

CHANGING VALUE SYSTEM AND LIFE SATISFACTION IN HUNGARY

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Keywords:

Subjective well being, Hungary

Article history:

Received 31 Jan 2016

Revised 28 Febr 2016

Accepted 31 March 2016

Abstract

In recent decades there has been an observable shift in the value system of Hungarian society. Simultaneously, there has also been an increase in GDP. What has remained almost constant, however, is the feeling of well-being amongst the population. What does then influence our sense of life-satisfaction?

1 Introduction

Surveys on national happiness have been around for several decades. The earliest such survey that has also included Hungary is from 1981 (World Values Survey wave1). Understandably, due to the political isolation most of Eastern Europe was in during these times pollsters asking citizens how happy they are were not looked on favorably. From the early 90's on, after the opening of Eastern Europe, the frequency of such surveys has increased from only 5 in the 80's to 20 in the 90's to over 70 after the turn of the century. As part of an EU initiative, most recently official KSH (Hungarian Central Statistical Office) surveys have also been conducted (EU-SILC in 2013).

These surveys can be arranged in three main categories in regards to how the question is phrased. One type of question concentrates on a person's assessment of life or some specific aspect of it in general (how satisfied are you with...), the other type focuses on a person's feelings or emotional state at a particular point in time (how happy are you...), while the third is some variation based on the Cantril ladder. A combination of these scores what is called "subjective well being" or SWB a term coined by Diener in 2010 [4] and accepted officially by the OECD in 2013. SWB is juxtaposed with objective life satisfaction (OWB) numbers in that OWB is easily measurable and standardized for all countries (for example GDP or unemployment).

The idea that if basic human needs are met then life satisfaction will follow can be found in several economic and social thought (Livability theory, Maslow's hierarchy). Using objective life quality indicators (such as living conditions, health, income, employment etc.) to predict overall subjective life satisfaction is based on this theory. Research, analyzing country level data has supported this notion [2], [8], [9]. A well known extension of this idea is that after a certain level of economic growth is reached non-material aspects of human life become more important. Income influences life satisfaction more in poor countries while at the same time those who prize material goals seem to be less happy than others. It is not surprising than that research has found that life satisfaction is lowest in the newest members of the European Union and that East Europeans value material goods more than their Western counterparts where notions like self-actualization and freedom count more [3], [1], [7]. Additionally, it has been shown that there are diminishing marginal returns from income to life satisfaction, that is after a certain level of material wealth is reached it adds no value to one's sense of fulfillment [2], [5].

So, obviously it is not all about money and there are other aspects of human life that can influence people's answers. In this paper we take a look at personal value systems in the

Hungarian population - that is what they hold important in life - and how this correlates with their experience of happiness or life satisfaction.

2 Data and methodology

The paper builds on data from a series of repeated cross-sectional surveys conducted by the European Social Survey (ESS)*. The European Social Survey is a biennial survey of social attitudes and behavior which has been carried out in up to 36 European countries since 2001. The data was collected through a series of hour-long, in-person interviews with individuals aged 15 years or older. The ESS surveys contain all three types of subjective well-being questions “Taking all things together, how happy would you say you are?”, “All things considered, how satisfied are you with your life as a whole nowadays?” and a more detailed multi-question block focusing on personal well-being (How often do you feel lonely, depressed, restless, happy etc.). The first and second questions were present in all surveys while the third was part of a rotating module present only in ESS3 and ESS6, and thus are not part of this study. Additionally, of particular interest for this paper, the survey also gauges respondents value system, that is what issues do they consider important in life. There are twenty-one questions regarding human values which can be seen in Table 1.

