



# Do babysitters have more kids? The effect of teenage work experiences on adult outcomes

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## INTRODUCTION

We examine the work experiences during middle school and high school of U.S. females and males and find that most of the child-oriented work such as babysitting and camp counseling is done by females. If the type of work undertaken while young affects either development of specific human capital or preferences, then these early work experiences may have measurable effects on later life outcomes. This paper examines whether or not having a child-oriented job as a teenager causes differences in labor market behavior among young adults.

Table 1: Employment during the school year							
	8 <sup>th</sup> grade	10 <sup>th</sup> grade	12 <sup>th</sup> grade				
Percent working (child-orient job)	34.0	7.4	3.9				
Percent working (other type job)	45.3	48.9	63.3				
Avg weekly hours of work (child-orient job)	4.9*	15.9*	13.3*				
Avg weekly hours of work (other type job)	6.2*	17.9*	17.9*				
Avg hourly wage (child-orient job)	-	\$3.01*	\$4.40*				
Avg hourly wage (other type job)	-	\$4.40*	\$5.33*				

Table 2: Average values of outcome variables by school-year employment type												
		Number of		of								
	% I	Employ	/ed	children		% Bachelor Degree		Earnings (\$)				
<b>Entire Sample</b>	86.2		0.63		29.8		24,942					
	8 <sup>th</sup>	10 <sup>th</sup>	12 <sup>th</sup>	8 <sup>th</sup>	10 <sup>th</sup>	12 <sup>th</sup>	8 <sup>th</sup>	10 <sup>th</sup>	12 <sup>th</sup>	8 <sup>th</sup>	10 <sup>th</sup>	12 <sup>th</sup>
Child-orient	83.1	85.0	88.3	0.69	0.59	0.53	33.7	38.8	42.9	21,346	22,358	22,609
Other type of jobs	89.3	88.8	89.2	0.57	0.57	0.52	28.1	30.4	32.0	28,084	27,119	26,646

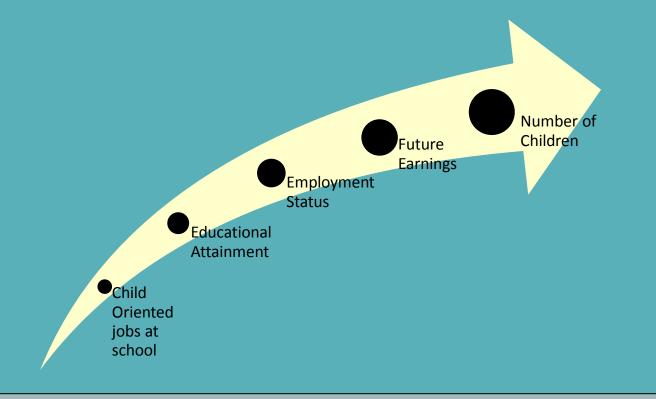
					1	11		11
Dependent	Estimation	Independent	8 <sup>th</sup>	8 <sup>th</sup> - IV	10 <sup>th</sup>	10 <sup>th -</sup> IV	12 <sup>th</sup>	12 <sup>th</sup> - I\
Variable	Method	Variable						
EMPLOYMENT	PROBIT	Child-oriented	-0.0487	0.605	-0.0362	-0.164	0.111	0.419
		Working	0.0193	0.669	0.0788**	0.868*	0.162***	1.625*
NUMBER OF	TOBIT	Child-oriented	-0.148**	-5.6**	-0.129	-1.898	0.0222	-24.57*
CHILDREN		Working	0.364***	7.292***	0.0964*	-1.978**	0.191***	-3.018
BACHELORS DEGREE	PROBIT	Child-oriented	0.0124	-1.169	0.0248	-1.039	0.0904	0.96
ATTAINMENT		Working	-0.0602	0.989	-0.0429	0.981**	-0.1**	0.762
LOG EARNINGS	HECKIT	Child-oriented	-0.0387*	1.646**	-0.0981***	-0.267	-0.115**	4.567
		Working	0.0348	-1.86**	0.0848***	0.442**	0.111***	1.606

