# The Confusing Link between Regime Type and Happiness

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## Abstract

In a recent study, Radcliffe (2001) provides substantial empirical support for a powerful and controversial thesis: people tend to be happier under social democratic welfare regimes. Our research expands on his tests buy making relatively minor additions to his data. The results reopen the question of the relationship between regime type and happiness. Depending on the variables in play, it is possible to generate many conclusions. Some models support the thesis that social democratic welfare regimes lead to happiness, other models show no relationship, and still other models show that rightist regimes lead to more happiness. Moreover, through some creative analyses we find evidence that the causal arrow between regime type and happiness may actual run from happiness to regime type, not the other way around. At this juncture, it is simply not possible to say with certainty what the relationship is between regime type and happiness – or even if there is a relationship.

# The Confusing Link between Regime Type and Happiness

In a recent study, Radcliffe (2001) provides substantial empirical support for a powerful and controversial thesis: people tend to be happier under social democratic welfare regimes. To Leftists, this thesis is obvious; of course people are happier when they have social programs to protect them against the harsh realities of the market place. To Rightists, the thesis is flatly wrong; welfare undermines personal responsibility and breeds dependency, ultimately leaving people unhappy. Clearly, this is an important and ideologically charged thesis. Not only does it claim that life is better under one ideology than another, it is making the claim with respect to human happiness, perhaps the most meaningful measure of a good society.

Given the significance of the thesis, it is especially important to test it thoroughly. If it is supported with a variety of empirical analyses, then Leftists would appear to be correct and the case for expansive social programs would be greatly enhanced. If, however, further tests find no relationship between social democratic welfare regimes and happiness, then neither ideology can lay claim to producing happy societies. And, if the tests tend to show that happiness is actually linked to unrestrained free market regimes, then the Rightist may well be correct.

In this study we begin the process of expanding the tests beyond Radcliffe's (2001) work. We do so by making relatively small changes to his models. Starting with the same data, we modify a few variables and add a few others. In proceeding this way,

we are certainly biasing our analysis in favor of supporting his thesis; after all, we are using much of the same data. What we find is some support for his thesis, but also some support for very different causal relationships between happiness, regime type, and a host of other variables. These results should cause us to view with great caution the thesis that social democratic welfare regimes lead to happiness.

## Possible Causal Connections between Happiness and Regime Type

At the core of the thesis that social democratic welfare regimes lead to happiness is the notion that the "economic insecurity and personal loss of autonomy that accompany market economies" cause unhappiness (Radcliffe 2001: 941). Social democratic welfare regimes help minimize this unhappiness by putting in place programs, such as unemployment and disability benefits, that protect people against the worst effects of market economies. In one way or another, this position is expressed in the work of Marx, Polanyi (1944), Lindblom (1977), Lane (1978), and many others. Put in terms of a simple model, the position can be expressed as:

**Regime type → Happiness (Hypothesis 1)**

Under this model, social democratic welfare regimes lead to more happiness than other forms of democratic regimes.

One competing view, sometimes called comparison theory, contends that relative economic well-being determines happiness (Easterlin 1974). People who are well off economically compared to others around them will be happier than people who are not as well off. The key to the theory is that people are presumed to compare themselves to others in their immediate geographic and social sphere. If correct, this means that

aggregate happiness levels should be very similar across societies with different regime types because every society has people above and below the prevailing economic norm. This position can be expressed as:

**Regime type ≠ Happiness (Hypothesis 2)**

Another competing view, often called cultural theory, maintains that countries have different aggregate happiness levels because of lasting cultural differences (Inglehart 1990, Inkeles 1997, Rice and Steele 2004). One version of cultural theory leaves room for regime type and other "short-term" forces to influence happiness around the edges, but it maintains that happiness is primarily the function of deeply held cultural norms. Given the dominant position of culture in this version, it is best expressed as:

**Culture → Happiness (Hypothesis 3)**

A second version of the cultural theory contends that culture influences not only happiness, but many of the "short-term" forces correlated with happiness, including regime type. According to this view, any relationship between regime type and happiness is spurious because both of these factors are determined in large part by culture. Put another way, once culture is brought into consideration the influence of regime type on happiness should disappear. This version can be expressed in a three part hypothesis as:

