

WOMEN'S LABOR FORCE PARTICIPATION IN NEPAL: AN EXPLORATION OF THE ROLE OF SOCIAL NORMS

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Female Labor Force Participation: Drivers and Policy Options Conference

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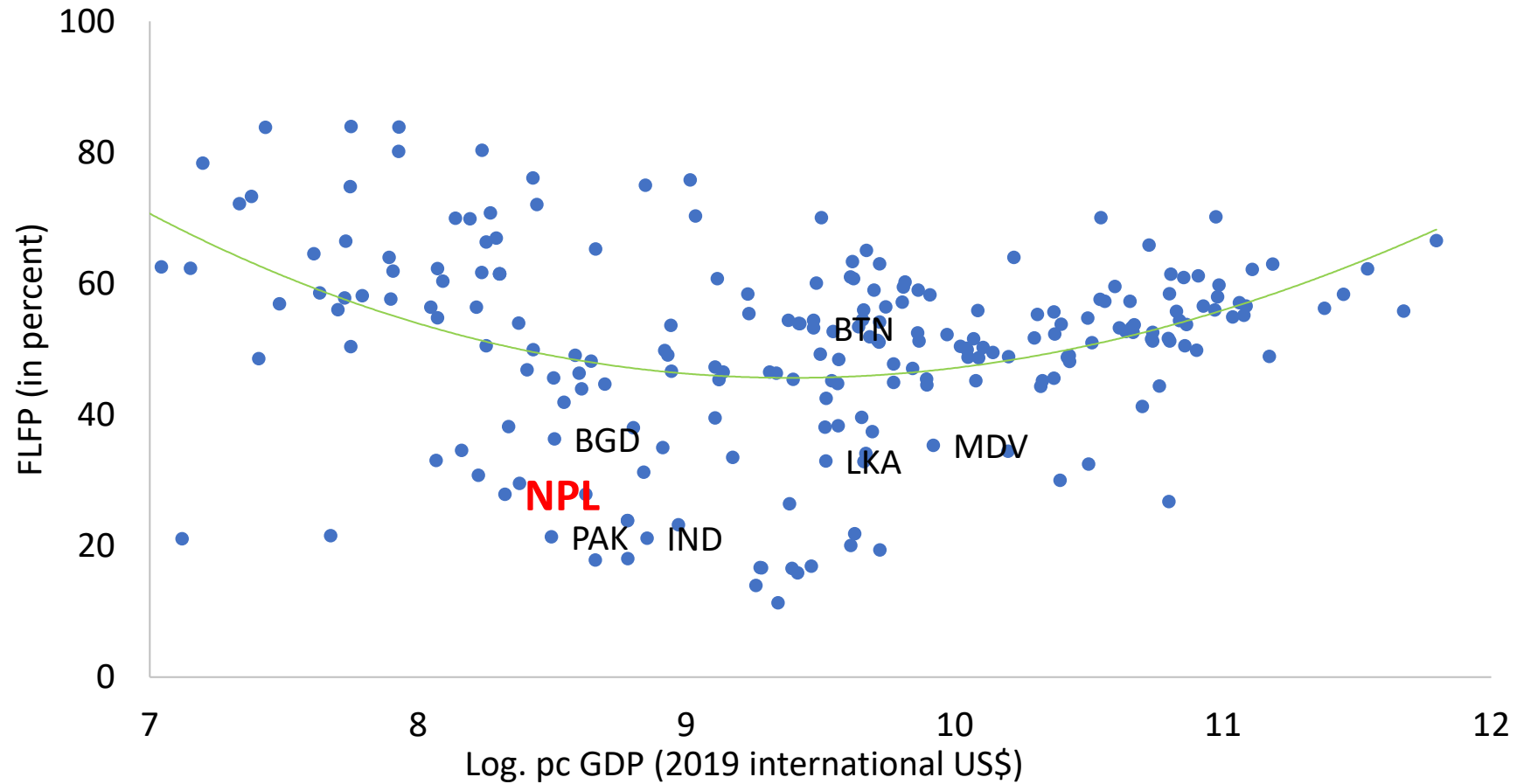


Outline

- **Motivation**
 - Nepal FLFP
 - Literature on social norms
- **Methodology**
 - Research question
 - Sampling
 - Measuring social norms
 - Empirical specification
- **Findings**
 - Descriptive data
 - Social norms and FLFP
- **Conclusion**

Labor force participation of Nepali women in the non-subsistence economy is one of the lowest in the world

Female labor force participation in 2019 across GDP-per-capita levels



Source: World Bank. 2024. Rethinking Social Protection in South Asia : Toward Progressive Universalism. Washington, D.C.

