CHAPTER 2
REVIEW OF LITERATURE
2.1 Introduction

The objective of this chapter is to attempt a brief review of the theoretical and empirical literature on various aspects such as the relationship between economic development and participation, the role of education, impact of demographic factors like marital status and age as well as the importance of social and religious factors in influencing participation, all of which are the topics related to the subject matter at hand.

The chapter is organized in the following manner. The next section examines the extent of female participation in the work force. Section 2.3 looks at the various aspects of development and its relation to labour participation. Section 2.4 examines the role of education and also looks into the linkage between education and work participation. Section 2.5 examines the extent and role of demographic factors in influencing work participation. This section is further sub-divided into the following sub-sections; section 2.5.1 looks at the possible linkages between age and work participation. Section 2.5.2 examines the impact of the marital status of individuals on their work roles; and Section 2.5.3 explores the role of religion and customs in influencing and shaping the role of individuals in the society at large and work participation in particular. In section 2.6 we summarize the review of literature and, finally, in the following section 2.7 we identify the gap areas and analyse the subsequent scope for further study.

2.2 Extent of Female Participation in the Labour Force

Examining the participation rates of women in the labour force pointed to one single fact of a large variation in the participation rates of women compared to men. Undoubtedly, the participation of women in the labour market had increased over time, yet differences
continue to persist in diverse areas of work. Social and economic development affects men and women in different ways, producing significant changes in the division of labour between them. The participation of women in developed nations are much higher in comparison to their counterparts in the developing nations.

The ILO estimated that in 1980, out of a total of about 1,800 million workers, women accounted for over one-thirds, that is 600 million women workers. The highest female participation rates for ages 15 years and over was in the former USSR at 60 per cent and in the European centrally planned economies it was about 50 per cent. Out of this, the level of participation was 48.5 per cent in Bulgaria, 41.6 in the former German Democratic Republic and 30 per cent in Czechoslovakia. The lowest, then, was in the Latin American countries which stood at about 24 per cent and about 4 per cent in North Africa. (ILO, 1985)

McMahon (1986) compared the labour force participation of women in six countries, viz., United States, Japan, West Germany, Canada, Australia and Sweden for the period 1977 to 1984. He noted that labour force participation rate (LFPR) had risen for women in all six countries. In 1984, the LFPR ranged from 68.9 per cent to 80.4 per cent, the highest being for Sweden followed by Canada, West Germany, the United States and Japan. Between 1975 and 1984 the participation rate of prime aged women (25 to 54 years) rose by 12 to 16 percentage points for all countries. Further, in 1984 female LFPR was the lowest at 55 per cent in Australia and the highest at 88.1 per cent in Sweden. The changes in the LFPR were attributed to demographic shifts within the
demographic groups or/and changes in the age and sex composition of the population along with the behavioural changes on the attitude towards work.

In 1998, the labour participation rate of women stood at 77 per cent for Canada, 95 per cent for France, 74 per cent for Germany, 67 per cent for Japan, 84 per cent for Sweden and 77 per cent for the United States, respectively (Ehrenberg and Smith, 2000). The proportion of employed women rose substantially in the European and North American countries. In 2002, the percentage of women in the age group 15 to 64 years stood at 75.6 per cent in Denmark and Sweden and 78.6 per cent in Norway (Ferber et al., 2006).

Examining women’s work participation in India since 1951, Dutt and Sundharam, (1998) argued that the work participation revealed a contradictory trend. They reported that female participation rates were much lower than male participation rate. This was in spite of the fact that women’s participation rate had substantially improved over the last few decades.

Toossi (2002) gave a profile of the labour force of the United States for the period 1950 to 2050. It was shown that while the labour force grew at an annual growth rate of 1.6 per cent per year for the period 1950-2000, it was expected to grow by 0.6 per cent annually for the period 2000-2050 i.e., 192 million workers by 2050. Women’s participation increased by 2.6 per cent annually from 1950 (34 per cent) to 2000 (60 per cent). The projected number of working women by 2050 was 92 million, with an annual growth rate of 0.7 per cent. By then, it was also pointed out that women’s share in the workforce was expected to be nearly 48 per cent. The author also noted that the share of
Hispanics, Blacks and Asians were all projected to increase - from 5 per cent to 11 per cent during 2000 to 2050 - with Asians to be the fastest growing group.

While the variations between countries were much noticeable, variations within different regions of a country were also present. A study on the participation of women in Canada showed that women in the Western provinces of Canada and Ontario were more likely to be employed than those from Quebec and the Atlantic provinces. In 2000, about 63 per cent of women in Alberta and 58 per cent in Ontario were employed compared to only 47 per cent in Newfoundland and 55 per cent in Quebec. However, in all provinces women had lower levels of employment compared to men (GoC, 2004).

Analyzing the employment of women in Turkey, by place of residence, Ozdemir and Yucesan-Ozdemir (2004) had showed that urban women had a lower participation rate at 19.1 per cent compared to the rural women at 41.4 per cent. However, rural women’s participation was reported to have had declined from 55.3 per cent in 1991 to 41.4 per cent in 2002. It was also shown that overall women’s participation declined from 34.1 per cent in 1991 to 27.9 per cent in 2002. Unpaid family workers accounted for almost half of the total female employment and a majority of women were employed in the informal sector as casual and temporary workers. The participation rate by education was the highest for women who had a primary level education at 47.5 per cent followed by high school graduates and higher education with 12.5 per cent and 11.3 per cent respectively.

One important aspect of women’s participation was that participation rates differed between countries due to role of certain factors. For instance, Brusentsev (2006)
analyzed the labour force participation of women in the United States from 1967 to 2003 and found that since 1990 the increased participation of women in the labor force had slowed down from previous decades. Adverse labour market conditions were the main factors which impacted employment choices of women and hence responsible for the slowing down effect. Other factors, such as improved educational attainment and the need to contribute to the family income were responsible for rising female labor force participation rates over the last few decades.

A similar finding was also noted by Hotchkiss (2006) where it was reported that after decades of consistent increase, the labor force participation of women in the United States flattened out in the late 1990s and declined after 2000.

2.3 Economic Development and Labour Participation

The early arguments on the relationship between the female labour force participation rates (FLPR) and the level of economic development was hypothesized by the U-shaped curve. Starting with the work of Mincer (1962) and later refined by Killingsworth and Heckman (1986), Goldin (1995) and Tansel (2002), a theoretical exposition of high FLPR in developed countries and lower FLPR in developing countries has emerged. Using cross-country data they argued that the FLPR could be captured by what is known as the U-shaped curve.

