes in relative position have no effect on life satisfaction or mental distress, using data from the British Household Panel Survey. The rest of the chapter is devoted to addressing the possible endogeneity of changes on relative income, as well as to carrying out several robustness checks.

In most countries individuals of the upper class enjoy more positive emotions and fewer negative emotions than the middle and lower classes. However the size of these differences varies across countries. Chapter 3 attempts to explain where those differences come from using a special SWB module from the European Social Survey that was carried out in 2006 and 2012. The analysis shows that most of the class differences in negative emotions can be explained by differences in health, financial situation, and unemployment. Feeling safe and socialising – while important for negative emotions – do not contribute to the gaps in negative emotions because they are much more equally distributed across classes. Having two rounds of data gives credibility to the results and allows a very interesting description of the emotional changes that occurred with the 2008 economic crisis.

Chapter 4 tries to shed light on the issue of work-life balance by exploring the effects of working hours on different SWB outcomes using time use data for employees. The analysis reveals that employees experience high levels of enjoyment and satisfaction, almost regardless of how much they work. Unfortunately this is also the case for time crunch – a shortage of time –, which is experienced to a non-negligible extent by all employees. The analysis carried out suggests that there is indeed an optimal number of hours for most of the subjective well-being outcomes considered, but these do not always coincide.

However, the trade-offs are greater for individuals that are less satisfied with their jobs. Individuals that are above the median in terms of job satisfaction optimise enjoyment and satisfaction at a positive and large number of hours, whereas for individuals that have low job satisfaction maximising satisfaction and enjoyment at the same time is not possible.



**Jury:** Jonathan Gershuny (University of Oxford), Letizia Mencarini (University of Turin), Fabrizio Bernardi (EUI, Supervisor), Diego Gambetta (EUI)

### **Bio**

Juana Lamote de Grignon Pérez is a researcher at the European University Institute. In her thesis she is looking at causes of subjective wellbeing, but she is also interested in its consequences, and in wellbeing more generally. Her current research focuses on time use studies with affective information linked to each activity. Before coming to the EUI she studied economic and social history at Oxford (MPhil), development economics at Carlos III University (MSc), and business administration at Universidad Pablo de Olavide in Seville (BA).