Table 1. It is important in life to...

| | | |
|-------------------------------|--|--|
| Behave properly | Be successful, recognized for achievements | Seek adventures, have an exciting life |
| Show abilities and be admired | People treated equally, have equal opportunities | Live in secure, safe surroundings |
| Get respect from others | Be loyal to friends, devoted to people close | Care for nature and environment |
| Try new and different things | Government be strong and ensure safety | Make own decisions and be free |
| Do what is told, follow rules | Be humble & modest, not draw attention | Think new ideas and be creative |
| Understand different people | Help people, care for others well-being | Follow traditions and customs |
| Have a good time | Seek fun and things that give pleasure | Be rich, have expensive things |

Ordinary Least Square regressions with heteroskedasticity-robust standard errors were run against all subjective well-being measures as dependent and the 21 human value questions as independent variables. The model has also included the demographic control variables of age, gender, education and place of residence (big city, town or countryside). Other OWB data such as income or employment status were purposefully left out from this analysis. Time dummies were added to correspond to the six ESS rounds conducted so far.

3 Results and discussion

Subjective well-being in Hungary remained relatively constant during the last 30 years with a mean of 5.48 and a range of 1.42 on a scale of 0-10 (Figure 1). The country has consistently finished as one of the lasts in Europe regardless of which survey we look at. On average subjective well-being has remained 13 % lower than the rest of Europe. Even after the fall of the “iron curtain” or after joining the European Union there is no observable upward trend. In fact, there is a slight downward slope of -2.61%.

* "Some of the data applied in the analysis in this publication is based on the ESS Multilevel Data. The data is provided by European Social Survey, and prepared and made available by the Norwegian Social Science Data Services (NSD). Neither European Social Survey nor NSD are responsible for the analyses/interpretation of the data presented here."

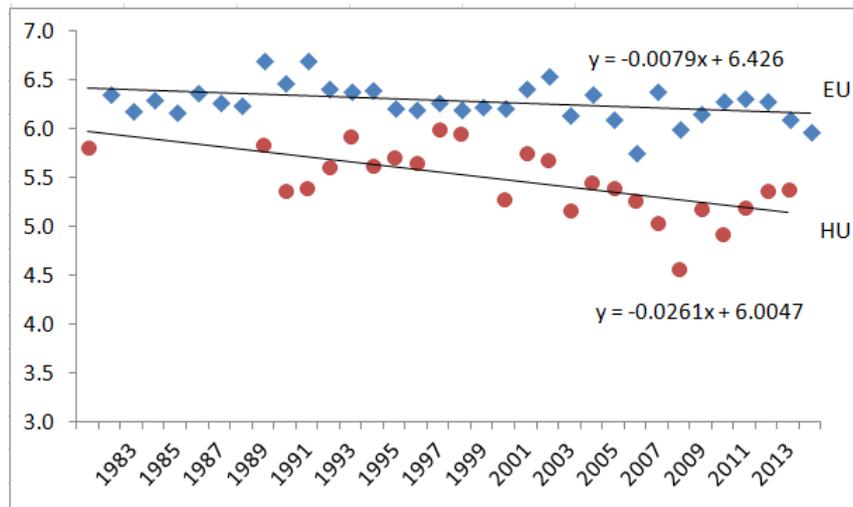


Figure 1. Trend of combined standardized subjective well-being data for Hungary and EU
Data: World Database of Happiness, own calculation

When we are deconstructing the data and look at happiness and satisfaction separately, we get interesting results. According to the European Quality of Life Survey, those countries that perform the best life satisfaction and happiness are almost on the same level. For most of Eastern Europe, however, there is a big gap between the two SWB numbers and the biggest gap (1.4 points) can be found in Hungary [6]. While Hungarians in general are at least close to being as happy as their European counterparts, they are a lot less satisfied. Additionally, the two numbers seem to be diverging as there is a strong downward trend in life satisfaction (Figure 2). So the question is then what influences one but not the other?

