Retirement and Other Non-Employment Outcomes

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We study a French pension reform targeted at individuals born in 1934 and later years, and apply a sharp regression discontinuity framework. We use longitudinal labor force surveys data, pooled together for different years, on roughly fifty thousand French couples over the last decade to estimate both local polynomial and parametric regression discontinuity models, also controlling for couple's unobserved heterogeneity. We conclude that the reform encouraged both spouses to retire later, as expected, but it also increased slightly the probability of being unemployed for the husband and a "housewife" for the wife. We also find that the husband's retirement probability increases by about 5 percentage points upon retirement of the wife (instrumented with legal retirement age) while hers increases by 3 percentage points upon his retirement.