



Effects of working part-time and full-time on physical and mental health in old age in Europe

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Very brief summary

Aim

Estimating the impact of part-time and full-time work on several dimensions of health.

Findings/Conclusions

Positive effects on health of part-time work and negative effects of full-time work are found.

But for some health indicators the opposite has been found (like BMI), hence mixed findings. All relative to full-time retirement.

The main finding appears to be related to mental health, which is adversely affected by full-time work, and strongly improved by part-time work.



Very brief summary

Data/Identification strategy

- Individual level data. 12 European countries/SHARE data,
- IV to deal with reverse causality. Regression discontinuity design; Instruments: early and normal eligible retirement ages (Social Security benefits).
- Controlled for unobserved heterogeneity.
- All in all, a well-crafted paper. It delivers useful insights.

The big question that remains: what are the driving factors behind these causal effects? Many health indicators are interrelated so why are opposite effects being found? Are there any (medical) studies that may provide more insights into plausible explanations/causal pathways.



DATA: SHARE

- Wave 1, 2, 4, 5. The years 2004-2014
- Ages 50-75
- Dropped people on DI, UI or homemakers. Hence, people are retired, part-time, or full-time working
 1. Based on self-reported activity (EP005_ variable?) & hours information. What about, for instance, disability pensions, how are they classified?
 2. What does it mean to be retired before, say, age 55? Or working after age 70? Who are these people?
 3. If working part-time, what is their other activity (partially retired, homemaker, self employed?).
- Panel attrition can be high in SHARE, for sure between waves 2 and 4. Did you test for sample selection in this respect? In particular I would worry how attrition is related to adverse health events.
- Why did you not use all countries that participated at least in two waves?



Health variables

- Mental health is self-reported and one may question these responses. It is, in the end, their own perception. Is there evidence on the validity of using these questions? E.g., Meijer, Kapteyn & Andreyeva (2011; Health Economics) advice not to use EURO-D & IADL.
- Model identification comes from changes over time, I would appreciate some descriptive statistics on this. What health transitions are observed and how do they correlate with labor market transitions?



Figure 1: early and normal retirement ages

- Vary over time and between countries. And may differ by gender.
- But also differ between cohorts, not sure how I can see this in Figure 1.
- How do you know the early eligible retirement age? It seems that one cannot avoid discussing the role of private pensions. Social Security does not play the same role in all countries, correct?
- ER-eligibility will depend on the sector people work in. So which age do you choose? (an average worker?)
- I could not figure out how NL was doing in this graph, hence cannot assess if it makes sense. Perhaps make a table?
- For these 12 countries one needs to describe what happened for each concerning SS-eligibility over the observation period. This is the core of the paper and is missing.



Figure 1: early and normal retirement ages

- In any case, these ages are shown to be strong predictors of part-time and full-time working: Table 4.
- Table 4: “clustered on panel groups?” What does that mean? One has to cluster on country, given country-level eligibility variables are used.
- But can one produce consistent standard errors by clustering with only 12 countries?



Robustness checks

- Non-linear age effects are allowed for, and the main results remain.
- Assumption: health is a smooth linear or quadratic function of age. In the end it is functional form identification. Perhaps one can find some studies in support of this assumption.
- Some reforms have been cohort specific, hence people from different cohorts and the same ages face different options. Can this not be exploited to allow for a flexible age specification (dummies)? And perhaps avoid functional form identification?



Robustness checks

- Additional check 1: limit the age range. How many people are not SS-eligibility at the age of, say, 70? Or below, say, 55? Why is such a wider age range chosen? The range 55-70 should suffice.
- Additional check 2: analyses separately for men and women. Part-time work is perhaps rather different between genders. Health problems also widely vary by gender and men react different to certain situations than women. In any case, this can be tested.



Summary

- Again, a well-crafted paper. It gives us something to think about.
- In particular the big WHY these effects occur need to be addressed. Relates also to strengthen the motivation of the paper.
- More work is needed on describing the SS-rules for each country, over time. It is at the core of the paper.
- The issue of clustered standard errors need to be resolved.
- More robustness checks are needed.