

Informal Caregiving, Paid Work and Health of the 50+ Population in Europe

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Abstract

Using panel data on the age group 50-70 in 15 European countries, we analyze the effects of providing informal care to parents, parents-in-law, stepparents, and grandparents on paid work and vice versa, as well as the effects of informal caregiving to parents etc. and paid work on several measures of physical and mental health. We find that results differ substantially across model specifications, explaining in particular why the literature disagrees on the effect of informal care on paid work. The data indicate that the preferred model specifications are static or dynamic fixed effects models with endogenous regressors and, in some cases, country specific trends. We find a small but significant negative effect of informal care giving on paid work. Informal care giving has a substantial negative effect on mental health, irrespective of employment status. The effect on physical health is less clear.