

# **Disability and Returns to Education: A Case Study from Nepal\***

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## **Abstract**

In this paper, we estimate wage returns to education of individuals with disabilities in Nepal using information on type and age of being impaired as identifying instrumental variables. After controlling for sample selection due to endogenous labor participation as well as endogeneity of schooling decisions and fulltime working status, the estimated rate of returns to education is very high, ranging from 30.4 to 33.2%. This results will help us design policies to mitigate poverty among persons with disabilities, the largest minority group in the world.

Keywords: Disability; Nepal; Returns to Education

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