

## **Female Labor Participants in the Market of Bangladesh: Case Studies**

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### **Abstract**

*Bangladesh is a labor abundant country. The development of the labor market is important to bring desirable changes in growth possibilities, poverty reduction and other social and economic goals. Economic development cannot be achieved and made meaningful without the participation and empowerment of women who constitute about half of our total population. This study is descriptive in nature and examines the employment status of female labor participants into the labor market and causes of increased women- participation. It also makes an attempt to examine the contributions of women to economic growth in various ways.*

### **Introduction**

Traditionally, the primary works of women were confined to home and heart in child bearing and rearing. Their roles were limited to the domestic works as a daughter, wife or mother in the family. Economically and socially, a woman was dependent on men in every stage of her life. As a result half of the manpower resources remained dormant. But during the last few decades things have changed a lot socially, economically and technologically. These changes have pulled the women from home to the labor market. A fundamental change over the last century has been the vast increase in female labor force participation. In particular, married women's participation in the formal labor market increased dramatically from around 2% in 1880 to over 70% in 2000 though the pace of change was markedly uneven. Married women's labor force participation (LFP) increased very slowly from 1880 to 1920, grew a bit more rapidly between 1920 and 1950, then accelerated between 1950 and 1990, and has since stayed relatively constant (Raquel Fernandez, 2008). Women now want to built up their career and contribute to comfort of their families. So women are becoming visible in the work places and contributing to the society. Worldwide, education levels of women have increased, and educated women earn more than their uneducated peers. But the gender participation gap and wage gap between men and women persist. Women comprise 49.6 percent of the world's population but make up only 40.8 percent of the formal global labor market. This is untapped economic and productive potential. When women are able to fully participate in the labor market, companies benefit from increased business opportunities and access to new market segments. Productivity gains from women's inclusion in the labor market come from the variety of ways women bring added value to their workplaces, including their high education levels and alternative labor practices. More broadly, equality of employment opportunities for men and women is associated with poverty reduction and higher GDP levels. The rising trend in female employment around the world has attracted attention of social scientists, economists and policy makers who are searching the determinants of increased women participation. The labor market is one of the most important mechanisms for

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transmitting the benefits of economic growth to different groups of people in a country like Bangladesh. The participation of female workers in the labor market not only enriches women in terms of income, it also raises opportunities for socio-economic empowerment. The female employment can play an important role in the economic development of a country. Women employment can change the dynamics of the labor market.

Women Entrepreneurs' contribution towards society includes creation of employment for the poor, encouraging women in business and establishing agro-based enterprises, helping poor and helpless women, assisting to social development and contributing towards women's education, discouraging early marriage controlling violence against women and providing entrepreneurship training.

### **Objectives of the Study**

This paper makes an attempt

1. To identify the factors or causes that include the female workers to join the labor market for income and
2. To measure their contribution to our economic growth and development.

### **Importance of the Study**

Female participation in the labor market not only provides women with an access to income, but it also an effective means of socio-economic empowerment. Women's labor force participation can change the dynamics of the entire labor market and the female labor force can play an important role in the economic growth of a developing country such as Bangladesh. An understanding of the dynamics of the labor force participation of women requires an analysis of the complex interrelationship between employment in the formal and informal economies in modern manufacturing and other traditional sectors, and in various statuses and types of employment. The objective of this study is to examine these inter-linkages and to assess the changes in the female labor force in Bangladesh.

### **Methodology**

The Present qualitative study titled, "Female Labor Participants in the Market of Bangladesh: A Case Study", attempts to find out the factors including the female workers to join the labor market and to look into the contribution to our economic growth and development as well. There is no formal sample frame regarding the topic. The study purposively has used four case studies considering the age group (15-64), location (urban, rural, regional and global) and participation in the labor market of the respondents. The study was carried out from October, 2013 to December 2013 in Bangladesh. A check list was developed to collect data. Findings of the present study were condensed jointly from case studies and data from secondary sources.

## Literature Review

Ester Boserup's work, *Women's Role in Economic Development*, in 1970 represented a watershed in the development literature. Boserup analyzes how women have been affected by the breakdown in village-based production and by male migration to cities, and proposes new forms of education for women to ensure their participation in the modern labor force. Boserup correctly predicted women's increased participation in the agricultural labor force. Instead, women's employment and labor force participation have increased steadily in almost every country. Despite this, as Boserup accurately predicted, women have remained largely on the economic margins in low-skilled and poorly paid work. However, Ester Boserup was very aware that her goals for women would only be achieved through fundamental changes in relations between women and men, as well as changes in the development paradigm, particularly recognition of women's economic roles and contributions and their inclusion as active participants in the development process. The classical dichotomy of market work and leisure may be appropriately associated with the role played by the husband in a household rather than a wife, under which her contribution made to production activities at home is overlooked. Social attitudes toward women and their role in society have changed after the World War II. The female labor force participation rate and the percent of civilian women in the labor force have increased significantly over the last 5 decades in the world Mincer (1962, 1966), Mincer and Ofek (1979), Heckman (1978), Koster (1966) and Cian (1966). During the last 60's, several studies investigated the determinants of the labor force participation of female to explore the relative and absolute importance of factors like income, education, age, financial position etc. (Allingham, 1967). A more comprehensive study of labor force participation on religious affiliation of the wife, married women, number of live born children, wife's place of birth, wife's age at the time of immigration, pregnancy and husband participation found significant results (Spencer, 1973). It was observed that husband's wage per hour, unearned family income had negative impact while work experience had positive influence on wife's labor market participation. Wife's education was reported to have negative effect, which was conflicting with the earlier findings (Gronau, 1977). In Bangladesh a number of micro studies show the relationship between female labor in total labor force is very small (11.6 percent) compared to the men (34.6 percent) in 2000. In 1987, the corresponding figures were 18.6 percent and 42.4 percent respectively.