Literature

- **Social norms** have been found to limit women's economic participation (Gauri et al., 2019; Sen et al., 2022; Zeitoun et al., 2023), including in South Asian countries (Jayachandran, 2021; Bussolo et al., 2024).
- **Addressing social normative** barriers can improve women's labor market outcomes:
 - People may be incorrect about others' views and these misperceptions can be reinforced (i.e., pluralistic ignorance (Katz and Allport, 1931; Bursztyn, Gonzalez, and Yanagizawa-Drott, 2020)).
- **Measurement of social norms** including social empirical (what we think others do) and social normative (what we think others believe) expectations can improve understanding of social norms (Bicchieri et al, 2014).
- **In Nepal**, attitudes data shows that perceived societal biases might contribute to women's labor market outcomes – including occupational segregation, and entrepreneurship (Ruppert Bulmer et al., 2020; USAID, 2019; Xheneti and Karki, 2016; Bushell, 2008).

Research Questions

1. What are the social norms around women's labor force participation in Nepal?
2. What role do social norms play in Nepal vis-à-vis structural and other factors in explaining low economic participation for women, specifically, women working outside the home for pay?

Exploratory analysis: Sampling

Qualitative

- Sampled Provinces: Madhesh, Bagmati, Sudurpaschim.
- **24 Semi-Structured Individual Interviews** – divided equally between those working for pay and those not working for pay within each gender group.
- Findings guided the focus of social norms explored in the quantitative survey across **two broad themes: (i) gender roles at the household level, and (ii) women's mobility in the public space.**

Quantitative

- Provinces: Madhesh, Bagmati, Sudurpaschim, Gandaki, purposefully sampled to capture diversity in labor market differences.
- **2,000 surveys** – 1,150 females and 850 males.
 - **850 married couples (450 husbands, 450 wives)**
 - **300 women who come from migrant households** (defined as households with a current migrating spouse) given prevalence of migration in Nepal (1 out of 7 working age men are abroad) and to understand how social norms impact wives of migrants.
- Sample included both **working and non-working women.**

How do we measure social norms?

Element	Example
INDIVIDUAL BEHAVIOR (IB)	I work outside the house for pay. I work in a mixed-gender workplace.
PERSONAL NORMATIVE BELIEFS (PNB) To what extent do you agree with the following statements?	Women should not work outside the house for pay.
SOCIAL NORMATIVE EXPECTATIONS (SNE) Think about the people (REFERENCE GROUPS) whose opinions matter to you or your family.	How many out of 10 such people believe that women should not work outside the house for pay?
SOCIAL EMPIRICAL EXPECTATIONS (SEE) Think about the people (REFERENCE GROUPS) whose opinions matter to you or your family.	How many out of 10 such women work outside the house for pay?
SANCTIONS What would these people (REFERENCE GROUPS) say about the following households or families?	Households where women go outside the house to work for pay.
CONDITIONS / SITUATIONS Specific circumstances that might make a behavior more or less acceptable.	Two types of vignettes about a hypothetical woman on whether to accept a job offer and personal and social approval of her decisions under specific conditions or circumstances.

Which norms do we measure?

Gender roles within the home

Female caregiver - household work mainly done/should be done by women

Male breadwinner - financially providing for family solely done/should be done by men

Motherhood - women do not /should not leave children with someone else when going out to work

Women in the public space

Working women - women do not/should not work outside the home for pay)

Mobility freedom - women do not/should not go outside the home alone/unaccompanied

Honor - women working is dishonorable to family

Safety - women working are subject to harassment

Mixed-gender workplace - women do not/should not work in mixed-gender places

Empirical strategy

OLS regressions

1. How do social norms predict women's work outcomes?

$$Y_i = b_0 + b_1 PNB_indexit + b_2 SNE_indexit + b_i X_i + \epsilon_i$$

Y_i: Female is engaged in paid work outside the home at the time of the survey

Controls: having child(ren) younger than 5 years old, living in an urban area, ethnicity, province, log of total household income, presence of at least one of the parents-in-law in the household, and whether it is a migrant household.

