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Obesity, Self-Esteem, and Wages

Naci Mocan and Erdal Tekin

12.1 Introduction

Starting with the seminal work of Mincer (1974), economists have developed theoretical models and empirical procedures to investigate the determinants of wages. In addition to the analysis of the impact of schooling, job tenure, and experience, a huge literature investigated the impact on wages of market characteristics and establishment attributes, ranging from industry structure to firm size (Ferrer and Lluis 2008; Guadalupe 2007; Parent 2004; Troske 1999; Nickell, Vainiomaki, and Wadhwani 1994; Abowd and Lemieux 1993; Main and Reilly 1993; Evans and Leighton 1989; Krueger and Summers 1988). More recently, economists have identified the importance of noncognitive factors in wage determination. These studies are primarily motivated by the fact that a significant portion of the variation in wages across individuals remains unexplained even after controlling for human capital characteristics as well as job and industry attributes. For example, it has been shown that beauty has a positive impact on wages (Mocan and Tekin 2010; Harper 2000; Biddle and Hamermesh 1998; Hamermesh and Biddle 1994). Mocan and Tekin (2010) argue that the impact of beauty on criminal activity and wages works partly through human capital formation while in high school. They provide evidence indicating that less attractive

high school students accumulate less human capital in comparison to their attractive counterparts. This has an influence on wages and labor market activity later in life, and the impact is stronger for females. Persico, Postle-waite, and Silverman (2004) demonstrate that taller workers receive higher wages. This effect can be traced back to their height in high school, and it can be attributed to the impact of height on participation in high school sports and clubs. Similarly, Kuhn and Weinberger (2005) show that leadership skills in high school generate positive wage effects later in life.

The epidemic proportions of childhood and adolescent obesity in the United States pose serious social and health problems. For example, children who are obese are at greater risk for bone and joint problems, sleep apnea, and social and psychological problems such as stigmatization and poor self-esteem (Daniels et al. 2005; U.S. Department of Health and Human Services 2001). Obese young people are more likely than their normal weight counterparts to become overweight or obese in adulthood, and therefore, they are at greater risk for associated adult health problems, including heart disease, type 2 diabetes, stroke, several types of cancer, and osteoarthritis (U.S. Department of Health and Human Services 2001).

In addition to the health consequences, obesity and overweight are also associated with adverse economic outcomes, such as lower wages. Although research in this area has not reported uniformly robust results, the existing evidence indicates that obesity is usually associated with a wage penalty, especially for white females (Wada and Tekin 2007; Cawley 2004; Baum and Ford 2004, Averett and Korenman 1996). Obesity or overweight may impact wages through different channels. First, in some occupations obesity may have a direct detrimental impact on labor productivity because of reduced physical functionality. Second, obesity may cause discrimination by employ-ers or by customers, which may generate a wage penalty even if there was no productivity difference between obese and normal weight individuals. Third, obesity may lower productivity through its impact on poor health. Furthermore, as obese individuals tend to be less healthy, the incremental health care costs associated with obese workers may be passed on to these workers by their firms in the form of lower wages (Bhattacharya and Bun-dorf 2005). Fourth, obesity may influence cognitive function, which in turn would impact productivity and wages. There is recent research that shows that obesity is associated with diminished cognitive function later in life.[1]

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1. For example, Whitmer et al. (2005) used data on more than 10,000 members of the Kaiser Permanente medical care program of Northern California who underwent detailed health evaluations from 1964 to 1973 when they were aged forty to forty-five. The results showed that obesity is associated with increased risk of future dementia. Cournot et al. (2006) analyzed more than 2,000 healthy workers aged thirty-two to sixty-two years at baseline in 1995 who lived in three southern French regions. In 1996 and 2001 data were collected, among other items, on cognitive function. The results showed that higher BMI was associated with lower cognitive function at baseline, and that higher baseline BMI was related to a greater decline in word-list recall at follow-up, after adjusting for confounding factors.

Obesity can also impact wages through self-esteem. Mobius and Rosenblat (2006) find that physically attractive workers are more confident, and confidence impacts wages positively. Waddell (2006) finds that self-esteem in youth is associated with labor market outcomes later in life. If higher self-esteem increases wages, and if obesity impacts self-esteem, then obesity can have an indirect effect on wages through its impact on self-esteem.

As summarized by French, Story, and Perry (1995), the relationship between self-esteem and obesity has not been investigated using strong research methodologies. Much of the earlier work relied on associations identified from cross-sectional and small or nonrepresentative samples. For example, Sallade (1973) analyzed 120 obese and 120 nonobese children in grades three, five, eight and eleven. She found that there was no difference between obese and nonobese children in terms of social adjustment, but obese children had poorer self-concept. Wadden et al. (1984) studied 210 obese and normal weight children in grades three to eight, and did not find significant differences in self-concept between obese and normal weight children.

More recently, researchers utilized prospective longitudinal designs to determine the temporal sequence of obesity and self-esteem. Gortmaker et al. (1993) used a nationally representative sample of 10,039 individuals who were sixteen to twenty-four in 1981, and who were followed-up in 1988. They could not find a relationship between overweight and self-esteem. Strauss (2000) analyzed the National Longitudinal Survey of Youth, and found that the global self-esteem scores were not significantly different among nine-to-ten-year-old obese and nonobese children. However, over a four-year period obese Hispanic females and obese white females demonstrated lower levels of self-esteem in comparison to their nonobese counterparts; small decreases in self-esteem were observed for boys. Biro et al. (2006) used data on 2,379 girls aged nine and ten who were recruited into the National Health, Lung and Blood Institute Growth and Health Study, and who were followed to age twenty-two years. In that study, body mass index (BMI) was an important predictor of self-esteem. Similarly, Hesketh, Wake, and Waters (2004) reported that overweight/obesity precedes low self-esteem in a prospective cohort study of 1,157 elementary school children in Australia.

Although conceptually plausible, empirical evidence on the impact of low self-esteem on the development of obesity in children has not been established convincingly. As described by Hesketh, Wake, and Waters (2004), longitudinal research on the causal impact of self-esteem on obesity is extremely limited. For example, in a small sample of white children, who were observed for three years after the baseline assessment, Klesges et al. (1992) reported that self-esteem did not predict future body fat levels. Along the same lines, Hesketh, Wake, and Waters (2004) found that after accounting for baseline BMI, poorer parent-reported baseline self-esteem did not predict higher BMI scores at follow-up.

In this chapter we investigate whether obesity/overweight is associated with self-esteem of young adults. We also investigate the extent to which self-esteem and obesity influence wages. Section 12.2 describes the empirical specifications employed in the chapter. Section 12.3 provides information about the data. Section 12.4 presents the results, and section 12.5 is the conclusion.

12.2   Empirical Specification

The benchmark specification we estimate is of the following form:

(1) $$S_i = \alpha + \delta B_i + \mathbf{X}_i \beta + \varepsilon_i,$$

where S_i stands for a measure of self-esteem for person i, B_i is a measure of obesity, and $\mathbf{X}$ stands for a vector of personal characteristics that may impact self-esteem. As explained in the data section, we define self-esteem in a number of alternative ways. Similarly, we employ multiple measures of obesity. Versions of equation (1) will be estimated using data on young adults.

Although research could not identify an impact of self-esteem on body weight for children, we cannot rule out the possibility of reverse-causality from self-esteem to obesity. To address this potential confounding, models as depicted by equation (2) are estimated

(2) $$S_i = \alpha + \delta B_{i,t-5} + \mathbf{X}_i \beta + \varepsilon_i,$$

where $B_{i,t-5}$ stands for obesity measured five to six years earlier (baseline obesity). In this specification, past obesity impacts current self-esteem, but current self-esteem does not influence the extent of obesity five years earlier.

Equation (3A) conjectures that the level of self-esteem in year t (S_{it}) is determined by obesity in the past ($B_{i,t-5}$), and the extent of obesity in more distant years. If $\lambda < 1$, then the influence of past obesity is getting smaller in more distant past.

(3A) $$S_{it} = \alpha + \pi B_{i,t-5} + \lambda \pi B_{i,t-6} + \lambda^2 \pi B_{i,t-7} + \lambda^3 \pi B_{i,t-8} + \ldots .$$

Multiplying (3A) by λ and lagging by one period gives

(3B) $$\lambda S_{i,t-1} = \lambda \alpha + \lambda \pi B_{i,t-6} + \lambda^2 \pi B_{i,t-7} + \lambda^3 \pi_{i,t-8} + \ldots .$$

Subtracting (3B) from (3A) and rearranging the terms yields a formulation where self-esteem depends on its lagged value and past BMI.

(4) $$S_{it} = \gamma + \lambda S_{it-1} + \pi B_{i,t-5} + \omega_i,$$

where $\gamma = \alpha(1 - \lambda)$, and ω captures the impact of very distant obesity. We augment equation (4) by individual-level control variables. As will be explained in the data section following, self-esteem is measured five years apart; thus, we estimate equation (5).

(5) $$S_{it} = \gamma + \lambda S_{i,t-5} + \pi B_{i,t-5} + \mathbf{X}_i \mathbf{\Omega} + \eta_i.$$

Finally, we estimate equation (6),

(6) $$W_i = \mu + \varphi S_i + \xi B_i + \mathbf{X}_i \mathbf{\Psi} + \nu_i,$$

where W stands for the wage rate of the young adult. This specification analyzes the extent to which self-esteem has an impact of wages, controlling for the impact of obesity. As mentioned earlier, models will be estimated using different measures of self-esteem and obesity.

Convincing causal inference on obesity-wages relationship could be obtained from analysis of experimental data. However, in this context such data do not exist because it is obviously unethical to design such an experiment where obesity and self-esteem are exogenously manipulated. In the absence of an experimental design, potential endogeneity issues can be addressed in different ways. An instrumental variable that is correlated with the explanatory variable, but uncorrelated with the outcome variable is one potential solution. However, it is difficult to find an instrument which is conceptually and empirically feasible. For example, it is plausible to think of a sibling's body mass index (BMI) as an instrument for the other sibling's BMI, as they are likely to be correlated. However, if BMI is influenced by unobserved family, school, and contextual factors that affect both siblings, then one sibling's BMI might proxy these factors and, therefore, would have a direct impact on the outcome (e.g., wages) of the other sibling, raising questions about the validity of the instrument.