## Operational Definition

It is required to distinguish between sex and gender. **Sex** refers to male or female, while **gender** refers to masculine or feminine. Sex refers to the biological and physiological characteristics, while gender refers to behaviors, roles, expectations, and activities in the society. **Sex** refers to natural or biological feature. The word *gender* comes from Middle English *gendre*, which came from Old French, which in turn came from the Latin word *genus*, meaning 'kind', 'type', or 'sort'. We are born as *human* beings (males and females) who become *social* beings (gendered subjects) in part through learning and acquiring a (socially acceptable) gender identity (Pamela Abbott, Claire Wallace and Melissa Tyler, 2005). More recent approaches have tended to emphasize not merely the role of social structures in constricting men and women into a relatively narrow range

of gender roles, but also their capacity to exercise agency – to challenge and resist gender socialization and stereotypes. The word *sex* probably comes from Middle English, meaning 'section' or 'divide'. In Latin the word *sex* means the number 'six'. Male" and "female" are sex categories, while "masculine" and "feminine" are gender categories. **Gender** refers to cultural or learned significance of sex. According to Med Lexicon's Medical Dictionary:

**Sex** is "*The biologic character or quality that distinguishes male and female from one another as expressed by analysis of the person's gonadal, morphologic (internal and external), chromosomal, and hormonal characteristics.*"

**Gender** is "*The category to which an individual is assigned by self or others, on the basis of sex.*"

Some examples of characteristics related to **sex**:

- Females can breastfeed their babies, males can't.
- Males have deeper voices than females.
- Females can get pregnant, males can't.

Some examples of characteristics related to **gender**:

- Women tend to do more of the housework than their spouses do.
- Nursing is often seen as a woman's job, although many men enter the profession.
- In some countries women have to cover their heads when they go outside the house.
- 120 years ago women were not allowed to vote in elections.

The *Report of the Labour Force Survey: Bangladesh 1999-2000* (pp. 5-8) offers the following definitions for clarifying certain concepts of the labour force.

**Labour force** or the economically active population is defined as persons aged 15 and over, who are either employed or unemployed during the reference period of the survey (week preceding to the day of the survey).

**It includes:** - Employers

- Own-account workers/self-employed persons/commissioned agents
- Employees, salaried employees and wage earners, paid family workers
- Unpaid family workers
- Members of producers' cooperatives
- Persons not classifiable by status

The labor force excludes disabled and retired persons, income recipients, full-time housewives and students, beggars and other persons who did not work for payment or profit for at least one hour during the reference week.

**An employed person** is a person who either worked for one or more hours for payment or profit or worked without payment in a family farm, enterprise or organization during the reference period or was found not working but had a job or business from which he/she was temporarily absent during the reference period.

**An unemployed person** is a person who was involuntarily out of gainful employment during the reference period but either:

- (a) had been actively looking for a job; or
- (b) was willing to work but not looking for work because of illness or the belief that no work was available.

There are differences between the "usual" and "extended" definitions of what constitutes a labor force participant in terms of the scope of "economic activities".

### **Conceptual framework**

The concept of labor force participation in the first panel is the fraction of economically active women aged 15 to 64. The second panel reports the results for women aged 45 to 59. Fertility is higher in countries with lower living standard and, at the same time, it is inversely related to female labor force participation in a cross section of developed and developing economies (Feyer, Sacerdote and Stern, 2008). The 45-59 age restriction, also used by Goldin (1995) and Mammen and Paxson (2000), helps minimizing the confounding effect that cross-country differences in fertility might have on the correlation between female labor force participation and GDP per capita. There is a symbiotic relationship between economic development and female labor force participation.

Many conservative policy analysts postulate that deviant cultural values, especially negative attitudes toward work, are perpetuated generation after generation in a cycle of welfare dependency e.g., Murray, 1984; Mead, 1992. These analysts conclude that, while there is plenty of work out there, not all people are motivated to take advantage of what is available because they do not possess a strong work ethic Murray, 1984; Mead, 1992. Similar observers argue that some immigrants arrive in this country with aberrant cultural values and behavioral traits that are not conducive to work (Harrison, 1992; Sowell, 1994). The alternative structural approach emphasizes the negative effects of being isolated, socially and spatially, from mainstream employment opportunities on labor market participation (Wilson, 1987, 1996). Whereas cultural explanations of joblessness highlight individual failings or shortcomings, structural explanations focus on broader societal forces or constraints that hamper the labor market participation of disadvantaged groups. Current residence in public housing may also be an indicator of social isolation and concentration of poverty, following Wilson 1987 and Massey and Kanaiaupuni 1993. Wilson 1987, 1996 stresses that people trapped in inner-city neighborhoods have very few ties to people outside their neighborhood and few connections to the world of work. This explanation of joblessness has a close affinity with the social network perspective. Our neighborhood network bridge addresses this issue, although not specifically for inner-city neighborhoods.

Another important consideration in analysis of women's labor force participation is family context. Despite changes in social norms about female labor force participation, research shows that women remain principally or solely responsible for childcare and other domestic responsibilities (Ross, 1987; Hochschild and Machung, 1989). Since most workplaces do not provide amenities such as day care, maternity leave, or flexible days off in which to handle family problems, the lack of affordable child care can be a major barrier to female labor force participation (Osterman, 1993; Felmler, 1995). The presence of young children also places poor women at a greater risk of welfare recidivism Harris, 1996. Childcare arrangements are particularly problematic for low-income, female-headed families. Previous research suggests that living in an immediate or extended family may offset the effect of childcare constraints on single women (Tienda and Glass, 1985; Osterman, 1993). In this case, a different aspect of social

networks, the provision of social support, may enhance a woman's ability to work for pay by providing dependable or free childcare.

