Chinese public's life satisfaction and environmental quality

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Outline

- * China's development and the environment
- Does Chinese public satisfy with their life: evidence from four regions
- * What makes Chinese public happy?
- * Implications for development policy

China's Economic Growth and People's Income

- GDP annual growth rate
- per capita disposable income growth for urban residents
- per capita net income growth for rural residents



Data source: NSB (from 2001-2013)

Quality of Development

The inclusive wealth index (IWI)

- accounting natural capital (e.g. <u>forests</u>, <u>fisheries</u>, <u>fossil fuels</u>, <u>minerals</u>, and agricultural land), Chinese economies only increased by 45% from 1990-2008 (IWI, 2012, IHDP and UNU).
- In 2011 alone, natural disasters including heavy storms, flood, typhoons affected 430 million people and caused direct economic losses of 309.6 billion yuan RMB (NDRC, 2012).
- Welfare impact to the Chinese economy of ozone and particulate-matte concentrations above background levels increased from US\$22 billion in 1975 to US\$112 billion in 2005 (1997 US\$) (Matus et al., 2012).
- The total annual cost of resource and environmental degradation (the assessment took account not only of air and water pollution, but also of resource consumption and ecological degradation) amounted to 13.5% of GDP in 2005 (Chinese Academy of Science, 2009).

Evidence from the Public: Life Satisfaction and Environmental Quality



Data collected in 2011

- Face-to-face interviews
- Beijing, Shanghai, Shandong, Fujian
- Total 1650 valid questionnaires
- Average age of participants: 33.52











"All things considered, overall how satisfied are you with your life as a whole currently?" The response categories range from 1 to 10 with 1 being "very dissatisfied" and 10 being "very satisfied".

Chinese respondents' life satisfaction over regions and time

2010 Survey in this research	Observations	Mean	Std. Deviation
Total Sample	1650	6.52	1.97588
Shanghai	296	6.32	2.02736
Beijing	394	6.99	1.70237
Shandong	429	6.18	2.19663
Fujian	531	6.56	1.87982
WVS	Observations	Mean	
1990	1000	7.29	
1995	1500	6.83	
2001	1000	6.53	
2007	1991	6.76	

Data source: World Value Survey(2007)

What Determines Chinese Public's Life Satisfaction?

- Education is found positively and significantly impact on people's life satisfaction
 - Those who have good education background were happier than less educated people
- * Age also affects people's life satisfaction
 - * Young and old respondents were more satisfied with their life than middle-aged group
- * Gender is a significant factor to affect Chinese people's life satisfaction
 - male respondents were less satisfied with their current life than female respondents
- * Married people were happier than those unmarried, people with political beliefs were happier than those without political orientation
 - Political orientation and marital status showed no significant impact on life satisfaction

Important Determinants

Material Life

- * House ownership: those who own a house were happier
- * Car ownership: those who own a car were happier
- * Environmental degradation lowers individuals' life satisfaction
 - * This research confirmed that respondents' perceived overall environmental quality negatively and significantly impact their life satisfaction
 - * SO₂ level significantly and negatively impact on individuals' life satisfaction
- * Urban residents are happier than rural residents for this current life
 - * Living in urban in China means better education, career opportunity...
- * Income: significantly and positively contribute to life satisfaction
 - * Higher incomers showed significantly higher level of life satisfaction

What the Results Tell Us?

- * GDP as a single import measure: no longer reflecting the true situations of economic development
- If the goal of China's development focuses on meeting people's increased demand for a better life
 - * GDP driven growth is not sustainable for economy, the environment, and society
- * Integrated life satisfaction into the wellbeing evaluation to grasp people's feelings
 - * Index of Human Well-Being(IWB)
 - * basic human needs
 - * environmental needs
 - * economic measures
 - * happiness (Jordan et al.,2010)

Policy Implications

- * How to provide affordable house for the public while protecting limited land resources?
- * How to resolve the conflict of increased car ownership and improving environmental quality?
- * What is suitable ways for China to take for speeding its urbanization processing?



Thank you for your attention!