LOW LIFE EXPECTANCY AND LOW LEVELS OF EDUCATION TRAP MANY AFRICAN COUNTRIES IN POVERTY

Low life expectancy, low levels of education and high inequality act together to trap many countries in poverty, according to new research by **Amparo Castelló-Climent** and **Rafael Doménech** published in the April 2008 issue of *The Economic Journal*.

Investment in public education and health programmes is the way to break out of this vicious circle, they conclude, and the contribution of aid from rich countries to finance these programmes may be crucial.

Many poor countries have low levels of life expectancy and low schooling rates. This study explores the links between these two problems. In particular, the authors argue that low life expectancy means that parents are less willing to invest in their children's education, as children are expected to have a short working life:

> 'Unequal societies have a large share of population in which parents have no schooling, their children have a lower life expectancy and, therefore, there are few incentives to invest in education, a situation that perpetuates one generation after another.'

Life expectancy is determined in part by the educational level of the parents. This creates a vicious cycle:

- Parents with poor education will give birth to children with low life expectancy.
- Low life expectancy means that parents won't invest in their children's schooling.
- When these children grow up and become parents themselves, their children will have a low life expectancy (as their parents will be poorly educated).
- So children born into poor families will never break out of the low education, low life expectancy trap into which they are born.

The lower the life expectancy of a child, the less sense it makes for parents to educate them. Education is costly, not only in terms of fees and uniforms, but also because while a child is in a classroom they are not helping with household chores or out working.

It only makes sense for parents to invest in their child's education if they will earn enough after they finish school to justify the extra cost. So the benefits of education fall substantially the shorter the life expectancy of a child: raising life expectancy is therefore crucial in increasing school enrolment.

The authors use evidence from 92 countries to show that those countries with more inequality in the distribution of education are the societies that had lower life expectancy in subsequent years. At the same time, societies with higher life expectancy are those with greater accumulation rates of human capital.

The division between rich and poor countries in terms of life expectancy is stark. In 2000, life expectancy was 78 years in rich countries but only 47 years in sub-Saharan Africa. This gap is increasing due to the growth of AIDS across Africa.

Likewise, the striking disparities in schooling are also evident. Whereas the secondary school enrolment rate was almost 100% in rich countries in 2000, less than 30% of children in sub-Saharan Africa were enrolled in secondary schooling and entered the labour market as unskilled workers from childhood.

The authors conclude:

> ‘Governments could bring individuals out of the no-schooling poverty trap by guaranteeing a minimum compulsory level of education and, at the same time, investing in health policies that increase life expectancy’.
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> ‘The contribution of external aid to finance public education and health programmes may be crucial. All of them are measures that would generate longer average life expectancy, lower inequality and higher standards of living in the less developed economies.’

ENDS

Notes for editors: ‘Human Capital Inequality, Life Expectancy and Economic Growth’ by Amparo Castelló-Climent and Rafael Doménech is published in the April 2008 issue of *The Economic Journal*.

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