Stalled progress
Recent research on why labor markets are failing women

James Heintz
STALLED PROGRESS: RESENT RESEARCH ON WHY LABOR MARKETS ARE FAILING WOMEN

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ABOUT THE GROW PROGRAM

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EXECUTIVE SUMMARY

Recent progress in narrowing gender gaps in education, health, and political representation is not matched by similar improvements in labor market outcomes for women, or more broadly, women’s economic empowerment.

This paper draws on findings generated through the Growth and Economic Opportunities for Women (GrOW) initiative—a multi-funder partnership that has supported 14 research projects in 50 developing countries—to explore this paradox. It addresses the complex links between factors that shape women’s labor market participation and their economic empowerment. It reviews and synthesizes GrOW research findings to shed light on why development gains have yet to translate into more and better employment for women in some regions, and why employment gains seen in others have failed to empower women.

The GrOW-supported studies reviewed in this report make important contributions to our understanding of women’s employment, labor markets, the sources of gender inequality, and economic empowerment by:

• addressing a dearth of literature on how women are faring in developing country labor markets;
• going beyond the micro level to identify macro conditions, social norms, and structural factors that constrain or enable women’s choices; and
• applying varied research methods to investigate these links and dynamics.

HOW LABOR MARKETS ARE FAILING WOMEN

Following an examination of key factors that constrain women’s labor market participation, the paper examines in more detail GrOW findings on four areas that affect the quantity and quality of paid work that women can access, and the choices they make: labor market segregation; household formation and unpaid care work; gender roles and norms; and gender-based violence.

Labor market segregation

A major source of gender inequality in labor markets is segregation of employment, where women are underrepresented in certain jobs and overrepresented in others. GrOW research affirms there is little evidence that women have moved out of traditional activities and diversified the types of paid work they did, despite gains in education. As well, increases in average income do not guarantee women improved access to a more diverse array of paid jobs. Examining data from 69 developing countries from 1980 to 2011, a GrOW study found that segregation has grown in more countries than where it has fallen, regardless of changes in per capita incomes. Norms and stereotypes play a significant role in driving sectoral and occupational segregation.
**Household formation and unpaid care work**

Several GrOW studies, covering different countries and employment types, found evidence that women have difficulty continuing in labor markets after they marry, and when they do, their choices are constrained. The studies also underscore that women perform a disproportionate share of unpaid work relative to men, limiting their labor market opportunities and contributing to their double burden.

The links between fertility, education, and employment are complex. Early marriage and childbearing have a particularly important impact on educational attainment and labor market outcomes for women throughout their entire lives, with long-lasting impacts on their choices and economic prospects. What happens in specific periods of girls’ or young women’s lives, such as during school-to-work transitions, has a long-lasting impact on women’s empowerment. Policies that seek to enhance women’s economic empowerment must pay attention to unpaid work, marriage, and fertility if they are to be effective.

**Gender roles and norms**

Gender roles and social norms affect the division of labor between paid and unpaid activities, women’s labor force participation, and labor market segregation. They also have a significant impact on the success or failure of policy interventions, such as skills development programs. GrOW research in the Punjab region of Pakistan highlights how gender roles undermine opportunities for women in skills training. And in Sri Lanka, where gendered social norms have been codified in formal rules and practices such as prohibitions on selling or managing land without a husband’s permission, women are significantly constrained. It is important to realize that labor markets are gendered institutions. The rules and structures, both formal and informal, governing how men realize income from their labor differ from the rules and structures governing how women realize income from their labor. These differences drive gender gaps in employment outcomes. They also determine whether labor markets enhance, or undermine, women’s economic empowerment.

Can harmful norms be shifted over time? GrOW research suggests that it is possible, but that more transformative changes take time.

**Gender-based violence**

Women experience gender-based violence both within and beyond the home. Intimate partner violence has a direct impact on household dynamics and women’s ability to make independent decisions, including on employment. Violence outside the home—or the fear of violence—can limit women’s mobility and ability to work in certain activities or locations.

The causal links between gender-based violence and women’s employment are complex. In some contexts, employment may reduce violence in the home by enhancing women’s bargaining power, while in patriarchal societies, it may increase violence by challenging traditional masculine roles. Outside factors, such as economic stress, may also act independently on both employment choices and the incidence of domestic violence. A GrOW study using quantitative data from 35 countries found a negative relationship between women’s participation in paid employment and reported physical and psychological abuse. But there were important regional variations, with working women in Latin America and the Caribbean and East Africa more likely to suffer abuse.

**STRATEGIES TO INCREASE WOMEN’S LABOR MARKET POTENTIAL**

GrOW research also explored strategies to increase women’s prospects in labor markets. Successful examples include providing incentives to extend schooling and expanding access to child care. In Bangladesh, small financial incentives that encouraged families to delay girls’ marriage until after the age of 18 showed modest gains in keeping girls in school. In Kenya, giving poor women subsidized child care increased their likelihood of being employed by 17 percent. A synthesis of 13 studies on the effect of daycare provision in developing economies found, on average, a 6 percentage point increase in maternal employment for each 30 percentage point increase in daycare utilization. It also found that the employment impacts of day care
varied considerably, depending on the quality of care programs, types of paid work available to women, household dynamics, and time constraints.

**POLICY INSIGHTS**

The GrOW research findings render valuable policy lessons to address the unevenness between women and men with regard to labor force participation, employment opportunities, and the quality of paid work.

- **Policymakers need to recognize that structural features of economies create barriers that entrench gender inequalities in labor markets.** These structural features include: segregated labor markets, social norms that reinforce gender roles, the unequal distribution of assets and economic resources, women's disproportionate specialization in unpaid work, and gender-biased laws and institutions.

- **Gender analysis should be routinely incorporated into labor market policy design and development.** This must go beyond efforts to get more women into the paid labor force. As GrOW research demonstrates, the types of jobs women do matters.

- **Skills development and training programs should be designed to take account of the differences between men and women.** The skills offered in training should also reflect the differences in the types of paid work women and men typically do.

- **Reforms are needed to remove gender biases in legal frameworks and other formal institutions that limit women's economic opportunities.** Where social norms constrain women's choices, solutions are challenging but possible. They may demand economic incentives and long-term approaches.

- **Long-term strategies and public resources are also needed to reduce care burdens and encourage more gender-equitable family policies.** Women with children, especially preschoolers, need access to affordable, quality child care and labor market protections, such as paid leave for mothers with infants. Research also suggests that a comprehensive approach to labor market policies should entail a life-cycle perspective.

**DIRECTIONS FOR FUTURE RESEARCH**

In addition to noting the importance of basic information gathering to address a gap in quality time-use information for many countries, more research and analysis is needed on:

- the nature and causes of the gender segregation found in labor markets;
- how labor market structures and dynamics affect gendered outcomes of broad-based policies;
- the distribution of unpaid care in developing countries, specifically, to identify policies for reducing the constraints it places on women's labor market options;
- the relationship between labor markets and household formation/childbearing in a developing country context, recognizing that causality works in both directions;
- the dynamics of gender norms and labor market outcomes;
- the nature of gender-based violence and how this shapes women's employment choices; and
- the relationship between women's paid employment and various indicators of empowerment.
1. INTRODUCTION: GENDER AND LABOR MARKETS

Access to paid employment has the potential to improve women's ability to make autonomous decisions that have substantive impacts on their lives (UN Women, 2015). Because of this, labor market dynamics have important implications for women's economic empowerment. The opportunities provided through labor markets affect the timing of marriage and childbearing, educational attainment, women's access to independent sources of income, and networking possibilities outside of household and kinship relationships. Over time, changes in women's paid employment may change norms and gender roles that influence what women can do and what they can become in the course of their lives.

Given recent improvements in several areas of socio-economic progress for women in many parts of the world, we might expect to see gains in the quality of women's work, and other areas of economic empowerment. Progress in recent decades includes better educational outcomes for women, higher life expectancy, improved access to prenatal care and reproductive services, lower maternal mortality rates, larger shares of women being elected as political representatives, and stronger laws regarding intimate partner violence (Peters et al., 2016). However, these indicators of gender equality do not always translate into improvements in the substantive choices women are able to make regarding their own lives (UN Women, 2015). There is also less evidence of general improvements in labor market outcomes for women. Indeed, the most recent Global Gender Gap report suggests a widening of gender gaps in its measurement of economic participation, which includes such indicators as women's labor force participation relative to men's, wage gaps for similar work, women's earned income relative to men's, and women's employment in professional and technical occupations (World Economic Forum, 2017).

