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# **The subjective well-being political paradox: Evidence from Latin America**

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chapter 16 in: Mariano Rojas (ed.). *The Economics of Happiness: How the Easterlin Paradox Transformed our Understanding of Wellbeing and Progress*. Springer (2019).

## **Abstract**

The subjective well-being political paradox describes the observation that individuals are on average more satisfied with their lives in welfare states than under right-leaning (conservative) governments, which are less likely to promote welfare policies; however, at the individual level, people who identify as leaning politically more to the right show higher levels of life satisfaction than those who describe themselves as leaning to the left. This subjective well-being political paradox has previously been observed in Europe. The present study investigates whether this paradox can also be found across 18 Latin American countries by using data from 9 waves of the Latinobarómetro survey. In addition to life satisfaction, we further consider respondents' self-rated ability to meet their financial needs in a satisfactory manner, which can be seen as a proxy for satisfaction with income. Latin America is an interesting region to study this question because of its political history and the emergence of left-leaning governments during the last fifteen years. We find that people report higher life satisfaction and a better ability to meet their financial needs under left-leaning governments compared to centre and right-leaning governments. In contrast, conservative individuals report higher financial and overall well-being than liberal individuals, which confirms the subjective well-being political paradox that was also found in Europe. Our analysis includes controls for macroeconomic indicators, such as inflation and unemployment rates and GDP per capita as well as socio-demographic factors.

## **Brief resume:**

Dr Anke Plagnol is a Lecturer in Psychology (Behavioural Economics) at City, University of London. Her research is interdisciplinary, drawing on theories and methods from psychology, economics and sociology to investigate people's subjective well-being. She has a PhD in Economics from the University of Southern California, which she completed under the supervision of leading happiness economist Prof Richard Easterlin. After her PhD, she spent several years at the University of Cambridge in the Department of Sociology where she focused on well-being and gender equality. Her current research focuses on women's well-being after they first have children and the consequences for their work lives.

Lucía Macchia is a PhD student in Psychology at City, University of London. For her PhD dissertation she studies the influence of macroeconomic and political circumstances on subjective well-being in Latin American cultures. She has an MSc in Behavioural Economics from City, University of London and a Bachelor in Business Management from Universidad Nacional de La Plata, Argentina.

## 1 Introduction

Richard Easterlin famously asked in 1974 whether economic growth improves the human lot (Easterlin, 1974). His analysis suggested that despite a positive income-happiness relationship *at one point in time*, economic growth is not positively associated with well-being, i.e. the income-happiness association is nil *over time* (an observation which other authors later called the *Easterlin paradox*). Nevertheless, policymakers have long focused on increasing the gross domestic product (GDP) as a good way to improve well-being in a society. The promotion of well-being as the central role of governments was already discussed by Adam Smith and Jeremy Bentham, but how societal well-being can be adequately captured remains a subject of considerable debate. The predominant belief in GDP as an adequate proxy of societal well-being (e.g., Sirgy et al., 2006) is reflected in a number of government policies which emphasise economic growth and incomes. At first, this appears to be a reasonable approach because as other authors apart from Easterlin confirmed GDP is significantly positively associated with subjective well-being (SWB) in the cross-section (e.g., Di Tella, MacCulloch, & Oswald, 2003; Stevenson & Wolfers, 2008). However, the second observation that forms the Easterlin happiness-income paradox - namely the nil relationship between economic growth and well-being - has also been confirmed, both in developed and developing countries (Easterlin et al. 2010).

This observation and other known shortcomings of GDP as a measure of societal progress (e.g., Stiglitz, Sen, & Fitoussi, 2009) put into perspective the way in which societal well-being has traditionally been assessed. Increasingly, policymakers are now advocating the use of subjective well-being measures to assess their citizens' well-being (e.g., Adler & Seligman, 2016; Dolan & White, 2007). However, even if an increased use (or at least proposed use) of subjective well-being measures suggests that subjective well-being is starting to be taken more seriously as a goal of government policies, it needs to be established

whether governments can indeed actively improve their citizens' well-being. Is individual well-being significantly associated with government policies and activities, as proxied by governments' political orientation? Do preferences for certain policies, as reflected in individuals' political orientation, matter for subjective well-being?

