

COLLEGE OF LIBERAL ARTS & SCIENCES

Department of Economics 214 David Kinley Hall, MC-707 1407 W. Gregory Dr. Urbana, IL 61801-3606

Research statement

Natalia Cantet

I am an applied microeconomist with research interests in applied econometrics and development economics. My research focuses on the intersection between health and education. I am particularly interested in how human capital investments in health or education affect the general wellbeing of individuals living in lower income countries. For the most part, my research focuses on women's education and health investments. My aim is also to address policy-relevant questions concerning how changes in individual actions' affect others or have targeted policy roll-outs affect the wellbeing of individuals living in poor contexts.

From a methodological point of view, I utilize secondary data as well as field experiments to conduct my research. I employ applied econometric estimation techniques and reduced form estimation. My work aims to understand the impact of behaviors and policy improvements, so I have used a variety of applied econometric methodologies through-out my work.

Women's education

Across sub-Saharan Africa, women's access to education has improved significantly. Women, however, are still behind men in several measures of educational attainment. My research in this area focuses on understanding which factors impact education and health, with a particular interest in women.

Across the world, and sub-Saharan Africa more particularly, it is estimated that the number of teenage pregnancies will increase across the world by 2030 (Monteiro et al., 2019). Policy makers often express concerns over the lasting implications of teenage pregnancy, due to the observation that young mothers have worse health, less schooling, and poorer job market performance in adulthood. However, one of the challenges to identifying the causal impact of teenage pregnancy on human capital investments is the selection into early motherhood. Additionally, the majority of the literature has focused on high income settings.

In my job market paper, entitled "The Effect of Teenage Pregnancy on Schooling and Labor Force Participation: Evidence from Urban South Africa", I examine the causal effects of teenage pregnancy on the educational attainment and labor force participation of young women in urban Cape Town, South Africa. In order to overcome the issue of endogeneity, I utilize two strategies that address two different sources of bias: an instrumental variable strategy that relies on the number of teenage fertile years as an instrument for teenage pregnancy and a set of sibling differences among a subsample of sisters, where one sister reported a teenage pregnancy and at least one other did not report teenage pregnancy. The analysis is conducted using a rich data set that allows me to estimate the two strategies in a panel format of ten years (women-year) and a collapsed panel where I conduct static analysis. I find that teenage pregnancy negatively affects school progression and school attainment. Reporting a pregnancy before the age of 18

increased in the likelihood of failing a grade by approximately 50 percentage points and dropping out of school of 27 percent (10 percentage points). As for overall school attainment, teenagers who report a pregnancy are, on average, 1.8 less years less educated.

In this paper, however, I also find that specific characteristics of South Africa attenuate the effects of teenage pregnancy. My findings suggest that the negative effects of teenage pregnancy in South Africa is mitigated by strong kinship networks and by lowering its social costs. My findings suggest that the presence of the mother and attending a school with higher rates of grade repetition are associated with an attenuation effect of 0.5 and 0.4 years, respectively.

Next, in the paper "Does maternal schooling lead to improvements in child health? Evidence from Ethiopia", I study the causal impact of the role of women's education on their children health. I analyze a nationwide reform that eliminated primary school fees in Ethiopia in 1995. I exploit regional differences in the enrollment of primary school-age children, and variation in timing of the implementation of the reforms provide a natural experiment to pin down the years of free primary school education gained by the population of girls who lived in different regions.

Analysis of key health outcomes among children whose mothers were educated at the time of implementing the reforms shows better long-run health outcomes among the offspring of women who received more schooling. The children of women with more schooling are 4 percentage points less likely to be chronically malnourished, and they display better weight-for-age and height-for-age Z-scores.

Other health measures

In recent decades, social-protection programs have expanded notably in developing countries. Many countries—especially in Latin America—have implemented conditional cash transfers to protect vulnerable children and, to a lesser extent, pensions to protect individuals against poverty in old age. In most developed countries, pensions for old age are based on contributory systems, which depend upon formal employment history. In the context of developing countries with large informal sectors, such contributory schemes tend to protect only a few individuals and exclude the most. Indeed, only 20% of the population who is eligible for pensions worldwide receive benefits. In sub-Saharan Africa 16.9% of the eligible population receives an old-age pension.

In the paper "Mental Health Effects of an Old Age Grant: Experimental Evidence for Ekiti State in Nigeria", we implemented a randomized experiment to test whether this old age transfer for old and vulnerable individuals would improve the welfare of the elderly in the state of Ekiti, Nigeria. Our findings show that treated beneficiaries self-report better quality of life, more stable mental health, and better general health. We also provide evidence of spillover effects on labor outcomes and on household expenditure patterns, as well as support for demand-side interventions aimed at improving the welfare of elderly poor citizens and other household members.

Future work

My near-term research agenda will largely continue to focus on topics of health and education. Following up on the findings of my work impacts of prenatal health, I am participating in a field experiment in Zambia that aims to study if community incentives may help increase the number of prenatal visits in the first term.

This project is in partnership with Partnership for Economic Policy (PEP) and the government of Zambia. Along the same lines, in collaboration with another coauthor, I am exploring the effects of a water and sanitation program on the breast-feeding habits and the health of the children in Mali. Moving forward, I wish to keep studying policy relevant questions in fields of health and education.