

Gains in life expectancy associated with education

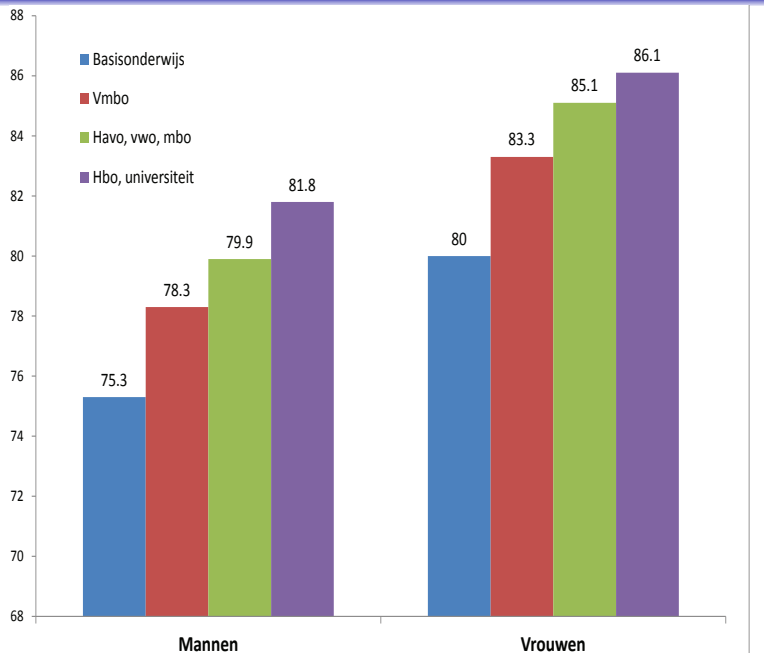
Govert Bijwaard¹ Bertie Lumey² Frans van Poppel¹

¹Netherlands Interdisciplinary Demographic Institute (NIDI)

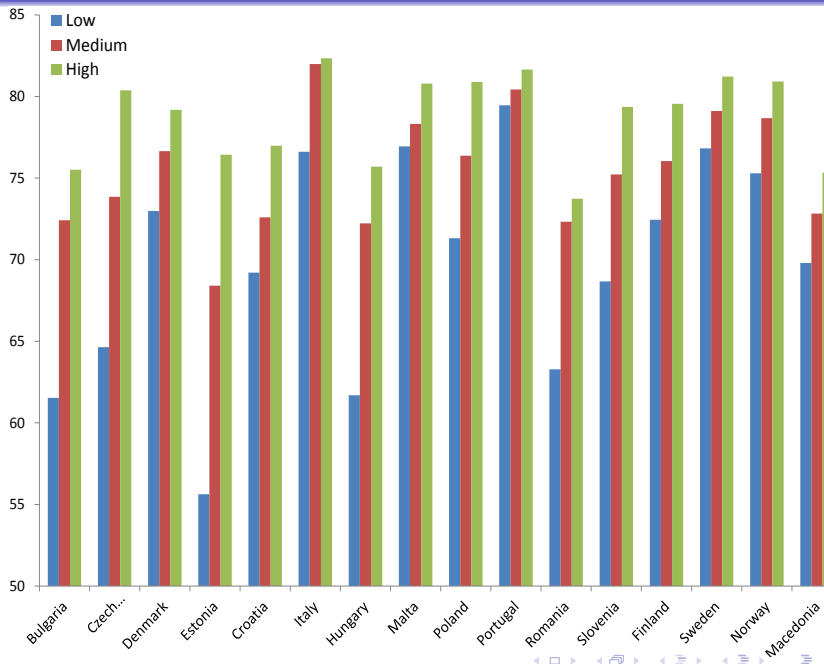
²Department of Epidemiology, Columbia University, New York

NVD-HAPS-NIDI studie middag Leefomgeving en gezondheid,
21 januari 2014

Life expectancy NL, by education level



Life expectancy Europe, by education level



Counterfactual education choice

When making **causal** inference of *education* on mortality

Fundamental problem of unobserved **counterfactuals**

- Want to compare individuals with different **chosen** education level
- Never observe individual simultaneously in all education levels
- Education choice likely to **depend on (un)observed factors** that also influence mortality
- **Potential outcome:**
How would the mortality of an average individual change if such a person were to change education?

