GOVERNANCE and THE LAW

Governance and Women's Economic and Political Participation: Power Inequalities, Formal Constraints and Norms

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Governance and Women’s Economic and Political Participation:

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Background paper for the 2017 World Development Report on Governance and the Law

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Abstract

What role do institutional constraints and social norms play in determining persistent gender gaps in economic and political participation and have institutional reforms been successful in reducing these gaps? This paper argues that, at the roots of current gender inequalities, there are traditional patriarchal social structures in which power is unequally distributed, with men traditionally holding authority over women. The power imbalance is manifested in governance arrangements, of which we consider discriminatory formal laws and adverse gender norms that perpetuate gender inequality. We review the evidence on the effectiveness of reforms addressing gender inequality and applied via formal law changes. Aware of endogeneity issues as reforms may be adopted in countries where attitudes toward women had already been improving, we focus on micro-empirical studies that tackle this challenge. The evidence suggests that some reforms have been successful reducing inequalities. Power and norms can shift and sometimes temporary interventions can deliver long-term results. There are, however, enormous challenges posed by power inequalities and inherent social norms that are slow-moving. Formal laws can remain ineffective or cause a backlash because: i) the law is poorly implemented and/or people are not aware of it; ii) informal systems and social norms/sanctions are stronger; iii) powerful groups (in our case, men) may oppose these changes. Finally, reforms that improve women’s economic opportunities can create the conditions to increase political participation and vice-versa, thereby generating a self-reinforcing cycle of inclusion.

1 Thanks to Evgenia Pugacheva for compiling the gender quotas dataset. We are grateful to Lidia Ceriani, Steve Commins, Deborah Isser, Luis-Felipe Lopez Calva, Tazeen Hasan, and Abla Safir for useful comments.
1. Motivation

Women around the world are increasingly achieving equality with men in various domains. The gender gap in education has shrunk substantially and has reversed (at the disadvantage of boys) at the tertiary levels in many developed and developing countries (World Bank, 2011). The number of maternal deaths worldwide has fallen by 43 percent from 1990 to 2015 (WHO, 2015).² However, improvements in human capital have not been entirely reflected in comparable gains in employment prospects and amplified political voice for women. Although there has been tremendous progress in recent decades, gender gaps in economic opportunities and political participation persist in many countries, with some gender differences being larger in the developing world.

Women’s access to property and productive resources remain weak and largely dependent on males, many jobs continue to be segregated by gender, with women more likely to be employed in low-paying jobs, as unpaid family workers and in the informal sector—contribution to the gender gap in earnings.³ Women continue to be largely underrepresented in political office, corporate boards, and other high-level leadership positions. Segregation extends to public office, with women more likely to be assigned to cabinet positions which are less influential.

Gender equality is an important development objective by itself and it is closely related to economic development (World Bank, 2011; Duflo, 2012). The importance of achieving gender equality within and outside the household has been recently reaffirmed in the recently adopted Sustainable Development Goals (SDGs).⁴ Among other targets to be achieved by 2030, the fifth SDG calls for the recognition of unpaid work, equal access to ownership, and “equal opportunities for leadership at all levels of decision-making in political, economic and public life”.

What stands in the way of gender equality? Among competing explanations for women’s underrepresentation among decision-makers in the economic and political spheres, one focuses on constraints deriving from women’s different propensity or ability to come forward and compete for leadership positions. Evidence has shown that compared to men, women are less likely to think they are qualified to run for office and are less politically ambitious (Lawless and Fox, 2010), they tend to avoid competitive environments (Niederle and Vesterlund, 2007), and are less likely to succeed in tournament-based competitions than men (Gneezy, Niederle, and Rustichini, 2003). Rather than biologically determined, however, such gender differences in the attitudes towards competition may be shaped by specific cultural features dictating different roles and responsibilities for men and women. For instance, Gneezy et al. (2009) use lab-in-the-field experiments to show that while women are less likely to compete than men among the Maasai, a patriarchal society, they are more likely to do so in among the Khasi, a matrilineal and matrilocal society (i.e., where inheritance and lineage are transmitted through the female line and girls never leave the household in which they were raised).

² These global improvements hide large regional variation, with gender disparities in primary and secondary school enrolment persisting in South Asia, Sub Saharan Africa, and the Middle East and North Africa, and the bulk (two thirds) of maternal deaths occurring in Sub Saharan Africa alone.
³ The underrepresentation of women at the top of the labor market and larger wage gaps in these positions is commonly referred to as the “glass ceiling” and is persistent also in rich countries (Bertrand et al, 2014).
raised). This evidence points to other, potentially related, explanations for gender inequality. These pertain to gender differences stemming from formal institutional constraints (e.g., formal law) and deeply entrenched informal norms about the place and roles of women in society. These constraints are mutually reinforcing and tend to consolidate a power imbalance in favor of men that characterizes many, mostly patriarchal, cultures around the world.

One example relates to women’s access to employment opportunities. In some countries, women still face several formal legal barriers, such as the requirement to have the husband’s permission to work or to register a business, and restrictions on working hours or on work in certain industries (often for occupations in highly paid jobs) (World Bank, 2015). These legal restrictions tend to perpetuate gender norms about suitable occupations for women, their responsibilities for domestic work and child rearing, and their limited physical mobility (mainly as a way to secure safety and “purity” in countries like India and others in the Middle East and North Africa). Law and norms interact in ways that can lead to a persistent vicious cycle of weak access to property and productive resources, low participation in the economic and political spheres, weak agency, and strengthened gender norms and power inequalities. These contribute to the “stickiness” of gender inequalities.

In this paper, governance encompasses both formal and informal institutions that shape and are shaped by power inequalities and affects development outcomes. In what follows, we provide an extensive review of the existing evidence suggesting that, under certain circumstances, governance-changing policies that tilt power more in favor of women and shift gender norms can deliver improvements in gender equality.

The paper begins with a discussion of the available empirical evidence on the importance of gender equality for development (an endogenous relationship). It then provides an overview of the current gender gaps in the economic and political spheres and of the constraints leading to adverse outcomes for women. Both formal (de jure) and informal (de facto) constraints are reviewed. Indeed, as above mentioned, discriminatory laws are not the only sources of gender gaps. Informal constraints (informal normative systems and social norms) play a prominent role in determining women’s opportunities in practice.

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5 Matrilineal and matrilocal societies where women hold power like the Khasi considered in Gneezy et al (2009) are very rare worldwide.
6 In addition to formal and informal institutional constraints, the 2012 WDR on Gender & Development (World Bank, 2011) considers two additional factors, i.e. markets and household decision making, and argues that these four factors “combine and interact to determine gender-related outcomes” (page 8). In this paper, we focus on formal and informal constraints and only indirectly on the others two (as they all interact with each other).
7 In this paper, “power” is used in the Weberian sense of authority (or authoritative power) as opposed to coercive power (Weber, 1968). In particular, we refer to the traditional type authority, in which a dominant group (e.g., men) has authority (generally accepted and considered legitimate) over a subordinate group (e.g., women) that derives from custom as a way to preserve patriarchal values.
8 In defining formal and informal institutions, this paper takes the approach proposed in Alesina and Giuliano (2015). Formal institutions (state institutions such as laws and constitutions) are, for brevity, referred to as institutions, and informal institutions broadly as culture. In this paper, the latter is used interchangeably with social norms, values and beliefs upheld by society. Customary and religious laws are other informal normative systems that coexist with formal law and affect behavior and outcomes especially in developing countries. The coexistence of multiple legal systems in a given socio-political space is referred to as “legal pluralism”. Culture and institutions cannot be easily separated as they interact, complement, and sometimes conflict each other.
A review of the evidence on the effectiveness of institutional reforms aimed at reducing gender gaps in economic and political participation and the challenges posed by social norms and power inequalities follows. We consider reforms of formal institutions, such as changes of inheritance laws to grant women the right to inherit property, land titling programs, the removal of gender legal differences in civil laws, and quotas for the representation of women in Parliament, local villages or corporate boards. Given reverse causality issues as reforms may be adopted in countries where attitudes toward women had already been improving, to the extent possible, we focus on studies that successfully tackle this empirical challenge.