2. What explains beliefs around social norms?

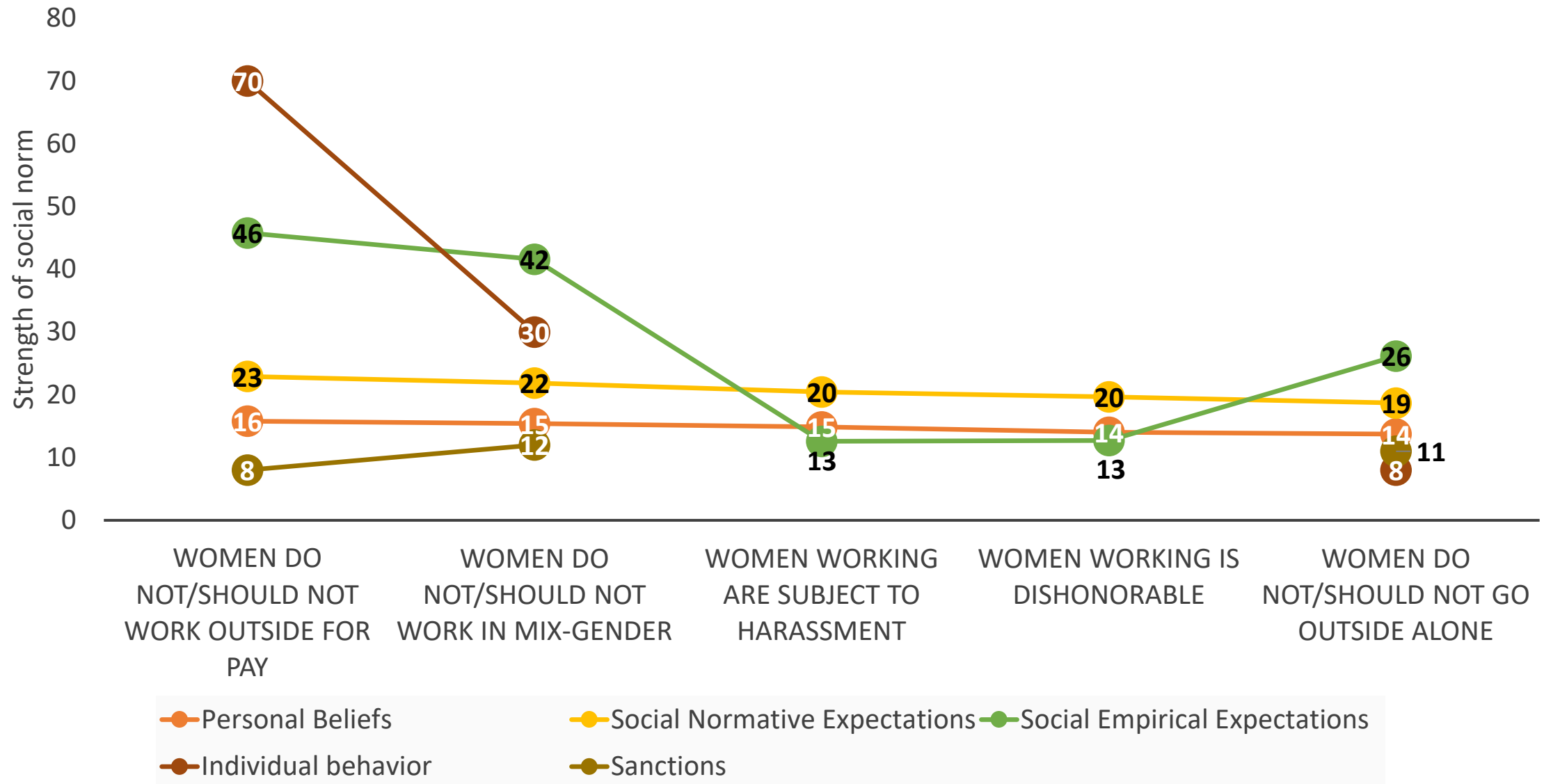
$$Y_i = b_0 + b_1 female_i + b_2 age_i + b_3 education_i + b_4 child_i + b_5 urbani + b_6 hh_income_i + b_7 province_i + b_8 Madhesh_i + b_9 migrant_i + b_{10} in - laws_i + \epsilon_i$$