**Culture → Happiness**

**Culture → Regime Type**

**Regime type ≠ Happiness (Hypothesis 4)**

Yet another alternative formulation for the relationship between regime type and happiness holds that the causal arrow between the two runs from happiness to regime

type, not the other way around. The rationale for reversing the causal arrow rests on the assumption that happy people are less insular and more open to sharing personal resources to help others. With respect to regimes types, it means that happy people should be more willing to support social programs and social democratic welfare regimes, everything else being equal. This position can be expressed as:

**Happiness → Regime type (Hypothesis 5)**

## Analysis: Aggregate Data

We take as our starting point Radcliff's (2001) aggregate models. For a dependent variable, he uses happiness scores for 15 industrial democracies derived from the 1990 wave of the World Values Survey (WVS). Each country's score is calculated using responses to the question: "All things considered, how satisfied are you with your life now?" Response categories ranged from 1 (dissatisfied) to 10 (satisfied), and country level means ranged from 6.53 (Japan) to 8.16 (Denmark).

Regime type is operationalized three ways. "Regime attributes" measures the extent to which governments shield citizens against market dependence. Devised by Esping-Andersen (1990), it consists of three variables that gauge "how much a national system embodies elements of his three ideal types of welfare regime: Liberal, Conservative, and Socialist" (Radcliff 2001: 942). All three variables are used in the analysis, but the key hypothesis for our purposes is that happiness should be positively related to the socialist score. Secondarily, the liberal score may be negatively correlated with happiness because this regime type is most associated with market economies. According to Radcliff (2001), it is not obvious how the conservative score should be

related to happiness. The second regime type, labeled "decommodification," is an index that assesses the degree to which citizens "can uphold a socially acceptable standard of living independent of market participation," and it, too, was created by Esping-Andersen (1990: 37). Information about the scope of pensions, income maintenance, and unemployment benefits was used to calculate the index. Higher scores indicate greater decommodification, so happiness should be positively related to this variable. The third regime type variable is "party control" and it is measured as the "cumulative portion of leftist cabinet seats less the cumulative portion of rightist seats" from 1950 to 1990, using data from Huber, Ragin, and Stephens (1997) (Radcliff 2001: 942). The party control variable should be positively related to happiness. In the forthcoming individual-level analysis we follow Radcliff's (2001) lead and also consider a center variable that measures the portion of seats held by center and right parties combined.

Three control variables are added to the models. To asses the impact of economic conditions on happiness, the average unemployment rate from 1955 to 1990 (from Hall and Franzese 1998) and the 1990 real per-capita GDP (from the Penn World Table, 5.6) are included as independent variables. Good economic conditions should lead to more happiness, so the unemployment rate should be negatively correlated with happiness and the GDP should be positively correlated with happiness. The influence of culture is gauged using a ten-point index that measures the extent to which a national culture is individualistic. Previous work on happiness has found that people in individualistic cultures tend to be happier than people in collectivist cultures (Diener, Diener, and Diener 1995; Schyns 1998; Veenhoven 1997). Higher scores on the index indicate more individualistic cultures, so happiness should be positively correlated with the index.

Our first task was to replicate Radcliff's three aggregate-level regression models, one for each of the three regime type variables. This was easy to do using the original version of the 1990 WVS, but we got very different models using the most recent version of the 1990 WVS data. Upon close inspection we found that the original happiness data contained a serious data coding error for Austria that was corrected in later versions. In short, all of the "most satisfied" responses, which should have been coded as a 10, were mistakenly coded as a 1, indicating extreme dissatisfaction. All of the other scores were bumped up one level, so respondents who chose a 2 were actually scored a 3, respondents who chose a 3 were actually scored a 4, and so on. This is plainly evident in the Austrian frequency distributions for the uncorrected and corrected data that are presented in table 1. To give a sense of the size of the error, consider that in original WVS data 23.6% of Austrian respondents are coded as a 1 and that once the data are corrected only .4% fall in this category. The percentage of respondents in the other countries who chose the 1 category never tops 2.2% (Italy), placing the Austrian score of 23.6% way out of line. The mean Austrian happiness score increases from 6.51 (lowest of the 15 nations) to 7.87 (fifth highest) when it is recalculated using the corrected data.