Their hypothesis is that at the initial level of development of a country, the FLPR is observed to be at one of its highest levels. The high level of FLPR at the initial stages of development is due to the fact that large proportion of the labour force is unskilled and wages of both male and female labourers are lower. More women, therefore,
participate in the labour force to supplement the household income. With the passage of development, the FLPR begins to exhibit a downward decline due to raising male wages and increasing the family’s income. The women were withdrawn from the labour force partly due to lower skill levels and lower wages and partly because of socio-cultural norms prevailing in the society. At higher levels of development, as women’s education and skill level improve and as their wages rise the FLPR also rises. This would be represented by the rising portion of the U shaped curve. Besides, the expansion of the tertiary sector increased the demand for women’s labour, which contributed to the increasing FLPR. Theoretical expositions to empirically verify this hypothesis has been numerous.

Collver and Langlois (1962) in their work pointed an inverse relationship between work participation rate and the level of development. They argued that in the course of economic development, in countries where there was high rate of participation, the decline in participation in the subsistence sector may be faster than the growth of employment in the industrial or tertiary sectors. The overall impact would be a fall of the total participation rate. They also suggested that in the long run, the economy would be benefitted primarily from the up gradation of women labour in the latter sectors. They further argued that increasing work participation rate of women does not necessarily lead to high levels of development but a high level of productivity can be achieved with relatively lesser participation rate of women.

Semyonov (1980) on the other hand, pointed out the positive relationship between economic development and the level of participation rate of women. Economic
development was viewed as not only creating a demand for women labour but also expanded it. This was attributed to the fact that industrialized societies tended to and were more likely to recruit women workers to their economically active labour force than do the developing countries. Even though economic development generates a demand for labour which could be augmented by the incorporation of women, yet their participation could mediated by a number of factors viz., family composition or fertility.

Pampel and Tanaka (1986) while specifying the effects of female labour force participation on economic development analyzed a sample of 70 nations which had a population of over one million, over two time periods 1965 and 1970 covering different levels of development. Using energy use per capita as a measurement of development, the results of the study showed a curvilinear or U-shaped relationship between energy use (as a proxy for economic development) and female labour force participation. Further, variables such as family size, female education, the adult sex ratio, economic dependency and labour force growth were also found to be important determinants of female labour force participation, which had different effects depending on the level of development.

Kottis (1988) examined the participation rates of women in Greece during the period 1961-1981 on the basis of the U-shaped hypothesis. The major finding of the study was that the pace of development had a discouraging effect on women's labour where their unemployment was two to three times higher than the reported unemployment. It was also pointed out that education had a negative impact on their employment. The increase in the educational attainment of women led to a shortage of
employment opportunities for them in areas other than urban centres, which was not so for the uneducated women where there was no lack of job opportunities. Hence, it was concluded that the effects of education on the female labour force would be positively felt only after a certain stage of development has been achieved by a country and not during the initial stages of development.

Clark et al., (1999) examined the effect of economic development on the labour force participation of older persons in the age group 55 years and above for 134 countries. Their analysis found a negative relationship between per capita income and labour force participation rates. This relationship was found to be stronger for older men than for women. The reasons attributed were that a higher proportion of older population resulted in lower participation for older men, while for older women a higher participation rate was attributed to the high widow rates. Economic development resulted in industrial changes and the shift from agricultural employment; aging of the population and development of retirement programmes led to early retirements and low LFPR.

Goldin and Katz (2001) pointed out the relation between economic growth and educational attainment of the labour force. They stated that the benefits of education would lead to an improvement in human capital and the productivity of the workforce. This was due to the increasing rate of innovations and adoption of new technologies by the workforce. They concluded that a country with a highly educated labour force, both men and women, experiences higher rates of growth.
Tansel (2002) provided time series evidence on female labour force participation in Turkey and considered its cross-provincial determinants for 67 provinces for the years 1980, 1985 and 1990. The relationship between economic development and female participation in the labour force was investigated, where cross-province estimates validated the U-shaped hypothesis. Other findings of the study reported a positive correlation between female education and female participation in the work force. Further, it was pointed that female labour force participation in Turkey actually exhibited a declining trend. The decline in female participation was from a high of 72 per cent in 1955 to a low of 26 per cent in 2000.

Warner (2004) pointed out the positive correlation between GDP and work participation. It was showed that employment shifts i.e., an increased participation in the labour force and a reduction in part time or semi-informal work was positively correlated with increased GDP per capita across countries. Taking evidences from Thailand and Mauritius he showed that participation rates increased during economic growth, and impacted poverty and income distribution. It was further pointed out that growth rarely happened without increased participation, though increased participation may occur, albeit rarely, without growth.

The growth in the labour force was also seen to be as one of the key determinants of the potential rate of economic expansion of a country. For instance, in the United States, it was pointed out that the country’s potential rate of expansion during the past five decades (1948 to 2001) was boosted by a growing labour force. This was augmented not only by the baby boom but mostly by an increased participation of
women in the labour force. This led to an annual increase in the GDP of the country by around two per cent during the period (FRBSF, 2007).

From the above discussion it can be seen that the level of economic development of a country affects women’s participation differently. In the case of developing countries where large scale poverty remained a strong feature, participation in paid labour was largely a response to economic needs. The level and pattern of participation was also seen mostly concentrated in the unorganized sector of the economies and in the rural areas. In developing countries, women constitute a substantial portion of the agricultural labour force and contribute about two-thirds of all hours of work as primary labour in subsistence farming and home-based production (Meier and Rauch, 2000). The participation in activities other than agriculture was severely constrained by several social and cultural factors. Employment in occupations, other than agriculture and allied activities, were limited to traditional female industries and low skilled jobs. Poverty and high levels of illiteracy were other factors that limited women’s participation in the formal sector. On the other hand, in developed countries women’s participation was a resultant of the development process, which coupled with several other factors, facilitated women’s entry into the work force. This eventually was reflected in higher work participation for women and a positive addition to their respective countries’ growth and development.

2.4 Education and Labour Participation

The role of education and its benefits to the individual receiving the education has been given due importance by researchers. It is noted that the main benefit of education is in
improving the capacity of an individual to be able to earn an income. Besides, education has a direct benefit to the society as well, where it benefits individuals who have obtained its services (Leftwich and Sharp, 1984). While placing importance to the role of education in the labour market experiences of individuals, much has been highlighted on what that role could possibly be. Individuals receiving an education while having the potential to improve their lives are also severely constrained by a number of factors, poverty being the most important of all.

Cohn (1979) stated the importance of education in determining the economic and social success of an individual. While emphasizing on the role of education in raising the productivity and earnings of the individuals receiving the education, he also focused on the social benefits of education. These are benefits that the individual concerned cannot appropriate but are accrued to other members of the society. Most importantly, the major benefit that could accrue from having an education is the intergeneration effect. Here persons are more likely to complete a given educational level provided their parents have equally received higher education. This would eventually result in increased potential income as well for the person concerned.

