Why Do Mothers and Fathers Spend Differently on Children’s Education and Health?

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**Extended Abstract**

Past research suggests that the balance of power between mothers and fathers plays an important role in child well-being: When women have more say in household decision-making, spending on children increases and, in turn, children's outcomes improve. These patterns have influenced policy design; for example, many cash-transfer programs in developing countries explicitly make the mother the recipient of the transfers. Despite the widespread influence of this research, surprisingly little is known about the reason that mothers and fathers spend differently on their children.

This paper examines if and why mothers have a higher propensity than fathers to spend on children's health and education. The paper makes two contributions to the literature. First, we propose and implement a different way of measuring spending preferences than used in previous research, one that has the advantage of greater statistical power. The typical approach has been to examine spending changes in response to exogenous changes in male versus female income: Does a change in income for mothers lead to a larger spending on, say, education than the same change in income for fathers? However, children's health and education constitute a modest share of household expenditures, and detecting mother-father differences off a small base is statistically challenging. Many prominent findings of gender differences in the literature are statistically imprecise, and other papers cannot reject either sizable gender differences or no difference. We instead elicit and compare mothers' and fathers' willingness to pay (WTP) for different health and education goods, zeroing in on the expenditure category of interest.

Our second and larger contribution is to use these data to examine why mother-father
spending gaps exist. There are several potential explanations. Mothers could simply be more altruistic toward their children than fathers are. Arguably, this is most people's prior about what underlies the difference. However, it could instead be the case that mothers believe that the labor market returns to investing in human capital are higher than fathers do. Alternatively, mothers might expect to personally benefit more from these returns because they expect to be more dependent on financial support from their children in old age; women have lower earnings potential and higher life expectancy than men, on average. It is also possible that parents simply follow norms about who should cover different types of expenses.

To test the altruism hypothesis, we examine whether there exist similar mother-father WTP differences for goods that bring joy to the children but do not add to their human capital. To test whether beliefs about total or personal returns to investing in children or social norms underlie the patterns, we collect data on these beliefs and norms and examine whether they statistically explain WTP differences.

We conducted the study in eastern Uganda with a sample of 1084 two-parent households with young children in which we interviewed one or usually both of the parents (separately). We find, first, that there is no average difference between mothers' and fathers' WTP for human capital goods. We estimate a precise zero: We can reject at the 95 percent confidence level that mothers have a 5% (or 0.08 standard deviations) higher WTP than fathers. Second, mothers do have a higher WTP for daughters' human capital than fathers do (and, corresponding, somewhat lower WTP for sons). Third, the explanation for this heterogeneous spending does not appear to be either altruism or spending norms. We find suggestive evidence that old-age support is the explanation, showing that parents believe the following: that mothers benefit more than fathers do from financial support from adult children; that financial support depends strongly on how much parents invest in their children's human capital; and that girls will provide more financial support than boys.