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RESEARCH ARTICLE

Do People Adapt to Unemployment? Findings from Türkiye

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ABSTRACT

Unemployment is known to have adverse effects on well-being. Moreover, people can adapt to many adverse events to some extent. This study seeks to answer the question "Do people adapt to unemployment over time?" to shed light on the happiness of the unemployed in Türkiye. We use individual-level data from the Life Satisfaction Survey in 2010−2020. First, we show that, consistent with previous research, the happiness of the unemployed is significantly lower than that of the employed. Second, those who have been unemployed for less than a year are less happy than those who have been unemployed for more than a year. That is, the unemployed become accustomed to their situation over time. However, those who have found work in the last year are much happier than both the unemployed in general and those who have been unemployed for more than a year and have adapted to unemployment. From the standpoint of happiness, our results support the hypothesis that finding a job is preferable to becoming accustomed to unemployment. In addition, married men are more adversely impacted by unemployment and less adaptive to unemployment.

Keywords: Unemployment, Well-being, Adaptation, Türkiye
JEL Classification: F13, H23

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1. Introduction

Unemployment can have far-reaching consequences for individuals and society, including higher suicide rates (De Vogli, Marmot, and Stuckler, 2013), increased domestic abuse incidents (Tur-Prats, 2021), elevated tobacco consumption (Everding and Marcus, 2020), and decreased overall happiness (Winkelmann, 2014). During the late 1920s, Jahoda, Lazarsfeld, and Zeisel (1933) conducted one of the pioneering studies on the psychological toll of unemployment in Marienthal, Austria. The unemployed are described in this study as feeling less and less useful as their chances of finding work diminish, and their resilience collapses over time (Jahoda et al., 1933). This small-scale anthropological study shows that people, especially men, cannot adapt to unemployment. The negative consequences of unemployment may be due to the deprivation of the benefits of working in a job because working allows people to belong and socialize with their colleagues. There is ample empirical evidence to support the positive impact of work on well-being (Sherman and Shavit, 2018; Axelrad, Sherman, and Luski, 2020). Simultaneously, unemployment goes against the social norm to work, especially for men. Because it is a deviation from a norm, it can negatively affect people's well-being via the social norm channel, and such mechanism is supported by findings from developed countries such as England (Clark, 2003) and Türkiye (Ugur and Durak, 2022).

Subjective well-being (SWB) research shows that people can adapt to adverse circumstances to some extent (Cummins, 2000; Diener, Lucas, and Scollon, 2009), a concept known as subjective homeostasis. This means that individuals return to their equilibrium level of happiness after some shock, and we can theoretically expect them to be accustomed to unemployment. However, evidence from panel data, primarily collected in developed countries, such as Germany and England, suggests that the unemployed individual's subjective well-being does not fully recover to pre-unemployment levels (Lucas, Clark, Georgellis, and Diener, 2004; Clark and Georgellis, 2013; Von Scheve, Esche, and Schupp, 2017). Many cross-sectional studies also show that, even after accounting for numerous background factors, the unemployed consistently report lower levels of happiness than their

employed counterparts (Clark and Oswald, 1994; Winkelmann and Winkelmann and Winkelmann, 1998; Böckerman and Ilmakunnas, 2006), implying that unemployment leaves a scar that does not fade away.

Long-term unemployment, defined as the inability to find suitable work for an extended period, may be influenced by undesirable personality traits in the individual. In this case, the difference in the unhappiness of the long-term unemployed may be due to a selection of different personality traits rather than unemployment.

The present study investigates whether people in Türkiye adapt to unemployment. Specifically, we compare the happiness of recently unemployed individuals with those who have been jobless for more than 1 year. Additionally, we assess the happiness of long-term unemployed individuals compared to newly employed individuals, shedding light on whether people should be encouraged to find work or adapt to unemployment. Our analysis utilizes individual-level data from the Life Satisfaction Survey from 2010 to 2020.

Türkiye presents an interesting case due to opposing societal forces related to adaptation to unemployment. On the one hand, research suggests that individuals fare better in societies with higher unemployment rates, where the social norm of working deteriorates in the face of widespread unemployment (see Clark, 2003; Stavrova, Schlösser, and Fetchenhauer, 2011; Roex and Rözer, 2018). Unemployment is a major issue in Türkiye. Since 2014, the unemployment rate for people aged 15 and over has been approximately 10%, reaching 13.7% in 2019 (TÜİK, 2022) (see Appendix Figure A-1 for more details). Türkiye has problems, especially concerning youth unemployment. In terms of the NEET indicator, which measures young population who are neither employed nor in education, the highest rate in the EU and candidate countries belongs to Türkiye with 32%, whereas the average for the 27 EU countries is 13.8% (EUROSTAT, 2021). Despite these high unemployment rates, a strong cultural belief exists in Türkiye that people should be industrious. In the latest wave (2017–2020) of the World Values Survey, 20% of the people of Türkiye strongly agreed and 46% agreed with the

following statement "work is a duty toward society" and 24% and 48% of the people of Türkiye strongly aand agree with the statement that "people who do not work become lazy, respectively. This cultural emphasis on work contrasts with the prevalence of unemployment, resulting in a unique dynamic in Türkiye that raises concerns about joblessness adaptation.

