

Accepted Manuscript

Title: Family Investment Responses to Childhood Health
Conditions: Intrafamily Allocation of Resources

Author: Maria Fernanda Rosales

PII: S0167-6296(14)00069-1
DOI: <http://dx.doi.org/doi:10.1016/j.jhealeco.2014.05.006>
Reference: JHE 1778

To appear in: *Journal of Health Economics*

Received date: 16-9-2013
Revised date: 22-4-2014
Accepted date: 9-5-2014



Please cite this article as: Maria Fernanda Rosales, Family Investment Responses to Childhood Health Conditions: Intrafamily Allocation of Resources, *Journal of Health Economics* (2014), <http://dx.doi.org/10.1016/j.jhealeco.2014.05.006>

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.

Family Investment Responses to Childhood Health Conditions: Intrafamily Allocation of Resources

Maria Fernanda Rosales *

April 21, 2014

Abstract

The onset of a health condition during childhood impairs skill formation. A number of studies have investigated the long-lasting effects of poor health during childhood on later-in-life outcomes. However, this evidence ignores how parents respond to the onset of health conditions. Do their investments reinforce the health condition? Or compensate, or behave neutrally? If parents change their investments, the relationship between early health and later outcomes combines the biological effect and the investment responses. To address this question, I use within-sibling variation in the incidence of health conditions to control for selection from unobserved household heterogeneity. Parents invest, on average, 0.16 standard deviations less in children with mental conditions relative to their healthy siblings, using a measure of investment that includes time and resources. On the contrary, when children have a physical condition, parental investments do not differ across siblings. Results are robust to alternative measures of health conditions and the inclusion of child fixed effects.

Keywords: health conditions, house hold behavior, family investments, intra-family allocation, capabilities, sibling estimator

JEL codes: D13, J13, I14

*I would like to thank Dan Black, Kerwin Charles, Amy Claessens, James Heckman, Robert Lalonde, and Alicia Menendez for their invaluable guidance, support and feedback in this project. I thank Pietro Biroli, Joshua Goodman, Kate Keenan, Nikolas Mittag, Alejandro Ome, Javaeria Qureshi, and seminar participants at the Harris School Labor Economics Working group, Center of Human Potential workshop, CESifo Economic Studies Conference, Society of Labor Economists, LatinAmerica Economic Association (LACEA), and Association of Public Policy and Management (APPAM) conferences for helpful comments. I acknowledge the Irving Harris Fellowship, and the Center for Human Potential Pre-dissertation fellowship for financial support. All errors are my own. Email: mrosales@uchicago.edu

Download English Version:

<https://daneshyari.com/en/article/961221>

Download Persian Version:

<https://daneshyari.com/article/961221>

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