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# Educational Factors in Afghans Living Wealthier Life

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Received: 06th October 2021 Revised: 19th November 2021 Accepted: 06th December 2021

Abstract: This study aims to examine whether educated Afghans live wealthier life (N=93,308).According to the study, Afghan with more education are wealthier than Afghan with less education. In quantitative terms, one educational year in Afghanistan is associated with a 0.021 standard deviation increase in Afghan wealth index, completing primary schooling raises Afghan wealth index by 0.169 standard deviations, and completing secondary schooling raises Afghan wealth index by 0.237 standard deviations.

Keywords: Education; Afghanistan; Wealth

#### Introduction

The rise of educational inequality in Afghanistan has important implications for Afghan wealth and wellbeing. Policymakers in Afghanistan have moved their focus to quantifying the Afghan education-wealth relationship.

Therefore, this study aims to examine whether educated Afghans live wealthier life (N=93,308). The data is from the Afghanistan Demographic and Health Surveys (AFG-DHS). Regression analysis with AFG-DHS data is utilized. The explanatory is Afghan education. The outcomes are Afghan wealth index. Our findings, focused on Afghanistan, contribute to the body of evidence concerning the Afghan education-wealth nexus across Afghanistan.

According to the study, Afghan with more education are wealthier than Afghan with less education. In quantitative terms, one educational year in Afghanistan is associated with a 0.021standard deviation increase in Afghan wealth index, completing primary schooling raises Afghan wealth index by 0.169 standard deviations, and completing secondary schooling raises Afghan wealth index by 0.237 standard deviations.

## Data

Using data from the Afghanistan Demographic and Health Surveys (AFG-DHS), we examine whether educated Afghans live wealthier life. AFG-DHS collects detailed information on Afghan demography. Various Afghan characteristics are also included in AFG-DHS. The wealth index of Afghans is the key outcome. We utilize AFG-DHS provided educational attainment of Afghan as the main explanatory.

Table 1: Afghan Summary Statistics

	0	,				
			Mean	SD	N	
			(1)	(2)	(3)	

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Afghan Wealth Index	0.018	0.870	93308
Afghan Education	3.208	4.758	93308
Afghan Primary School	0.309	0.462	93308
Afghan Secondary School	0.134	0.341	93308
Afghan Age	34.928	14.921	93308
Afghan Male	0.511	0.500	93308
Afghan Currently Married	0.748	0.434	93308
Afghan in Rural Areas	0.738	0.440	93308
Afghan Household Head	0.260	0.439	93308

The descriptive statistics in this AFG-DHS sample is in Table 1. The sample includes around 93,308Afghan respondents. The average AFG-DHS wealth index of Afghanis 0.018. The average AFG-DHS educational years is 3.208. The share of Afghan completing primary school is 0.309 in AFG-DHS. The share of Afghan completing secondary school is 0.134 in AFG-DHS. The average age of Afghan interviewers is 34.928. Afghan male share is 0.511. The share of married Afghan is 0.748 with a population fraction of 0.738in rural areas. The share of respondents in AFG-DHS being household head is 0.260.

### **Empirical Design**

To examine whether educated Afghans live wealthier life, we estimate the following regression (N=93,308),

$$Y_{ist} = \beta_0 + \beta_1 E du_{ist} + X'_{ist} \Omega + \epsilon_{ist}$$

where *i*, *s*, and *t* refer to Afghan individuals, AFG-DHS residential cluster, and AFG-DHS survey date.  $Y_{jist}$  is Afghan wealth index.

 $Edu_{ist}$  is Afghan educational year, Afghan completing primary schooling, and Afghan completing secondary schooling.  $X'_{jist}$  includes Afghan age, squared-age, gender, whether Afghan respondent is married, whether Afghan respondent is in rural areas, whether Afghan respondent is household head, Afghan birth year fixed effects, AFG-DHS residential cluster fixed effects, AFG-DHS survey date fixed effects.  $\epsilon_{iist}$  is the error term.