DEFINING LABOR MARKETS

In this report, we define labor markets broadly, as the collection of formal and informal institutions that govern how people exchange their labor for income. Most often this income takes the form of money, although in some cases, people exchange their labor for goods or services. The standard conceptualization of labor markets involves an employee selling labor to an employer in exchange for a wage. However, the self-employed also engage in labor markets, selling their labor services in exchange for income.
Labor markets are gendered institutions (Elson, 1999). The rules and structures, both formal and informal, governing how men realize income from their labor differ from the rules and structures governing how women realize income from their labor. For instance, women have less flexibility and fewer choices than men with respect to employment opportunities if social norms dictate that they have primary responsibility for child care. These gender differences in how labor markets function create inequalities between men and women with regard to employment outcomes. They also determine whether labor markets enhance, or undermine, women's economic empowerment.

EXPLORING THE PARADOX: WHY IS WOMEN’S ECONOMIC EMPOWERMENT LAGGING OTHER AREAS OF PROGRESS?

One of the reasons for the stubborn persistence of labor market inequalities is that institutional barriers—such as economic structures, social norms, the unequal burden of unpaid work, and legal biases—limit the choices available to women. Constrained choices feed into unequal outcomes. When they do emerge, reductions in gender inequalities in paid employment are often uneven, and differences related to race, ethnicity, class, caste, and other social divisions are evident.

The theory: women will catch up as economies grow

One possibility is that the paradox is temporary, that improvements in labor market outcomes for women, reductions in gender inequality, and women’s economic empowerment will eventually be realized, as long as the world’s economies continue to grow and develop (Duflo, 2012).

In this version of the story, economic growth and labor demand go hand-in-hand. As the production of goods and services expands and incomes rise, so does the demand for labor. This generates new opportunities for paid employment for men and women. In the past, men got the best jobs, but as economies continue to grow, women are pulled into the labor market. The availability of paid employment gives women new choices and causes them to reassess other decisions—the average age of marriage increases, fertility falls, and educational attainment rises. In the long-run, social norms and gender roles begin to change. Labor markets provide a pathway to women’s empowerment and gender gaps will inevitably close. This theory sees the disjuncture between improvements in some indicators of gender equality and labor market outcomes as not really a paradox. It is just a timing issue. Labor market outcomes will eventually catch up.¹

Reality 1: Growth does not always translate into opportunities for women

This narrative of how labor markets serve as the channel through which economic growth positively contributes to women’s empowerment collapses when the labor market channel breaks down. Faster rates of economic growth do not always yield increasing demand for labor, particularly when the growth rate of labor productivity, due to automation or technological change, outstrips the growth rate of output. Even if we restrict our attention to situations in which labor demand is expanding, women do not always have access to the employment opportunities created. As detailed in this report, barriers to women’s labor force participation limit women’s ability to take advantage of new jobs when they become available. Economically active women, those in the labor force, are willing and able to take on paid employment. However, gender segregation of labor markets limits the kinds of jobs women are able to do. Women’s access to certain occupations is often

¹ For a review of the literature concerning the relationship between economic growth and gender equality, see Kabeer and Natali, 2013.
Women are not always “pulled” into the labor market, attracted by new opportunities. In some cases, they are pushed. When households experience shocks that squeeze income, e.g. an unemployment crisis or violent conflict, women may take up paid employment to try to make ends meet. There is a significant empowerment gap between paid work that is freely chosen and jobs that arise out of distress. A number of the research studies reviewed here reflect this divergence.

**Reality 2: Not all paid work is empowering**

This reveals another point at which the narrative about the positive relationship between paid employment and women’s empowerment can become derailed. Not all jobs are the same, and not all paid work is empowering. The type of employment matters (see, for example, Kabeer, Mahmud, and Tasneem, 2011). The effect that paid work has on women’s ability to make substantive choices in their own lives varies with the social context, the kind of employment, and the reasons why women do the work they do. For instance, women who earn income through jobs performed in their own homes, combining paid work with other household duties, may not enjoy the same freedoms, choices and access to social networks as women who work with others outside the home. There is no guarantee that simply by having a job, women will be economically empowered.
ABOUT THIS PAPER

This paper elaborates on this paradox, drawing on findings generated through the GrOW initiative, a multi-funder partnership that has supported 14 research projects in 50 developing countries. It reviews and synthesizes their findings to shed light on the stalled progress that women are seeing in labor markets, and more generally, the interplay between, labor markets, persistent gender inequalities, and women’s economic empowerment.

The GrOW-supported studies reviewed in this report make important contributions to our understanding of women’s employment, labor markets, the sources of gender inequality, and economic empowerment in three key respects.

First, while there is a large body of literature on many of the issues tackled in the GrOW studies—including labor force participation, occupational segregation, school-to-work transitions, household formation, and intimate partner violence—there is a dearth of literature on developing economies, and low-income economies in particular. Labor markets in developing countries are distinct, with more self-employment, high rates of informality, differences in gender roles, variations in household structure, and a range of economic structures. Although the broad themes may be similar in both developed and developing economies, research on women and labor markets is necessarily context specific. The GrOW research discussed here makes an important contribution to how we understand women’s participation in labor markets across diverse economic and social settings.

Second, labor market research often focuses on the micro level—i.e. the characteristics of individuals and how these individuals make decisions. The GrOW research goes beyond the individual level and looks at household characteristics, institutional factors, and macro-level dynamics. These studies illustrate that women and men make individual choices, but within structures defined by norms, laws, households, the distribution of assets, policy, and the overall economic environment. A failure to recognize these various elements will result in an incomplete, and possibly erroneous, understanding of labor markets and women’s empowerment.

Third, the GrOW studies reviewed embrace methodological pluralism—that is, they use a range of techniques, from econometric analysis to randomized control trials to qualitative methods. By looking at these issues in multiple ways, and bringing the insights from different approaches together, the research adds a depth to our understanding of these issues that expands on the existing labor market literature.

Drawing on GrOW literature, this paper begins with a review of recent labor market trends and factors that constrain women’s labor force participation. As discussed above, merely participating in labor markets is no guarantee of empowerment for women. The type of employment matters, yet women are often concentrated in lower quality and more precarious forms of employment. Section 3 examines these issues in depth, focusing on what GrOW research tells us about how labor market segmentation, household formation and unpaid care, gender norms and roles, and gender-based violence not only affect women’s employment outcomes but interact with other variables to shape women’s choices and potential for economic empowerment. Section 4 highlights strategies that hold potential for overcoming these constraints. Section 5 presents some of the key insights and recommendations for policymakers arising from the GrOW literature. And a final section suggests areas for further research.
2. CONSTRAINTS ON WOMEN’S LABOR FORCE PARTICIPATION

There are a number of reasons why we would expect women’s labor force participation rates to have risen in recent decades throughout the developing world. Women’s educational attainment has, in general, improved significantly. These gains have led to a narrowing, and in some cases an elimination, of gender gaps in enrolment and attainment at the primary level and, in some cases, at secondary and tertiary levels. In many regions, fertility rates have fallen and, in some countries, dramatically. Per capita economic growth in the developing world has generally been higher on average since the 1990s than it was in previous decades. We would expect that better educated women, with fewer children, living in households with higher living standards, would have more opportunities for paid employment that would help push up labor force participation rates. These expectations are not borne out in the data.

GrOW-supported research on recent labor market trends in developing countries by the University of Göttingen drives this point home. Its analysis of modeled labor force participation rates generated by the International Labor Organization (Klasen, 2017) shows that the only developing region with a clear upward trend in female labor force participation rates is Latin America and the Caribbean. Even there, the rate of increase slows after 2005. In contrast, women’s labor force participation rates have fallen in East Asia and South Asia. In the Middle East and North Africa, female labor force participation appears to be rising, but the growth is very slow, starting from one of the lowest levels of any region in the world.

The only developing region with a clear upward trend in female labor force participation rates is Latin America and the Caribbean.

One possible explanation for this trend is that, because of higher educational attainment, girls and young women are staying in school longer, and this brings down the female labor force participation rate. However, Klasen also looks at the trends for women in their prime working age (25-54) and finds similar results. Again, the only region with notable gains in women’s labor force participation is Latin American and the Caribbean, with progress slowing.
The Income Effect: Revisiting the ‘Feminization-U’ Hypothesis

One possible explanation for these trends is that women’s labor force participation does not uniformly increase through the course of economic development and may increase or decrease when countries at different income levels experience economic growth. The “feminization U” hypothesis posits that the relationship between female labor force participation and per capita income is not linear, but rather U-shaped. That is to say, women’s labor force participation is high in low-income countries, declines with increases in per capita income up to a point, and then begins to increase again.

