



LABOUR FORCE PARTICIPATION IN DEVELOPING COUNTRIES

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Abstract: *Female labour force participation (FLFP) is key to economic growth and gender equality. It also boosts the economy. FLFP rates vary widely amongst countries, with emerging nations having lower rates. FLFP's economic and social advantages in emerging countries are also discussed. It also shows FLFP research in emerging countries. First, FLFP measures economic growth and gender equality. Second, FLFP research may help policymakers create FLFP-promoting policies and initiatives that reap economic and social advantages. Thirdly, FLFP research may help organizations understand female workers' needs and create FLFP-friendly workplace regulations.*

Keywords: *female labour force participation, developing countries, economic development.*

Introduction

The labor force participation rate, sometimes referred to as LFP rate, is the proportion of individuals within the working-age population who are actively engaged in employment or actively seeking employment. Female labor force participation sometimes referred to as FLFP, pertains to the percentage of women within the working-age population who are actively engaged in employment or actively seeking employment. The need of FLFP arises from several factors, which encompass:

- Governments and firms that enable workers to take family and medical leave to boost the economy. It may be explained by the fact that women's labour market involvement produces products and services, which boosts the economy.

- Gender equality necessitates a Female Labor Force Participation (FLFP). The employment of women leads to the attainment of economic autonomy and the ability to exercise personal agency in determining their life trajectories.

- The absence of Female Labor Force Participation (FLFP) renders social progress unattainable. Women who are employed have a higher likelihood of obtaining an education and raising children who are in good health.



Developing nations have lower female labor force participation (FLFP) rates than prosperous ones. The International Labor Organization projects that 62.9% of women in developing nations will be employed in 2020, while 50.7% will be.

There are some of the reasons why fewer women of working age work in underdeveloped countries: Economically, women in underdeveloped countries have greater trouble finding job due to poverty and high unemployment. Despite poorer pay and job insecurity, women are more likely to work in the informal sector. Statistics show that women are less likely to work due to social and cultural norms and expectations. Due to workplace discrimination, women find it harder to get and keep jobs.

Taking into account relevant laws and regulations: The existence of labor regulations that exhibit discriminatory practices against women has furthermore had a role in the reduction of female birth rates. Certain nations impose limitations on women's employment by restricting them to certain sectors or requiring them to get consent from their spouses or partners prior to engaging in work.

The phenomenon of female labor force participation (FLFP) has shown significant growth and resilience in impoverished countries over an extended period, persisting despite many challenges and barriers. As a result of several contributing variables, such as:

The economy has seen growth, resulting in an increase in work opportunities for both genders. The enrollment of women in educational and vocational programs is seeing a notable increase, hence enhancing their competitiveness in the employment market. In light of evolving social and cultural standards, several emerging countries have embraced the practice of enabling women to participate in the workforce beyond the confines of their homes.

Government programs and policies are deliberate actions and efforts implemented to solve social issues and attain goals. These programs and activities aim to improve societal well-being, economic growth, and individual well-being. Many developing countries have passed laws to increase female labor force participation. Gender-based discrimination in the workplace, access to childcare and other social support services, and laws promoting female labor force participation are being addressed.

The significance of doing study on this particular subject matter is of utmost importance. There is a need for study on Female Labor Force Participation (FLFP) for several reasons. The Female Labor Force Participation Rate (FLFP) is a crucial



factor that influences both economic success and gender equality. Furthermore, research on female labor force participation (FLFP) has the potential to assist policymakers in formulating policies and programs that effectively promote FLFP and optimize its economic and social advantages. Furthermore, doing research on FLFP might potentially aid firms in comprehending the specific needs of female workers and establishing workplace norms that are conducive to facilitating FLFP.

Research on Female Labor Force Participation (FLFP) in impoverished countries encompasses:

- In a study conducted by the World Bank in 2020, it was shown that a rise of 10% in female labor force participation (FLFP) has the capacity to enhance gross domestic product (GDP) growth by 0.3%. The estimate was derived from the data of the investigation.

