

# Abstract

This thesis examines the role of grandchildren's existence in the retirement timing decision-making process of grandparents. Previous literature has focused mostly on other aspects of retirement and potential causes that can affect its timing. Using the Two-Stage least squares estimation on the SHARE dataset, representing 17 European countries and Israel, we estimate the desired effect with respect to various data limitations (age groups, gender, child existence). Residential proximity is used as the instrument for estimation. Having at least one grandchild yields a statistically significant result that increases on average the likelihood of retirement by 19% when compared to a non-grandparent while holding other factors constant. As a secondary outcome, the estimated effect of an additional child on retirement likelihood is negative.

**JEL Classification**

C36, C51, J26

**Keywords**

grandchild, retirement, Instrumental variable,  
SHARE, IV, wide-ranging data, 2SLS

**Title**

The impact of grandchildren on retirement  
timing: evidence from SHARE data