How Does Subjective Well-Being Change over Years Across Different Occupational Statuses in Japan?: Panel Data Analysis in a Bayesian Approach

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Subjective Well-Being is defined as individual evaluations of one's own life such as happiness or life satisfaction. The present study focuses on adaptation of Subjective Well-Being. Adaptation is a psychological phenomenon through which Subjective Well-Being returns to a base line over years (Baseline Hypothesis).

Some of existing research in European countries have shown important findings about adaptation of Subjective Well-Being. One is that exposure to being unemployment tends to be associated with the lower levels of Subjective Well-Being. Another is that psychological adaptation to this transition tends to be weak, unlike the effects of marital status transitions (e.g. Clark & Georgellis, 2013). However, there are only a few studies tackling this issue in Japan despite growing academic interest.

Main purpose of the present study is to clarify the duration during which different levels of Subjective Well-Being from a base line persist in Japan after occupational status transition undermining job security, such as transition to part-time employees as well as to the unemployed.

Fig 1 shows the results of panel data analysis based on ordered logistic regression in a Bayesian approach (McElreath, 2016). Unlike the results from existing research in Europe, adult population in Japan tend to adapt to labor market events in a year. There appears to be two patterns of trajectories: 1) upward trend (Full-time employee & other), or 2) peak in the next year (Part-time

employee or temporary worker, other type of employment, & unemployed). The second type of trajectories implies persistent negative effects of job insecurity on one's Subjective Well-Being.

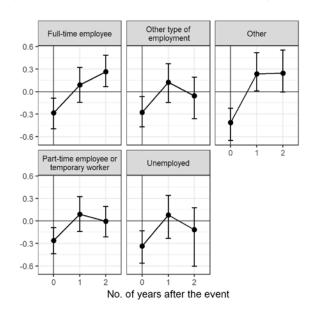


Fig 1. The dynamic effect of labor market events on happiness levels

Data. Osaka University (2009 - 2013)

[Reference]

Clark, A. E., & Georgellis, Y. (2013). Back to baseline in Britain: Adaptation in the British Household Panel Survey. *Economica*, 80(319), 496-512. doi:10.1111/ecca.12007

McElreath, R. (2016). Statistical rethinking: A Bayesian course with examples in R and Stan (Vol. 122): CRC Press.

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