

become unemployed. The stigmatization of unemployment is higher in Switzerland, in particular for native Swiss (see Stutzer and Lalive 2004).

Our data also allows us to identify persons currently in education. We observe that being in education has no significant effect in Denmark but has a significant and positive impact on happiness in Switzerland. This is similar to the effect of education in general. Also note that 4.2 % of the Danish but only 2.0 % of Swiss survey respondents were engaged in an educational activity at the time of the interview.

Over 20 % of the population in both countries are retirees. Being retired exerts no significant influence on happiness in Denmark while it exerts a positive and significant influence in Switzerland. Swiss retirees are happier, everything else held constant, than people who are working.

Approximately one fifth of people in Denmark report that their main activity is at home doing housework. In Switzerland, over one third of persons interviewed report that their main activity is housework. Doing the housework as one's main activity slightly reduces happiness in Denmark although not at a significant level. On the other side, doing housework increases happiness in Switzerland. Looking at gender differences in greater detail, we find that this positive influence of housework only exists for Swiss women. While there is no difference between Danish men and women, Swiss women performing housework are significantly happier than Swiss men doing housework. This result supports the perception that the comparatively less attractive labor market for females in Switzerland does not necessarily influence happiness of women in Switzerland. Housework is a respected alternative to paid work which is also consistent with the view that Swiss households tend to follow a more traditional role model than Danish households. Attitudes towards traditional values are discussed to some extent in other chapters of this book referring to differences in society.

Finally, we analyze whether the interviewed person is currently not able to work and what influence this has on her/his reported happiness. As expected, currently not being able to work due to certain disabilities or just a current illness reduces happiness significantly in both countries. This effect also holds when keeping other health variables constant. Note that there is a difference between being hampered by illness and being not able to work as the first variable concerns longstanding illnesses while the latter concerns a period of seven days previous to the point in time when the respondent answered the survey. Differences between Denmark and Switzerland concerning this variable are not significant.

#### 4.4.2.4 Working Life and Pay

Many people, economists and businessmen in particular, may consider it a matter of fact that higher income also leads to higher levels of happiness. They think that increasing the possibilities to effectively consume must necessarily also increase subjective well-being. However, we often hear the phrase that more money does not make you happy. Yet, if money does not make people happy what does additional money entail and why do we work so hard to get it? To answer these questions and

to analyze the effects of income on subjective well-being our last set of variables deals with working life and pay. We mainly focus on the type of occupation and the income obtained from work.

#### Effects of Occupation

People spend a considerable share of their time on their job. Mostly they try to combine an interesting, challenging, exciting or relaxing – just a satisfying task with a satisfying payroll. How does the kind of occupation, which is chosen by a person under economic restrictions influence happiness? To analyze this question, we categorize survey respondents' jobs into four broad categories. We distinguish between people working in a blue-collar and people working in a white-collar profession. Additionally, we are also able to divide these two broad groups into high and low skilled workers.

We find no significant impact of the occupation classes on average happiness, either for Denmark nor for Switzerland. There are, however, remarkable gender specific effects. In Switzerland, women are significantly happier when they are employed as either low or high skilled white-collar workers instead of low skilled blue collars. In contrast, happiness of men does not depend on occupation classes. This result starkly contrasts with Denmark. There, the happiness of women does not significantly depend on occupation type, but men are significantly less happy when they are working as low skilled white collars instead of low skilled blue collars. There are even more differences within Switzerland: Low as well as high skilled white-collar workers are significantly happier when they are French speaking in Switzerland.

Interestingly, persons allowed to organize their daily activity are happier than persons without this freedom in both countries. A person who is not allowed to decide how daily work is organized suffers a disutility from being obliged to follow the hierarchical order imposed by others. This result corresponds to studies by many psychologists. They find that independence represents an intrinsic value and that people even decide to forgo a higher income in order to become independent in their work (see e.g. Benz and Frey 2003). In other words autonomy, flexibility and freedom to use and develop one's own potential is a nonmonetary utility which reflects itself in increased happiness. Being allowed to decide how daily work is organized exerts approximately the same effect on happiness for Danes and Swiss.

#### Effects of Income

Some people argue that persons who have higher income have more flexibility to realize their desires and wishes, which should have a positive influence on their subjective well-being. They may obtain more products and services. Additionally, they enjoy a higher social status. Other people are less convinced that money makes

you happy. They argue that individuals can only be happy from inside and that money does not count.

Happiness research puts forward clear evidence for a positive relationship between income and happiness. Richer persons evaluate their individual happiness higher than less well-endowed persons. This positive correlation between income and happiness is statistically well established. However, differences in income only explain a small part of differences in individual life satisfaction. Aspiration levels seem to adjust very quickly with respect to money.

The ESS asks respondents about their total income after taxes and compulsory deductions. We arranged respondents' incomes into five income categories which are comparable between Denmark and Switzerland. Our findings for Denmark and Switzerland are broadly consistent with international research results. As income increases, Danes become slightly happier though not at a significant level unless for the highest income category. In Switzerland we observe that incomes between 65,000 and 102,000 Swiss francs make people happier than being in the lowest income category, that is, happiness increases above the two lowest income categories. Moreover the coefficients increase if we go to higher income categories. Persons in the highest income categories in both countries are significantly happier than comparable individuals in the lowest income category.

However, we also observe that additional income does not increase life satisfaction endlessly. It seems that the relationship between income and happiness is not necessarily linear. This may be explained by the law of decreasing marginal utility: The first piece of cake increases utility by quite a lot. The second piece is also welcome but does not increase utility as much as the first piece does, etc. The same is true for income. As soon as we have very high incomes, happiness does not increase anymore. Our results for Switzerland for the highest and the second highest category are consistent with comparable data from the World Values Survey used in other studies. Very high incomes are not distinguishable with respect to their effects on happiness. In the Swiss sample it even seems that the effect of income on happiness becomes slightly negative when the highest income category is reached though the difference to the second highest income category is not significant.

Higher income exerts a larger influence on happiness in Switzerland than in Denmark. This also corresponds to the general perception or stereotype that money and working matters more for the Swiss. Moreover, we also observe that in particular Swiss men become happier as their income increases. For Swiss women we do not observe any significant impact of income on happiness. As we use household income to make our analysis this is consistent with the view that in Switzerland men contribute most to household incomes. This also supports the assumption that in the Swiss society money in itself is not as important as being capable to earn money. The results are very different in Denmark. Danish women and Danish men react in a very similar way to increases in income, i.e. both genders become happier when income increases. However, as observed before, income plays a smaller role for Danish happiness than for Swiss happiness.