Standing (1982) explored the relationship between education and labour force participation of women. He asserted that it would be more likely for highly educated women to enter the work force even though there cannot be any prior justification for expecting them to have a higher probability for participation in the labour market. The direct and indirect influences of education were also highlighted. The former included the enhancement of opportunities for employment such as the postponement of marriage
and child bearing and the higher propensity for migration, while the indirect effects were increased opportunity cost of women’s economic activity, higher reservation wage which could lead to an aversion for women employment in the informal sector.

Gregory et al., (1985) in their analysis of women in the Australian labour force has shown a high participation rate among women with higher educational attainment. It was shown that participation rates were positively related to education levels and women with university degrees were twice more likely to be employed compared to women with less than 10 years of schooling. It was further shown that the participation of married women increased by almost forty-five percentage points during 1975. This in fact, was the major contributor to the increased women participation in the labour force and 90 per cent of the increase was attributed to women employed part time.

Lichter and Costanzo (1987) pointed out that in the United States the educational up gradation of the female population had been one of the major forces of social change in the country. For women aged 25 or over, the median years of schooling increased from 12.1 to 12.6 years between 1970 and 1980 and the percentage of graduates from high school also increased from 52.8 to 65.8 during the same period. This increase in the educational level altered the outlook of women towards household work and manifested itself in the form of increased work participation for women with higher educational attainment.

Joekes (1991) highlighted on the positive correlation between higher education and work participation of women. The study examined the impact of education on the participation of women in the developed countries of South-east Asia which included
Hong Kong, Taiwan, Singapore and South Korea. The study concluded that the respective countries’ economic growth was largely due to the influence of early attention paid to the education of women. This eventually resulted in the higher proportion of women workers in the labour force at large and the industrial workforce in particular.

Nam (1991) on the other hand, analysed the determinants of female labour force participation in Seoul, South Korea for the period 1970 to 1980. The analysis showed that the educational level and economic status were the main factors that influenced women’s entry into the labour force. A higher educational attainment of women led to their higher participation where participation rate increased from 14.6 per cent in 1970 to 23.5 per cent in 1980. This increase in participation was also attributed to an expansion in the Korean economy which necessitated the need for more educated workforce. This was filled by women who had the requisite educational qualification. It was also shown that women from lower economic backgrounds had a higher probability of participation compared to those from higher economic backgrounds.

Cohen and House (1994) focused on the role of education and its consequent impact on the variation in productivity of workers and their earnings in the labour market in urban Khartoum, Sudan. Their analysis was restricted to employees in the formal sector, data for which was from the Khartoum Employment Survey. Their work showed a positive correlation between educational levels and wages. The returns to schooling were lower for primary educated as compared to higher returns for college educated workers. However, male earnings were reported to be 25 per cent more than females who were only restricted to lower-level white collared jobs. Lower productivity
was attributed to the poor quality of schooling in the country which in turn led to and shortages in skilled manpower.

O’Neill (1995) examined the extent to which human capital convergence could lead to changes in income distribution. The analysis was done by decomposing national income into three components and measuring their impact to changes in income dispersion. These were education levels, returns to education and a residual component, which included changes in physical capital and labour force. It was pointed out that shift in production towards highly skilled labour had resulted in higher returns to education. However, combined with large disparities in education and technological change between developed and less developed countries, this had led to an increase in inequality.

Baraka (1999) using data from the Taiwan Manpower Utilization Surveys examined the returns to education in Taiwan for the period 1979 to 1995. The population was divided into 5-years birth cohorts starting from people who were born in 1920-24 and ending with those born in 1965-69. Using regression analysis, the author found that women were less rewarded at lower levels of schooling and better rewarded at higher levels, while men’s earnings declined at higher educational levels. It was reported that men with university degrees saw a decline in their earnings from 36 percent to 29 percent above those with middle school graduate degrees. Younger cohorts (both men and women in the age group 25 to 54 years) were reported to be earning less irrespective of their higher education levels, than their counterparts from earlier birth years, prior to
1940s. The changes in the earnings structure was attributed to changes in the relative size of education groups.

While examining the quality of schooling and the outcomes on the labour market, Case and Yogo (1999), estimated the returns to education for the population between 24 and 34 years of age. Using the 1996 South African Census data, the results of the regression analysis on completed years of schooling for marital status, age, current residence and district of origin, showed that the probability of employment was two to three times as large for women as it was for men depending upon the quality of schooling received by them.

Using data from the National Adult Literacy Survey, Ishikawa and Ryan (2002) examined the relationship between schooling and earnings in the United States. Basic skills were divided between those acquired through schooling and those acquired otherwise, termed as credentials. These were included as independent variables in estimating the effects of schooling on wages and earnings. The study found that substance of learning in school or the accumulated human capital accounted for higher earnings as compared to credentials. Further the strength of human capital versus credential returns to schooling also varied by race. A large variation between earnings and basic skills acquired through schooling, among ethnic groups was also found in the study. The largest return was realized by white females and males and Hispanic females while it was lowest for the blacks.

Petrakis and Stamakis (2002) studied the linkages between growth and educational levels among countries with different levels of development, in particular
between OECD countries and those outside the OECD. The level of educational attainment of the labour force, divided into primary, secondary and higher education and capital stock were taken as variables. Employing Weighted Least Square (WLS) regression, they found that as the level of development increased so did the contribution of higher education to growth. This was true only for the developed countries. In the less developed countries, on the other hand, primary as well as secondary educations were the main engines of growth. Hence, they concluded that growth and educational levels varied with the level of economic development of a country. Advanced countries benefitted more from higher education; while for the less developed it was more from primary and secondary education.

Beutel and Axinn (2002) suggested that gender differentiation in adult roles and the emphasis on family related roles for women led to gender differences in educational attainment. As a result a conflict between the pursuit of education and career roles with the pursuit of family roles had an adverse impact which led to the abandonment of schooling by the women at an early age. Societal expectations regarding women’s behaviour and roles within their families, such as marriage and child rearing, led females to truncate their education earlier than males and affected their access to work. This reduced their chances at work participation.

Brown and Park (2002) examined the effects of poverty, intra-household decision making and school quality on educational investments and learning outcomes. It was pointed out that poverty affects educational investments and learning negatively. Children from poor families were three times more likely to drop out of school. It was
also noted that girls had a higher probability of being held back and dropping out of school at primary school level compared to boys. Women’s empowerment, however, reduced the likelihood of dropping out but does not affect any other outcome. On intra-household decision, it was pointed that the level of a father’s education had a stronger influence on educational investments than the mother’s education. An additional year of father’s education reduced the likelihood of dropping out of school by 12 to 14 per cent.