A changing economic structure provides the rationale for the feminization-U hypothesis (Goldin, 1995; Klasen, 2017). Women’s labor force participation tends to be high in agricultural economies, which, with their extended family and household structures, allow women to combine market work with unpaid care work. During processes of industrialization, average incomes rise, but women tend to withdraw from the labor force to specialize in unpaid work, since industrial employment is harder to combine with caring labor. In later stages of industrialization, the expansion of the service sector provides new job opportunities for women and, with rising educational attainment and falling fertility, women’s labor participation begins to increase.
Variations in both the levels and trends of women’s labor force participation rates, particularly among countries with similar per capita incomes, suggest that the feminization-U hypothesis is, at best, incomplete. Factors other than average per capita income come into play.

In his GrOW research study, Klasen puts forward three factors that affect women’s labor force participation and which may help explain differences between countries and regions. These are: differences in the relationship between household income and labor force participation; segregated labor markets that restrict women’s employment opportunities in particular sectors and occupations; and differences in economic growth processes that interact with structural barriers to women’s labor force participation.

When women’s labor force participation increases because household resources are squeezed, women are “pushed” into employment due to economic distress, not because they are taking advantage of improved opportunities for paid employment. For instance, analysis of Indian survey data by Klasen and Pieters (2012) found that, at lower levels of education, female labor force participation is driven by necessity rather than economic opportunity. In contrast, only relatively privileged women with high educational achievement seemed to be pulled into the labor market by attractive employment opportunities. Several GrOW studies also find evidence of this kind of distress labor force participation on the part of women—for example, in artisanal mining in Central and Eastern African countries (Buss et al., 2017) and in the informal sector of South Africa (Makaluza and Burger, 2017).

HOUSEHOLD INCOMES

Household income is an important explanatory factor but the link with women’s labor force participation is not always straightforward. As household incomes increase, the need for women to engage in paid employment to contribute to making ends meet reduces. Given higher male earnings, gender norms that favor men’s participation in paid work over women’s, and differences in bargaining power, women may withdraw from the labor force and specialize in unpaid care work as incomes rise. There is some evidence that women’s labor force participation is counter-cyclical—rising during times of economic stress and falling when household incomes recover (Klasen, 2017; Bhalotra and Umana-Aponte, 2010). However, this reaction is not universal and, in some country contexts, women may withdraw from the labor force during crisis periods (Lee and Cho, 2005). This suggests that women’s labor force participation rates will respond differently to changes in household income, depending on the country context.

LABOR MARKET SEGREGATION AND THE INFLUENCE OF ECONOMIC STRUCTURE

When labor markets are segregated by gender, women are disproportionately represented in jobs often considered “women’s work” and underrepresented in others. These inequalities affect women’s labor force participation by limiting their options for paid employment. Labor market segregation appears to be remarkably stable over time (Borrowman and Klasen, 2017), depriving women of access to the best occupations and certain sectors, as discussed in the next section. Differences in economic structure and growth patterns across countries will therefore have distinct implications for women’s labor force participation. An economic structure dominated by “male” sectors and occupations will provide fewer opportunities for women to engage in paid employment compared to alternative economic structures. If employment growth is concentrated in sectors dominated by men, female
labor force participation may be relatively unresponsive to increases in the general employment level.

Another GrOW research study by the Urban Institute examines the relationship between economic structure and differences in men’s and women’s labor force participation rates (Enchautegui, 2017). Using fixed-effects panel analysis, the study estimated the relationship between the labor force participation rate gap and variables associated with the structure of the economy over the period 1991 to 2014 for low- and middle-income countries. The finding suggests that increases in the value-added of agriculture and manufacturing, as well as government consumption expenditures, relative to the value-added of the private service sector, are correlated with a lower gap between male and female labor force participation rates. Increases in the value of exports and net foreign direct investment flows are correlated with a larger labor force participation gap, while the value of imports is negatively correlated with the gap.

**THE GENDERED DIVISION OF LABOR AND HOUSEHOLD DYNAMICS**

The gender division of labor between paid and unpaid work represents another factor limiting women’s labor force participation. A common theme in many of the GrOW projects is the unequal division of unpaid household work between men and women (Folbre, 2018; Harper, Austin, and Nandi, 2017; Clark et al., 2017). These issues are elaborated further in this paper and are discussed at length in a companion paper on the care economy that synthesizes GrOW research insights on this theme (See Folbre, 2018). Specialization in unpaid household work, including providing care services, curtails women’s opportunities for paid employment. In part, this is an issue of time. Women’s labor supply is divided between paid and unpaid activities. A larger responsibility for unpaid work diminishes the time available for paid work. But the nature of many types of unpaid work, specifically care work, places further limitations on labor market options. For instance, the primary care giver for young children must be “on call”—ready to step in if a child gets sick or needs extra time. Jobs that do not provide this flexibility may be impossible to combine with commitments to care for others.

Given the gender division of labor, we may expect falling fertility rates to be associated with more women participating in the labor force. But, here too, the issues are complex. In some contexts, women enter paid employment specifically to help provide for their children. Fewer children may mean less pressure to participate in labor markets (Priebe, 2017). In cases where older children also help with unpaid household work, fewer children in the household mean that adult women receive less assistance with care responsibilities and household tasks. There are also economies of scale in unpaid work. The difference in the amount of unpaid labor required for households with three children compared to two children will be smaller than the difference in the amount of unpaid work required for households with one child compared to those with no children. Therefore, marginal changes in the number of children per household may not result in large time savings (Folbre, 2018).

Social norms play a significant role in the division of labor between women and men. This is evident even in the face of major economic and social shocks. GrOW-supported research on female-headed households in Sri Lanka illustrates the power of persistent gender norms. A dramatic increase in female-headed households characterized the protracted conflict in Sri Lanka. With the rising share of female-headed households, we may expect that women would take on non-traditional gender roles, including greater participation in labor markets and in forms of employment not usually taken on by women. However, prevailing norms limited the ability of widowed or separated women to participate in labor markets in the absence of an adult male family member (Lakshman, 2017). The conflict also raised the prevalence of gender-based violence, including in the workplace, which represented another barrier to labor force participation outside of the home (Kandanearachchi and Ratnayake, 2017).
STALLED PROGRESS: RECENT RESEARCH ON WHY LABOR MARKETS ARE FAILING WOMEN
3. HOW LABOR MARKETS ARE FAILING WOMEN: EVIDENCE FROM GROW RESEARCH

As seen above, a number of interrelated factors appear to shape—and be shaped by—the levels of women's labor force participation and changes in their participation rates over time. These include the gender segregation of labor markets and household dynamics and the distribution of unpaid care work. These factors are explored in detail below, drawing on GrOW research that not only sheds light on how they affect labor force participation, but how they influence the quality of work women do, and the extent to which women can be said to be economically “empowered” through their labor. Gender roles and norms, and gender-based violence are other important areas that constrain the choices and opportunities women have access to.

GrOW studies have also shown the complexity of disentangling directions of causality among the various factors that affect women's employment and empowerment. Fertility, education, and employment interact in many ways to shape women's choices and possibilities. Other GrOW research highlights two-way links, in some cases, between women's employment and their experience of gender-based violence. Even where findings on these links are inconclusive, they provide contextually rich insights into how these dynamics play out for women in low-income settings where evidence to date has been thin.

SIMPLY ENGAGING IN PAID EMPLOYMENT IS NO GUARANTEE THAT ACCESS TO LABOR MARKET OPPORTUNITIES WILL IMPROVE THE SUBSTANTIVE FREEDOMS AND CHOICES WOMEN ENJOY IN THE COURSE OF THEIR LIVES.

It is important to understand that women's labor force participation is only one factor that mediates the relationship between labor markets and women's economic empowerment. As discussed earlier, simply engaging in paid employment is no guarantee that access to labor market opportunities will improve the substantive freedoms and choices women enjoy in
the course of their lives. The type of jobs women do matters. This is particularly important to acknowledge in labor-surplus economies, where increases in women’s labor supply due to rising participation rates may result in higher rates of unemployment or crowding in low-quality, marginal, or informal types of jobs.

LABOR MARKET SEGREGATION

One of the primary sources of gender inequality in labor markets is the segmentation of employment, with women underrepresented in some jobs and overrepresented in others. Segregation can occur along several fronts—by occupation, sector, status in employment, and degree of informality. A GrOW study examined patterns and trends in occupational and sectoral segregation by gender in 69 developing countries over the period 1980 to 2011 (Borrowman and Klasen, 2017). Over this period, the researchers found that occupational and sectoral segregation has grown in more countries over time than the number of countries where it has fallen. Moreover, income levels appear to have no impact on occupational or sectoral segregation. Increases in average incomes do not guarantee that women will have improved access to a more diverse array of paid jobs.

What drives employment segregation?

