Summary

An Empirical Economic Study on

Human Capital Investment Behaviours in Uganda

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In this dissertation, I attempt to understand the causes and consequences of human capital investment behaviours in developing countries. Human capital affects lifetime welfare of individuals, and its role may be particularly salient in developing countries where physical infrastructure and social institutions have yet to be well developed.

In particular, I investigate in Chapter 2, I focus a change that an increase in female education brings about in terms of marital behaviours. In Uganda, marriage is typically established when all the marital arrangements are made, including brideprice which is a wealth transfer from the groom to the parents of the bride.

Brideprice is practiced widely in Sub-Saharan Africa and said to represent gratitude of the groom for the bride's parents, while it is also said to increase domestic violence and divorce. Utilising data from Uganda, I show evidence that females who are more educated are less likely to be paid brideprice for. Given this finding, I explore the mechanism for this cultural change and discuss possible implications for future studies.

In Chapter 3, I investigate the determinants of birth spacing intervals, an important aspect of reproductive health. Appropriate birth spacing is said to be beneficial for the health of mothers and infants as well as for the improved resource allocation within household. High fertility in low income countries implies that mothers and infants are exposed to larger health risks more times than in high income countries with low fertility rates, which underscores the importance of the understanding of the reproductive behaviour. I find from two data sets from Uganda that females who experience a pregnancy loss due to miscarriage and stillbirth tend to have shorter birth intervals for subsequent pregnancies. Hypothesizing this behavioural change as a result of a change in the subjective belief on the probability that each female loses a pregnancy, I derive a consistent theoretical prediction from a simple dynamic fertility model and show empirical evidence which suggests that

the behavioural change indeed results from the change in subjective belief. With these findings, I consider implications for future economics studies and for related policies.