

Essays on Human and Social Capital Formation

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IMPACT PARAGRAPH

The impact paragraph of this dissertation is added in compliance with article 22.5 of the “Regulations for obtaining the doctoral degree at Maastricht University” decree by resolution of the board of deans, dated 1 October 2020.

This dissertation consists of three empirical chapters, each addressing topics that revolve around the formation and consequences of human and social capital.

The first empirical chapter contributes to our understanding of the family environment’s role, specifically, the effects of siblings’ sex ratio on adolescents’ human capital in a low-income country—a setting less examined by existing studies. The results of this chapter show a positive brothers’ effect on adolescents’ human capital, meaning that having a greater share of brothers rather than sisters leads to higher human capital outcomes. The mechanism analyses indicate that the positive brothers’ effect is arising from spillovers of parental investments on boys. The implication of these results is that adolescents with a greater share of sisters rather than brothers could suffer from parental under-investment and end up with less human capital. These results could inform households and policymakers, help them make more equitable investment decisions, and design policies that could improve adolescents’ human capital outcomes.

The second empirical chapter contributes to the debate on whether conditional or unconditional cash transfers are better policy tools to fight poverty by investigating their effects on important but less studied outcomes—social capital and voting. The results show that while conditional cash transfer increases social capital, mainly among beneficiaries with reciprocal beliefs, both transfers reduce the likelihood of voting. Since the conditional cash transfer program positively affects social capital, policymakers may be better off adopting the conditional model than the unconditional one. Additionally, the results with regards to voting could alarm stakeholders such as NGOs and local politicians to investigate further why the two transfers reduce the likelihood of voting and undertake corrective measures.

Otherwise, the transfer programs could have grave consequences on the democratization efforts in Africa.

Lastly, the third empirical chapter enables us to understand the demand-side constraints to information seeking among smallholder farmers. The chapter makes a novel contribution to the literature by showing the extent of overconfidence among farmers and its relationship to information seeking. It also contributes to our understanding of the effects of trust and quality in driving information seeking. The chapter shows that overconfidence is widespread among farmers and that it predicts less information seeking. Moreover, farmers seek more information when they perceive the source as high quality. The results could serve both farmers and agricultural extension service providers to improve the uptake of agricultural information.

The insights from these chapters will be of interest to researchers, policymakers, individuals, households, and NGOs and hence require dissemination. Thus far, two of the chapters have been presented at conferences. For example, chapter 2 has been presented at the weekly seminar of UNICEF Office of Research-Innocenti, Florence, Italy. Chapter 4 has been presented at the UNU-MERIT internal conference, Maastricht University, The Netherlands. This paper has also been submitted to the Economic Development and Cultural Change journal and is accepted for publication. Currently, chapters 2 and 3 are ready to be submitted to peer-reviewed journals.