Our findings reveal that the unemployed in Türkiye experience significantly lower happiness levels than their employed counterparts. Those who have been unemployed for more than a year are slightly happier than those who have been unemployed for less than a year, but this slight increase suggests that adaptation to unemployment occurs to some extent over time. However, even when accounting for variables such as friendship satisfaction and subjective health status, which can reflect individual personality traits, the happiness scores of the unemployed still fall short of those who are employed. Furthermore, individuals who have found work in the last year report higher happiness levels than both the average unemployed and those who have been unemployed for more than a year, indicating that finding work has a more positive impact on well-being than adapting to unemployment.

This study has important implications for understanding the experiences of the unemployed in Türkiye, where high unemployment rates affect a large percentage of the population. By shedding light on the effects of unemployment and its implications for happiness, we can better inform policies aimed at addressing unemployment and raising awareness among the jobless that their reduced well-being is not unique to them.

2. Literature Review

Unemployment is a complicated social issue with far-reaching ramifications for individuals and society. Numerous studies have explored the impact of unemployment on well-being. A consistent finding in the body of research utilizing data from various countries, including Britain (Clark and Oswald, 1994), Germany (Winkelmann and Winkelmann, 1998), Finland (Böckerman and

Ilmakunnas, 2006), and Türkiye (Ugur, 2023) points to a shared conclusion. This consensus is that unemployed people consistently express reduced levels of subjective well-being compared to those who are employed. This trend underscores unemployment's lasting and profound impact on individuals' overall well-being. This consistent pattern suggests that the negative effects of unemployment may have a long-term impact on individuals' well-being. Furthermore, these findings cast doubt on the notion that people can effectively adapt to the experience of unemployment.

However, another line of research shows the immense capacity of humans for adaptation. Previous studies also showed that individuals' subjective well-being also returns to the reference point with adaptation over time (Cummins, 2000; Diener et al., 2009). People have been shown to adapt to good events, such as winning a lottery, and bad events, such as paralysis (Brickman, Coates, and Janoff-Bulman, 1978). From this line of research, one can expect the SBW of the unemployed to return to their baseline before unemployment.

To clarify the adaptation to unemployment, researchers utilized panel data. The results of Britain (Clark and Georgellis, 2013) and Germany (Lucas et al., 2004; Von Scheve et al., 2017) show that the subjective well-being of the unemployed does not fully rebound to the baseline levels. This line of research clearly shows some adaptation. However, because it is difficult to collect panel data, all evidence for adaptation comes from developed countries.

Regarding the impact of unemployment on well-being in Türkiye, several studies like Susanlı (2018), Kuzu, Elmas-Atay, and Gerçek (2019), Kanlıoğlu and Dumludağ (2022), Turgut and Ayhan (2022) and Ugur (2023) have examined the link between unemployment and well-being in general. However, they did not investigate whether the unemployed adapt to unemployment or not. Turgut and Ayhan (2022) dealt with the "normalization" of unemployment theoretically, but they do not rely on empirical findings. Furthermore, although many studies in other contexts show that men and women experience unemployment differently (Clark, Georgellis, and Sanfey, 2001; Blanchflower and Oswald, 2004; Van der

Meer, 2014), Susanlı (2018) reported that unemployment does not affect men and women differently in Türkiye. This finding must be revisited. Moreover, no previous study has addressed the potential gender differences in adaptation to unemployment in Türkiye. Therefore, the present study fills these gaps in the literature.

We hypothesize that individuals in Türkiye adapt to unemployment to some extent. We also hypothesize that the happiness levels of the unemployed will still be lower than those of employed individuals. Additionally, we hypothesize that individuals who have found employment in the last year will report higher happiness levels than those without a job for more than a year.

3. Methodology

The following regression models are used to examine whether there is adaptation to unemployment.

$$HS_i = \alpha_0 + \alpha_1 LJ_i + \beta X_i + u_i \dots\dots\dots\dots\dots\dots\dots\dots \quad (1)$$

$$HS_i = \alpha_0 + \alpha_1 FJ_i + \beta X_i + u_i \dots\dots\dots\dots\dots\dots\dots\dots \quad (2)$$

HS_i is the individual i's happiness score, LJ_i is a dummy variable that represents whether individual i lost job in the last 1 year or not, FJ_i is a dummy variable representing whether individual i found job in the last 1 year, and X_i is the vector representing variables such as age, gender, marital status, education, and household income bracket. The background variables represented by the X_i vector were selected based on previous research in the field of well-being (e.g., Diener, Lucas, and Oishi, 2002; Ugur, 2021a).

To clarify whether people adapt to unemployment, the dummy variable "unemployed" in Model 1 takes the value of 1 for those who have lost their job in the last year, and 0 for those who have been unemployed for more than 1 year. In other words, the long-term unemployed were used as the reference category to measure the recent impact of losing one's job. The underlying intuition is that if the happiness of the unemployed in the last year is lower than that of the long-

term unemployed, we can derive that people adapt to unemployment over time. Similarly, if the happiness of people who have found work in the last year is higher than that of those who are unemployed or have been unemployed for a long time, work can be considered a happiness-enhancing endeavor. To test these hypotheses, this study compared those who have been unemployed for more than 1 year with those who have been unemployed in the last year. Moreover, those who have found work in the last year are compared to those who are unemployed or have been unemployed for more than 1 year, with other background variables controlled for.