Klasen (2002) using cross-country and panel regression investigated gender inequality in education and its eventual impact on economic growth. It was pointed out that gender inequality in education directly affected the economic growth of a country by lowering the average level of human capital, and indirectly through investments and population growth. These observations were made for South and East Asia, Sub-Saharan Africa and the Middle East. The findings showed that gender inequality in education accounted for 0.77 percent of the growth difference between South and East Asia, 0.44 percent between Sub-Saharan Africa and East Asia and 0.69 percent between the Middle East, North Africa and East Asia. It was suggested that the promotion of gender equality in education would not only contribute to the advancement of the nation but also help in the promotion of human development goals, lowering mortality and fertility.

Sylwester (2002) examined the effect of increasing the expenditure on education and its eventual impact on the distribution of income within a country. The findings in the paper showed that devoting more resources to education, especially public education was associated with a reduction in income inequality. The conclusion implied in the findings was that the support for education would be beneficial for reasons other than
improving human capital to propel economic growth. Further, it was also noted that investing more resources on education would also reduce income inequalities that exist among households within a country.

Spohr (2003) sought to examine the extension of compulsory education at the junior level and its impact on the labour market outcomes of individuals. The findings reported a strong linkage between the two. Further, an additional year of schooling raised the probability of higher earnings and it had a stronger effect for females. The introduction of such compulsory formal education also raised the employment prospects for individuals from socially marginalized families. Also, it enabled educated individuals to obtain employment in both the government and private sector.

Self and Grabowski (2004) examined the impact of education on income growth in India for the period 1966 to 1996. Gross enrollment data and educational attainment of the population aged 15 years and above was used and time series techniques (simple and partial correlation) were applied to determine the impact of each educational category (primary, secondary and tertiary) on income growth. Their findings revealed a positive relation between education and growth, with a strong causal relation for primary and weak relation with secondary educational level and none for tertiary level education. Further they found that while females at all levels of education had a strong potential for generating growth, males had a strong causal impact only at the primary and a weak causal impact at the secondary level, respectively.

Glewwe and Jacoby (2004) on the other hand examined the relationship between household resources and the demand for education in Vietnam. Consumption
expenditure was used as a measure of household resources and hence the household wealth. The analysis covered the period from 1993 to 1998. The study found a positive relationship between household wealth and the demand for education. However, it was reported that while education led to growth, the latter raised the demand for schooling, and wealthier households invested in education to increase their wealth in future generations.

The level of educational attainment, while being positively related to the income and wealth of households, was also limited by their poverty. Thomas et al., (2004) while examining the household spending on education in Indonesia during the major economic and financial crisis of 1998 found that there was a reduction in spending by poorer households, especially those with younger children. However, low resource households had protected investments in the schooling of older children in favour of the education of their younger siblings. There was, however, no substantial reduction in the educational investment of children by the households at the top of the income distribution.

Sackey (2005) examined the effects of education on the labour participation of women in Ghana. It was pointed out that the decision to participate or not, in the labour market depended to a very great extent on schooling as well as the cost of living. While pointing out that participation rates of women had exhibited an increase, it was accompanied by a decline in the fertility at the same time. This was mainly due to an improvement in the educational status of women - both in terms of enrollment and years of schooling - which improved their labour market prospects as well as postponement in
the age of marriage. It was further suggested that efforts towards narrowing the gender gap in education to ensure benefits and gains for women needed to be sustained and intensified for overall improvements of women’s lives and their families.

Euwals et al., (2007) were of similar views on the effects of education on participation rates of women. In their analysis they found that a high level of education resulted in higher probability of participation. Further, favourable market conditions facilitated women’s entry into the labour market and contributed to one-eighth of the total growth in the participation rates. This also resulted in wives to participate in the labour market if their husbands were unemployed. Other factors like lesser number of children, lower unemployment rates, etc. also contributed to increased participation. On the other hand, unfavourable market conditions led to potential market participants to withdraw themselves from the labour market.

Boserup (2008) on the other hand, highlighted an aspect of education not as a cause for employment but rather of unemployment. She pointed out that it would largely be the educated who would suffer from unemployment as opposed to the illiterates. This was because the former were ambitious about the type of job they were prepared to accept as opposed to the latter who accepted any job in sight. Added to this was the fact that men would become hostile to the idea of having their jobs taken over by educated women. As pointed out by the author, the opposition was not with respect to female education but rather to the employment of educated women. It was further emphasized that even if women entered the labour market, they were often employed in occupations which would not be taken by men.
Pauw et al., (2008) on the other hand, pointed out the importance of skills and work experience, besides educational attainment as a factor for absorption in the labour market. They emphasized on the improvement in the quality of schooling, and the choice of an appropriate type of education for an enhancement of the employability of individuals. It was highlighted that in 2005, individuals with a qualifications in physical, mathematical, computer and life sciences accounted for 22.2 per cent of the unemployed, followed by human and social studies with 20.6 per cent and business, commerce and management studies with 19.1 per cent, respectively.

Chiappori et al., (2009) explored the impact of education not only in relation to labour market returns to schooling but in terms of the marriage market. They corroborated that education had a positive impact in terms of higher returns as compensation for additional years of schooling. They extended their work to the marriage market and observed that the expected share from marriage not only induced women to receive higher education but also induced them to fully internalize the gains from their premarital investments. Also the proportion of educated women that marry increased as they were released from household chores.

A summary of the above shows the positive and negative impacts of education not just on the individual receiving it but also for the prospect of labour market participation. While a higher educational attainment for individuals in general, and women in particular, had the potential for boosting their labour market performance as well as their wages; it also positively impacted on several other spheres of their lives such as the marriage market. However, the societal and cultural norm prevalent in
different societies, besides poverty, was not just a hindrance to their receiving education but also inhibited their effective participation in the work force. Further, gender discrimination, distinction in wage accrued between men and women; and skill difference hampered their further individual and professional growth.

2.5 Influence of Demographic Factors on Labour Participation

This section discusses the role of demographic characteristics, such as age and marital status, on labour participation.

2.5.1 Age

The impact of age on the participation of women in the labour market is closely linked to familial factors. Evidences from both the developed and developing countries showed variations in the participation rates of women depending on their age.

Chase (1995) analyzed the work participation rates of women during and after Communism in the Czech Republic and Slovakia. Under communist regimes central policies of providing citizens with work, delivering equity between workers and subsidized child care resulted in high participation rate of women in the work force. With the fall of communism in the respective countries the participation rates declined, as these social facilities no longer existed, even though wages remained substantially higher. This fall was observed in the case of younger women under 35 years of age. On the other hand, women in the age group 35-50 years had a higher participation rate, which was related to their higher earning potential and reduced likelihood of child care. Older women in the age group of 50 years and above dropped out of the labour force as they had the opportunity to retire or their earnings potential decreased.
Fair and Macunovic (1997) examined the labour force participation of women in the age group 20 to 24 years for the period from the mid 1960’s to the mid 1990’s. The potential wage rate and potential relative income were used as explanatory variables to explain labour participation of women. The main findings of the study was that the increased participation during the period 1964 to 1978 was a combination of the rise in the potential wage rate and a fall in potential relative income. A smaller increase in participation during 1978 to 1984 was attributed to the absence of an increase in the potential wage rate and a fall in potential relative income. On the other hand, a balance in participation was reported for the period 1985 to 1995 largely attributed to the effects of an increased potential wage and an increased potential relative income.

