This PDF is a selection from a published volume from the National Bureau of Economic Research

Volume Title: Discoveries in the Economics of Aging

Volume Author/Editor: David A. Wise, editor

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-14609-X (cloth); 978-0-226-14609-6 (cloth);

978-0-226-14612-6 (EISBN)

Volume URL: http://www.nber.org/books/wise13-1

Conference Date: May 9-11, 2013

Publication Date: June 2014

Chapter Title: Front matter to "Discoveries in the Economics of Aging"

Chapter Author(s): David A. Wise

Chapter URL: http://www.nber.org/chapters/c13754

Chapter pages in book: (p. i - xii)

Discoveries in the Economics of Aging



A National Bureau of Economic Research Conference Report

Discoveries in the Economics of Aging

Edited by **David A. Wise**

The University of Chicago Press

Chicago and London

DAVID A. WISE is the John F. Stambaugh Professor of Political Economy at the Kennedy School of Government at Harvard University. He is the area director of Health and Retirement Programs and director of the Program on the Economics of Aging at the National Bureau of Economic Research.

The University of Chicago Press, Chicago 60637 The University of Chicago Press, Ltd., London © 2014 by the National Bureau of Economic Research All rights reserved. Published 2014. Printed in the United States of America

23 22 21 20 19 18 17 16 15 14 1 2 3 4 5

ISBN-13: 978-0-226-14609-6 (cloth) ISBN-13: 978-0-226-14612-6 (e-book)

DOI: 10.7208/chicago/9780226146126.001.0001

Library of Congress Cataloging-in-Publication Data

Discoveries in the economics of aging / edited by David A. Wise.

pages cm— (A National Bureau of Economic Research
conference report)

"This volume consists of papers presented at a conference held in Carefree, Arizona, in May 2013."—Preface.

ISBN 978-0-226-14609-6 (cloth: alkaline paper)—ISBN 978-0-226-14612-6 (e-book) 1. Older people—Economic conditions—
Research—Congresses. 2. Older people—Health and hygiene—
Research—Congresses. 3. Well-being—Economic aspects—
Congresses. 4. Economics—Research—Congresses. I. Wise,
David A., editor. II. Series: National Bureau of Economic
Research conference report.

HQ1061.D5595 2014 305.26—dc23

2013040454

© This paper meets the requirements of ANSI/NISO Z39.48-1992 (Permanence of Paper).

National Bureau of Economic Research

Officers

Kathleen B. Cooper, chairman Martin B. Zimmerman, vice chairman James M. Poterba, president and chief executive officer

Robert Mednick, treasurer

Kelly Horak, controller and assistant corporate secretary Alterra Milone, corporate secretary Gerardine Johnson, assistant corporate secretary

Directors at Large

Peter C. Aldrich Mohamed El-Erian Elizabeth E. Bailev Linda Ewing John H. Biggs Jacob A. Frenkel John S. Clarkeson Judith M. Gueron Don R. Conlan Robert S. Hamada Kathleen B. Cooper Peter Blair Henry Charles H. Dallara Karen N. Horn George C. Eads John Lipsky

Jessica P. Einhorn Laurence H. Meyer

Michael H. Moskow Alicia H. Munnell Robert T. Parry James M. Poterba John S. Reed

Marina v. N. Whitman Martin B. Zimmerman

Directors by University Appointment

George Akerlof, California, Berkeley Jagdish Bhagwati, Columbia Timothy Bresnahan, Stanford Alan V. Deardorff, Michigan Ray C. Fair, Yale Edward Foster, Minnesota John P. Gould, Chicago Mark Grinblatt, California, Los Angeles Bruce Hansen, Wisconsin–Madison
Marjorie B. McElroy, Duke
Joel Mokyr, Northwestern
Andrew Postlewaite, Pennsylvania
Uwe E. Reinhardt, Princeton
Richard L. Schmalensee, Massachusetts
Institute of Technology

David B. Yoffie, Harvard

Directors by Appointment of Other Organizations

Bart van Ark, The Conference Board
Jean-Paul Chavas, Agricultural and Applied
Economics Association
Martin Gruber, American Finance
Association

Ellen L. Hughes-Cromwick, National
Association for Business Economics
Thea Lee, American Federation of Labor and
Congress of Industrial Organizations
William W. Lewis, Committee for Economic
Development

Robert Mednick, American Institute of Certified Public Accountants Alan L. Olmstead, Economic History Association Peter L. Rousseau, American Economic Association

Gregor W. Smith, Canadian Economics Association

Directors Emeriti

Glen G. Cain

Carl F. Christ

Franklin Fisher

George Hatsopoulos

Saul H. Hymans

Rudolph A. Oswald

Peter G. Peterson

Nathan Rosenberg

John J. Siegfried Craig Swan

Relation of the Directors to the Work and Publications of the National Bureau of Economic Research

