

# **The effect of inheritance receipt on health: A longitudinal analysis of Japanese young women**

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## **Abstract**

The current study aims to examine the effect of wealth on health dealing with potential endogeneity issues by estimating the impact of a positive wealth shock due to inheritance on health. To address the endogeneity of inheritance receipt, the novel approach we employed is to examine the effect of inheritances from respondents' spouse's parent(s), instead of respondents' own parent(s), on the health of respondents themselves. We try to estimate the short-term and long-term impacts of the inheritance from respondents' spouse's parent(s). As for the short-term impact, we examine the dynamics of health outcomes before and after receiving the inheritance in the event-study framework and the DID estimation. When assessing the long-term impact, we estimate the effects on health of the cumulative amount of inheritances received from respondents' spouse's parent(s) by the current survey wave. Using self-reported health and a dummy variable indicating whether respondents reported having suffered mental health problems in the preceding year as health indicators, we found that an inheritance from respondents' spouse's parent(s) had no significant effect on health both in the short term and in the long term.

JEL classification codes: I12, I18, E24

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