Women's Bargaining Power and Children's Schooling Outcomes: Evidence from Ghana

Clifford Afoakwah, Xin Deng, Ilke Onur
UniSA Business School, University of South Australia

University of South Australia

University of South Australia

Abstract

This study uses household data from Ghana to examine the link between women's bargaining power and children's schooling outcomes.

Using age at first marriage and age at first job to identify women's bargaining power, we find a significant association between bargaining power and late school enrollment as well as the probability and intensity of grade repetition.

Our results show that girls tend to benefit more from the mother's bargaining power compared to boys, which reflects, in part, the large matrilineal society in Ghana.

Further investigation suggests that children's grade progression is associated with women's relative education and earnings, while women's relative age influences late enrollment

Introduction

In addition to genetic factors and school attributes, family plays an important role in children's schooling outcomes. The extent of family influence depends on resource allocation within the household

School outcomes such as enrollment and progression are influenced by the amount of money spent on the child's development as well as the amount of time that parents spend with the child on school-related activities such as helping with homework, offering motivation in educational activities, and attending to other non-financial academic needs.

While ample evidence exists on the link between parental influence and children's schooling outcomes, it is unclear how the bargaining power of the mother influences children's schooling outcomes such as late enrollment, grade repetition and the intensity of grade repetition.

This study investigates the channel through which a woman's bargaining power in the household affects children's schooling outcomes. Conceptualizing 'women's bargaining power' as her ability to influence household decision-making, we probe into its impact on the children's late enrollment, as well as the likelihood and extent of grade repetition at school.

Methods and Data

Due to the unobserved nature of the bargaining process, it is difficult to directly measure bargaining power, so we consider the amount of endowment the woman has in the marriage. We conceptualize bargaining power as her ability to influence intra-household decision-making processes and outcomes.

Drawing on the existing literature, we parameterize three household environmental factors: education, earnings, and age. We first compute a composite index for women's bargaining power, which is computed using principal component analysis (PCA) based on women's education, earnings, and age to capture its composite effect on children's school outcomes. We then consider the relative effect of all three sources of bargaining power, where, bargaining power is calculated using a woman's education, earnings or age as a ratio of the sum of the couple's education, earnings or age, respectively.

$$Sp_i = \Delta_i + wbargain_i\phi + chi_i'\rho + sch_i'\Gamma + hh_i'\Omega + \mu_i$$

Suspecting a potential endogeneity in the form of measurement error of women's bargaining power because women derive their bargaining power from different sources; household bargaining in itself is a "black box" which is latent in nature, an instrumental variable strategy is employed. We use two instruments to identify bargaining power: her age at first marriage and the age she started working for the first time.

$$wbargain_i = \Delta_i + married\_age_i\phi + work\_age_i\varphi + chi_i'\rho + sch_i'\Gamma + hh_i'\Omega + \mu_i$$

Our data are sourced from the sixth round of the Ghana Living Standards Surveys (GLSS-6). The GLSSs are comprehensive household datasets in Ghana collected by the Ghana Statistical Service (GSS) and supported by the World Bank. A sample of 8,074 children aged 7-15 years, are used in this study.

Contact

Clifford Afoakwah (PhD Candidate)
UniSA Business School l University of South Australia
Email: Clifford.afoakwah@mymail.unisa.edu.au
Website: http://people.unisa.edu.au/Clifford.Afoakwah
Phone: +61424885630

Results

	Late enrollment (mfx)		Grade repetition (mfx)		Intensity of grade repetition (irr)	
Composite	Boys	Girls	Boys	Girls	Boys	Girls
Bargaining index	-0.049 (0.242)	-0.010 (0.209)***	-0.014 (0.171)***	-0.012 (0.240)**	0.820 (0.058)***	0.805 (0.073)**
Relative measures						
Education	-0.077 (0.090)**	-0.054 (0.092)	-0.086 (0.095)**	-0.103 (0.094)***	0.878 (0.055)**	0.903 (0.064)
Earnings	-0.025 (0.080)	-0.060 (0.079)**	-0.089 (0.079)***	-0.060 (0.080)**	0.884 (0.048)**	0.986 (0.048)
Age	-0.787 (0.731)***	-0.949 (0.752)***	0.270 (0.752)	0.097 (0.785)	1.778 (0.453)	1.586 (0.499)

Discussion

In Ghana, while fathers play a peripheral role in the lives of their offspring, mothers engage in the upbringing of children, and also produce and distribute food in the household.

The woman's power over allocation of resources is, therefore, likely to have a significant influence on the academic performance of the child. Empowered women are likely to follow up their children's performance in school in order to implement appropriate measures that prevent potential grade repetition.

Also, since women spend more time with children, more bargaining power, leads them to become more involved in their children's education, and provide better assistance for their schooling.

The gender-specific effect of women's bargaining power which tend to favor their daughters somewhat reflects the matrilineal system in Ghana, at least in the south. Children inherit from their mother's brother and not their fathers, so the father is likely to divert resources to their nephews instead of their own children Women may therefore use their bargaining power to favor their daughters' schooling over that of their sons'.

A plausible explanation for the significant effect of spousal-age ratio is that if a woman is older than her partner, the more likely she will takes more responsibility in running the household. She is also more able to get children organized for school on time. In other words, older women may have life experiences which help them to effectively manage the household for children's on-time school enrollment.

Women's education, apart from the indirect benefit through bargaining power, supports the argument that fathers' education symbolizes genetic endowments only, but mothers' education is a reflection of both genetic attributes and home investments

It is also argued that women who have more financial resources have more say in the household and therefore exert more power in household decision-making, and this could positively impact their children's schooling outcomes.

Conclusions

Adding to the literature on intra-household bargaining, we have used principal component analysis to measure women's bargaining power in the household and scrutinized its effect on three schooling outcomes; late enrollment, grade repetition and intensity of grade repetition.

Our novel approach of using variations in age at first marriage and age at first job to identify women's bargaining power is also noteworthy. Finally, we focus on women's relative measures of education, earnings, and age at marriage, instead of absolute ones which is common in the literature.

Women's bargaining power reduces the incidence of late school enrollment and grade repetition, as well as the intensity of grade repetition, and such an effect is more evident for their daughters. Women's power derived from their relative education is found to be the most significant predictor of children's schooling progression. Women's relative age, on the other hand, is the most significant predictor of children's on-time school enrollment.