Gender differences in wage rates are an almost universal phenomenon (Boserup, 1970; Gregory and Duncan, 1981). In the case of Bangladesh, the issue of low female wages and wide gender differences assume special significance because of their implications for acute poverty.

### **Case Studies**

In this regard case study of some successful female labor participants and female entrepreneurs are given below in the context of urban, rural, regional and global phenomena.

#### **Case Study 1: Salma Khanum**

In the year 2001, *Salma Khanum* set up her M.S. Poultry at LP4 Western Zone B, Khalishpur, Khulna. Her husband was a whole-seller of medicine, being the Area Manager of Shima Medical Company. She along with her husband and two daughters lived on meager means where it was hard to meet the requirements of the family. Due to low income of the family, Salma decided to start a business on her own in order to make ends meet.

**Investment:** She first bought 60 chicken and started her business with an initial investment of Taka twenty thousand. She took loan from her husband and also CC loan from the Bank. She faced problems initially as she did not have any training on poultry farming. She talked to people in the relevant field and started learning from her failures. She never was disheartened because she was bent on achieving success and tried to find ways to prosper and progress.

Trading was her business and she gradually prospered, leading to thirty three hundred layers in her farm at present. It took time to learn the tricks of the trade.

She informed that she bought one-day chicks, which started laying eggs after eighteen weeks. She observed that about one hundred hens gave 95% eggs which, however, decreased daily. After they laid eggs for eighteen months, they were sold off and new chicks were bought. These had to be given vaccine after every two months, anti-biotic and insecticide spray.

**Present Status:** As her business developed she took loan and asked her husband to buy land for her and build her a farm. With the loan money a suitable land was bought for Taka eight lacks and the factory at present is set up at Taka three and a half lacs. She employs two men and two women to assist her in her business requirements of the poultry farm. Today Salma Khanum has gradually developed her Poultry farm. Her monthly expenditure is Taka two and a half lacs, while her average turnover is around Taka Five lacs.

**Contribution towards the Family:** After spending for her business, she supports her family with her income, giving the profits to her husband. Today her family lives in a good atmosphere maintaining a comfortable standard of living, enjoying the facilities of life and also saving for the future.

**Achievement as an Entrepreneur:** Salma feels proud to be an entrepreneur which has given her fame and recognition in the society. She thinks that this profession makes women self-reliant and gives opportunities for progress if hard work and discipline is applied through all efforts. Salma looks back to her struggling days when she never thought that she could ever overcome her financial problems. She has attained self-confidence but insists that sustainability must be achieved for an overall success. The life of an entrepreneur is independent. She does not have to report to anyone. If she gives her efforts and works hard with a determined will she is sure to succeed and Salma says that is what the women of Bangladesh should aim at.

**Future Prospects:** Salma wants to extend her poultry farm and develop various business as related with the poultry and the eggs. She insists that women should be given training on various business activities and she feels that she should start a training center for poultry rearing courses. She also plans to build a shop where she wants to sell eggs and also supply to different areas of Khulna from her shop.

### **Case Study 2: Shantana Shingha**

*Shantana Shingha* was the first Monipuri woman to start a business of Monipuri products. In 1973, her uncle had set up a weaving industry in Sylhet and Shantana was given the charge of running it. At that time Shantana was only thirteen years old. Yet, her courage and determination to succeed and her endeavor's for success helped her attain the desired goal of becoming a successful entrepreneur. The Monipuri Handloom industry set up by her uncle was difficult to run but Shantana used her creative mind and gradually her products started capturing the market. At this tender age, without any experience, she had to face various constraints in production and marketing but by dint of her courage, she managed to overcome her problems, paving the way for a continuous popularity of her Monipuri products.

Monipuri women of Sylhet are not very courageous and their shyness prevented them from entering the world of business. Shantana motivated them and helped them to find ways to increase their income through the woven products.

After her marriage, she was encouraged by the Bangladesh Small and Cottage Industries Corporation (BSCIC) and the Deputy General Manager gave her Taka fifty thousand to improve her business and start a Monipuri shop. Gradually she expended her textile business and improved her designs of handlooms and handicrafts.

She went to India several times for training and developed the designs and quality of her Monipuri Textiles and other products. Her manufactured handloom products included bed covers, shawls, mufflers, bed-sheets, textiles for dresses and even saris. The handicraft products were produced with unique Monipuri designs, attractive enough to gain popularity in the market. She used to buy old sweaters and cardigans, take out the wool and use them for weaving of shawls and woolen products. Later she switched on to buying new wool from the market for handloom weaving. When the demands of Monipuri products increased she gave the wool and other materials to other Monipuri women who prepared the indigenous products in their own handlooms. These women earned a good amount from Shantana's orders of Monipuri

products. Gradually Shantana became a well-known business personality in the Sylhet region for her Monipuri handloom and handicraft products.

**Investment:** She had started with Taka Forty thousand in her uncle's weaving industry, but gradually set up her own industrial unit with the increase in demand for Monipuri products. Her husband and uncle assisted her in all her efforts and since Monipuri women are more active than men, Shantana trained up a good number of women entrepreneurs among the Moni puri women. She was their leader and directed the growth of handloom products and other weaving items.

