

# **Well-being over the life span: semiparametric evidence from British and German longitudinal data**

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## **Abstract**

This paper applies semiparametric regression models using penalized splines to investigate the profile of well-being over the life span. Using data from the British Household Panel Survey (BHPS) and the German Socio-Economic Panel Study (SOEP), the analysis shows a common, quite similar, age-specific pattern of life satisfaction for both Britain and Germany that can be characterized by three age stages. Our analysis discusses the indistinguishability of age, period, and cohort effects: we propose estimating age-period models that control for cohort effects including substantive variables, such as the life expectancy of the birth cohort, and further observed socioeconomic characteristics in the regression.

Keywords: subjective well-being, life satisfaction, semiparametric regression, penalized splines, age-period model, age-cohort model

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