(Table 1 about here)

Updating Radcliff's (2001) aggregate regression models with the mean Austrian happiness score from the corrected WVS data produces noticeably different results. Table 2 shows the three models using the original and corrected Austrian mean. The greatest difference is in the first model, regime attributes. With the corrected Austrian score in the data, the socialist, liberal, and GDP measures are no longer significant and the R-square falls from .83 to .28. In the decommodification model, the inclusion of the

corrected Austrian score weakens the significance of decommodification and unemployment, and raises the cultural variable, individualism, to significance. The R-square drops slightly, from .52 to .42. The corrected Austrian score changes the party control model very little. Left dominance is slightly more significant, GDP is no longer significant, and unemployment is slightly less significant. Looked at in total, the models with the corrected Austrian happiness score weaken the case for hypothesis 1: the regime attribute variables no longer influence happiness and the influence of decommodification on happiness is less.

(Table 2 about here)

The salient changes to the models in table 2 suggest that the results are sensitive to minor alterations in the data. We further test this possibility by making two additional changes to the data. First, we drop Japan from the analysis and rerun the models. Japan is an outlier in many ways: it is the only non-western nation, it has the lowest happiness score, and it has the lowest individualism score. The first three columns in table 3 show that the R-squares of the models dropped substantially with Japan omitted. Moreover, the regime attribute variables fail to reach significance.

(Table 3 about here)

For our second test of the sensitivity of the models we replaced the dependent variable with a variable that uses data from another common happiness question that was asked in the 1990 WVS. This query reads: "Taking all things together, would you say you are very happy, quite happy, not very happy, or not at all happy." Some researchers consider the life satisfaction question to be a marginally better measure of happiness, but many studies have shown the two to be highly correlated, suggesting substituting country

means on the happiness question for country means on the life satisfaction question should yield similar results. Before calculating the mean country score on the happiness question we coded the "not at all happy" responses as a 1, the "not very happy" responses as a 2, the "quite happy" responses as a 3, and the "very happy" responses as a 4. With this coding scheme, the relationship between the mean country-level happiness scores and the social democratic welfare variables should be positive if leftist regimes lead to happiness. This is not what we find. The middle three columns in table 3 show that the regime attribute and the left dominance variables fail to reach significance, and the decommodification variable barely reaches significance. All of the other control variables are insignificant. Here again, we have weak evidence at best that regime type leads to happiness.

Next we test for the influence of culture on happiness. Radcliff limits his consideration of culture to individualism in part because the literature has found a strong link between individualism and happiness. Culture, however, has many dimensions, and there is growing evidence that one of these dimensions, social capital, is a cause of happiness (Putnam 2000; Helliwell 2003). Social capital is defined as "the features of social organizations, such as trust, norms, and networks that can improve the efficiency of society by facilitating coordinated action" (Putnam 1993:167). In aggregate-level studies using survey data it is most commonly operationalized using the question: "Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?" This query is included in the 1990 WVS and we use Inglehart's (1997: 359) country-level variable created from these data that measures the

percentage of people in each nation who said that "most people can be trust." If social capital causes happiness then trust should be positively related to happiness.

By entering our country-level measure of trust into the three regime type equations we are testing both hypotheses 3 and 4. If trust is significant along with the various leftist measures, then this would be evidence in favor of hypothesis 3: culture does influence happiness (but there is room for other variables to influence happiness too). If only culture is significant, then this would be evidence in support of hypothesis 4: culture influences both happiness and regime type, leaving the link between regime type and happiness spurious. The last three columns in table 3 display the results. In the regime attributes model, only unemployment is significant. In the decommodification model, trust and unemployment are significant. And in the party control model, left dominance and unemployment are significant. These results seriously weaken the case for the causal link from regime type to happiness. Left dominance is the only social democratic welfare variable that remains significant after controlling for trust. The social welfare variables in the political attributes and decommodification models are insignificant and these are the variables that most directly measure the specific programs designed to protect citizens from market hardships. The results also provide very little evidence that social capital is related to happiness.

One reason that the social democratic welfare and trust variables perform so poorly may be that they are highly interrelated. This is, indeed, often the case. For example, the correlation coefficient between the socialist variable in the regime attributes model and trust is .66 ($p < .01$). What this suggests is that culture, measured by trust, is influencing regime type. It is possible, of course, that the causality runs the other way.

However, culture, by its very nature, changes slowly, often taking generations for substantial alterations. Social democratic welfare regimes are relatively new institutions, making it unlikely that they have had the time to significantly influence culture.