Dugan and Robidoux (1999) explained the variation in the participation of men and women in different age groups. It was pointed out that the participation of younger people in the age group 15 to 24 years was lower due to their attendance in school. The participation of adult males in the age group 25 to 54 years was reported to have declined during the 1990’s while that of females increased albeit less. This was largely contributed by cyclical and structural factors. On the other hand, the participation rates of older females in the age group 55 to 64 years increased compared to a decline in that of males. This was attributed to differences in the social security net, which included pension plans and educational attainment.

A UN Report (2001) on participation of older people in the work force had pointed a decline worldwide. Noting that participation of people above 65 years of age had declined by 40 per cent globally; there were differences in the pattern of
participation of men and women among the older age groups. It was mentioned that the share of women in the older work force had actually increased compared to that of men’s participation. In 2000, at the global level, the percentage of participation of older women increased to 31 per cent from 26 per cent in 1950, while that of men decreased from 55 per cent in 1950 to 30 per cent in 2000. Another feature was that older women’s participation was higher in developed countries with a participation rate of 41 per cent, to 29 per cent for women in less developed countries.

A Report from the Commission of European Communities (CEC, 2002) noted that while the participation rates of women increased for those in the age group 25 to 60 years, the participation rate of older workers declined. It was also pointed out that higher the skill level, higher was the activity rate for all age groups, which was more marked for women than for men. Four main determinants of labour market participation were identified. These factors included availability and attractiveness to work, the balance of financial incentives (which was primarily the interaction of tax benefit systems and wage levels), education and training and the availability of and access to day-care facilities, transport and counseling services. The major reasons for inactivity included family or personal responsibilities, own illness and disabilities, education, training and retirement.

Domadenik and Pastore (2004) examined the impact of labour market institutions, such as education and employment policy on the labour market participation of young people in Poland and Slovenia. They noted that teenagers in the age group 15 to 19 years had lower participation rates largely due to school attendance. On the other
hand young adults, in the age group 25 to 34 years had a higher probability of being in temporary employment compared to prime aged (35 to 54 years) workers. Individuals over 55 years of age had a lower probability of being economically active and employed. Women had a higher non-participation rate compared to men. It was further reported that individuals without or with low education levels had higher unemployment rates as compared to those with a higher educational level. On an average, in both countries, young people who entered the labour market were twice as likely to be unemployed as adults.

The participation rates of women in the prime age groups 25 to 54 years ranged from about 60 per cent or less in Korea and Southern European countries, barring Portugal to about 80 per cent in the Nordic countries and Central European countries. It was pointed that, while it reflected higher participation, the actual participation rates were much lower. This was because the number of inactive women who would like to work but are not at work averaged to about 12 per cent (OECD, 2004).

In Pakistan, while lower participation was exhibited for women, yet participation was highest for the age group 35 to 59 years old. This, however, represented an increased participation from age groups less than 35 years. But a steady decline was observed in the age group 60 years and above. This was true for both the rural and urban areas of the country. However, the participation was substantially higher for women in the rural areas as opposed to those in the urban areas. In 2003-04 the participation between the aforesaid age group ranged from 18 per cent to around 21 per cent (GoP, 2005).
As can be seen from the above discussion, the age of an individual does appear to impact participation in work activities. However, the impact also differs according to the economic and social status and condition of individuals. Besides, the pace of development achieved by a country also mirrors the outlook and attitudes of individuals towards work. Nonetheless, work participation appears to be highest for individuals in their prime age group of around the late twenties to forties; henceforth, it appears to dwindle for those in the higher age group.

2.5.2 Marital Status and Fertility

Sobol (1973) in an analysis on the labour force participation of married women for a period of ten years from 1957 to 1967 related the behavior of married women to certain economic and non-economic factors. The study emphasized on non-economic factors affecting women’s participation in the labour force. The main findings of the study showed that absolute income, that is husband’s income, and relative income had a more important effect on married women’s work status than changes in income level. Higher the income of the husband lesser was the likelihood for the wife to work or prepared to work. On the other hand, higher the income of the friends, greater was the inclination to work. Non economic variables such as a large family size deterred women from entering the work force; while the level of education had a positive correlation with participation in the work force.

Rosenzweig (1976) explored the relationship between the labour market experience, current employment status and fertility of women in the Philippines. In the analysis it was assumed that market employment and child rearing were competitive
activities. It was reported that the cost of rearing an additional child, in terms of foregone market earnings, varied according to how much she has worked in prior periods and would tend to change over the life cycle. The decision to enter the labour market was influenced by both the number of children already born or still living, and the amount of human capital accumulated by women after completing their schooling. An additional observation for Filipino women was that their past employment experience had a direct effect on their current employment and fertility behaviour. Further, women who had spent more time on the labour market in the past received higher wages in comparison to other women.

Mincer and Ofek (1979) while commenting on the distribution of lifetime labour force participation of married women were of the opinion that the participation of women in paid employment is not permanent. This was because of a number of factors influenced their work participation. Some of these factors were the cyclical changes in the economy; besides the variations in the length of their work which resulted in lower wages. These factors were observed to lower the probability of finding married women in the work force.

Concerning the conditions of work of married women, Goutier and Labourie-Racape (1980) had shown that in France the steady entry of married women in the labour force was attributed to a rise in the educational attainment and the growth of tertiary employment. This had been one of the major elements responsible for the transformation of labour forces of the industrialized nations since the World War II.
In examining the expected vis-à-vis actual work roles of women, Rexroat and Shehan (1984) investigated the effect of long term work plans on actual work plans for women who expressed their future work role plans in 1968 and ‘would be 35’ in 1980. The analysis was carried out for a cohort of women who were 35 years of age in 1980. The results of the findings showed that attitudes towards women’s employment, employment experience, marital and fertility characteristics all affected women’s employment. While employment experience influenced the labour force status of those anticipating employment, socio-demographic characteristics (educational attainment, marital status and the attitude towards women’s work by the husband) also affected their employment. The study also reported that women who anticipated market activity were highly likely to be in the labour market by the age of 35 regardless of their marital or fertility status.

While employment expectations had the potential to increase women’s subsequent attachment to the labour market, it was found that among families with preschool children, wives were less likely to engage in paid labour even if they were highly educated (Rexroat, 1985). This was attributed to the fact that women’s productivity in non-market activities increased and staying at home was often a superior option unless better paying jobs outside their homes were available.