The existing micro evidence is promising. Well-designed gender-sensitive land titling programs that promoted co-titling of the land increased tenure security for women. Inheritance reforms have led to higher investments in education for daughters. Gender quotas in local village councils have changed perceptions about the ability of women to be effective leaders, increased the probability that women compete and win elected positions, and improved parents’ aspirations for their daughters and their educational attainment.

The persistence of gender gaps, however, hints at the fact that there is strong resistance to change. Reforming formal law may not bite in practice because of capacity constraints. The law is often poorly implemented and enforced and people, especially in poor rural areas, may not even be aware of it. Capacity issues are, however, just part of a complex explanation for the ineffectiveness of some institutional reforms. For example, legislation prohibiting female genital mutilation (FGM), early age marriage, or sex-selective abortions has been adopted by several countries. This legislation has been largely ineffective in reducing the prevalence of these harmful practices, mostly because of the failure to understand the conditions for norms shifting and the need to translate laws into the context of the local culture (Engle Merry, 2006). In many contexts, strong systems of informal and social norms prevail in guiding people’s behavior. Disadvantaged groups, particularly women, may not appeal to the formal law because of fear of informal social sanctions, ostracism and stigma.

Policies for gender equality can also be opposed or delayed by individuals who stand to lose power from their implementation. For example, women in Switzerland were first allowed to vote in federal elections only in 1971 (65 years after the first country in Europe—Finland—did so) because men systematically voted against female suffrage which required a referendum for constitutional change where only men were allowed to vote (Stämpfli, 1994). In Spain, political parties strategically used nomination strategies for elections in the Senate in order to favor male candidates after the introduction of a gender quota in candidate lists (Esteve-Volart and Bagues, 2012).

Despite good intentions, changes in formal law may bring unexpected results or a backlash. For example, qualitative evidence suggests that early land titling programs in fact reduced women’s access to land because land was being assigned to the household head, typically the husband, thereby effectively reducing women’s use rights which existed under customary systems (Joireman, 2008). Moreover, the sociological and economic literatures on the relationship between women’s empowerment and domestic violence have reported conflicting results. By providing security and improving women’s outside options, a woman’s property status (ownership of land or a house) reduces domestic violence (Panda and Agarwal, 2005). Yet, increased women’s opportunities can threaten men’s power and provoke a backlash with more violence against them (Eswaran

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9 This paper does not cover aspects related to the political economy of reforms (e.g., women’s movements, international influence).
and Malhorta, 2011; Luke and Munshi, 2011). In the context of legal changes to grant women better inheritance rights in India, Anderson and Genicot (2015) find that increased women’s property rights triggered wife beating likely due to shifts in power within the household.

To conclude, we briefly discuss the various approaches proposed in economics underlying the conditions under which the law can be effective in shifting prevailing norms.

2. Gender equality and development

Gender equality and economic development are closely linked. On the one hand, economic development can lead to subtle transformations in the social and economic environments that result in less unequal outcomes for men and women. On the other hand, gender equality and women’s empowerment can boost economic development. This section briefly described the evidence on this endogenous relationship.

2a. From economic development to gender equality

Figure 1 shows the cross-country relationship between the ratio of female to male labor force participation (LFP) and two other variables: logged GDP per capita and the fraction of people who agree with the statement “men make better business executives than women do” from the World Value Survey (available for a limited number of countries where these surveys have been conducted in round 6) in panels a and b, respectively.

In figure 1, panel a, we can see that a set of countries including Afghanistan, Yemen, Tajikistan, Burundi and Malawi are among the poorest world’s countries and have strikingly different levels of female to male LFP. This is consistent with previous findings that while gender gaps are systematically larger in developing countries, economic development alone is not sufficient to eliminate gender inequalities (Jayachandran, 2015; World Bank, 2011). Female to male LFP correlates better with perceptions about women’s ability to be effective business leaders (figure 1, panel b). Although the relationships shown in these two scatterplots are not comparable because they are based on very different samples, they provide suggestive evidence that gender inequalities in employment are affected by deeper factors than economic development alone.

There is, however, micro empirical evidence indicating that, under certain conditions, inequalities do tend to decrease as countries grow. This can happen even in contexts where mobility restrictions for women are more severe. In Bangladesh, for example, the growth of the export-oriented garment industry of the last 30 years caused a large increase in female LFP, led to delayed marriage age and caused parents to invest more in

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10 Refer to Duflo (2012) for an in-depth discussion of the bi-directional relationship between development and gender equality.

11 Another example supporting this statement is related to the phenomenon of “missing women”, which is often attributed to cultural practices and social structure generating a persistent preference for male children prevalent in countries like India and China (Das Gupta et al., 2003). Rapid economic growth in India did not deter the strong parental desire for male children in India. Instead, despite economic development, sex ratios have become more skewed since the mid-1980s, likely due to increased access to technologies for the detection of the fetal sex (Jayachandran, 2015).
their daughters’ education (Heath and Mobarak, 2015). In India, women were able to take advantage of emerging skilled economic opportunities requiring by increasing their schooling (Munshi and Rosenzweig, 2006; Luke and Munshi, 2011; Field et al., 2010; Luke and Munshi, 2011; Jensen, 2012). Moreover, there is evidence suggesting that the historical improvements in women’s economic and political rights in today’s developed countries (specifically, the U.S. and U.K.) over the last two centuries was driven by the process of development. In particular, increasing returns to education may have led men to commit to give more rights to women (surrendering some of their rights as husbands, thus sharing power with their wives) in order to guarantee protection for their own daughters at a time when it became more valuable to invest in them (Doepke and Tertilt, 2009; Fernandez, 2014).

2b. From gender equality to development outcomes, policy choices, public good provision

There is significant evidence on the importance of gender equality for economic development. Increased productivity via improved economic opportunities and access to productive resources for women is one channel. For example, there is evidence that more secure land rights have a more pronounced positive effect on the probability that female headed households make productive land investments than their male counterparts. At least part of the reason that the effect is larger for female-headed households is due to the fact that they had worse property rights to begin with (Ali et al., 2014a; Goldstein et al., 2015).

Another channel is improved intergenerational outcomes owing to women’s preferences for investing in children’s human capital (see among others, Thomas 1990 and 1994, and Duflo 2003). In a similar logic, evidence suggests that gender differences in preferences are also linked to different policy choices and outcomes. Changes in size and composition of public spending emerged as women historically became part of the electorate as an outcome of the political process. In the United States, in the effort to maximize electoral support, politicians responded to changes in policy preferences brought by the introduction of female suffrage by increasing local public health spending which in turn led to large reductions in child mortality rates (Miller, 2008). A related finding is that women’s suffrage in the US coincided with an increase in the size of government spending and more liberal voting patterns (Lott and Kenny, 1999).

More women as policy-makers have led to similar outcomes. A rapid increase in the number of female legislators from 1970 to 2000 led to higher state spending on health in the United States (Rehavi, 2007). Similarly in Sweden, higher female representation in local councils was found to be associated with higher public spending on childcare and education (relative to elderly care) (Svaleryd, 2009).12 Voting patterns in Swiss referenda revealed that, relative to men, women favor public spending on health, environmental protection, welfare policy, while they disapprove spending on nuclear energy and the military (Funk and Gathmann, 2015). Women in local village council head positions in India spent more for the provision of

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12 However, Campa (2011) finds that the introduction of legislated candidate quotas in Spain had no significant impact on the size and composition of public spending.
local public goods better aligned with their preferences (Chattopadhyay and Duflo, 2004). In Italy, after the introduction of gender quotas in local municipalities, elected women were found to be more effective than men in implementing policies targeting women and households, as proxied by the fertility rate (higher in municipalities run by a larger share of women) (Braga and Scervini, 2017). Moreover, experimental evidence points to interesting differences in public good provision between matrilineal and patrilineal societies. Compared to patrilineal societies, matrilineal societies exhibit a higher provision of public goods and lower frequency of opportunistic behavior among agents (Andersen et al., 2008).