There may be other differences that we cannot observe among people of various work backgrounds. In particular, unemployed individuals may exhibit characteristics that distinguish them from other people, particularly employees, and they can be unemployed due to these differences. As mentioned in the Introduction section, there can be a link between unemployment and certain personality traits. In this case, the difference in happiness between the long-term unemployed and those who have been unemployed in the last 1 year may not be due to adaptation to unemployment but some personality traits leading to both long-term unemployment and unhappiness. To avoid such potential selection problems, the set of control variables is kept as large as possible, and in the regression analysis, we included many variables like household income bracket, subjective health score, satisfaction with friendships, and satisfaction with relationships with relatives.

We conducted a t-test to determine whether there is a statistically significant difference between employment categories regarding control variables.

Our study used t-tests to assess the statistical significance of differences between various groups (unemployed for long-term vs. unemployed in the last 1 year) regarding control variables. T-tests are commonly used for this purpose and are especially useful when comparing the means of two groups, as in our analysis. T-tests are based on independence, normality, and variance homogeneity assumptions.

Because the dependent variable, happiness score, has only five possible values, ordered probit models were used to estimate the regression models. Ordered probit models operate under two assumptions: (1) proportional odds assumption, which states that the effect of independent variables on the odds of an observation falling into a higher (more favorable outcome) versus a lower (less positive outcome) category is constant across all levels or categories of the dependent variable; and (2) independence assumption, which states that observations are independent of each other, as in the case of t-tests.

Several data cleaning and quality assurance steps were implemented during our research to ensure the validity and reliability of our dataset. First, all collected data were thoroughly examined to identify and rectify any missing values or inconsistencies. There were no missing data. Moreover, we conducted a range of data validation checks to confirm the data entry accuracy and to identify any potential errors. Our quality assurance procedures included cross-referencing data entries, validating data ranges, and verifying consistency among variables.

3.1. Data

The data for this study came from the Life Satisfaction Survey (LSS). Every year, the Turkish Statistical Institute (TUIK) conducts the LSS using a stratified random sample of Türkiye's non-institutional adult population (18 years and older). The LSS is a cross-sectional survey that asks many questions about economic and social topics. An in-person interview is used to conduct the survey.

In this questionnaire, the following question measures the subjective well-being of people. "How happy are you when you think about your life as a whole?" There are five response categories, ranging from 1 (*very happy*) to 5 (*very unhappy*).

A series of questions were also asked to learn about the labor market status of the respondents. The first question required the respondents to indicate whether they had worked in a paid or unpaid job in the past week. The response categories are "worked" "did not work but still related to the job" and "did not work." Those

who answered that they did not work were questioned as to why. The options are (1) unemployed/looking for work, (2) seasonal work, (3) in education or training, (4) homemaker, (5) retired, (6) disabled or sick (unable to work), (7) old (not retired, he believes he is too old to work), (8) income holder, (9) family and personal reasons, and (10) others. In this study, those who did not work because they could not find a job in the last week were defined as unemployed, per the classification of TURKSTAT and ILO.

From the 2009 survey, participants were asked questions about the major changes in their lives in the last 1 year. One of these questions is whether the individual has lost his job within the last year. This question allows us to compare those who have been unemployed in the last year with those who have been unemployed for longer. In addition, for the following statement "I got a job in the last year," the participants were asked to indicate whether it applies to them by choosing the options "yes," "no," or "not relevant." Thus, people who have found work in the last year can be compared with those who have been unemployed for a long time.

We believe there was a problem in administering this question in 2009. First, the number of people who declared they found a job in the last year is only 54 in 2009. In addition, all those who stated that they had found a job in the last year chose their employment status as unemployed. However, to determine the effect of finding a job on happiness in comparison to being unemployed, job seekers must be employed at the time of reporting their happiness. Therefore, the data for the year 2009 were excluded from the analysis results.

The following variables were used as background variables: gender, age, last completed education level (primary school or below, secondary education or equivalent, high school or equivalent, and tertiary education), total household income measured in five categories, subjective health rating (5-point Likert scale) and satisfaction with friendships (5-point Likert scale).

Respondents are requested to report whether they experienced social pressure regarding their sex, marital status, age, and political view, among others.

One of these questions is about whether the unemployed respondents face social pressure due to being unemployed. The question was phrased as follows: "Do you feel any social pressure on you because of being unemployed or not working?" Response categories are (1) *Never*, (2) *Sometimes*, (3) *Often*, and (4) *Always*. This question can help explain why unemployment is a burden for the unemployed.

In 2010, the survey included 7,027 participants, whereas in 2020, the number of interviewees increased to a total of 10,103 individuals. The 2013 survey achieved provincial representativeness and encompassed 196,203 observations. In sum, across the years spanning 2010 to 2020, a combined 283,826 observations were gathered. However, because we are interested in unemployment and employment, we limited the sample to these two categories. In the analysis period, there are 13,969 unemployed and 102,749 employed people, for a total of 116,718 observations.

As TURKSTAT conducted this survey, the response rate is 100% because individuals are legally obliged to answer the questionnaire if they are picked.

4. Findings

Table 1 presents the descriptive statistics for the analysis sample. The first column displays the mean and standard deviation values for the unemployed. In the other columns, values are given for those who were unemployed in the last year and those who found work in the last year. We conducted a t-test to test whether there is a statistically significant difference between employment categories regarding control variables. The asterisk symbol in the second column shows a significant difference in the variable displayed in the rows between the unemployed and the unemployed in the last year. The asterisk symbol in the third column shows a significant difference with regard to the variable in the row between the unemployed and the employees who have found a job in the last 1 year.