Y_i : Social norm

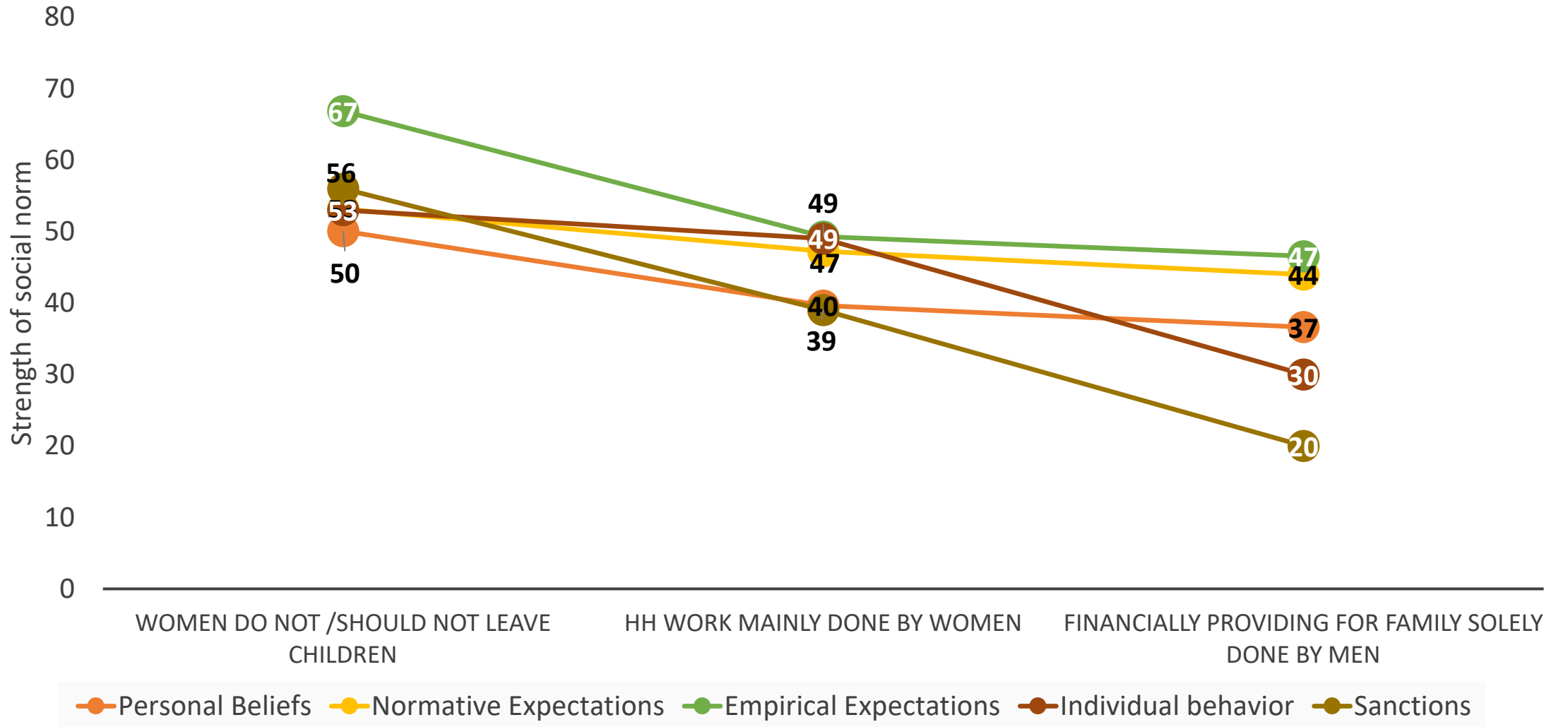
Descriptive data

Indicator	Female	Male
Education (%)		
No education	34.09	15.29
Some or complete basic	36.61	45.06
Some or complete secondary	26.77	35.77
Diploma/bachelor's complete or higher	2.53	3.88
Worked in 30 days preceding the survey (%)	44.78	88.35
Worked in 7 days preceding the survey (%)	43.48	86.47
Female worked for pay outside the home at the time of the survey (%)	29.39	NA
Work status (%)		
Self-employed	23.56	24.71
Salaried/wage employee	19.04	60.35
Unpaid worker in the family business	2.17	3.29
Does not work and not looking for work	39.92	5.3
Does not work but is looking for work	15.3	6.35
Reasons for not working (%)		
Childcare/eldercare	44.57	1.01
Household chores, no one to take over	57.95	16.16
No support from family	9.61	2.02
No suitable jobs available	31.18	55.56
Other, inc. illness	18.89	43.43
Demographics		
Mean age (in years)	33.67	38.35
Mean number of minors, under 18 years - HH level	1.64	
Number of respondent's children under 5 years - HH level	0.36	

Women in the public space



Gender roles within the home



Mainly, women's own beliefs around gender roles influence women's employment outcomes

	Full sample			Females only			Males only		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Paid work	Paid work	Paid work	Paid work	Paid work	Paid work	Paid work	Paid work	Paid work
PNB Index – HH Roles	-0.08** (0.04)		-0.08** (0.03)	-0.09** (0.04)		-0.08** (0.03)	-0.08 (0.06)		-0.08 (0.06)
SNE Index – HH Roles	-0.04 (0.05)		-0.04 (0.05)	-0.08 (0.06)		-0.08 (0.06)	0.01 (0.07)		0.01 (0.06)
PNB Index – Public Space		-0.03 (0.03)	-0.01 (0.03)		-0.03 (0.03)	-0.02 (0.03)		-0.02 (0.03)	-0.00 (0.03)
SNE Index – Public Space		-0.00 (0.03)	-0.00 (0.03)		-0.00 (0.03)	0.00 (0.03)		0.00 (0.04)	-0.01 (0.04)
Constant	-0.04 (0.26)	-0.12 (0.24)	-0.03 (0.26)	-0.00 (0.26)	-0.12 (0.24)	0.01 (0.27)	-0.09 (0.26)	-0.14 (0.25)	-0.08 (0.26)
Obs.	2,000	2,000	2,000	1,150	1,150	1,150	850	850	850