A series of results points to different approaches that women have to governing which can contribute to the development process. A higher representation of women in politics is found to reduce the incidence of corruption (Dollar et al, 2001; Beaman et al, 2010; Brollo and Troiano, 2016). At the local level, female mayors tend to engage less in political patronage and are therefore less likely to be reelected than male mayors in Brazilian municipalities (Brollo and Troiano, 2015). Mostly qualitative evidence from the United States indicates that women political leaders appear to have a different approach to governing than men. It suggests that they are more likely to take decisions that take citizens’ inputs into account (Fox and Schuhmann, 1999), they favor cooperation rather than a hierarchical approach (Tolleson, 1991), and act more as facilitators in committee hearings compared to men who instead tend to control the conduct of the hearing in the same role as city managers (Lyn, 1994). Moreover, compared to male judges, female judges are more likely to support the accuser in US federal appellate courts related to sexual harassment and sex discrimination cases (Peresie, 2005).

3. Persistent gender inequalities: a brief overview

Women still lag behind men in different—often linked and reinforcing—dimensions, such as their ability to access resources, employment and entrepreneurship opportunities, and powerful positions in the political sphere and corporate boards.

Women’s disadvantage in terms of access to land—a critical asset in the developing world—and other productive resources in many patriarchal societies is well documented (Croppenstedt et al. 2013; FAO 2011; World Bank, 2014a). Property rights are particularly insecure for women whose use of land in customary systems typically depends on the relationship with their husband or a male relative (rendering them highly vulnerable in the state of widowhood). The concept of land ownership is made unclear by the existence of overlapping legal systems, with property rights often vaguely defined. Given the difficulties in measuring land ownership, an indication of the women’s disadvantage in accessing land can be—though imprecisely—captured using data from agricultural censuses with information on the holder of the land, i.e., the person who primarily manages the land and has responsibilities in production, disaggregated by sex. According to the FAO’s Gender and Land Rights Database, on average, women represent only 12 percent of total agricultural

13 Interestingly, Clots-Figueras (2011) finds that the gender of the politician in Indian state legislatures interacts with the woman’s caste, with women of lower and higher castes favoring different types of expenditures.
14 There is evidence for Africa that one informal barrier faced by women in entering executive Cabinet positions is that they are less likely to engage in ethnic-based patronage in which incumbents (typically males) tend to favor influential male politicians who have large ethnic and religious constituencies (Arriola and Johnson, 2014).
holders in developing countries, with large cross-regional (as well as within-region) variation, ranging from 5 percent in MENA, 15 percent in SSA, and 18 percent in LAC (De la O Campos et al, 2015). Despite their low probability to be land holders, women contribute largely to agricultural production and agriculture represents the main form of employment for women in developing countries. Indeed, they represent on average 43 percent on the agricultural labor force in developing countries, 49 percent in SSA, 43 percent in North Africa, 48 percent in Western Asia, and 21 percent in Latin America (statistics for 2010 from FAO, 2011).

Gender differences in farms yields have been often been explained by worse land rights as well as differential access to inputs (Goldstein and Udry, 2008; Udry 1996; Horrell and Krishnan, 2007, with evidence from Africa). There is recent evidence that women not only have weak access to resources—driving down their productivity in agriculture—but they also have lower returns to inputs (World Bank, 2014a) reflecting other constraints, such as adverse norms, lower likelihood to receive information on agricultural extension, the optimal use of inputs, and other factors.

The constraints that women face in agriculture are multiple and mutually reinforcing. Croppenstedt et al. (2013) refer to a “low productivity trap” in which weak access to resources explains women’s low participation in production and their low ability to accumulate resources.

Partly owning to their weak property rights, women have limited access to financial products and credit. In developing countries, 50 percent of women reported having a bank account in 2014 compared to 59 percent of men (with large regional variation—for example in the Middle East, where account penetration is only 14 percent, women are half as likely than men to have an account). In terms of formal credit, only 9 percent of adults reported borrowing from a financial institution with no significant gender gap, likely due to overall low levels of formal lending (Demirguc-Kunt et al, 2015).

Progress in narrowing the gender gap in education in many regions of the world has not been sufficiently reflected in increased female participation in the labor market (ILO, 2016). Only half of the world’s women are in the labor force, with less than a quarter of women working in Middle East and North Africa (MENA) and one third in South Asia, compared to three quarters of men, with limited progress in the past 20 years. An increase in FLFP has instead been documented for LAC, SSA, developed countries, and very limited in MENA while FLFP actually decreased in ECA, EAP, and South Asia since 1990 (UN Women, 2015). Moreover, women continue to be segregated in selected low-earnings occupations, to work as unpaid family workers, and in the informal sector, leading to persistent gender gaps in earnings which have been largely documented globally (see World Bank, 2011; ILO, 2016). Globally, among wage workers, it is estimated that women earn about 77 percent of what men earn (ILO, 2016). World Bank (2011) estimated that gender differences in occupations and industries explain a large part of the gender wage gap (in some countries gender segregation in employment explains more than differences in education). Progress in reducing the gender pay gap has been slow and limited. Women’s and girls’ responsibilities for unpaid domestic work, child rearing and care are largely behind the gaps in employment.

Three disadvantages of the agricultural holder indicator are: i) in case there are different plots, it does not capture who manages the plots within the holding; ii) holdings of a size smaller than a certain threshold are not included in agricultural censuses; iii) availability of the data is of low frequency given that censuses are conducted only every 10 years (De la O Campos et al, 2015).
Women are also less likely than men to be employers. Using data from national households and labor force surveys, women make up 25 to 30 percent of employers in the nonagricultural sector on average in all developing regions, with the exception of the MENA where the share is as low as 9 percent. In terms of self-employment, women represent about half of all the nonagricultural self-employed in Sub Saharan Africa (SSA), East Asia and Pacific (EAP), Latin America and the Caribbean (LAC), and only 20 percent in MENA (Hallward-Driemeier, 2013). Self-employed women typically run small-scale enterprises, which are likely to be in the informal sector especially in SSA. For example in urban Ghana, where women are more likely to be self-employed than men, they represent about 60 percent of the informal sector (McKenzie, 2009).

In the political sphere, women remain largely underrepresented (World Bank, 2014b). The proportion of seats held by women in national parliaments is 22.5 percent worldwide, with large regional variation (table 1). Intra-regional variation is also very large. As shown in figure 2, the share of women in parliament has been increasing since the mid-1990s. These trends can be partially explained by the worldwide adoption of gender quotas often under international pressure (we discuss this further in section 5).

Gender may overlap with other dimensions of discrimination. For example, women belonging to minority and disadvantaged groups, such as indigenous women, “face a “triple challenge”: being women, poor and indigenous” (IPU 2014, p. 7). In Latin America, although women’s access to elected office positions has been steadily increasing, minority women –especially Afro descendants and indigenous-- continue to be underrepresented. Their weak representation in the political scene limits the possibility of raising awareness and taking action in relation the broader social issues of racism and exclusion (Htun, 2014).

Even when women are represented in political office, representation does not automatically translate into influence (Franceschet et al., 2012). For example, although the fraction of women appointed to Cabinet positions has been increasing steadily since 1980 throughout Africa, they are disproportionately assigned policy areas that are considered more “feminine” and less strategic (such as social welfare, culture, women’s and family affairs, as opposed to finance, defense or foreign affairs that are male-dominated) (Krook and O’Brien, 2012). Using a dataset covering the allocation of all cabinet ministers in 38 African countries between 1980 and 2005, Arriola and Johnson (2015) find that the cross-country variation in the portfolio appointments held by women is associated with the degree to which women’s economic rights are protected under the formal law (including equal marriage property rights or the ability to act as the legal head of household).