**Present Status:** But after some time Shantana became sick. Her brain was affected and she had to stop all her textile weaving activities. In 2007, after her recovery, Shantana left her Monipuri weaving industry and concentrated on her new mushroom business. In her house she made shelves and cultivated mushroom plants. She not only sold these in the market but also started giving training on mushroom cultivation to other women. She goes to Kamalgonj, where she gives training on mushroom and advises on business development. Her monthly expenditure is about Taka seven thousand and monthly turnover is Taka twelve thousand. She feels that if she could have Taka Thirty thousand from the banks as loan, then she could develop her mushroom business.

**Contribution towards Family:** She contributes all her income for the family and works hard to develop her mushroom business. Shantana has a son and a daughter who are students but help her in her business. Her husband, Dhiren Singha, helps her in all her efforts especially after her sickness. He is a politician and assists the Monipuri women to develop themselves and thereby their families.

**Achievement as an entrepreneur:** Today Shantana is a great name among the Monipuri community of Sylhet and is regarded as one of the pioneers as women entrepreneurs in the region. She has advertised about the treatment of diseases through mushroom powder and through these promotional activities she manages to sell her mushroom. In 1982 Shantana won the best Handloom Producers Award and the first prize in Cottage Industry in the year 1986. She is a member of Mushroom Samity and also of Manipuri Economic Network.

**Future Prospects:** Shantana says that the problem faced by women entrepreneurs in Sylhet is that the banks do not encourage them to take loans and refuse them when loans are asked for. Shantana has tried to procure loans for women entrepreneurs but failed. She is however, happy that she could develop herself as a successful women entrepreneur and this has instigated her to motivate other women to become entrepreneur and become self-dependent. She feels that Monipuri skills and other indigenous skills should be developed and preserved. Monipuri women should come forward to develop themselves as successful entrepreneurs. She plans to initiate a business training academy for Monipuri women and popularize the cultivation of mushroom in the region. She also feels that export of Monipuri products to the international market would enhance their dignity and help the women of the region to develop themselves. Only then can they determine the development of women's empowerment in their community.

### **Case study 3: Umme Farhana Bristi**

Bristi's Books, a new concept of popularizing the habit of reading was initiated by a student *Umme Farhana Bristi*. She sells popular books, novel, cooking books, children stories and magazines through participating in different fair and also on order collected through different contacts. She started her business in 2000 for supporting her education from the earning- now an undergraduate student. She is a popular vender of books in Chittagong city. She established contact with the book loving persons mainly from participating in the book fair where she puts her book-stall and delivers books as per demand throughout the years. She uses her participation in different societies fair and uses cell phone as a communication tool and delivers the books at home when needed.

Bristi started her business with the help of her brothers. She collected books from publishers in Dhaka and Chittagong on commission basis. She has problem for finance and also transportation- she uses public transports to collect books from the publishers and deliver to her clients. She is a hard working young woman with determination to stand on her own foot financially - gradually she is heading toward that goal along with higher education for herself.

Bristi is using a rented house as her bookstore. She employs four men and women in her business. She has participated in a number of national trade fairs and received recognition for her booth.

**Investment:** Initially she has invested Tk. 70,000 mainly borrowing from prorate money lenders with high interest rate. Now she also purchases books from the publishers on deferred payment since she returns the outstanding payment on time as per promise. However, she has accommodated about taka two lakh as capital for her business.

**Income /Expenditure:** Her average turnover per year is over Tk. 15.0 lakh with an operating cost of about Tk 3.0 lakh.

**Social and environmental factors:** The social factors do not affect Bristi rather the family help her to continue the business for survival. She holds the steering of the family of mother and two minor brothers' for their livelihood and education. The publishers of the books are very much sympathized to her endeavor and happy about her good behavior and timeliness of her words.

**Future Prospects:** The Bristi's Books has good prospect for further development. At present, it is growing at the rate of about 10% per year since 2004. It has a plan to establish a modern bookstore in a prime spot in the city for which Bristi needs support from SME Foundation and other financial organization .

### **Case Study 4: Ms. Rokia Afzal Rahman**

Ms. Rokia Afzal Rahman started her career in a commercial bank in 1962 when very few women had entered banks universally. She became the first woman bank manager of the country in 1964. She later became a sponsor Director in Midas Financing Limited, Director in Reliance Insurance Ltd. Mrs. Rahman served as a Director in the Central Bank of Bangladesh as a member of the board for three years. In 1980 Ms. Rahman ventured into her own agro based industry, RR Cold

Storage Limited. It deals with potato imports, exports and storage of seed and table potatoes. She expanded her business manifold. Subsequently she bought another agro industry. As Chair and CEO of two agro industries Ms Rahman works with 15000 small farmers who need support during harvesting season. She facilitates loans to farmers by standing as guarantor to a commercial bank taking loans for them and retailing the loan to them. Her business has given her widespread appreciation. She has received several awards from Banks and Chambers. Mrs. Rahman has diversified her business and is now in media, insurance, real estate and power sector.

**Media:** Rokia is the Chairperson of Mediaworld Limited, the owning company of The Daily Star, director shareholder in Mediastar, and shareholder director in ABC Radio.

**Real Estate:** Mrs. Rahman has developed and sold many industrial plots and some housing plots in the real estate business.

### **Development**

Mrs. Rahman was invited to the board of Midas and later Midas Financing Ltd, organisations which support enterprise and industrial development. Through Midas Mrs. Rahman has initiated several innovative programs for the growth of entrepreneurship in Bangladesh.

- Women entrepreneurs can borrow up to Tk. one million as collateral free loan.
- Marketing outlets in the name and style of Mini Marts were developed and opened.
- Working capital loans were introduced during festival season as Festival Loan to facilitate women doing business in apparel and food.
- Women 2 women support program, designed to develop potential women entrepreneurs. In this program a new entrepreneur is matched with an existing women entrepreneur for one year. During this period the new entrepreneur receives all kinds of support in designing, quality control and marketing. After one year's support program she is facilitated to borrow on her own.

