

**Title; Health Consequences of Transitioning to Retirement and Social Participation:
Evidence from JSTAR panel data**

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Despite of an extensive amount of published economic, psychological, and public health research, a consensual view on the causal relationship between retirement and health remains to be articulated. This lack of consensus is arguably due to the diversity in the transitional process from employment to full retirement, the usage of various characteristics of health outcome measures, social and economic conditions affecting the retirement decision, and the impact of crowding-out by activities substituting to formal work role (e.g., participation to the community network). We used panel data from the Japanese Study of Aging and Retirement (JSTAR) to fill the knowledge gap by scrutinizing the complex relationships among work status transition, social participation, and health conditions. We confirmed that transitioning from employment to retirement is a diverse and gradual process with distinct gender-related aspects. Social participation to informal community network is significantly related to exiting formal work situations for men, but not for women. Propensity-matched difference-in-difference analysis revealed that cognitive function declines after leaving paid work in male retirees, but not in female ones. The impact on cognitive function is significant when the retiree left work engagement with full-time basis, with less job stress, and with expected job security. Otherwise the decline was not significant. These results basically support the role theory of life transitions, and indicate that policies on work and health in the elderly population should facilitate retiree's gradual transitions of social roles diversifying according to ones' work characteristics, economic and social needs, and gender roles in the household.

Key words: retirement, cognitive function, social network participation, gender difference, panel data, propensity-matched difference-in-difference analysis JEL classification: I12, J14, J26

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