- 1. The object of the NBER is to ascertain and present to the economics profession, and to the public more generally, important economic facts and their interpretation in a scientific manner without policy recommendations. The Board of Directors is charged with the responsibility of ensuring that the work of the NBER is carried on in strict conformity with this object.
- 2. The President shall establish an internal review process to ensure that book manuscripts proposed for publication DO NOT contain policy recommendations. This shall apply both to the proceedings of conferences and to manuscripts by a single author or by one or more co-authors but shall not apply to authors of comments at NBER conferences who are not NBER affiliates.
- 3. No book manuscript reporting research shall be published by the NBER until the President has sent to each member of the Board a notice that a manuscript is recommended for publication and that in the President's opinion it is suitable for publication in accordance with the above principles of the NBER. Such notification will include a table of contents and an abstract or summary of the manuscript's content, a list of contributors if applicable, and a response form for use by Directors who desire a copy of the manuscript for review. Each manuscript shall contain a summary drawing attention to the nature and treatment of the problem studied and the main conclusions reached.
- 4. No volume shall be published until forty-five days have elapsed from the above notification of intention to publish it. During this period a copy shall be sent to any Director requesting it, and if any Director objects to publication on the grounds that the manuscript contains policy recommendations, the objection will be presented to the author(s) or editor(s). In case of dispute, all members of the Board shall be notified, and the President shall appoint an ad hoc committee of the Board to decide the matter; thirty days additional shall be granted for this purpose.
- 5. The President shall present annually to the Board a report describing the internal manuscript review process, any objections made by Directors before publication or by anyone after publication, any disputes about such matters, and how they were handled.
- 6. Publications of the NBER issued for informational purposes concerning the work of the Bureau, or issued to inform the public of the activities at the Bureau, including but not limited to the NBER Digest and Reporter, shall be consistent with the object stated in paragraph 1. They shall contain a specific disclaimer noting that they have not passed through the review procedures required in this resolution. The Executive Committee of the Board is charged with the review of all such publications from time to time.
- 7. NBER working papers and manuscripts distributed on the Bureau's web site are not deemed to be publications for the purpose of this resolution, but they shall be consistent with the object stated in paragraph 1. Working papers shall contain a specific disclaimer noting that they have not passed through the review procedures required in this resolution. The NBER's web site shall contain a similar disclaimer. The President shall establish an internal review process to ensure that the working papers and the web site do not contain policy recommendations, and shall report annually to the Board on this process and any concerns raised in connection with it.
- 8. Unless otherwise determined by the Board or exempted by the terms of paragraphs 6 and 7, a copy of this resolution shall be printed in each NBER publication as described in paragraph 2 above.

Contents

	Preface	xi
	Introduction David A. Wise and Richard Woodbury	1
I. Health and Disai	BILITY	
1.	Evidence for Significant Compression of Morbidity in the Elderly US Population David M. Cutler, Kaushik Ghosh, and Mary Beth Landrum Comment: Daniel McFadden and Wei Xie	21
2.	The Lifetime Risk of Nursing Home Use Michael D. Hurd, Pierre-Carl Michaud, and Susann Rohwedder Comment: David M. Cutler	81
3.	A Comparison of Different Measures of Health and Their Relation to Labor Force Transitions at Older Ages Arie Kapteyn and Erik Meijer Comment: Steven F. Venti	115

II. HEALTH AND FINA	NCIAL WELL-BEING	
4.	The Nexus of Social Security Benefits, Health, and Wealth at Death James M. Poterba, Steven F. Venti, and David A. W. Comment: Jonathan Skinner	159 Vise
5.	Understanding the SES Gradient in Health among the Elderly: The Role of Childhood Circumstances Till Stowasser, Florian Heiss, Daniel McFadden, and Joachim Winter Comment: Robert J. Willis	187
III. DETERMINANTS OF	FHEALTH	
6.	Early Retirement, Mental Health, and Social Networks Axel Börsch-Supan and Morten Schuth Comment: Elaine Kelly	225
7.	Spousal Health Effects: The Role of Selection James Banks, Elaine Kelly, and James P. Smith Comment: Amitabh Chandra	255
8.	Grandpa and the Snapper: The Well-Being of the Elderly Who Live with Children Angus Deaton and Arthur A. Stone Comment: David Laibson	283
9.	Expectations, Aging, and Cognitive Decline Gábor Kézdi and Robert J. Willis Comment: John B. Shoven	305
IV. Interventions to	IMPROVE HEALTH AND WELL-BEING	
10.	Nutrition, Iron Deficiency Anemia, and the Demand for Iron-Fortified Salt: Evidence from an Experiment in Rural Bihar Abhijit Banerjee, Sharon Barnhardt, and Esther Duflo Comment: Amitabh Chandra	343
11.	The Diffusion of New Medical Technology: The Case of Drug-Eluting Stents Amitabh Chandra, David Malenka, and Jonathan Skinner Comment: Jay Bhattacharya	389

Use It? John B and Br	eshears, James J. Choi, David Laibson, igitte C. Madrian	411
Contri Author		445 449 453

Preface

This volume consists of papers presented at a conference held in Carefree, Arizona, in May 2013. Most of the research was conducted as part of the Program on the Economics of Aging at the National Bureau of Economic Research. The majority of the work was sponsored by the US Department of Health and Human Services, through the National Institute on Aging grants P01-AG005842 and P30-AG012810 to the National Bureau of Economic Research. Any other funding sources are noted in the individual papers.

Any opinions expressed in this volume are those of the respective authors and do not necessarily reflect the views of the National Bureau of Economic Research or the sponsoring organizations.