Women’s underrepresentation extends to other high-level powerful positions, such as in corporate boards and the justice system (Bertrand et. al, 2014; World Bank, 2011). In the largest 200 companies in the world in 2014, women accounted for only 17.8 percent of board of director members (CWDI 2015). The average share of female justices in constitutional courts worldwide is 22.4 percent, and women are chief justice in only 26 countries (World Bank, 2015).

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17 The Inter-Parliamentary Union website reports the current percentage of women in the lower or single house in 193 countries. See: http://www.ipu.org/wmn-e/classif.htm
4. Constraints generated by governance institutions

In many mostly patriarchal countries where male power is culturally rooted, discriminatory provisions are entrenched in multiple normative systems that guide individual behavior and contribute to the persistence of gender inequalities. This section describes the constraints to women’s economic and political participation posed by three broadly defined and overlapping normative frameworks, including formal laws, customary systems, and social norms.

4a. Legal pluralism

Multiple legal and normative frameworks (including state, international, transnational, private, customary, religious laws and social norms) coexist in a given social setting, irrespective of a country’s level of development. This coexistence is commonly known as legal pluralism. In many developing countries, particularly in rural areas, formal state institutions are often weak and inaccessible and customary and religious systems have traditionally played a more prominent role than formal law. This has been the case especially in the areas of land rights, inheritance, marriage, divorce, and other family matters. For example, marriage and inheritance matters in India continue to be regulated by different religious (or personal) laws for groups adhering to a different religion such as Hindu, Muslim, Christian, Jewish, and Parsi (Engle Merry, 2006). In the case of inheritance, the Constitution of India stipulates equality of treatment before the law for all citizens and no discrimination based on sex. However, the 1956 Hindu Succession Act (HSA) – that applies to Hindus, Buddhists, Jains and Sikhs—embedded significant gender inequalities in which daughters did not enjoy equal rights to joint family property with sons; this discriminatory provision was removed in 2005 with the enactment of the Hindu Succession (Amendment) Act in 2005. Different rules apply to groups professing other religions, such as Muslims, whereby a daughter’s share is typically half of her brother under Islamic Law (with variation in implementation across states, see UNFPA, 2013). Another example relates to land rights in SSA where the majority of the land is held under some forms of customary tenure arrangement (Pande and Udry, 2005; Joireman, 2008). The prevalence of customary land systems is, however, decreasing partly owing to efficiency motivations and increasing land pressure that is spurring the process of formalization of land rights throughout Africa (Knight 2010).

Informal systems are recognized as valid under a country’s constitution in many countries (figure 3). The legitimacy of these systems is grounded in people’s attitudes. For example, opinion surveys conducted in the Middle East, where religious law is formally recognized in most countries, reveal that over 70 percent of respondents agree that state institutions should enact laws in accordance with Islamic Law. Local bodies

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18 Preexisting social conflict among different religious groups and strong patriarchal values may lead to persistent discrimination against women. In India, the demands for a uniform code regulating marriage and family matters (until today, regulated by multiple personal law systems by religious group) have fueled tensions between Hindu and Muslim traditional groups who did not want their legal systems to change. The example of a Muslim divorced woman who asked for the right to maintenance from her husband (who abandoned her) presented in Engle Merry (2006) is a case in point. Neither Muslim nor Hindu law entitle women to the right to alimony. The woman claimed and obtained her right to maintenance under a law passed by the British government that entitled women to maintenance under the criminal code (which applies to all religious groups). The Muslim community strongly opposed this decision (along with many protests), which in the end was clamorously overturned by the Government of India with the passage of a law that excluded Muslim women from protection provided by the criminal code.

19 Most recent available Arab Barometer surveys R3 2013 for: Algeria, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Palestine, Sudan, Tunisia, and Yemen.
such as customary or religious courts, unaffiliated with the state, deal with informal dispute resolution especially in poorer rural areas where official courts are not a feasible option.\footnote{For example in Afghanistan, the local jirga or shura have traditionally managed local public goods and settled disputes. These are formed by male elders within the village. In addition, headmen for each village bridged between the village and central government. The mullah, or the local religious authority, conducts rites and serve to mediate disputes on family and moral issues (Beath et al., 2013).} In African countries, about 52 percent of people first go to the police if they are the victim of a crime, yet a fairly large 19 percent turn to traditional leaders or court and 10 percent to their own family members (Afrobarometer Round 5, 2011/13). The statistics disaggregated by gender are rather similar, with a slightly higher share of women turning to own family members (11 percent vs 9 percent of men), and a lower share going to the police (51 percent among women and 53 percent among men). When available (typically in urban areas), formal courts tend to be used when other informal mechanisms have not worked and in more extreme cases (Munoz Boudet et al., 2012).

In many other countries, informal systems are not formally recognized, yet they remain prevalent. For example, data from the Global barometer (Module 1, years 2003-2007) reveal that the fraction of respondents who contacted traditional leaders/community leaders because of a problem is 61 percent in Vietnam, 74 percent in Thailand, 23 percent in Mali and Senegal, all countries that do not formally recognize customary or religious law.

Women typically face more difficulties in accessing the justice system, either formal or customary, than men. They might lack awareness, resources, and they may be discriminated by male-dominated courts. Fear of ostracism by family and friends are strong reasons for women to avoid claiming their rights (Hallward-Driemeier and Hasan, 2013; UN Women, 2011). In India, the nari adalats are informal groups of selected women who meet regularly in public places to give women legal advice and settle marital conflict (Engle Merry, 2006).

4b. Constraints generated by formal institutions

Discrimination on the basis of gender is embedded in various formal state institutions, such as formal law and regulations. Laws discouraging women’s economic opportunities are still common in many countries. Despite progress over time, 155 of the 173 countries surveyed in Women, Business, and the Law project had at least one legal restriction in one or more areas including: access to institutions, using property, getting a job, going to court, and providing incentives to work (World Bank, 2015).\footnote{The Women, Business and the Law project (World Bank, 2015) collected data on gender legal differences that may affect women’s opportunities and incentives to work. Aspects related to the implementation and enforcement of the law are not covered in the dataset. For more information: http://wbl.worldbank.org/} In relation specifically to women’s employment opportunities restrictions include limitations on working hours or to work in certain industries, with barriers are often placed for occupations in highly paid jobs (e.g., manufacturing, mining), found in 100 of the 173 countries in World Bank (2015). There is regional variation, with a high prevalence of restrictions in countries in MENA and SSA.

Women often do not have the sole legal autonomy to access economic opportunities. For example in Yemen, where more than 90 percent of women are not in the labor force (and most of those who work do so without...
a husband’s permission is required to work outside the home, women have the general duty to obey to their husbands, and require a male guardian’s permission to apply for a passport (Krishnan, 2014). In Swaziland, for a woman to be part of a contract such as opening an account, legislation requires that she has the consent of her father, husband or other male relative (Bardasi et al., 2007). In the Islamic Republic of Iran and the Syrian Arab Republic, a woman can lose her right to financial support from her husband if she works outside the home without his permission (World Bank, 2013). In Guinea, the husband’s opposition can be challenged by the wife who is allowed to continue her professional activity with a third party as long as they are aware of the husband’s opposition (Hallward-Driemeier and Hasan, 2013). Many countries removed the obligation that husbands give permission to their wives to work outside the home only in relatively recent years, for instance, Spain in 1978, Switzerland in 1984, and Paraguay in 1991. Married women were granted the right to open individual bank accounts in Tunisia in 1959, Indonesia in 1974, Spain in 1981, and Morocco in 2004 (World Bank, 2015).