### **Mini Mart**

Women doing business had to share a percentage of their profits with the middlemen. To eliminate the role of the middleman Mini Marts were developed first in 1992. Today the Mini Marts are a huge success and bring big profits for its sponsors. Marketing outlets owned and managed by a group of business women to sell diversified items was set up and named Mini Mart. The success of the Mini Mart produced replication of the same in other places. Good Governance through Committees and the overall responsibility of Mini Mart is shared by two capable Co Chairpersons. For the first five years, Mrs. Rokia Rahman is the Chairperson in all the Mini Marts.

The Mini Marts were not only designed by Mrs. Rahman, she also personally mentored and guided them through the years.

## **Development of Women Associations**

### **WEA:**

In 1994 the first Women Entrepreneurs Association (WEA) in Bangladesh was formed with 150 members and Rokia Afzal Rahman was taken as a founder President of WEA. In 1996 Mrs. Rahman formed Women in Small Enterprises (WSE) to further upgrade and promotes women into small enterprises and industries.

### **WISE:**

WEA and WISE worked in all areas of Bangladesh to bring about a change in the lives of women and bring empowerment through entrepreneurship development. WISE has carried out surveys finding constraints that women entrepreneurs face and also potential areas of investment. WISE in collaboration with the ministry of Planning, the Government of Bangladesh, held several workshops.

### **BFWE:**

In August 2006 Bangladesh Federation of Women Entrepreneurs (BFWE) was launched. The member associations of the federation are based in different secondary cities. The federation works with 5 million women. Most of them are in secondary towns and rural areas of Bangladesh.

They receive training on a regular basis, supported by donors like SEDF. The products are sold through Mini Marts. Mrs. Rokia Afzal Rahman is the founder president of BFWE.

Mrs. Rahmans commitment to development brings her on the boards of the following NGOs:

- BRAC
- Manusher Jonno Foundation
- Bangladesh Freedom Foundation
- NGO Foundation
- MIDAS

Mrs. Rahman is the Chairperson of Presidency University Foundation and Chair, Bangladesh Board of Advisers, Asian University for Women. Mrs. Rokia Afzal Rahman is a former Adviser (Minister) to the Government of Bangladesh in charge of the Ministry of Women and Children, Ministry of Labor and Employment, Ministry of Social Welfare and Ministry of Culture.

## **Results**

Various social factors are responsible for female unemployment and underemployment. Firstly, a simultaneous rise in both the open unemployment and underemployment levels of female workers and the substantial decline in the underemployment rate for men, imply that it is men who have mainly benefited from new job opportunities. This also indicates that female employment levels will not rise until all unemployed and underemployed men have been absorbed into the labor market. Indeed, as long as there are male workers available, employers in

Bangladesh tend to employ them first rather than break with tradition. The employers prefer to continue employing men for jobs that they have traditionally performed because they feel they would not gain anything by employing women. Moreover, employers believe that men's experience contributes to higher productivity, and that in many activities, including crop agriculture, women have less experience (Rahman, 1990).

Secondly, an important factor contributing to job segmentation, especially in the country's rural areas, is the relatively greater weight attached to a woman's domestic rather than market activities. These social forces creating gender differentials are based on the age-old patriarchal traditions and values that still prevail in most parts of Bangladesh. These dictate that the adult male members of a household are the breadwinners and should, therefore, seek employment first (Westergaard, 1983; Cain, 1977). If there is a need to supplement their earnings, only then will the female members of a family consider participating in the labor force. Women are thus viewed as "secondary earners", with society considering the reproductive role of women to be supreme.

The prevailing social view that attaches predominance to the domestic role of women implies that, even if women are engaged in some form of economic activity, whenever a contingency arises on the domestic front, they will respond, either by withdrawing from the labor market or by cutting down on the number of hours they work.

The third important implication of traditional attitudes is that only a few types of jobs are considered suitable for women, which continues to enforce the traditional division of labor between women and men. Women are expected to work close to the home, which is especially true of women living in rural areas. Such women are usually engaged in crop processing (rice, jute, lentils and so on), while male workers work in the fields. Women only do field work for crops grown in the vicinity of the home, which enables them to carry out domestic chores alongside their economic activities.

In the industrial sector, women tend to be employed in the "lighter" industries and involved in the more tedious operations that require skills traditionally perceived as "feminine". Most women also prefer jobs close to home, even in urban areas: public transport may be limited, transport costs may be high and commuting time is long if the job is located far from home. Given such job segmentation in the labor market and the gender constraints, women continue to face, employment opportunities are generally much more limited for women than for men; as a result, the unemployment and underemployment rates for women are higher than those for men.

### **Female Labor Participants are Increasing in the Market**

Differences and inequalities between women and men exist in terms of opportunities, rights and benefits. There are various constrains in the way to the up-gradation of their skills and enhancement of their productivity. These include poor access to labor market, information, technology and finance, poor linkages and networks with support services and an unfavorable policy and regulatory environment. Despite many barriers, women are taking on the challenge to work in a male dominated, competitive and complex economic and business environment particularly in the small and medium size enterprises. It has been found that at present women

entrepreneurs constitute about 10% of the total business entrepreneurs in Bangladesh besides more than 25% of all businesses in advanced market economies. Not only are the women of Bangladesh improving their living conditions and achieving more respect from their families and the society, they are also contributing to businesses and export growth, supplies, employment generation, productivity and skill development. Nearly 50% women enterprises were established in Bangladesh during 2000-2010.