The present chapter aims to contribute to the answers to these questions. The aims of our analysis are twofold: we first ask whether average subjective well-being varies significantly under governments with different political orientations. Governments that can be found on the left of the political spectrum typically implement and promote policies that are in stark contrast to governments on the right of the political spectrum. Second, we ask to what extent individual political orientation, which is typically related to preferences for certain policies, is associated with individual subjective well-being. We employ data from Latin America for our analysis.

A study that employed European data identified a new kind of subjective well-being paradox, namely the *subjective well-being political paradox* which describes the observation that individuals are on average more satisfied with their lives when they live in welfare states with higher levels of decommodification, welfare spending, and equality than other countries (usually the result of left-leaning governments); however, at the individual level, people who identify as leaning politically more to the right show higher levels of life satisfaction than those who describe themselves as leaning to the left (Okulicz-Kozaryn, Holmes, & Avery, 2014). By simultaneously considering political orientation at the micro (individual) and macro (government) level, our analysis will demonstrate whether the subjective well-being political paradox can also be found in Latin America - a region with a recent turbulent economic and political past, which differs considerably from Europe in many aspects. For this purpose, we look at a typical subjective well-being measure, namely life satisfaction, as well as a proxy for financial satisfaction; and the association of these two measures with

political orientation at the government and individual level. In contrast to the study by Okulicz-Kozaryn and colleagues (2014), we employ direct measures of the current government's political orientation, whereas they employed three welfare state indicators and a measure of the aggregate of individual political orientation in a country to look at macro-level political orientation. However, it is possible that some welfare indicators are a legacy of previous, maybe more liberal, governments and we therefore prefer a direct measure of the political orientation of the party in power which will better reflect which policies are promoted in the year of the survey. Due to the strong association between a government's political orientation and the policies implemented and favoured by that government, our analysis further contributes to the debate on which type of policies might improve well-being in a society.

Right-leaning and left-leaning governments are located at the two extremes of the political spectrum and their opinions on economic and social policies often differ markedly. While conservative governments often avoid interference in economic decisions and favour the free market, left-leaning (liberal) governments typically aim to formulate policies that address the social needs of the population. For instance, liberal governments often focus on policies which reduce unemployment, increased equality, and improve access to quality healthcare, education and social protection, among other things

Our study focuses on Latin America, a region with considerably less economic, political and democratic stability than Europe during the last decades. For instance, Latin America has long been a volatile region with numerous major episodes of political violence (for an overview see Justino & Martorano, 2018, Table 1). The marked differences between the two regions imply that the existence of the subjective well-being political paradox is not obvious in Latin America. During the 1990s, many Latin American countries implemented conservative policies based on free market principles. After an external debt crisis in 2001,

there was a shift from right-leaning to left-leaning governments and by 2003, left-wing (liberal) political parties were in power in most countries in Latin America. Subsequently, the focus of many government policies changed across the region.

## **2 Background**

Previous studies have shown that people's quality of life can be affected by the functioning of the government as it provides citizens with many services crucial for individual well-being (Frey & Stutzer, 2000; Helliwell & Huang, 2008). For instance, at the individual level, health, education and social capital are positively associated with subjective well-being (e.g., Blanchflower & Oswald, 2004; Putnam, 2000) – these are all domains in which government provision of key services could potentially make a big difference for individual well-being. Indeed, public social spending has previously been found to be an important predictor of different happiness patterns in Latin America (Switek, 2012). Liberal policies often aim to increase equality in a society, for example through access to education. An unequal distribution of income in a society has been found to be negatively associated with subjective well-being (Alesina, Di Tella, & MacCulloch, 2004; Fahey & Smyth, 2004; Schwarze & Härpfer, 2003). In Latin American countries, income inequality is seen as a sign of unfairness as it provides an advantage for the rich; subsequently, it is negatively associated with the happiness of the poor but not of the rich (Graham & Felton, 2006).

Whereas conservative or right-leaning governments typically favour free markets, liberal or left-wing governments tend to play an active role in economic and political decisions in order to promote equality and provide citizens with protection against economic, social and political hardship (Green-Pedersen, 2004). Therefore, the political orientation of a government can be seen as a proxy for the type of policies and the level of intervention in the

provision of services that are potentially beneficial for people's quality of life. Citizens who live in countries with liberal governments, which typically promote policies that aim to improve people's well-being directly instead of indirectly through economic growth, are more likely to report higher subjective well-being than citizens who live in countries led by conservative governments (Bok, 2010; Pacek & Radcliff, 2008; Radcliff, 2001). This observation has been attributed to livability theory which posits that government policies that create better, more livable conditions in a country will lead to higher average subjective well-being (e.g., Okulicz-Kozaryn et al., 2014; Veenhoven & Ehrhardt, 1995). In contrast, at the individual level, conservative individuals tend to report higher subjective well-being than liberal individuals (Napier & Jost, 2008), which may be explained by system justification theory which describes a preference for the status quo and the belief that the political system is fair (for a summary see Okulicz-Kozaryn et al., 2014). In this view, individuals that find themselves more on the right of the political spectrum may report, on average, higher subjective well-being because they find (in their mind) good justifications for social inequalities and other societal factors that are often associated with lower SWB (Napier & Jost, 2008).

