

# When the Going Gets Tough, the Tough Gets Going?

## Health and Self-employment in Europe

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### Abstract

We provide a comprehensive picture of the health evolution for the self-employed aged 50 onwards in Europe. Using objective measures of health, we found that self-employed workers have better physical health than wage workers at age 50, potentially due to a selection effect. We also found evidence of a stronger depreciation of health capital over time for the self-employed, leading to worse physical condition at older ages, despite of catching-up of healthcare consumption after retirement. The examination of the evolution of the self-employed healthcare consumption enables to distinguish two components: a 'restoration effect' during the working life, assessed through the increased probability for the self-employed of being hospitalized, meaning that the self-employed seek care later or for serious reasons only; a 'screening and prevention effect' after retirement, supported by a greater number of doctor visits for the self-employed than for the wage-earners, made possible by a drop in the opportunity cost of the use of healthcare resources.

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