Many people do not report their incomes in the survey. Therefore, we also include a separate dummy variable indicating a respondent who was not willing

to report his income. People not reporting their incomes are significantly happier in Switzerland than in Denmark. We also highlight that almost 20 % of people in Switzerland do not report their income and that this number is only approximately 9 % in Denmark. Excluding observations of respondents who did not report the income from the data set we find similar general results as before.

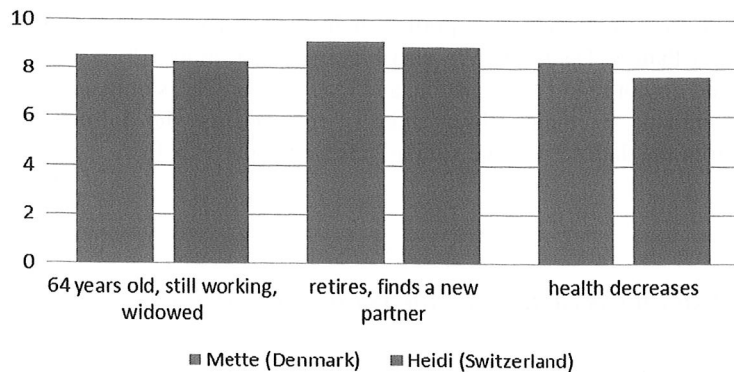
### 4.4.3 *Happiness Schedules for Danes and Swiss*

The analysis in the last section has identified important partial effects of a multitude of determinants of individual happiness. The aim of partial effects is to disentangle the complex mechanics of happiness into its determinants to understand what a small adjustment in one factor means for happiness, independent of changes in another factor. It might look awkward in some cases to swivel only one screw. For instance, we would expect a change from employment to unemployment to be accompanied by a drop in income. As we have identified many determinants of happiness in Denmark and in Switzerland, we can now use our empirical results to construct happiness schedules for – in principle – almost every conceivable type of person. Thus, we can analyze how combinations of various factors and life situations influence the happiness of the synthesized persons. This allows us to provide a unique and intuitive understanding of how different factors in Denmark and Switzerland influence citizens' well-being. We construct a number of typical examples of persons and analyze how their reported happiness changes with different life situations.

Figure 4.4 presents the happiness perceived by two women, Mette and Heidi, in three different life situations.

Mette lives in Denmark while Heidi lives in Switzerland. Both of them face the same situations in life. They are 64 years old and are widowed without having found a new partner. They are in the best of health and shortly before their retirement. Women facing a situation such as Mette's would on average state a happiness of 8.6 while women like Heidi would assess their satisfaction with a value of 8.3. Now suppose that Mette and Heidi retire. The newly gained leisure allows socializing and, thus, they happen to find a new partner shortly after retirement. Mettes happiness increases to 9.1 and Heidi's to 8.9. This is a very typical pattern which we have already observed before. Retirement makes people happier and in particular living in a partnership increases happiness. In general, we observe that Danes are slightly happier than Swiss. This is also a well-established fact. Danes are the happiest people in Europe. As shown, different life situations increase or decrease happiness differently in Denmark and Switzerland. Consider the following change in Mette's and Heidi's life. Quite unexpectedly they become sick. Mette's happiness drops from 9.1 by 0.8 points to 8.3 which is a quite dramatic effect. However, personal health is of greater importance with regard to happiness in Switzerland than in Denmark. As Heidi becomes sick her subjective well-being





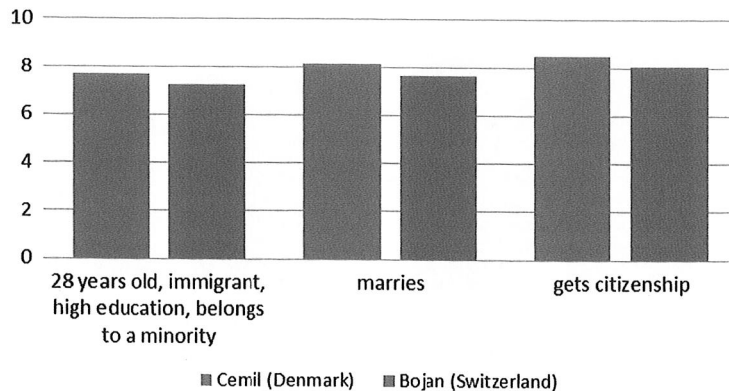
**Fig. 4.4** Happiness comparisons between Denmark and Switzerland – the case of Mette and Heidi (Notes: The graphs plot happiness for Mette and Laura, both facing identical life situations, the first in Denmark and the latter in Switzerland. As their life situations change, their subjective life satisfaction (expressed on a scale from 0 = extremely unsatisfied to 10 = extremely satisfied) changes too)

drops by over 1.3 points from 8.9 to 7.6. Swiss people, as shown in this example and in the empirical results of Table 4.1, attribute a high value to health.

Let us consider a further happiness schedule for two residents of Denmark and Switzerland which, however, are not nationals of these countries (Fig. 4.5).

Cemil and Bojan are not native Danes and Swiss, respectively. They immigrated to the respective countries at the approximate age of 18 years to start and finish their university education abroad. Now they work in a well-paid job in Denmark and Switzerland, respectively. They have lived about 10 years in the respective country but still consider themselves as belonging to a minority. Cemil in Denmark reports a happiness of 7.7 while Bojan reports 7.2 in Switzerland. Being a noncitizen and in a minority group has more important negative effects on happiness in Switzerland than in Denmark. Both Cemil and Bojan fall in love with a citizen girl of the respective country and some months after living together they decide to marry. Their marriages increase their happiness to, respectively, 8.1 and 7.6. Their friendship and later marriage with, respectively, a Danish or Swiss women advances their integration into the respective society. They do not longer feel as part of a minority and successfully apply for citizenship. This increases their happiness. Cemil's happiness measure now attains 8.5 points while Bojan climbs to 8.1.

