

Review of Contribution of Health to Economic Development.

It is always a challenge to write an overview of modest length covering a well trod territory. [Shifting metaphors] One needs to be surgically precise in the arguments. While I find nothing in the review to be inaccurate, I find the main argument a bit overstated.

A main theme of the paper is the direction of causality: from growth to health or health to economic growth. While the author clearly knows that this is not an either or question, at times he lapses into such an argument. Similarly, there is a tendency to over-emphasize the novelty of the latter direction of causality, a perspective that has been in the literature since, at least, Harvey Liebenstein.

Nor are these two perspectives the only two ways of looking at health and economic growth. Arguably, the MDGs and the UNDP's Human Development Index look at health as a dimension of poverty, not either an input into growth, or a direct outcome of growth, but rather as an end in itself that some governments prioritize and some do not. As a final alternative to presenting the literature in terms of a causality continuum, I would argue that the technology perspective is distinct from the income<->health causality (as the Preston curves show). Indeed, if one does not want to wait until growth gives us health, one has to find a means to achieve it without growth, most plausibly by promoting new technology or by moving up to the technological frontier if one is below it.

Empirically, I think it would be hard to argue that there is no causal pathway from either GNP or individual income and health at all, although one might argue that this is either modest (if that is indeed the case) or that income growth is not a necessary condition for health improvements.

I am a bit surprised that discussion of the contribution of improved health to productivity gives relatively little attention to cognitive development (see recent papers by Heckman; also Case and Paxson JPE 2008, even Hodinott et al. EJ, 2009). This is distinct from days of work or days of school attended. Basically, the discussion of nutrition (energy) in the paper is more or less in terms of flow of variable inputs, while many argue that the stock of health formed in utero or in the first few years of life conditions lifetime productivity.

Fine tuning.

Adam Wagstaff not Wagstuff.

Colombia not Columbia (unless you are referring to the university or the District, not the country).

Page 5. How much of the educational achievement that accounts for 38% of the reduction in mortality is due to income?

Could increased longevity lead to increased savings because the individual anticipates chronic illness? That is, instead of dying quickly from infection, one saves more because one fears lingering with expensive long term care and becoming a burden on one's children.

Section 3.2.2. Are the cited studies not panel data analysis rather than cross section?

3.2.3 Can you list the 3 components before elaborating on ii)? Also, this section, the costs of ill-health depend partially on who is financing. If the health services are mainly or totally state provided then the fiscal consideration of dead weight loss from taxation and any deficits may be important.

Section 4 is mainly about demographic patterns and not precisely about health. For example, neither the fire horse example, or the Swedish maternity pay illustration is about improved health.

Page 26. Bangladesh famine is listed as 1975-75.