Table 1: Descriptive Statistics

	Unemployed	Unemployed <1 year	Find a job < 1 year
Happiness Score	3.14 [1.00]	3.06 [1.01]***	3.45 [0.91]***
Very happy	0.05 [0.23]	0.05 [0.22]	0.09 [0.28]***
Happy	0.35 [0.48]	0.30 [0.46]***	0.43 [0.50]***
Neutral	0.35 [0.48]	0.38 [0.49]***	0.35 [0.48]
Unhappy	0.18 [0.38]	0.18 [0.38]	0.09 [0.29]***
Very unhappy	0.07 [0.25]	0.08 [0.28]***	0.04 [0.18]***
Age	33.66 [11.89]	32.97 [10.25]***	32.35 [10.42]***
Female	0.38 [0.49]	0.29 [0.45]***	0.35 [0.48]***
Income Category	1.92 [1.21]	1.96 [1.21]**	2.70 [1.37]***
Education Level			
Primary School or less	0.38 [0.49]	0.33 [0.47]***	0.33 [0.47]***
Secondary school or eq.	0.20 [0.40]	0.25 [0.43]***	0.22 [0.41]***
High school or equivalent	0.20 [0.40]	0.23 [0.42]***	0.25 [0.43]***
University or more	0.22 [0.42]	0.19 [0.39]***	0.20 [0.40]***
Marital Status			
Never Married	0.46 [0.50]	0.43 [0.50]***	0.39 [0.49]***
Married	0.48 [0.50]	0.51 [0.50]***	0.57 [0.50]***
Widowed	0.01 [0.10]	0.01 [0.08]***	0.01 [0.08]***
Divorced/Seperated	0.05 [0.21]	0.06 [0.23]***	0.04 [0.19]***
Subjective Health	3.69 [0.85]	3.71 [0.84]*	3.81 [0.75]***
Satis. with Friendships	3.92 [0.63]	3.91 [0.65]	3.94 [0.58]**
N	13,969	4,485	15,729

Notes: mean coefficients; sd in brackets, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

According to Table 1, the most unhappy group is those who lost their jobs in the last year (mean = 3.06; SD = 1.01). Although the average happiness of the unemployed is 3.14, it is 3.45 for employees who have found work in the last year. Meanwhile, the average happiness of those who lost their job in the last year is statistically significantly lower than that of the unemployed. Similarly, the happiness of those who have found a job in the last year is statistically significantly higher than the average unemployed person. When looking at each category, in general, we found that the differences are statistically significant and those who lost their jobs in the last 1 year are more likely to fall into the unhappy and very unhappy categories. By contrast, those who have found a job in the last 1 year are more likely to fall into the happy or very happy categories. Although only 4% of those who found a job in the last year classify themselves as very unhappy, 8% of those who lost their job in the last year reported being very unhappy. Similarly,

9% of those who found a job in the last year reported being very happy, whereas only 5% of those who lost a job in the last year reported being very happy.

In Table 1, the values presented represent the averages of all individuals in our 2010–2020 analysis period. In Figure 1, the average happiness scores for each year in the 2010–2020 period are shown by labor market history. As shown in Figure 1, for the years 2010 and 2014, being unemployed in the last year and the average unemployed person's happiness are very close, whereas the average happiness of people who lost their job in the last year is lower in all other years. In each survey year, however, the happiness of those who have found work in the last year is higher than that of the unemployed.
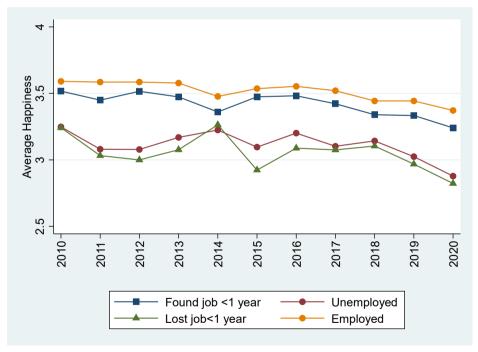
Figure 1. Average Happiness Score by Labor Market History

The results in Table 1 show statistically significant differences in terms of age, income category, education level categories, and marital status between those who have been unemployed in the last year, those who have found a job in the last year, and those who are in the overall unemployed category. These differences

have to be considered with regression analysis so one can clearly comment on possible adaptation to unemployment.

Table 2 presents the main findings of the regression analysis estimated by the ordered probit model. Four models have been estimated. Employees were used as the reference category in Model 1 to determine the impact of unemployment on happiness after taking into account control variables such as income, gender, marital status, and education level. Model 2 included the same control variables as Model 1 and used the unemployed for more than 1 year as the reference category. The coefficient of the variable "unemployed <1 year" allows us to determine how the happiness of those who have been unemployed in the last year differs from those who have been unemployed for more than 1 year. In Model 3, the average happiness of people who have found a job in the last year compared to the unemployed reference category are presented after controlling for the same background variables. Meanwhile, Model 4 compares those unemployed for over a year with those who have found work in the last year. The hypothesis to be tested in Model 4 compares long-term unemployment with finding a job. That is, if people get used to unemployment to some extent over time, then it allows one to determine whether the person should be guided to find a job or get used to unemployment over time for his/her own happiness. Table 2 only shows the coefficients of the variables related to unemployment experiences; the coefficients of the other control variables are shown in Appendix Table A-1. To allow for heterogeneity in the error term, we estimated the models with robust standard errors, and these results are presented in the tables.