In the past decade, the female LFPR increased by 18.7%, while the male LFPR fell by 6.1%. It proves that the entire active labor force, proportionately more women are entering the labor force. When the extended definition of labor force is used, LFPR for women is much higher than under the usual definition. Male and female based on the extended definition are 79% and 52% respectively. The data on the percentage of the female labor force to the total labor force also reveal that more women are entering the labor force (the figures increased from 20.9% in 2000 to 29.2% in 2012). Factors such as age, marital status and educational level are all likely to influence male and female LFPRs (Rushid Islam, 2005).

In Bangladesh Male Labor Force Participation Rate is 87.2% and Female Labor Force Participation Rate is 31.5%. Compared with the other countries, it is easily seen that FLFPR in Bangladesh is low (table 1).

The male and the female LFPRs show contrasting trends (see table 2). The female LFPR increased steadily during the period 1984-2012, whereas the male LFPR declined. This pattern conforms to the prevailing hypothesis that, at low-income levels, the LFPR of men is usually high, as is the case of Bangladesh. With increases in per capita income and a rising female LFPR, the male LFPR is expected to decline.

From the global context it is seen that only in agriculture/fisheries sector female participation rate is high and male participation rate is high in other sectors (table 3)

The reasons behind the female joining the labor force are diversified. Most of the respondents (75.79%) opined to invest more on agricultural inputs. It will encourage more females to join the labor market. Diverse activities meet their basic needs as 30.81% to buy food, 49.61% to maintain educational cost, 91.08% to buy cloth, 9.30% to build house and another 32.75% to maintain medical costs. Insufficient employment in farm (40.69%) also influences people to join the labor market. Most of the female labor participants (93.02%) suppose to join the labor market to increase family income of the household. Around 18.6% of them are engaged in activities for supporting family in disaster time and another 15.31% of the respondents engage to buy assets. A substantial percent (30.42%) of the respondents do diverse activities to pay the micro-credit loan. And lastly, very few percent (1.93%) of them are joining the labor market to pay dowry (table 4).

<p><b>Box 1: Changes in Economic Activity for Male and Female 1987-2000</b></p> <p>Both in terms of the proportion of workers and in terms of time, women are heavily involved in poultry raising, crop cultivation, animal husbandry, non-farm services and homestead gardening. Since these are mostly homestead-based activities, it is convenient to carry them out in-between conducting domestic duties. The activities in which women are involved relatively full-time are non-farm services. Educated women are mostly engaged in these activities. In contrast, the major economic activities for men are crop cultivation, non-farm services, business and shop keeping, animal husbandry, and transport operation.</p> <p>During 1987-2000, women have increased their labor substantially for poultry raising, homestead gardening and non-farm services, but have reduced labor on crop cultivation, animal husbandry, and cottage industries. Men have also reduced labor supply substantially on crop cultivation, and construction work but increased it in non-farm services, business and transport operation.</p> <p>The importance of cultivation in generating employment is on the downward trend because of the continuous reduction in farm size under population pressure. Similarly, labor is moving out from low-productive cottage industries with the expansion of rural roads and electrification.</p>
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*Source: Adverbatim Hossain et al, 2004.*

Women's influence on production across phases of economic development depends on the degree of substitution between their own labor in agricultural production and other activities, on the degree of substitution between labor and capital, and between male and female labor inputs under different production, organizational, and social conditions.

Female labor participation in the non-formal sector is usually involved in manufacturing, agricultural activities and service oriented activities. In the rural areas, the majority of the employees were members of the NGOs and other grassroots organizations, who had started income through these three types of activities from the loans received. These women were self-employed and worked as

- (1) Skilled artisans or self-employed producers
- (2) Women traders or vendors
- (3) Whole-sale suppliers;
- (4) Women as partners in business
- (5) Women as share-holder in business
- (6) Women in Family Trade Enterprises (FTE)
- (7) Women as shop owners
- (8) Women as employers of production units.

## Discussion

### Labor Force Participation Rates (LFPRs) in Different Countries

According to census data, labor participation for white women was 16.3 percent in 1890 and it increased to 24.5 percent by 1940, when the census established its labor force construct. Based on her calculations, adding paid and unpaid farm labor of married women and boarding house keepers would imply a labor force participation rate for white women in 1890 similar to that observed in 1940. Moreover, Goldin (1986) shows that female labor force participation in 1890 might have been considerably lower than that shown earlier in the 19th century and in the late 18th century. Thus, more inclusive measures of labor supply trace a U-shaped function: after declining for about a century, the female labor force participation rate was as high in 1940 as it was in 1890 and kept rising thereafter. The bottom of the U must have occurred somewhere between 1890 and 1940.

The female (15 to 19) LFPR increased steadily during the period 1984-2012, whereas the male LFPR is either steady or declining. According to prevailing hypothesis, with increases in per capita income and a raising female LFPR, a declining male and young male due to increasing educational opportunities are expected to occur. It would be a normal happening in Bangladesh.

### Small and Medium Entrepreneurships (SMEs)

In terms of employment generation SMEs is the largest sector and it earns about \$15 billion (the Bangladesh Economic Review 2009). Bangladesh is rightly dubbed as a country of the SMEs. Bangladesh industrial economy is thickly populated by these industries. It consists of 99% of the private sector industrial establishments and provides more than 80% of industrial establishment.

### Bangladesh's Female Garment Factory Workers

Bangladesh is the second largest apparel exporter in the world. Our share in global garment exports is 405%. The contribution of readymade garment products to national export has increased by 1.02% in the fiscal year 2010-11 (Export Promotion Bureau, Bangladesh).

Garment workers in cities contribute to their own and other family members' basic needs. Redistribution of garment worker's income from city to countryside helped to raise the status of their families and rural communities. To some extent this has created a more visible significance of women as economic contributions to their families, reduced social pressures for them to marry early, reversed traditional gender norms of women's sole responsibility for domestic work and has encouraged their husbands to share the burden (<http://freedomtodiscuss.com/2011/11>).

