

Applied Economics Letters >
Volume 22, 2015 - Issue 3

1,074 40

0

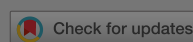
Views CrossRef citations to date Altmetric

Original Articles

Financial distress and happiness of employees in times of economic crisis

E. Arampatzi, M. J. Burger & R. Veenhoven

Pages 173-179 | Published online: 24 Jul 2014

Cite this article <https://doi.org/10.1080/13504851.2014.931916>

Sample our Economics, Finance, Business & Industry journals, sign in here to start your access, latest two full volumes FREE to you for 14 days

Full Article

Figures & data

References

Citations

Metrics

Reprints & Permissions

Read this article

Abstract

Using data for 28 European countries for the period 2008 to 2012, we examine whether employed individuals are affected by the economic crisis. We provide robust evidence that unfavourable macroeconomic conditions are negatively associated with the life satisfaction of employees. In addition, we find that higher levels of regional unemployment and inflation are predominantly associated with lower levels of life satisfaction for employees who are in a bad financial situation or who expect that their future financial situation will be worse. By contrast, employed people who do well financially and who have good prospects are not affected by the crisis.

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

¹ The Nomenclature of Territorial Units for Statistics (NUTS) classification is a geocode standard to subdivide the economic territory of the European Union. NUTS-2 regions are basic regions for application of regional policies and normally have a population of 800 000 to 3 million.

² The dummy controls for 205 European regions for which coefficients were found to be significant.

³ Type of occupation distinguishes between blue-collar versus white-collar labour and low-skilled versus high-skilled occupations according to 'Eurostat's Adult Education Survey.

⁴ Unfortunately, there were no recent GDP per capita and inflation data available at the regional level.

⁵ A challenge here is that unhappiness and financial distress often go hand in hand and may, in fact, aggravate each other. Moreover, there is a possibility of reverse causality, with increasing unhappiness exacerbating financial distress. One solution to this problem would be to instrument financial distress, but finding credible instruments is difficult. Instead, we recognize this problem and caution that our results should be interpreted as conditional associations rather than reflecting causal relationships.

⁶ The negative and significant correlation for GDP per capita in the regression for employees who expect that the financial situation of their household will worsen may be explained by social comparison effects and requires further examination.

Related research

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All 

Essential Only

Settings



Information for

Authors

R&D professionals

Editors

Librarians

Societies

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2024 Informa UK Limited [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)



Taylor & Francis Group
an informa business

Registered in England & Wales No. 3099067
5 Howick Place | London | SW1P 1WG

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings