UNEQUAL OPPORTUNITIES
OF HUMAN CAPITAL
INVESTMENT FROM DIFFERENT
SOCIOECONOMIC ORIGINS IN
MEXICO 1994, 2006 AND 2014

Rosa Elvira Cedillo Villar
El Colegio de México
ecedillo@colmex.mx
CONTENT

I. Some data about Mexican Economy
II. Human Development Index as complex indicator of inequality
IV. Further research questions
MOTIVATION

• The inequality in Mexico affects the opportunities and the economic growth
• The SDG claim that the governments must reduce the inequality and increase the access to education
• It’s not possible to understand the NTA profiles in Mexico without socioeconomic inequality
SOME DATA ABOUT MEXICO

Poverty Rate in Mexico from 1994 to 2014

% Under $5.5 US dollars per day

% Change

Poverty Rate

Years


1994: -0.6%
1996: -16.1%
1998: 8%
2000: 9.6%
2002: 3%
2004: 3.4%
2006: 4.3%
2008: -0.3%
2010: -0.1%
2012: 1.9%
2014: -1.8%
70% of transfers come from households
MSHIE 1994

Current Mexican Pesos

Income

Consumption

Age

MSHIE 2006

Current Mexican Pesos

Income

Consumption

Age

MSHIE 2014

Pesos corrientes

Consumption

Income

Age
II. HUMAN DEVELOPMENT INDEX AS COMPLEX INEQUALITY INDICATOR

- HDI at household & individual level
  - Material Welfare Index or Assets Index
    Principal Component Analysis with Polychoric Correlation Matrix
  - Education Index
    Hurdle Negative Binomial Regression Model to predict educational attainment per each person
  - Health Index
    Regression Model to predict life expectancy at the individual level

\[ HDI = MWI^{1/3} \times EI^{1/3} \times HI^{1/3} \]

• Labor Income by HDI
Private Consumption of durable goods

Consumo privado en bienes durables: IDH 1994

Consumo privado en bienes durables: IDH 2006

Consumo privado en bienes durables: IDH 2014
Private Health Consumption

Gasto Privado en Salud: IDH 1994

Gasto Privado en Salud: IDH 2006

Gasto Privado en Salud: IDH 2014

Low  Medium  High
IV. FURTHER RESEARCH QUESTIONS

• It is possible to use the HDI as a complex inequality index for the whole MSHIE. That means, we can estimate NTA profiles from 1990 to 2018 for Mexico.

• Estimate NTA profiles considering HDI allows to point out the implications of inequality.

• The next step is achieve Cohort analysis for Mexico.