The country has more than 4,000 garment factories and currently employing between 2 to 3 million workers. Approximately 80% of them are women. It has been a major source of employment for rural migrant women. While studies have shown that women's employment in Bangladesh's export-oriented garment industry has narrowed the gender gap in many spheres including participation in labor force, social prestige, control over income and decision making yet there remains widespread gender discrimination in wage rates and working conditions. On the other hand, the garment export industry has directly benefited the poor women of the rural

population through employment opportunities. This has reduced marginalization of women who were previously excluded from formal sector jobs.

Previously, women with low educational attainment or from rural areas had been confined to the informal labor market dominated by the elites. Although the garment sector employs only a small share of the total working age population, it encourages women's access to labor markets. Almost one and a half times increase in women's employment in Bangladesh in the last decade (2001-2011) enhanced economic growth and created better opportunities. Rural-urban migration of female workers increased significantly during this period along with higher female earnings, status, responsibility, sense of pride and empowerment.

### **Female Labor and Non- Governmental Organizations' Loans**

Despite the fact that micro credit can finance only relatively low return self-employment, yet it can have only imperceptible impact on household income and poverty. Studies provide evidence that it does lead to employment expansion, particularly for women. The effect of micro credit has been to absorb the growing supply of married female labor from poor households, contrary to the belief that women did not have the time for income earning activities due to their heavy reproductive workloads. Thus, many women who had previously not been involved in any directly productive activities, became self-employed with access to non-government organization' (NGOs) loans. In general, returns to micro credit financed activities that women are likely to take up (food processing, bamboo craft, livestock) have lower returns than activities that men take up (tailoring rickshaw pulling and peddling). Since the opportunity cost of female labor has declined (women have less reproductive and domestic workloads than before) it makes sense for women to pursue micro credit-financed employment so long as returns are sufficient for loan repayment at current interest rates.

In the process of bringing loans into the household, many women have in fact become entrepreneurs in their own right, contributing to the process of 'deepening of entrepreneurship across the different levels of the society'. The 'informally' of micro-credit and the delivery mechanism through informal women's groups actually helped to 'nature..... a functional space in an institutional environment, where not only formal rules and regulations were very exclusionary for the poor but more specifically exclusionary for women'. Thus, the informal group around micro credit emerged as a separate space for poor women that allowed them to recognize their weakness and consolidate their own strengths, and provided the launching pad to enter the male dominated public space of entrepreneurship. Within this space, they were able to 'learn' the rules of the game, how to handle household-based micro enterprises in the context of intra-household power dynamics, and how to effectively operate larger group enterprises (land lease, water selling, pond fishery) in the context of broader societal power dynamics. Another reason for women's concentration in non-market work is the poor access to paid work in general as evidenced in the low proportions of all individuals who receive any cash payment.

### **Women in Labor Market and Social Change**

A large number of NGOs undertake human resource development training and income generation programs for women in general and disadvantaged women in particular. The active interventions

by both government and NGOs have contributed to the expansion of female employment extensively. The NGOs are organizing the disadvantaged rural poor women, raising awareness about gender differentials, motivating them to work for income and providing skill creation training.

The main causes that increase the participation of women in labor market are higher cost of living, increasing living standard and necessity, poverty, greater abandonment (widowhood, divorce, separation), rapid urbanization, technological innovations, expansion of export-led industrialization, education etc.

Having babies and child bearing are the primary responsibilities of female partners for the biological and cultural reasons even though women have the desire and qualifications for work..

Increasing attainment of education as it changes individuals' tastes or attitudes with respect to the home work versus market work and more women are now working in various sectors in GOs and NGOs at the national and international levels. Beside husband, increasing number of wives is joining the paid work for decent standard of living.

### **Constraints and Challenges**

There are some common reasons to participate less in labor force: women's time constraints, lack of access to infrastructure, limited access to education and appropriate skills training, availability and cost of child care provision, household and family responsibilities, inadequate social protection, discrimination, regulatory constraints, and working conditions not suited for them.

Legal disparities can affect women's ability to participate in the economic sphere. In Cameroon, Egypt, and Kuwait, for example, women cannot work the same night hours or in the same industry as men. Nor are women entitled to any legal protection from discrimination in hiring practices or sexual harassment in the workplace.

Social and cultural constraints can negatively affect levels of female labor force participation. These restrictions play a role in economies where female participation in the formal labor market is low. A negative correlation is observed between more traditional views of female labor force participation and the number of females employed in the formal sector, as well as the gender wage gap.

In economies where women cannot get a job without permission from their husband or guardian, there are fewer women in the workforce on average compared to economies where such restrictions do not exist. There are two distinct times in a woman's life where this constraint is particularly binding: adolescence and after marriage.

If the formal labor market environment does not work for them, women may seek other economic opportunities that tend to be less productive and sometimes informal. Informality is a reality, with or without a regular wage or social protection. Women may choose to become small business owners or entrepreneurs, a path that comes with its own set of challenges and opportunities. This matters for job creation, because women business owners' means higher female participation at all levels.

### **Findings of the Study**

1. Female labor participation rates have doubled in Bangladesh since 1995 but they are still extremely low at 26 percent.
2. Younger FLPR has seen the largest increase.
3. Higher education is an important predictor of both entry into the labor market and wages.
4. Micro credit has had direct and indirect impact on employment.
5. Occupational sex segregation is a likely deterrent to moving across jobs for women.