Motivation

- Differences in health and life expectancy across educational groups are striking and pervasive.
- Recent results deriving from natural experiments in education suggest that **causal effect of education** on health is small or even absent
- Suggest an important role for **confounding factors**, such as discount rates, cognitive and non-cognitive skills

Motivation (2)

- Established that **cognitive ability** are associated with health outcomes at ages 30-40
- Nonetheless, hardly anything is known about how much of the **association between education and health** is **explained** by these **cognitive abilities**.

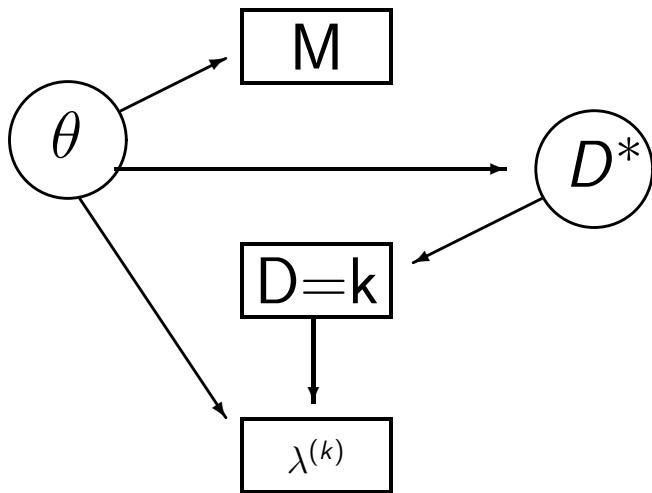
Our contribution

Disentangle the effects of education and cognitive ability on mortality

Contribution is twofold:

- 1 Causal effect of education on **mortality** between ages 18 and 67 and implied **life-expectancy**
- 2 Decompose the observed mortality/life-expectancy difference by education level
in **treatment effect**, educational gain,
and **selection effect** both on observed and unobserved
(cognitive ability) characteristics

Graphical representation of the model



Basic model: educational choice

Assume an ordered probit model for D , educational choice:
Underlying utility, D^* depends on observed characteristics and latent cognitive ability θ .

For each individual four potential mortality rates $\lambda_i^{(0)}, \dots, \lambda_i^{(3)}$ with only one observed mortality depending on educational choice, D_i
Gompertz mortality rate, exponential increasing in age;
depending on exogenous characteristics and on θ

Measurement, M for the ability (e.g. IQ-test), standard linear regression including latent θ

Gains from changing school level

Use estimated model to derive **treatment effects of changing education**:

Average over the distribution of included factors

- Difference in survival
- Difference in implied life-expectancy

Compare with observed (raw) difference: **selection effect**

Compare with results of separate (ignoring skills) Gompertz models:

selection due to cognitive ability

Military recruits Data for Netherlands

Examinations for military service 1961-1965, using 39,804 men born 1944-1947 (removed those with special education).

- Detailed info on individual demographic and socioeconomic characteristics, including father's occupation, religion and, birth order
- Battery of **intelligence** tests: **Raven** progressive matrix
- **Education** classified in 4 levels: primary school, lower vocational (+ 2 yr), lower secondary (+ 4yr) and, general secondary and higher education (+ 6yr)
- **Linkage to administrative records** (Stat NL) cause of death register

