

Background

Transition from working life to retirement has been associated with different consequences in past research. Increasing, decreasing or adjusting life satisfaction has been found for different population groups.

Higher education, occupational status or income have been predictors of better overall well-being of pre-retired population (Gallo et al. 2006). But is this advantage also pertaining into retirement?

Scarring effect denotes the influence of past unemployment on one's career chances. However, unemployment has also an impact on well-being. Some of it wears off, but for example for lower educated groups the effect of unemployment is more long-term (Mandemakers & Monden 2013). Does the experience of unemployment influence life satisfaction even after retirement transition?

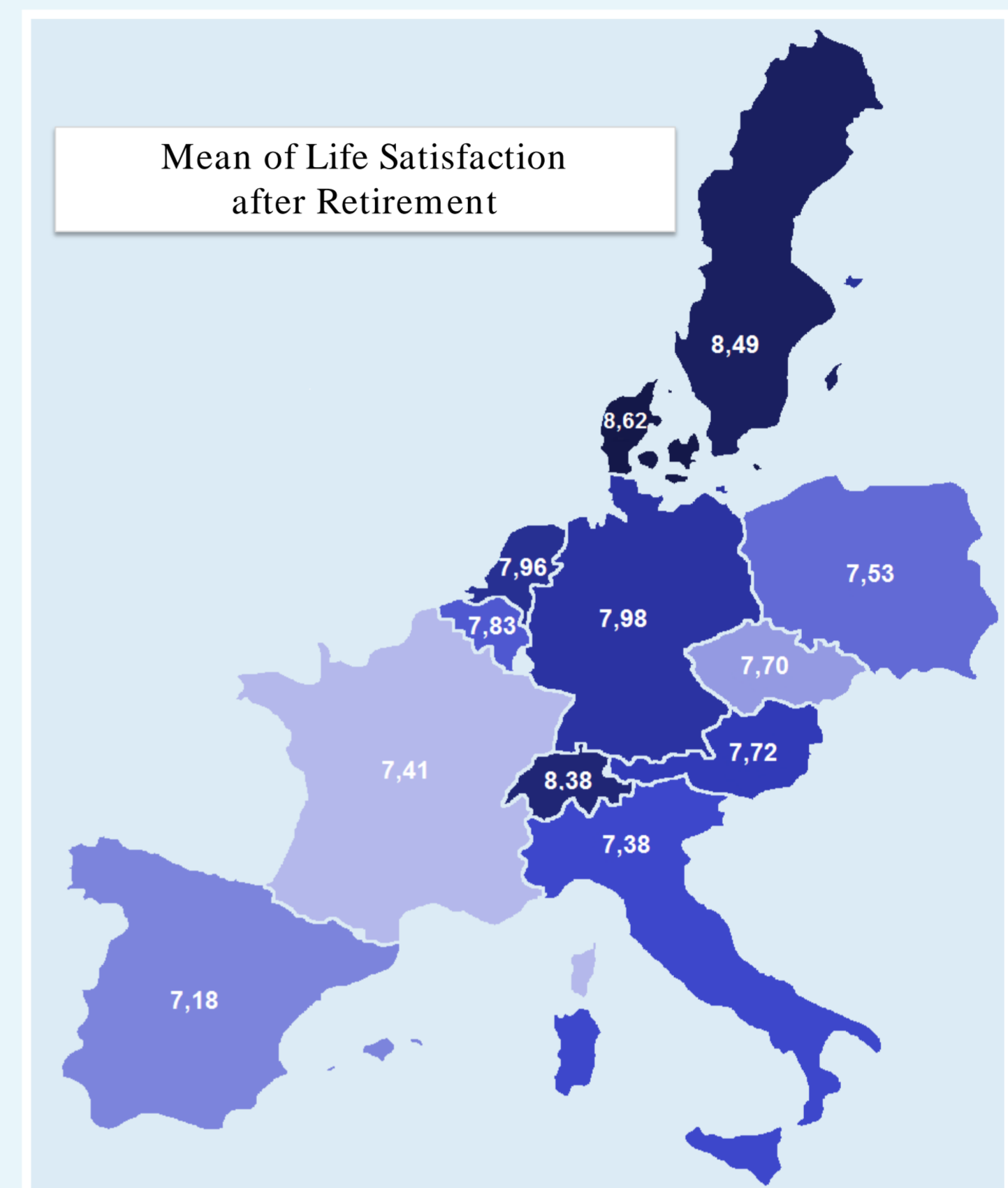
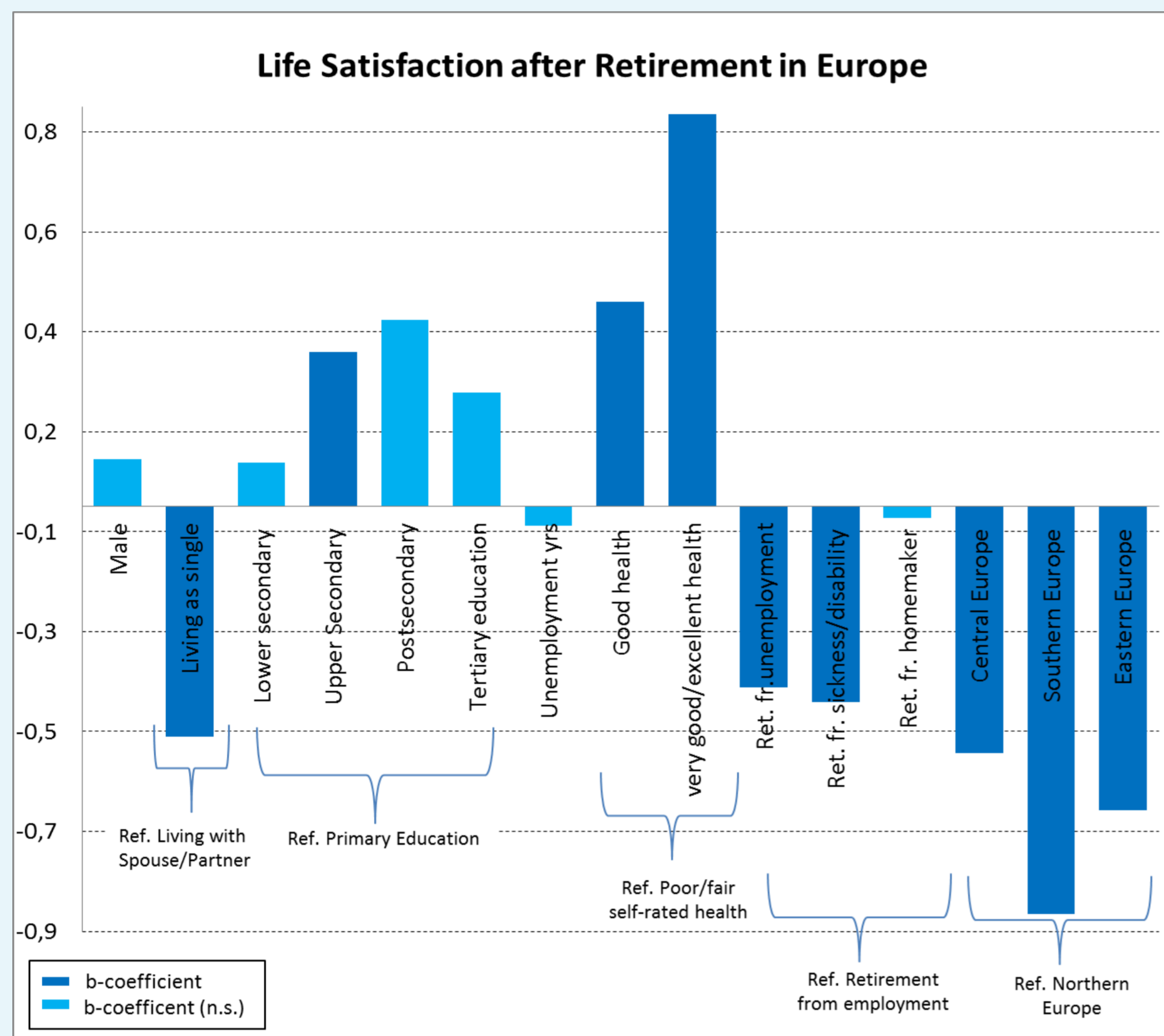
Data and Method