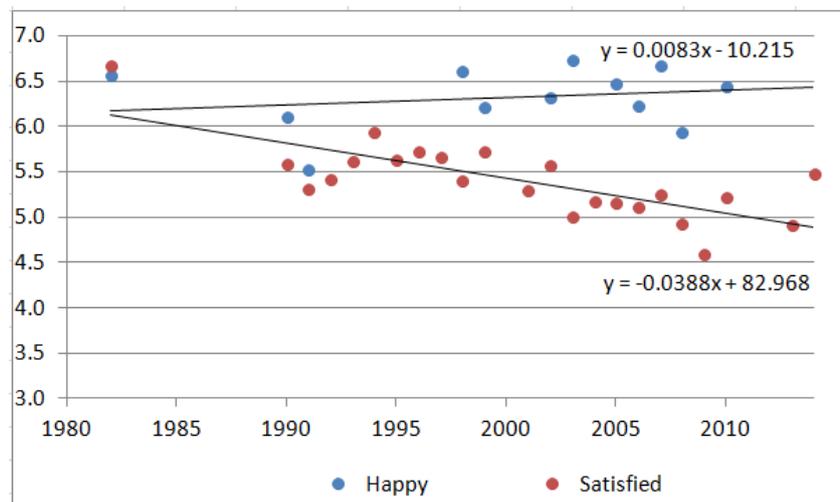


Figure 2. Trend of deconstructed standardized subjective well-being data for Hungary
Data: World Database of Happiness, own calculation

In the ESS surveys, on average, the more conservative values scored high along with aspects of safety and stability. Altruistic behavior and the common good were placed before the more egoistic ones (Figure 3).

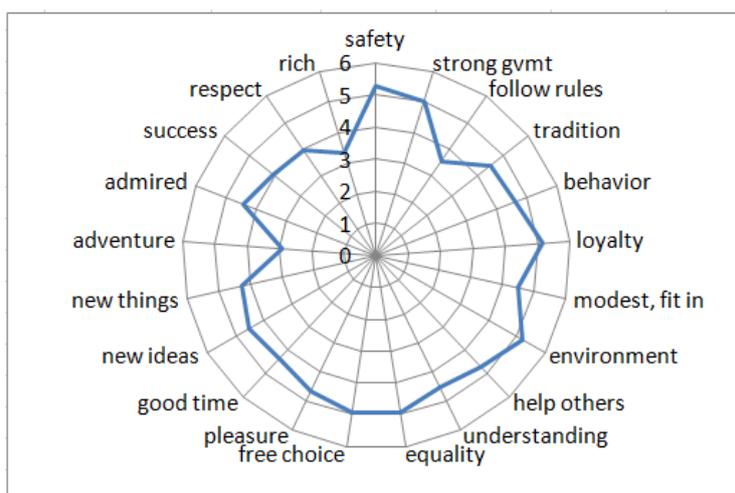


Figure 3. The importance of human values amongst Hungarian respondents (average values for all ESS surveys)

However, when we are looking at how values have changed in one decade (2002-12), eight out of the twenty-one attributes have increased considerably (Table 2).

Table 2. Changes in the value system between 2002-12.

| | | | |
|--------------|-------|-----------|------|
| adventure | 17.0% | success | 6.3% |
| rich | 16.7% | equality | 6.3% |
| respect | 9.1% | admired | 5.9% |
| follow rules | 8.5% | good time | 4.7% |

There is a very noticeable shift, that is the values that overall placed at the lower end are getting stronger, notably the more egoistic ideals of being rich, successful, respected and admired. Having a good time and being adventurous have also gained in popularity. Being modest, trying to fit into society and behave properly on the other hand has lost in popularity.

How do these values correlate with our SWB data? The results of the regression for the 21 human value questions can be seen in Table 3 below.

Table 3. Results of the regression (N = 8800)

