

Abstract: Existing studies repeatedly show that individual health improves during economic downturns in developed countries using mortality as health measures. This study examines the relationship between macroeconomic conditions and general health of individuals in Japan, a country with an economic structure distinct from that of the US and other developed countries. We use nationally representative data of more than 2 million Japanese between 1998 and 2010, the period during which the country experienced sizable macroeconomic fluctuations from post “lost decade” and the global financial crisis. We find that self-reported health status is negatively associated with unemployment rate, which is qualitatively consistent with findings from previous studies. However, our results show that unlike in the US, the impact is not most pronounced for the working-age population, and lower-income individuals and the elderly are most affected by economic conditions. Moreover, the impact was reversed for some population, and a negative influence from recessions was observed among middle age male workers. The difference in the affected population from the previous US studies is likely due to the difference in the labor market conditions, which is one of the key mechanisms on the impact of business cycles on health.