# Differential Response Styles of Subjective Life Expectancy and Cultural Differences in Time Orientation

Sunghee Lee Mingnan Liu Mengyao Hu

University of Michigan

## **Expectation Questions**

- Solicit respondents to estimate probabilities of future events on a numeric scale of 0-100
  - Product purchase
  - Inflation
  - Asset value

Popular among economists backed by empirical evidence

Debate over probabilistic reasoning in psychology

## Subjective Life Expectancy – 1

 Subjective life expectancy (SLE)
"What is the percent chance that you will live to be [TARGET AGE] or more?"

- Predicts mortality and mortality-related economic and health behaviors (e.g., Social Security benefits claim)
- Used in surveys of older adults

### Subjective Life Expectancy – 2

- Cognitive difficulties beyond probabilistic reasoning
- SLE assumes
  - 1. Future time orientation
  - 2. Pragmatic future outlook

- → Directly against cultural sensitivity
  - 1. Past, present, and future orientation
  - 2. Fatalism, idealism and pragmatism

### Subjective Life Expectancy – 3

- Time orientation: Past, present, and future
- Pragmatism: Fatalism, idealism and pragmatism

- → Differential difficulties and Item nonresponse
- → Differential future outlooks and deterministic responses (0 or 100)

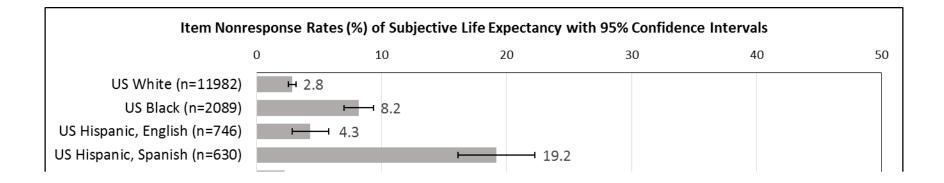
#### Data

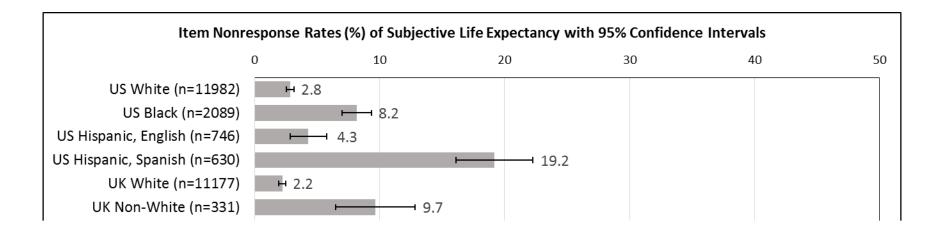
- Health and Retirement Study (HRS), 2004-2010
- English Longitudinal Study of Ageing (ELSA), Wave 1
- Survey of Health, Ageing and Retirement in Europe (SHARE), Wave 1
- China Health and Retirement Longitudinal Study (CHARLS), 2011