As most studies focus on life satisfaction, it remains to be seen whether a government's political orientation is significantly associated with specific domains of subjective well-being. After all, it is possible that government policies affect some domains of life positively while simultaneously decreasing satisfaction in other domains. Our study will partly fill this gap by looking at a proxy for financial satisfaction (in addition to life satisfaction). Financial satisfaction is of course closely related to income, which was the subject of many of the early studies on subjective well-being conducted by economists. Income has been found to be positively associated with subjective well-being, especially, when income helps to cover basic needs (e.g., Oswald, 1997). In some cases, the significant

and positive association between subjective well-being and absolute income only exists in the lower part of the income range (Argyle, 1999). However, once basic needs are met, the relationship between absolute income and subjective well-being is nil as aspirations rise in lockstep with income (Easterlin, 2001). Relative income also matters for subjective well-being (e.g., Blanchflower & Oswald, 2004; Ferrer-i-Carbonell, 2005; Luttmer, 2005; McBride, 2001) as people tend to compare their living standard to that of their peers (Easterlin, 1995).

In the following, we will investigate the existence of the subjective well-being political paradox in Latin America, and then speculate which government policies might contribute to the results found here.

### **3 Methods**

#### *3.1. Data*

We employ data from the Latinobarómetro, an annual opinion survey which includes responses collected in 18 Latin American countries with about 1,000 respondents per country in each survey year (Latinobarómetro Corporation, 2016). The data are repeated cross-sections representative of the population in the majority of the countries in each survey year<sup>1</sup>. Our final sample of 180,069 observations includes all 18 Latin American countries for the 2004-2007 and 2009-2015 survey periods (9 waves). However, only 137,321 of these respondents answered the question concerning their political orientation. We focus on these waves because the answer categories of the life satisfaction measure – one of our main variables – remain constant across these years. Moreover, the survey question appears at the

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<sup>1</sup> Data are representative for all countries except for Chile, Colombia and Paraguay.

very beginning of the questionnaire which avoids potential bias resulting from preceding questions.

### *3.2 Measures*

#### *Dependent variables*

Our analysis employs two dependent variables – one assessing overall life satisfaction and one that can be seen as a proxy for financial satisfaction as it describes the respondent's subjective evaluation of their ability to cover their financial needs in a satisfactory manner. In particular, the survey question asks respondents: "Does the salary you receive and your total family income allow you to cover your needs in a satisfactory manner? Which of the following statements describes your situation? It is sufficient, can save (1); It is just sufficient, doesn't have major problems (2); It is not sufficient, has problems (3); It is not sufficient, has big problems (4)". The four answer categories were reverse coded for the analysis and treated as ordered categorical such that a higher value denotes a better ability to cover one's financial needs. We denote this variables as *Ability to cover financial needs* in the statistical analysis.

Our second dependent variable assesses the respondent's life satisfaction based on the following question: "In general, would you say you are satisfied with your life? Would you say you are very satisfied (1), quite satisfied (2), not very satisfied (3) or not satisfied at all (4)?" This variable was reverse coded such that a higher value denotes a higher level of life satisfaction.

#### *Political orientation*

We employ two measures to assess political orientation in a country both at the government (macro) and individual (micro) level:

*-Respondent's political orientation:* This measure is based on the following question “In politics, people normally speak of ‘left’ and ‘right’. On a scale where 0 is left and 10 is right, where would you place yourself?”. We kept the original coding for our study.

*-Government's political orientation:* The Latinobarómetro does not include a measure indicating the present government's political orientation. We therefore created a variable which indicates whether the government in power at the time of the survey in the respondent's country is considered left wing, centre or right wing. This classification was primarily derived from information from the Database of Political Institutions (Cruz, Keefer, & Scartascini, 2016). Any remaining gaps were filled with information from the Political Database of the Americas (2015), which lists the political party of the president elected in each country in the years used in this study. We also consulted the relevant literature on the topic to confirm the governments' political orientation classification (e.g., Alcántara Sáez & Freidenberg, 2001; Flores-Macías, 2012; Middlebrook, 2000).

