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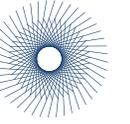
*The Office of the Chief Economist
in the South Asia Region*



Comments on Leonardo Bursztyn' Social Norms and Economic Behavior: Gender Norms, Perceptions, and their Impact

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Four main comments

Leonardo's work on "how individuals' economic decisions are shaped by their social environment" is outstanding.

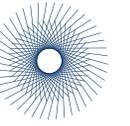
While not new for sociology or psychology, adding social pressure or social image as a driver of behavior in economics *is not a small feat*

Introducing these concepts means confronting issues of:

- Preferences;
- Time horizon;
- Power;

I have four main comments.

- 1) Important to look at common trend but also useful to consider the differences; and, relatedly, what to do where there is no pluralistic ignorance;
- 2) The reference groups/conditionalities.
- 3) Focus seems only one side of the factor (labor) market, the supply side.
- 4) Are social norms always the enemy?



How generalizable is re-calibration of perceptions of others

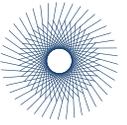
One of the main motivations of “How Are Gender Norms Perceived?” is to figure out whether Saudi Arabia is an anomaly.

Findings:

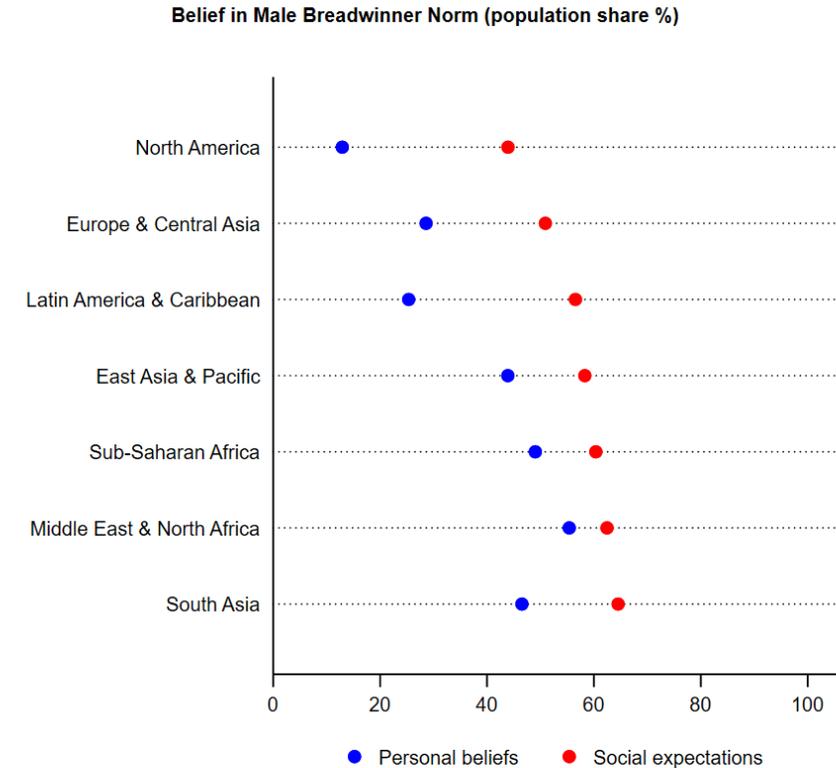
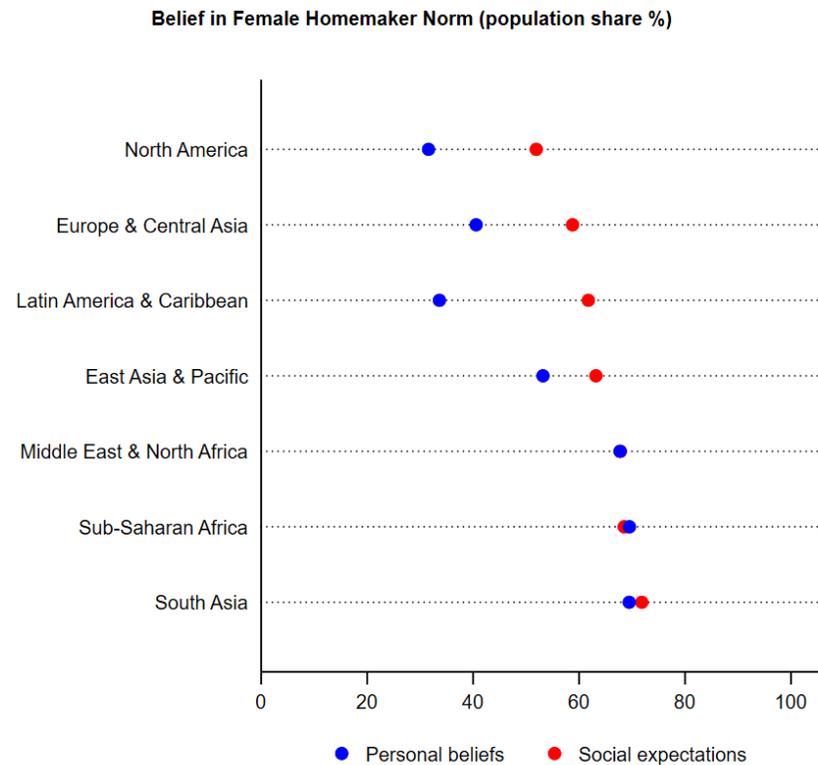
- Significant misperceptions of gender norms around the world that are observed in very different policy contexts (basic rights, affirmative action) and across the gender equality spectrum.
- Two factors, minority view overweighting and gender stereotyping, help explain the “common” patterns.