We can test this notion by creatively using data from the General Social Survey (GSS). This study has sampled the opinions of Americans almost annually for over 30 years and most of the surveys have included the trust question. The GSS also includes a question that asks respondents where their ancestors from. We created county-level mean trust scores for GSS respondents who claim that their ancestors are from any of the 15 nations in Radcliff's study. So, for example, we separated out of the GSS all of the respondents who claim to be of French descent and calculated their mean trust score. Before deriving the mean trust scores for the descendants from each of these nations we purged the GSS data of all respondents who were not born in the United States, thus leaving only respondents who were raised in this country.

Table 4 displays the simple bivariate correlations between the GSS trust variable and the regime type variables. Surprisingly, they are almost all significant. For example, the correlation between the GSS trust variable and the socialist variable is .66, exactly the same as the correlation between the WVS trust variable and the socialist variable. This correlation means that the trustfulness of the ancestors of people who emigrated from the nations in the study to America is positively correlated with the contemporary socialist score for the home countries: more trust is associated with a more socialist regime. The other significant correlations suggest that more trust is associated with higher decommodification and left dominance scores, and lower liberal scores. If we assume that culture is slow to change, then the GSS trust scores may still be in part the product of

Old World trust levels that predate the rise of the social democratic welfare regimes, thus implying that culture, measured by trust, is a key determinant of regime type. Indeed, it is hard to imagine that the results could mean anything else.

(Table 4 about here)

The technique of using the GSS data to estimate culture scores many generations removed from the contemporary cultures in our 15 nations can also be used to estimate past happiness levels. This allows us to test hypothesis 5, that happiness causes regime type, not the other way around. The GSS includes a happiness question that reads: "Taken all together, how would you say things are these days – would you say that you are very happy, pretty happy, or not too happy?" We coded respondents who said "very happy" as a 3, those who said "pretty happy" as a 2, and those who said "not too happy" as a 1, and then calculated a mean happiness score for the respondents with ancestors from each of our 15 nations (the GSS happiness mean for all of the respondents in our sample was used as the U.S. happiness score). These means all fall between 2.18 and 2.30, except for the mean of the Belgian descendents, which is 2.42. The standard deviation of the Belgian mean is 3.00, making it a clear outlier. Part of the reason for this may be that only 39 GSS respondents were of Belgian descent, the smallest of any of the ethnic groups. With such a small sample size the estimates could easily be compromised. Because of it outlier status and small sample size, Belgium is omitted from this analysis.

If regime type influences happiness (hypothesis 1), then the GSS mean happiness scores should be unrelated to the social democratic welfare variables. After all, the GSS respondents are all Americans, so the GSS means should have nothing to do with the regimes in the other nations. If, however, there is a statistical link between the GSS

means and the social democratic welfare variables, the relationship would suggest that happiness influences regime type (hypothesis 5). How else could we explain the correlation? Previous research has established a strong link between the GSS happiness scores and contemporary happiness scores from the WVS, implying that baseline levels of societal happiness persist over time (Rice and Steele 2004). Thus, the GSS happiness scores can serve as proxy happiness scores for the societal happiness levels of the populations in our sample nations before the rise of social democratic welfare regimes. If these scores are correlated with the regime variable it would be powerful evidence that happiness influences regime type.

Table 5 reports the simple bivariate correlations between the GSS ancestral happiness means and the regime variables. Three of the five correlations are significant. The significant correlation of .72 between the socialist regime attributes and the GSS happiness variable indicates that the happiness of American ancestral groups is positively related with the extent to which the countries in our sample exhibit social democratic welfare regime characteristics; put more simply, happy American ancestral groups are associated with leftist programs in other nations. The significant negative coefficient for the link between conservative regime attributes and the GSS means implies that unhappy American ancestral groups are associated with conservative programs in other nations. And, the significant positive coefficient for the link between decommodification and the GSS means indicates that happy American ancestral groups are associated with countries that protect citizens against the worst of market economies. The coefficients for the other two variables, liberal regime attributes and left dominance, are insignificant, but they are

in the direction that hints that happy American ancestral groups are associated with less liberal regimes and more leftist regimes.

Taken as a whole, the correlations provide very suggestive evidence that happiness influences regime type. Given these results, it is certainly plausible that happiness encourages compassionate social welfare regimes. At the very least, the results cast serious doubt on the direction of the causal arrow between regime type and happiness. It may be that regime type has some influence on happiness, but it also looks like happiness significantly influences regime type too. Until the relative influence of these causal orders can be sorted out, we should be cautious in attributing the positive link between regime type and happiness primarily to the effect of regime on happiness.

