



# More than One Hundred Years of Improvements in Living Standards: the Case of Colombia

Borrador número 1027 Keep in mind

The series Working Papers on Economics is published by the Office for Economic Studies at the *Banco de la República* (Central Bank of *Colombia*). It contributes to the dissemination and promotion of the work by researchers from the institution. This series is indexed at Research Papers in Economics (RePEc).

On multiple occasions, these works have been the result of collaborative work with individuals from other national or international institutions. The works published are provisional, and their authors are fully responsible for the opinions expressed in them, as well as for possible mistakes. The opinions expressed herein are those of the authors and do not necessarily reflect the views of Banco de la República or its Board of Directors.

AUTHORS AND/OR EDITORS Jaramillo-Echeverri, Juliana Meisel-Roca, Adolfo Ramírez-Giraldo, María Teresa

This paper examines the long-term trends observed in the standard of living of the Colombian population during the past one hundred years, with special attention on health. We construct a historical index of human development for Colombia (HIHDC) for the 19th and 20th centuries by gender. We find that there were no major advances in living standards during the nineteenth century due to the stagnation of Colombia's GDP per capita as a result of the lack of dynamism in exports. On the contrary, significant advances in all components of the HIHDC were seen in the twentieth century, especially those for women. During the first half of the century, improvements in the quality of life were mainly driven by a higher per capita income, while improvements after the 1950s were driven by greater public investment, for example, in education and health. Next, we analyze health achievements, considering health is one of the components of the HIHDC that has been less studied in the Colombian economic history literature. We construct a new dataset using statistics reported by the Colombian government, which included annual information on the main diseases and causes of mortality during the period of 1916-2014 disaggregated by territorial units. The data show that the percentage of deaths from tuberculosis, pneumonia, and gastrointestinal diseases decreased significantly throughout the century. On the contrary, deaths caused by cancer and heart diseases have increased considerably in recent decades. Results from difference-in-difference models show that the decline in the total mortality rate and in the mortality rate for waterborne diseases was largely related with the expansion in the provision of public goods, namely aqueducts and sewerage services.