Other potential instruments of BMI include school-based variables. For example, the existence of certain school programs and facilities, such as nutrition classes and athletic facilities, can be thought of as being correlated with the students' BMI, but uncorrelated with their future economic outcomes. But even in this case it can be hypothesized that children are not distributed randomly across schools and certain difficult-to-observe family attributes, which may be correlated with school characteristics, may also have a direct impact on children's future wages. Nevertheless, we tried school characteristics as instruments for obesity. Unsurprisingly, the first-stage regressions did not have power, indicating that school characteristics, are poor instruments for obesity in our data set.

An alternative procedure to control for unobserved heterogeneity that may be correlated with obesity is to include a large number of control variables in vector $\mathbf{X}$. Following this strategy, our regressions include variables such as age, gender, race and ethnicity, education, health status of the individual, whether the person was born in the United States, the number of siblings, family income, mother's age at birth, mother's education, and whether the respondent's father was ever jailed. Also included in some specifications are the scores obtained from the Add Health Peabody Picture

Vocabulary Test. We control for state fixed effects that would capture any differences across states in policies toward children that may be correlated with both obesity and self-esteem. Controlling for these characteristics and using lagged obesity as an explanatory variable should diminish the concerns for bias, although it is possible that some unobserved heterogeneity remains.

12.3   Data

The data are drawn from the National Longitudinal Study of Adolescent Health (Add Health). Add Health was specifically designed to study adolescents' health and risk behaviors, and it is considered to be the largest and most comprehensive nationally representative survey of adolescents ever undertaken in the United States.[2] An in-school questionnaire was administered to 90,118 students in grades seven through twelve between September 1994 and April 1995. All students who completed the in-school questionnaire and those who did not complete a questionnaire but were listed on a school roster were eligible for a more detailed in-home interview, which constituted the Wave I of Add Health. The Wave I in-home interviews were conducted with 20,745 adolescents and 17,700 parents between April 1995 and December 1995. Wave II was implemented with about 14,738 Wave I respondents between April 1996 and August 1996. Between July 2001 and April 2002, a third wave was conducted with the original Wave I respondents who could be located and reinterviewed, as well as a sample of the partners of the original respondents for a total of 15,197 young adults.[3] Our primary sample is drawn from Wave III respondents.

We construct multiple measures of self-esteem. Our first measure is based on replies to a series of questions that the respondents were asked about their self-image in Wave III. These include questions about how satisfied the respondent was with his/her life as a whole, whether the respondent agreed or disagreed that he/she had many good qualities, whether the respondent agreed or disagreed that he/she had a lot to be proud of, whether the respondent agreed or disagreed that he/she liked himself/herself just the way he/she was, and whether the respondent agreed or disagreed that he/she felt he/she was doing things just about right. The answers to the first question included the following values: (a) if very satisfied; (b) if satisfied; (c) if neither satisfied

3. Finally, Wave IV is being conducted with the original Wave I respondents in 2007 to 2008. The data from Wave IV have not been released yet.

nor dissatisfied; (d) if dissatisfied; and (e) if very dissatisfied. The possible responses to the other four questions were (a) if strongly agree; (b) if agree; (c) if neither agree nor disagree; (d) if disagree; and (e) if strongly disagree. We created a single scale from these items after reverse coding each of them, with scores ranging from five to twenty-five. Higher scores indicate higher self-esteem. The items used in constructing this scale are either identical or very similar to the Rosenberg Self-Esteem Scale, which is a ten-item self-report measure of global self-esteem (Rosenberg 1965).[4] We constructed a binary indicator that takes on the value of one if the respondent falls into the top ninetieth percentile in the distribution of this scale; that is, the respondent is in the top 10 percent with the highest self-esteem. This variable is called *Very High Self-Esteem.* We also created a binary indicator, called *High Self-Esteem,* to represent whether the respondent falls into the top seventy-fifth percentile. We created one additional binary indicator to measure self-esteem. Each respondent was asked to assess his/her own confidence in a question, "How confident are you of yourself?" Possible responses to this question included, "very confident," "moderately confident," "slightly confident," and "not confident at all." We constructed a binary variable for being "very confident."

   In some of our specifications, we use self-esteem measures from Wave II of the Add Health. Similar to Wave III, cut-off values for the ninetieth and seventy-fifth percentiles of the Rosenberg Self-Esteem Scale are constructed using responses to the relevant questions asked in Wave II. These include questions about the respondents' assessment of whether he/she has a lot of good qualities, feels socially accepted, feels like he/she is doing everything just about right, feels loved and wanted, likes himself/herself just the way he/she is, and has a lot to be proud of.[5]

   Our obesity measure is based on Body Mass Index (BMI). The BMI is a universally accepted measure of obesity, defined as the ratio of weight in kilograms to height in meters squared. The main reason for the widespread use of BMI is its ease of calculation since most data sets used in socioeconomic research contain the necessary information on height and weight. The World Health Organization (WHO) sets the universally accepted cutoff points for classification of overweight and obesity. An individual with a BMI of less than 18.5 is considered underweight, a BMI between twenty-five and thirty classifies the person as being overweight, while an individual with a BMI of thirty or higher is considered obese. Both self-reported and measured values of height and weight of respondents are available in Wave III of Add Health. Although the BMI values derived from self-reported and

   4. The Rosenberg Self-Esteem Scale is one of the most extensively used instruments to assess self-esteem (Swallen et al. 2005; Martin-Albo et al. 2007; Galliher, Rostosky, and Hughes 2004; Russell et al. 2008; Gabhainn and Mullan 2003).
   5. We could not construct a variable for being "very confident" because this question was not asked in Wave II.

measured height and weight exhibit high correlation in our sample, we use the BMI derived from the measured height and weight. This allows us to avoid any spurious correlation that may result from respondents' misreporting their height and weight due to their self-esteem.

Note that for children and teens, the range of BMI that pertains to above normal weight is defined so that it takes into account normal differences in body fat between boys and girls and differences in body fat at various ages (Centers for Disease Control and Prevention 2008). Therefore, the criteria used to categorize individuals under age twenty are different from those used for adults. Specifically, for children and teens, BMI values are plotted on growth charts from the Centers for Disease Control (CDC) to determine the corresponding BMI-for-age percentile. Children and teens at or above the eighty-fifth percentile of the gender- and age-specific BMI distribution are coded as overweight, while those at or above the ninety-fifth percentile of the BMI distribution are coded as obese. These growth charts take into account the fact that the amount of fat changes with age and differs between girls and boys.[6] The Add Health respondents are between ages eighteen and twenty-six in Wave III. Therefore, we limited our sample to those who are older than twenty when we employed data from Wave III. To classify the respondents by their weight when they were younger (in Wave II), we used the CDC growth charts for each person.

Table 12.1 displays the descriptive statistics. Test Score 1 to Test Score 5 stand for dichotomous variables to indicate the quintile that the Peabody Vocabulary test score belongs. For example, if the test score of the person is at the bottom 20 percent of the Peabody Vocabulary test score distribution, *Test score 1* takes the value of one, and zero otherwise. *Healthy* takes the value of one if the respondent indicated that he/she is in good health or better. *Father jailed* is equal to one if the father was ever jailed, and zero otherwise. *U.S. born* is equal to one if the individual was born in the United States. *No Siblings, 1 Sibling,* and so forth, are a sequence of dummy variables indicating the number of siblings of the person. *Family income—1* is a dummy variable that takes the value of one if the individual's family's income was greater than or equal to 50 percent of the poverty threshold (adjusted for family size), but less than 100 percent of the poverty threshold. *Family Income—2* is equal to one if family income was greater than or equal

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6. For additional information on the CDC growth charts, see http://www.cdc.gov/nccdphp/dnpa/growthcharts/resources/growthchart.pdf. Also, see http://www.cdc.gov/growthcharts/. Until recently, this nomenclature differed across children (aged two to nineteen) and adults. Children with BMIs above the ninety-fifth percentile of the gender- and age-specific distribution were considered "overweight," and those above the eighty-fifth percentile were considered "at-risk-for-overweight." However, an expert committee convened by the American Medical Association (AMA) in collaboration with the Department of Health and Human Services Health Resources and Services Administration (HRSA) and the CDC recently endorsed the use of "overweight" and "obese" for children. See this link for more information on the adjustment: http://www.ama-assn.org/ama1/pub/upload/mm/433/ped_obesity_recs.pdf.

