Health status at birth and early childhood human capital.Evidence from the French ELFE cohort

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Résumé

A blossoming economic literature focuses on the effect of poor neonatal health on childhood development. This paper examines the effect of health at birth on very early child development. With a simple theoretical model that integrates parental investment decision, we identify the mechanisms through which a better health condition improves child development and we emphasize how parental background can shape the effects of health. Then, we perform an empirical analysis for France over the period 2010 to2011, using unique data from a recent child cohort called ELFE. Using an identication strategy based on an instrumental specication, the results indicate that health at birth have a causal effect on early child development. We find no empirical evidence for the existence of a severity effect according to which the adverse effects of a poor initial health conditions is higher for children in low income family or with poorly educated mother.

Mots-Clés: Early Child Development, Health at birth, Human Capital, IV estimation

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