



Empirical Analysis

- Estimate effects of own TV consumption on individual life satisfaction
 - Controlling for many individual socio-economic characteristics and country-fixed effects
- Direction of causality?
 - Differentiated hypothesis necessary
 - High and low opportunity costs of time
 - Flexibility of working hours
 - Unemployed/retirees versus managers/persons in high positions



Data

- European Social Survey 2002/2003
 - Cross-sectional survey in 22 countries
 - Over 40'000 observations
 - TV consumption: „8 categories from „no time at all“ to „more than 3 hours“
 - Life satisfaction: scale from 0 „extremely unsatisfied“ to 10 „extremely satisfied“
 - Working hours, age, gender, income, citizenship, employment status, education, marital status, area of living



Television Consumption and Life Satisfaction (1)

<i>Dependent variable:</i>		OLS		Ordered probit	
Life satisfaction		Coefficient	t-value	Coefficient	t-value
TV	No TV at all	-0.110	-1.56	-0.013	-0.36
	Less than 0.5 hour TV	Reference group			
	0.5 to 1.5 hours TV	-0.101 *	-2.18	-0.058 *	-2.49
	More than 1.5 to 2.5 hours TV	-0.101 *	-2.14	-0.067 **	-2.86
	More than 2.5 hours TV	-0.183 **	-3.84	-0.091 **	-3.82
Time	Working hours	0.005	1.43	0.001	0.86
	Working hours, squared	-0.00008 *	-2.33	-0.00003 (*)	-1.70
Income	In (household income, PPP)	0.362 **	21.36	0.160 **	18.89
Age	Age	-0.068 **	-16.72	-0.033 **	-16.37
	Age, squared	0.0007 **	16.99	0.0003 **	16.76
Gender	Male	Reference group			
	Female	0.136 **	6.16	0.081 **	7.36
Citizen-ship	Foreigner	Reference group			
	Citizen of country	0.332 **	6.04	0.158 **	5.74
	Married, with partner	Reference group			
	Married, without partner	-0.914 **	-5.64	-0.409 **	-5.08
	Separated, with partner	-0.407 *	-2.09	-0.212 *	-2.20



Television Consumption and Life Satisfaction (2)

		<i>Continuation</i>			
Family	Separated, without partner	-0.950 **	-10.17	-0.466 **	-10.06
	Divorced, with partner	-0.337 **	-4.07	-0.180 **	-4.37
	Divorced, without partner	-0.605 **	-12.15	-0.291 **	-11.77
	Widowed, with partner	-0.363 *	-2.32	-0.172 *	-2.20
	Widowed, without partner	-0.539 **	-11.98	-0.264 **	-11.80
	Single, with partner	-0.262 **	-5.48	-0.135 **	-5.64
	Single, without partner	-0.528 **	-13.99	-0.275 **	-14.61
	No children at home		Reference group		
Education	Children living at home	-0.200 **	-6.44	-0.103 **	-6.65
	Not completed primary education	-0.479 **	-8.06	-0.223 **	-7.57
	Primary or first stage of basic education		Reference group		
	Lower secondary or second stage of basic education	0.097 **	2.59	0.045 *	2.44
	Upper secondary education	0.191 **	5.13	0.075 **	4.01
	Post secondary, non-tertiary education	0.333 **	6.73	0.130 **	5.27
	First stage of tertiary education	0.325 **	7.32	0.126 **	5.70
	Second stage of tertiary education	0.400 **	7.27	0.141 **	5.16
Work	Paid work, employed		Reference group		
	Paid work, self-employed	0.034	0.80	0.023	1.10



Television Consumption and Life Satisfaction (3)

Continuation

Employment status	Unemployed, looking for a job	-1.112 **	-11.19	-0.485 **	-9.82
	Unemployed, not looking for a job	-0.658 **	-5.68	-0.292 **	-5.07
	Education	0.341 **	3.73	0.140 **	3.08
	Permanently sick or disabled	-1.066 **	-9.99	-0.478 **	-9.02
	Retired	0.024	0.28	0.013	0.30
	Community or military service	0.344 (*)	1.75	0.164 (*)	1.67
	Housework, looking after children	-0.014	-0.17	0.002	0.04
Area of living	Big city		Reference group		
	Suburbs	-0.020	-0.56	-0.002	-0.11
	Town, small city	0.037	1.20	0.025	1.64
	Country village	0.151 **	4.85	0.080 **	5.16
	Farm, home in countryside	0.232 **	4.62	0.128 **	5.09
Country-fixed effects		Yes		Yes	
Constant	5.854 **	28.42			
Observations		42,021		42,021	
R ² / Pseudo R ²		0.18		0.04	

Notes:

(1) ** significant on 99% level, * significant on 95% level, (*) significant on 90% level.

(2) Variable for household size and dummy variables for highest income category and for the different countries are not shown. Dummy variables for missing observations for income, household size, working hours, gender, marital status, children, education, employment status, and citizenship are not shown as well.

Data Source: European Social Survey, World Development Indicators



Television Consumption and Life Satisfaction (1)

TV
consumption

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Working hours, squared	-0.00008 *	-2.33	-0.00003 (*)	-1.70	
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Opportunity Costs of Time

Dependent variable: <i>Life satisfaction</i>	Flexibility of working hours as distinction criteria		Employment status / profession as distinction criteria	
	high opportunity costs of time	low opportunity costs of time	high opportunity costs of time	low opportunity costs of time
No TV at all	-0.355 [*] (-2.33)	0.056 (0.33)	-0.238 (-1.58)	-0.251 (-1.24)
Less than 0.5 hours TV	Reference group			
0.5 to 1.5 hours TV	-0.328 ^{**} (-3.59)	-0.072 (-0.69)	-0.074 (-0.80)	-0.105 (-0.70)
More than 1.5 to 2.5 hours TV	-0.339 ^{**} (-3.62)	-0.041 (-0.38)	-0.229 [*] (-2.38)	0.052 (0.35)
More than 2.5 hours TV	-0.377 ^{**} (-3.78)	-0.140 (-1.28)	-0.389 ^{**} (-3.76)	-0.012 (-0.08)
Socio-demographic charact.	Yes	Yes	Yes	Yes
Country-fixed effects	Yes	Yes	Yes	Yes
Constant	6.203 ^{**} (12.39)	5.410 ^{**} (10.45)	6.203 ^{**} (10.94)	6.919 ^{**} (11.93)
Observations	6,460	7,062	5,950	8,974
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Concluding Remarks

- Individuals who watch more TV report *ceteris paribus* lower life satisfaction
 - Both directions of causality theoretically possible
- Different effects for groups with different opportunity costs of time are consistent with the hypothesis of self-control problems
 - Groups with high opportunity costs suffer utility loss according to their own evaluations