Table 12.1   Descriptive statistics

	Whole sample (1)	Very high self-esteem = 1 (2)	Very high self-esteem = 0 (3)	High self-esteem = 1 (4)	High self-esteem = 0 (5)	Very confident = 1 (6)	Very confident = 0 (7)
High self-esteem	0.327	1.000***	0.241	1.000***	0.000	0.489***	0.179
	(0.469)	(0.000)	(0.428)	(0.000)	(0.000)	(0.500)	(0.383)
Very high self-esteem	0.113	1.000***	0.000	0.345***	0.000	0.191***	0.042
	(0.316)	(0.000)	(0.000)	(0.475)	(0.000)	(0.393)	(0.201)
Rosenberg Index	21.053	25.000***	20.552	24.032***	19.609	22.138***	20.081
	(2.767)	(0.000)	(2.529)	(0.810)	(2.158)	(2.361)	(2.737)
Very confident	0.475	0.804***	0.433	0.712***	0.360	1.000***	0.000
	(0.499)	(0.398)	(0.496)	(0.453)	(0.480)	(0.000)	(0.000)
Wage	11.200	11.780***	11.126	11.572***	11.013	11.317	11.126
	(5.500)	(6.057)	(5.422)	(5.745)	(5.364)	(5.621)	(5.420)
BMI	26.552	25.912***	26.633	26.280***	26.684	26.462	26.601
	(6.128)	(5.528)	(6.196)	(5.882)	(6.241)	(5.896)	(6.296)
Male	0.485	0.565***	0.475	0.521***	0.468	0.548***	0.428
	(0.500)	(0.496)	(0.499)	(0.500)	(0.499)	(0.498)	(0.495)
Age21	0.211	0.237**	0.207	0.212	0.210	0.219**	0.203
	(0.408)	(0.426)	(0.405)	(0.409)	(0.407)	(0.414)	(0.402)
Age22	0.250	0.236	0.252	0.253	0.249	0.253	0.246
	(0.433)	(0.425)	(0.434)	(0.435)	(0.433)	(0.435)	(0.431)
Age23	0.251	0.229*	0.254	0.244	0.254	0.241**	0.259
	(0.434)	(0.420)	(0.435)	(0.429)	(0.436)	(0.428)	(0.438)
Age24	0.210	0.214	0.210	0.212	0.209	0.203**	0.220
	(0.407)	(0.410)	(0.407)	(0.409)	(0.407)	(0.402)	(0.414)
Age25	0.067	0.073	0.067	0.069	0.066	0.072*	0.063
	(0.250)	(0.260)	(0.249)	(0.254)	(0.249)	(0.259)	(0.243)
Age26	0.009	0.010	0.009	0.008	0.009	0.009	0.009
	(0.095)	(0.099)	(0.094)	(0.092)	(0.096)	(0.095)	(0.093)
Hispanic	0.177	0.193	0.175	0.180	0.176	0.192***	0.165
	(0.382)	(0.395)	(0.380)	(0.385)	(0.381)	(0.394)	(0.371)
White	0.650	0.637	0.652	0.615***	0.667	0.595***	0.707
	(0.477)	(0.481)	(0.476)	(0.487)	(0.471)	(0.491)	(0.455)
Black	0.216	0.239**	0.213	0.262***	0.194	0.280***	0.150
	(0.411)	(0.427)	(0.409)	(0.440)	(0.395)	(0.449)	(0.357)

(continued)

Table 12.1 (continued)

	Whole sample (1)	Very high self-esteem = 1 (2)	Very high self-esteem = 0 (3)	High self-esteem = 1 (4)	High self-esteem = 0 (5)	Very confident = 1 (6)	Very confident = 0 (7)
Other race	0.117	0.108	0.118	0.106**	0.122	0.104***	0.129
	(0.321)	(0.311)	(0.322)	(0.308)	(0.327)	(0.305)	(0.335)
Test score 1	0.200	0.198	0.200	0.205	0.197	0.238***	0.162
	(0.400)	(0.399)	(0.400)	(0.404)	(0.398)	(0.426)	(0.368)
Test score 2	0.207	0.169***	0.212	0.197*	0.212	0.216**	0.196
	(0.405)	(0.375)	(0.409)	(0.398)	(0.409)	(0.412)	(0.397)
Test score 3	0.144	0.142	0.144	0.138	0.146	0.142	0.146
	(0.351)	(0.349)	(0.351)	(0.345)	(0.353)	(0.349)	(0.354)
Test score 4	0.214	0.235*	0.211	0.213	0.214	0.193***	0.234
	(0.410)	(0.424)	(0.408)	(0.409)	(0.410)	(0.394)	(0.424)
Test score 5	0.202	0.209	0.201	0.201	0.202	0.175***	0.230
	(0.401)	(0.407)	(0.401)	(0.401)	(0.402)	(0.380)	(0.421)
No degree	0.088	0.064***	0.091	0.070***	0.097	0.102***	0.074
	(0.284)	(0.245)	(0.288)	(0.255)	(0.296)	(0.302)	(0.262)
GED	0.073	0.064	0.074	0.062***	0.078	0.075	0.070
	(0.260)	(0.245)	(0.262)	(0.241)	(0.269)	(0.264)	(0.256)
High school degree	0.606	0.603	0.607	0.608	0.605	0.604	0.607
	(0.489)	(0.489)	(0.489)	(0.488)	(0.489)	(0.489)	(0.489)
Junior college degree	0.084	0.085	0.084	0.086	0.083	0.081	0.088
	(0.277)	(0.279)	(0.277)	(0.280)	(0.276)	(0.273)	(0.283)
Bachelor's degree	0.139	0.168***	0.136	0.163***	0.128	0.129***	0.151
	(0.346)	(0.374)	(0.342)	(0.369)	(0.334)	(0.335)	(0.358)
Master's degree	0.009	0.016***	0.008	0.010	0.008	0.009	0.010
	(0.094)	(0.124)	(0.089)	(0.100)	(0.090)	(0.092)	(0.097)
Healthy	0.956	0.983***	0.952	0.977***	0.946	0.967***	0.944
	(0.205)	(0.130)	(0.213)	(0.150)	(0.227)	(0.177)	(0.229)
Father jailed	0.134	0.114**	0.136	0.122**	0.139	0.142**	0.126
	(0.340)	(0.318)	(0.343)	(0.328)	(0.346)	(0.349)	(0.332)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
U.S. born	0.905	0.903	0.906	0.906	0.905	0.902	0.907
	(0.293)	(0.297)	(0.292)	(0.292)	(0.293)	(0.297)	(0.290)
No siblings	0.183	0.158**	0.187	0.175*	0.188	0.187	0.179
	(0.387)	(0.365)	(0.390)	(0.380)	(0.391)	(0.390)	(0.384)
1 sibling	0.343	0.349	0.343	0.350	0.340	0.326***	0.359
	(0.475)	(0.477)	(0.475)	(0.477)	(0.474)	(0.469)	(0.480)
2 siblings	0.247	0.259	0.245	0.250	0.245	0.249	0.247
	(0.431)	(0.438)	(0.430)	(0.433)	(0.430)	(0.432)	(0.431)
3 siblings	0.119	0.120	0.118	0.117	0.119	0.120	0.116
	(0.323)	(0.325)	(0.323)	(0.322)	(0.324)	(0.325)	(0.320)
4 or more siblings	0.090	0.091	0.090	0.091	0.089	0.099**	0.082
	(0.286)	(0.287)	(0.286)	(0.288)	(0.285)	(0.299)	(0.274)
Family income—1	0.060	0.054	0.061	0.061	0.060	0.071***	0.049
	(0.238)	(0.226)	(0.239)	(0.239)	(0.237)	(0.256)	(0.215)
Family income—2	0.140	0.127	0.142	0.135	0.142	0.147**	0.133
	(0.347)	(0.333)	(0.349)	(0.342)	(0.350)	(0.355)	(0.340)
Family income—3	0.754	0.774*	0.751	0.756	0.753	0.729***	0.779
	(0.431)	(0.418)	(0.432)	(0.429)	(0.431)	(0.445)	(0.415)
Mom's age at birth ≦ 19	0.077	0.079	0.077	0.075	0.078	0.082	0.073
	(0.267)	(0.270)	(0.266)	(0.263)	(0.269)	(0.274)	(0.261)
19 < Mom's age at birth ≦ 30	0.503	0.498	0.503	0.516*	0.496	0.503	0.500
	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
30 < Mom's age at birth ≦ 40	0.124	0.134	0.123	0.122	0.126	0.117**	0.133
	(0.330)	(0.341)	(0.329)	(0.327)	(0.332)	(0.322)	(0.339)
Mom's age at birth > 40	0.006	0.006	0.006	0.006	0.006	0.007	0.005
	(0.078)	(0.075)	(0.079)	(0.077)	(0.079)	(0.081)	(0.073)
Mom high school dropout	0.156	0.142	0.158	0.152	0.158	0.167***	0.147
	(0.363)	(0.349)	(0.365)	(0.359)	(0.365)	(0.373)	(0.354)
Mom finished high school	0.309	0.294	0.311	0.297*	0.314	0.306	0.309
	(0.462)	(0.456)	(0.463)	(0.457)	(0.464)	(0.461)	(0.462)
Observations	10,843	1,222	9,621	3,541	7,302	5,042	5,578

Notes: Standard deviations are in parentheses. The number of observations for the variable *Very confident* is 10,620; 1,196; 9,424; 3,467; and 7,153, respectively in columns (1) to (5). It is equal to "Observations" in columns (6) and (7). The number of observations for *Wage* is 7,089; 795; 6,294; 2,369; 4,720; 3,305; and 3,670 in (1) to (7), respectively. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.1 for the test of the equality of means between groups in columns (2) and (3), (4) and (5), and (6) and (7).

to 100 percent of the poverty threshold but less than 200 percent, and zero otherwise. *Family Income—3* identifies the case where family income was greater than or equal to 200 percent of the poverty threshold. Other control variables include mother's education and mother's age at birth.

Table 12.1 also reports the means of the variables by self-esteem category. The stars next to the means indicate that the means are different between the groups. For example, the average hourly wage for those with very high self-esteem is $11.78, while the average wage for those who do not have very high self-esteem is $11.13, and the difference is statistically significant. The proportion of males with high self-esteem is greater than that of females.

12.4   Results

12.4.1   BMI and Self-Esteem

Table 12.2 displays the results obtained from the model depicted in equation (1), where self-esteem of young adults (aged twenty-one to twenty-six) is explained by BMI and other explanatory variables. Each specification reported in this table and in all other tables includes state fixed effects. Robust standard errors are reported in parentheses under the coefficients. Column (1) reports the results of the model where *Very high self-esteem* is the dependent variable. This is a dichotomous variable that takes the value of one if the person is ranked in the top 10 percent of the self-esteem distribution, and zero otherwise. Age and race have no statistically significant impact on self-esteem. Hispanic ethnicity is related to high self-esteem and confidence. Those with a high school degree or junior college degree are 3 and 4 percentage points more likely, respectively, to have very high self-esteem in comparison to those with a GED or with no high school diploma. The impact of bachelor's degree on very high self-esteem is twice as large as the impact of a high school diploma or a junior college degree, and the impact of a master's degree on very high self-esteem is twice as large as that of a bachelor's degree. Males and healthier individuals are more likely to have very high self-esteem. An increase in BMI is associated with a decrease in high self-esteem. One-standard deviation increase in BMI (6.13) lowers the probability of having very high self-esteem by about 1 percentage point, which represents a 9 percent decline from the baseline.