Table 2: Happiness Regression Output, Ordered Probit Model

	(1)	(2)	(3)	(4)
Unemployed	-0.341*** (0.01)			
Lost job <1 year		-0.115*** (0.02)		
Found job <1 year			0.222*** (0.01)	
Found job <1 year				0.186*** (0.02)
Reference Category	**Employed**	**Unemployed >1 year**	**Unemployed**	**Unemployed >1 year**
Log-likelihood	-137298.96	-18316.428	-37602.181	-31627.79
LR test	1093.16	33.25	277.47	152.47
p-value	0.00	0.00	0.00	0.00
Pseudo R-squared	0.059	0.051	0.058	0.055
N	116,687	13,969	29,698	25,213

Notes: Robust standard erros are given in parentheses, * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$,
All models control for age, age squared, gender, household income, marital status (categories: never married, married, widowed and divorced), education, subjective health assessment, satisfaction with frienships, and a total of 10 dummy variables for each survey year.

When marginal effects are calculated using Model 1, even after controlling for age, gender, income status, education, marital status, and other variables, the unemployed are 5% less likely to be "very happy" and 7% less likely to be "happy" than employees, and this effect is statistically significant at the 1% significance level. We also conducted the likelihood ratio (LR) test to provide a more comprehensive understanding of the results. The LR test statistic is 1093.16, and the p-value is 0.00, indicating that Model 1 shows a better fit to the data. Thus, we can conclude that unemployment is not conducive to happiness.

The same background variables are controlled for in Model 2, those who have been unemployed for more than a year are 3% less likely to be "happy" and 2% less likely to be "very happy" compared to those who have been unemployed for more than a year. These marginal effects are also statistically significant at the 1% significance level. In our analysis, we used the LR statistic (LR = 33.25) to compare the fit of the null model, which assumes no relationship between being unemployed in the last year and happiness score, to the alternative model, which includes a relationship between being unemployed in the last year and happiness score. The LR test yielded a statistically significant result ($p < 0.01$), indicating that

the alternative model, which includes a relationship between being unemployed in the last year and happiness score, fits the data significantly better than the null model. Thus, as the more recently unemployed are less likely to be happy compared to the longer-term unemployed, we can derive that people become somewhat accustomed to unemployment over time. That is, the fact that some of the long-term unemployed individual's happiness is slightly higher than those who lost their job in the last year suggests that the unemployed adapt to unemployment, at least in terms of their happiness.

This adaptation may reduce their need to look for work. However, deciding whether to look for work or get accustomed to unemployment necessitates determining which is better for their happiness. In Models 3 and 4, those who have found work in the last year are compared to the unemployed and long-term unemployed to answer this question. According to the results of Models 3 and 4, those who have found a job in the last year are 5% more likely to be happy and 3% more likely to be very happy compared to the unemployed, in general. Moreover, they are 4% more likely to be happy and 3% more likely to be very happy compared to those who have been unemployed for more than a year. For Model 3, we calculated an LR statistic (LR = 277.47) to compare the null model (no relationship between having found a job in the last year and happiness score) with the alternative model (having found a job in the last year and happiness score). The LR test was highly significant ($p < 0.01$), indicating that Model 3 outperforms the null model significantly. The LR test (= 152.47) was also performed when Model 4 was compared to the null model, and the LR test was statistically significant ($p < 0.001$). These results highlight the benefits of finding work over being unemployed for an extended period in terms of well-being. Therefore, we can conclude that for the happiness of individuals, working is superior to being accustomed to unemployment. We can also say that, although people get used to being unemployed, their well-being is always lower than that of the employed. In other words, even if the unemployed gets used to unemployment, it is not fully equivalent to the happiness of working individuals.

To summarize the coefficients of the other variables presented in Appendix Table A-1, a U-shaped relationship exists between age and happiness, consistent with the literature on subjective well-being. Women are significantly happier than men, again in agreement with other studies. In terms of marital status, married people are the happiest. Subjective health status and friendship satisfaction are also significantly positively related to happiness. The coefficients of these two variables are higher than those of other variables. These results mean that good social relationships and health are important determinants of a person's happiness. To determine whether a gender-related difference exists in adaptation to unemployment, the main variables of interest in all models and the interaction term of the "male" dummy variable were added to the models and re-estimated. Table 3 displays the results of these regression models.

Table 3: Happiness Regression Results by Gender

	(1)	(2)	(3)	(4)
Unemployed	-0.302*** (0.02)			
Unemployed*Male	-0.061*** (0.02)			
Lost job <1 year		-0.105*** (0.03)		
Lost job <1 year *Male		-0.015 (0.04)		
Found job <1 year			0.197*** (0.02)	
Found job <1 year *Male			0.039 (0.03)	
Found job <1 year				0.175*** (0.02)
Found job <1 year *Male				0.018 (0.03)
Reference Category	**Employed**	**Unemployed >1 year**	**Unemployed**	**Unemployed >1 year**
Log-likelihood	-137294.39	-18316.36	-37601.04	-31627.59
Pseudo R-squared	0.059	0.051	0.058	0.055
N	116,687	13,969	29,698	25,213

Notes: Robust standard erros are given in parentheses, * p < 0.1, ** p < 0.05, *** p < 0.01,
All models control for age, age squared, gender, household income, marital status (categories: never married, married, widowed and divorced), education, subjective health assessment, satisfaction with frienships, and a total of 10 dummy variables for each survey year.

