

World Summit on **O**BESITY AND **W**EIGHT **M**ANAGEMENT

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**Is there an endogeneity problem between health and apartment value? Gender differences and the impact of obesity on property self-evaluation****Yuval Arbel***Deputy Head of the Economics Department, Western Galilee College, Israel.***Abstract**

**Background:** Numerous studies have compared self evaluation and market values of apartments by employing hedonic regressions. Most of these studies demonstrated that self evaluation of apartments are typically overly optimistic. Yet, none of these studies explored the relationship between self-evaluation of apartments and obesity as a proxy for self esteem, particularly among women AQ1. Previous empirical evidence suggests weight discrimination against women in employment and income, education and romantic relationships. Following the influence of western values and norms regarding a slim body image of women and the implications of these social obesity penalties, one would anticipate a lower self evaluation of apartment value among obese women. Another strand of the literature shows that compared to men, women are more conservative financial investors.

**Objectives:** To explore gender differences in self-evaluation of apartments with respect to BMI (= where BMI 30 is defined as obese person) as a proxy for self esteem. In an economic rational domain, housing price evaluations are not expected to be influenced by personal characteristics (such as gender, wealth, employment marital and immigration status, number of children) and psychological features of the evaluator. Consequently, the current study is closely related to the literature that deals with real estate and behavioural finance and economics. Methods We analyze a representative sample of the Israeli population, obtained from the 2015–2016 longitudinal survey carried out by the Israeli Central Bureau of Statistics (ICBS), where the responses of each individual were recorded twice (during 2015 and 2016). The survey includes information on weight and height of each family member, from which the BMI measure is calculated (weight + height), as well as apartment value, gender and a long list of economics and socio-demographic control variables, and apartment characteristics. To investigate this research question, we use a 2SLS methodology, and run the empirical model separately based on ethnic origin and gender.

**Results:** Findings suggest that for both genders, BMI is negatively correlated with self-evaluation of apartments. Yet, compared to men, female self-evaluation of housing prices are more conservative and less influenced by BMI changes. This outcome is obtained despite the fact that as part of the modern western societies, Jewish Israeli women are more susceptible to weight gain. Research findings thus support the conclusion that the evaluation of women are more conservative and risk averse. Moreover, with respect to obesity, compared to males, the cognitive error in price evaluation is smaller among females AQ2.

**Biography**

Yuval Arbel, PhD, is an Israeli CPA, a senior lecturer and Deputy Head of the Economics Department at Western Galilee College, Acre, Israel. He received his B.A. in Economics and Accounting from Tel Aviv University, and MA and PhD in Urban Economics. He was awarded the President's Grant from Bar Ilan University for PhD studies in Economics. After completion of his PhD, he participated in a post-doctoral training program at the Faculty of Architecture and Town Planning, Technion, Israel Institute of Technology. His academic areas of expertise are: Urban Economics, Behavioral Finance and Economics, Obesity and Health Economics, Empirical Economics and Econometrics.

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