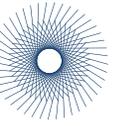
Valuable insights driven by a valid *motivation*. However, there are still significant quantitative differences in pluralistic ignorance, and it may be useful to figure out what is behind these differences. And, especially, what to do if the window of pluralistic ignorance is closed.

- Gelfand, M. J. et al (2011). Differences between tight and loose cultures: A 33-nation study. *Science*.
 - *They illustrate the differences between cultures that are tight (have many strong norms and a low tolerance of deviant behavior) versus loose (have weak social norms and a high tolerance of deviant behavior). And explain that the difference is due to ecological and historical threats (high pop density, resource scarcity, etc), societal institutions (autocracy, media freedom), other psychological factors.*
- World Bank (2022): Reshaping Norms: A New Way Forward (chapter 3)



The gap between (more liberal) personal beliefs and (more restrictive) social expectations varies across world





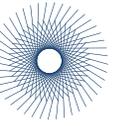
The importance of reference groups and conditionalities

Leonardo described the length at which they went to check for social desirability bias and other issues in measuring norms.

This careful attention is crucial in advancing the measurement of social norms (still *nascent* when compared to measurement of beliefs and attitudes)

Two (+1) key aspects should be considered (ongoing work at the World Bank, South Asia Chief Economist Office and Poverty Global Practice):

- Reference groups
 - Eliciting which is the relevant reference group rather than providing it;
 - Social norms may vary depending on the reference group;
- Conditionalities
 - Norms may differ or their constraints may be more/less binding according to which situation people face
 - Vignettes may help
- (+1) Heterogeneity (works with Sam Asher using ethnographic survey People of India):
 - India has 4,635 sub-castes and tribes with vastly different norms, customs, values, and beliefs. At the local level (village/neighborhood), multiple households belong to caste groups that are culturally different from local elites who control access to economic opportunity.



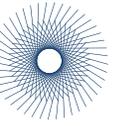
Demand Side (employers' norms) may also matter

Research shows that demand-side factors also matter.

- Kotikula et al (2019) employer's belief that hiring women disrupts the workplace is associated with lower female employment across five South Asian countries (Afghanistan, Bangladesh, India, Nepal and Pakistan).
- Das et al (2019) finds in a survey of 618 firms in India that employer attitudes do matter for female employment
- Paryavi et al (2019) examine the importance of norms among prospective "employers" in the lab setting for hiring of men and women.

Other evidence (De Hoyos et al, 2012) shows that export-oriented sectors have lower gender discrimination. This is because firms in competitive export markets cannot pass higher cost of hiring just men to consumers. [Perhaps can be linked to the export-led development path of East Asia vis-à-vis that of South Asia]

Policy implication → social policies aimed at sharing reproductive burden



Are Norms always the enemy?

“Social norms are the key that unlocks societal order, and even the possibility of constructing a human society. If people didn’t abide by socially expected rules, their behavior would be unbearably unpredictable.”

And

“When people think their culture is ‘on the brink of disaster,’ their immediate response is to embrace tight rules and tough leaders.”

Michele Gelfand (2018) Rule Makers Rule Breakers: How Tight and Loose Cultures Wire Our World