According to neoclassical theory, women’s preferences regarding types of work and degree of risk help explain gender segregation. Women do certain kinds of work because they simply prefer those activities, or because they have a greater aversion to risk than men and therefore choose safe, predictable types of employment. One difficulty with this argument is that preferences are difficult to observe directly. Instead, the existence of preferences is assumed to be consistent with observed choices (Sen, 1977). The theory can therefore be reduced to a circular argument: women are assumed to prefer certain types of paid work simply because that is the type of work they do (which reflects their preferences). Moreover, it is often difficult to separate preferences from norms. Women may articulate a preference for certain types of work because they want to conform to prevailing norms (see, for example, Heintz, Kabeer, and Mahmud, 2017). The assumption that women are, in all cases, inherently more risk averse than men has also been shown to be questionable (Nelson, 2016).

Another theory of labor market segregation that is consistent with findings from some GrOW research projects is that women make labor market choices within a social structure defined by cultural norms, household relationships, the composition of economic activities, and the distribution of resources (such as household assets) and opportunities (such as education). The degree to which paid employment choices reflect their individual preferences will vary according to the context within which these decisions are made. One outcome of these structural realities is the persistence of labor market segregation.
As detailed below, social norms and conventions lead to gender typing of jobs and discriminatory behavior. These norms and gender roles are slow to change. Labor market segregation may also arise from other forms of gender inequality. For instance, underinvestment in women’s and girls’ education and gender-based differences in skills and training can lead to differences in the job opportunities available to women. The gender division of unpaid labor in the household also yields patterns of segregation, in which women tend to work in the kinds of paid jobs that are more easily combined with unpaid work.

**Segregation in the mining sector**

GrOW research on women’s work in the extractive industries of selected African countries found evidence of significant segregation at work by both sector and occupation. Specifically, women tend to be underrepresented in the extractive sector as a whole, working mostly instead in agriculture and the service sector. When they do work in mining, they are often confined to low-quality and more marginal types of work. These studies provide a number of insights into the drivers of observed patterns of segregation in labor markets of developing countries.

The GrOW studies of artisanal and small-scale mining include comparative research in Ghana (Baah-Boateng, Baffour, and Akyeampong, 2017) and Côte d’Ivoire (Konan, 2017), and a study of six sites in three Central and Eastern African countries, the Democratic Republic of the Congo (DRC), Rwanda, and Uganda (Buss et al., 2017). These studies used a range of methodologies to look at women’s economic participation in the mining sector, with a focus on artisanal and small-scale mining. The Ghanaian study analyzed labor force and employment information from a national representative household survey, the Ghana Living Standards Survey (GLSS). The Ivorian research analyzed data collected from 890 households in 10 regions using a survey designed specifically for this investigation. The research project on artisanal and small-scale mining that included the DRC, Rwanda, and Uganda used a mix of quantitative and qualitative analysis. All the papers identified gender inequalities in the sector and discussed the sources of unequal labor market outcomes.

In all countries examined, there was evidence of significant segregation of mining activities by gender. Analysis of the GLSS revealed that women account for just 18 percent of total employment in extractive industries, and gender segregation by occupation is higher in extractive industries compared to other sectors of the Ghanaian economy (Baah-Boateng, Baffour and Akyeampong 2017). In Ghana’s mining sector, very few women participate in better-paid underground mining. Instead, women are generally concentrated in forms of employment with low earnings and weaker job security. A similar picture emerges in Côte d’Ivoire (Konan, 2017). As in Ghana, women only constitute 18 percent of employment in mining, and are concentrated in marginal activities. The types of mining activities that women participate in—stone crushing, washing, and panning—tend to have low and more volatile earnings. Women’s ability to participate in mining activities is constrained by their lower education on average, limited access to land, patriarchal family dynamics, and gendered norms. Women typically need the permission of their husbands to enter into subcontracting relationships, access credit, or sell a piece of land (Buss et al., 2017).

Surveys and interviews found that norms and stereotypes help explain segregation in the mining sector.

Surveys and interviews found that norms and stereotypes help explain segregation in the mining sector. In both Ghana and Côte d’Ivoire, women are considered bad luck in underground mining (Baah-Boateng, Baffour and Akyeampong, 2017; Konan, 2017). Inequalities in skills acquisition also appear to play a role. Women are less likely to receive the training needed for certain mining activities. The qualitative research on artisanal mining in the DRC, Rwanda, and Uganda echoes these findings. There are norms and taboos against women participating in pit mining: women are also considered to be bad luck at mine sites in these countries. In some cases, women working around artisanal mine sites are also judged immoral, accused of engaging in prostitution, and subject to violence (Buss et al., 2017). Because of norms of what it means to be “respectful,” very few married women participate in mining.
Segregation in informal work

The example of artisanal mining illustrates another dimension of gender-segregated labor markets. Women are not only concentrated in specific sectors and occupations: they may also be disproportionately represented in informal jobs—unregulated forms of employment lacking basic social protections. Gender-based constraints—including unpaid care and household work, norms, differences in women’s access to and control over assets and finance, and unequal investments in capabilities—limit women’s choices and contribute to their greater representation in informal forms of employment (Heintz, 2012). Earnings from most forms of informal employment tend to be lower on average than earnings from formal employment (Chen et al., 2005). Furthermore, informal employment encompasses many occupations and sectors. Gender segregation occurs within informal employment itself, according to the branch of activity or sector, and gender earnings gaps are often found within informal self-employment (Chen et al., 2005). This suggests that gender-based constraints continue to operate in informal labor markets, despite low barriers to entry and the absence of formal legal institutions.

Recent theoretical approaches to informal employment recognize the heterogeneity in informal activities and see informal employment divided into low-end and high-end activities (Fields, 1990; Perry et al., 2007). Individuals voluntarily choose the high-end segment as an alternative to formal employment, but barriers to entering these activities and a limited numbers of formal job opportunities result in a fraction of the labor force having no choice but to work in low-end activities, with few barriers to entry.

One GROW study uses this framework to examine the nature of informal employment in South Africa (Makaluza and Burger, 2017). The study finds that employment in informal enterprises in South Africa primarily consist of low-end activities, characterized by harsh working conditions, low pay, and few prospects for upward mobility. There is also evidence of gender segregation. The study finds that approximately 40 percent of workers in low-end, survival-driven activities in the informal sector are street vendors, an occupation dominated by women. In contrast, around 28 percent of occupations in the higher-end, growth-oriented segment of the informal sector are related to the building industries, a male-dominated sector.

The prevalence of precarious and informal forms of employment with regard to women’s paid work suggests that the concept of labor market segregation should be broadened beyond a consideration of occupation and sector, to include the informality status of different kinds of paid work. Differences in status in employment (e.g. wage employment vs. self-employment) should also be recognized, since, in many countries, self-employment comprises the largest share of informal employment. Informal employment has a greater propensity towards precarity, with low and unstable earnings and few, if any, social and legal protections. Because of this, when women are disproportionately represented in informal activities, it contributes to gender inequalities associated with labor markets.

How economic policies interact with labor market segregation

The gender-segregated nature of labor markets causes economic policies, including macroeconomic policies, to have different effects on women’s and men’s paid employment. Broad-based economic policies will have gender-specific effects when these policies interact with structural features of the economy—such as labor market segregation, intra-household inequalities and the distribution of unpaid work—to produce distinct
outcomes for women and men (UN Women, 2015). For instance, if the central bank raises interest rates as part of an inflation-targeting strategy, the policy choice will affect sectors differently, depending on how responsive sectoral output and investment is to interest rates. When women and men are unevenly employed in different productive sectors, we expect to see women’s and men’s employment respond differently to central bank policy.

Two GrOW studies illustrate how gender segregation of labor markets produces different employment outcomes for men and women when governments pursue trade liberalization policies. Braga (2017) examines trade liberalization policies in Brazil, while Lepelle, Edwards and Sundaram (2017) investigate the impact of a similar policy orientation in South Africa. In Brazil, the research suggests that the approach to trade liberalization had negative labor market effects for young low-skilled workers, with more significant negative effects for men than women (Braga, 2017). The paper further links worsening labor market outcomes for men to lower fertility and delayed marriage among women, a topic discussed in more detail later in this report. Lower marriage rates may be associated with a rise in households headed by single adult women. These female-headed households may be more vulnerable to economic shocks and face a higher risk of poverty than two-adult households. The study uses decentralized regional data from Brazil to examine how trade shocks, measured in terms of changes in tariff exposure, affect regional outcomes. The economic structures of regions differ, resulting in a variation in trade exposure. This causes the effect of trade liberalization to vary by region. Because of the sectoral segregation of employment by gender, changes to trade policy affected women’s and men’s employment differently.

A parallel story emerges from the South Africa research on trade liberalization. As in the Brazilian analysis, Lepelle, Edwards and Sundaram (2017) use a regional approach. They too find that trade liberalization had a negative effect on labor market outcomes of both men and women, with significantly larger consequences for men’s labor force participation than for women’s. When the researchers restrict their attention to manufacturing, their analysis suggests that in municipalities with high exposure to trade, male employment grew while female employment declined. Labor market segregation likely explains these differences. In manufacturing, women are concentrated in labor-intensive activities that would be more responsive to a negative shock from trade liberalization. Outside of manufacturing, men are concentrated in sectors with greater trade exposure than are women. This could account for the stronger overall negative response of men’s labor force participation to liberalization compared to women’s.