Adjusted R2	0.03	0.02	0.03	0.04	0.02	0.03	0.01	0.00	0.01
Controls	YES	YES	YES	YES	YES	YES	YES	YES	YES
Regional FE	YES	YES	YES	YES	YES	YES	YES	YES	YES

Notes: (1) Negative correlation means that more conservative beliefs and social expectations are associated with lower probability of women working for pay outside the house. (2) For all indices, higher the value, more conservative the beliefs and expectations. Outcome variable “Paid work” is binary with 1 if the female reported a “yes” to “I work outside the house for pay.” And if a male reported “yes” to “My wife works outside the house for pay.” (3) Standard errors clustered at the ward level. (4) Robust standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Digging further into the gender roles index...

	Full Sample		Females Only		Males Only	
	(1) Paid work	(2) Paid work	(3) Paid work	(4) Paid work	(5) Paid work	(6) Paid work
PNB – Female caregiver	-0.13*		-0.17**		-0.07	
	(0.06)		(0.06)		(0.10)	
SNE – Female caregiver	-0.07		-0.09		-0.05	
	(0.10)		(0.12)		(0.12)	
PNB – Male breadwinner		-0.18**		-0.15		-0.23**
		(0.08)		(0.09)		(0.09)
SNE – Male breadwinner		-0.07		-0.18*		0.08
		(0.10)		(0.10)		(0.12)
Constant	-0.06	-0.03	-0.04	-0.00	-0.11	-0.09
	(0.26)	(0.25)	(0.27)	(0.25)	(0.26)	(0.26)
Obs.	2,000	2,000	1,150	1,150	850	850
Adjusted R2	0.02	0.03	0.03	0.04	0.01	0.01
Controls	YES	YES	YES	YES	YES	YES
Regional FE	YES	YES	YES	YES	YES	YES

Notes: (1) Negative correlation means that more conservative beliefs and social expectations are associated with lower probability of women working for pay outside the house. (2) For all items, the higher the value, the more conservative the beliefs and expectations are. Outcome variable “Paid work” is binary with 1 if the female reported a “yes” to “I work outside the house for pay.” And if a male reported “yes” to “My wife works outside the house for pay.” (3) Standard errors clustered at the ward level. (4) Robust standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.10$.