Column (3) displays the results of the model where *High self-esteem* is the dependent variable, which is a dichotomous variable that takes the value of one if the if the person is ranked in the top 25 percent of the self-esteem distribution, and zero otherwise. The results are very similar to those reported in column (1). In alternative specifications, displayed in columns (2) and (4), we estimate models by including both linear and quadratic BMI terms to investigate potential nonlinear impact of BMI on self-esteem. The coefficients are not significantly different from zero. However, the hypothesis

Table 12.2   **Determinants of self-esteem**

	A—BMI as a continuous variable					
	Very high self-esteem		High self-esteem		Very confident	
	(1)	(2)	(3)	(4)	(5)	(6)
BMI	−0.002***	−0.001	−0.002***	−0.001	−0.002**	0.008
	(0.0005)	(0.003)	(0.001)	(0.005)	(0.001)	(0.005)
BMI²		−0.00001		−0.00001		−0.00016*
		(0.00004)		(0.00008)		(0.00009)
Male	0.040***	0.040***	0.057***	0.057***	0.124***	0.122***
	(0.006)	(0.006)	(0.009)	(0.009)	(0.010)	(0.010)
Age21	0.020	0.020	0.033	0.033	0.066	0.066
	(0.032)	(0.032)	(0.045)	(0.045)	(0.049)	(0.049)
Age22	−0.005	−0.004	0.028	0.028	0.049	0.050
	(0.031)	(0.031)	(0.045)	(0.045)	(0.049)	(0.049)
Age23	−0.010	−0.010	0.012	0.012	0.029	0.029
	(0.031)	(0.031)	(0.045)	(0.045)	(0.049)	(0.049)
Age24	−0.002	−0.002	0.018	0.018	0.024	0.025
	(0.031)	(0.031)	(0.045)	(0.045)	(0.049)	(0.049)
Age25	0.007	0.007	0.031	0.031	0.063	0.062
	(0.033)	(0.033)	(0.047)	(0.047)	(0.051)	(0.051)
Hispanic	0.030***	0.029***	0.036**	0.036**	0.045***	0.044***
	(0.010)	(0.010)	(0.015)	(0.015)	(0.015)	(0.015)
White	−0.006	−0.006	−0.011	−0.011	0.014	0.013
	(0.011)	(0.011)	(0.017)	(0.017)	(0.018)	(0.018)
Black	0.015	0.015	0.080***	0.079***	0.196***	0.196***
	(0.013)	(0.013)	(0.019)	(0.019)	(0.020)	(0.020)
GED	0.020	0.020	0.024	0.024	−0.036	−0.035
	(0.014)	(0.014)	(0.021)	(0.021)	(0.024)	(0.024)
High school degree	0.032***	0.032***	0.072***	0.072***	−0.048***	−0.048***
	(0.010)	(0.010)	(0.016)	(0.016)	(0.018)	(0.018)
Junior college degree	0.039***	0.039***	0.082***	0.082***	−0.045*	−0.044*
	(0.014)	(0.014)	(0.022)	(0.022)	(0.024)	(0.024)
Bachelor's degree	0.066***	0.066***	0.140***	0.140***	−0.034	−0.034
	(0.014)	(0.014)	(0.021)	(0.021)	(0.022)	(0.022)
Master's degree	0.125***	0.125***	0.127**	0.127**	−0.034	−0.033
	(0.042)	(0.042)	(0.051)	(0.051)	(0.052)	(0.052)
Healthy	0.054***	0.054***	0.134***	0.133***	0.133***	0.131***
	(0.010)	(0.010)	(0.018)	(0.018)	(0.022)	(0.022)
Father jailed	−0.011	−0.011	−0.022*	−0.022*	0.007	0.007
	(0.009)	(0.009)	(0.013)	(0.013)	(0.014)	(0.014)
U.S. born	0.005	0.005	0.010	0.010	−0.004	−0.004
	(0.012)	(0.012)	(0.017)	(0.017)	(0.018)	(0.018)
No siblings	−0.018	−0.018	−0.036*	−0.036*	−0.029	−0.029
	(0.013)	(0.013)	(0.019)	(0.019)	(0.020)	(0.020)
1 sibling	−0.002	−0.002	−0.009	−0.009	−0.040**	−0.041**
	(0.012)	(0.012)	(0.018)	(0.018)	(0.019)	(0.019)
2 siblings	−0.0002	−0.0003	−0.012	−0.012	−0.026	−0.027
	(0.012)	(0.012)	(0.018)	(0.018)	(0.019)	(0.019)
3 siblings	0.001	0.001	−0.009	−0.009	−0.014	−0.015
	(0.014)	(0.014)	(0.020)	(0.020)	(0.021)	(0.021)
Family Income—1	−0.010	−0.010	−0.007	−0.007	0.022	0.022
	(0.018)	(0.018)	(0.028)	(0.028)	(0.029)	(0.029)
Family Income—2	−0.008	−0.008	−0.011	−0.011	−0.010	−0.011
	(0.016)	(0.016)	(0.024)	(0.024)	(0.026)	(0.026)

Table 12.2 (continued)

	Very high self-esteem		High self-esteem		Very confident	
	(1)	(2)	(3)	(4)	(5)	(6)
Family Income—3	0.005	0.005	0.005	0.005	−0.036	−0.036
	(0.016)	(0.016)	(0.023)	(0.023)	(0.024)	(0.024)
Mom's age at birth ≤ 19	0.012	0.012	0.021	0.021	0.025	0.025
	(0.015)	(0.015)	(0.021)	(0.021)	(0.022)	(0.022)
19 < Mom's age at birth ≤ 30	−0.004	−0.004	0.025*	0.025*	0.033**	0.033**
	(0.010)	(0.010)	(0.014)	(0.014)	(0.015)	(0.015)
Mom high school drop out	−0.009	−0.009	−0.001	−0.001	0.013	0.013
	(0.010)	(0.010)	(0.015)	(0.015)	(0.016)	(0.016)
Mom finished high school	−0.005	−0.005	−0.014	−0.014	0.001	0.000
	(0.007)	(0.007)	(0.011)	(0.011)	(0.012)	(0.012)
Observations	10,843	10,843	10,843	10,843	10,631	10,631

B—BMI as dichotomous variables

	Very high self-esteem (1)	High self-esteem (2)	Very confident (3)
Underweight	−0.004	0.015	−0.006
	(0.018)	(0.027)	(0.029)
Overweight	−0.004	0.003	0.017
	(0.007)	(0.011)	(0.011)
Obese	−0.024***	−0.023**	−0.022*
	(0.007)	(0.011)	(0.012)
Male	0.040***	0.056***	0.122***
	(0.006)	(0.009)	(0.010)
Age21	0.020	0.034	0.068
	(0.032)	(0.046)	(0.049)
Age22	−0.004	0.029	0.052
	(0.031)	(0.045)	(0.049)
Age23	−0.010	0.013	0.030
	(0.031)	(0.045)	(0.049)
Age24	−0.002	0.019	0.026
	(0.031)	(0.045)	(0.049)
Age25	0.007	0.032	0.065
	(0.033)	(0.047)	(0.051)
Hispanic	0.029***	0.035**	0.043***
	(0.010)	(0.015)	(0.015)
White	−0.006	−0.011	0.013
	(0.011)	(0.017)	(0.018)
Black	0.014	0.079***	0.196***
	(0.013)	(0.019)	(0.020)
GED	0.020	0.024	−0.036
	(0.014)	(0.021)	(0.024)
High school degree	0.032***	0.072***	−0.049***
	(0.010)	(0.016)	(0.018)
Junior college degree	0.038***	0.082***	−0.046**
	(0.014)	(0.022)	(0.024)
Bachelor's degree	0.066***	0.140***	−0.034
	(0.014)	(0.021)	(0.022)
Master's degree	0.125***	0.128**	−0.035
	(0.042)	(0.051)	(0.052)
Healthy	0.054***	0.134***	0.132***
	(0.010)	(0.018)	(0.022)

Table 12.2   (continued)

	Very high self-esteem (1)	High self-esteem (2)	Very confident (3)
Father jailed	–0.011	–0.022*	0.007
	(0.009)	(0.013)	(0.014)
U.S. born	0.005	0.009	–0.005
	(0.012)	(0.017)	(0.018)
No siblings	–0.018	–0.035*	–0.028
	(0.013)	(0.019)	(0.020)
1 sibling	–0.001	–0.008	–0.040**
	(0.012)	(0.018)	(0.019)
2 siblings	0.000	–0.012	–0.026
	(0.012)	(0.018)	(0.019)
3 siblings	0.001	–0.009	–0.014
	(0.014)	(0.020)	(0.021)
Family income—1	–0.010	–0.007	0.022
	(0.019)	(0.028)	(0.029)
Family income—2	–0.008	–0.011	–0.011
	(0.016)	(0.024)	(0.026)
Family income—3	0.005	0.005	–0.036
	(0.016)	(0.023)	(0.024)
Mom's age at birth ≤ 19	0.012	0.021	0.025
	(0.015)	(0.021)	(0.022)
19 < Mom's age at birth ≤ 30	–0.004	0.025*	0.033**
	(0.010)	(0.014)	(0.015)
Mom high school drop out	–0.009	–0.001	0.013
	(0.010)	(0.015)	(0.016)
Mom finished high school	–0.005	–0.014	0.000
	(0.007)	(0.011)	(0.012)
Observations	10,843	10,843	10,631

Notes: Regressions include state-fixed effects. Robust standard errors are reported in parentheses. ***, ** and * indicate p-values less than 0.01, 0.05 and 0.10, respectively.

that linear and quadratic BMI terms are jointly zero is strongly rejected in each case. Columns (5) and (6) present the results obtained from the models where the dependent variable is whether the person has very high confidence. As column (5) shows, an increase in BMI is negatively associated with confidence, and the magnitude of the association is the same as the ones reported in case of self-esteem.

