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**Thesis Title:** The Effect of Globalization on School Attendance of Children in Primary School Age

**Abstract:**

This study explores the impact of the trade exposure of developing countries on primary school attendance status of children in a cross-country framework. We take degree of globalization as trade exposure, which is trade as share of GDP. We use Demographic and Health Surveys (DHS) for household level data of child schooling status for 30 sample countries. Household level data allows us to control parents and children attributes, thus enables us to disentangle the channel working in developing countries during globalization. Our explanatory variable is aggregate level trade openness that is endogenous. Due to the endogeneity of trade exposure with the variation in skill intensity especially in developing countries, the methodology comprises of geographical estimation of trade openness.

To cope up with the endogeneity of trade openness, our estimation strategy is instrumental variable based on geography of the country. The key identifying assumption here is that, geography based trade openness is strictly unrelated to children school attendance except through actual trade openness. We used log linear Taylor series expansion for calculation of trade based instrument variable for sample countries bilateral trade with their trade partners across the world. The correlation between actual trade openness and geographically predicted trade openness is 0.67. We find that trade openness have positive impact on the school attendance of the children with parental education beyond primary level. In addition, the rate of return effect or income effect does not alter the school attendance status of children in developing countries. Therefore, we cannot reject the hypothesis that trade openness has no impact on children school attendance at primary level in developing countries.