Formal restrictions apply to the inheritance of assets for widows in about 20 percent of countries reviewed in World Bank (2015), where female surviving spouses do not have the same rights to inherit as male surviving spouses, particularly in MENA and SSA. Similarly, daughters do not have the same rights to inherit from their parents as sons in about the same number of countries. Moreover, mothers are legally unable to pass citizenship rights to their children as fathers can in many MENA countries, with the implication that her children cannot access public services, seek a job, etc. In the area of personal income tax regulations, World Bank (2015) finds that 16 of the 173 countries reviewed provide direct tax deductions to men and not to women. Only three countries have specific tax credits for women (Israel, Singapore, and Spain).

Women are also generally less likely than men to have identification documents, which constrains other opportunities because they cannot open a business, apply for credit, access services, or exert their fundamental voting rights, etc—all conditional on having proof of identity (Dahan and Hanmer, 2015).

Some argue that the historical origins and some characteristics of the legal system are associated with the degree to which formal law discriminates against women. For example, the legal origins of countries in SSA—whether common, civil, or a hybrid system—appear to be associated with different legal provisions relevant for women’s rights. Compared to countries with a common law tradition, those with civil law systems are more likely to have default joint titling and community property marital regimes but also the provision designating the husband as the household head. Common law countries are instead more likely to formally recognize customary law and provide it with exemption from the constitutional principles of nondiscrimination (Hallward-Driemeier et al., 2013).

There is evidence suggesting that in countries where state and religious authority overlap, formal family law provisions tend to discriminate more against women. Htun and Weldon (2015) conduct an analysis using data for 70 countries between 1975 and 2005 and show that countries with more pronounced political institutionalization of religious authority (associated with any religion) are significantly more likely to have family laws that are less egalitarian. They argue that, in more religious countries, patriarchal values and norms are more entrenched which then makes it more difficult to change family laws to grant more rights to women.

We now turn to the question of whether legal restrictions are reflected in actual disadvantageous outcomes for women. Figure 4 correlates the number of legal gender differences based on the WBL methodology.
which captures 47 gender legal differences in five different areas for married and unmarried women (for a description of the methodology, see World Bank, 2015, page 3). Figure 4, panel a, correlates the ratio of female to male LFP rates and the number of gender legal differences. On one hand, countries in MENA and South Asia, the world’s regions with the largest gender gaps in labor force participation, are also the countries with the highest number of legal gender differences (except for India). On the other hand, there is great variation in female to male LFP across countries with fewer legal restrictions. Figure 4, panel b, correlates the share of women in Parliament and the number of legal gender differences. The correlation is very weak, partly because, over the past two decades, gender quotas for political participation have been adopted in many post-conflict countries (further discussed in section 5).

The reasons behind the absence of a clear association between formal legal restrictions and outcomes are various and include weak capacity or lack of willingness to implement the laws, legal pluralism, and the importance of customary law and social norms in determining behavior (the latter is described in the next section). Pistor et al. (2009) strongly argue against the claims of some political theorists about the importance of the rule of law in determining outcomes and show the lack of correlation between the rule of law and the status of women. Instead, they find that women’s outcomes are strongly associated with social norms.

4c. Constraints stemming from informal law and social norms

**Informal law**

Statutory law, largely the result of colonization, is applied as the default legal system when other indigenous customary or religious systems are not invoked. The former is composed of provisions that are typically considered to be more gender equitable than the latter systems. For example, in SSA, women in the same country are much more likely to be entitled to some of the marital property either through inheritance or after a divorce if they married under statutory law (figure 5). Most marriages, however, are not formally registered in much of the continent, leaving women highly vulnerable to destitution. Indeed, the plight of widows and older unmarried women in Africa and South Asia is well documented (Chen, 2000; Sossou, 2002; van de Walle, 2013; Anderson and Ray, 2015).

While, on paper, informal systems appear more gender inequitable than formal systems, their insurance function in contexts with weak or inexistent markets and social protection mechanism is well recognized (e.g. Platteau 2000; Fafchamps, 2011).\(^2\) In many developing countries formal law is seldom applied and multiple informal systems offer different degrees of protection for women. For example in the Senegal river valley, an entirely Muslim area, women do not dare to claim their inheritance rights following Islamic law —to half of the share of their brothers—but stick to the customary provision that women do not have any rights to inherit their father’s land. This is because women are afraid to lose customary social protection upon which separated/divorced women and unwed mothers maintain the right to return to their fathers’ land until remarriage (Aldashev et al., 2012a).

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\(^2\) Extended families or other social and ethnic groups can facilitate transactions, credit, and insurance in the place of regulated markets (Greif, 1993; La Ferrara, 2003; Rosenzweig and Stark, 1989; Townsend, 1994).
At the roots of discriminatory formal and customary law, there are cultural factors that characterize most patriarchal societies (Jayachandran, 2015). Social norms and beliefs about women’s role in society (internalized by both women and men) reinforce, and are reinforced by, the legal restrictions analyzed in the previous section.

Norms constraining economic opportunities

Culture and institutions are endogenous variables that interact and determine a variety of economic outcomes (Alesina and Giuliano, 2015). To isolate the effect of culture from that on the institutional environment, a growing literature has analyzed how migrants behave in the destination country using second-generation immigrant data and found that some cultural traits related to women’s labor force participation, fertility, and food habits, are very sticky and persist years after migration (Fernandez, 2007, 2011; Fernandez and Fogli, 2009; Atkin, 2016).

One cultural factor affecting women’s LFP is the belief, held particularly in the Middle East, North Africa, and South Asia, that there are risks associated with women’s physical mobility concerning their safety and purity (Jayachandran, 2015). Another factor is the widespread aversion to women working and, especially, to them earning more than their husbands. Figure 6 shows the share of people who agree or strongly agree with the statement “If a woman earns more money than her husband, it’s almost certain to cause problems”. Two interesting patterns emerge. First, although the share of men who agree is in some countries slightly higher than that of females—especially in developing countries—attitudes do not differ much by gender. Second, the share of those who agree with the statement is, on average, higher in developing countries compared to rich countries: equal to about 40 percent in SSA, MENA, and SA. The prevalence of adverse attitudes even among women speaks to the degree to which these are deeply entrenched in culture. Moreover, economic development does not lead to a complete norms shift.

These adverse attitudes represent a powerful constraint to women’s economic opportunities, even in developed economies. For example in the US, Bertrand et al. (2015) show that, among married couples in which the wife can potentially earn more than her husband (estimated based on her demographics), she is less likely to work and, conditional on working, her earnings are lower than her potential. Moreover, couples where the wife earns more than her husband exhibit lower marriage satisfaction, they are more likely to divorce, and women spend more time doing household chores. These results indicate that it may take a long time for gender norms to catch up with labor market opportunities.

Strong cultural norms often lead to inefficient outcomes. As described above, because of mobility restrictions and adverse attitudes, some women are kept out of the labor force. This in turn reduces a country’s growth potential. Moreover, when women do participate, segregation of activities, low access to land and inputs, and their underrepresentation among influential positions hamper their productivity. In the Eastern region of Ghana where elites favor land tenure security of individuals (typically men) holding powerful positions in the local political hierarchy, women are less likely than their husbands to invest in land fertility leading to significantly lower agricultural production (Goldstein and Udry, 2008). In agriculture, informal norms on

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23 On the historical origins of these norms, evidence shows that the role women traditionally played in agriculture affects today’s participation of women in the labor market and in politics, as well as attitudes towards women (Alesina et al, 2013a).
cultivable crops by men and women behind part of the agricultural productivity gap. Women are in fact disproportionately engaged in cultivating “food crops” (crops primarily used for own consumption), while men in “cash crops” (crops primarily grown for sale) (Croppenstedt et al, 2013; Duflo and Udry, 2004). Around the world, women are more likely to work in traditionally “female-dominated” sectors that are typically much less profitable than male-dominated occupations. Although these norms are very hard to change, in some cases simple interventions can reduce the segregation of activities. In Uganda, evidence has shown that this social norm can be surmounted by providing information to women about the relative profitability of male-dominated businesses and the existence of male role models who introduced women to these activities (Campos et al., 2015c).

