

# Regional Socio-Economical Conditions and Individual Satisfaction

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In an earlier paper on the basis of the SOEP-wave of 2000 the authors showed that life and health satisfaction in Germany is dependent on the regional unemployment rate (Grözinger/Matiaske 2004). The study was based on the 97 'Raumordnungsregionen', a very appropriate level of analysis for economic geography questions. The influence on satisfaction was negative, strong and did even apply to persons with tenure. Therefore, it could not fully be explained by personal fear of getting dismissed.

Now we want to extend the analysis not only to newer data and include the dimension of work satisfaction. We especially want to have a look at other aggregate variables, usually thought of as additional signs of social disruption, e.g. regional welfare intensity ('Sozialhilfedichte'). Here we find a paradoxical effect: whereas regional unemployment shows again the expected negative sign, regional welfare intensity seems to exert a positive influence on the well-being of individuals.

In order to explain this surprising outcome we will discuss the properties of regional areas in Germany, where still noticeable east-west-differences and urban-rural patterns of life-styles mingle.