



Universität
Basel

Publication

The life satisfaction approach to valuing public goods : the case of terrorism

JournalArticle (Originalarbeit in einer wissenschaftlichen Zeitschrift)

ID 60852

Author(s) Frey, Bruno S.; Luechinger, Simon; Stutzer, Alois

Author(s) at UniBasel [Stutzer, Alois](#) ;

Year 2009

Title The life satisfaction approach to valuing public goods : the case of terrorism

Journal Public choice

Volume 138

Number 3-4

Pages / Article-Number 317-345

Keywords LSA, Non-market valuation, Cost-benefit analysis, Subjective well-being, Terrorism

Terrorism has large social costs that are difficult to quantify for the well-known problems of eliciting people's preferences for public goods. We use the LSA to assess these costs in utility and monetary terms. Based on combined cross-section time-series data, we estimate the costs of terrorism for France and the British Isles. We find large negative effects of terrorism on life satisfaction that translate into considerable compensating surpluses for a hypothetical reduction in terrorism, in particular for the serious conflict in Northern Ireland. The effects of terrorism are robust and differ across groups in accordance with prior expectations.

Publisher Kluwer Academic Publ.

ISSN/ISBN 0048-5829

edoc-URL <http://edoc.unibas.ch/dok/A5249547>

Full Text on edoc Available;

Digital Object Identifier DOI 10.1007/s11127-008-9361-3

ISI-Number WOS:000264436300004

Document type (ISI) Article