Finally, we have a look at the Dane Karen and the Swiss Sara. They consider themselves as, and indeed are, "Top Shots". Both of them are highly educated, work in good positions, have a high income, and feel to be highly religious. Karen reports a happiness score of 8.6 while Sara ranks her life circumstances with a 8.8. Usually Danes are happier than Swiss on average. However, this need not be the case for the socioeconomically successful ones. High income and high education play an important role in Switzerland. Thus, Sara in Switzerland feels happier than Karen in Denmark. Highly skilled people are happy in Switzerland while average or below average skilled feel happier in Denmark. Now suppose that both women feel their



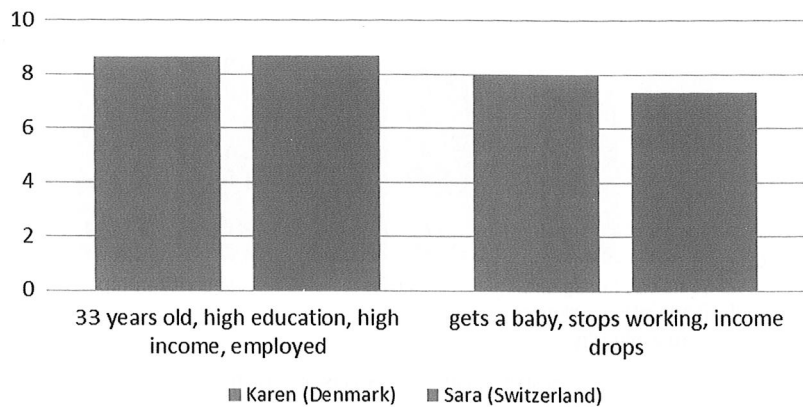
**Fig. 4.5** Happiness comparisons between Denmark and Switzerland – the case of Cemil and Bojan (Notes: The graphs plot happiness for Cemil and Bojan, both facing identical life situations, the first in Denmark and the latter in Switzerland. As their life situations change, their subjective life satisfaction (expressed on a scale from 0 = extremely unsatisfied to 10 = extremely satisfied) changes too)

biological clock ticking and decide that 33 years is the right age to get a baby. They both stop working after the birth and accept an important reduction in income. In this situation, Karen is much better off in Denmark. Karen now reports a happiness result of eight while Sara reports a happiness of 7.4 (Fig. 4.6).

#### **4.4.4 Comparing Denmark and Switzerland to Western Europe**

The last two sections revealed that Danes and Swiss are very happy in general but that they differ with respect to the influence of certain determinants of happiness. In particular, the Danish welfare state seems to exert a certain moderating effect on negative happiness ramifications of variables such as being unemployed and having a low income. However, uncovering differences between Denmark and Switzerland does not give us an indication how citizens in these two countries perceive happiness in comparison with other countries.

In this section we analyze whether Danes and Swiss vary with respect to the variables analyzed before from other countries in Western Europe which we define as Austria, Belgium, Germany, Finland, France, Great Britain, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain and Sweden. Table 4.2 presents our results.



**Fig. 4.6** Happiness comparisons between Denmark and Switzerland – the case of Karen and Sara (Notes: The graphs plot happiness for Karen and Sara, both facing identical life situations, the first in Denmark and the latter in Switzerland. As their life situations change, their subjective life satisfaction (expressed on a scale from 0 = extremely unsatisfied to 10 = extremely satisfied) changes too)

#### 4.4.4.1 Differences Between Denmark and Western Europe

We observe that there are many differences between people living in Denmark and people living in other countries Western Europe except Switzerland.

##### Personal Characteristics

Females in Denmark are slightly happier than females in Western Europe. Thus, it seems that in particular Danish women are not just happier than Swiss women but also happier than women from other European countries. Concerning age there is only a minor difference with respect to the nonlinearity of the influence of age. In the other Western European countries happiness is increasing stronger with age than in Denmark. Higher education does not exert a negative impact on happiness in Western Europe. Consequently, the Danish negative effect of higher education on happiness is quite unique.

##### Personal Life, Relationship and Household

Danes and citizens of other Western European countries do not react significantly different when they are objectively hampered by illness or disability. However, the influence of subjective health on happiness is weaker in Denmark than in other countries in Western Europe. This again confirms the results in the previous section which showed that there is a weaker influence of subjective health on happiness in Denmark than in Switzerland.

**Table 4.2** Comparing Danish and Swiss life satisfaction to Western Europe

	Comparing satisfaction with life (Denmark–Western Europe)		Comparing satisfaction with life (Switzerland–Western Europe)		Reference: life satisfaction estimates
	Who is happier?	Comparison of Coefficient	Who is happier?	Comparison of Coefficient	Western Europe
<b>Personal characteristics</b>					
Male	Reference group	Reference group	Reference group	Reference group	Reference group
Female	<i>DK &gt; WE</i>	0.0753* (0.0455)	<i>CH ~ WE</i>	-0.0116 (0.0456)	0.0568 (0.0354)
Age (years – 65)	<i>DK ~ WE</i>	0.0036 (0.0032)	<i>CH ~ WE</i>	-0.0011 (0.0033)	0.0170*** (0.0027)
Age squared	<i>DK &lt; WE</i>	-1.7e-04** (8.5e-05)	<i>CH &lt; WE</i>	-2.0e-04** (8.4e-05)	4.9e-04*** (5.0e-05)
Low education	Reference group	Reference group	Reference group	Reference group	Reference group
Middle education	<i>DK ~ WE</i>	-0.0448 (0.0600)	<i>CH &gt; WE</i>	0.1022* (0.0572)	-0.0184 (0.0399)
High education	<i>DK &lt; WE</i>	-0.2788*** (0.0677)	<i>CH ~ WE</i>	0.0071 (0.0709)	0.0370 (0.0583)
<b>Personal life, relationship and household</b>					
Not hampered by illness, disability, etc.	Reference group	Reference group	Reference group	Reference group	Reference group
Hampered by illness, disability, etc.	<i>DK ~ WE</i>	0.0741 (0.0554)	<i>CH ~ WE</i>	-0.0084 (0.0583)	-0.1871*** (0.0374)
Subjective health (0: very bad; 5: very good)	<i>DK &lt; WE</i>	-0.2039*** (0.0271)	<i>CH ~ WE</i>	-0.0409 (0.0310)	0.5723*** (0.0324)
Has no children	Reference group	Reference group	Reference group	Reference group	Reference group
Has children	<i>DK &gt; WE</i>	0.1539*** (0.0541)	<i>CH ~ WE</i>	-0.0414 (0.0544)	-0.0586*** (0.0283)
Married	Reference group	Reference group	Reference group	Reference group	Reference group
Single, no partner	<i>DK ~ WE</i>	0.0416 (0.0835)	<i>CH ~ WE</i>	0.0847 (0.0773)	-0.5074*** (0.0476)
Single, with partner	<i>DK ~ WE</i>	-0.0353 (0.0773)	<i>CH ~ WE</i>	0.1036 (0.0997)	-0.1575*** (0.0401)
Separated or divorced, no partner	<i>DK &gt; WE</i>	0.1554* (0.0818)	<i>CH ~ WE</i>	0.1135 (0.0796)	-0.7390*** (0.0650)
Separated or divorced, with partner	<i>DK ~ WE</i>	0.0670 (0.1277)	<i>CH &gt; WE</i>	0.2336* (0.1244)	-0.1999*** (0.0419)
Widowed, no partner	<i>DK ~ WE</i>	0.1301 (0.0953)	<i>CH &gt; WE</i>	0.1849* (0.0979)	-0.5816*** (0.0525)
Widowed, with partner	<i>DK ~ WE</i>	0.2712 (0.2576)	<i>CH ~ WE</i>	0.0501 (0.2883)	-0.2036* (0.1145)

