

## **Life in Transition: Are people happier after a decade and a half?**

by  
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### **Abstract**

The economics of happiness is a flourishing and exciting field of economics research, as an offspring of the growing interaction between behavioural economics and psychology. There has been a dramatic recent increase of interest among economists in the analysis of subjective measures of well-being. However, there is a lack at present of a systematic econometric analysis of happiness and life satisfaction that covers the whole transition region.<sup>1</sup> This paper attempts to address this lack by using a unique new survey – the EBRD/World Bank Life in Transition Survey (LiTS) – that covers all (except one country, Turkmenistan) transition countries in Europe and central Asia, with a sample of 1,000 individuals per country. The paper tests whether the main correlates of satisfaction found in previous studies are also present in the transition case. In addition, the analysis controls for variables that have affected people throughout the transition such as life and employment history, as well as for changes in people’s values and attitudes over time. By better understanding the correlates of people’s life satisfaction, we will be able to evaluate how well people have done in coping with the challenges of transition and which groups have found it harder to cope.

### **Reference**

Sanfey, Peter and Utku Teksoz, “Does Transition Make You Happy?” *Economics of Transition* (forthcoming).

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<sup>1</sup> Sanfey and Teksoz (2007) analyses life satisfaction in a number of transition countries using the World Values Survey.