

The causal impact of remote working on depression during the first wave of the Covid-19 pandemic

We use longitudinal data from the SHARE survey to estimate the effect of remote working during the Covid-19 pandemic on depression in senior Europeans. There are potential endogeneity concerns both for the probability of remaining employed during the pandemic and, conditional on employment, for the choice of work arrangements. Our research design overcomes these problems by exploiting the occupational variations in the technical feasibility of remote working and sectoral differences in the legal restrictions on in-presence work. We find that remote working increases the probability of reporting feelings of sadness or depression. This effect is larger for women, respondents with children at home, and singles, as well as in regions with more restrictive containment policies and low excess death rates. Our results should alert policy makers to the potential adverse consequences of remote working for mental health in the post-pandemic situation.