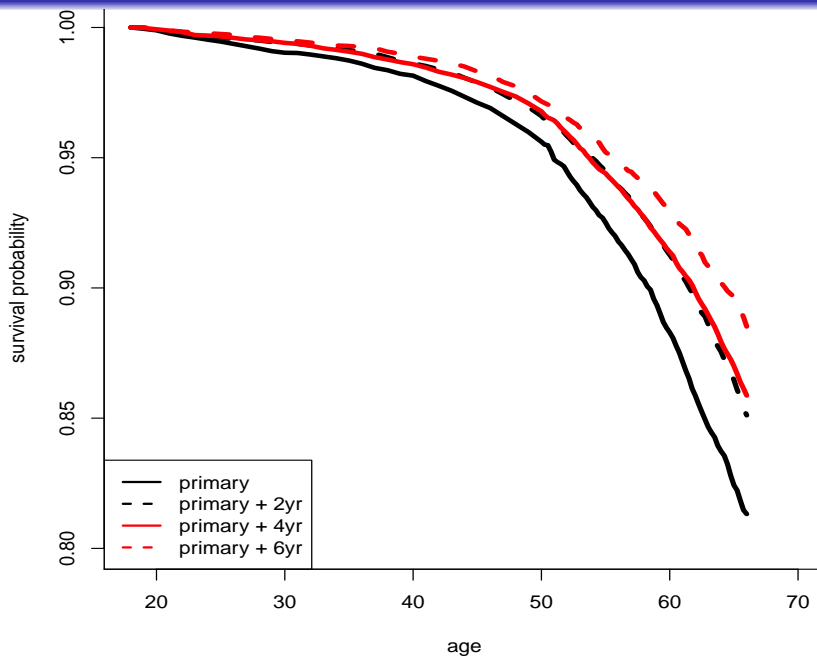
Descriptive statistics

	primary	+ 2yr	+ 4yr	+ 6yr
	14%	36%	33%	16%
High to low	<i>Intelligence</i>			
IQ (Raven) 1	3%	16%	28%	49%
IQ (Raven) 2	18%	34%	39%	36%
IQ (Raven) 3	24%	25%	19%	9%
IQ (Raven) 4	22%	14%	8%	3%
IQ (Raven) 5	22%	7%	3%	0.5%
IQ (Raven) 6	3%	2%	1%	0.2%

Background information

	primary	+ 2yr	+ 4yr	+ 6yr
<i>Religion</i>				
Catholic	40%	32%	31%	32%
Reformed	26%	31%	31%	30%
Other	4%	8%	9%	10%
Without	30%	28%	29%	28%
<i>Birth order</i>				
First	28%	32%	39%	42%
Second	27%	30%	31%	30%
5+	15%	10%	7%	5%
<i>Father's occupation</i>				
Professional	1%	2%	1%	11%
Manager	8%	8%	12%	19%
Cleric	13%	24%	35%	38%
Self-employed	6%	6%	8%	5%
Shop assistant	38%	33%	23%	9%
Laborer	14%	8%	5%	2%

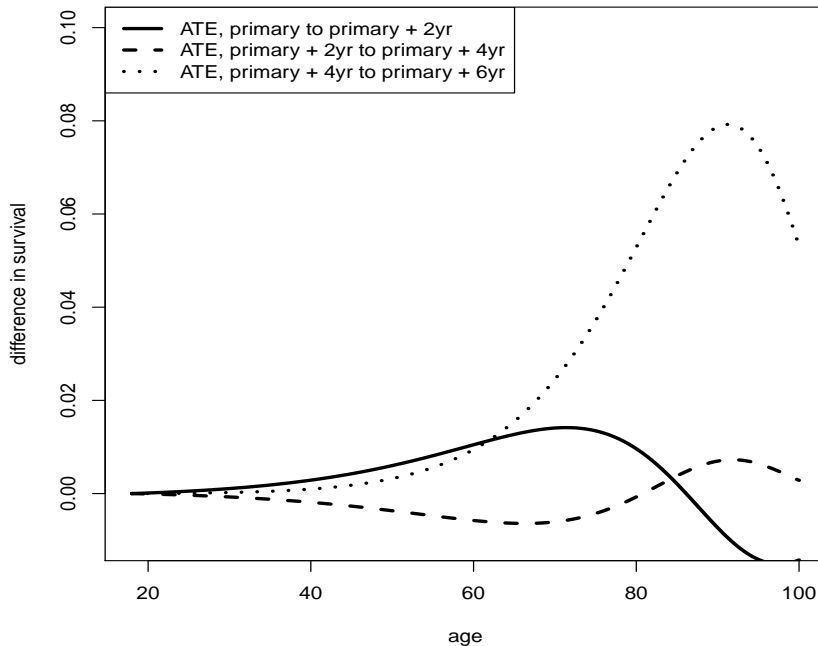
Kaplan-Meier survival, by education level