Survey of Health, Ageing and Retirement in Europe (SHARE)

- Wave 1 (2004/ 05), Wave 2 (2006/ 07), Wave 4 (2011/ 12), Job Episode Panel
- 12 countries (AT, DE, NL, BE, SE, FR, IT, ES, PL, CZ, CH, DK)
- DV: Life Satisfaction (0-11)
- Sample: retired in between two waves (age 50-80)
- Linear regression of life satisfaction after the entry to retirement
- N=1994

Health and Retirement Survey (HRS)

- Wave L (2008), Wave M (2010)
- United States of America
- DV: Life Satisfaction (ordinal, not at all satisfied to completely satisfied)
- Sample: retired in between the two waves (age 50-80)
- Ordinal regression of life satisfaction after the entry to retirement
- N=1296

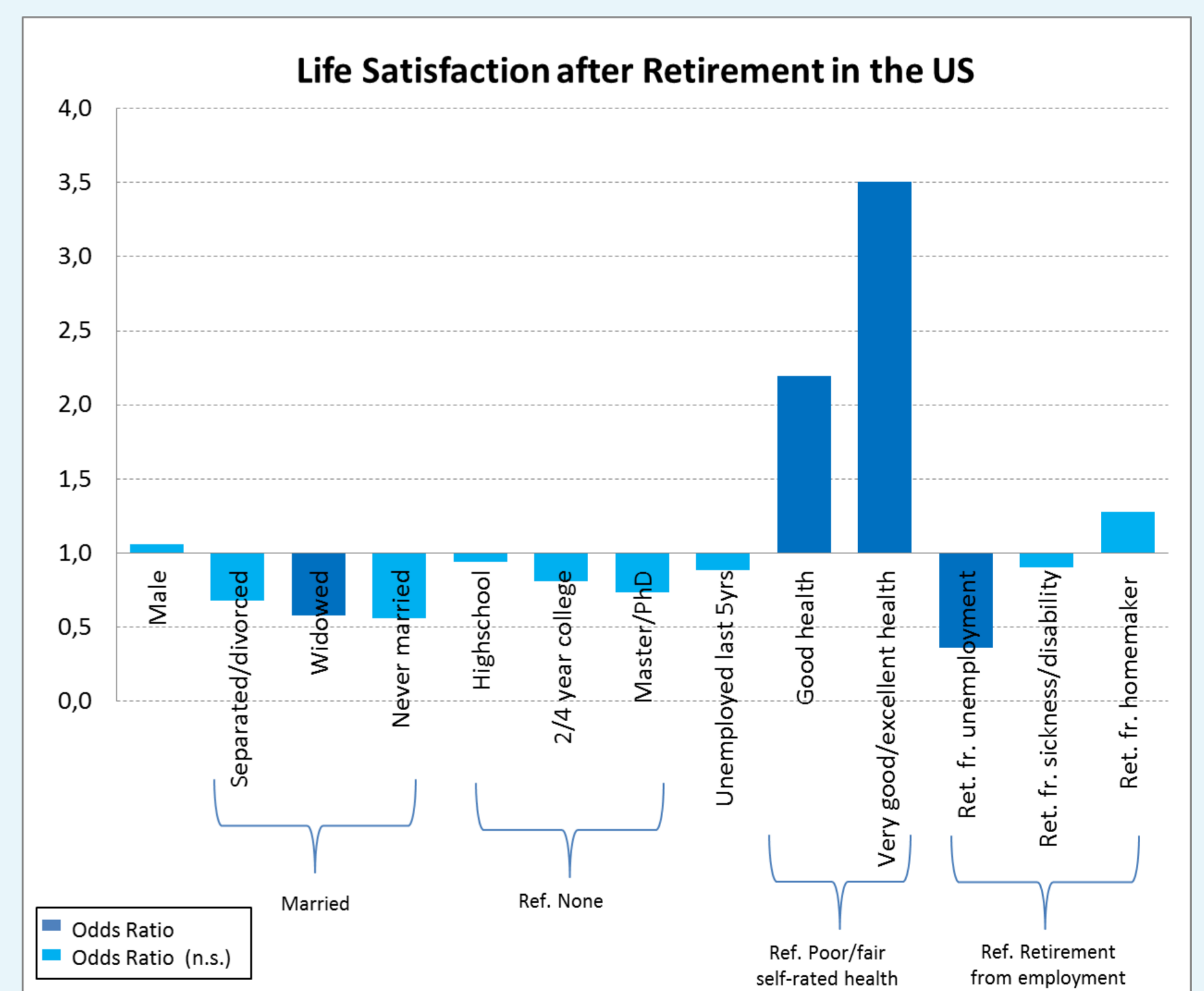


Results

In the analysis of the life satisfaction after retirement several influencing factors have been identified. The analyses have been conducted separately for the SHARE data set and the HRS for the US. The sample consisted of participants who were in the labour market or non-employed on the first observed wave and retired in the following survey wave.

The aim of the study was to examine the effect of social inequality on life satisfaction after entering retirement as well the inquiry of a scarring effect. An impact of education and unemployment experience on life satisfaction after retirement was found in the European SHARE countries. It suggests that, in comparison to primary education, upper secondary education leads to more life satisfaction. Retirees, who have been unemployed or sick before retirement have less life satisfaction in comparison to those retiring from labour force. Being a single leads to less life satisfaction as well living in other areas but Northern Europe.

For the US some similar results can be observed. Retiring from an unemployed status decreases the odds of the perception of a *completely satisfied* life. This applies also to widowhood. Being in good health increases the odds of a higher life satisfaction. Even when controlling for gender differences, marital status and the self-rated health status the negative effect of unemployment persists, although individuals are already in retirement.



Discussion

The analysis showed a positive effect of education in Europe and a stable negative effect of unemployment. Therefore scarring has still an effect in retirement, decreasing the overall life satisfaction even when employment situation doesn't matter anymore.

This has an impact on our perception of the influence of work life on well-being in general and its duration beyond working age. There is indeed an impact of work experience in the life course on retirement. For the future it would be interesting to research on socioeconomic differences on retirement, for example the working sector, type of work and income.

Literature

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