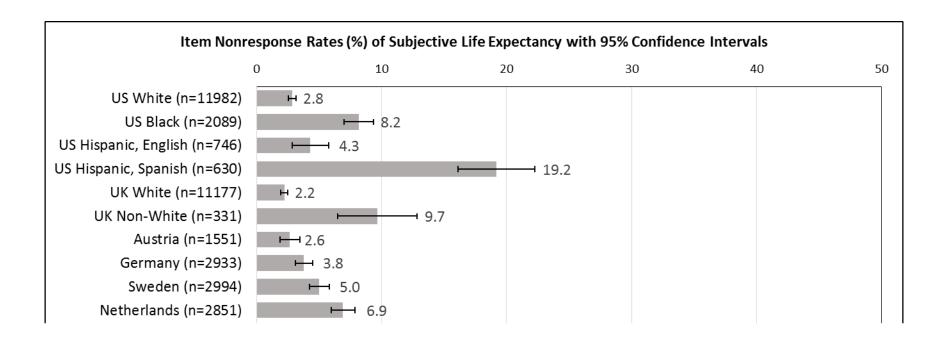
# **Analysis**

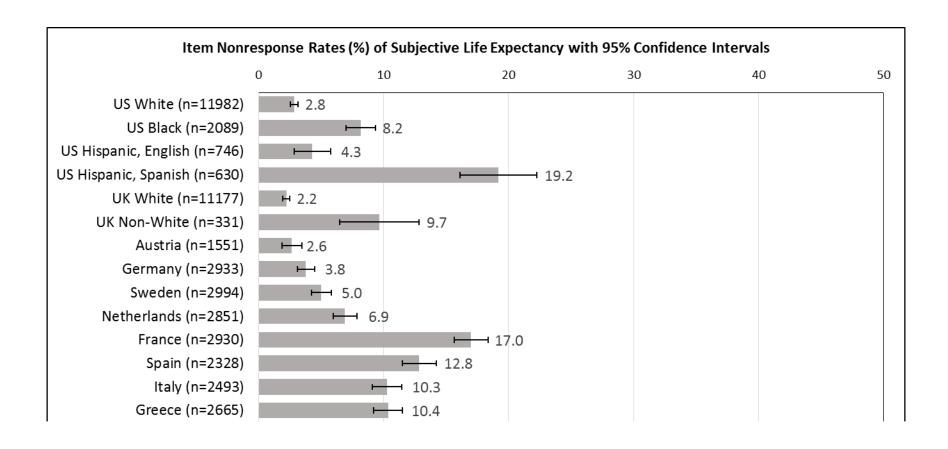
- Focus on SLE item nonresponse
  - Mostly "don't know"s

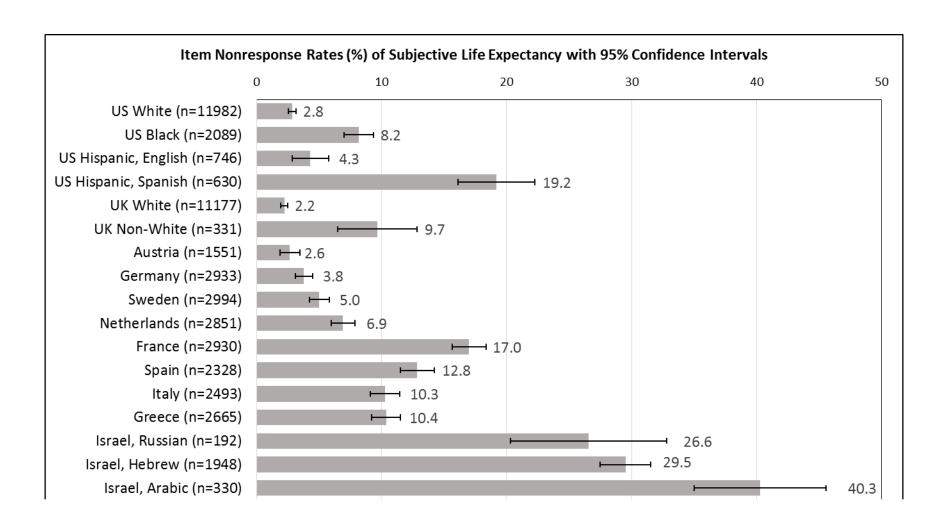
- HRS: Racial/ethnic/linguistic subgroups
- ELSA: Racial subgroup
- SHARE:
  - Germanic vs. Romance language speaking countries
  - Israel by ethnic/linguistic subgroups
- CHARLS