Ofer and Vinokur (1985) examined the historical trends of work participation and family roles of Soviet women. They noted that women in Soviet Russia had reached the highest labor force participation rate in the world. This was accompanied by a sharp increased in their educational attainment, lower levels of fertility, reduced family size,
higher divorce rates and more one-parent family units. It was further pointed that short-run decisions on participation was influenced by factors such as expected wages, other family income and the presence of children. The long-run decisions on participation were more influenced by the level of education and fertility.

To study the impact of demographic changes on the participation of women in the labour force, Lichter and Constanzo (1987) incorporated the effects of fertility rates, marital status, educational levels and the age structure of women to examine how these variables may have contributed to a growth of female labour force participation in the United States since the 1970’s. Their analysis was restricted to women in the age group 25 to 49 years, as most of them have completed their schooling by 25 years and their exit rates from the labour market accelerated significantly after the age of 45. Their results showed that the increased participation rate was attributed to the changing propensity to participate rather than due to changes in the demographic composition. Demographic factors such as fertility rates, marital status and age composition as well as educational attainment caused a 46 per cent of the increase in participation. They therefore concluded that changes in the demographic composition was an important factor for growth in women labour but not solely responsible for increased participation.

Bauer (1990) argued that the diversity in Asia’s demographic trends has given rise to diversified labour market conditions. Some of these included the rising cost of labour due to low and declining fertility and hence declining labour force growth rates. The implications of which would be that more women are induced to remain in the labour market even after marriage.
Farkas (1992) on the other hand, assessed women's work behaviour and their familial obligations in the US. The study particularly concerned itself with women in their midlife, between the ages of 34 to 44 years. In this study it was found that while participation rates for all women increased significantly since the aftermath of the World War II, midlife women's participation rate grew profoundly to over 75 per cent. It was also found that current employment or a strong labour force attachment did not impact their familial obligations of care-giving or providing assistance to their adult children or elderly and aging parents. But the author noted that older birth cohorts were not found to have had similar patterns in their behaviour.

Del Bono (2002) examined the effects of unemployment on the total fertility rate (TFR) and labour force participation of women between 15 and 44 years in Great Britain and Italy. The findings of the analysis showed that male and female wages were positively correlated to fertility rates in both countries, except in Italy for women in the age group 35 to 44 years where a negative correlation was exhibited. Unemployment had a negative effect on fertility, and hence participation in both countries for all age groups. The major factors attributed to such observations were the increased education and economic participation of women and the increased economic dependence of the younger generations. Increased level of female participation led to the gradual postponement of motherhood, voluntary childlessness and smaller family size all leading to declining fertility rates.

Vere and Wong (2002) in their analysis of women's participation in the labour force noted that there was a higher probability of participation for women after marriage.
Further, married women were more likely to remain in the labour force even with the presence of children and in white-collar as opposed to blue-collar occupations. This was made possible due to the changes in the occupational structure during economic development of the country, which accounted for 30 per cent of increase in women participation in the labour force during the period 1979 to 1988.

In urban Morocco, Assaad and Zouari, (2002) compared the work participation between married and never-married women and found that highly educated never-married women were more likely to be economically active than the former. Their findings further indicated that marriage reduced participation in private wage work relative to public wage work. The presence of younger children did not have an impact on participation rate beyond that of marriage. The main reason was that the arrival of children was often anticipated once a woman gets married, hence its effect was already included in the effects of marriage. But the presence of six or more children affected a woman’s participation whereby she tended to withdraw and more likely would not participate in wage work.

Jacobsen (2004) while analyzing female participation rate by marital and parental status, has shown a convergence and rise in participation rates. The increased participation was noticed among women with children under the age of six with over 60 per cent participation. For women with school age children, over three-quarters of them worked for pay. As far as the convergence in participation rates was concerned, it was remarked to be notable at the occupational level.
In a comparative study on the participation of married women in China and Congo, Kamitewoko and Jin (2004) had made an attempt to find the determinants of married women’s participation in urban areas. The study draws on personal data survey of 1000 married women in Zhejiang province in China and Brazzaville in Congo. While accounting for factors such as age, education and training as well as husband’s income and family size, they found that the number of children had different effects on participation of women in the two countries. In China, even with the government’s one-child policy, it did not push women to participate in paid work. On the other hand, in Congo, having children did not limit the participation of women. This difference was mainly due to the childcare strategy prevalent in the two countries. Their conclusion was that while age, education and childcare (by the presence of adults) were important factors in both countries, number of children impacts married women’s decision to work or not to work differently.

Fernandez and Fogli (2005) argued that a woman’s heritage, which was her parents’ country of origin and culture, influenced her work participation and fertility outcomes. Their study was based on a sample of women in the United States from 14 countries of ancestry. They found that culture particularly had a significant influence on fertility. The total fertility rate and number of children differed according to women’s ancestry. For example, fertility ranged from an average of 6.8 children for Mexicans, to 2.2 children for Germans, while the average for the United States as a whole was 3.3 children. Similarly, the number of children across ancestries ranged from 3 children for
women of Mexican ancestry to 2 children for women of French and Italian ancestry, while the average for the country was 2.46 children.

Using panel data for 97 countries, from the year 1960 to 2000, Bloom et al. (2007) examined the effects of fertility on the participation rate of women. The labour market participation covered all age groups between 15 to 19 years and 60 to 64 years of age respectively, in five-year age increments. The empirical findings showed that the effect of fertility on female labour supply was strongest during the ages 20 to 39 years. Also, with each additional child the participation rate for women declined by about 10 to 15 percentage points in the age group 25 to 39 years and about five to 10 percentage points for those in the age group 40 to 49 years. This indicated that higher the fertility lower will be the participation even for women in the older age groups.

A similar trend was also seen in the Netherlands. While the participation of women with younger children was very low, it fell further with the presence of more children. This was also the case with single women with children below the age of 18 years. On the other hand the participation for both cohorts started to increase once the children attained the age of schooling usually at the age of four and 12 years. The highly educated women, even with minor children, were much more likely to participate in the labour force as compared to other women (Euwals et al., 2007).

Ray and Ray (2008) modeled labour force participation of women in the context of a two person household, namely, husband and wife. They showed that lower real wages, that is, lower nominal wages in relation to market prices of goods, induced women to step out of domestic duties in favour of market work. However when real
wages, that is the nominal wages is higher in relation to the prices of market goods, the wife would withdraw from the labour market as the husband’s income would be sufficient for the family. On the other hand, higher inequalities within the households reduced the bargaining power of women leading to their lower participation in the labour force.