### **Recommendations**

Increasing women participation and reducing the wage differentials between male-female wage differentials in Bangladesh are of crucial importance. The following measures can be taken:

1. To enhance the employability of women, both in self-employment and wage employment, women need to have greater access to education, training and skills development, inputs for self-employment and establishing small and medium enterprises, various types of productive assets that could be provided particularly to poorer members of the female labor force. Women need to be given access to marketing support and other physical infrastructures and communication channels. The type and quality of education and vocational training must be improved in line with overall labor market demands so that more and better jobs can be created for women. In addition, support should be provided to ensure a smooth transition between school and work, in particular, for young women graduates.
2. Awareness programs are needed so that employers learn that wage enhancement can raise motivation. The notion that women are secondary earners and can be paid less than men should also be dealt with.
3. At the same time, the bargaining position of female workers must be improved through the creation of collective funds, which could support them through grants and loans during the bridging period of changing jobs and so forth. For this purpose, special savings schemes could be undertaken by branches of nationalized banks located close to areas with a concentration of factories employing women.
4. Government construction projects need to encourage the payment of equal wages for work of equal value to female and male wage laborers. A higher ratio of female-to-male wages than the current ratio should be included as a condition in the contracts of private firms implementing government projects. This should be publicized at construction sites. Effective monitoring through regular labor inspection is also necessary.
5. To reduce the wage gaps between male and female sectors, the Government needs to set wage norms. The tendency of setting lower minimum wages in female-dominated sectors has to change.
6. Without a rise in total employment, it will be difficult to increase women's employment and earnings. Therefore, only an overall growth in employment can offer a long-term solution to the underemployment, unemployment and low wages of women in Bangladesh.

## Conclusion

To-day a silver lining in the dark clouds is visible as women are in various sectors gradually climbing the ladder of success through their socio-economic development. Nothing will push them back again, for they have learnt how to face the challenges of life. They are not only stronger and more courageous, but also more efficient, conscious, competent and well-organized. Their contribution towards their families and the society is a testimony to their inherent strength in tackling any situation which may arise before them. They have paved the way for their sisters to rise from drudgeries of life and the bane of superstitious attitudes of the males. The labor market is one of the most important mechanisms for transmitting the benefits of economic growth to different groups in a society for every country as well as Bangladesh. Women are indispensable part of human resources of any country, but they are the traditional household worker as a daughter, wife or mother in the family. In Bangladesh some changes have taken place in the pattern of female labor force participation through the changed social attitudes, technological change, education, reduction in wage-gap, skill development etc. Women are making their contributions to the national economy and they can contribute a lot in making Bangladesh a strong and prosperous nation.

In addition to social network hypotheses, other common explanations of labor force participation inform our analysis. In this section, we discuss the literature on joblessness, poverty and family context because these factors influence labor force participation and also shape network structure.

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## Appendix

Table-1: Percentage of male and female LFPRs in selected countries

Country	Male LFPR	Female LFPR
Bangladesh	87.2	31.5
China	84.66	67.90
Norway	87.61	61.50
Pakistan	83.3	22.40
Philippines	79.40	49.50
Srilanka	76.20	34.6
UK	80.90	55.5
USA	81.91	46.7

Source: <http://www.indexmundi.com/countries/labor-participation-rate>, 2012.

Table-2: LFPR of Bangladesh: aged 10 and over, 1984-2012 (as a %)

Year	National		Rural		Urban	
	Women	Men	Women	Men	Women	Men
1983-84	8.2	78.2	7.7	78.8	12.1	74.3
1984-85	9.9	81.4	9.1	82.0	15.6	78.1
1990-91	14.1	79.6	14.4	80.6	12.7	76.2
1995-96	18.1	77.0	17.4	78.8	20.5	71.1
1999-2000	22.8	73.5	22.0	73.5	25.6	73.5
2009-2010	31.5	70.2	37.9	70.2	30.5	76.4
2010-2012	41.6	62.1	43.5	68.9	42.8	73.1

Source: BBS: Labor Force Survey and Monitoring of Employment Survey 2009 (Dhaka GoB, Various years).

Table 3: Sectoral Composition of Employment (2003)

Sector	Bangladesh		India		Nepal		Pakistan	
	Male	Female	Male	Female	Male	Female	Male	Female
Agriculture/Fisheries	49.8	58.7	53.1	74.8	67.1	85.2	36.0	64.2
Mining	0.2	0.0	0.7	0.3	0.1	0.0	0.01	0.01
Manufacturing	7.6	17.3	11.5	10.1	7.7	3.9	14.0	14.6
Utility	0.3	0.1	0.4	0.0	0.5	0.0	1.0	<0.01
Construction	4.2	1.0	5.7	1.7	6.2	1.1	7.5	0.3
Trade, Hotel, Restaurant	18.6	2.5	13.1	4.3	7.3	3.7	17.3	1.9
Transport, Storage, Communications	8.7	0.3	5.2	0.4	2.7	0.1	7.3	0.4
Finance & Business	0.6	0.2	1.6	0.5	0.9	0.2	1.1	<0.01
Community, Social & Personal Services	9.9	20.1	8.7	7.9	7.5	5.6	15.7	18.4
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note: Includes domestic occupations such as household work, etc.

Source: BBS (LFS) for Bangladesh. For other countries World Bank, 2004

**Table 4: Percent distribution of the respondents (rural) by the reasons to join the labor market**

Reasons to join the labor market	Percent
To investment in agriculture	75.1938
To buy food	30.8
To maintain educational cost	49.6
To buy cloth	91
To build house	9.30
To maintain medical cost	32.7
Insufficient employment in farm	40.69
To increase family income	93.02
To support family in time of disaster	18.60
To buy assets	15.31
To pay micro credit loans	30.42
To pay dowry	1.93