Table 3: Regression Results

Table 4: Multinomial Logit Estimates, coefficients of child-oriented jobs								
	Child-oriented 8th	Child-oriented 10th	Child-oriented 12 <sup>th</sup>					
log (P <sub>1</sub> /P <sub>2)</sub>	-0.217**	-0.19	-0.464**					
log (P <sub>2</sub> /P <sub>3)</sub>	0.073	0.024	.0021					
log (P <sub>3</sub> /P <sub>4)</sub>	0.067	-0.044	036					
log (P <sub>4</sub> /P <sub>5)</sub>	0.132	0.18	.35*					
log (P <sub>5</sub> /P <sub>6)</sub>	0.12	0.1	16					

Job Type =2 is the base outcome; (1) managers (2) professionals (3) technicians and assistant professionals (4) clerks, (5) Service and Sales Workers (6) Craftsmen

# Do child-oriented jobs affect future career path?



# Working While In School Has Lasting Effects

- Human capital specific to paid work changes constraints
- Experience of work changes preferences
- adulthood), less likely to start a family early (at least

### **Child-Oriented Work Has Different Effects**

- Human capital specific to child raising changes constraints—possibly against paid work
- Experience of child raising changes preferences
- Hypotheses: may favor less time spent in paid work later, may be more or less likely to start a family early

## HYPOTHESES

- Hypotheses: both would tend to favor more time spent in paid work later (particularly in early for women)
- possibly for or against time spent with children
- (at least for women)

# DATA

- We use NELS data, four waves, for people who are in 8<sup>th</sup> grade in 1988 (ages 13-14) up to 2000 (ages 25-26)
- Track a number of measures of early adult outcomes: bachelor degree attainment, employment, hours, earnings, occupation type, marriage, children
- See if time spent in work, and specifically childoriented work, affects outcomes

# DESCRIPTIVE STATISTICS

#### TABLE1

- Proportion of students with child-orient jobs declines significantly as students move to higher grades.
- Alternative job opportunities become available or child-orient jobs is underreported because the students are asked to report only the job that pays the most.
- Hours of work and wage of other type of jobs is significantly higher than that of child-oriented jobs.

# TABLE2

- Employment in 2000, and earnings are positively correlated with other type of job holding and negatively correlated with child-oriented job holding.
- Number of children in future is negatively correlated with employment in high school.
- Child-oriented job holders have greater educational attainment than other type of job holders, possibly due to lower working hours of child-oriented jobs

# INSTRUMENTAL VARIABLES

- Possible endogeneity: choice of teenage work experiences may be driven by the same unobserved factors that determine later outcomes. To account for it, we use the following instruments (jointly significant):
- a. Interstate variation in child labor laws
- b. Interstate variation in female labor force participation.
- c. Interstate variation in supply of and demand for teenagers

### **Instruments – State Laws**

- 1. States with non-zero collections in civil money penalties
- 2. Limits on student work after 10 p.m. on a school night
- 3. State department publicizes employers who violate child labor laws
- 5. 40 hour limit on number of weekly work hours while school is in session
- 6. Required work permits for minors in agriculture related jobs

4. Imposition of criminal penalties for child labor law violations

7. Required work permits for minors in non-agriculture related jobs

# Regression Results and Conclusion

- Working in the 10th and 12th grades has a positive effect on being employed and having more earnings as a young adult
- Working as a very young child (in the eighth grade) increases the probability of having children already by your mid-twenties.
- The additional factor of working at a childoriented job:
- Does not affect employment status and education level,
- Has a significant negative effect on having a child early, reduces earnings in some specifications, and appears to have some effect on future job type choices, in particular reducing the likelihood that the person will be found in a managerial position.

## **Notes and Acknowledgments:**

- In all tables, \*\*\* p<0.01, \*\* p<0.05, \* p<0.1
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