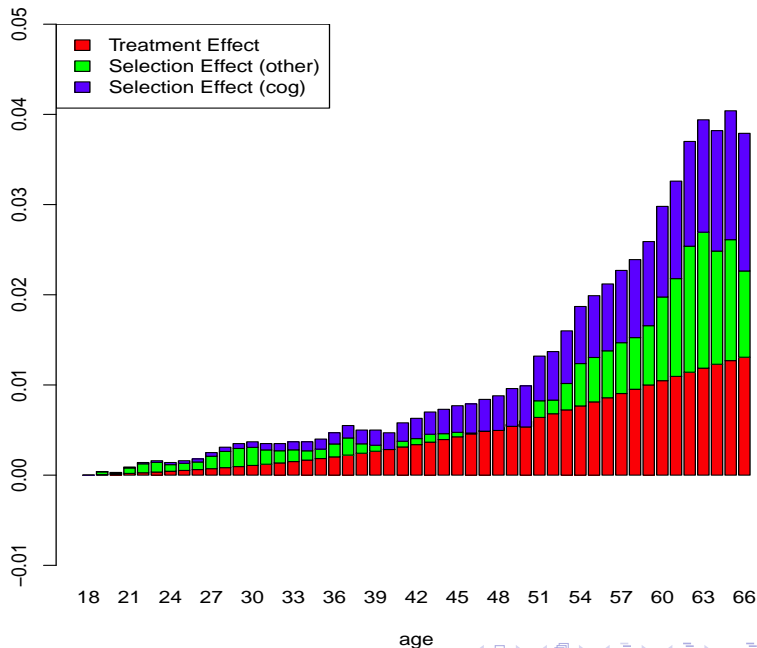
Estimated Odd's rates (selection)

	Edu	M	Mortality rates			
			$\lambda^{(0)}$	$\lambda^{(1)}$	$\lambda^{(2)}$	$\lambda^{(3)}$
Cognitive Ability						
α	2.98*	3.79*	0.81	0.72*	0.92	0.94
Control variables						
birth rank 2	0.84*	0.99	0.99	0.94	0.91	1.01
birth rank 4	0.68*	0.82*	0.95	0.92	1.07	1.02
<i>religion, ref none</i>						
Reformed	1.07*	1.00*	0.95	0.97	0.96	1.00
Other	1.32*	1.14*	0.72*	0.94	0.82*	0.79
<i>father's occupation, ref cleric</i>						
Professional	3.86*	1.69*	0.44*	0.69	1.02	1.12
Manager	1.05*	0.91*	0.83	1.04	0.97	1.19
Self employed	0.66*	0.74*	1.30*	1.10	1.07	1.24
Shop assistant	0.42*	0.61*	1.11	1.02	1.13*	1.25
Laborer	0.31*	0.49*	1.33*	1.08	1.25*	1.76*

