Research Question

What are the effects of increased globalization on quality of life?

In a world in which globalization is often discussed as a positive force, my research seeks to determine if this is true for citizens' quality of life.

Variable Selection

- To measure quality of life, I chose to use the 8 Millennium Development Goals identified and measured by the United Nations:
  1) Eradicate extreme poverty and hunger
  2) Achieve universal primary education
  3) Promote gender equality and empower women
  4) Reduce child mortality rates
  5) Improve maternal health
  6) Combat HIV/AIDS, malaria, and other diseases
  7) Ensure environmental sustainability
  8) Develop a global partnership for development

- To measure the level of globalization, in line with other economists, I used a value termed "openness" defined as:
  \[ \text{Globalization} = \frac{\text{Imports} + \text{Exports}}{\text{Gross Domestic Product}} \]

Methodology

- Creation of an economic analysis using Ordinary Least Squares Regression:
  \[ \text{Quality of Life} = \beta_0 + \beta_1 \text{Globalization} + \beta_2 \text{Region} + \beta_3 \text{Inflation} + \beta_4 \text{Population} + \beta_5 \text{Population Growth} + \beta_6 \text{Student-Teacher Ratio} + \beta_7 \text{Literacy} + \beta_8 \text{GDP} + \beta_9 \text{Education} + \beta_{10} \text{Consumption Spending} + \beta_{11} \text{Political Stability} + \epsilon \]

- Addition of control variables including: political stability, population growth, GDP, population, secondary education completion rate, literacy rate, and student-teacher ratio

- Fixed Effects model to control for regional differences

- Tested for multicollinearity, serial correlation, heteroscedasticity, and other robustness checks to confirm conclusions

Preliminary Conclusions

- Globalization had a positive and significant effect on Quality of Life
- Central America and the Caribbean had the lowest development of all regions
- Secondary Education had a negative and significant effect on Quality of Life

Globalization and Quality of Life

This graph represents the global average quality of life and globalization between 1990 and 2016.

Further Study

- Collect new data to represent more countries
- Represent more years in my model
- Remove internet availability data from my model
- Add controls for tax rate, personal income, and historical colony status
- Perform analysis with minimum and average, in addition to maximum, MDG percentage

References


Contact Information

lhirt@utk.edu
(865) 805 - 7304