(continued)

**Table 4.2** (continued)

	Comparing satisfaction with life (Denmark–Western Europe)		Comparing satisfaction with life (Switzerland–Western Europe)		Reference: life satisfaction estimates
	Who is happier?	Comparison of Coefficient	Who is happier?	Comparison of Coefficient	Western Europe
Subjective degree of religion (0: not at all; 10: very religious)	<i>DK &lt; WE</i>	−0.0643*** (0.0079)	<i>CH &lt; WE</i>	−0.0173** (0.0072)	0.0679*** (0.0089)
<b>Individual in society</b>					
Citizen of country	Reference group	Reference group	Reference group	Reference group	Reference group
Not a citizen of country	<i>DK ~ WE</i>	−0.0388 (0.1430)	<i>CH ~ WE</i>	−0.0289 (0.0681)	−0.1562** (0.0694)
Does not belong to minority group in country	Reference group	Reference group	Reference group	Reference group	Reference group
Belong to minority group in country	<i>DK ~ WE</i>	−0.0182 (0.1392)	<i>CH ~ WE</i>	−0.0605 (0.0858)	−0.3595*** (0.0417)
Not a member of a political party	Reference group	Reference group	Reference group	Reference group	Reference group
Member of a political party	<i>DK ~ WE</i>	0.1172 (0.0786)	<i>CH ~ WE</i>	−0.1002 (0.0753)	0.0433 (0.0792)
Main activity: paid work, employee	Reference group	Reference group	Reference group	Reference group	Reference group
Paid work, self-employed or family-business	<i>DK ~ WE</i>	0.0068 (0.0826)	<i>CH ~ WE</i>	−0.0043 (0.0685)	0.0566* (0.0330)
Unemployed	<i>DK &gt; WE</i>	0.4118*** (0.1157)	<i>CH ~ WE</i>	−0.1725 (0.1371)	−1.0029*** (0.1284)
In education	<i>DK &lt; WE</i>	−0.3986*** (0.1149)	<i>CH ~ WE</i>	0.0189 (0.1327)	0.3399*** (0.0678)
Retired	<i>DK &lt; WE</i>	−0.3254*** (0.0744)	<i>CH ~ WE</i>	0.0040 (0.0830)	0.3776*** (0.0491)
Housework	<i>DK &lt; WE</i>	−0.1700* (0.1012)	<i>CH &gt; WE</i>	0.1526** (0.0646)	0.1318*** (0.0310)
Currently disabled from work	<i>DK &lt; WE</i>	−0.2596* (0.1561)	<i>CH &lt; WE</i>	−0.2801* (0.1500)	−0.2609*** (0.0819)
<b>Working life and pay</b>					
Occupation as low skilled blue collar worker	Reference group	Reference group	Reference group	Reference group	Reference group
Occupation as high skilled blue collar worker	<i>DK ~ WE</i>	−0.0861 (0.0749)	<i>CH ~ WE</i>	0.0240 (0.0758)	0.0122 (0.0245)
Occupation as low skilled with collar worker	<i>DK &lt; WE</i>	−0.2260*** (0.0657)	<i>CH ~ WE</i>	−0.0132 (0.0659)	0.1220*** (0.0363)
Occupation as high skilled white collar worker	<i>DK &lt; WE</i>	−0.2785*** (0.0634)	<i>CH &lt; WE</i>	−0.1202* (0.0670)	0.2026*** (0.0568)
Allowed to decide how daily work is organized (0: not at all; 10: very independent)	<i>DK ~ WE</i>	5.7e-04 (0.0069)	<i>CH ~ WE</i>	−0.0066 (0.0062)	0.0362*** (0.0039)

(continued)

**Table 4.2** (continued)

	Comparing satisfaction with life (Denmark–Western Europe)		Comparing satisfaction with life (Switzerland–Western Europe)		Reference: life satisfaction estimates
	Who is happier?	Comparison of Coefficient	Who is happier?	Comparison of Coefficient	Western Europe
Equivalent income less than 147,999 DKN (45,000 CHF)	Reference group	Reference group	Reference group	Reference group	Reference group
Equivalent income 148,000–225,999 DKN (45,000–65,000 CHF)	<i>DK &lt; WE</i>	–0.1654** (0.0662)	<i>CH &lt; WE</i>	–0.2534*** (0.0796)	0.2213*** (0.0311)
Equivalent income 226,000–392,999 DKN (65,000–102,000 CHF)	<i>DK &lt; WE</i>	–0.2739*** (0.0701)	<i>CH &lt; WE</i>	–0.1521** (0.0763)	0.3508*** (0.0565)
Equivalent income 393,000–533,999 DKN (102,000–156,500 CHF)	<i>DK &lt; WE</i>	–0.3310*** (0.0855)	<i>CH ~ WE</i>	–0.1161 (0.0852)	0.4489*** (0.0775)
Equivalent income above 534,000 DKN (156,500 CHF)	<i>DK &lt; WE</i>	–0.3776*** (0.1087)	<i>CH &lt; WE</i>	–0.2841*** (0.1006)	0.5992*** (0.1012)
Did not report equivalent income	<i>DK &lt; WE</i>	–0.2281*** (0.0797)	<i>CH ~ WE</i>	0.1193 (0.0766)	0.1647*** (0.0350)
Intercept	<i>DK &gt; WE</i>	3.0579*** (0.1590)	<i>CH &gt; WE</i>	1.2962*** (0.1719)	4.0906*** (0.1666)
ESS round effects					YES
R2					0.1985
Observations					98,420

\*\*\* Indicates a significance level of below 1 %

\*\* Indicates a significance level between 1 % and 5 %

\* Indicates a significance level between 5 % and 10 %. Robust standard errors using clustering at country level are given in parenthesis below the coefficient

Danes are significantly happier when they have children. There are not many differences with respect to Western Europe as far as relationships are concerned. Being single decreases happiness in Western Europe in a similar way as it does in Denmark. Only people who are separated or divorced and do not have a new partner are significantly less happy in Western Europe than in Denmark.

Finally, the subjective degree of religiousness has a large and positive impact on average happiness in Western European countries. Religiousness, however, has no impact on happiness in Denmark.