Maurer-Fazio et al., (2009) in their study of urban Chinese women’s participation found that the presence of pre-school children significantly reduced the labour force participation of women by seven per cent. On the other hand, the presence of older women, those aged between 51 to 64 years, in the households increased the probability of prime-aged women’s participation in market work by five per cent. This was largely due to the elderly withdrawing from the labour force and undertaking household tasks. Further, single women, such as never married, widowed and divorced women, had a higher probability of participation in the labour force compared to their counterparts who were currently married.

The marital status of women affects their work participation to the extent that it either encourages or hampers their roles. In other words, while the presence of younger children discourages participation; the presence of school going children leads them to work. Besides, being single which is having never been married, or being divorced or widowed also causes them to participate in the work force. Economic conditions of their families also affect their participation in the work force. The poorer economic conditions and lower income of their spouse lead them to work. However, withdrawal from the labour market is seen where there is a case of higher reservation wage and higher
income of the spouse. Generally, the single income household where an absence of a male head is observed, women’s work participation is likely to be higher. On the other hand, for those who are currently married, they are seen to have had lower work participation.

2.5.3 Religion and Social Traditions

The cultural traditions shaping women’s roles vary across class, caste, regional and religious groups. While women’s work in the home may be considered universal in each society, it is largely shaped by the cultural traditions prevailing in such societies (Paulson, 1984). A large variation exists in the labour market participation by women who are largely influenced by the prevailing traditions and customs in society. Women’s participation in employment is not only mediated by gender, but also by religion, caste and ethnicity.

Levitan et al., (1972) described the position of American Indians in relation to the white Americans. They pointed out that compared to the whites, the former were placed in lower occupational levels and earned lower incomes. Further they had lower labour force participation and higher unemployment rates, often for disproportionately longer periods. With respect to their educational attainment, the American Indians had lower and inferior schooling, and suffered from high drop-out rates from schools. The major reason attributed to their backwardness was cultural factors and lack of skill and knowledge to be productive workers. These were rooted deeply in the social and economic institutions which caused them to be at the end of the line.
Wong and Hirschman (1983) in their study examined the labour force participation and socio-economic roles of Asian-American women in the United States relative to Anglo women. Using data from the 1970 United States Census, they found that Asian-American women i.e., Chinese, Japanese and Filipino, distinguished themselves not only by their higher participation in the labour force but also by their above-average earnings relative to Anglo women. This earnings advantage of the former was largely attributed to their superior educational qualifications, greater levels of full-time work and geographical location.

Birdsall and Behrman (1991) sought to explain gender differences in labour force participation, sector of employment and earnings, on the urban labour market of Brazil. They found that the probability of women working in the formal sector was more likely to be influenced by the level of educational attainment, which was not so for men. Other factors such as marriage and the presence of young children deterred women from employment in the formal and not so in the informal sector. Their finding also showed earnings differential between men and women; within the formal and informal sectors men’s earnings were 48 and 81 per cent more than women, respectively. Their study, however, showed that differential hours of work, differential human capital stocks or job discrimination were not important factors responsible for wage differentials, although they had a very small, rather negligible effect. Rather it was the unobserved factors that accounted for the differences in earnings, for which they were unable to determine the extent of its impact.
Knight and Sabot (1991) examined the extent of race and sex discrimination in Tanzania’s manufacturing sector in 1971. It was pointed out that an under-representation and lower participation of females in wage employment and not low levels of education which resulted in under two per cent participation of women in the manufacturing sector. On the other hand, it was 15 per cent for men with higher wages for males compared to that of females. Their findings also showed that women were largely concentrated in clerical occupations where wages were higher.

Geschwender (1992) analyzed the relationship between married women’s wage labour and their position in the racial stratification order by comparing the Chinese-Canadians in British Columbia and the Chinese-Americans in California and Hawaii. While the paper centered on the social construction of gender, it focused upon the set of social expectations that defined the position of married women working for wages outside their homes. It was observed that Chinese women initially had low work participation rates and mainly functioned as unpaid family labour. Their presence in North America transformed their outlook and attitude from the traditional and domestic place of a woman to that of working to help and support the family. Hence it was concluded that gender and ethnicity were social constructs which impacted women’s diverse roles.

Davies and Jackson (1994) examined the participation rates of ethnic women in New Zealand, namely the ‘Maori’ and ‘Pakeha’. Their findings showed a wide variation in labour force participation between the two groups of women; the Maori women had a negative growth in employment levels compared to those of Pakeha women which was
positive. The main reason advanced for their condition was the lower educational status of the Maori women as well as the lack of opportunity for the development of skills and work experience needed for the labour market. Further, it was noted that the Maori’s low status and heavy concentration in poorly paid jobs in the past also contributed to their limited chance for future growth. On the other hand, while the employment status of Pakeha women were much better off compared to their women counterparts of different ethnic backgrounds, but they were much behind their male counterparts in employment and earnings.

Human Rights Watch (HRW, 2001) reported the perpetration of caste-based discrimination on most societies, particularly in Asian and African communities. For instance, allocation of labour was done mostly on the basis of caste, where members of lower castes were restricted to specific tasks and occupations deemed unfit for those belonging to the higher castes. Sanitation jobs, which included street cleaning and the handling of animal and human wastes were jobs performed exclusively by Dalits\(^1\) in India, Sri Lanka, Nepal and Bangladesh. It was also reported that significant economic and educational disparities persisted among the lower castes. They lacked access to basic educational, health and housing facilities. It was observed that all this, coupled with discrimination “effectively bars them from many forms of employment, and the non-enforcement of protective legislation perpetuates caste-based employment” (ibid: 15).

England et al., (2004) explained racial-group ethnic differences in the United States and compared the employment of white women to Blacks, Latinas-Mexicans,

\(^1\) *Dalit* is a term used in the Indian sub continent for a minority group often referred to as the lower caste.
Cubans and Puerto Ricans. Their findings suggested that children and not marriage and husbands incomes affected employment. The higher fertility of Blacks, Mexican and Puerto Rican women reduced their employment even while their low marriage rates did little or nothing to encourage their employment. Education, on the other hand, encouraged employment. White women had a higher employment rate to Black women and Latinas owing to their higher education levels. It was also pointed out that immigrant women had lower employment levels than native born women for all ethnic groups, with the exception of blacks. Hence, they observed that “women in more privileged groups on dimensions of race, national origin or education are more likely to be employed”, while women of less privileged racial and ethnic group experienced “simultaneous decreases in their chances of employment, marriage, or welfare to provide a decent level of support for themselves and their children” (ibid: 495).

The Centre for Human Rights and Global Justice (CHRGJ, 2005) in its report highlighted the victimization of Dalits in Nepal. While they comprised over 20 per cent of Nepal’s population, they possessed only one per cent of the nation’s wealth and represented 80 per cent of the ultra poor in their country. Dalit women and children, on the other hand bore the double burden of caste and gender discrimination and they lagged far behind Dalit men and upper castes in terms of education, health care and wage remuneration. Even in terms of education, while the overall literacy for women in Nepal was 42.5 per cent in 2001, it was 24.2 percent for Dalit women and only 10 to 15 of them had a graduate or post-graduate degree. Health wise, they were vulnerable to
diseases and malnutrition and had higher maternal mortality rates and lower average life expectancies.