#### *Additional measures*

We further included three macroeconomic indicators for each country which have previously been found to be associated with subjective well-being: the unemployment rate (% of total labour force), the inflation rate (GDP deflator, annual %), and the log of gross domestic product (GPD) per capita (in constant 2010 US\$)<sup>2</sup>. These measures were obtained from the World Bank (2017). Both the unemployment rate and the inflation rate typically show a negative relationship with subjective well-being (Clark & Oswald, 1994; Di Tella & MacCulloch, 2001).

We further account for socio-demographic variables, such as age, gender, education, employment and socioeconomic status. As previous research suggests that subjective well-

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<sup>2</sup> Inflation rate and GDP per capita data are not available for Venezuela in 2015.

being is U-shaped in age (e.g., Blanchflower & Oswald, 2008; Frijters & Beatton, 2012; Graham & Pettinato, 2001), we model age as non-linear by including both age and age squared. Gender is included as a control variable as women tend to report higher subjective well-being than men (Alesina et al., 2004). We include a number of employment status categories with 'self-employed' as the reference category in the statistical models as it presents the largest share of respondents. The informal employment sector – which is likely captured by the 'self-employed' category – is large in Latin America but recent research has shown that informal labour status is not necessarily associated with political attitudes (Baker & Velasco-Guachalla, 2018). Previous studies have found unemployment to be negatively associated with subjective well-being (e.g., Clark, 2003; Clark & Oswald, 1994; Winkelmann & Winkelmann, 1998). Education (e.g., Blanchflower & Oswald, 2004) and income (e.g., Oswald, 1997) are both usually positively associated with subjective well-being. We include the respondent's socioeconomic status as estimated by the interviewer as a proxy for household income as the Latinobarómetro does not provide a direct measure of the respondent's income. Table 1 shows summary statistics of the variables included in the analysis.

**Table 1: Summary statistics**

<i>Variable</i>	<i>N</i>	<i>Mean</i>	<i>St. Dev.</i>	<i>Min</i>	<i>Max</i>
Ability to cover financial needs	176,153	2.436	0.842	1	4
Life satisfaction	179,278	2.989	0.839	1	4
<b><i>Government's political orientation</i></b>					
Left	180,069	0.550	0.497	0	1
Centre	180,069	0.229	0.420	0	1
Right	180,069	0.221	0.415	0	1
Respondent's political orientation (left = 0; right = 10)	137,321	5.365	2.658	0	10
Unemployment rate	180,069	7.023	3.129	1.80	18.40
Inflation rate	178,869	7.734	7.511	-4.62	45.94
Log of GDP per capita	178,869	8.611	0.662	7.241	9.593

Male	180,069	0.485	0.500	0	1
Age	180,069	39.997	16.359	18	99
<b><i>Level of education</i></b>					
Without education	180,069	0.097	0.297	0	1
Between 1 and 6 years	180,069	0.308	0.461	0	1
Between 7 and 12 years	180,069	0.402	0.490	0	1
High school/academies/Incomplete technical training	180,069	0.021	0.143	0	1
High school/academies/Complete technical training	180,069	0.040	0.196	0	1
Incomplete university	180,069	0.071	0.257	0	1
Complete university	180,069	0.061	0.239	0	1
<b><i>Employment status</i></b>					
Self-employed	180,069	0.323	0.467	0	1
Temporarily out of work	180,069	0.060	0.237	0	1
Don't work / responsible for shopping and house work	180,069	0.234	0.406	0	1
Salaried employee in a private company	180,069	0.076	0.265	0	1
Salaried employee in a public company	180,069	0.178	0.383	0	1
Student	180,069	0.061	0.240	0	1
Retired	180,069	0.068	0.251	0	1
Socioeconomic status	180,063	3.279	0.896	1	5

### 3.3 Analytical strategy

We run ordered logit regressions as our two dependent variables are ordered categorical. Ordinary least squares regressions (OLS) yield the same substantive results, suggesting that our results are robust to methodology. We also include country and year fixed effects to account for unobserved variables related to the year of the survey and the country in which the respondent lives.

