

ESSAYS IN EMPIRICAL DEVELOPMENT ECONOMICS

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Abstract

It is well documented that the economic status of men and women is not equal in most societies. However, South Asia stands out as an extreme case. The region is well-known for its strong son preference, it has a large number of ‘missing women’ and low female labor force participation. Motivated by the stark gender differences both within the household and at the point of labor market entry, this thesis examines issues that are pertinent to son preference and labor market entry of young women.

Son preference manifests itself in different ways, including unequal parental allocation of monetary and non-monetary resources within a household. However, direct empirical evidence on the unequal allocation of monetary resources on children within a household is limited.

Chapter 2 of this thesis use recently available gender-disaggregated household survey data on shadow educational expenditures (or private supplementary tuition) to examine parental allocation of educational resources in India (Chapter 2). The analysis shows a birth order disadvantage for later-born children. Girls face disadvantages in every birth order compared to their male peers. The pattern may be causally attributed to parental preferences for elder sons. Furthermore, the gender disparity in intra-household allocation of educational resources accounts for a substantial proportion of the gender gap in cognitive test scores.

Chapter 3 deals with similar issues in the context of Pakistan. The chapter demonstrates that the gender gap in mathematics in Pakistan may plausibly be explained by parental preferences for elder sons combined with family size. The gender gap in math does not exist at the age of five, but monotonically increases with the age of children. Similar to the situation in India, this chapter shows that birth order disadvantages for later-born children, and gender gaps at every birth order. The chapter further demonstrates that the gender gap is less likely to be observed in small families.

Chapters 2 and 3 document gender differences in educational expenditure and gender gaps in cognitive achievement. These differences are likely to translate into gender gaps in labor market achievements. Such disadvantages are exacerbated if there is demand-side discrimination in the labor market. In fact, a large number of studies have documented labor market disadvantages for women. One of the key disadvantages experienced by women is associated with

motherhood, and the incidence of motherhood penalty has been well-documented in high income countries, but less so in the context of developing countries. While motherhood is likely to exert a penalty in low-income countries, the magnitude of the penalty may vary depending on the (perceived) community gender norms. Based on an experimental approach, Chapter 4 of this thesis examines the extent of the motherhood penalty in urban India, and the link between community gender norms (patrilineal versus matrilineal communities) and the motherhood penalty. Chapter 5 extends the experiment to examine the extent to which access to childcare support mitigates the motherhood penalty.

The analysis shows a large motherhood penalty in India which is particularly pronounced for women belonging to patrilineal communities. In contrast, mothers from matrilineal communities face no such penalty. The extension in chapter 5 shows that signaling the availability of childcare at home leads to a partial reduction in the motherhood penalty in a patrilineal community.

A common phenomenon in India and perhaps other developing countries is the widespread possibility of acquiring gray degrees or potentially bought degrees to combat disadvantages at labor market entry. The penultimate chapter of this thesis examines the impact of gray degrees, or potentially bought academic credentials from legitimate universities, on callback rates to job applications using a resume experiment in India. The evidence show that applicants with gray degrees fare better – have higher callback rates, as compared to applicants with no degrees, but do worse as compared to applicants with authentic degrees. The evidence also shows that gray degrees have a larger positive impact on women applicants compared to their male counterparts.¹

¹ This chapter has been published as Majilla, T., & Rieger, M. (2020). Gray University Degrees: Experimental Evidence from India. *Education Finance and Policy*, 15(2), 292-309.