### Individual in Society

People who are not citizens of their country of residence are significantly less happy than citizens of the respective Western European countries. In comparison, there is no significant effect of not being a citizen in Denmark compared to being a migrant, i.e. migrants and citizens in Denmark do not distinguish themselves in terms of happiness controlling for all other factors. As mentioned before belonging to a minority reduces happiness and the effect of belonging to a minority is approximately the same in Denmark as it is in Western Europe. The same holds true for members of political parties. There is no significant difference concerning this variable between Denmark and other Western European countries. So far, the effects of an individual's status in society are comparable across countries. However, there are important differences with respect to the performed main activity between Denmark and other countries. In particular, being unemployed makes people less unhappy in Denmark than in Western Europe. As suggested before, this may be explained by the Danish welfare state. People in education or on pension are less happy in Denmark than in Western Europe and in Switzerland holding everything else constant. In Denmark, housework is likely to be regarded as an occupation which is less desirable. It makes people significantly less happy. Being currently disabled from work makes people in Denmark significantly unhappier.

### Working Life and Pay

Having an occupation as low or high skilled white-collar worker exerts no positive influence in Denmark while it exerts a positive influence in other Western European countries. The influence of being able to decide how daily work is organized is significantly positive in Western European countries and comparable in its effects on happiness to Danish data.

A particularly interesting comparison concerns income. We have noticed before that higher income tends to make people happy. However, this effect was not very pronounced for Denmark. Denmark is indeed a special case. Higher income make people significantly happier in Western European countries regardless of income categories. The effect of income also increases for each income category which is higher than the previous income category. For Denmark only belonging to the highest income category has a positive and significant effect on self-reported happiness. Thus, income seems to play a less important role in Denmark than in other countries.

#### **4.4.4.2 Differences Between Switzerland and Western Europe**

There are less pronounced differences between Switzerland and Western Europe than between Denmark and Western Europe. Indeed, the Swiss happiness



determinants are more comparable to Western European countries than the Danish ones are.

#### Personal Characteristics

Generally speaking, there is no large difference between Switzerland and other countries in the effects personal characteristics exert on happiness. Only people who have an average education seem to be slightly happier in Switzerland than in other Western European countries. Similar to Denmark, happiness is increasing more strongly with age than in the rest of Western Europe.

#### Personal Life, Relationship and Household

Analyzing variables with respect to an individual's personal life, her/his relationship, and household characteristics we find again that the Swiss do not differ much from inhabitants of other Western European countries. The only remarkable differences concern people living separated or divorced but having found a new partner. They are in comparison happier in Switzerland than in Western Europe. The same holds for widowed persons in Switzerland. The degree of religiousness has a slightly higher influence in other Western European countries than it has in Switzerland.

#### Individual in Society

Again, there are only minor differences between the countries of Western Europe and Switzerland with respect to the effects on happiness from an individual's status in society. People in Western European countries without citizenship of their respective host country tend to be unhappier than the reference category. Minorities tend to be unhappier and members of political parties are not significantly happier. The effects of these three variables on happiness are comparable between Switzerland and other Western European countries. Likewise, there are only two minor differences concerning an individual's main activity. People reporting housework as their main activity are happier and people currently disabled from work are less happy in Switzerland compared to Western Europe.

#### Working Life and Pay

Finally, we find that Switzerland is also very similar to other Western European countries as far as the influence from working life and pay on happiness is concerned. Money seems to exert a relatively strong influence on happiness in

Western Europe and in Switzerland. The effect of money on happiness is (even) more important in Western Europe than in Switzerland.

## 4.5 Conclusions

Happiness or individual well-being may be considered the most important or even the ultimate goal in life. Our results clearly show that happiness is not only an individual matter but strongly depends on factors which are determined by society as a whole.

In our research we apply the common analytical methods and the framework used in happiness research on two particularly interesting cases, Denmark and Switzerland, and we compare these two cases in great detail. Studying individual life satisfaction has been recognized for years as an important scientific field and many major publications may have influenced policy-makers, too.

There is no truly objective measure for happiness. Thus, instead of defining some seemingly objective measures for life satisfaction individuals are asked directly how happy they feel and how they rate their well-being. Individuals themselves know very well whether they are happy or rather unhappy. Using such personal evaluations follows a sensible tradition in economics.

With respect to happiness Denmark and Switzerland are counted among the countries in the world where people are most satisfied with their lives. They are also described as models for successful economic and societal achievements. Consequently, it is highly illuminating to identify which economic and sociodemographic factors shape individual life-satisfaction in these two countries.

Denmark and Switzerland are two success models and represent two viable ways of how to organize a "good" society. This is also reflected in the happiness data. Generally, the same personal, relational, societal and economic factors influence personal life satisfaction in Denmark and in Switzerland. However, the extent to which these different factors matter for happiness in both countries is often different. Regarding personal characteristics, the major differences between the two countries concern the effects of gender and education. Women in Denmark are significantly happier than men while this is not the case in Switzerland. This effect is particularly strong for women with children who are significantly happier in Denmark than in Switzerland. On the other hand, higher education exerts no significant impact on happiness in Switzerland but impacts Danish happiness negatively. With regard to personal life and relationships we find that the major differences between the two countries concern children and religion. Danes with children are significantly happier than people in Denmark without children. The opposite is true for Switzerland. In Switzerland people with children tend to be less happy. Religion plays no role for happiness in Denmark but has a significant and positive impact on happiness in Switzerland. Other factors influence Danish and Swiss happiness in similar ways. However, there are also certain differences. For example, living in a partnership (married or registered) increases life satisfaction in

both countries but compared to Switzerland more people in Denmark live in some form of partnership which makes them happier. Turning to the individual in society we observe certain remarkable differences between Denmark and Switzerland which may be explained by different institutions such as the welfare state. In particular, unemployment makes Danes less unhappy than the Swiss. While being under education, in retirement or doing housework has no significant effects on happiness in Denmark they impact the Swiss' well-being positively. We do not find that party membership has a significant influence on happiness in Switzerland while it exerts a positive influence in Denmark. It can be hypothesized that extensive direct democratic institutions in Switzerland reduce the need to join parties in order to express one's political opinions. Finally, for Swiss people income seems to be of higher value for their happiness than for Danes. In Denmark, only very high levels of income have a positive influence on individual happiness.

Our results also indicate differences between Denmark and Switzerland with respect to other Western European countries. Summarizing the main result we may conclude that the influence of the variables analyzed is more similar in Western European countries to their influence in Switzerland than to their influence in Denmark. Swiss exhibit a comparable reaction to the same socioeconomic conditions as other Western Europeans. Their higher happiness materializes because Swiss face better socioeconomic conditions. On the other side, Danes do also react slightly differently with respect to socioeconomic conditions.