| | happy | | satisfied | | | happy | | satisfied | |
|-----------------|--------|-----------|-----------|-----------|----------------|--------|-----------|-----------|-----------|
| | coeff. | tstat | coeff. | tstat | | coeff. | tstat | coeff. | tstat |
| const | 5.19 | 21.32 *** | 5.16 | 19.37 *** | loyalty | 0.03 | 0.92 | -0.02 | -0.69 |
| dt2 | 0.04 | 0.40 | -0.03 | -0.34 | understanding | -0.02 | -0.58 | -0.03 | -0.93 |
| dt3 | -0.12 | -1.33 | -0.34 | -3.60 *** | help_others | 0.15 | 4.87 *** | 0.09 | 2.98 *** |
| dt4 | -0.40 | -4.62 *** | -0.37 | -3.89 *** | environment | 0.03 | 0.85 | -0.01 | -0.28 |
| dt5 | 0.03 | 0.41 | 0.14 | 1.54 | equality | -0.04 | -1.65 * | -0.06 | -2.34 ** |
| dt6 | -0.25 | -3.21 *** | -0.09 | -1.06 | modest, fit in | -0.18 | -7.14 *** | -0.14 | -5.23 *** |
| male | -0.10 | -2.00 ** | -0.11 | -2.03 ** | free_choice | -0.10 | -3.33 *** | -0.03 | -0.91 |
| age | -0.01 | -4.29 *** | 0.00 | -2.66 *** | pleasure | 0.13 | 4.38 *** | 0.06 | 1.96 * |
| edu | 0.02 | 1.46 | 0.04 | 2.24 ** | creativity | 0.17 | 6.53 *** | 0.10 | 3.98 *** |
| dom2 | 0.01 | 0.11 | 0.00 | -0.03 | new_things | 0.12 | 4.94 *** | 0.03 | 1.29 |
| dom3 | 0.07 | 1.14 | 0.01 | 0.17 | adventure | -0.01 | -0.49 | 0.06 | 2.86 *** |
| tradition | 0.03 | 1.22 | 0.08 | 3.28 *** | good_time | 0.16 | 5.83 *** | 0.15 | 5.46 *** |
| strong_gvmt | -0.12 | -4.50 *** | -0.10 | -3.53 *** | rich | -0.09 | -4.15 *** | -0.12 | -5.01 *** |
| safety | -0.02 | -0.48 | -0.05 | -1.27 | admired | 0.04 | 1.40 | 0.05 | 1.71 * |
| follow_rules | 0.00 | 0.11 | -0.01 | -0.38 | success | 0.09 | 3.11 *** | 0.08 | 2.80 *** |
| behave_properly | 0.04 | 1.48 | 0.05 | 1.86 * | respect | -0.10 | -4.74 *** | -0.03 | -1.27 |

Note: ***, ** and * denote significance at 1%, 5% and 10% respectively (one-tail test)
 dt2 - dt6 are the date dummies, dom2 and dom3 are domiciles

Compared to the base year of 2002 Hungarians have lost -0.71 points from their happiness and -0.69 from their life satisfaction. Hungarian men are less happy or satisfied than their female counterparts (-0.10 and -0.11 points respectively), and respondents with higher level of education seem to be more satisfied with their life (by 0.4 points) but not significantly happier. Whether the respondent lives in a big city or in the countryside does not influence well-being significantly, although people living in small villages are 0.07 points happier than those in big cities but they are not more satisfied with life. The strongest positive effect for both dependent variables comes from helping others, being creative, having a good time, seeking out pleasurable things in life and being successful. Conversely, the most negative effect comes from expectations of a strong government, being rich and trying to fit in. Respect, trying new things and freedom of choice are not as relevant for life-satisfaction but they influence happiness whereas keeping traditions, behaving properly, leading an adventurous life and being admired is not so important for happiness but contribute to life satisfaction. Caring for the environment, following the rules, being loyal and being understanding of others does not make one happier or sadder. Similarly, safety which is at the very base of the Maslow pyramid and has also been identified by respondents as the most important value, seem to not correlate with either happiness or life satisfaction. Another side of safety, expectations of a strong government, on the other hand influences people's satisfaction downwards by 0.10 points. Equality is another point that affects both happiness and satisfaction negatively and it is also gaining in importance among respondents. Perhaps, it is because for most Eastern European countries due to the economic and political turmoil of recent changes these are two aspects of life where there is disparity between expectations and reality.

4 Summary

Results correspond with previous research findings in that those who prize material goals seem to be less happy than others. Paradoxically, it is wealth that people are chasing after which actually makes them dissatisfied. In Hungary, specifically, materialistic values have gained in significance over the years. It has also become clear that being happy and being satisfied with life do not overlap in all aspects. Some values affect both but there are some that are less important for one than the other. Country-life, for example, seems to promote happiness while pursuing a higher education brings people life satisfaction. Interestingly, just because someone holds a value important it does not necessarily influence their feelings of happiness or satisfaction. The additional element needed is perception: that is if a value is important for an individual but they believe they are not attaining the expected level it can generate dissatisfaction.

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