

## **Abstract**

This paper analyzes recent longitudinal data collected through the Health and Retirement Survey in Japan to examine the causal effects of retirement on health behaviors. By exploiting the fact that the probability to retire significantly increases at the age 60 in Japan, we estimate the short-term effects of retirement with a regression-discontinuity approach. In addition, an instrumental variable approach is used to estimate the general effects of retirement, using the pensionable ages, for both the Basic Pension and the Employees' Pension, as the instrumental variables. The results show that individuals significantly reduce the number of cigarettes smoked per day after retirement by 0.4-5 cigarettes per day, and the effect is particularly strong right after the retirement and for male retirees. In contrast, females are more likely to reduce the likelihood and the frequency of their drinking, although these effects tend to be short-term ones. In general, both females and males are more likely to engage in regular exercising upon retirement.