## Appendix

**Table 4.3** Satisfaction with life of Danish and Swiss women and men

	Women		Men	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
<b>Personal characteristics</b>				
Age (years – 65)	0.0196*** (0.0048)	0.0167*** (0.0050)	0.0212*** (0.0058)	0.0165*** (0.0051)
Age squared	3.6e-04*** (1.2e-04)	2.9e-04** (1.2e-04)	3.0e-04** (1.5e-04)	3.4e-04*** (1.3e-04)
Low education	Reference group	Reference group	Reference group	Reference group
Middle education	-0.0863 (0.0885)	0.0868 (0.0749)	-0.0600 (0.0891)	0.0886 (0.0975)
High education	-0.2613*** (0.1010)	0.0089 (0.0946)	-0.2247** (0.0980)	0.0850 (0.1068)

(continued)

Table 4.3 (continued)

	Women		Men	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
<b>Personal life, relationship and household</b>				
Not hampered by illness, disability, etc.	Reference group	Reference group	Reference group	Reference group
Hampered by illness, disability, etc.	-0.0846 (0.0741)	-0.2587*** (0.0865)	-0.1485* (0.0834)	-0.1055 (0.0896)
Subjective health (0: very bad; 5: very good)	0.3714** (0.0419)	0.5143*** (0.0462)	0.3651*** (0.0433)	0.5439*** (0.0527)
Has no children	Reference group	Reference group	Reference group	Reference group
Has children	0.1449** (0.0695)	-0.2324*** (0.0741)	0.0286 (0.0719)	0.0325 (0.0733)
Married	Reference group	Reference group	Reference group	Reference group
Single, no partner	-0.4262*** (0.1276)	-0.4748*** (0.1159)	-0.5336*** (0.1204)	-0.3520*** (0.1140)
Single, with partner	-0.2887*** (0.0972)	-0.1783 (0.1216)	-0.1345 (0.0842)	0.0757 (0.1144)
Separated or divorced, no partner	-0.3971*** (0.1332)	-0.4868*** (0.1207)	-0.8272*** (0.1464)	-0.8687*** (0.1943)
Separated or divorced, with partner	-0.0046 (0.1544)	-0.1852 (0.1951)	-0.2803* (0.1612)	0.2690* (0.1387)
Widowed, no partner	-0.3275** (0.1304)	-0.3559** (0.1445)	-0.7675*** (0.2220)	-0.6070*** (0.2629)
Widowed, with partner	0.2273 (0.3659)	-0.2171 (0.3087)	-0.0773 (0.3836)	0.1816 (0.5427)
Subjective degree of religion (0: not at all; 10: very religious)	0.0055 (0.0116)	0.0451*** (0.0099)	-6.1e-04 (0.0105)	0.0560*** (0.0112)
<b>Individual in society</b>				
Citizen of country	Reference group	Reference group	Reference group	Reference group
Not a citizen of country	-0.4099* (0.2318)	-0.3855*** (0.0923)	0.1221 (0.2550)	0.0320 (0.0817)
Does not belong to minority group in country	Reference group	Reference group	Reference group	Reference group
Belong to minority group in country	-0.3897 (0.2635)	-0.5087*** (0.1316)	-0.3917 (0.2738)	-0.3112** (0.1315)
Not a member of a political party	Reference group	Reference group	Reference group	Reference group
Member of a political party	0.2614*** (0.0936)	-0.0789 (0.1079)	0.0964 (0.0827)	-0.0179 (0.0838)
Main activity: paid work, employee	Reference group	Reference group	Reference group	Reference group
Paid work, self-employed or family-business	0.0747 (0.1189)	0.1469 (0.0966)	0.0550 (0.0853)	0.0087 (0.0815)

(continued)

Table 4.3 (continued)

	Women		Men	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
Unemployed	-0.7484*** (0.2283)	-1.0366*** (0.2752)	-0.4358** (0.2015)	-1.3035*** (0.2489)
In education	0.1366 (0.1549)	0.2375 (0.1619)	-0.3228* (0.1847)	0.4993*** (0.1481)
Retired	0.1523 (0.1089)	0.3876*** (0.1262)	-0.0279 (0.1090)	0.3890*** (0.1174)
Housework	-0.0092 (0.1122)	0.3367*** (0.0635)	0.0222 (0.1694)	0.1747 (0.2248)
Currently disabled from work	-0.4881* (0.2870)	-0.7952** (0.3427)	-0.5731 (0.4995)	-0.3408 (0.2503)
<b>Working life and pay</b>				
Occupation as low skilled blue collar worker	Reference group	Reference group	Reference group	Reference group
Occupation as high skilled blue collar worker	-0.2584 (0.1993)	0.0863 (0.1340)	-0.0605 (0.0862)	-0.0476 (0.0983)
Occupation as low skilled white collar worker	-0.0727 (0.0913)	0.1735** (0.0865)	-0.2060* (0.1210)	-0.0568 (0.1181)
Occupation as high skilled white collar worker	-0.0666 (0.0986)	0.1619* (0.0905)	-0.0775 (0.0785)	-0.0298 (0.0958)
Allowed to decide how daily work is organized (0: not at all; 10: very independent)	0.0367*** (0.0094)	0.0234*** (0.0078)	0.0384*** (0.0100)	0.0386*** (0.0095)
Equivalent income less than 147,999 DKN (45,000 CHF)	Reference group	Reference group	Reference group	Reference group
Equivalent income 148,000–225,999 DKN (45,000–65,000 CHF)	0.1028 (0.0989)	-0.1177 (0.1257)	-0.0138 (0.0993)	0.0978 (0.1542)
Equivalent income 226,000–392,999 DKN (65,000–102,000 CHF)	0.1506 (0.1020)	0.1700 (0.1160)	-0.0058 (0.1014)	0.2867** (0.1413)
Equivalent income 393,000–533,999 DKN (102,000–156,500 CHF)	0.2230** (0.1107)	0.3063** (0.1214)	-0.0219 (0.1143)	0.4443*** (0.1434)
Equivalent income above 534,000 DKN (156,500 CHF)	0.3065** (0.1378)	0.2204* (0.1330)	0.1056 (0.1423)	0.4736*** (0.1496)
Did not report equivalent income	-0.0050 (0.1143)	0.2430** (0.1158)	-0.1653 (0.1524)	0.3914*** (0.1451)
Intercept	7.0698*** (0.2506)	5.6274*** (0.2459)	7.3705*** (0.2427)	5.1251*** (0.2710)
ESS round effects	YES	YES		
R2	0.1349	0.1678	0.1522	0.1807
Observations	2,735	3,851	2,696	3,177