HOUSEHOLD FORMATION AND UNPAID CARE WORK

As discussed previously, the gender division of labor between unpaid and paid work represents a structural constraint to women’s labor force participation and affects their employment choices. Unpaid, non-market work includes activities such as household chores, carrying fuel and water, meal preparation, and caring for others. In this section, we focus on unpaid care work—the provision of non-market services, usually within the household, such as child care, care for the sick or disabled, and elder care. Typically, women perform the majority of unpaid care work. In many respects, the division of unpaid care work between women and men can be thought of as an extension of the gender segregation of economic activities in the market economy. However, there are important differences. Perhaps most significantly, while women may enter and leave the labor market, rotating in and out of paid employment, they are rarely able to withdraw their unpaid caring labor without significant consequences.

While women may enter and leave the labor market, rotating in and out of paid employment, they are rarely able to withdraw their unpaid caring labor without significant consequences.

For a more complete, detailed and nuanced discussion of how to define care work, see Folbre(2018).
Care for children represents an important component of unpaid labor. Because of this, household formation through marriage (or cohabitation) and childbearing has a significant impact on women's labor force participation and employment outcomes. This relationship is reflected in many of the GrOW research studies. Several GrOW studies also uncovered evidence that women had difficulty continuing to participate in labor markets after they married—a common finding across many types of employment, from garment factories in Bangladesh to artisanal mining in East African countries (Buss et al., 2017; Nazneen and Glennerster, 2017).

The complex links between education, marriage, fertility and employment

A particularly important set of issues is the intersection of the choices regarding education, marriage, childbearing, and paid work that young women face, and the constraints that influence those choices. The direction of causality is complex, and these choices influence one another. GrOW-supported research jointly managed by the University of Sussex and the University of Nairobi used demographic and health surveys (DHS) to examine school-to-work transitions in Burkina Faso, Ethiopia, Ghana, Kenya, Tanzania, and Uganda. The study looked at educational attainment and women's labor market outcomes, taking into account marriage, childbearing and the presence of young children (Mariara et al., 2018; IDRC, 2017).

This set of studies found that early marriage had a particularly important impact on the gender gap in school attendance and educational attainment (Mariara et al., 2018; IDRC, 2017). In these countries, large numbers of young women are already cohabiting or married by the age of 16 or 17. According to a comparative synthesis of regression analysis, marriage is associated with lower education and literacy scores for both men and women, although the negative effect appears to be more pronounced for women. Similarly, having young children has a strong negative association with women's literacy and remaining in school to the secondary level.

Such findings are not restricted to these African countries. GrOW research by the Abdul Latif Jameel Poverty Action Lab on early marriage in Bangladesh also found that delayed marriage was associated with increased years of schooling which could be expected to translate into better employment outcomes for women (Field et al., 2017). Qualitative research, based on in-depth interviews on barriers to economic empowerment in Bangladesh, provided additional insight into the relationship between marriage, childbearing, and paid employment (Nazneen and Glennerster, 2017). In Bangladesh, many girls face a rapid transition from childhood to adulthood because of early marriage. Once married, girls and young women face a different set of constraints and new household bargaining dynamics. Specifically, upon marriage, girls and young women move to the households of their in-laws. If they want to continue their education or participate in paid employment, they need to negotiate this with their in-laws, who often refuse. The GrOW research shows how traditional gender roles and cultural practices constrain women's economic participation, and these constraints may be intensified by marriage.

Early marriage had a particularly important impact on the gender gap in school attendance and educational attainment

In some cases, marriage or a return to traditional roles in the household served as an alternative to paid employment as an economic survival strategy for women. For instance, GrOW research on the rise of female-headed households as a result of the conflict in Sri Lanka found that many of these women pursued one of two strategies when confronted with the challenge of being both bread winner and care giver: they typically either returned to their extended family or opted to remarry (Lakshman, 2017).

The direction of causality does not simply run from marriage to labor market outcomes. Employment outcomes for men and women can also affect marriage rates and patterns of household formation. Specifically, the sociological literature has argued that when men's economic position worsens, marriage may be postponed or foregone altogether (e.g. Oppenheimer, 2000). A number of research studies on household formation in diverse contexts, including the United States, many European countries, and South Africa, have shown
that when men’s employment outcomes deteriorate, marriage rates often decline (e.g. Posel and Casale, 2013; Kalmijn, 2011; Blau, Kahn and Waldfogel, 2000). This suggests that policy changes that affect women’s and men’s employment differently may also have consequences for marriage and household formation. As noted, the GrOW research on the effects of trade liberalization in Brazil found that higher exposure to trade was correlated with lower marriage rates (Braga, 2017). One explanation for this relationship is that trade liberalism in Brazil appears to have had a larger negative effect on men’s employment prospects than women’s. Reductions in men’s relative economic status may lower marriage rates, particularly when men feel they can no longer fulfill a traditional masculine “breadwinner” role or when women feel that prospective partners fall short in terms of being able to provide for them and any future children.

Changes in marriage rates and household composition can affect the distribution of the costs of children, with important consequences for women’s economic welfare and labor market prospects. Falling marriage rates are often associated with a decline in fertility rates (e.g. Braga, 2017). However, in some country contexts, they are also associated with a larger share of children being born outside of marriage and a larger share of children being raised by single parents, most often single mothers (Heintz, 2017). Depending on the policy environment (e.g. existence of family policies and enforcement of child support payments) and the fertility response of falling marriage rates, this can increase the costs of raising children—both in terms of unpaid labor and money—borne by women.

Household dynamics have a direct impact on the allocation of women’s and men’s labor. Therefore, households are, in many respects, labor market institutions. It is not just women’s productive attributes, such as years of education, that determine their participation in labor markets and access to paid employment. The characteristics of households, such as the presence of young children or the amount of wealth they own, are also important to take into account. Moreover, the endowments of other household members and intra-household bargaining dynamics affect labor market outcomes. For instance, in India, married women’s labor force participation declines with increases in their husbands’ educational attainment, suggesting that the relative bargaining power of spouses affect women’s employment choices (Klasen, 2017). As demonstrated by the GrOW research studies reviewed here, household formation will affect women’s employment outcomes, with consequences for their economic empowerment.
GENDER ROLES AND SOCIAL NORMS

Many of the GrOW research projects stress the centrality of gender roles and norms in shaping women’s (and men’s) labor market outcomes. Gender roles refer to activities and behaviors adopted within a specific social context that are considered to be appropriate for a particular gender. Gender roles are defined by social norms—the informal rules and understandings that govern behavior within a specific group. As already discussed, gender roles and norms affect the division of labor between paid and unpaid activities, women’s labor force participation, and labor market segregation—including the degree of informality. Policies aimed at enhancing women’s economic empowerment must take these issues into account.

The impact of gender norms on women’s access to training and employment

GrOW-supported research on skills and vocational training in Punjab, Pakistan (Cheema et al., 2017) illustrates the importance of gender roles in determining who gets access to employment training services. Using data collected from a survey of 10,946 households, the study examined the factors that would influence participation in skills development programs, such as those supported by the Punjab Skills Development Fund (PSDF). The population surveyed has a high proportion of youth with few skills (including basic numeracy and literacy) and low educational attainment. Unemployment rates are particularly high and labor force participation rates are low among women. The survey asked households who, if anyone, they would nominate for a skills training program. Over 92 percent of households nominated at least one household member for PSDF training. However, two-thirds of households nominated men for the training, regardless of educational attainment, because of the men’s traditional role in paid employment and their higher earnings potential. The study also found that responsibilities for household duties represented a constraint to women accessing training. This suggests that government sponsored training programs may be gender-biased if they do not take these issues into account.

Gender roles representing informal social rules governing behavior may become formalized and codified into social practices that may also be reflected in formal and customary laws. These practices represent barriers to women’s economic empowerment and labor force participation. GrOW research in post-conflict Sri Lanka emphasizes the barriers that formal practices create for women’s economic empowerment. For instance, a woman in northern Sri Lanka cannot sell or manage land without her husband’s permission (Lakshman, 2017). This limits women’s choices with respect to income-generating activities. In the case of Sri Lanka, these rules create significant problems, particularly with the rise of female-headed households due to the country’s protracted conflict.