To estimate a more flexible functional form, we classified BMI into four mutually exclusive categories, and used three of these indicators as explanatory variables. In table 12.2 we report estimation results obtained from these specifications. *Underweight* takes the value of one if the person's BMI is less than 18.5, and zero otherwise. *Overweight* is one if BMI is between twenty-five and thirty, inclusive; *Obese* takes the value of one if BMI is greater than thirty. The results demonstrate that the most significant impact on self-esteem is obtained from belonging to the *Obese* category. Specifically, being obese (BMI > 30) is associated with a decrease in the probability of having high or very high self-esteem by about 2.4 percentage points. Being

obese is also associated with a reduction in the probability of being very confident by 2.2 percentage points.

To investigate the sensitivity of the results to the manner in which individuals are classified into high self-esteem and low self-esteem categories, we estimated two ordered-probit models. Each model contains the same set of explanatory variables as employed in table 12.2. The first model categorizes self-esteem into four groups: (a) if the person's self-esteem score is less than twenty, (b) if the self-esteem score is twenty or twenty-one, (c) if the self-esteem score is twenty-two or twenty-three, and (d) if the self-esteem score is twenty-four or twenty-five. Twenty-three percent of the observations belong to the first category, about 34 percent are in the second group, 21 percent are in the third group, and 23 percent are in the fourth group. In the second specification we categorized the young adults' self-esteem into three groups: (a) those with self-esteem score less than twenty (23 percent of the sample), (b) those with a score of twenty, twenty-one, or twenty-two (44 percent of the sample), and (c) those with a score twenty-three or greater (33 percent of the sample).

Table 12.3, panel A presents the marginal effects of the continuous measure of BMI (the top section) and the marginal effects of the dichotomous BMI indicators (the bottom section) that are calculated after estimating the ordered-probit models where self-esteem is classified into four categories. An increase in BMI increases the probability of belonging to the bottom two self-esteem categories, and it decreases the probability of being in the top two groups of self-esteem distribution. The same result is obtained when using the dichotomous BMI variables, and the statistically significant impact stems from being obese.

Table 12.3 panel B displays the same information with one difference: the dependent variable is based on a three-way categorization of self-esteem. As was the case in table 12.3 panel A, an increase in BMI is associated with a reduction in the probability of having high self-esteem (being in the top 33 percent of the self-esteem distribution), and it is associated with an increase in the probability of belonging to low-self-esteem groups.

In table 12.4 we display the results obtained from estimating versions of equation (2). Here, to minimize the concern of reverse causality from self-esteem to BMI, we explain the current self-esteem of the young adult (measured in the third wave of the survey) with his/her BMI measured five to six years ago (in the second wave of the survey). Columns (1), (2), and (3) reveal that past BMI has a statistically significant impact on current self-esteem. Furthermore, the magnitude of the BMI coefficient is the same as those reported in table 12.2.

Columns (4) and (5) of table 12.4 display the results of the models depicted in equation (5), where current self-esteem is expressed as a function of past self-esteem and past BMI. This specification cannot be estimated when *Very confident* is the dependent variable because the variable *Very confident* is not available in the second wave of the survey. Having high self-esteem (very high

Table 12.3   **Marginal effects on the probability of each category of self-esteem**

	4 Self-esteem categories			
	(1) (lowest)	(2)	(3)	(4) (highest)
BMI***	0.0021	0.0006	–0.0007	–0.0020
	(0.0005)	(0.0002)	(0.0002)	(0.0005)
Underweight	0.004	0.001	–0.001	–0.004
	(0.019)	(0.006)	(0.006)	(0.019)
Overweight	–0.008	–0.002	0.003	0.008
	(0.007)	(0.002)	(0.002)	(0.007)
Obese***	0.026	0.007	–0.008	–0.024
	(0.008)	(0.002)	(0.003)	(0.008)
Observations	10,863	10,863	10,863	10,863

	3 Self-esteem categories		
	(1) (low)	(2)	(3) (high)
BMI***	0.0019	0.0004	–0.0023
	(0.0005)	(0.0001)	(0.0007)
Underweight	0.0002	0.00003	–0.0002
	(0.0201)	(0.00413)	(0.0242)
Overweight	–0.007	–0.0014	0.008
	(0.008)	(0.0017)	(0.009)
Obese***	0.024	0.0042	–0.028
	(0.009)	(0.0013)	(0.010)
Observations	10,863	10,863	10,863

Notes: ***Indicates that the coefficient of the variable in the ordered probit regression is significant at less than 1 percent level.

self-esteem) in the past increases the likelihood of having high self-esteem (very high self-esteem) in the present. Keeping constant past self-esteem, an increase in BMI in the past is associated with a decrease in self-esteem today. The impact of past BMI on current self-esteem is smaller in specifications that control for past self-esteem (columns [4] and [5]) in comparison to the models that do not control for past self-esteem (columns [1], [2], and [3]).

The bottom panel of table 12.4 presents the results obtained from models where self-esteem and confidence indicators are explained by weight indicators in the past (five to six years earlier) as well as past self-esteem indicators. Past weight indicators are based on height and weight measured in Wave II, when the subjects were fifteen to twenty years of age. Thus, the classifications are based in CDC growth charts. Here, underweight indicates that the teenager belonged to the bottom 5 percent of the distribution for age in Wave II. He/she is considered overweight if the BMI was between the eighty-fifth

Table 12.4   **The determinants of self-esteem: Models with past BMI and past self-esteem**

	Very high self-esteem (1)	High self-esteem (2)	Very confident (3)	Very high self-esteem (4)	High self-esteem (5)
Past BMI	–0.002**	–0.003***	–0.002**	–0.001**	–0.002**
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Very high self-esteem in the past				0.164***	
				(0.014)	
High self-esteem in the past					0.225***
					(0.012)
Observations	8,106	8,106	7,919	8,090	8,090
Underweight in the past	–0.014	–0.020	–0.050*	–0.012	–0.010
	(0.016)	(0.024)	(0.026)	(0.016)	(0.024)
Overweight in the past	–0.018*	–0.021	–0.011	–0.018*	–0.019
	(0.010)	(0.015)	(0.017)	(0.010)	(0.015)
Obese in the past	–0.021**	–0.036**	–0.034*	–0.018*	–0.028*
	(0.010)	(0.016)	(0.017)	(0.010)	(0.016)
Very high self-esteem in the past				0.164***	
				(0.014)	
High self-esteem in the past					0.225***
					(0.012)
Observations	8,106	8,106	7,919	8,090	8,090

Notes: Regressions include state-fixed effects and variables used in table 12.2. Robust standard errors are in parentheses. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively. *Underweight in the past, Overweight in the past,* and *Obese in the past* are based on the BMI of the person in Wave 2, when he/she was aged 15–20. For these classifications, underweight indicates that the person belonged to the bottom 5 percent of the distribution for age. Overweight indicates that the BMI is between 85th and 95th percentiles; and obese indicates that BMI is equal to or greater than the 95th percentile. See the text for further details.

and ninety-fifth percentiles; the teenager is considered obese if the BMI was equal to or greater than the ninety-fifth percentile. The left-out category in the regressions is healthy weight (BMI between fifth and eighty-fifth percentiles). The results demonstrate that being obese in the past has a negative impact on current self-esteem. The impacts of being underweight and being overweight on self-esteem are also negative, although the significance of the coefficients is spotty.

12.4.2   BMI and Wages

Equation (6), which formulates the relationship between wages, obesity, and self-esteem is estimated using the logarithm of wages reported by young adults in Wave III.[7] Table 12.5 reports the benchmark specification where wages are explained by human capital attributes of the young adults as

7. It is not advisable to include in these regressions occupation dummies to control for the impact of individuals' occupations in their wages. This is because occupational choice may have been determined, in part, by BMI. Nevertheless, we also ran regressions that include twenty-two occupation dummies. The results did not change.

Table 12.5   **Determinants of wages: Models with self-esteem**

	(1)	(2)	(3)	(4)	(5)	(6)
Very high self-esteem	0.035***			0.035***		
	(0.013)			(0.013)		
High self-esteem		0.043***			0.042***	
		(0.009)			(0.009)	
Very confident			0.027***			0.028***
			(0.008)			(0.008)
Male	0.091***	0.090***	0.087***	0.090***	0.088***	0.085***
	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)	(0.008)
Age21	–0.078*	–0.080*	–0.079*	–0.081*	–0.082*	–0.082*
	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)
Age22	–0.023	–0.024	–0.026	–0.025	–0.027	–0.028
	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)
Age23	0.038	0.036	0.037	0.035	0.034	0.035
	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)
Age24	0.089*	0.087*	0.090**	0.087*	0.085*	0.088*
	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)	(0.045)
Age25	0.088*	0.086*	0.091*	0.086*	0.085*	0.089*
	(0.048)	(0.047)	(0.047)	(0.047)	(0.047)	(0.047)
Hispanic	0.031**	0.031**	0.031**	0.036***	0.036***	0.036***
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
White	–0.018	–0.018	–0.020	–0.020	–0.021	–0.023
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Black	–0.046***	–0.049***	–0.056***	–0.039**	–0.042**	–0.049***
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
Test score 2				0.044***	0.043***	0.039***
				(0.013)	(0.013)	(0.013)
Test score 3				0.053***	0.053***	0.051***
				(0.015)	(0.015)	(0.015)
Test score 4				0.061***	0.061***	0.059***
				(0.014)	(0.014)	(0.014)
Test score 5				0.032**	0.032**	0.033**
				(0.014)	(0.014)	(0.015)
GED	0.085***	0.085***	0.083***	0.077***	0.077***	0.075***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
High school degree	0.095***	0.094***	0.094***	0.087***	0.086***	0.086***
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Junior college degree	0.183***	0.182***	0.181***	0.171***	0.170***	0.169***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Bachelor's degree	0.327***	0.325***	0.328***	0.316***	0.314***	0.316***
	(0.020)	(0.020)	(0.020)	(0.021)	(0.021)	(0.021)
Master's degree	0.459***	0.462***	0.461***	0.450***	0.452***	0.451***
	(0.055)	(0.054)	(0.055)	(0.055)	(0.054)	(0.055)
Healthy	0.087***	0.084***	0.088***	0.085***	0.081***	0.085***
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Father jailed	–0.005	–0.005	–0.002	–0.006	–0.006	–0.003
	(0.012)	(0.012)	(0.013)	(0.012)	(0.012)	(0.013)
U.S. born	0.028*	0.028*	0.028*	0.023	0.023	0.023
	(0.014)	(0.014)	(0.015)	(0.015)	(0.015)	(0.015)
No siblings	0.001	0.001	0.000	–0.003	–0.003	–0.004
	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
1 sibling	–0.017	–0.017	–0.017	–0.019	–0.019	–0.019
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
2 siblings	–0.012	–0.012	–0.011	–0.014	–0.014	–0.013
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)