According to Model 1, unemployment negatively affects women's happiness compared to being employed, as the coefficient of unemployed dummy variable is negative and statistically significant. However, since the term of interaction between the unemployed and men is negative and statistically significant, we can argue that unemployment affects men more negatively than women. According to Model 2, the interaction term's coefficient is negative but not statistically significant. This means that, when compared to being unemployed for a long time, being unemployed for less than a year has no discernible effect on happiness between men and women. In other words, there were no differences between the genders in terms of getting used to unemployment over time. Model 3 shows that, compared to being unemployed, finding a job is more positively associated with happiness for men than for women, as the interaction term is positive but not meaningfully different between genders. When the long-term unemployed are used as the reference group in Model 4, the employment and male interaction term remains positive but is no longer statistically significant.

Table 4: Happiness Regression Results by Age Groups

	(1)	(2)	(3)	(4)
Unemployed	-0.238*** (0.02)			
Unemployed* Middle-aged	-0.144*** (0.02)			
Unemployed* After middle-aged	-0.128*** (0.03)			
Unemployed<1 year		-0.077** (0.04)		
Unemployed<1 year*Middle-aged		-0.069 (0.04)		
Unemployed<1 year* After middle-aged		-0.020 (0.05)		
Found job<1 year			0.210*** (0.02)	
Found job<1 year*Middle-aged			0.014 (0.02)	
Found job<1 year* After middle-aged			0.023 (0.03)	
Found job<1 year				0.188*** (0.02)
Found job<1 year*Middle-aged				-0.008 (0.03)
Found job<1 year*After middle-aged				0.005 (0.03)
Reference Category	**Employed**	**Unemployed >1 year**	**Unemployed**	**Unemployed >1 year**
Log-likelihood	-137277.89	-18314.79	-37601.91	-31627.64
Pseudo R-squared	0.059	0.051	0.058	0.055
N	116,687	13,969	29,698	25,213

Notes: Robust standard erros are given in parentheses, * p < 0.1, ** p < 0.05, *** p < 0.01,
All models control for age, age squared, gender, household income, marital status (categories: never married, married, widowed and divorced), education, subjective health assessment, satisfaction with frienships, and a total of 10 dummy variables for each survey year.

To determine whether there is a difference in adaptation to unemployment with respect to different age groups, the interaction terms of the main variables of interest with age categories are added to the regression models. For this, those under 25 years of age are treated as a reference category, and "middle-aged" dummy variables are defined for people between 25 and 40 years of age, and "after middle-aged" dummy variables were defined for those over 40. Models that include these interaction terms are available in Table 4. According to Model 1, unemployment negatively impacts the happiness of all three age groups. However, we can say that it has a greater negative impact on middle-aged and

older people. According to Model 2, losing a job in the last year is negatively related to happiness for all three age groups. It does not affect different age groups differently. According to Models 3 and 4, there was no difference between age groups in terms of happiness brought about by finding a job.

Table 5: Happiness Regression Results by Marital Status

	(1)	(2)	(3)	(4)
Unemployed	-0.322*** (0.04)			
Unemployed * Never married	0.056 (0.05)			
Unemployed *Married	0.025 (0.05)			
Unemployed *Married*Male	-0.146*** (0.03)			
Unemployed<1 year		-0.017 (0.08)		
Unemployed<1 year* Never married		-0.094 (0.09)		
Unemployed<1 year* Married		-0.036 (0.10)		
Unemployed<1 year* Married*Male		-0.101* (0.06)		
Found job<1 year			0.156*** (0.06)	
Found job<1 year* Never married			0.035 (0.06)	
Found job<1 year* Married			0.069 (0.06)	
Found job<1 year* Married*Male			0.042 (0.03)	
Found job<1 year				0.141** (0.06)
Found job<1 year* Never married				0.022 (0.07)
Found job<1 year* Married				0.051 (0.07)
Found job<1 yıl* Married*Male				0.028 (0.03)
Reference Category	**Employed**	**Unemployed >1 year**	**Unemployed**	**Unemployed >1 year**
Log-likelihood	-137266.03	-18313.99	-37597.42	-31625.68
Pseudo R-squared	0.059	0.051	0.058	0.055
N	116,687	13,969	29,698	25,213

Notes: Robust standard erros are given in parentheses, * p < 0.1, ** p < 0.05, *** p < 0.01, All models control for age, age squared, gender, household income, marital status (categories: never married, married, widowed and divorced), education, subjective health assessment, satisfaction with frienships, and a total of 10 dummy variables for each survey year.

The effect of unemployment on happiness is also examined by marital status. However, because societal norms assign the role of breadwinner to married men, these norms are expected to affect married men more negatively when they are unemployed. A triple interaction term was added to the models to observe this effect. This interaction term has a value of 1 for unemployed married men and 0 for everyone else. The results presented in Table 5 confirm that unemployment affects married men, especially, more negatively. According to Model 1, unemployment affects especially married men more negatively than employees. According to Model 2, losing a job in the last year affects married men more negatively than long-term unemployed at 10% significance level. Meanwhile, Models 3 and 4 showed no specific differences for married men concerning finding a job.

