

Accepted Manuscript

Human capital growth and poverty: Evidence from Ethiopia and Peru

Orazio Attanasio, Costas Meghir, Emily Nix, Francesca Salvati

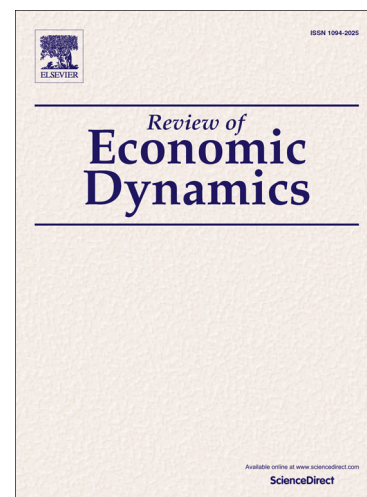
PII: S1094-2025(17)30021-2
DOI: <http://dx.doi.org/10.1016/j.red.2017.02.002>
Reference: YREDY 802

To appear in: *Review of Economic Dynamics*

Received date: 10 April 2016
Revised date: 4 February 2017

Please cite this article in press as: Attanasio, O., et al. Human capital growth and poverty: Evidence from Ethiopia and Peru. *Review of Economic Dynamics* (2017), <http://dx.doi.org/10.1016/j.red.2017.02.002>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



HUMAN CAPITAL GROWTH AND POVERTY: EVIDENCE FROM ETHIOPIA AND PERU

ORAZIO ATTANASIO*, COSTAS MEGHIR†, EMILY NIX‡, AND FRANCESCA SALVATI§

ABSTRACT. In this paper we use high quality data from two developing countries, Ethiopia and Peru, to estimate the production functions of human capital from age 1 to age 15. We characterize the nature of persistence and dynamic complementarities between two components of human capital: health and cognition. We also explore the implications of different functional form assumptions for the production functions. We find that more able and higher income parents invest more, particularly at younger ages when investments have the greatest impacts. These differences in investments by parental income lead to large gaps in inequality by age 8 that persist through age 15.

KEYWORDS: Cognitive skills, health, dynamic factor analysis, parental investments, child development, human capital JEL Codes: J24, I15

*UCL, IFS, NBER, BREAD, and CEPR

†Yale, IFS, NBER, CEPR, IZA, IFAU

‡UCL and USC FBE Department

§UCL.

Acknowledgement: We thank a referee and the editor of the Journal for useful comments. We are grateful to Joe Altonji, Flavio Cunha, Jim Heckman and Matthew Wiswall for discussions. We thank Rahul Singh for excellent research assistance. Costas Meghir thanks NIH for funding under grant R01 HD072120 as well as the Cowles foundation and the ISPS at Yale for financial assistance. Orazio Attanasio was funded by the ESRC Professorial Fellowship ES/K010700/1 and ERC Advanced Grant AdG 695300.

Download English Version:

<https://daneshyari.com/en/article/5104344>

Download Persian Version:

<https://daneshyari.com/article/5104344>

[Daneshyari.com](https://daneshyari.com)