Zimmermann, Laura: University of Georgia
lvzimmer@uga.edu

Authors: Zimmermann, Laura, University of Georgia

Title: Remember When It Rained - Schooling Responses to Shocks in India

While large progress has been made in educational attainment in many developing countries over the last 20 years, children’s education continues to be affected by shocks that affect household income and time use, such as weather shocks. This is particularly true in South Asia and Sub-Saharan Africa, where over 60 percent of the population continues to live in rural areas, and where the variability of rainfall is expected to increase over the next couple of decades due to climate change. If children’s education is adversely affected in terms of access or quality, short-term shocks such as a failed monsoon can have adverse long-run consequences that affect later income, occupational choice and educational attainment.

While most of the existing literature focuses on the school enrollment effects of weather shocks in developing countries, children’s education can also be affected through changes in educational expenditures and school quality. This paper uses detailed household and administrative data from India to analyze how the education impacts of rainfall shocks have changed over time. School enrollment effects have switched signs over the past 30 years, consistent with a decreased role for credit constraints and an increased importance of the opportunity costs of the child’s time. Households also increasingly re-optimize educational expenditures and school type: In more recent times, parents take their children out of private schools and enroll them in government schools after a positive rainfall shock, whereas the reverse is true during droughts. One potential explanation for this new result that the paper finds support for is a change in the quality of government schools relative to private schools after rainfall shocks. This suggests that in developing countries like India government efforts to provide high-quality education in government schools remain very important despite an increased availability of private schools.