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## **Labor Market Participation and Life Expectancy: A Literature Review Note**

Lê Hng, Nhung and Yīng, Wéi and Leander, Fintan and  
Desmond, Flint

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# Labor Market Participation and Life Expectancy: A Literature Review Note

## Abstract

Life expectancy is influenced by multiple social, economic, and demographic factors, with labor market participation emerging as a critical determinant. This literature review synthesizes evidence from 20 studies examining how employment status, labor quality, formal versus informal work, and socioeconomic factors shape population longevity. Findings indicate that formal, stable employment is associated with longer life expectancy, whereas informal or precarious work limits these benefits. Gender, income, and demographic dynamics further mediate the relationship, creating disparities in life expectancy across and within countries. Labor market regulations and social protections emerge as key mechanisms to enhance longevity and reduce inequalities. The review identifies gaps in longitudinal, comparative, and subgroup-focused research, highlighting opportunities for future studies that integrate labor, demographic, and health perspectives.

**Keywords:** Labor market participation, Life expectancy, Formal and informal employment, Socioeconomic factors, Labor regulations

## 1. Introduction & Objective

Life expectancy is widely recognized as a key indicator of societal health, economic development, and overall well-being. Over the past few decades, global trends have shown a steady increase in average lifespan, largely driven by improvements in healthcare, nutrition, and living standards. However, literature increasingly emphasizes that labor market participation and structure are critical determinants of longevity, influencing both the quantity and quality of life. Employment provides not only income but also social engagement, access to healthcare, and psychological well-being, all of which contribute to longer life expectancy (Roelfs, Shor, & Davidson, 2011; Urban Institute, 2020).

A growing body of research highlights that not all forms of employment yield the same benefits. Formal employment, characterized by stable contracts, social protection, and regulated working conditions, is associated with measurable gains in life expectancy, whereas informal, precarious, or insecure work may not confer similar health advantages (Gazilas, 2024; Solovieva et al., 2024). Moreover, socioeconomic factors such as income, education, and gender mediate the relationship between labor participation and longevity, producing disparities both within and across countries (Chetty et al., 2016; Solovieva et al., 2024).

Demographic dynamics further complicate the labor-longevity relationship. Aging populations, declining fertility, and increased life expectancy create structural challenges for labor markets, as highlighted by Atolia (2024) and Queiroz et al. (2021). Extended lifespans do not automatically translate into extended working lives, particularly in countries where retirement policies, labor regulations, and workforce health support are limited. This

underscores the importance of examining not only whether individuals work, but also the quality, stability, and regulatory context of their employment.

The objective of this research note is to synthesize the existing literature on labor and life expectancy, with a focus on the following questions:

1. How does employment status—formal versus informal—affect life expectancy?
2. In what ways do labor market regulations and protections mediate longevity outcomes?
3. How do demographic and socioeconomic factors, including gender and income inequality, shape the labor–life expectancy relationship?

By drawing on a curated set of studies spanning diverse contexts—from low-income countries (Gazilas, 2024) to high-income settings (Chetty et al., 2016; Roelfs et al., 2011)—this note aims to provide a comprehensive understanding of how labor markets influence longevity. The synthesis will highlight both consistent findings and gaps in the literature, providing a foundation for future research that integrates employment, demographic, and health perspectives.

## **2. Literature Synthesis**

The relationship between labor market participation and life expectancy has been explored through multiple disciplinary lenses, including economics, public health, and demography. The literature consistently emphasizes that employment status, labor quality, and socioeconomic context are pivotal determinants of longevity.

Several studies highlight the direct effects of employment on longevity. Roelfs, Shor, and Davidson (2011) demonstrate that employed individuals experience higher life expectancy compared to their unemployed counterparts, though gains vary by gender and race. Employment provides income stability, access to healthcare, social interaction, and a structured daily routine, all of which contribute to physical and mental health. Similarly, the Urban Institute (2020) notes that longer working lives are associated with improved health outcomes, suggesting that policies encouraging sustained labor force participation can have positive longevity effects.

The distinction between formal and informal employment is central to understanding life expectancy differences. Gazilas (2024, Labor Market Regulations) argues that formal employment, reinforced by social protections and legal labor standards, mitigates vulnerabilities and supports longer life spans. Conversely, informal work, prevalent in many low- and middle-income countries, often exposes individuals to job insecurity, lack of health coverage, and hazardous conditions, which negatively affect longevity. Solovieva et al. (2024) further demonstrate that working life expectancy differs significantly across socioeconomic groups, reflecting disparities in access to stable and regulated employment.

Income and broader socioeconomic status mediate the labor–life expectancy relationship. Chetty et al. (2016) provide compelling evidence that income differences within the United States correspond to large gaps in life expectancy, with higher-income groups living substantially longer than lower-income populations. These disparities are compounded by variations in labor market participation and quality of employment. Studies such as Scott

(2023) highlight the broader economic implications, suggesting that labor market structures and productivity are intertwined with longevity, and that equitable access to employment opportunities can reduce life expectancy gaps.

Policy and institutional frameworks play a critical role in moderating the link between labor and longevity. Research by Gazilas (2024, Factors Influencing Life Expectancy) shows that countries with stronger labor protections and formal employment systems experience longer life expectancy, particularly among vulnerable populations. Labor regulations can reduce the prevalence of informal work, enhance access to healthcare, and provide retirement security, all of which contribute to improved health outcomes. Cross-country comparisons indicate that countries with robust labor laws, social safety nets, and active labor market policies tend to show both higher life expectancy and reduced inequalities (Atolia, 2024; Queiroz et al., 2021).