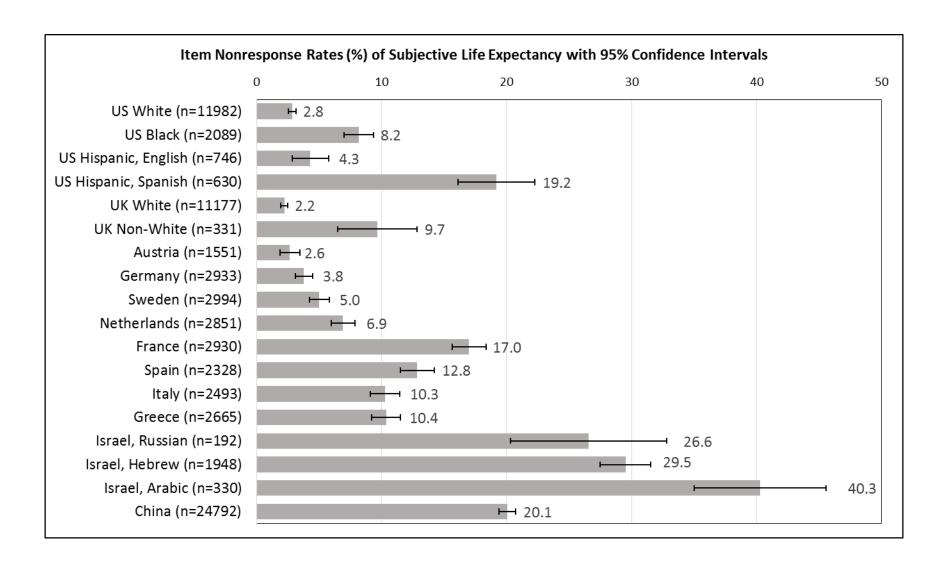












## Results – 2. Item NR % on other q's

	Self-Rated		
HRS	Health		
White	0.14		
Black	0.13		
Hispanic, English	0.25		
Hispanic, Spanish	0.13		
	Self-Rated		
ELSA	Health		
White	0.11		
Non-White	0.63		
	<b>Self-Rated</b>		
SHARE	Health		
Austria	0.00		
Germany	0.00		
Sweden	0.17		
Netherlands	0.00		
Spain	0.00		
Italy	0.00		
France	0.10		
Greece	0.04		
Israel, Russian	0.00		
Israel, Hebrew	0.05		
Israel, Arabic	0.00		
CHARLS	0.62		

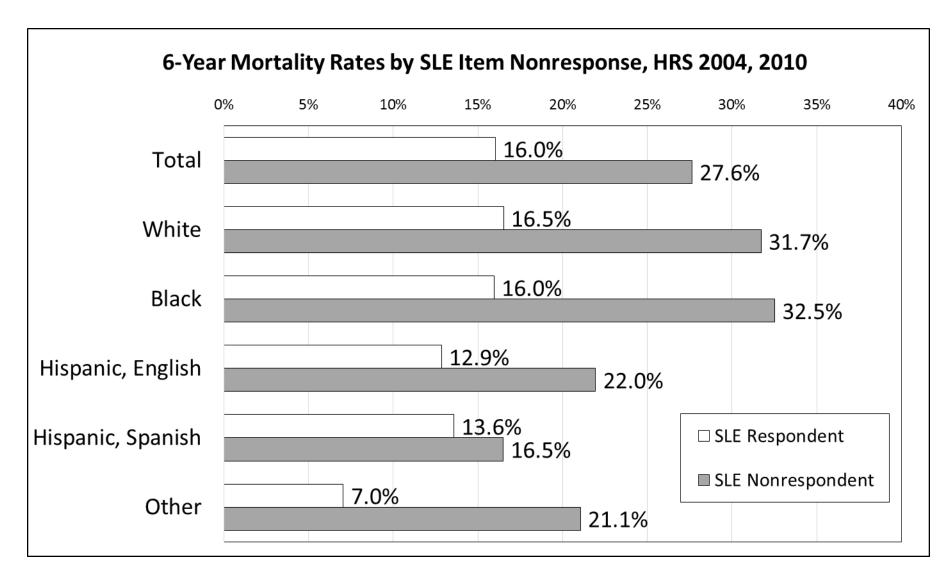
#### Results – 3. Time Orientation and SLE NR

	HRS	
Effect on SLE Item NR	Odds Ratio	
Personality Traits		
Present Orientation (1~6)	1.11*	
Future Optimism (1~6)	1.02	
Religiosity (1~6)	0.98	
Control over health (1~6)	0.98	
Race, Ethnicity, and Language		
Black vs. White	3.69 ***	
Hispanic, English vs. White	1.59	
Hispanic, Spanish vs. White	5.57 ***	
<b>Control Variables</b>		
Age (Years)	1.07 ***	
Male vs. Female	0.58***	
High school vs. <high school<="" td=""><td>0.48***</td></high>	0.48***	
Some college+ vs. High school	$0.40^{***}$	
Negative vs. Positive health	1.10	

#### Results – 3. Time Orientation and SLE NR

	SHARE		
Effect on SLE Item NR	Germanic Language Countries	Romance Language Countries	Israel
	Odds Ratio	Odds Ratio	Odds Ratio
Personality Traits			
Future Optimism (1~4)	0.74***	$0.88^{*}$	0.82**
Religiosity (1~4)	1.16***	0.99	1.16***

# Results – 4. Mortality and SLE NR



# **Implications**

- Expectation question item nonresponse differs
  - Spanish-speaking Hispanics in US
  - Romance language speaking countries in Europe
  - Israel
  - China
- Time orientation matters for SLE item nonresponse
- SLE item nonresponse itself predicts higher mortality risks → Nonignorable missing