Our analyses of the aggregate data suggest that the causal connection between regime type and happiness is not obvious. In some models there is a statistically significant link between happiness and regime type, but in many other models the correlation disappears. Moreover, there is reason to suspect that any causal arrow that runs between regime type and happiness may actually point from happiness to regime type, and no the other way around. One of the reasons that we can arrive at differing conclusions with the aggregate data is probably the small sample size. In the next section, we move to a limited reexamination of Radcliff's (2001) individual level analysis.

## Analysis: Individual-Level Data

Radcliff (2001) uses the WVS 1990 individual-level data, supplemented with appropriate aggregate level variables, to further test for a connection between regime type

and happiness. In short, the individual-level responses to the life satisfaction question for the 15 nations serve as the dependent variable and a whole host of relevant independent variables, including the regime type variables from the aggregate-level analysis, are entered as independent variables in regression equations. The regime variables are formed by attaching to every individual in the WVS survey his or her nations' regime scores. This technique is also used to attach to the individuals their nations' individualism score, GDP, and unemployment rate.

We were quite successful in replicating Radcliff's individual-level models using the old (and incorrect) Austrian data. The individual coefficients were slightly different, but they were not off enough to affect their level of significance. The reason for the imperfect replication of the models may have to do with some complicated recoding of certain independent variables or it could be that we had a slightly different early release of the 1990 WVS data. In any event, data differences would appear to be small because the regression equations are very similar.

The first models that we present use the most current version of the 1990 WVS data that include the corrected Austrian data. Table 6 reports the results ("core data" columns) and they are very similar to Radcliff's (2001) original models. In particular, the regime variable coefficients are almost identical: socialist and liberal are significant in the expected direction in the regime attribute model; decommodification is significant in the expected direction in that model, and left dominance is significant in the expected direction in the party control model. Most of the independent variables also behave as expected. When we experimented with omitting Japan the regime variables remained significant, although they were weakened a bit (models not shown). These analyses are

good news for the thesis that social democratic welfare governments lead to happiness. The individual-level models, with their larger sample sizes, seem to give some stability to the regime type variables.

(table 6 about here)

For a further test of the individual-level relationship between regime type and happiness we include in the models four control variables for social capital. The first is the individual-level responses to the trust question. The second is a summary tally of the voluntary group memberships of each respondent. Along with trust, voluntary membership is a common measure of social capital (Putnam 1993, 2000). The WVS includes a list of 15 types of voluntary groups (e.g., church, youth, service, etc.) and respondents are asked: "Please look carefully at the following list of voluntary organizations and activities and say which if any do you belong to." We simply summed the number of "belong" answers by respondent to create an individual-level interval scale of total group membership. We also calculated the mean trust level for each of the 15 nations and the mean total group membership level for each of the nations and attached these scores to the respondents. This means that each respondent has four social capital scores: his or her own trust level; his or her own group membership total; his or her national mean trust level; and his or her national mean total group membership.

Table 6 displays the individual-level regime type regression equations with the social capital variables included (the second column under each of the three regime types). Adding the social capital variables significantly weakens the influence of many of the regime type variables. A comparison of the regime attributes models in the table show that with the social capital variables included the liberal variable fails to reach

significance, the socialist variable is less significant, and the conservative variable reaches significance in the positive direction, meaning conservative regimes lead to greater happiness. The decommodification models show that the effects of decommodification drop significantly when the social capital variables are added (in terms of t-values, the decommodification variable drops from 7.60 to 2.34). In the party control models the effect of left dominance remains strong (but the t-values fall from 9.33 to 5.21). These models make clear that including the social capital variables seriously erodes the relationship between regime type and happiness. The models also make clear that social capital is closely related to happiness. Individual-level trust is the second most significant variable in all of the models, behind only the measure of satisfaction with home life. And, many of the other social capital variables are also significant.