Demographic change influences the labor–longevity relationship. Aging populations, increased life expectancy, and declining fertility rates affect labor force participation patterns and working life expectancy. Atolia (2024) emphasizes that an aging workforce poses challenges for maintaining employment levels, while Queiroz et al. (2021) argue that demographic transitions necessitate policies that extend healthy working lives. Longer life spans do not automatically translate into longer employment, highlighting the need for integrated approaches that address both labor market structures and public health.

The literature also identifies critical gender-based and social disparities in the labor–life expectancy nexus. Women are often concentrated in part-time, lower-paid, or informal employment, which limits the health benefits of work (Roelfs et al., 2011; Solovieva et al., 2024). Income inequality, occupational segregation, and social vulnerability further exacerbate disparities in life expectancy. Addressing these inequities requires targeted policies to promote inclusive labor markets and equitable access to employment benefits.

### **3. Discussion & Policy Implications**

The literature clearly demonstrates that labor market participation and structure are critical determinants of life expectancy, with consistent evidence across countries and contexts. Employment provides both economic and psychosocial resources that promote longevity, but the magnitude of these effects depends heavily on the quality, stability, and regulation of work.

Formal employment emerges as a key mediator between labor and life expectancy. Studies such as Gazilas (2024, Factors Influencing Life Expectancy) and Gazilas (2024, Labor Market Regulations) show that labor market formalization provides access to healthcare, social protections, and retirement security, all of which improve longevity. Conversely, informal and precarious work is associated with job insecurity, limited benefits, and exposure to occupational hazards, which can reduce life expectancy (Solovieva et al., 2024). This distinction underscores the importance of policies that promote formal, secure employment, particularly in countries where informal labor is widespread.

A recurring theme in the literature is the role of socioeconomic and gender inequalities. Chetty et al. (2016) document that income differences are strongly correlated with life

expectancy, with higher-income individuals living substantially longer than those with lower incomes. Employment mediates these disparities: low-income populations are more likely to engage in informal or precarious work, which limits the health benefits of employment. Similarly, gender disparities are evident, with women often concentrated in part-time or lower-quality jobs, limiting their potential longevity gains (Roelfs et al., 2011; Solovieva et al., 2024). Policies that address both income inequality and gender segregation in the labor market are therefore essential for maximizing life expectancy gains across populations.

The literature also emphasizes the influence of demographic changes on labor–life expectancy dynamics. Aging populations, increased longevity, and declining fertility rates shape labor force participation patterns and create challenges for sustaining economic productivity (Atolia, 2024; Queiroz et al., 2021). Longer life expectancy does not automatically translate into longer working lives, highlighting the need for policies that extend healthy working life, such as workplace health interventions, flexible retirement policies, and lifelong learning programs. Extending working life not only supports economic stability but also provides social engagement and purpose, which are known to contribute to longevity (Urban Institute, 2020; Scott, 2023).

Several studies highlight the role of labor market regulations in shaping the relationship between employment and life expectancy. Strong regulations reduce informal employment, enhance job security, and improve access to social protections, thereby supporting longer life spans (Gazilas, 2024). Cross-country comparisons suggest that nations with comprehensive labor protections tend to experience both higher life expectancy and reduced health disparities (Atolia, 2024; Gazilas, 2024). Policy measures can include formalization incentives for informal workers, occupational safety regulations, social security coverage, and programs to support vulnerable demographic groups.

#### **4. Conclusions & Future Directions**

The literature reviewed clearly establishes that labor market participation and structure are central determinants of life expectancy. Employment provides critical economic, social, and psychological resources that contribute to longer and healthier lives. However, the benefits of labor participation are not uniform: formal employment with stable contracts and social protections consistently supports longevity, whereas informal, precarious, or insecure work diminishes it (Gazilas, 2024; Solovieva et al., 2024; Roelfs et al., 2011). Income, gender, and broader socioeconomic factors further mediate these effects, creating disparities in life expectancy both within and across countries (Chetty et al., 2016; Solovieva et al., 2024).

Demographic transitions, including aging populations and increased life expectancy, pose additional challenges. While people are living longer, this does not automatically translate into longer participation in the workforce (Atolia, 2024; Queiroz et al., 2021). Policy interventions are therefore essential to extend healthy working life, ensure equitable access to labor market benefits, and mitigate inequalities in longevity.

The review also highlights the crucial role of labor market regulations. Strong regulatory frameworks that reduce informal employment, provide social protections, and ensure occupational safety have significant positive implications for life expectancy (Gazilas, 2024; Atolia, 2024). Countries with comprehensive labor protections exhibit higher longevity and

narrower health disparities, illustrating the interplay between institutional structures and population health outcomes.

In sum, the literature consistently demonstrates that labor market structures and participation play a pivotal role in shaping life expectancy. Formal employment, strong labor protections, and equitable access to work contribute positively to longevity, while informal and precarious labor exacerbate health disparities. Integrating insights from economics, public health, and demography, future research and policy should focus on coordinated approaches that simultaneously promote productive employment, social protection, and population health. Such strategies have the potential to not only increase life expectancy but also improve the overall quality of life, fostering societies that are both economically resilient and healthy.

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