

Impact of income and non-income shocks on child labor: evidence from a panel survey of Tanzania¹

by

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Abstract

This paper investigates the impact of income and non income shocks on child labor using a model in which the household maximize utility from consumption as well as human capital development of the child. Two types of shocks: agricultural shocks as an income shock and the death of parents or relatives as a non-income shock are considered. We also investigate if access to credits and household assets act as buffers against transitory shocks. Our results indicate significant effects of crop shocks on child's overall work hours and buffering effects of access to a bank account on child labor and hunger.

JEL Classification: J82, J22, O13, O16

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