Table 12.5   (continued)

	(1)	(2)	(3)	(4)	(5)	(6)
3 siblings	–0.011	–0.011	–0.012	–0.013	–0.012	–0.013
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
Family income—1	–0.020	–0.021	–0.021	–0.023	–0.023	–0.024
	(0.024)	(0.024)	(0.025)	(0.024)	(0.024)	(0.025)
Family income—2	–0.023	–0.023	–0.022	–0.026	–0.026	–0.025
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
Family income—3	0.012	0.011	0.013	0.007	0.007	0.008
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Mom's age at birth $\leq$ 19	–0.005	–0.005	–0.006	–0.004	–0.004	–0.005
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
19 $<$ Mom's age at birth $\leq$ 30	–0.004	–0.004	–0.006	–0.004	–0.005	–0.007
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom high school drop out	–0.003	–0.003	–0.004	0.000	0.000	–0.001
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom finished high school	0.000	0.001	0.001	0.002	0.003	0.003
	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Observations	7,524	7,524	7,395	7,524	7,524	7,395

Notes: Regressions include state-fixed effects, and 22 occupation dummies. Robust standard errors are reported in parentheses. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively.

well as by their self-esteem. The results show that higher levels of education have bigger impacts on wages. A General Educational Development (GED) degree increases wages by 8.5 percent in comparison to having no high school diploma; and high school diploma has an 9.5 percent wage premium. The impact of a junior college degree on wages is an 18 percent increase in comparison to no high school diploma. Those with a bachelor's degree earn about 33 percent higher wages in comparison to those who have no high school degree and the premium associated with a master's degree is 46 percent. This result is not surprising, and it is consistent with the large literature in economics on the returns to education. However, these models do not control for potential endogeneity of education, therefore the magnitudes of the education variables should be interpreted with caution.[8] In fact, columns (4) through (6) show that, controlling for the vocabulary scores reduces the magnitude of the education coefficients. Holding constant education, higher vocabulary test scores have a positive impact on wages. This suggests that this dimension of ability, measured by Peabody Vocabulary test scores, is rewarded in the market in addition to the level of education acquired. In columns (1) through (3), we observe that having been born in the United States is associated with a 2.8 percent wage premium. However, controlling for the vocabulary test score in columns (4) through (6) eliminates the statistical significance of the coefficient of U.S. born, sug-

8. For example, individuals with higher ability are more likely to acquire more education, and they are also more likely to earn higher wages, regardless their level of education.

gesting English proficiency may be captured by the U.S. born variable. Being healthy generates an 8 percent wage premium, but other variables are not significantly associated with wages. Table 12.5 also shows that holding all else constant, having high self-esteem is associated with higher wages. This result is consistent with recent research that has demonstrated the importance of noncognitive skills in wage determination.

Table 12.6 panel A estimates the same models with one difference: in these models we include BMI as an additional explanatory variable. The results imply that a one-standard deviation increase in BMI is associated with a 1.2 percent reduction in wages. A comparison with table 12.5 shows that adding BMI does not impact the coefficients of most variables meaningfully. When the impact of BMI is controlled for, the coefficients of self-esteem decline slightly. Specifically, the impact of self-esteem is 11 to 15 percent smaller when the model includes BMI. Panel B in table 12.6 is similar to panel A, but instead of employing BMI as a continuous measure, we use three dichotomous variables that classify individuals into four weight categories, as was done before. This specification does not alter the estimated impact of self-esteem on wages, and the results show that the negative impact of BMI on wages is primarily due to being in the *Obese* category.

Table 12.7 displays the results that are obtained from the models where logarithm of wages are regressed on the same set of explanatory variables, including current self-esteem measures, but that also control for past BMI (BMI measured five to six years ago). Past BMI has a negative impact on current wages and the positive impact of self-esteem on wages remains robust.

12.4.3   Race and Gender-specific Analyses

To investigate how the relationship between BMI, self-esteem, and wages differ by race and gender, we estimated the models for the following four groups: black females, black males, white females, and white males. Each model contains the same set of explanatory variables as used in other models, including the indicator variable for Hispanic ethnicity. Such a breakdown is potentially important because previous research failed to find a consistent relationship between BMI and wages for groups other than white females, suggesting that the strength of the association between self-esteem, BMI, and wages may differ between race and gender groups.

Table 12.8 summarizes the results of the race and gender-specific self-esteem regressions. The models include full set of controls as in previous regressions, but they are not reported in the interest of space. In each panel we report the estimated coefficients of BMI and the corresponding standard error. The top panel demonstrates that BMI has a negative and statistically significant impact on self-esteem in the case of black females. The BMI has a negative impact of black men's self-esteem as well, although most of the estimates are not statistically significant at conventional levels. The bottom

Table 12.6 **Determinants of wages**

	(1)	(2)	(3)	(4)	(5)	(6)
A—Determinants of wages: Models with self-esteem and BMI as a continuous variable						
BMI	–0.002***	–0.002***	–0.002***	–0.002***	–0.002***	–0.002***
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Very high self-esteem	0.030**			0.030**		
	(0.014)			(0.014)		
High self-esteem		0.037***			0.037***	
		(0.009)			(0.009)	
Very confident			0.024***			0.025***
			(0.009)			(0.009)
Male	0.094***	0.093***	0.091***	0.093***	0.091***	0.089***
	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)
Age21	–0.094*	–0.096**	–0.094*	–0.097**	–0.099**	–0.097**
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age22	–0.037	–0.039	–0.039	–0.039	–0.041	–0.041
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age23	0.025	0.023	0.024	0.023	0.021	0.021
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age24	0.074	0.072	0.074	0.072	0.070	0.072
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age25	0.076	0.074	0.079	0.075	0.072	0.078
	(0.051)	(0.051)	(0.051)	(0.051)	(0.051)	(0.051)
Hispanic	0.026**	0.026*	0.026**	0.030**	0.030**	0.031**
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
White	–0.017	–0.017	–0.019	–0.019	–0.019	–0.021
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Black	–0.046**	–0.049***	–0.055***	–0.040**	–0.043**	–0.049***
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.019)
Test score 2				0.040***	0.040***	0.038***
				(0.013)	(0.013)	(0.013)
Test score 3				0.048***	0.048***	0.047***
				(0.015)	(0.015)	(0.015)
Test score 4				0.056***	0.056***	0.055***
				(0.014)	(0.014)	(0.014)
Test score 5				0.027*	0.027*	0.030**
				(0.015)	(0.015)	(0.015)
GED	0.090***	0.090***	0.087***	0.083***	0.083***	0.081***
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
High school degree	0.097***	0.097***	0.097***	0.090***	0.089***	0.089***
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Junior college degree	0.184***	0.184***	0.183***	0.174***	0.174***	0.172***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Bachelor's degree	0.329***	0.327***	0.330***	0.319***	0.317***	0.319***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Master's degree	0.455***	0.458***	0.459***	0.447***	0.449***	0.450***
	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)	(0.056)
Healthy	0.078***	0.074***	0.077***	0.075***	0.072***	0.075***
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Father jailed	–0.007	–0.006	–0.004	–0.008	–0.007	–0.005
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
U.S. born	0.030**	0.030**	0.029*	0.026*	0.025*	0.024
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
No siblings	–0.005	–0.005	–0.005	–0.008	–0.008	–0.009
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
1 sibling	–0.022	–0.023	–0.022	–0.025	–0.025	–0.024
	(0.016)	(0.016)	(0.017)	(0.016)	(0.016)	(0.017)

Table 12.6 (continued)

	(1)	(2)	(3)	(4)	(5)	(6)
2 siblings	–0.015	–0.015	–0.013	–0.017	–0.017	–0.015
	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
3 siblings	–0.016	–0.015	–0.016	–0.017	–0.016	–0.017
	(0.019)	(0.018)	(0.019)	(0.019)	(0.018)	(0.019)
Family income—1	–0.034	–0.034	–0.031	–0.035	–0.035	–0.033
	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Family income—2	–0.026	–0.027	–0.025	–0.029	–0.029	–0.027
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
Family income—3	0.006	0.005	0.007	0.002	0.001	0.003
	(0.021)	(0.021)	(0.022)	(0.021)	(0.021)	(0.022)
Mom's age at birth ≤ 19	0.003	0.003	0.001	0.004	0.004	0.002
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
19 < Mom's age at birth ≤ 30	0.004	0.003	0.002	0.003	0.002	0.001
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom high school drop out	–0.002	–0.002	–0.003	0.001	0.001	0.000
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom finished high school	0.000	0.001	0.001	0.002	0.003	0.003
	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Observations	7,089	7,089	6,977	7,089	7,089	6,977