\*\*\* Indicates a significance level of below 1 %

\*\* Indicates a significance level between 1 % and 5 %

\* Indicates a significance level between 5 % and 10 %. Robust standard errors are given in parenthesis below the coefficient. Incomes are measured in 2009 currency

**Table 4.4** Satisfaction with life of Danish and Swiss with highest incomes and below highest income

	Highest income group		Below Highest Income	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
<b>Personal characteristics</b>				
Male	Reference group	Reference group	Reference group	Reference group
Female	0.1056 (0.1361)	-0.1191 (0.1173)	0.1441*** (0.0469)	0.0566 (0.0530)
Age (years – 65)	-0.0104 (0.0181)	0.0334** (0.0138)	0.0219*** (0.0040)	0.0143*** (0.0041)
Age squared	-3.7e-04 (4.8e-04)	8.0e-04** (3.9e-04)	3.6e-04*** (1.0e-04)	2.3e-04** (1.0e-04)
Low education	Reference group	Reference group	Reference group	Reference group
Middle education	0.2152 (0.4506)	0.0309 (0.3700)	-0.0198 (0.0675)	0.1432** (0.0713)
High education	0.3940 (0.4732)	-0.1267 (0.3785)	-0.2139*** (0.0750)	0.1302 (0.0838)
<b>Personal life, relationship and household</b>				
Not hampered by illness, disability, etc.	Reference group	Reference group	Reference group	Reference group
Hampered by illness, disability, etc.	0.0333 (0.2332)	0.1007 (0.2802)	-0.1340** (0.0591)	-0.2313*** (0.0716)
Subjective health (0: very bad; 5: very good)	0.1753* (0.0916)	0.4104*** (0.1154)	0.3840*** (0.0326)	0.5607*** (0.0410)
Has no children	Reference group	Reference group	Reference group	Reference group
Has children	0.0522 (0.2091)	-0.2266 (0.1615)	0.1202** (0.0537)	-0.1513** (0.0611)
Married	Reference group	Reference group	Reference group	Reference group
Single, no partner	0.1630 (0.4297)	-0.8293** (0.3411)	-0.4595*** (0.0840)	-0.5630*** (0.0944)
Single, with partner	-0.9746*** (0.3767)	-0.0444 (0.2068)	-0.1333** (0.0666)	-0.0929 (0.0990)
Separated or divorced, no partner	-1.9467 (1.3649)	-0.9067** (0.3783)	-0.5813*** (0.0942)	-0.6732*** (0.1157)
Separated or divorced, with partner	-0.1397 (0.3525)	-0.4435 (0.3839)	-0.1898 (0.1191)	0.1490 (0.1384)
Widowed, no partner	-0.0550 (0.6593)	-0.7572* (0.4242)	-0.5099*** (0.1169)	-0.3550** (0.1454)
Widowed, with partner	0.9186*** (0.2617)	-1.6623*** (0.5644)	-0.2277 (0.3190)	0.0471 (0.3478)

(continued)

Table 4.4 (continued)

	Highest income group		Below Highest Income	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
Subjective degree of religion (0: not at all; 10: very religious)	-0.0113 (0.0275)	0.0716*** (0.0226)	0.0011 (0.0086)	0.0485*** (0.0088)
<b>Individual in society</b>				
Citizen of country	Reference group	Reference group	Reference group	Reference group
Not a citizen of country	0.4651*** (0.1696)	-0.1596 (0.1413)	-0.2226 (0.1891)	-0.1963*** (0.0743)
Does not belong to minority group in country	Reference group	Reference group	Reference group	Reference group
Belong to minority group in country	0.4634 (0.3233)	-0.4784 (0.4037)	-0.4070** (0.2028)	-0.4439*** (0.1106)
Not a member of a political party	Reference group	Reference group	Reference group	Reference group
Member of a political party	-0.0402 (0.2499)	0.0327 (0.1716)	0.1861*** (0.0677)	-0.0674 (0.0795)
Main activity: paid work, employee	Reference group	Reference group	Reference group	Reference group
Paid work, self-employed or family-business	0.1960 (0.1687)	-0.2650 (0.1917)	0.0255 (0.0809)	0.0244 (0.0750)
Unemployed	-0.7135 (0.5351)	0.3469 (0.2995)	-0.5770*** (0.1587)	-1.3436*** (0.2101)
In education	0.2394 (0.3957)	0.8494*** (0.2504)	-0.1498 (0.1213)	0.1214 (0.1633)
Retired	0.6297 (0.3917)	-0.0012 (0.3500)	0.0415 (0.0824)	0.3875*** (0.0990)
Housework	0.2998 (0.2715)	-0.0812 (0.2011)	-0.1035 (0.1038)	0.2809*** (0.0686)
Currently disabled from work	-0.6191** (0.2885)	-1.1454 (0.7148)	-0.3766 (0.2760)	-0.5433** (0.2289)
<b>Working life and pay</b>				
Occupation as low skilled blue collar worker	Reference group	Reference group	Reference group	Reference group
Occupation as high skilled blue collar worker	0.0027 (0.4502)	-0.3342 (0.4541)	-0.0957 (0.0800)	0.0155 (0.0864)
Occupation as low skilled white collar worker	0.1043 (0.2554)	0.0643 (0.4247)	-0.1482** (0.0714)	0.0998 (0.0796)
Occupation as high skilled white collar worker	-0.3090 (0.2256)	0.2360 (0.3605)	-0.0927 (0.0658)	0.0968 (0.0774)
Allowed to decide how daily work is organized (0: not at all; 10: very independent)	0.0717** (0.0294)	-0.0038 (0.0226)	0.0379*** (0.0075)	0.0364*** (0.0072)
Intercept	7.6248*** (0.6906)	6.5048*** (0.7080)	7.1250*** (0.1798)	5.4526*** (0.1961)

(continued)



**Table 4.4** (continued)

	Highest income group		Below Highest Income	
	Denmark	Switzerland	Denmark	Switzerland
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
ESS round effects	YES	YES	YES	YES
R2	0.1349	0.1678	0.1407	0.1738
Observations	2,735	3,851	4,617	5,194

\*\*\* Indicates a significance level of below 1 %

\*\* Indicates a significance level between 1 % and 5 %

\* Indicates a significance level between 5 % and 10 %. Robust standard errors are given in parenthesis below the coefficient. Incomes are measured in 2009 currency