Next, we change the individual-level dependent variable from the life satisfaction question to the happiness question. As noted earlier, these two measures of well-being have different strengths, but both are commonly employed in the literature. Two regression equations for each of the different regime type measures are presented in table 7, one without the social capital controls and one with the social capital controls. Looking first at the models without social capital controls we see that the effect of regime type varies somewhat from the models with the life satisfaction as the dependent variable (from table 6). First, the R-squares are much lower, falling from around .33, to around .19. The individual coefficients for some of the regime variables are quite different too. In the regime attributes model the socialist variable is not significant and the conservative variable is very significant (the liberal variable remains significant). The decommodification variable remains significant in its model. And, the center variable

becomes highly significant in the party control model (left dominance remains significant). Clearly, substituting the happiness question for the life satisfaction question changes the coefficients of many of the regime variables significantly, and weakens somewhat the case for the thesis that social democratic welfare regimes lead to happiness.

(table 7 about here)

To finish our analysis, we add the four social capital variables to the models that use the happiness question as the dependent variable. These regression equations are presented in table 7. Here we see some very different results for the regime type variables. In the regime attributes model, the socialist coefficient is significant and negative, indicating that people in social democratic welfare regimes are less happy than in other regimes. The liberal coefficient is not significant and the conservative coefficient is significant and negative. In the decommodification model, the decommodification variable is significant and negative, indicating that people in nations with programs to protect against economic hardships are less happy than people in other nations. And, in the party control model, the left dominance variable is significant and negative, indicating that people in nations controlled by parties on the left are less happy than people in other nations. The center variable is also significant and negative. These results provide consistent evidence that social democratic welfare regimes are associated with less happiness, not more.

In sum, how do the individual-level findings speak to the five proposed hypothesis about the relationship between regime type and happiness? The message is very different depending on how happiness is measured. If the dependent variable is life satisfaction it looks like social democratic welfare regimes are often associated with

higher happiness levels, supporting hypothesis 1. The significance of the regime variables is weakened when cultural variables, measured as social capital, are entered in the models. The social capital variables are generally significant. This provides some evidence for hypothesis 3 that contends that there is room for both culture and regime type to influence happiness. Before concluding, however, that social democratic welfare regimes lead to happiness, we need to remember that there is substantial evidence from the aggregate-level analysis that the causality flows the other way, from happiness to regime type. We are not able to get any leverage on this matter with the individual-level data, so we are left with the conclusion that once we control for culture there is a modest link between regime type and happiness but we do not know for sure which variable is causing the other. The link supports hypothesis 1, but it also supports hypothesis 5.

If the dependent variable is the happiness question, then the conclusions are much different and much less friendly to the thesis that social democratic welfare regimes lead to happiness. Without the social capital control variables, the link between regime type and happiness is generally weak, but present. However, once we control for social capital the conclusion seems to be that people are actually less happy under social democratic welfare regimes than other regimes. This means that hypothesis 1, which holds that social democratic welfare regimes should lead to happiness, is not supported. The social capital variables are generally significant, so we seem to have a version of hypothesis 4. Under this version, controlling for culture alters the effect of the regime variables, but instead of rendering them insignificant, the culture variables cause the significant relationship between social democratic welfare regimes and happiness to change to a significant relationship between rightist regimes and happiness. Of course, it

must be remembered that part of any relationship between regime type and happiness could be the result of happiness causing regime type. In this case that would mean that happy people elect rightist regimes.

## Discussion

The results of our research serve to reopen the question of the relationship between regime type and happiness. Depending on the variables in play, it is possible to generate support for any of the five alternative hypotheses. So mixed are the results, that it is not possible to say that any one of the hypotheses overshadows the others. The two clearest findings are that culture, in the form of social capital, is an important correlate of happiness and that the relationship between regime type and happiness is often changed considerably when social capital is included in the equation. Generally speaking, when social capital was added to the regression models the link between social democratic welfare regimes and happiness was weakened, often to the point of insignificance. And, in some cases, the inclusion of culture actually reversed the link between social democratic welfare regimes and happiness, leaving the variables measuring these regimes negatively correlated with happiness.

The results are not what the leftists – or rightists – want to hear. At this juncture, it is simply not possible to say with certainty what the relationship is between regime type and happiness – or even if there is a relationship. And, given how confusing our results are it may be a while before the causal nexus between these two factors is untangled.