In addition, we present suggestive evidence in Figure 2 that supports the result presented in Model 2 of Table 2: that is, the happiness of those unemployed in the last year was lower than those unemployed for more than 1 year. As stated in the methodology section, the unemployed were asked whether they felt any social pressure as a result of their unemployment. Figure 2 depicts the distribution of feelings of social pressure caused by unemployment for those who have been unemployed for less than a year and those who have been unemployed for more than a year.
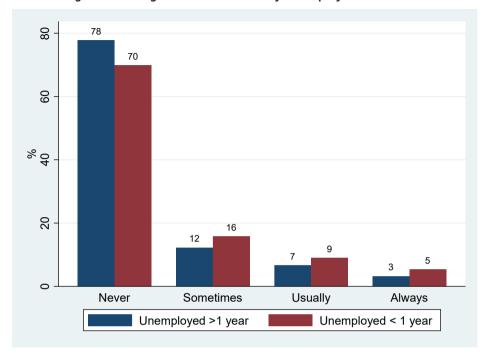
Figure 2. Feelings of Social Pressure by Unemployment Duration

According to Figure 2, roughly 70% of both long-term and short-term unemployed people say they do not feel any social pressure. However, those unemployed for less than a year are more likely to feel social pressure, the percentage of choosing "sometimes", "frequently," and "always", is higher than those unemployed for more than a year. This shows that unemployment is more evident in the perceptions of those who have been unemployed for less than a year. A one-way analysis of variance (ANOVA) test was performed, and the findings show that the differences are significant (F-test: 103.44; p-value: 0.00). The fact that those who have been unemployed recently are unhappier also coincides with the fact that they feel more pressure due to unemployment.

Looking at the gender distribution of social pressure experience among people who have been unemployed in the last year, as shown in Figure 3, we found that 71% of women state that they have never felt social pressure, whereas 68% of men say they have never felt social pressure. Similarly, the percentage of

men who always feel social pressure is slightly higher than that of women. Although women have a lower sense of social pressure, the difference between the sexes is not significant at the 5% significance level, according to the one-way ANOVA test results (F-value: 3.37 p-value: 0.07).
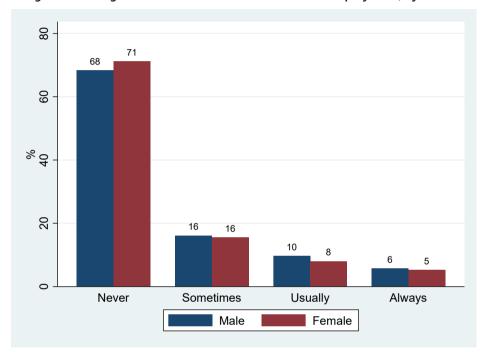
Figure 3. Feelings of Social Pressure Due to Recent Unemployment, by Gender

In Figure 4, the distribution of the social pressure feelings of people who have been unemployed in the last year is given for married men and women. The differences become more pronounced when considering the marital status between the sexes. Figure 4 shows that married men feel more pressure than married women, and these results are statistically different from the one-way ANOVA test (F-value: 3.81 p-value: 0.05).
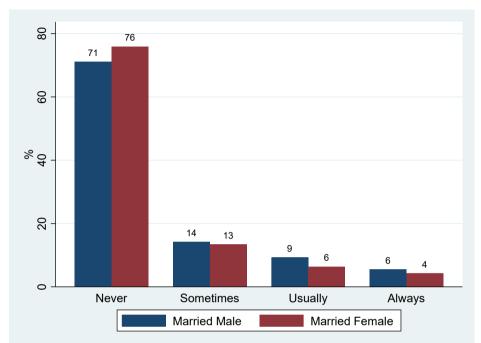
Figure 4. Feelings of Social Pressure Due to Recent Unemployment by Gender & Marital Status

5. Discussion and Conclusion

This research shows that unemployment is not good for people's happiness. The reason is that even after controlling for many background variables, the happiness of the unemployed is significantly lower than that of the employed. If full adaptation existed, there should not be a significant difference between the employed and the unemployed. This result is consistent with studies from many countries (e.g., Clark and Oswald, 1994; Winkelmann and Winkelmann, 1998; Böckerman and Ilmakunnas, 2006) and from Türkiye (e.g., Susanlı, 2018; Kuzu et al., 2019; Kanlıoğlu and Dumludağ, 2022; Uğur, 2023). These results imply that unemployment should not be perceived as only a loss of income, as the unemployed also lose their happiness. People dislike unemployment; hence, they may accept the first job they come across in the job search process to eliminate unemployment as soon as possible instead of looking for a job for an optimal amount of time. This may result in them working in non-optimal jobs.

Second, although unemployment is undesirable, people become accustomed to it over time. Because if there were no adaptation, happiness should not vary according to the length of unemployment. However, the findings show that those who have recently been unemployed are less happy than those who have been unemployed for a long time. This indicates that some adaptation has occurred. Moreover, feeling social pressure from unemployment is much more salient in people recently losing their jobs. This indicates that those who have been unemployed for a longer period are somewhat getting accustomed to unemployment. Clark, Diener, Georgellis, and Lucas (2008) and Clark and Georgellis (2013) also documented that people adapt to some extent to unemployment.

Another finding is that men are more affected by unemployment than women. However, no significant differences were found between men and women in terms of the impact of recently losing a job. Nonetheless, losing a job recently has a greater negative impact on married men than married women. These results suggest that (1) the negative effect of unemployment lasts longer for married men than for married women, and (2) the burden of unemployment is heavier especially for married men. Using data from many European countries and Germany, Van der Meer (2014) and Clark et al. (2008), respectively, concluded that unemployment affects men more than women. Moreover, the results obtained by Rudolf and Kang (2015) using data from South Korea show that unemployment negatively affects the happiness of men more than women. The fact that the effects of unemployment differ between the sexes was also reported by Jahoda et al. (1933). When married men in Türkiye lose their jobs, their happiness may suffer because a significant part of their identity, and thus their sense of belonging, is interrupted. According to Jahoda et al. (1933), even if women lose their jobs, their identities and sense of belonging may suffer less damage because they are preoccupied with many domestic chores.

