

Bombardments Early in Life and the Ensuing Shape of the Age-Earnings Profile over the Full Working Life

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Adverse conditions in utero and around birth are known to exert long-run effects on health and cognitive ability at high ages. We investigate at what ages these effects start to affect individual labor earnings. To this aim we consider various types of adverse contextual conditions in early life and we exploit the variation in temporal and regional exposure to these conditions, among birth cohorts in Germany born in 1942-1949. This includes bombardments on the civilian population. We use population register data covering millions of individuals, providing individual-merged records of birth place, birth date and the individual age-earnings profile over the full working life. These are merged with historical sources of daily bombardments per municipality. The data volume and the daily recordings of exposure enable us to make precise inference on effects by the (gestational) trimester of exposure and their interactions with age later in life. We control for exposure to post-war famines as captured by local food rations. With the prevalence of armed conflicts seemingly on the rise again, the age-increasing effects of early-life exposure to bombardments on earnings serve as a reminder of the long-run damage of war. More generally, the results shed light on the differences between effects of nutritional shortages and effects of stress without nutritional components.