

Spousal Influence in Risk Preference and Health

Mingming MA

KAP 300, University Park, University of Southern California, Los Angeles

E-mail: mingminm@usc.edu

Marriage as one of the most important relationships one may form in lifetime could have significant impact on one's attitudes, behaviors and well-being. In this paper, I examine the causal influence of one's significant other on one's self reported risk preference, health behaviors and health outcomes using household longitudinal survey data from Germany when controlling for the endogeneity problem due to assortative mating and shared environment between spouses. Difference GMM estimation results show that having a more risk-loving spouse will indeed make oneself more willing to take risk likewise a partner who smokes induces smoking behaviors of the other. While emotionally both healthier husband and wife have significant impact on each other, only the physical health of the wife has a robust and significant impact on husbands, but not the other way around.

KEYWORDS

Risk preference, Spousal influence, Difference GMM, Health behavior, Health

JEL CLASSIFICATION CODES

I12; D81; C23