



The Return on Investments into Health in Modern Russia: Microeconomic Analysis

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The aim of this research is the empirical estimation of economic return on positive and negative investments into health of Russian population. On the basis of the “Russia Longitudinal Monitoring Survey (RLMS)” data two regression models are estimated. In the first one we test the influence of individual investments into health on the probability to get some chronic disease, in the second – their effect on earnings. Survey of the occupied population of 18-60 years old in 2000-2005 is used. We estimate these models with lags effects: investments into health are measured in time T-1, but incomes and health – in time T. Investments into health (positive or negative) here are considered as following characteristics: playing sports, the preventive physical examinations, healthy type of a food, level of labor loading and stresses, the alcohol and tobacco use, environment condition in the region, etc. Models estimations show the existence of the high influence of the healthy way of life (absence of bad habits, playing sports, etc.) on the health. Mincer model estimation proves that effect of these factors on earnings also exists, including the regression with random effects. In particular, the negative influence of the smoking experience, over consumption of alcohol and both absolutely sober way of life, and positive influence of playing sports is found out for the whole sample.

Keywords: Investments into Health, Incomes, Disease, Lifestyle