B—Determinants of wages: Models with self-esteem and BMI as dichotomous variables

	(1)	(2)	(3)	(4)	(5)	(6)
Underweight	0.016	0.016	0.007	0.017	0.017	0.008
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Overweight	0.010	0.010	0.010	0.010	0.010	0.010
	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Obese	–0.035***	–0.035***	–0.035***	–0.035***	–0.036***	–0.036***
	(0.010)	(0.010)	(0.011)	(0.010)	(0.010)	(0.011)
Very high self-esteem	0.030**			0.030**		
	(0.014)			(0.014)		
High self-esteem		0.037***			0.037***	
		(0.009)			(0.009)	
Very confident			0.023***			0.025***
			(0.009)			(0.009)
Male	0.092***	0.091***	0.089***	0.091***	0.090***	0.087***
	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)
Age21	–0.092*	–0.094*	–0.093*	–0.095*	–0.097**	–0.096*
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age22	–0.035	–0.037	–0.037	–0.038	–0.040	–0.040
	(0.049)	(0.049)	(0.049)	(0.049)	(0.048)	(0.049)
Age23	0.026	0.024	0.024	0.023	0.022	0.022
	(0.049)	(0.049)	(0.049)	(0.049)	(0.048)	(0.049)
Age24	0.075	0.073	0.075	0.073	0.071	0.073
	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
Age25	0.078	0.075	0.081	0.076	0.073	0.079
	(0.051)	(0.051)	(0.051)	(0.051)	(0.051)	(0.051)
Hispanic	0.025*	0.024*	0.025*	0.029**	0.028**	0.029**
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
White	–0.017	–0.017	–0.019	–0.019	–0.018	–0.021
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Black	–0.046**	–0.048***	–0.054***	–0.040**	–0.042**	–0.048***
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.019)
Test score 2				0.040***	0.040***	0.038***
				(0.013)	(0.013)	(0.013)
Test score 3				0.048***	0.048***	0.047***
				(0.015)	(0.015)	(0.015)

Table 12.6 (continued)

	(1)	(2)	(3)	(4)	(5)	(6)
Test score 4				0.056***	0.057***	0.056***
				(0.014)	(0.014)	(0.014)
Test score 5				0.027*	0.027*	0.030**
				(0.015)	(0.015)	(0.015)
GED	0.090***	0.090***	0.087***	0.083***	0.083***	0.080***
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
High school degree	0.096***	0.096***	0.096***	0.088***	0.088***	0.088***
	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Junior college degree	0.182***	0.182***	0.181***	0.172***	0.172***	0.170***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Bachelor's degree	0.328***	0.326***	0.329***	0.318***	0.316***	0.318***
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Master's degree	0.454***	0.457***	0.457***	0.446***	0.448***	0.449***
	(0.055)	(0.055)	(0.056)	(0.056)	(0.055)	(0.056)
Healthy	0.077***	0.074***	0.077***	0.075***	0.072***	0.074***
	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Father jailed	−0.007	−0.006	−0.004	−0.008	−0.007	−0.005
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
U.S. born	0.030**	0.029*	0.029*	0.025*	0.025	0.024
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
No siblings	−0.004	−0.004	−0.004	−0.008	−0.007	−0.008
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
1 sibling	−0.022	−0.022	−0.021	−0.024	−0.024	−0.023
	(0.016)	(0.016)	(0.017)	(0.016)	(0.016)	(0.017)
2 siblings	−0.014	−0.014	−0.012	−0.016	−0.016	−0.014
	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
3 siblings	−0.015	−0.015	−0.016	−0.017	−0.016	−0.017
	(0.019)	(0.019)	(0.019)	(0.019)	(0.018)	(0.019)
Family income—1	−0.033	−0.033	−0.031	−0.035	−0.035	−0.033
	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Family income—2	−0.025	−0.025	−0.024	−0.027	−0.028	−0.026
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
Family income—3	0.007	0.006	0.008	0.003	0.002	0.004
	(0.021)	(0.021)	(0.022)	(0.021)	(0.021)	(0.022)
Mom's age at birth ≤ 19	0.003	0.003	0.001	0.004	0.004	0.002
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
19 < Mom's age at birth ≤ 30	0.003	0.003	0.001	0.003	0.002	0.001
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom high school drop out	−0.001	−0.001	−0.002	0.002	0.002	0.001
	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)	(0.013)
Mom finished high school	0.000	0.001	0.001	0.002	0.003	0.003
	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Observations	7,089	7,089	6,977	7,089	7,089	6,977

Notes: Regressions include state fixed-effects, and 22 occupation dummies. Robust standard errors are reported in parentheses. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively.

Table 12.7   **Determinants of wages controlling for the baseline BMI**

	(1)	(2)	(3)	(4)	(5)	(6)
Past BMI	–0.002**	–0.002**	–0.002**	–0.002**	–0.002**	–0.002**
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Very high self-esteem	0.034**			0.033**		
	(0.015)			(0.015)		
High self-esteem		0.033***			0.032***	
		(0.010)			(0.010)	
Very confident			0.036***			0.038***
			(0.010)			(0.010)
Male	0.089***	0.089***	0.084***	0.089***	0.088***	0.082***
	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Age21	–0.235***	–0.208***	–0.249***	–0.268***	–0.242***	–0.284***
	(0.024)	(0.024)	(0.024)	(0.026)	(0.027)	(0.027)
Age22	–0.180***	–0.155***	–0.197***	–0.213***	–0.188***	–0.232***
	(0.024)	(0.025)	(0.024)	(0.026)	(0.027)	(0.027)
Age23	–0.117***	–0.091***	–0.132***	–0.149***	–0.124***	–0.166***
	(0.024)	(0.025)	(0.024)	(0.027)	(0.028)	(0.027)
Age24	–0.081***	–0.055**	–0.093***	–0.112***	–0.087***	–0.127***
	(0.024)	(0.025)	(0.025)	(0.027)	(0.028)	(0.027)
Age25	–0.044	–0.018	–0.056	–0.076	–0.051	–0.089
	(0.052)	(0.053)	(0.053)	(0.054)	(0.055)	(0.055)
Hispanic	0.016	0.015	0.015	0.019	0.018	0.019
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
White	–0.018	–0.018	–0.021	–0.019	–0.019	–0.023
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Black	–0.047**	–0.050**	–0.062***	–0.042**	–0.045**	–0.056***
	(0.020)	(0.020)	(0.021)	(0.021)	(0.021)	(0.021)
Test score 2				0.036**	0.036**	0.033**
				(0.015)	(0.015)	(0.015)
Test score 3				0.037**	0.037**	0.037**
				(0.017)	(0.017)	(0.017)
Test score 4				0.045***	0.045***	0.046***
				(0.016)	(0.016)	(0.016)
Test score 5				0.017	0.017	0.022
				(0.017)	(0.017)	(0.017)
GED	0.064***	0.065***	0.063***	0.059**	0.060**	0.057**
	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)	(0.024)
High school degree	0.088***	0.088***	0.086***	0.082***	0.083***	0.080***
	(0.018)	(0.018)	(0.019)	(0.018)	(0.018)	(0.019)
Junior college degree	0.184***	0.184***	0.180***	0.176***	0.176***	0.171***
	(0.024)	(0.024)	(0.025)	(0.024)	(0.025)	(0.025)
Bachelor's degree	0.327***	0.327***	0.326***	0.321***	0.321***	0.319***
	(0.024)	(0.024)	(0.025)	(0.025)	(0.025)	(0.025)
Master's degree	0.404***	0.409***	0.406***	0.399***	0.404***	0.399***
	(0.076)	(0.076)	(0.076)	(0.076)	(0.076)	(0.076)
Healthy	0.070***	0.067***	0.070***	0.068***	0.066***	0.068***
	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
Father jailed	–0.020	–0.020	–0.017	–0.021	–0.020	–0.018
	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)
U.S. born	0.009	0.009	0.010	0.005	0.005	0.006
	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)
No siblings	0.006	0.006	0.005	0.003	0.003	0.002
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
1 sibling	–0.021	–0.022	–0.021	–0.022	–0.023	–0.023
	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)

Table 12.7 (continued)

	(1)	(2)	(3)	(4)	(5)	(6)
2 siblings	–0.012	–0.012	–0.011	–0.014	–0.014	–0.013
	(0.019)	(0.019)	(0.020)	(0.019)	(0.019)	(0.020)
3 siblings	–0.011	–0.011	–0.013	–0.012	–0.012	–0.013
	(0.022)	(0.021)	(0.022)	(0.021)	(0.021)	(0.022)
Family income—1	–0.043	–0.043	–0.043	–0.045	–0.045	–0.045
	(0.029)	(0.029)	(0.030)	(0.029)	(0.029)	(0.030)
Family income—2	–0.051*	–0.051*	–0.048*	–0.053**	–0.053**	–0.051*
	(0.026)	(0.026)	(0.027)	(0.026)	(0.026)	(0.027)
Family income—3	–0.025	–0.025	–0.023	–0.028	–0.028	–0.026
	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Mom's age at birth ≤ 19	–0.006	–0.007	–0.009	–0.006	–0.006	–0.008
	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
19 < Mom's age at birth ≤ 30	–0.003	–0.003	–0.005	–0.004	–0.004	–0.006
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
Mom high school drop out	0.006	0.006	0.006	0.008	0.008	0.009
	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
Mom finished high school	0.006	0.007	0.006	0.007	0.008	0.008
	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Observations	5,212	5,212	5,113	5,212	5,212	5,113

Notes: Regressions include state fixed-effects, and 22 occupation dummies. Robust standard errors are reported in parentheses. ***, ** and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively.

panel displays the BMI effects for whites. In the case of while females, there is a negative association between BMI and self-esteem in every specification. For white males, BMI has no impact on self-esteem. When BMI is measured by a set of dichotomous indicators in the bottom panel, overweight has an unexpected positive coefficient in the regressions for white males.