GENDER ROLES AND NORMS AFFECT THE DIVISION OF LABOR BETWEEN PAID AND UNPAID ACTIVITIES, WOMEN’S LABOR FORCE PARTICIPATION, AND LABOR MARKET SEGREGATION—INCLUDING THE DEGREE OF INFORMALITY

In many of the countries examined, the dividing line between individual preferences and social norms is fuzzy. For instance, in Bangladesh, there are strong social norms for women that limit their market employment to activities that can be done within the home. Studies of women’s employment choices show that women often express preferences for employment in the home rather than outside the home (Heintz, Kabeer and Mahmud, 2017). One of the reasons for these stated preferences is that conforming to social norms enhances women’s status. Studies from the GrOW initiative reinforce these findings. For example, GrOW research on artisanal mining in Central and East Africa found that the desire to appear “respectable” influences women’s choices regarding work in mining activities (Buss et al., 2017). The blurred lines between norms and preferences raise important challenges for thinking about the connections between labor markets and women’s empowerment. Women may state preferences for types of employment that may be less empowering along a number of dimensions.
Can norms change?

The importance of norms and traditional gender roles in determining labor market outcomes raises a critical question: can norms be changed? Several GrOW research studies suggest that the answer is yes, but it may be a long process and not all efforts to alter norms are equally successful. As described in the previous section, Bangladesh has a long-standing tradition of child and underage marriage. The GrOW research on this issue shows that financial incentives, conditional on remaining unmarried, made a difference in delaying marriage. However, simply offering an empowerment program, without the financial incentive, had no effect.

The duration of interventions to change norms appears to matter. GrOW research on the state-funded and state-run Mahila Samkhya (MS) empowerment program in Bihar—India’s poorest state—illustrates how sustained engagement may shift gender norms. Mahila Samkhya was first introduced in 1989 in ten districts in three states: Uttar Pradesh, Gujarat and Karnataka. By 2015-16, it had expanded to more than 42,000 villages in 11 states. There are four pillars associated with Mahila Samkhya: political empowerment, social empowerment, economic empowerment, and personal empowerment. The program organizes groups of women into sangha, or collectives (Menon, 2017). The sangha is conceptualized as a collective process through which women can reflect on, analyse, and resolve problems they face. A sahayogini is responsible for all the sanghas located in each cluster, usually consisting of ten villages. The sahayoginis work with the sanghas to develop women’s knowledge and capacity for action. A quasi-experimental approach was used to assess the effect the MS program has had on economic empowerment, as seen through seven measures: economic activity, political participation, intra-household decision-making, awareness about laws and entitlements, functional literacy, attitudes towards violence against women, and self-efficacy (Mahendiran, Jha and Ghatak, 2017). Researchers considered the long-, medium-, and short-term effects of Mahila Samkhya to understand whether the effects vary with the duration of exposure to the program. In the short-run, Mahila Samkhya had an impact on participation in economic activity, political participation, awareness about laws and entitlements, and attitudes about violence against women, but no significant effect on intra-household decision-making and self-efficacy. The authors suggest that these results indicate that, in the short-run, the program did not have a notable effect on women’s understanding of gender roles, norms, and socialization. However, the assessment of the long-term effects of the program shows evidence that these two components of empowerment were affected, indicating that the program has the potential to shift norms in the long-run.

Gender-based violence

Violence against women is one way in which gender norms may be enforced. Gender-based violence restricts women’s engagement with labor markets in a number of ways (Peters et al., 2016). Violence outside the home may make it dangerous for women to engage in certain activities or work in particular locations. Intimate partner violence within the home has a direct impact on household dynamics and women’s ability to make independent decisions, including decisions on how they allocate their labor.

The research in Sri Lanka highlights how a culture of violence evolved during the years of conflict in that country. High levels of sexual and gender-based violence make it difficult for women to engage in economic
activities outside the home (Kandanearachchi and Ratnayake, 2017; Lakshman, 2017). Although Sri Lanka has put measures in place to reduce violence against women, research revealed that women in the North still encounter problems because of weak enforcement of these laws (Kandanearachchi and Ratnayake, 2017). The research on artisanal mining in African countries also found that violence against women, particularly around mining areas, constrained women’s choices (Buss et al., 2017).

Gender-based violence also affects women’s choices with respect to household formation and marriage. In societies where violence against women outside the home is commonplace, marriage provides women with some form of protection, even if husbands are abusive (Kabeer, 2018).

The fear of sexual or gender-based violence can restrict women’s employment options, even when women have not experienced such violence directly. Findings from Sri Lanka suggest that this fear plays a role in maintaining traditional gender roles. Given the prevalence of violence, marriage constitutes an agreement in which the husband provides for and protects his wife and children in exchange for the wife’s unpaid household labor (Laksham, 2017). This bargain between husbands and wives reinforces gender roles and restricts women’s ability to freely participate in labor markets.

GrOW research that explored how gender dynamics affected skills and vocational training in Punjab, Pakistan also found that issues of violence and safety were critical to take into account. The study used a randomized control trial methodology to explore the specific constraints that prevented women from taking part in skills development initiatives (Javed, Simon and Khan, 2018). Individuals were assigned to one of three groups: a control group and two treatment groups: one with a basic voucher to provide an incentive to enroll in a training program, and a second with a “top-up” voucher of greater value. The study also tested the impact of bringing the training facility to a village in order to see whether distance represents a major constraint on women’s access to facilities.

The study found that it is extremely challenging for rural women to travel across village boundaries for vocational training, and providing a stipend is often not sufficient for addressing these constraints. Providing in-village training significantly increases uptake amongst women in rural areas. One of the reasons for the increase is perceptions of safety. Women felt that it was unsafe to travel between villages, but they were able to move around their own villages in order to access training. The question of women’s safety and gender-based violence is discussed further below.

The direction of causation does not only run from gender-based violence to labor market outcomes. Women’s participation in paid employment may also influence the likelihood that they experience some form of domestic abuse, but the issue is complex. Women’s participation in paid employment could reduce the incidence of intimate partner violence and abuse when paid employment increases women’s economic autonomy, improves their options outside of current partnerships, and gives them more bargaining power. These factors can lower the chances that women are subjected to abuse. However, this argument may not hold in traditional patriarchal societies in which divorce and separation are uncommon. Alternatively, improvements in women’s economic position may threaten men’s dominant gender roles. Intimate partner violence and abuse may represent a form of backlash when masculinist identities come under threat.
A number of factors complicate the dynamics of domestic abuse. Causality may run in both directions—from women’s employment status to domestic violence and abuse, but also from domestic violence to employment. Women who experience abuse may make different labor market decisions than women who do not. Furthermore, research into the relationship between women’s employment and domestic abuse is complicated by another challenge. Both employment and domestic abuse can be independently correlated with additional factors. If these factors are not taken into account, i.e. if variables are missing, a relationship between women’s employment and domestic violence may appear to exist, when in reality, outcomes are linked to a third factor. For instance, households experiencing economic stress may see an increase in women’s labor force participation and a higher probability of domestic abuse. In this case, it is the economic stress, not women’s employment, that is triggering both women’s employment and the greater likelihood of intimate partner violence and abuse.

One GrOW study looks at the relationship between women’s employment and incidences of physical and psychological abuse directed at women within households (Khan and Klasen, 2018). Taking care to address the possible problems of causality and missing variables that may result in biased estimates, the researchers estimate an economic model using quantitative data from 35 countries, drawn from DHS. They find a negative relationship between women’s participation in paid employment and reported physical and psychological abuse—a result consistent with the argument that access to paid employment improves women’s bargaining power and reduces domestic violence. It is important to note that regional variations were evident. Countries in Latin American and the Caribbean and East Africa appear to show a positive relationship between women’s employment and incidences of abuse. This suggests that the relationship between women’s employment and domestic abuse may be context-specific and sensitive to factors such as the construction of masculinity and variations in gender roles.
4. EXPLORING WHAT WORKS TO INCREASE WOMEN’S LABOR MARKET POTENTIAL

The effects of marriage, household formation, and childbearing on women’s labor market outcomes raise questions about what policies could be adopted in order to expand the choices available to women in ways that would support economic empowerment. The GrOW studies of early marriage in Bangladesh provide an instructive example. Bangladesh has a very high rate of child marriage, the second highest in the world (UNICEF 2014). According to the 2014 Bangladesh Demographic and Health Survey, 59 percent of Bangladeshis aged 20-24 were married before 18, the legal age of marriage (Field et al., 2017). One of the reasons for high rates of child marriage in Bangladesh is economic. Dowry costs rise with a woman’s age, providing an incentive for parents to marry their daughters early (Buchmann, et al., 2017).

