

Referee report

on

The Relationship between Social Capital and Health in China

Overview

The article uses a battery of statistical methods eg. O-Probit, HO-Probit, OLS/2SLS and LPM to study the relationship between self-reported health and social capital components among China rural and urban populations. The country of interests for Authors is China that hasn't been much researched in the context of social capital and self-reported health. It is concluded that the effect between studied variables is rather positive, even when controlling for endogeneity. It is further argued that social capital may become a significant policy tool for improving health in China.

Assessment

The research questions addressed in the current paper are interesting, well-aligned with the aims and scope of *Economics* and, to my knowledge, insufficiently researched in the literature so far. The empirical study is based on reliable data 2005 and 2006 China General Social Survey, with up-to-date statistical methods, leading to reliable and useful answers. The study has also been adequately framed within the existing literature. For all these reasons I view the reviewed article as a valuable contribution to the literature. In my opinion, it deserves publication in *Economics*.

Minor points

1. Page 3-4, "SC can be categorized into cognitive and structural components (Harpham et al., 2002); or bonding, bridging and linking components (Szreter and Woolcock, 2004). Cognitive SC includes ethics, value systems, and religious beliefs; while structural SC refers primarily to social structures, such as the density of social relationships and networks. Bonding SC refers to the horizontal relationships between members of a network who share similar socio- demographic characteristics. Bridging SC refers to the relationships that exist between heterogeneous people. Linking SC reflects the

relationships between groups at different hierarchical levels. Although a large literature documents a positive relationship between SC and health in general, the evidence on specific types of SC is mixed. **Three types of SC have received the most attention in the empirical literature: social trust, social network and social participation**".

In order to give the Reader a better understanding of the process of choosing what the Authors mean by social capital, please explain what is the relation between on one hand cognitive and structural components of social capital and bonding/bridging/linking social capital and on the other "**social trust, social network and social participation**". The transition from general description of social capital literature to "social trust, social network and social participation" in the text is, in my opinion, too sharp and neglects the point whether it is an example of the former or later approach to social capital and why so.

2. Instrumental variable procedure is as good as its instruments are. In my opinion, the Authors, may conclude more unequivocally on this how good/bad chosen by them instrumental variables really are.

3. The paper is dedicated to self-reported health. I think it would be more precise to change the title of the paper into: *The Relationship between Social Capital and Self-Reported Health in China* and clearly explain further in the text what is the difference between self-reported health and objective health assessment (Diener et al., 2004) and what impact it may have on the obtained results whether we investigate self-reported or objective health.