

Call for papers. One-day workshop on:
Institutions, Inequality, and (Un)Happiness

To be held: 19 June, 2023 – SSEES, UCL London, UK

On behalf of the Friday Association for Institutional Studies (a collective including members of the Birkbeck Centre for Political Economy and Institutional Studies (CPEIS), the Centre for Comparative Studies of Emerging Economies at the School of Slavonic and East European Studies (SSEES UCL) and the Institute for International Management at Loughborough University London, we are pleased to announce the following call for contributions for its 5th London Workshop on Institutional Issues.

Theme:

Happiness, as an explicit measure of wellbeing, good institutional quality, as a pillar of development, and low level of inequality, as a driver of social harmony are all increasingly seen as important metrics of societal success. With this call, we aim to invite researchers from any social science discipline to submit their research engaging with at least 2 of these notions to contribute to a critical and constructive debate on their complex interrelations and their relevance to our understand of development in a broad sense.

During the first two decades of the 21st century, inequality has become a political buzzword and an increasingly prominent topic for academic research (e.g. Piketty, 2013, Pistor 2019, Milanovic 2019). The relationship between economic and political inequality and societal and individual outcomes, such as happiness and life satisfaction, has kept scholars across various disciplines busy. Institutions, it turns out, often play a key role in many of these studies, but a lot remains to be clarified about the complex relationships between all the above aspects.

Inequality, for instance, can be viewed from a social deprivation perspective as having a significant impact on individual and societal happiness. Income shapes individuals' and households' lives by creating opportunities of “choice” (Sen 1970), as opposed to being bound to poverty and the cage of lack of such liberty. Citizens living in richer and institutionally more advanced countries tend to be happier (Clark, 2018; Di Tella & MacCulloch, 2008; Easterlin et al., 2010), confirming the positive association between income and subjective wellbeing (Ferrer-i-Carbonell, 2005; Flèche, S., & Layard 2017). However, an individual's income is only one of the several determinants of happiness and life satisfaction (Flèche, S., & Layard 2017) as other factors such as the distribution of resources or institutional quality might impact individuals' self-evaluation of their live conditions (Amini and Douarin 2020; Christoph 2010).

Specifically, explicit criticism has been made to the assumption that a rise in income can be a primary driver of happiness (Schimmel 2009). However, unlike income, inequality is a comparative measure, looking at the distribution of resources within a specific socio-economic context. Individuals tend to compare their economic and living conditions to fellow citizens within their surrounding environment. This may mean that in context where nearly everyone experiences a rise in income, those experiencing a relatively lower pace of improvement may feel deprived vis-à-vis their neighbours (Djankov et al. 2016; Nikolova 2016); while rising inequality can be interpreted as either negative, due to increase disparities, or positive, if it is interpreted as an opening of opportunities (Grosfeld and Senik, 2010; Hirschman and Rothschild, 1973).

Recent works have also focused on the relationship between life satisfaction and institutions, being formal or informal (Bjørnskov et al. 2010; Nikolova and Nikolaev 2017; Nikolova, Popova and Otrachshenko 2023). Evidence suggests that better political institutions which can guarantee compliance with the rule of law (Nikolova 2016) and reduce corruption (Amini and Douarin 2020) may increase happiness, while living in an institutional context that is markedly different from one's own preferences reduces life satisfaction (Hadsell and Jones, 2020). Life satisfaction is also a crucial cognitive aspect driving individuals to be more civically engaged (Güven 2011) and to be more averse to rent-seeking behaviours such as corruption (Andriani and Ashyrov 2022). Shedding lights on the mechanisms linking happiness and institutions might enhance our understanding of citizens' revealed preferences in terms of institutional compliance as well as in terms of individuals' contribution to the welfare of the society where they live.

While institutions influence inequality, the converse is true as well. Thus, inequality impacts the quality and stability of political regimes. Political scientists have found that income inequality may be one driver for support for anti-system populist parties, although the precise mechanism for this association is not clear (Stoetzler et al., 2023). Indeed, the relationship between inequality and institutions is a complex one. For instance, the relationship between inequality and institutional quality may be a 'double causality' (Chong & Gradstein, 2004), with initial income and political inequality affecting institutional quality, reinforcing inequality. Some have also demonstrated that citizens' tolerance for inequality is mediated through institutional quality, with good governance being associated with a greater perception of inequality as possibly fair (Brock, 2020). Moreover, there is evidence that inequality can lead to institutional change that establishes exploitative political systems, which redistribute in favour of the dominant class (Savoia et al., 2010).

Inequality is also associated not just with political institutions, but also with various economic institutions. For example, the financialisation of Western economies – i.e. the expansion of the financial sector and increasing dominance of a ‘financial logic’ even in non-financial corporations (Pistor 2019)– is commonly considered a key driver of increased income and wealth inequality, as the decline of the labour share and the increase of wages’ inequality (Autor et al. 2017 2020; Schweltnus et al. 2018). However, political economists have also found that institutions play an important moderating role. For instance, countries where labour power is more strongly institutionalised experience a less marked increase in inequality than countries with weak labour (Huber et al., 2022). Indeed, changes in institutional arrangements of collective bargaining have been shown to lead to changing power relations between trade unions and employers, which in turn affects the extent to which inequality increases in a country during industrial transformation (Benassi et al., 2016).

In short, inequality, institutional quality and life satisfaction are inter-connected, related, mediated, associated in many ways, and we propose to explore and embrace that diversity of relations during our 1-day workshop. Thus, questions of interest include – but are not limited to:

1. How is the quality of life impacted by the quality of institutions?
2. How do institutions influence the impact of inequality on economic and non-economic wellbeing?
3. How does inequality and or subjective wellbeing impact institutional trust?
4. What is the relationship between inequality, quality of institutions and public good contributions?
5. How does inequality influence subjective wellbeing and sustainability?
6. Societal wellbeing between formal and informal institutions
7. How do formal institutions mediate the relationship between inequality and aspects of subjective wellbeing?
8. What are the organisation- and industry-level determinants of societal inequality?
9. What are the “institutional drivers” behind the decline of labour share and increase of wages’ inequality?

Submission:

Please send an **abstract** (max. 500 words) or a **full paper** (if available and preferred by the submitters) by **12 March 2023** to ssees-events@ucl.ac.uk

The submission should be sent with “**2023 Friday Association Workshop**” in the subject line.

Please note that the format of the submission (abstract or full paper) will not affect the chances of being accepted. Researchers submitting structured abstracts will not be treated less favourably than authors submitting full papers, as long as their key contribution and approach are made clear.

Authors of accepted submissions will be notified by **31 March 2023**.

Structure of Presentations:

Every paper presentation will be assigned a discussant. It is thus important **to submit full papers at least two weeks before the workshop, i.e. 5 June 2023 at the latest.**

Convenors and Queries

For any queries, please contact any of the workshop convenors: Dr Luca Andriani (luca.andriani@bbk.ac.uk), Dr Randolph L Bruno (Randolph.bruno@ucl.ac.uk), Dr Elodie Douarin (e.douarin@ucl.ac.uk) and Prof Gerhard Schnyder (G.Schnyder@lboro.ac.uk)

When: 19 June 2023

Where: SSEES UCL, London – 16 Taviton Street WC1H 0BW