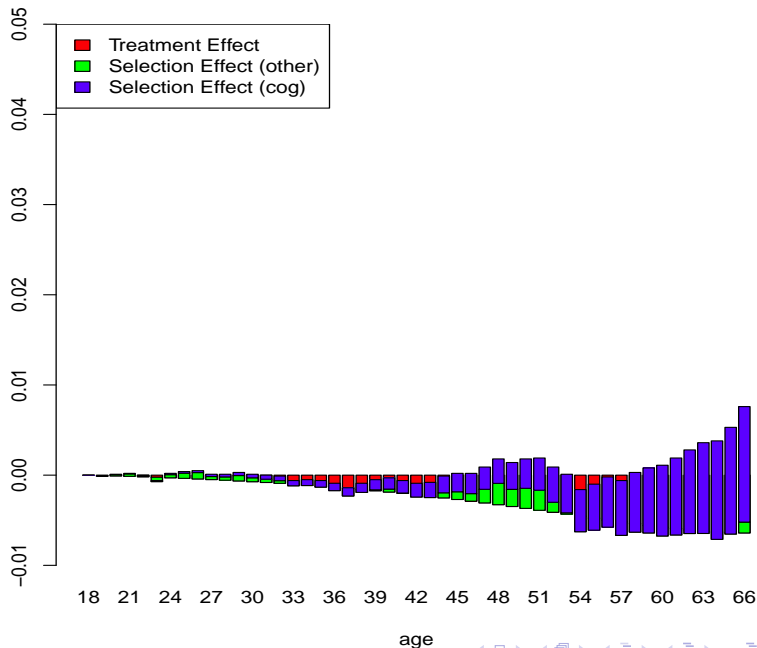
Survival gain



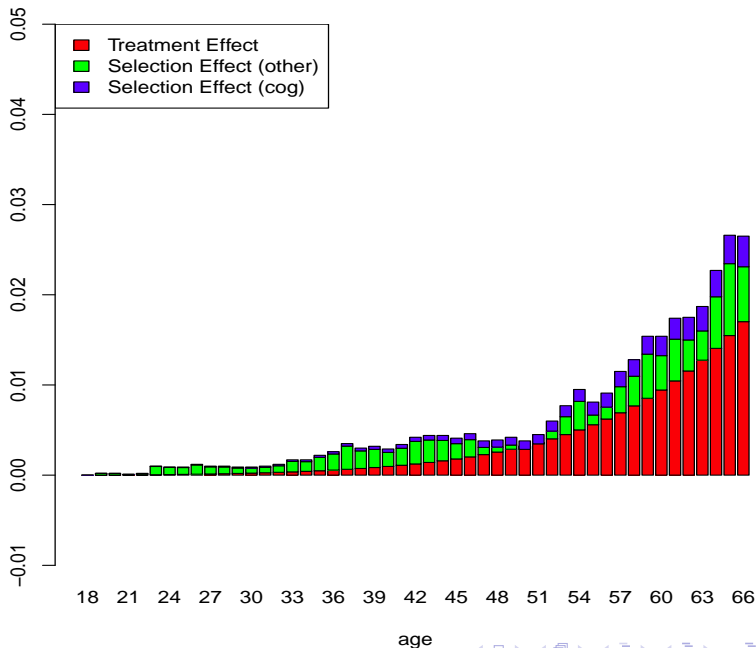
Decomposition Survival, primary to primary+ 2yr



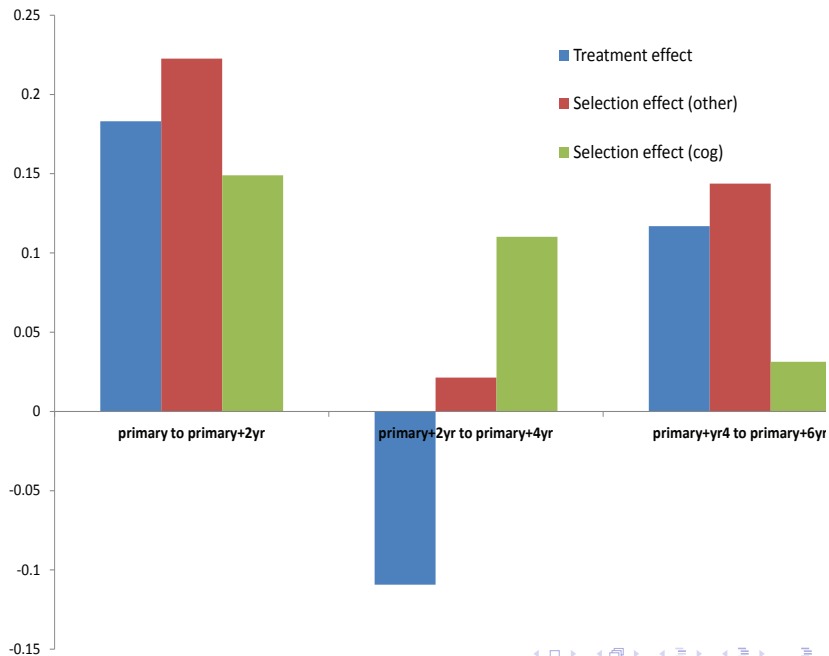
Decomposition Survival, primary + 2yr to primary+ 4yr



Decomposition Survival, primary + 4yr to primary+ 6yr



Decomposition Life-expectancy (18-67)



Conclusion

- Gains of education
High educated live longer, not from lower vocational to lower secondary
Raw difference overestimates gain
- Latent (cognitive) ability (selection)
 - Positive selection, explains up to 70%
 - Selection on cognitive ability for the lower education groups more important.