Multiple constraints faced by women can be mutually reinforcing. Women’s weak property rights and the absence of collateral hinder their entrepreneurship possibilities also through their reduced access to credit. Although differential treatment under the law is nowadays rare, cultural norms can play a role in limiting their banking opportunities. For example in Pakistan, where the legal framework related to credit access is gender-neutral, women applying for a loan are often required to provide a signature from a male family member to confirm they have their permission to get a loan and they must have two male guarantors (women cannot be guarantors) (Safavian and Haq, 2013). In Italy, where there are no legal gender differences in terms of applying a loan, women who obtain a loan pay more for credit taken from the same bank—the gender differential is not explained by any of the factors that would affect the riskiness of the loan such as the type of business or the characteristics of the borrower (Alesina et al., 2013b). Interestingly, a review of the literature on microfinance revealed evidence from several developing countries that women tend to have better repayment records than men (Armendariz and Morduch, 2005).

Overall, the available evidence largely suggests that gender norms and informal institutions can disadvantage women. For example, Beaman et al. (2015) find that qualified women, typically excluded from informal labor networks, may be disadvantaged by referral-based hiring in Malawi. In their study, men were more likely to refer other men even though they knew and could potentially refer qualified women when asked so (they still choose to refer men). In India, Field et al (2016) show evidence that the lack of a professional network is found to negatively affect women’s entrepreneurial success (likely through lack of peer pressure). Indeed, compared to women offered the chance to attend business training alone, those who attended with a friend experienced increased business activity, were more likely to have taken out a business loan, and were less likely to be housewives (with stronger effects among women who belonged to groups with more restrictive norms). However, as the economy changes, certain informal institutions such as the caste system and informal networks, can turn from constraints to opportunities for women. One example is from informal labor networks for occupations typically dominated by low caste men. Compared to low-caste females who historically had low rates of participation in the labor market, low-caste males have traditionally been part of networks facilitating their entry into traditional occupation. Using data from Bombay city a study found that as returns to nontraditional occupations (white collar) increased in the 1990s, lower caste males continued to be channeled to traditional schools and jobs while females, with less ties to the job networks, were able to take advantage of the new economic opportunities by changing their schooling choices towards English schools (Munshi and Rosenzweig, 2006). These effects may very well be different among different groups of women. Using data from different parts of India, studies find that, compared to upper-caste women, lower-
Caste women are more likely to respond to new economic opportunities due to lower mobility restrictions (Field et al, 2010; Luke and Munshi, 2011).

Finally, laws against discrimination and sexual harassment in the workplace (but also among girls in school) frequently exist, however, there is often a lack of will and/or capacity to enforce them. This is another powerful barrier that keeps women out of the labor force, for fear of shaming if they end up being the victim of violence and/or some form of sexual extortion.

**Attitudes and norms constraining political representation**

Most constraints to women’s political participations are ascribable to discriminatory attitudes and norms towards women in politics (and not as much to formal legal constraints). Figure 7 shows the share of men and women who believe that men are better political leaders than women. This attitude is held by a significant number of people, particularly in developing countries. Although men are generally more likely to hold such discriminatory views than women, the differences by gender are not very large, as we also saw in figure 6.

Unfavorable attitudes by those who serve with them can perpetuate the underrepresentation of women. There is evidence that men, who are disproportionately represented in positions of power, are reluctant to be led by women. Research has shown that, compared to male mayors, elected female mayors are less likely to hold on to their office until the end of their term in Italy (Gagliarducci and Paserman, 2012). The authors show that this result may be explained by unfavorable attitudes of male members of the assembly (the majority) towards women mayors. Indeed, in Italian municipalities, where the stability of mayoral legislatures depends on the support by members of the municipal council for the mayor’s proposed policies, the probability of the premature end of women-led legislatures is higher for councils composed only by males, and in regions with more restrictive norms on the role of women in society.

Similar results of male backlash after women gain power can be found when women win political office in competitive elections in India. Using data from close mixed-gender political races, Bhalotra et al. (2016) show that a woman winning encourages women’s future participation in politics, with the effect coming from incumbents re-contesting and not from new women entering politics. Interestingly, there are heterogeneous effects with states with more entrenched bias against women (proxied by more biased sex ratios) actually showing a significant decline in the share of new women candidates (mostly from parties led by men) and only a small increase of women re-contesting after a woman wins. Similar evidence of backlash is found after Muslim candidates winning, suggesting that voter and party preferences in more biased states represent strong demand-side barriers for members of disadvantaged groups in entering politics.

Based on the above evidence documenting the multiple constraints faced by women in the economic and political spheres, it is easy to see how they can be trapped in a cycle of low LFP, weak agency, weak access to property, under-representation in politics, persistent gender norms and power structure, and persistent gender gaps. Several reforms, discussed in the next section, have been implemented in the attempt to break this cycle, some of which have been successful in reducing gender inequalities.

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24 A similar graph is obtained when using a similar question from WVS asking whether men make better business executives than women.
5. The effectiveness of institutional reforms on women’s outcomes: empirical evidence

This section reviews the empirical evidence on the effectiveness of various formal reforms in reducing gender inequalities in social, economic and political participation and shifting entrenched gender norms. To the extent possible, we focus on rigorous impact evaluations which tackle endogeneity issues and identify a causal relationship between institutional change and women's outcomes. For each type of intervention, the constraints posed by informal systems, entrenched norms and the opposition/backlash from powerful groups are emphasized.

5a. Access to property

*Individualization of land rights*

Reforms of land tenure systems have been introduced in many developing countries over the last few decades. The key economic argument is that increased security of property rights can drive economic development due to reduced risk of expropriation and gains from trade (Besley, 1995; Hornbeck, 2010). These reforms have pushed toward the individualization of land rights, introducing formal titles to land in contexts where customary systems often prevail (Bruce and Migot-Adholla, 1994). If inadequate attention is paid to gender dynamics, these programs can have negative gender effects. Some qualitative evidence indicates that this can happen (Joireman, 2008). This is because the formal titles have typically been assigned to men—traditionally considered the household heads—effectively limiting the usage rights that women had under customary systems (Lastarria-Cornhiel, 1997; World Bank, 2009; Lawry et al, 2014). This was for example the case in certain areas of Ethiopia and Kenya, where women’s secondary rights to use the land were weakened after land registration (Lawry et al. 2014; Namubiru-Mwaura, 2014; Ayuko, and Chopra, 2008; Joireman, 2008).

Cultural constraints can hinder the effectiveness of land titling programs in improving women’s access to land. This is because women are often afraid to claim their titles due to fear of social sanctions and backlash from their husband and family as was found to be the case in land titling projects in Bolivia and Lao PDR (World Bank, 2009; Giovarelli et al, 2005). In the case of Bolivia, although formal laws explicitly recognize equal land rights for women and men, qualitative evidence suggests that some male household heads and community leaders opposed resistance to the inclusion of women in the land titles (Giovarelli et al, 2005). Another constraint may emerge at the registration stage when proper identification documents are required.

Recently, some land titling programs have been designed to correct for gender inequalities resulting from the conflict between legal changes and customary practices. In Ethiopia, a land titling program started in 2003 mandated that, in some of the country’s regions, titling should be in the name of both the husband and wife jointly, resulting in much higher probability that the woman’s name appeared in the title compared to the other regions without the regulations on joint land titling (Deininger et al, 2007).

In Rwanda, the government altered the design of a land regularization program after an evaluation of the pilot phase had shown that land access and tenure security increased only for women in unions with a formal marriage certificate, while it significantly decreased for other women (Ali et. al. 2014a). Before the national
rollout, the government ensured that women without a legal marriage certificate would also be registered as co-owners and, as a result, a recent experimental evaluation of the national program found that land ownership rights significantly increased for both women with and without a marriage certificate (Ali et al., forthcoming). In the attempt to secure women’s rights in the midst of the implementation of a national land regularization program, the government of Bolivia passed the 1996 land law stating that men and women have equal rights to property independently of their civil status (i.e., whether formally married or in consensual union) (World Bank, 2009).

