

Abstract

In the first chapter, I use time use data from a longitudinal survey (covering Ethiopia, India and Vietnam), to examine how the amount of time children spend on different activities impacts their acquisition of cognitive and noncognitive skills. Modeling the skill formation production function of children and extending the set of inputs to include the child's own time inputs, the study finds that child involvement in work activities (paid or nonpaid) are associated with a reduction in both cognitive and noncognitive achievements. The results imply an indirect adverse effect of child work on skill development through the reduction of hours of study.

In the second chapter, using a unique longitudinal survey from Ethiopia, we investigate whether resource constrained parents reinforce or attenuate differences in early abilities between their children. To overcome the potential endogeneity associated with measures of endowment, we construct a measure of human capital at birth that is plausibly net of prenatal investment. Furthermore, we estimate a sibling fixed-effect model to reduce the bias due to unobserved family-specific heterogeneity. We find that parents reinforce educational inequality, as inherently healthy children are more likely to attend preschool, be enrolled in elementary school, and have more expenses incurred towards their education. Health inputs, on the other hand, are allocated in a compensatory manner.

The third chapter examines the causal effects of an exogenous change in family policy in Ethiopia on women empowerment and the allocation of resources towards child health. Empowerment is formalized as an unobserved latent variable based on a large set of questions pertaining to women's autonomy and decision-making power. Exploiting the time and regional variation in the implementation of the law, the study finds that the policy change enables women to acquire more education and decision making power as well as increasing their assertiveness towards family planning and against domestic violence. In addition, more decision power in the hands of women is found to positively impact investments in the health and nutrition of children. Contrary to the predictions of the traditional unitary household model, the findings suggest that "distribution factors" that do not enter the individual preferences may affect outcomes for individuals and emphasize the role of intra-household heterogeneity. The results are robust to a battery of validity and specification checks.