Table 1.
1990 WVS Austrian Life Satisfaction Frequencies

| Satisfaction Scale | Original Data | | Corrected Data | |
|---|---|---|---|---|
| 1 (Dissatisfied) | 344 | 23.6% | 6 | 0.4% |
| 2 | 6 | 0.4 | 4 | 0.3 |
| 3 | 4 | 0.3 | 30 | 2.1 |
| 4 | 30 | 2.1 | 29 | 2.0 |
| 5 | 29 | 2.0 | 116 | 8.0 |
| 6 | 116 | 8.0 | 105 | 7.2 |
| 7 | 105 | 7.2 | 215 | 14.8 |
| 8 | 215 | 14.8 | 375 | 25.7 |
| 9 | 375 | 21.7 | 233 | 16.0 |
| 10 (Satisfied) | 233 | 16.0 | 344 | 23.6 |
| | 1457 | 100.0% | 1457 | 100.0% |

Table 2.
Happiness (Life Satisfaction) Aggregate-Level Regression Models with Original and Corrected 1990 WVS Data

| | Regime Attributes | | Decommodification | | Party Control | |
|---|---|---|---|---|---|---|
| | Original Data | Corrected Data | Original Data | Corrected Data | Original Data | Corrected Data |
| Socialist | .109** | .056 | -- | -- | -- | -- |
| Liberal | -.046* | -.059 | -- | -- | -- | -- |
| Conservative | .034 | -.032 | -- | -- | -- | -- |
| Decommodication | -- | -- | .056** | .041* | -- | -- |
| Left Dominance | -- | -- | -- | -- | .017** | .018*** |
| Individualism | -- | -- | .086 | .168* | -- | -- |
| GDP | .087* | .059 | .084 | .018 | .098* | .056 |
| Unemployment | .211*** | .131* | .243*** | .133* | .191*** | .132** |
| Adj. R-square | .83 | .28 | .52 | .42 | .58 | .59 |
| N | 15 | 15 | 15 | 15 | 15 | 15 |

* = P < .05; ** = P < .01; *** = P < .001

Table 3.
Various Happiness Aggregate-Level Regression Models

| | Japan Omitted | | | Happy Dependent Variable | | | Trust Added | | |
|---|---|---|---|---|---|---|---|---|---|
| | Regime Attributes | Decom. | Party Control | Regime Attributes | Decom. | Party Control | Regime Attributes | Decom. | Party Control |
| Socialist | .040 | -- | -- | .015 | -- | -- | .030 | -- | -- |
| Liberal | -.150 | -- | -- | -.009 | -- | -- | -.052 | -- | -- |
| Conservative | -.057 | -- | -- | -.020 | -- | -- | -.004 | -- | -- |
| Decommodication | -- | .039* | -- | -- | .039* | -- | -- | .030 | -- |
| Left Dominance | -- | -- | .020** | -- | -- | .003 | -- | -- | .014** |
| Individualism | -- | .152 | -- | -- | .043 | -- | -- | -- | -- |
| GDP | .012 | .012 | .061 | .016 | .018 | -.050 | .052 | .024 | .032 |
| Unemployment | .038 | .126 | .146* | .022 | .037 | .026 | .132* | .147* | .126** |
| Trust | -- | -- | -- | -- | -- | -- | .012 | .016* | .010 |
| Adj. R-square | .09 | .05 | .32 | .23 | .31 | .10 | .27 | .39 | .64 |
| N | 14 | 14 | 14 | 15 | 15 | 15 | 15 | 15 | 15 |

* = P < .05; ** = P < .01; *** = P < .001

Table 4.
Correlations Between GSS Trust and Regime Type Variables

| Regime Variables | GSS Trust |
|---|---|
| Socialist | .66** |
| Liberal | -.66** |
| Conservative | -.10 |
| Decommodification | .64* |
| Left Dominance | .54* |

N = 15 for all correlations

Table 5.
Correlations Between GSS Happiness and Regime Type Variables

| Regime Variables | GSS Happiness |
|---|---|
| Socialist | .72** |
| Liberal | -.31 |
| Conservative | -.66** |
| Decommodification | .45* |
| Left Dominance | .33 |