While the benefits of granting more tenure security for women productivity can be large, evidence suggests that very small price incentives can nudge households to co-title the land with women. In Tanzania, where women’s formal ownership rights are guaranteed by law but their de facto rights over land remain weak, evidence suggests that very small price incentives can nudge households to co-title the land with women (Ali et al, 2014b).

Recent quantitative evidence shows that higher security of land rights has a greater impact on productivity for women compared to men, because they start off with much more insecure rights. For example, the Rwanda land regularization program described above had a significantly larger impact on soil conservation investments among female-headed households than male headed households (Ali et al. 2014a). Evidence from a land rights formalization program in Benin where the community had a role in the mapping of customary land for the early demarcation phase of the formalization process, showed that this early demarcation step led to a general increase in long-term investments in treated parcels (perennial cash crops and investment in trees), with interesting heterogeneous effects by gender. Specifically, because they started off with weaker rights, female-headed households were much more likely than male-headed ones to shift away production from parcels that have become relatively more secure after the demarcation, to parcels that have not been demarcated in order to provide better protection for those less secure parcels (Goldstein et al, 2015).

**Reforms of the inheritance systems**

As legal reforms are commonly implemented simultaneously throughout a country, rigorous evaluations are rare because of technical difficulties in finding a truly exogenous source of variation that allows the researcher to separate the effects of the reform from confounding factors.

The gradual adoption over the years of an Amendment to the 1956 Hindu Succession Act (HSA) in different states of India was exploited to help overcome the identification problem.25 The HSA, which applies only to four religious groups —Hindu, Buddhists, Jains and Sikhs— was passed to guarantee equal inheritance rights to sons and daughters. It was a step forward compared to the existing religious law which did not provide inheritance rights to daughters. However, the HSA only guaranteed equal inheritance rights to separate family property, i.e., property self-acquired by the nuclear family. This is a crucial limitation as most property is held jointly by the extended family as a group (i.e., ancestral or joint family property) and could traditionally be passed only through males descendants. The amendment to the HSA extended the right to inherit ancestral family property by birth also to daughters.

25 The Hindu Succession Act and its amendment were enacted by the Parliament of India to regulate interstate (without a will) succession among Hindu, Buddhists, Jains and Sikhs.
Deininger et al (2013) evaluate the effects of the HSA amendment and find that the likelihood that daughters inherited land significantly increased after the passage of the law, although large gender differences remained. Moreover, educational attainment of girls increased, as an alternative way to transfer wealth to daughters. Using a different identification strategy, Roy (2015) finds different impacts of the HSA amendment on inheritance by daughters. Specifically, the author shows that the HSA amendment did not increase the probability that daughters inherited land but, similar to Deininger et al. (2013), it led to increased daughters’ education and, additionally, to larger dowries to compensate them for the lack of increase in their inheritance share. Interestingly, Roy (2015) finds that, instead of increasing the share of land going to their daughters as prescribed by the HSA amendment, parents increased the land “gifted” to their sons in order to circumvent the law. The author argues that this behavior can be explained by a strict patriarchal culture in which sons have preferential access to inheritance and residence patterns in which daughters leave their parents’ residence after marriage (i.e., virilocality). This evidence resonates with the ineffectiveness of other laws aimed at reducing overt discrimination against young or unborn females that have been passed in India (Pistor et al., 2009, UNFPA, 2013).

It is however important to stress that, although the HSA amendment was not fully implemented and enforced, it did have some effects and led to better outcomes for women. There is also evidence that the effects of empowering women can also extend to the following generations. Deininger et al. (2014) evaluate the longer-term effects of the amendment on second generations (i.e., on the daughters of women who have directly benefited from the amendment) and finds strong positive effects on education, time use, and health.

The experience of the inheritance reform in India suggests an important point. Even in a context where parental preferences for male children is deeply rooted in culture, norms and custom can change and legal intervention can facilitate what can be a slow, incremental process. Previous legislative measures were taken even before the 1956 HSA. In 1949, the Santal Pargana Tenancy Act was passed in the Indian state of Jharkhand to recognize, in case of absence of other male heirs, the right of daughters to inherit—not directly but—through her marriage to a resident son-in-law (known as “gharjawae”). It represented a small change compared to the prevailing custom, as it was formulated to avoid prescribing that land should be passed to daughters, but instead, to an “adopted son”. These laws came in the context of increasing desire of fathers to keep the land in the family even when there were no male children and that pushed the custom to evolve (Aldashev et al., 2012a).

Other inheritance reforms have successfully attempted to change the custom. For example in Ghana, the 1985 Intestate Succession Law (ISL) (formally, the PNDC Law 111) was introduced to bring significant changes in the Ghanaian society and improve women’s rights (Aldashev et al., 2012b). The Law was applicable to the whole country, but de facto affected predominantly customary inheritance practices of

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26 Roy (2015) explains the differences with the methodology used by Deininger et al. (2013). Specifically, while the latter uses variation in the timing of death of the woman’s father (before or after the HSA amendment), the former argues that, based on ethnographic and anecdotal evidence, the relevant variation is instead the timing of the death of the woman’s grandfather. Other differences in their approaches are described in the respective articles.

27 These include the 1994 Pre-conception and Pre-natal Diagnostic Techniques (PCPNDT Act) to end the practice of sex-selective abortion, the 1961 Dowry Prohibition Act to prohibit dowries, and the 2006 Prohibition of Child Marriage Act to outlaw child marriages.
matrilineal ethnic groups, while patrilineal groups were affected to a much lower extent. The matrilineal custom prescribed that the husband belonged to a different group than his wife and children who could not inherit from him (but rather from members of their own matrilineal group). The ISL aimed at changing this practice to allow wife and children to inherit intestate property, reducing the share going to the matrilineal group. Duncan (2010) describes how the increasing disconnect between the matrilineal inheritance rule and other customary obligations according to which wives (and children) have to assist their husband in farm work at a time during which the cocoa sector was rapidly growing in Ghana (and increasing land pressure) intensified the desire of fathers to pass inheritance on to them as a compensation for their labor. Aldashev et al. (2012b) bring qualitative evidence to argue that the ISL law was instrumental in further shifting the custom in the direction of the law as the number of people following the ISL provisions increased and some women used the formal court system to settle cases according to the new law.

La Ferrara and Milazzo (forthcoming) exploit differences across cohorts and ethnic groups to identify the effects of the ISL on educational attainment. They find that, compared to males born in the same year belonging to patrilineal groups, the law led to a significant decrease in investments in education for males belonging to the matrilineal groups, suggesting that investments in education were traditionally seen as a substitute for land inheritance. No effect was found for girls because, in a context where women have very weak rights over land, the matrilineal norm implied restrictions on inheritance that were most binding for boys. These results also suggest a narrowing of the gender gap in education among matrilineal groups. More importantly, the findings suggest that inheritance norms can have effects that go beyond agricultural productivity and gender inequality, and influence the intergenerational accumulation of human capital.

Formal legal recognition of women’s inheritance rights can increase the effectiveness of other programs aimed at raising women’s status creating positive spillovers. This is the case of Rwanda where the introduction of legal changes aimed at eliminating gender unequal land property rights, such as the 1999 Rwandan Succession Law, the 2004 National Land Policy, and the 2005 Organic Land Law, were instrumental for the success of a land titling program (described above) in guaranteeing that the rights of legally married women were effectively protected during the implementation of land registration (Dahley et al., 2010; Ali et al. 2014a). Rwanda exemplifies the experience of other post-conflict countries that have introduced various gender-based reforms—i.e. regarding land and property, children’s citizenship, violence against women, quotas, and labor—shortly after the cessation of conflict, such as Uganda, Liberia, and Angola. Tripp (2015) argues that the interaction between three factors can explain this pattern in post-conflict SSA: conflict-related disruptions in gender relations in which women take on men’s tasks; a rise in domestic women’s movements facilitated by increased opportunities for participation during reconstruction processes; and the influence of international actors promoting gender equality policies.