Table 12.9 reports the BMI and self-esteem estimates obtained from the specifications as depicted by equation (5), where self-esteem is explained by past BMI and past self-esteem. The results of this specification are largely consistent with those reported in table 12.8. The impact of BMI is estimated with less precision for black females in comparison to the specifications reported in table 12.8. But, otherwise, the point estimates of BMI in the models for *High Self-Esteem* in table 12.9 are almost the same as those reported in table 12.8, and the coefficient of *Past BMI* is borderline significant ($p = 0.13$) in the first column. In the case of black males, the specifications reveal a negative impact of BMI on self-esteem and confidence that is significant in almost every specification. The same is true for white females. In the case of white males, on the other hand, the estimated coefficients of BMI are mostly positive, small in absolute value and never statistically significant. Thus, taken together, the results reported in tables 12.8 and 12.9 indicate that BMI has a negative impact on self-esteem in the case of females (both white and black), as well as black males. The BMI does not seem to influence the self-esteem of white males in a meaningful way.

Table 12.10 presents the results obtained from estimating wage regressions,

Table 12.8   **Determinants of self-esteem: Race and gender-specific regressions**

	Black females			Black males		
	Very high self-esteem	High self-esteem	Very confident	Very high self-esteem	High self-esteem	Very confident
BMI	–0.002†	–0.004*	–0.004*	–0.003*	–0.003	–0.002
	(0.001)	(0.002)	(0.002)	(0.002)	(0.003)	(0.003)
Observations	1,306	1,306	1,259	1,034	1,034	994
Underweight	–0.056	0.026	–0.024	–0.056	–0.016	–0.146
	(0.045)	(0.074)	(0.079)	(0.077)	(0.145)	(0.140)
Overweight	–0.059***	–0.036	–0.002	–0.022	0.001	0.030
	(0.021)	(0.036)	(0.035)	(0.028)	(0.039)	(0.036)
Obese	–0.024	–0.060*	–0.068**	–0.059**	–0.063	–0.012
	(0.022)	(0.033)	(0.034)	(0.027)	(0.040)	(0.040)
Observations	1,306	1,306	1,259	1,034	1,034	994
	White females			White males		
	Very high self-esteem	High self-esteem	Very confident	Very high self-esteem	High self-esteem	Very confident
BMI	–0.004***	–0.004***	–0.005***	0.001	0.002	–0.001
	(0.001)	(0.001)	(0.001)	(0.001)	(0.002)	(0.002)
Observations	3,568	3,568	3,518	3,483	3,483	3,430
Underweight	0.020	0.036	–0.018	0.003	–0.042	0.046
	(0.029)	(0.042)	(0.045)	(0.041)	(0.059)	(0.066)
Overweight	–0.017	–0.025	–0.032	0.030**	0.053***	0.054***
	(0.013)	(0.019)	(0.021)	(0.014)	(0.019)	(0.020)
Obese	–0.048***	–0.047**	–0.078***	0.004	0.018	0.013
	(0.011)	(0.019)	(0.020)	(0.015)	(0.022)	(0.023)
Observations	3,568	3,568	3,518	3,483	3,483	3,430

Notes: Regressions include state fixed-effects and all variables used in other regressions. Robust standard errors are reported in parentheses. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively.

†The coefficient of this variable is significant at the 12 percent level.

separately for race and gender groups. As before, each regression includes a complete set of control variables and state fixed effects; in the interest of space, we only report the BMI and self-esteem coefficients obtained from eight separate regressions. In each regression, the dependent variable is the logarithm of the wage rate of the young adult reported in Wave III of the survey. In the top two panels of the table, the BMI and self-esteem variables pertain to those reported in Wave III. The bottom two panels of the table report the specifications that employ past BMI or weight category dummies based on past BMI.

Columns (1) and (3) of table 12.10 indicate that there is evidence that deviations from normal body weight has a negative impact on wages of black females as well as white females. Similar to the coefficients of obese,

Table 12.9   Determinants of self-esteem: Race and gender-specific regressions with baseline BMI and baseline self-esteem

	High self-esteem	High self-esteem	Very high self-esteem	Very high self-esteem	Very confident
	Black females				
Past BMI	–0.004†	–0.003	–0.001	–0.0002	–0.001
	(0.003)	(0.003)	(0.002)	(0.0016)	(0.003)
High self-esteem in the past		0.239***			
		(0.034)			
Very high self-esteem in the past				0.148***	
				(0.036)	
Observations	1,006	1,003	1,006	1,003	957
	Black males				
Past BMI	–0.007*	–0.007*	–0.007***	–0.006***	–0.003
	(0.004)	(0.004)	(0.002)	(0.002)	(0.004)
High self-esteem in the past		0.200***			
		(0.039)			
Very high self-esteem in the past				0.175***	
				(0.045)	
Observations	760	758	760	758	724
	White females				
Past BMI	–0.003*	–0.002	–0.003***	–0.003**	–0.005**
	(0.002)	(0.002)	(0.001)	(0.001)	(0.002)
High self-esteem in the past		0.240***			
		(0.023)			
Very high self-esteem in the past				0.165***	
				(0.028)	
Observations	2,644	2,642	2,644	2,642	2,600
	White males				
Past BMI	0.0004	0.001	0.0004	0.0005	–0.002
	(0.0020)	(0.002)	(0.0014)	(0.0014)	(0.002)
High self-esteem in the past		0.219***			
		(0.021)			
Very high self-esteem in the past				0.169***	
				(0.024)	
Observations	2,625	2,619	2,625	2,619	2,585

Notes: Regressions include state fixed-effects and all variables used in other regressions. Robust standard errors are reported in parentheses. ***, ** and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively.
†The coefficient of this variable is significant at the 13 percent level.

the coefficients of underweight are negative for blacks in the regressions reported in table 12.10, indicating a wage penalty for being underweight, although the effect is statistically significant only for black males in the top panel. It should be noted that these race-and-gender specific samples are not large, and therefore most of the coefficient are borderline significant at the conventional levels.

Table 12.10   **Determinants of wages: Race and gender-specific regressions**

	Black		White	
	Female (1)	Male (2)	Female (3)	Male (4)
BMI	–0.003**	0.0002	–0.004***	0.001
	(0.002)	(0.0025)	(0.001)	(0.001)
High self-esteem	–0.019	0.068**	0.043***	0.035**
	(0.024)	(0.032)	(0.016)	(0.015)
Observations	723	582	2,316	2,520
Underweight	–0.060	–0.229**	0.039	0.015
	(0.049)	(0.094)	(0.034)	(0.077)
Overweight	0.009	0.009	–0.016	0.040**
	(0.032)	(0.041)	(0.018)	(0.017)
Obese	–0.078***	0.025	–0.064***	0.002
	(0.027)	(0.041)	(0.018)	(0.020)
High self-esteem	–0.019	0.069**	0.044***	0.034**
	(0.024)	(0.032)	(0.016)	(0.015)
Observations	723	582	2316	2520
	Models with baseline BMI			
Past BMI	–0.005**	–0.00003	–0.003	–0.001
	(0.002)	(0.00339)	(0.002)	(0.002)
High self-esteem	–0.012	0.051	0.027[a]	0.031*
	(0.026)	(0.039)	(0.018)	(0.018)
Observations	557	410	1,696	1,876
Underweight in the past	–0.068†	–0.028	0.006	–0.018
	(0.043)	(0.129)	(0.035)	(0.039)
Overweight in the past	0.034	–0.054	–0.066***	–0.012
	(0.038)	(0.058)	(0.024)	(0.028)
Obese in the past	–0.084**	–0.05	0.016	–0.032
	(0.037)	(0.051)	(0.032)	(0.024)
High self-esteem	–0.013	0.048	0.027[b]	0.031*
	(0.026)	(0.039)	(0.018)	(0.018)
Observations	557	410	1,696	1,876

Notes: Regressions include state fixed-effects and variables used in other specifications. Robust standard errors are reported in parentheses. ***, **, and * indicate *p*-values less than 0.01, 0.05, and 0.10, respectively. a: significant at the 10.5 percent level; b: significant at the 14.7 percent level. *Underweight in the past, Overweight in the past, and Obese in the past* are based on the BMI of the person in Wave 2, when he/she was aged 15–20. For these classifications, underweight indicates that the person belonged to the bottom 5 percent of the distribution for age. Overweight indicates that the BMI is between 85th and 95th percentiles, and obese indicates that BMI is equal to or greater than the 95th percentile. See the text for further details.

†The coefficient is significant at the 11% level.

a. Significant at the 13 percent level.

b. Significant at the 12 percent level.

There is no strong evidence of an impact of obesity on wages in the case of black males, and there is no statistically significant relationship between body weight and wages for white males. Consistent with the results reported in tables 12.5 through 12.7, there is evidence of an impact of self-esteem on wages. This impact is weaker in the case of black males, and nonexistent in the case of black females.

12.5   Conclusion

In addition to being a serious health problem, obesity can have a variety of labor market implications. Obesity can impact wages by influencing worker productivity directly (through cognitive function or physical conditioning), indirectly through poor health, or because of employer or customer discrimination. Obesity can also influence self-esteem, which may impact wages.

We analyze a nationally representative sample of young American adults who were in the age range of twenty-one to twenty-six in 2001 to 2002. The results indicate that body weight has an independent impact on self-esteem controlling for a host of personal attributes, including education, health status, and family background characteristics. Specifically, being overweight or obese has a negative influence on self-esteem for females and black males. There is no strong evidence of an association of body weight with self-esteem in the case of white males.

Wages of women are influenced by their body weight. There is a wage penalty for being obese in the case of both white and black females. Men's wages are not impacted by their body weight, except for underweight black men. The results also indicate that self-esteem is associated with wages in the case of whites (both men and women). The results suggest that obesity has the most serious impact on white women's wages, because their wages are affected directly by obesity and indirectly through the impact of obesity on self-esteem, although the magnitude of the wage penalty that emerges through this second channel is small.

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