Munshi and Rosenzweig (2006) explored the role of caste system and the conflict between traditional and modern institutions in shaping the career choices of women in Bombay, India. It was pointed out that change in women's career was strongly influenced by modernity and that girls might surpass boys in terms of both education and employment in future. This was mainly because girls from lower caste took advantage of such changes by switching to English medium schools, compared to boys from the same group who remained in traditional and local language schools.

Jodhka and Newman (2007) found the existence of discrimination in employment. It was noted that while the basis of employment was merit and performance alone, yet the hiring decision for most employers showed a preference for employees from a certain caste and class. The reason was likened to the inherent and innate qualities of individuals. The hiring decisions were often influenced by family background where people from higher class were not preferred due to their arrogance and were unlikely to stay in their work for long. They further asserted that there was a stereotyping of people on the basis of their caste or religion. This in turn vaporized the qualities of individuals and blocked the opportunities of low caste Indians, especially rural job applicants.

Khan (2007) assessed the role and identity of Muslim women in Mumbai, India. It was pointed out that religion-based restrictions imposed on women limited their area of work. This was because they were not allowed to work in jobs demanding longer
hours and being away from their homes or having prolonged contact with men outside their community. This was also the case for Muslim women coming from economically disadvantaged families who were rather encouraged to pursue home-based but low paying jobs. Such restrictions imposed on Muslim women were also closely linked to the exclusion of the Muslim community as a whole.

A similar study on the work participation of Muslim women in India based on the 2001 Census showed that there existed wide gaps between the work participation rates between men and women. Further it was pointed out that 85.9 per cent of the women were recorded as housewives compared to only 14.1 per cent of them as workers. The rural urban share in work was 17.5 per cent and 7.7 per cent respectively. Additionally, a significant part of them were recorded as unskilled workers. High illiteracy rates and low level of awareness about their status and role in the society limited their chances for participation in the society at large (Sarikhani, 2008).

Madheswaran and Attewell (2007) used data from the National Sample Survey of India to examine the wage gap between the higher and lower castes in the urban labour market. Their study found considerable differences in wages between the higher castes and the Scheduled Caste and Tribes (SC/STs). It was noted that the rate of return to education was much lower for the SC/STs and a major share of the earning differentials was attributed to discrimination in the marketplace. Discrimination caused 15 per cent lower wages for SC/STs compared to others who were equally qualified. They were also discriminated against in different areas of work; both in the public and private sectors with discrimination being more in the private sectors. They further
pointed out that occupational discrimination was more pronounced than wage discrimination.

While studying the issue of discrimination against the *Dalits*, Thorat and Newman (2007) had highlighted on the effects of discrimination and its consequences for the development of the country. They noted that discrimination or rather social exclusion of the *Dalits* in various fields of education and economic life had perpetrated the system of inequality existing in the country. They further pointed out that the problem of discrimination remained a serious issue in the Indian context as attitudinal barriers subjected people from lower castes to remain at the sidelines and making it harder for them to compete with other people from more privileged backgrounds.

Zaiceva and Zimmermann (2007) analyzed the relationship between ethnicity, and its interaction with gender and time spent by women in traditional activities such as childcare, food preparation (or the kitchen) and religious activities. The analysis was carried out for women in the UK using the UK 2000 Time Use Survey. Two major ethnic groups were considered for the study, namely the whites and non-whites which included Indians, Pakistanis and Black-Caribbean. The result of the findings showed that while ethnicity mattered for time spent on religious activities and to some extent on food management, there were no ethnic differences on time spent for childcare for both groups. They observed that cultural differences across ethnicities affected and impacted the work behavior of individuals. This was reported in terms of labour force participation, where white females had a higher probability to participate in the labour force than non-whites while the effect of ethnicity was insignificant for males.
From the above discussion, it is clear that religion and ethnicity of individuals have a direct bearing on the work participation. Women belonging to certain religious and social groups, where customs and tradition do not permit them to work, are seen to be discouraged from participation in work outside their homes. However, the outlook and, in particular, discriminatory attitudes towards individuals belonging to certain ethnic groups hampered their effective participation in the job market.

2.6 Summary

The review of the existing literature provided in the preceding sections clearly brings to light the important facts behind women’s participation in economic activities. Education was seen to have both positive and negative impact on participation, with the former more strongly visible. But the attainment of education alone was not seen as the main propelling factor towards employment opportunities. Skills and training were seen to be equally important towards this end. The acquisition of an education however was seen to be limited by a number of factors of which the most common was poverty and gender disparities. While poverty limited individuals’ ability to receive an education, gender disparities and discrimination thereof permeated much deeper. Other factors such as marital status or fertility as reflected by the number of children appeared to have severely limited the opportunity for women to work. However as is evidenced from the literature this effect could be counteracted by the presence of childcare facilities or the elderly within the family. For some, however, staying at home was seen to be largely a matter of choice if their husband’s income could suffice for the family. Participation in paid work was also seen to be affected by social and religious attributes of individuals.
Virtually much of the literature pointed to the fact that individuals from backward and marginalized communities were constrained due to various factors. Many reasons were seen to have contributed towards this end but most importantly it was seen that their belonging to a particular community or religious background had severely impacted their performance at virtually all levels particularly in the labour market. Societal and religious norms forbid individuals from undertaking certain tasks which went against the former hence limiting their chances for overall improvement in their lives. The marginalization of women was also accentuated by the level of development attained by a nation. While women in developed countries were seen to be more economically active, the case was less different for women in the developing world. Participation in paid activities was seen as residual to domestic responsibilities on the one hand, while preference for participation over domestic work was largely attributed to economic pressures on the other.

2.7 Gap Areas and Scope for Further Study

The limited review of literature in the preceding sections seems to suggest that the cross-country differences in participation of women could be explained with the help of the so-called U-shaped curve hypothesis. Further the temporal change in participation shows declining trends in developing counties. It is apparent that most of the studies reviewed here did consider various kinds of disaggregation, like women work participation across various states, by place of residence (rural and urban) and by different population groups within a country or regions in the country. Therefore, in this study we aim to fulfill these gaps in the existing literature by testing the hypotheses listed in the previous chapter.
While many of the studies outlined in the preceding sections examined the role and influence of various factors in influencing work participation, our aim is to examine the extent and possible influence of these variables listed above in the Indian conditions. This is because the unique structure of the Indian society and the social conditioning of women in India would allow us to explore further into the causes and factors that could determine their participation in the work force. We would attempt this exercise using the data set and the methodology which will be outlined in details in the next chapter.