One of the factors that prevents full adaptation to unemployment may be the value judgments in society. In this study, we document that approximately 25% of unemployed individuals report feeling some social pressure. These feelings are

heightened for those who have lost their job within the last year. Many people support statements that work is a societal duty in Türkiye. Under these circumstances, the unemployed may not fully adapt because they are deviating from the social norm to work, which may result in social disapproval. Research results also show that people living in areas with high economic inequality place a higher value on achievement and power and a lower value on benevolence (Du, Götz, King, and Rentfrow,2022). Türkiye is close to the group of countries with medium-high levels of inequality (Ugur, 2021b). Through this channel, it may be difficult for the unemployed to come to terms with their unemployment.

It would be useful to compare our results on adaptation to unemployment to those of other well-being studies. One of the most robust findings of well-being studies is that people adapt to some degree to both good and bad experiences (e.g., Cummins, 2000; Diener et al., 2009). Our findings also support this literature. However, just because people adapt to good or bad experiences does not mean that the initial negative or positive "flow" is unimportant. In addition, adaptation is largely incomplete, and it should be noted that the rate of adaptation varies from person to person.

The strengths of the data used in this study include a large sample of over 290,000 individuals and its national representativeness of Türkiye. Nevertheless, as with any research, it is crucial to acknowledge and elaborate on the study's limitations. First, we must highlight the challenge of establishing causal relationships. This limitation stems from the cross-sectional nature of the dataset. It is important to emphasize that cross-sectional data only captures a snapshot in time and cannot provide insights into causality. Future research should consider panel datasets to address this concern, allowing for a more robust examination of causal effects. Tracking changes in individual well-being over time while controlling for time-invariant factors, we could gain a better understanding of how unemployment impacts individuals. Second, it should be noted that the survey question used in this study only identifies individuals who lost their jobs within the last year. This temporal constraint limits our ability to conclude long-term adaptation to unemployment lasting longer than a year. Future research

could explore adaptation processes beyond this 1-year period, providing a more complete picture of how people adjust to job loss.

The results of this research underscore the importance of considering the well-being of the unemployed and possible policy interventions that can improve their happiness and overall quality of life. Although it is clear that some level of adaptation to unemployment occurs over time, our findings also show that individuals who find new employment within the first year tend to be happier than those who have been unemployed for a long time. This suggests that policies aimed at assisting unemployed people to reintegrate into the labor market can produce more immediate and positive results in terms of their well-being than waiting for the unemployed to get used to unemployment. Therefore, policymakers must focus on strategies that expedite the job search process, reduce barriers to reemployment, and provide the necessary support to those transitioning back into the workforce.

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Table A-1: Happiness Regression Results, Other Coefficients

	(1)	(2)	(3)	(4)
Age	-0.055*** (0.00)	-0.065*** (0.01)	-0.064*** (0.00)	-0.060*** (0.00)
Age squared	0.001*** (0.00)	0.001*** (0.00)	0.001*** (0.00)	0.001*** (0.00)
Female	0.107*** (0.01)	0.121*** (0.02)	0.120*** (0.01)	0.110*** (0.01)
Household Income	0.088*** (0.00)	0.091*** (0.01)	0.090*** (0.01)	0.085*** (0.01)
Never married (ref: Divorced)	0.193*** (0.02)	0.212*** (0.05)	0.223*** (0.03)	0.231*** (0.04)
Married	0.578*** (0.02)	0.506*** (0.04)	0.554*** (0.03)	0.569*** (0.04)
Widowed	0.126*** (0.04)	0.217** (0.11)	0.165** (0.08)	0.119 (0.09)
Education	0.014*** (0.00)	-0.002 (0.01)	0.009 (0.01)	0.014* (0.01)
Subjective Health	0.331*** (0.00)	0.296*** (0.01)	0.302*** (0.01)	0.298*** (0.01)
Satisfaction with Friendships	0.280*** (0.01)	0.228*** (0.02)	0.241*** (0.01)	0.250*** (0.01)
F test statistic	774,55	92,64	223,16	171,65
Pseudo R-squared	0.059	0.051	0.058	0.055
N	116687	13969	29698	25213

Notes: Robust standard erros are given in parentheses, $* p < 0.1$, $** p < 0.05$, $*** p < 0.01$,
All models control for age, age squared, gender, household income, marital status (categories: never married, married, widowed and divorced), education, subjective health assessment, satisfaction with frienships, and a total of 10 dummy variables for each survey year.
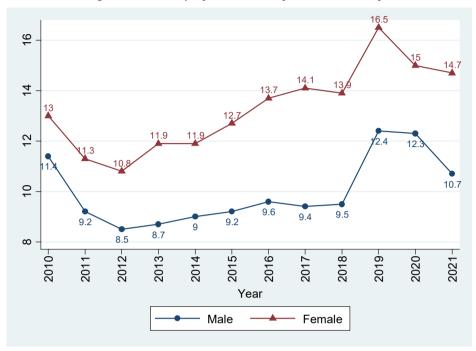
Figure A-1. Unemployment Rates by Gender in Türkiye

Source: EUROSTAT (2022)