What explains beliefs around social norms?

	(1)	(2)	(3)	(4)	(5)
	PNB Index - HH Roles	PNB Index - Public Space	SNE Index - HH Roles	SNE Index - Public Space	Sanctions Index
Respondent is female	-0.00 (0.03)	-0.03 (0.04)	-0.01 (0.02)	-0.07* (0.04)	0.02 (0.11)
Respondent's age in years, squared	0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	-0.00** (0.00)	-0.00 (0.00)
Years of education, derived from education level	-0.01 (0.01)	-0.02* (0.01)	-0.00 (0.01)	-0.02*** (0.01)	-0.08*** (0.02)
Indicator for respondent having child younger than 5 years	-0.01 (0.02)	0.05 (0.04)	-0.04 (0.03)	-0.00 (0.05)	0.33 (0.23)
Respondent lives in urban area	0.00 (0.05)	0.02 (0.13)	-0.08 (0.05)	-0.08 (0.13)	-0.93* (0.48)
Log of household's total income minus working female's earned income (NPR)	0.01* (0.01)	0.00 (0.01)	0.00 (0.01)	-0.01 (0.01)	0.11 (0.07)
Madhesh Province	1.09*** (0.08)	0.68*** (0.11)	0.97*** (0.06)	0.82*** (0.10)	-0.28 (0.54)
Gandaki Province	-0.16** (0.06)	-0.31*** (0.08)	-0.23*** (0.06)	-0.28*** (0.09)	-1.65*** (0.46)
Sudurpashchim Province	0.46*** (0.08)	0.50*** (0.13)	0.50*** (0.14)	0.30** (0.14)	-1.76** (0.66)
Respondent belongs to Madheshi (non-Dalit) ethnic group	0.13* (0.06)	0.00 (0.21)	0.20*** (0.05)	0.09 (0.14)	0.72** (0.34)
Migrant HH	-0.00 (0.03)	-0.03 (0.05)	-0.01 (0.03)	-0.00 (0.04)	-0.52* (0.30)
At least one among MIL and FIL live in the HH	-0.01 (0.02)	-0.04 (0.05)	-0.00 (0.03)	-0.04 (0.04)	0.02 (0.19)
Constant	0.32** (0.14)	0.60** (0.25)	0.63*** (0.15)	1.21*** (0.24)	17.16*** (0.97)
Observations	2,000	2,000	2,000	2,000	2,000
Adjusted R-squared	0.66	0.27	0.63	0.34	0.08