N = 14 for all correlations

Table 6.
Happiness (Life Satisfaction Dependent Variable) Individual-Level Models with Corrected 1990 WVS and Social Capital

| | Regime Attributes | | Decommodification | | Party Control | |
|---|---|---|---|---|---|---|
| | Core Data | Social Capital Added | Core Data | Social Capital Added | Core Data | Social Capital Added |
| Socialist | .017** | -.017* | -- | -- | -- | -- |
| Liberal | -.027** | -.008 | -- | -- | -- | -- |
| Conservative | -.008 | .023** | -- | -- | -- | -- |
| Decommodication | -- | -- | .020** | .009** | -- | -- |
| Left Dominance | -- | -- | -- | -- | .009*** | .006*** |
| Center | -- | -- | -- | -- | .000 | .001 |
| GDP | .008 | -.002 | .004 | -.002 | .002 | .007 |
| Unemployment | .010 | -.001 | .030** | .008 | .015 | .005 |
| Individualism | .048** | .040** | .060** | .035** | .035** | .028* |
| Married | -.060* | -.065* | -.067* | -.066* | -.059* | -.063* |
| Gender | .052* | .059* | .046* | .054* | .053* | .058* |
| Education | .014** | -.006 | .010* | -.005 | .006 | -.008 |
| Age | -.023** | -.019* | -.024** | -.022* | -.023** | -.021* |
| Children | -.011 | -.015 | -.009 | -.015 | -.009 | -.014 |
| Home Life | .561*** | .551*** | .561*** | .551*** | .557*** | .548*** |
| Income | .047*** | .044*** | .049*** | .041*** | .050*** | .044*** |
| Unempl. Wage Earner | -.177*** | -.183*** | -.183*** | -.193*** | -.179*** | -.189*** |
| Church Attendance | .144*** | .102** | .162*** | .136*** | .138*** | .122*** |
| Individual Trust | -- | .293*** | -- | .293*** | -- | .293*** |
| Nation Trust | -- | .009*** | -- | .004** | -- | .002* |
| Individual Groups | -- | .020* | -- | .019* | -- | .023** |
| Nation Groups | -- | .001** | -- | .001* | -- | .000 |
| R-square | .33 | .34 | .33 | .33 | .33 | .34 |
| N | 16467 | 15357 | 16467 | 15357 | 16467 | 15357 |

* = P < .05; ** = P < .01; *** = P < .001

Table 7.
Happiness (Happiness Question Dependent Variable) Individual-Level Models with Corrected 1990 WVS and Social Capital

| | Regime Attributes | | Decommodification | | Party Control | |
|---|---|---|---|---|---|---|
| | Core Data | Social Capital Added | Core Data | Social Capital Added | Core Data | Social Capital Added |
| Socialist | .004 | -.013*** | -- | -- | -- | -- |
| Liberal | -.011 | .001 | -- | -- | -- | -- |
| Conservative | -.013 | -.041*** | -- | -- | -- | -- |
| Decommodication | -- | -- | .008*** | -.003* | -- | -- |
| Left Dominance | -- | -- | -- | -- | .002*** | -.001** |
| Center | -- | -- | -- | -- | -.006*** | -.006*** |
| GDP | -.021*** | -.046*** | .017*** | -.034*** | .012** | .029*** |
| Unemployment | .003 | -.035*** | .019*** | -.006 | .040*** | .026*** |
| Individualism | .021*** | -.026*** | .030*** | .004 | .008* | -.015** |
| Married | .108*** | .110*** | .103*** | .111*** | .107*** | .114*** |
| Gender | .037*** | .038*** | .035*** | .041*** | .035*** | .038*** |
| Education | .004* | .003 | .003 | -.001 | .006** | .001 |
| Age | -.028*** | -.030*** | -.028*** | -.028*** | -.028*** | .030*** |
| Children | -.007* | -.008* | -.005 | -.007* | -.007* | -.009** |
| Home Life | .130*** | .128*** | .130*** | .128*** | .130*** | .128*** |
| Income | .012*** | .009*** | .013*** | .011*** | .012*** | .008*** |
| Unempl. Wage Earner | -.027* | -.035* | -.029* | -.029* | -.031* | -.040** |
| Church Attendance | .036** | .027** | .043*** | .024* | .038*** | .038*** |
| Individual Trust | -- | .063*** | -- | .063*** | -- | .062*** |
| Nation Trust | -- | -.004*** | -- | .001* | -- | .001** |
| Individual Groups | -- | .006* | -- | .005* | -- | .004 |
| Nation Groups | -- | .002*** | -- | .001*** | -- | .002*** |
| R-square | .19 | .20 | .19 | .19 | .19 | .20 |
| N | 16096 | 15049 | 16096 | 15049 | 16096 | 15049 |

* = P < .05; ** = P < .01; *** = P < .001

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