

MISERY IN MALTA: AN ECONOMETRIC ANALYSIS

MARIE BRIGUGLIO; MELCHIOR VELLA; DANIEL GRAVINO,
[UNIVERSITY OF MALTA]

Understanding the factors that affect wellbeing can help policy-makers identify where they need to intervene to alleviate misery and to allocate resources accordingly. As part of the Malta Wellbeing INDEX project, this report presents an analysis of 2018 microdata on the self-assessed wellbeing of the Maltese population collected by the National Statistics Office (NSO) through the Survey on Income and Living Conditions (n=9815). Informed by the extant literature, we first construct a model that is conceptually capable of explaining why different people experience diverse levels of misery and wellbeing including both material and lifestyle conditions. We then synthesize the data capturing life satisfaction in various domains (0-10 scale) and the self-assessed frequency of feeling diverse emotions (0-4) into two distinct factor variables. We employ econometric analysis to forecast these variables as well as two other standard proxies of wellbeing (life-satisfaction and happiness). We find that by far the strongest predictors of misery are the inability to work, material deprivation, illhealth, and poor social interaction. We further observe that higher income is associated with higher life-satisfaction, but not with more happiness. Districts across Malta emerge as powerful predictors of wellbeing, possibly capturing some of the unexplained variance.

KEYWORDS

ECONOMICS, WELLBEING, MISERY, ECONOMETRICS, MALTA, LIFE-SATISFACTION, AFFECT