

Competition for Care? Care-Giving to the Elderly and Children's Education  
in the Face of Bequest-regulating Social Norms

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*Abstract:* Does the household's reallocation of time and resources due to the presence of coresiding elderly impact upon the schooling of younger household members? Does the existence and enforcement of social norms regulating mutual obligations of care and bequest between adults and elderly living in the same household matter for children's school achievement? We address these issues by investigating the impact of intra-household inter-generational resource redistribution in the face of elderly care-giving. We model the allocation of resources by adult children between competing caring activities - those towards coresiding elderly and those towards coresiding children. We test the implications of our theoretical framework by focusing on Indonesia, a country characterized by heterogeneity in social and cultural norms, population ageing and a heavy reliance on the family for elderly support. Specifically, we exploit the unique richness of the "Community Norms" section of the 1997 and 2007 waves of the Indonesian Family Life Survey (IFLS) questionnaires, and on longitudinal information on coresidence and caregiving as in waves (2000 and 2007) of the IFLS, a continuing and nationally representative longitudinal socioeconomic survey. Our findings stress the impact on children's school achievement of social norms regulating the relationship between adults' care of household's elderly and elderly bequest to adult care providers. This result survives a number of robustness tests, e.g., the potential endogeneity of the enforcement of such social norms in three-generation households, or sample restrictions that focus on households where we can ascertain there is one main care provider to elderly and children, among others.

*Keywords:* intra-household care-giving, children's education, social norms, coresidence with elderly. JEL codes: J13, J14, O12, R22

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