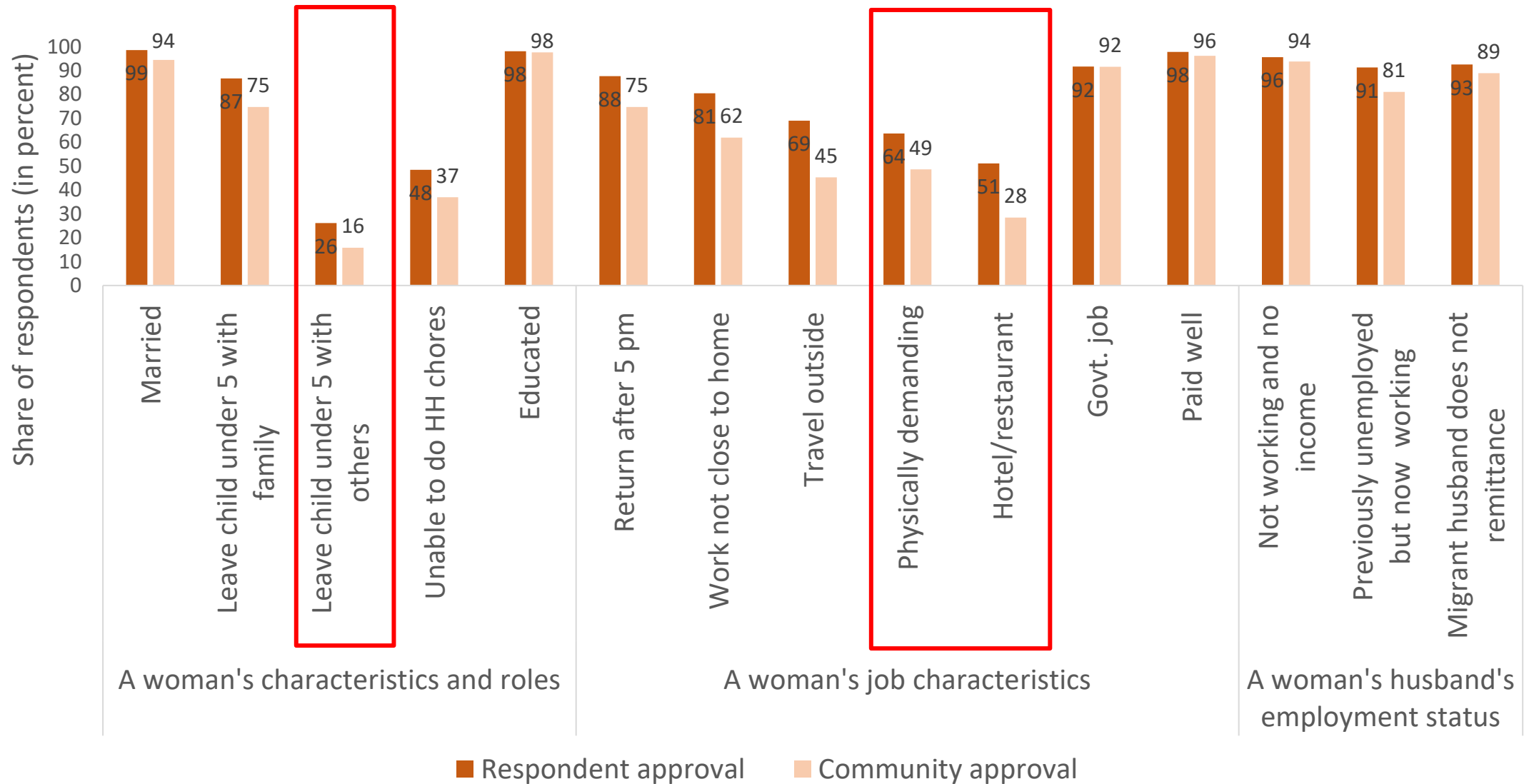
Notes: (1) Higher the outcome variables, higher the conservativeness of beliefs and social expectations and higher the expected sanctions. (2) Reference group for province is Bagmati Province. (3) SEs clustered at the ward level. (4) Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1. SEs clustered at the ward level.

When “rational factors” are considered, only personal beliefs about household roles matter

	PAID WORK
PNB Index - HH Roles	-0.08** (0.03)
SNE Index - HH Roles	-0.05 (0.04)
PNB Index - Public Space	-0.01 (0.03)
SNE Index- Public Space	-0.01 (0.03)
Years of education	0.00** (0.00)
Log of household's total income minus working females' earned income (NPR)	-0.03*** (0.01)
Presence of other working-age women in HH in labor force	-0.12*** (0.03)
Indicator for adolescent girl(s) in respondent's HH	0.07* (0.04)
Respondent is aware of non-network methods of job search	0.01 (0.03)
Constant	0.64*** (0.07)
Observations	2,000
Adjusted R-squared	0.05
Regional FE	YES

Notes: (1) Apart from the “rational” factors included and shown in the table, no additional variables were included as controls. (2) SEs clustered at the ward level. (3) Robust standard errors in parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

When do norms matter?



Conclusion and further areas of research

- **Key takeaways**

- Limited evidence of widespread social norms against women's labor force participation.
- Likely a social norms 'tipping point' has been reached when it comes to FLFP in Nepal.

- **Policy implications**

- Childcare
- Sectors and Travel
- Male participation

- **Further research**

- Nepal's findings are in contrast with the rest of the region, where progressive attitudes towards gender equality have either progressed slowly or even regressed over time. Why is that –Unpack when and how norms have shifted over time, and what the enabling factors might have been.

Thank You

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