**Table 4.5** Satisfaction for French and German speaking Swiss

	Highest income group		Difference
	French speaking	German speaking	
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
<b>Personal characteristics</b>			
Male	Reference group	Reference group	Reference group
Female	0.0377 (0.1022)	0.1563*** (0.0535)	-0.1187 (0.1153)
Age (years - 65)	0.0259*** (0.0081)	0.0128*** (0.0041)	0.0130 (0.0090)
Age squared	7.3e-04*** (2.0e-04)	1.7e-04 (1.1e-04)	5.6e-04** (2.2e-04)
Low education	Reference group	Reference group	Reference group
Middle education	-0.0463 (0.1399)	0.1930** (0.0761)	-0.2393 (0.1592)
High education	0.2566* (0.1551)	0.1367 (0.0892)	0.1199 (0.1789)
<b>Personal life, relationship and household</b>			
Not hampered by illness, disability, etc.	Reference group	Reference group	Reference group
Hampered by illness, disability, etc.	-0.1740 (0.1358)	-0.1247* (0.0753)	-0.0493 (0.1552)
Subjective health (0: very bad; 5: very good)	0.4716*** (0.0817)	0.5597*** (0.0438)	-0.0881 (0.0927)
Has no children	Reference group		
Has children	-0.2907** (0.1309)	-0.0443 (0.0614)	-0.2464* (0.1446)

(continued)

**Table 4.5** (continued)

	Highest income group		
	French speaking	German speaking	Difference
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
Married	Reference group	Reference group	Reference group
Single, no partner	-0.6989*** (0.2100)	-0.3828*** (0.0941)	-0.3162 (0.2301)
Single, with partner	-0.1514 (0.2074)	0.0426 (0.0931)	-0.1941 (0.2273)
Separated or divorced, no partner	-0.6184* (0.2112)	-0.5842*** (0.1279)	-0.0343 (0.2469)
Separated or divorced, with partner	0.0998 (0.2887)	-0.0527 (0.1516)	0.1525 (0.3261)
Widowed, no partner	-0.3032 (0.2733)	-0.4736*** (0.1448)	0.1704 (0.3093)
Widowed, with partner	-0.0846 (0.4446)	-0.2562 (0.3115)	0.1716 (0.5429)
Subjective degree of religion (0: not at all; 10: very religious)	0.0462*** (0.0156)	0.0625*** (0.0096)	-0.0163 (0.0183)
<b>Individual in society</b>			
Does not belong to minority group in country	Reference group	Reference group	Reference group
Belong to minority group in country	-0.5482** (0.2270)	-0.6970*** (0.2425)	0.1487 (0.3322)
Not a member of a political party	Reference group		
Member of a political party	-0.0453 (0.1589)	-0.0948 (0.0744)	0.0495 (0.1754)
Main activity: paid work, employee	Reference group		
Paid work, self-employed or family-business	0.1174 (0.1565)	-0.0628 (0.0691)	0.1801 (0.1711)
Unemployed	-1.2353*** (0.4621)	-1.3737*** (0.2989)	0.1384 (0.5504)
In education	0.7447*** (0.2719)	0.2440* (0.1450)	0.5006 (0.3081)
Retired	0.4600** (0.1923)	0.3448*** (0.0972)	0.1152 (0.2155)
Housework	0.4019*** (0.1511)	0.2162*** (0.0688)	0.1857 (0.1660)
Currently disabled from work	-0.8841*** (0.3315)	-0.3912 (0.2998)	-0.4929 (0.4469)

(continued)

**Table 4.5** (continued)

	Highest income group		
	French speaking	German speaking	Difference
	Coefficient (standard error)	Coefficient (standard error)	Coefficient (standard error)
<b>Working life and pay</b>			
Occupation as low skilled blue collar worker	Reference group	Reference group	Reference group
Occupation as high skilled blue collar worker	-0.0145 (0.1986)	0.0549 (0.0898)	-0.0694 (0.2180)
Occupation as low skilled white collar worker	0.4116** (0.1723)	-0.0398 (0.0837)	0.4514** (0.1916)
Occupation as high skilled white collar worker	0.3185* (0.1627)	-0.0364 (0.0801)	0.3549* (0.1814)
Allowed to decide how daily work is organized (0: not at all; 10: very independent)	0.0387*** (0.0141)	0.0293*** (0.0072)	0.0094 (0.0158)
Equivalent income less than 147,999 DKN (45,000 CHF)	Reference group	Reference group	Reference group
Equivalent income 148,000–225,999 DKN (45,000–65,000 CHF)	-0.1936 (0.2330)	-0.1345 (0.1175)	-0.0591 (0.2610)
Equivalent income 226,000–392,999 DKN (65,000–102,000 CHF)	0.1994 (0.2141)	0.0504 (0.1077)	0.1490 (0.2396)
Equivalent income 393,000 to 533,999 DKN (102,000–156,500 CHF)	0.5550*** (0.2153)	0.0512 (0.1114)	0.5038** (0.2424)
Equivalent income above 534,000 DKN (156,500 CHF)	0.3436 (0.2285)	0.0922 (0.1195)	0.2515 (0.2578)
Did not report equivalent income	0.2676 (0.2283)	0.0494 (0.1077)	0.2182 (0.2525)
Intercept	5.3275*** (0.4482)	5.4359*** (0.2248)	-0.1085 (0.5014)
ESS Round Effects	YES	YES	YES
R2	0.1985	0.1596	
Observations	1,311	4,298	

\*\*\* Indicates a significance level of below 1 %

\*\* Indicates a significance level between 1 % and 5 %

\* Indicates a significance level between 5 % and 10 %. Robust standard errors are given in parenthesis below the coefficient. Incomes are measured in 2009 currency

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# The Good Society

A Comparative Study of Denmark  
and Switzerland

 Springer

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# Preface

This book is a result of cooperation between economists and political scientists from Switzerland and Denmark. In some respects the two countries have much in common, but in matters of economic and political institutions they are very different. Still we describe both countries as “good societies” characterized by wealth and happiness. This has made a comparative study of the two countries very relevant as well as challenging and fascinating for the researchers.

The book project originated from the Danish association, The Good Society, which is an association set up by interested private sponsors. This association generously financed the project.

The Institute for Political Studies, Cepos, in Copenhagen, has been responsible for the administration of the project.

The responsibility for the book’s contents and the points of view expressed as well as the responsibility for any errors of fact or interpretation lies naturally exclusively with the authors. The book has been realized in a close cooperation between the researchers, and all the researchers have contributed to all parts of the book. However, the main authors responsible for each chapter are:

Henrik Christoffersen: Chaps. 1 and 12

Michelle Beyeler: Chaps. 6, 7 and 8

Reiner Eichenberger, with help from Marco Portmann and David Stadelmann:  
Chaps. 3, 4 and 11

Peter Nannestad: Chaps. 1, 5, 6, 7, 9 and 10

Martin Paldam: Chaps. 1, 2, 5, 9 and 10

Finally, it should be mentioned that the first author has done most of the editing.

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