## 4 Results

Does the subjective well-being political paradox also exist in Latin America? Our regression analysis suggests that people who live in a country where the ruling political party can be classified as left-leaning report a better ability to cover their financial needs and higher

life satisfaction than people who live in a country with a centre or right-leaning government (Table 2). However, in the life satisfaction regression, the coefficient for right-leaning governments is small and only significant at the 10% level. A larger difference can be observed between the life satisfaction of individuals in countries with a left-leaning or centre government. We test the hypothesis that the coefficients for centre and right-leaning governments are identical and find that they are in fact significantly different from each other; i.e., respondents who live in countries with right-leaning governments report better outcomes for both dependent variables than those living under governments that can be found in the centre of the political spectrum.

We do find evidence for the well-being political paradox in Latin America. At the individual level, right-leaning individuals rate, on average, their ability to cover their financial needs and their life satisfaction higher than left-leaning individuals. In all our regressions, we account for gender, age, education, employment status and socioeconomic status as well as three important economic indicators, namely the log of GDP per capita, the unemployment rate and the inflation rate.

**Table 2: Ordered logit regressions for Ability to cover financial needs and Life satisfaction**

	<i>Dependent variable</i>	
	Ability to cover financial needs	Life satisfaction
<i>Government's political orientation (ref: left)</i>		
Centre	-0.326*** (0.022)	-0.146*** (0.021)
Right	-0.124*** (0.022)	-0.042* (0.022)
Respondent's political orientation (left = 0; right = 10)	0.004** (0.002)	0.024*** (0.002)
Log of GDP per capita	1.198*** (0.009)	1.352*** (0.021)

Unemployment rate	-0.035*** (0.004)	0.011*** (0.004)
Inflation rate	0.005*** (0.001)	-0.008*** (0.001)
Male	0.157*** (0.012)	0.018 (0.011)
Age	-0.043*** (0.002)	-0.029*** (0.002)
Age squared/100	0.040*** (0.002)	0.027*** (0.002)
<i>Level of education</i> (ref: no education)		
Between 1 and 6 years	0.159*** (0.021)	-0.017 (0.022)
Between 7 and 12 years	0.466*** (0.022)	0.025 (0.022)
High school/academies/ Incomplete technical training	0.610*** (0.041)	0.192** (0.041)
High school/academies/ Complete technical training	0.667*** (0.034)	0.115*** (0.033)
Incomplete university	0.749*** (0.029)	0.118*** (0.029)
Complete university	1.009*** (0.030)	0.219*** (0.030)
<i>Employment status</i> (ref: self-employed)		
Temporarily out of work	-0.515*** (0.023)	-0.216*** (0.023)
Don't work / responsible for shopping and house work	-0.142*** (0.016)	0.042*** (0.016)
Salaried employee in a private company	0.120*** (0.016)	0.053*** (0.015)
Salaried employee in a public company	0.106*** (0.021)	0.168*** (0.020)
Student	0.119*** (0.026)	0.084*** (0.026)
Retired	0.001 (0.026)	0.065** (0.026)
Socioeconomic status	0.654*** (0.006)	0.176*** (0.007)
Financial ability to cover one's needs	-	0.355*** (0.007)
Country fixed effects	Included	Included
Year fixed effects	Included	Included
N	133,605	133,163
Pseudo R <sup>2</sup>	0.203	0.132

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*Note:* \* $p < 0.1$ ; \*\* $p < 0.05$ ; \*\*\* $p < 0.01$ . Standard errors in parenthesis. Observations from 18 Latin American countries were included from 2004 to 2015 (except 2008). Cut points (standard errors) are 3.138 (0.027); 5.534 (0.029); 7.505 (0.031) for life satisfaction; 17.520 (0.028); 19.625 (0.029); 22.224 (0.031) for ability to cover financial needs.

The life satisfaction regression further includes the subjective ability to cover one's financial needs as a control due to its close association with people's personal income. We find that the log of GDP per capita is significantly positively associated with both dependent variables.

The unemployment rate is significantly negatively associated with the ability to cover financial needs and significantly positively associated with life satisfaction. In contrast, the inflation rate is significantly positively associated with the ability to cover financial needs but significantly negatively associated with life satisfaction.