Researchers conducted a randomized trial in Bangladesh to explore the effectiveness of different strategies to reduce child marriage and teenage childbearing (Buchmann, et al., 2017). Selected communities were randomized into three treatment groups and one control group. Beginning in 2008, the girls in treatment groups received either a six-month empowerment program—which combined basic literacy and training and peer support to help girls negotiate their life choices; a financial incentive to delay marriage, or a combination of the empowerment program and the financial incentive. The financial incentive—a modest amount of cooking oil valued at USD 16—was conditional on the girls remaining unmarried until age 18, rather than being conditional on girls remaining in school. Analysis of data collected on 15,739 girls four-and-a-half years after the program showed that girls eligible for the financial incentive for at least two years were less likely to be married under 18, less likely to have given birth under 20, and more likely to be in school at age 22. In contrast, the empowerment program had no effect on child marriage or teenage childbearing, but it did have a modest positive impact on the likelihood that girls would remain in school.
STALLED PROGRESS: RECENT RESEARCH ON WHY LABOR MARKETS ARE FAILING WOMEN

This research suggests that economic resources and opportunities affect the age of first marriage, and this has consequences for girls’ and young women’s educational attainment and future labor market prospects. The randomized trial in Bangladesh demonstrated this relationship based on the receipt of a relatively small transfer in the form of cooking oil. However, the more general lesson that could be drawn from this research is that economic incentives influence patterns of marriage and household formation. Policies aimed at improving labor market prospects for young women should take this into account. Educational programs may not be enough and should be supplemented by policies that increase access to economic opportunities outside of marriage for young women and create incentives for them to remain in school.

Improving access to childcare services represents another important intervention that may expand women’s choices with respect to paid employment. Evidence from high-income countries suggests that increasing the availability of day care can improve economic outcomes for mothers. But there has been less research to date on these same issues in low- and middle-income countries.

A GrOW project pulled together evidence from 13 studies of developing economies on the effect of daycare provision on a range of socio-economic outcomes (Harper, Austin, and Nandi, 2017). The research used a combination of narrative review and random-effects meta-analysis. Based on this synthesis of evidence, the researchers estimate that on average, for each 30 percentage point increase in daycare utilization, maternal employment would rise by 6 percentage points. There was significant variation in the results reported in the review. Important differences in the quality of daycare programs, types of paid work available to women, household dynamics, and time constraints appear to affect the employment impacts that daycare may have on mothers in low-income economies. Nevertheless, this study highlights the role of unpaid care work as a labor market constraint and the potential importance of access to child care for mothers’ labor force participation.

Another GrOW project used a randomized control trial to look at how lowering the costs of childcare services, through a voucher system, would affect women’s labor market choices and outcomes in Nairobi, Kenya (Clark et al., 2017). Some question whether access to child care is less of an issue in sub-Saharan Africa, where women primarily work in the informal sector in forms of paid employment that allow them to more easily combine paid and unpaid work. To examine this question, this study used an experimental approach in which selected mothers, living in Korogocho—a slum area of Nairobi, Kenya—received subsidized early child care. Mothers who were not using one of the eligible day care centers identified by the researchers were randomly assigned into control and treatment groups. The mothers who received the childcare subsidy were given 12 monthly vouchers, covering the months of January to December 2016, for all their children between the ages of one and three years.

The researchers found that take up rates were significant. Over 80 percent of mothers who were given vouchers were sending their children to day care a year into the project. With regard to paid employment, women who
were given subsidized child care were, on average, 17 percentage points more likely to be employed than those who did not receive the subsidy. Furthermore, working mothers who were given the childcare subsidy were able to work fewer hours without any reduction in their earnings.

The GrOW research illustrates how choices around marriage, childbearing, and employment are influenced by economic incentives, bargaining power, social norms, and changes in economic opportunities for men and women. Moreover, access to affordable, quality child care appears to relax the labor market constraints that women face due to their care responsibilities. Policies that seek to enhance women’s economic empowerment through labor markets and paid employment must pay attention to these dynamics, in additional to the characteristics of individual women.
STALLED PROGRESS: RECENT RESEARCH ON WHY LABOR MARKETS ARE FAILING WOMEN

Photo: Stanislas Fradelizi / World Bank
5. INSIGHTS FOR POLICY DIRECTIONS

Why have labor market inequalities been stubbornly resistant to change, despite a narrowing of other gender gaps, such as school enrollment rates and levels of educational attainment? And when women’s participation in paid employment does increase, why do we not automatically see improvements in women’s empowerment, defined as women’s ability to make substantive choices about their own lives? The GrOW research collection helps to address a gap in analysis of developing country experience with these dynamics: it provides insights and detailed case studies that increase our understanding of gender inequalities in labor markets—why they exist and why they continue to persist. It helps explain several counter-intuitive outcomes regarding gender inequality and women’s paid employment.

What implications might GrOW findings have for policy and programming directions?

ADDRESSING THE GENDERED IMPACTS OF ECONOMIC STRUCTURE ON LABOR MARKETS

An important message that emerges from the GrOW findings is that policies need to be informed by a recognition that structural features of economies create barriers that entrench gender inequalities in labor markets. The most important of these structural features include segregated labor markets, social norms that reinforce gender roles, unequal distributions of assets and economic resources, women’s disproportionate specialization in unpaid work, and gender-biased laws and institutions.

If policymakers do not take these factors into account, efforts to improve labor market outcomes for women may not yield the desired results. Moreover, a focus on improving a narrow set of indicators of gender equality, such as school enrollment or labor force participation rates, may not translate into women having improved choices and opportunities relative to men (UN Women, 2015). Not only does this mean that advances in true gender equality will likely prove elusive, it also has implications for economic performance and wellbeing more generally. The inability of women to realize their full potential represents both a social injustice and a real economic cost.
DESIGNING ECONOMIC AND SOCIAL POLICIES WITH A “GENDER LENS”

As demonstrated by GrOW research in Brazil and South Africa (Braga, 2017; Lepelle, Edwards and Sundaram, 2017), broad-based economic policies, such as macroeconomic and trade policies, interact with the gender structures of economies to produce employment outcomes that differ for women and men. These studies point to the importance of performing a gender impact analysis of all economic policies, not just those focused on women’s employment or empowerment. One clear recommendation stemming from the GrOW research is that a gender analysis should be routinely incorporated into labor market policy design and development. This must go beyond an effort to simply get more women to participate in the paid labor force. As the GrOW initiative demonstrates, the types of jobs women do matters.

As discussed earlier, women are often concentrated in informal, precarious, or marginal types of paid employment. In many developing countries, women’s paid work is far more likely to be in self-employment than wage employment, and therefore it does not receive the social protections that standard labor laws provide. When crafting labor market policies, it is critically important to recognize these informal and marginal work arrangements. The GrOW research on artisanal mining drives this point home (Buss et al., 2017; Baah-Boateng, Baffour and Akyeampong, 2017). When policies are formulated regarding extractive sectors, consideration of these kinds of activities is frequently absent. Therefore, sectoral and employment policies often contain an inherent gender bias.

GENDER ANALYSIS SHOULD BE ROUTINELY INCORPORATED INTO LABOR MARKET POLICY DESIGN AND DEVELOPMENT.

Informal employment represents an important source of income for women that has the potential to allow for savings, investments to improve livelihood opportunities, and more autonomous decision-making (Buss et al., 2017; Kabeer, Mahmud and Tasneem, 2011). Therefore, policies aimed at improving labor market outcomes for women must take into account the specific factors affecting workers in remunerative informal employment. These typically include access to markets, access to credit, appropriate infrastructure (e.g. water taps, sanitation facilities, and electrification), and asset and land ownership and control. The constraints limiting the opportunities of women in informal employment will vary by activity and sector. For instance, the GrOW artisanal mining research emphasizes the role of the institutions governing mining activities and authority relationships in reinforcing women’s marginalized positions (Buss et al., 2017). It is imperative for policymakers to design labor market interventions that are explicitly gendered with regard to their focus and implementation.

ENSURING SKILLS DEVELOPMENT AND TRAINING PROGRAMS ADDRESS BARRIERS FACED BY WOMEN

Skills development and training programs, if properly designed, have the potential to remove some constraints on women’s labor market participation and their paid employment choices. As GrOW research on vocational training and skills development in Pakistan (Cheema et al., 2017) suggests, skills development and training programs should be designed to take account of the differences between men and women. Participating men, for example, will have different labor market experience and family roles than their female counterparts. The skills emphasized in training should also take into account differences in the types of paid work women and men typically do. Prior research has indicated that vocational training may raise men’s earnings but have little impact on women’s, suggesting that there are gender biases in the content of the education received (Heintz and Pickbourn, 2012). There is a tension here between the need to reduce gender segregation of labor markets while also providing women with the skills they need for the types of jobs they are likely to do. Skills development and training programs should be coordinated with other initiatives to reduce gender inequalities in labor markets.

