
This paper analyzes the relationship between income distribution and individual wellbeing levels based upon the happiness levels reported by individuals in the Latinobarometro survey 2008. The main contribution of this paper is to study not only the direct effects of the economic performance (measured by per capita income, human development index, and the incidence of poverty and inequality), but also the indirect ones of the macroeconomic characteristics of the country. Probit models are estimated and the expected results are verified with respect personal characteristics and economic variables.

**Keywords:** happiness, inequality, Latin America, welfare, Latinobarometro.

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