Men rate their ability to cover financial needs and life satisfaction higher than women. The negative coefficient of age and the positive coefficient of age-squared in both regressions confirms the U-shape in age that has been found in previous studies. People with higher levels of education report a better ability to cover their financial needs and higher satisfaction with their lives than people with no education. Only those who are temporarily out of work struggle more to cover their financial needs and report lower life satisfaction than self-employed individuals in both regressions. All other employment categories (except for 'Don't work / responsible for shopping and house work' in the first regression in Table 2) report a better ability to cover their financial needs and higher life satisfaction than self-employed individuals, suggesting that self-employment may be associated with jobs of low quality in Latin America. Finally, socioeconomic status is significantly positively associated with ability to cover financial needs and life satisfaction. The association between our two main variables of interest is significant and positive: people who report a better ability to cover their financial needs report, on average, higher levels of life satisfaction (Table 2, model 2).

## 5 Discussion and conclusion

We used data from the Latinobarómetro collected between 2004-2007 and 2009-2015 (9 survey years) across 18 Latin American countries to examine whether the subjective well-being political paradox that has previously been observed in Europe can also be found in Latin America. Do political inclinations show different associations with subjective well-being at the individual (micro) and government (macro) level? We employed two measures to assess subjective well-being: life satisfaction and the self-reported ability to cover financial needs in a satisfactory manner, which can be seen as a proxy for financial satisfaction – a domain satisfaction measure.

We find that people who live in a country with a left-leaning government report, on average, a better ability to cover financial needs and higher life satisfaction than people who live in a country with a right-leaning or centre government. In contrast, individuals who describe themselves as more right-leaning tend to report higher levels of life satisfaction and ability to cover their financial needs. These results are obtained after controlling for age, gender, level of education, employment and socioeconomic status and three macroeconomic indicators. The individual-level association between conservative values and subjective well-being should therefore not be driven by the potentially more privileged background of right-leaning respondents. The ability to cover financial needs is significantly positively associated with life satisfaction – a result that is consistent with the subjective well-being literature which usually finds a positive income-subjective well-being association at one point in time (however, not for the same individuals or countries over time, as was famously reported by Richard Easterlin in 1974).

At the macro level, the government's political orientation can be seen as a proxy for the policies that left, centre and right-leaning ruling parties typically favour. Our findings

suggest that with respect to financial and overall subjective well-being, individuals tend to fare better under left-leaning governments. It is possible that the policies favoured by left-leaning governments exert a positive influence on various domains of life that are important for subjective well-being; other than simply people's income. Indeed, previous research has shown that attainments in non-pecuniary life domains, such as family life and health, are likely more important for long-term subjective well-being than in the financial domain (e.g., Plagnol & Easterlin, 2008). While individuals often adapt rather quickly to changes in income with respect to subjective well-being (Easterlin, 2001), this is not the case for changes in relationships, for example through divorce and widowhood (e.g., Lucas, 2005; Lucas, Clark, Georgellis, & Diener, 2003), changes in health status (e.g., Oswald & Powdthavee, 2008), or unemployment (e.g., Winkelmann & Winkelmann, 1998).

It is possible that left-leaning governments are more likely to provide the services that are crucial for people's quality of life and that this is in turn reflected in their higher subjective well-being. For example, policies that aim to reduce unemployment, promote domestic production and incentivise people to set up their own businesses likely improve income and steady employment and, thus, exert a positive influence on people's ability to cover their financial needs - the domain satisfaction measure in our analysis. Moreover, left-leaning governments are more likely than other types of ruling parties to address social needs such as access to good quality education, healthcare and social protection; all of which are likely to be positively associated with life satisfaction.

Several limitations of our study should be addressed in future research. The Latinobarómetro data are cross-sectional and thus do not allow us to establish the direction of causality of the relationships observed in the analysis. The use of panel data and experimental research might strengthen the results found in this study. However, to the best of our knowledge, such data are not currently available for Latin America. Moreover, most of our

measures are self-reported and thus potentially suffer from social desirability bias and other drawbacks of subjective measures.

Our study thus provides a preliminary picture of the association between political orientations and individual subjective well-being in Latin America, which suggests that individuals fare better with liberal policies. However, those who are least likely to vote for left-leaning political parties – i.e. those who report right-leaning political inclinations – tend to report higher subjective well-being than self-described left-leaning individuals. Maybe these respondents are already living a comfortable life and are therefore not in need of liberal policies. We tried to address this possibility through the inclusion of suitable control variables (i.e., education, socioeconomic status, employment status) but it is possible that the measures we employed do not fully capture socio-economic differences between respondents. Overall, we conclude that the subjective well-being political paradox can also be observed in Latin America.

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