- According to a study conducted by the International Labour Organization (ILO) in 2023, it was observed that women who had higher levels of education exhibited a greater likelihood of engaging in employment and achieving higher salaries compared to women with lower levels of education (ILO, 2023). One of the conclusions of a study conducted in 2023 by the International Labour Organization (ILO) revealed this.

- The International Center for Research on Women stresses that government policies and programs that try to boost female labor force participation (FLFP) can have a big effect on this problem.

Literature Review

The proportion of women of working age who are actively participating in the labor force is a crucial determinant of economic development. The labor force participation rates of women exhibit global variation (Cavalcanti and Tavares, 2011). Economic protection is derived from the levels of involvement shown in these rates. According to a study conducted by Aatay and Ozler (1995), there is significant variation in labor participation rates between males and females.

According to Boserup (1970), the differential access to schooling and emerging technology between men and women might potentially result in the exclusion of women from employment opportunities throughout their formative years. However, the phenomenon of expansion has facilitated more educational opportunities and enhanced access to modern technologies for women. According to the findings of Mujahid and Zafar (2012), the aforementioned observation indicates an increase in the involvement of women in the labor force.



An alternative perspective, as proposed by Boserup (1970, 1990) and Goldin (1995), posits that women engage in labor-intensive activities within the vicinity of their households or on family farms during periods of financial constraint. As the economy increases, there is a notable transition in production from households to industrial establishments, as well as a change from family-owned enterprises to non-family entities. Women have more challenges in securing work that allows them to effectively manage both their reproductive responsibilities and their professional obligations.

The relationship between women's labor market involvement and economic development is widely acknowledged in economic theory and supported by recent empirical research. However, the specific mechanisms via which economic expansion may have adverse effects on women's labor market participation remain uncertain (Klasen and Lamanna, 2003). This pertains to discussions including both theoretical and empirical domains. Initial assumptions may suggest that the effect will be favorable. If the aforementioned theory holds true, it may be argued that policies focused only on economic development would inherently promote women's involvement in the labor market, hence contributing to overall economic growth (Forbes, 2000). According to Knowles et al. (2002), the effectiveness of growth-promoting strategies may be compromised if the growth adversely impacts the involvement of women in the labor market. A decline in female labor force participation would impede economic progress. The enhancement of female labor force participation is of paramount importance for the economic success of a country in this particular context.

Extensive research has been conducted on the correlation between labor force participation and unemployment. Schweitzer and Smith (1974) assert that a prevailing consensus exists among individuals, suggesting that unemployment serves as a catalyst for worker resignation. A worker may experience discouragement when they cease actively seeking employment due to a lack of confidence in their potential for success. Discouraged employees are not accounted for in the calculation of the unemployment rate due to their voluntary withdrawal from the labor force. The labor-force participation rate is of paramount importance in comprehending the job market and economy due to its ability to reveal the presence of employees who have ceased their active search for jobs, thus rendering them invisible inside the unemployment rate. According to the findings of Murphy and Topel (1997), individuals who are classified as discouraged employees who



have voluntarily left the labor force as a result of market conditions have the potential to have a downward influence on the macroeconomic measure of the unemployment rate. As a result of high levels of unemployment, individuals who have been disillusioned by their job prospects have chosen to exit the labor field.

The correlation between unemployment and labor force participation is a prominent topic within the fields of labor economics and development economics. The presence of high levels of unemployment exerts significant pressure on the economy and results in increased expenses. Insufficient use of labor resources may have detrimental effects on a nation's economic growth and development. According to ACOSS (2003), on page 16, the presence of elevated levels of concealed unemployment, similar to elevated levels of unemployment in general, leads to suboptimal economic performance due to the loss of production and revenue. According to Wooden (1996), a significant number of individuals in Australia experience unemployment or underemployment, although refrain from formally acknowledging their situation. According to the speaker, a significant consequence arising from the existence of individuals who are either underemployed or hidden jobless is that continuous economic expansion is unlikely to result in a proportional decrease in the unemployment rate. The author suggests that the potential for sustained economic expansion to have an equivalent impact on reducing unemployment is limited (p.27).