SKILLS DEVELOPMENT AND TRAINING PROGRAMS SHOULD BE DESIGNED TO TAKE ACCOUNT OF THE DIFFERENCES BETWEEN MEN AND WOMEN.
This kind of policy formulation involves a number of steps. The skills gaps for both women and men need to be identified relative to the employment opportunities in the local labor market. This is necessarily context-specific. When skill gaps are identified, the underlying causes need to be diagnosed. For instance, what are the constraints that prevent women from getting the skills they need? Policymakers can then take this information and design gender responsive skills and training programs. Once implemented, the programs need to be assessed and evaluated using gender analysis. If problems are uncovered, the approach must be adjusted to make the interventions more effective at improving labor market outcomes for women.

**ADDRESSING GENDER BIASES EMBEDDED IN NORMS AND INSTITUTIONS**

Formal institutions, such as legal frameworks, frequently contain gender biases that constrain women’s participation in paid employment. For instance, inheritance and family law may prohibit women from inheriting property and give husbands power over their spouses’ ability to participate in certain economic activities or make independent decisions (Peters et al., 2016). The GrOW research on female-headed households in Sri Lanka showed how customary law restricted women’s livelihood choices and control over economic resources (Kandanearachchi and Ratnayake, 2017). One important set of policy interventions involves legal and institutional reforms to remove gender biases that limit women’s economic opportunities.

The policy challenge is more daunting when the rules that restrict women’s choices and labor market activity arise, not from formal laws, but from informal institutions such as social norms. One consistent message that emerges from the collection of GrOW research projects is that social norms matter greatly for the types of work, paid and unpaid, that women do. Where norms are recognized as a constraint on women’s choices, the question of how to change them to advance gender equality is a difficult one. But several GrOW studies suggest that shifts are possible. As shown in research on child marriage in Bangladesh, well-designed financial incentives are one way to encourage people to deviate from traditional behavior, and they may help shift norms (Buchmann et al., 2017).

The cluster of studies on the Mahila Samkhya program in India showed that this community-based empowerment program was effective, particularly in the long-run, in improving women’s understanding of traditional gender roles and norms. One policy lesson that can be drawn from these research studies is that well-designed empowerment programs can help address social norms that contribute to gender inequality, but their effectiveness is likely to be enhanced if the engagement is long-term. However, the research on early marriage in Bangladesh indicates that empowerment programs alone may not be enough. Policies need to take into account incentives and household dynamics, while improving women’s economic opportunities that are not tied to traditional gender roles. It should be noted that any intervention that attempts to shift norms and gender roles will necessarily depend on context, and policies need to take these specifics into account.

When it comes to shifting norms and redefining gender roles, government policies are not enough. The research on Mahila Samkhya, together with other GrOW studies—such as the work on female-headed households in Sri Lanka—point to an important role for women’s organizations when it comes to challenging and transforming norms. Civil society organizations have an important role to play and can be important partners in enhancing women’s economic empowerment.

Related to the question of norms, a number of GrOW studies found that gender-based violence, or even the
threat of such violence, has a significant impact on the choices available to women throughout their lives, but also with regard to the kinds of paid employment they are able to do or their ability to access programs to enhance their employment opportunities. In many country contexts, this is a critically important contributor to gender inequalities in the labor market, one that requires attention when formulating policies to enhance women’s positions in the economy. To give a concrete example, the GrOW research on skills development programs in Punjab, Pakistan indicates that providing local access to training programs is important, since concerns about violence prevent women from traveling to a more remote location to participate. In the case of post-conflict situations, programs that provide counseling to women who have been affected by conflict play a potentially important role.

LESSENING THE BURDEN OF UNPAID CARE AND TAKING A ‘LIFE CYCLE’ APPROACH

A number of GrOW studies underscore the importance of the unpaid work that women do, and the degree to which the unequal distribution of unpaid care work limits women’s choices with regard to paid employment (Folbre, 2018). At a minimum, public policies seeking to improve women’s paid employment must take into account the demands of unpaid care if they are to have an impact on unequal labor market outcomes. However, to truly address this source of gender inequality, policymakers must consider adopting long-term strategies to reduce care burdens through public provisioning and gender-equitable family policies. As noted, the GrOW research on women’s employment and access to child care makes this connection clear. One concrete step policymakers can take is to expand access to affordable, quality, dependable child care for women with children, particularly those too young to enroll in school. Labor market protections, such as paid leave for mothers with infants, can help remove gender biases from formal sector jobs.

POLICYMAKERS MUST CONSIDER ADOPTING LONG-TERM STRATEGIES TO REDUCE CARE BURDENS THROUGH PUBLIC PROVISIONING AND GENDER-EQUITABLE FAMILY POLICIES.

Research also suggests that a comprehensive approach to labor market policies might entail a life-cycle perspective. Certain junctures in women’s lives are particularly important in shaping future employment trajectories and the degree of economic vulnerability they face. One of these junctures is the school-to-work transition, which, for many young women, overlaps with transitions into marriage and childbearing (IDRC, 2017). The policy recommendations emerging from GrOW research include taking steps to keep girls in school and reduce the incidence of early marriage; expanding the labor market opportunities available to young women, through such initiatives as gender responsive public employment schemes and skills and training programs; and improve enforcement of existing laws, particularly those preventing early marriage (Ahaibwe, Ssewanyana and Kasirye, 2017).
6. DIRECTIONS FOR FUTURE RESEARCH

GrOW-supported research increases our understanding of the factors that underpin persistent gender inequalities in labor markets and employment outcomes. The studies provide context-specific guidance to designing new policies that could address the unevenness between women and men with regard to labor force participation, employment opportunities, and the quality of paid work. In the future, more research along these lines—with greater breadth, by increasing the countries, regions, and types of employment studied, and depth, by applying a rigorous gender analysis to examine unanswered questions—has the potential to transform thinking around employment policies in developing countries.

Although our knowledge of the interactions between gender, labor markets and women's economic empower in developing countries, has increased in recent years, more work is needed. The GrOW initiative points to gaps in a number of areas.

- More research is needed on the nature and causes of the gender segregation found in labor markets. This includes documenting the heterogeneity of informal forms of employment and the characteristics of the types of paid work women do. When segregation changes, i.e. women enter non-traditional forms of employment, the reasons behind these changes need to be better understood.
- Analysis of the gendered effects of macro-level policies shows that these policies interact with structural sources of inequality to produce different outcomes for men and women. More detailed research is needed to shed light on how labor market structures and dynamics affect gendered outcomes of broad-based policies, such as trade, monetary policy, budget and tax policy, public investment, and financial sector policies.
- Significant progress has been made in combining labor force information with data collected from time use surveys. This allows a much richer understanding of the interactions between paid and unpaid labor. However, more is needed. Quality time use information still does not exist for many countries, so there is an important task of basic information gathering. When time use data is available, more research is needed on how the allocation of labor to specific forms of non-market household production affects women's and men's labor market choices.
- The GrOW research shows that access to childcare services affects women's labor market choices and outcomes. There is significant research on child care and work/family conflicts in developed countries. More is needed for developing countries. Specifically, there is a need to identify affordable, feasible policies for reducing the constraints that responsibility for unpaid labor places on women's labor market options.
• The GrOW research identifies household formation, marriage, and childbearing as events in women's lives that affect their labor market choices in the long-run. More research is needed on the relationship between labor markets and household formation/childbearing in a developing country context, recognizing that causality works in both directions. This includes a specific need for more work on school-to-work transitions, childbearing, and marriage for young women. The studies reviewed in this report indicate that early interventions that delay marriage and childbearing, extend educational attainment, and provide alternative economic opportunities for young women are critical. However, the issues are complex and interlinked. More research in this area would improve the effectiveness of policy choices.

• Many of the GrOW projects underscored the importance of norms and established gender roles in shaping labor market outcomes and limiting women's employment opportunities, yet less is known about how these norms can be shifted. Our understanding of how norms and gender roles change must be strengthened. Gender norms interact with labor markets, but the direction of causality is complicated. Changing norms can open up labor market opportunities for women, but, at the same time, as more women participate in paid employment, including non-traditional work, norms may shift. An important future research agenda involves more in-depth investigation of the dynamics of gender norms and labor market outcomes.

• Several GrOW projects identified gender-based violence and perceptions of safety as being a potentially important limitation on women's labor market choices. However, questions of violence are often ignored in labor market research. There needs to be more research into the nature of gender-based abuse and violence and how this shapes women's employment choices in order to develop more effective policy responses.

• One lesson that is clear from the GrOW studies is that a focus on increasing women's labor force participation is not enough if the final objective is to enhance women's economic empowerment through labor markets. The types of paid work women do matters. However, the relationship between paid work and women's ability to make substantive choices in their lives is often poorly understood. This can lead to partial or problematic policy decisions—e.g. focusing on getting women into paid employment without examining the quality or nature of the job opportunities available. Future research should aim to clarify the relationship between women's paid employment and various indicators of empowerment.
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