

A discussion of “How does social capital matter to health status: Evidence from China Health and Retirement Longitudinal Survey

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Motivation of the paper

- ❑ Positive relationship between social capital and health
- ❑ Issues establishing the causal impact of social capital on health
 - Unobserved heterogeneity
 - Simultaneity issues
 - Local contextual factors

Summary of the paper

- ❑ **OBJECTIVE:** To establish the causal impact of social capital on health status
 - To show that the impact of social capital is heterogeneous
- ❑ **DATA:** China Health and Retirement Longitudinal Survey
 - **Dependent variable:**
 - ADL index
 - CES-D scale (e.g. felt lonely, restless sleep, hopeful)
 - **Main explanatory variable:** Standardized social capital index
 - **Control variables:** individual, household and community characteristics

Summary of the paper

- ❑ METHODOLOGY: 2SLS fixed effects model
 - **Instrument:** Community's average social capital
- ❑ FINDINGS:
 - Individuals with higher social capital are significantly more likely to have better physical and mental health
 - The effects of social capital on health is heterogeneous
 - ADL index: social capital's impact is higher among older individuals
 - CES-D scale: social capital's impact is higher among women

Social capital index

Table 1 Activities selected to measure individual's social capital index

Survey Questions	Definition
Did you participate in the following activities in the past month?	
s1: Volunteering or philanthropy activities	Yes = 1, No = 0
s2: Taking care of the elderly or disabled that you don't live with free of charge	Yes = 1, No = 0
s3: Offering help to relatives, friends or neighbors that you don't live with free of charge	Yes = 1, No = 0
s4: Going to school or attending training courses	Yes = 1, No = 0
s5: Visiting friends	Yes = 1, No = 0
s6: Playing mahjoon, chess, poker and going to community activity center	Yes = 1, No = 0
s7: Participating in tai chi, dancing and other group activities	Yes = 1, No = 0
s8: Participating in activities organized by community organizations	Yes = 1, No = 0

- ❑ Justify inclusion of:
- Going to school or attending training courses
 - Playing mahjoon, chess, poker and going to community activity centre

ADL index

① These questions are: (1) Do you have any difficulty with running or jogging about 1 Km? (2) Do you have difficulty ...walking 1 km...? (3) Do you have difficulty ... walking 100 metres...? (4) Do you have difficulty ...getting up from a chair after sitting for a long period... (5) Do you have difficulty ...climbing several flights of stairs without resting...? (6) Do you have difficulty ...stooping, kneeling, or crouching...? (7) Do you

have difficulty ...reaching or extending your arms above shoulder level...? (8) Do you have difficulty ...lifting or carrying weights over 10 jin(=0.5 kg), like a heavy bag of groceries... (9) Do you have difficulty ...picking up a small coin from a table...?

① The formula to construct ADL index is:
$$ADL = \left(\frac{score - Minscore}{Maxscore - Minscore} \right).$$

❑ Pro & Con: Sensitive to musculoskeletal diseases/injuries

Variables: Considerations

- ☐ Ensure measures are culturally sensitive
- ☐ If available, consider using frequency of tobacco and alcohol consumption instead of “ever smoked and drink” variables
- ☐ Use of labour force participation as a control

Methodology

❑ Fixed effects model

- Hausmann tests looks good, favouring fixed effects
- Report Rho
- Discuss sign switching and changes in statistical significance

❑ IV approach

- IV based on community/villages or counties/districts?
- Validity and strength of the IV
- Coefficients for the other explanatory variables

Heterogeneous impact of social capital on health

- ☐ Justification of the age indicator variable (65+)
- ☐ Model with all of the interaction terms
- ☐ Consider looking into the joint impact of being female, place of residence and social capital on health

Conclusion

- ☐ Great paper!
- ☐ Discuss sign switches when using a fixed effects model
- ☐ Focus more on the results from the IV estimation
 - Validity & strength of the instrument
 - Show the whole estimation results

Thank you!

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