

Valero, Magali; University of Michigan Dearborn
mvalero@umich.edu
Authors: Valero-Gil, Jorge N.
Valero, Magali

Title: Why has there been a fall in child labor and an increase in school attendance in Mexico?



We evaluate the factors that explain the decrease in child labor and increase in school attendance of children aged 12-14 in Mexico, between the years 2000 and 2010. The opportunity of a child to go to school instead of to work is an essential topic of sustainable development. There are multiple policies aimed at reducing child labor and increasing school attendance. Our focus is to jointly evaluate such policies in a way that allows us to compare between them.

We analyze how household income per capita, education of the head of household, access to formal labor markets, governmental support, income from remittances, and demographic changes in the household, affect child labor and school attendance. Although many of these factors have been shown to individually affect school attendance and/or child labor, the decision of whether to send a child to work or to school is made simultaneously, given the time restriction faced by the child. Our contribution is that by analyzing these decisions and factors simultaneously we can evaluate the importance of such factors with respect to each other.

Mexico is a great framework for studying child labor and school attendance as it faces a large poverty problem, and important efforts have been made in the country to increase school attendance, including a pioneer program that fights poverty and promotes children's education. Our methodology is to use the Blinder-Oaxaca decomposition, specifically, the technique proposed by Fairlie (2005) which permits the decomposition in the case where explanatory variables are dichotomous, to compare the factors affecting changes in child labor and school attendance among Mexican households.

We find that the most important factor affecting both child labor and school attendance is the education of the head of the household, and that this is due, in part, because such education gives parents access to the formal labor market. Our results suggest that public policy aimed at reducing child labor and increasing school attendance will have a stronger impact if it is focused on improving education of heads of household and improving access of workers to the formal sector.