Urbanization has been shown to have a substantial effect on women's labor force participation. A population's "urbanization rate" is the proportion of its members who reside in urban areas. Urbanization impacts the employment opportunities of women, according to Mansour (2022). Animashaun and Emediegwu (2023) discovered that urbanization decreased women's participation in the labor force. Mansour (2022) found that urbanization increased labor force participation in Greece.

The anticipated outcome in the models suggests a negative urbanization rate, since Turkey's economy heavily relies on agriculture, and a significant portion of rural women are engaged in agricultural activities as unpaid family laborers. The phenomenon of rural-to-urban migration in Turkey has significant implications for the economic opportunities and labor participation of women. This phenomenon leads to the transition of unpaid female home workers into the role of housewives in metropolitan regions, thereby excluding them from the labor force. According to



Başlevant and Onaran (2004), there is currently no evidence to suggest that it has an impact on male engagement rates.

The total fertility rate is an additional explanatory variable in the model. The total fertility rate (TFR) is a measure of the average number of live babies that a woman would bear during her reproductive lifespan, typically between the ages of 15 and 49, assuming she gives birth at the precise fertility rate corresponding to her age. It can be contended with a reasonable degree of certainty that elevated fertility rates have a detrimental impact on the employment prospects of women. In situations when there is a high rate of reproduction, women tend to prioritize their engagement in home responsibilities. According to the research conducted by Barbiellini et al. in 2023, it is posited that this is the reason for their diminished propensity to engage in employment.

According to Berniell et al. (2022) and Becker (1964), education plays a crucial role in the investment of human capital. This pertains to the topic of women's education. The impact of higher education on female labor force participation is often believed to be positive. The study conducted by Albanesi and Prados (2022) examined the impact of education on the involvement of women in the labor force. Additionally, it was noted that women with higher levels of education tend to join the workforce at a rate that is 54% quicker compared to women with lower levels of education. This finding implies that there is a positive correlation between education and women's engagement in the labor market. In their seminal study, Ben-Porath and Gronau (1985) discovered a positive correlation between education and Israeli engagement.

Conclusion

Women in the workforce boost economic development and gender equality. Emerging nations frequently have lower rates of female employment than developed ones. The lower rates in emerging countries are due to economic, social, cultural, legal, and regulatory factors. Despite these challenges, women's labor force participation in developing economies has grown and demonstrated resiliency. Policymakers may develop effective strategies to promote and capitalize on women's labor force participation by examining its economic and social benefits.

Extensive research has shown a significant correlation between the involvement of women in the workforce and the stimulation of economic development. Nevertheless, it is widely acknowledged among economists that the



involvement of women in the work sector contributes significantly to the advancement of economic growth. Women possess unique abilities and viewpoints that have the potential to enhance productivity and foster innovation inside the workplace.

There are several things that might influence a woman's work status. The causes include a range of factors, including economic variables such as the rate of economic development and the structure of industries, social and cultural aspects such as education and gender norms, and legal and regulatory considerations such as legislation addressing employment discrimination. The economic structure, including the composition of sectors, is an additional influential aspect.

Government policies that align with the following criteria have the potential to enhance female labor force participation. Governments have the potential to provide financial resources towards the provision of women's education and training, as well as childcare and many other social services. Additionally, they may work towards reducing legislative and regulatory obstacles that hinder female labor engagement.

The augmentation of female labor force participation has the potential to assist governments in enhancing both economic development and equality.

This study examined the impact of labor force participation on employment market dynamics and economic factors. This inquiry focuses on the phenomenon of employment and its impact on labor force participation. Additionally, it underscores the economic ramifications associated with high levels of unemployment, even some that are not readily apparent. This research endeavour examines the impact of urbanization on women's engagement in the job market, yielding inconclusive findings. This study also investigates the phenomenon of urban-rural migration in Turkey and its impact on the level of women's engagement in the labor force. High fertility rates have a negative impact on labour force participation. Numerous studies relate education to work engagement. This phenomenon has prompted experts to underscore the significance of women completing their education prior to entering the labor market.

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