

The Economics and Psychology of Inequality and Human Development

[Get access >](#)

Flavio Cunha, James J. Heckman

Journal of the European Economic Association, Volume 7, Issue 2-3, 1 May 2009,
Pages 320–364, <https://doi.org/10.1162/JEEA.2009.7.2-3.320>

Published: 01 May 2009

Abstract

Recent research on the economics of human development deepens understanding of the origins of inequality and excellence. It draws on and contributes to personality psychology and the psychology of human development. Inequalities in family environments and investments in children are substantial. They causally affect the development of capabilities. Both cognitive and noncognitive capabilities determine success in life but to varying degrees for different outcomes. An empirically determined technology of capability formation reveals that capabilities are self-productive and cross-fertilizing and can be enhanced by investment. Investments in capabilities are relatively more productive at some stages of a child's life cycle than others. Optimal child investment strategies differ depending on target outcomes of interest and on the nature of adversity in a child's early years. For some configurations of early disadvantage and for some desired outcomes, it is efficient to invest relatively more in the later years of childhood than in the early years.

This content is only available as a PDF.

© 2009 by the European Economic Association

JEL: [A12 - Relation of Economics to Other Disciplines](#)

Issue Section: [Articles](#)

You do not currently have access to this article.

European Economic Association members



EUROPEAN ECONOMIC ASSOCIATION
Developing and Applying Economics as a Science in Europe

[Sign in through society site >](#)

Personal account

- Sign in with email/username & password
- Get email alerts
- Save searches
- Purchase content
- Activate your purchase/trial code
- Add your ORCID iD

[Sign in >](#)

[Register](#)

Institutional access



[Sign in through your institution](#)



[Sign in through your institution >](#)

[Sign in with a library card](#)

[Sign in with username/password](#)

[Recommend to your librarian](#)

Institutional account management

[Sign in as administrator](#)

Purchase

[Subscription prices and ordering for this journal](#)

[Purchasing options for books and journals across Oxford Academic](#)

Short-term Access

To purchase short-term access, please sign in to your personal account above.

Don't already have a personal account? [Register](#)

The Economics and Psychology of Inequality and Human Development - 24 Hours access

EUR €39.00

GBP £33.00

USD \$43.00

Rental



This article is also available for rental through DeepDyve.