The coefficient  $\beta_1$  is the effects of education on Afghan wealth. Simply put,  $\beta_1$  reflects the difference in wealth of Afghan living in the same neighborhood but with different education level.

#### Results

**Afghan Education-** The relationship between Afghan education and wealth in AFG-DHS is in Table 2. Column 1, where only Afghan education is accounted for, displays the relationship between Afghan education and wealth in AFG-DHS. We find that one educational year in Afghanistan is associated with a 0.049 standard deviation increase in Afghan wealth index.

This estimate is only a correlation between Afghan education and wealth in AFG-DHS, while some factors in AFG-DHS are not accounted. Therefore, we introduce Afghan at tributes and AFG-DHS spatial-temporal fixed effects. According to Column 3, we find that one educational year in Afghanistan is associated with a 0.021 standard deviation increase in Afghan wealth index.

Table 2: Afghan Education			
	(1)	(2)	(3)
Afghan Education	0.049***	0.035***	0.021***

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	(0.001)	(0.001)	(0.000)
Observations	93308	93308	93308
Cluster FE			Х
Characteristics		Х	Х

**Afghan Primary Schooling** - The relationship between Afghan primary schooling and wealth in AFG-DHS is in Table 3. Column 1, where only Afghan primary schooling is accounted for, displays the relationship between Afghan primary schooling and wealth in AFG-DHS. We find that one completing primary schooling raises Afghan wealth index by 0.438 standard deviations.

This estimate is only a correlation between Afghan primary schooling and wealth in AFG-DHS, while some factors in AFG-DHS are not accounted. Therefore, we introduce Afghan attributes and AFG-DHS spatial-temporal fixed effects. According to Column 3, we find that completing primary schooling raises Afghan wealth index by 0.169 standard deviations.

Table 3: Afghan Primary Schooling			
	(1)	(2)	(3)
Afghan Primary	0.438***	0.303***	0.169***
	(0.006)	(0.005)	(0.004)
Observations	93308	93308	93308
Cluster FE	•	•	Х
Characteristics		Х	Х

Afghan Secondary Schooling - The relationship between Afghan secondary schooling and wealth in AFG-DHS is in Table 3. Column 1, where only Afghan secondary schooling is accounted for, displays the relationship between Afghan secondary schooling and wealth in AFG-DHS. We find that one completing secondary schooling raises Afghan wealth index by 0.646 standard deviations.

This estimate is only a correlation between Afghan secondary schooling and wealth in AFG-DHS, while some factors in AFG-DHS are not accounted. Therefore, we introduce Afghan attributes and AFG-DHS spatial-temporal fixed effects. According to Column 3, we find that completing secondary schooling raises Afghan wealth index by 0.237 standard deviations.

Table 4: Afghan Secondary Schooling			
	(1)	(2)	(3)
Afghan Secondary	0.646***	0.413***	0.237***
	(0.008)	(0.007)	(0.005)
Observations	93308	93308	93308
Cluster FE		•	Х
Characteristics	•	Х	Х

## Conclusion

This study aims to examine whether educated Afghans live wealthier life (N=93,308). The data is from the Afghanistan Demographic and Health Surveys (AFG-DHS). Regression analysis with AFG-DHS data

is utilized. The explanatory is Afghan education. The outcomes are Afghan wealth index. Our findings, focused on Afghanistan, contribute to the body of evidence concerning the Afghan education-wealth nexus across Afghanistan.

According to the study, Afghan with more education are wealthier than Afghan with less education. In quantitative terms, one educational year in Afghanistan is associated with a 0.021 standard deviation increase in Afghan wealth index, completing primary schooling raises Afghan wealth index by 0.169 standard deviations, and completing secondary schooling raises Afghan wealth index by 0.237 standard deviations.

The findings are linked to studies on the effects of various factors on Afghan well-being. For example, food scarcity and political violence in Afghanistan connect to poor survival rates; heat and heavy rain in Afghanistan worsen wellbeing; literacy, nutrition efforts, and land reform enhance Afghan wellbeing; responses to diseases influence Afghan health(Hang et al., 2020a, 2020b; Le, 2020a, 2020b, 2020c).

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