As many women in developing countries are self-employed farmers or small-scale entrepreneurs, the ability to own assets is a key prerequisite for financial success. The next section describes the type of interventions that have aimed at directly improve women’s LFP and entrepreneurship.
5b. Female labor force participation and entrepreneurship

*Enabling legal environment*

In terms of institutional reforms to improve FLFP, the removal of legal constraints discussed in section 4 seems a first necessary step. Hallward-Driemeier et al. (2013) use data on women’s property rights and legal capacity covering 100 countries over 50 years to analyze the association between the removal of legal gender differences and women’s outcomes, such as employment, health, and education. With the caveat that that relationship between legal changes and gender outcomes is endogenous, this cross-country study outlines some interesting patterns. First, the authors document that there has been a dramatic increase in the number of constraints that have been removed over time: half of those identified in the 1960s have been removed by 2010. Second, they find that, both across countries and within countries over time, the removal of restrictions to women’s economic rights is correlated with several outcomes, including higher educational attainment, higher FLFP, and more women moving out of agriculture and into wage employment.

At the country level, one study evaluates the effects of changes in the family law in Ethiopia enacted in 2000 on women’s economic opportunities (Hallward-Driemeier and Gajigo, 2013). The legal changes comprised the removal of the restriction according to which a husband could deny the wife permission to work outside the home, the introduction of the requirement of both spouses’ consent to administer marital property, and the increase in women’s minimum age at marriage. The authors exploit the fact that the reform was initially rolled out only in some parts of the country and find that, after the reform, compared to women in areas where the reform was not yet enacted, women in reform areas were more likely to work in occupations outside the home, jobs that require more skills, as well as in paid full-time jobs, after controlling for time and location effects. These studies provide some suggestive evidence that removing legal gender differences can improve women’s outcomes. However, in this area more rigorous research is needed to understand the range of benefits these reforms can bring, as well as potential backlash.

As previously discussed, even in absence of explicit legal constraints, there are barriers to female labor force participation grounded in gender roles and attitudes towards women in the workplace and leading to discriminatory behavior against them. In order to reduce discriminatory practices among firms, legislative measures aimed at reducing employment and wage discrimination against certain groups based on characteristics such as gender have been introduced with contrasting results.

There is evidence suggesting that anti-discriminatory laws can generate unintended consequences because employers, predominantly males, are able to shift the additional costs of the imposed protection on those same individuals the law intended to protect, thereby reversing government’s efforts to improve equity. For example, Gruber (1994) finds that mandating childbirth costs be covered on the same basis as costs for other medical conditions by health insurance plans in the US—previously only with limited coverage—led to a decrease in wages for women of childbearing age but no changes in their employment.

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28 In the 1960, 75 countries had gender gaps in at least one of the following areas: the ability to access and own property, sign legal documents in one’s own name, and have equality or non-discrimination as a guiding principle of the country’s constitution. By 2010, 57 countries removed at least one constraint, of which 28 countries removed all the constraints monitored in Hallward-Driemeier et al. (2013).
Another policy area, mostly relevant for developed countries where formal employment is more common relative to developing countries, is that of mandated maternity, paternity, or parental leave.\textsuperscript{29} Around the world, women’s predominant role in domestic work and child-rearing responsibilities inevitably constrains their opportunities to work outside the household. Maternity leave policies can increase the probability that women return to their jobs but, at the same time, strengthen the norm that women are primarily responsible for household tasks (see World Bank, 2011, for a discussion). Yet, maternity leave policies are predominant around the world: almost all of the 173 countries considered in World Bank (2015) mandate maternity leave while paternity leave is available in only half of the countries, and parental leave in 53 countries. Parental leave policies that enable either or both parents to take time off from work to take care of a newborn can lead to a more fair division of these tasks that do not damage women’s work. However, as it is often the case, when given the option to choose who takes the parental leave (mothers or fathers), it goes predominantly to mothers. The length of the leave matters for the prospect of returning to the same employer. In Germany and Austria, reforms that extended the length of parental leave reduced the probability that mothers returned to work after childbirth, with larger effects in the short and medium term and small effects on maternal employment in the long term (Erjnæs, and Kunze, 2013; Schönberg and Ludsteck, 2014; Lalive and Zweimüller, 2009). However in Canada, mandated maternity leave increased the probability that women went back to their pre-birth employer independently of the length of the leave (Baker and Milligan, 2008). Other than the length of the leave, who pays for it matters. In order to be effective in reducing gender inequalities, parental leave policies should be paid by the government. If employers have to pay for generous parental leave, that will be a disincentive for firms to hire women.\textsuperscript{30}

Other policies that improve the work-family balance are the public provision of child care services or subsidized (private or semi-private) child care. World Bank (2015) documents that 39 of the 173 countries reviewed do not provide public child care, which is critical for mothers who have to make a decision of whether to work or not. World Bank (2011) discusses some of the evidence available on the effectiveness of these policies, which largely indicates that these are successful in promoting maternal employment.

In terms of policies that can enable promote female entrepreneurship, there are interventions to support firm formalization. The benefits of registering a business with the government are multiple, including the ability to open a business bank account, apply for loans in the business name, and apply for other government programs. However, the extent of informality is widespread in the developing world, especially SSA (also see section 4b). For example, only 7 percent of firms in Malawi have registered with the Government. In this context of high informality, an experiment randomly offered informal firms different types of support to formalize their business, at no cost, with significant impacts on registration and access to financial services (Campos et al, 2015a). Specifically, take up of the assistance was very high, with about around 75 percent of female-owned businesses offered obtaining the costless business registration certificate (but with little take up of the separate tax registration), suggesting that they are indeed willing to formalize. The authors evaluate the short-term effects of formalization on different outcome variables. While business registration alone did not

\textsuperscript{29} Refer to Kunze (2016) for a discussion of empirical literature on the pros and cons of parental leave for maternal labor supply.

\textsuperscript{30} World Bank (2015) finds that the government pays for maternity benefits in about half of the countries that provide paid maternity leave, the employer pays for the full cost in 30 percent of the countries, and government and employer share the cost in the remaining countries.
have an effect on improving access to financial services, however, when combined with an information session at a bank that included the offer of business bank accounts, it had significant impacts on various activities for female entrepreneurs, such as the probability of having a bank account, its usage for business purposes, financial practices, and access to other complementary financial services, such as insurance. This combined intervention provides one way to not only help formalize female owned firms, but also get increased use of financial services, a key input for firm growth.

**Quotas in corporate boards**

Affirmative action is one measure that can be adopted to increase the representation of women in high-level corporate board positions. This type of quotas was first introduced in 2003 in Norway, with a law requiring 40 percent quotas for women in corporate boards of publicly limited companies. Many other European countries followed Norway’s example and embraced some forms of gender quotas (either in private or state-owned companies, or both)—including Spain, Iceland, Italy, Finland and France, the Netherlands, Belgium, and Germany, but also in other regions, including India and Israel (the latter two with much lower target).

Evidence on the effectiveness of these measures on women’s outcomes is rare and mostly qualitative, with the exception of Bertrand et al. (2014) who analyze the effects of the 2003 legislation in Norway on women’s labor market outcomes. They find that women in the reserved corporate seats were better qualified than women appointed before the quota policy was introduced and that the gender pay gap within boards decreased significantly. However, the policy appeared not to have a significant effect on the gender wage gap among top earners on average. Although the policy improved career expectations for younger women pursuing a job in business, it did not affect their fertility and marriage decisions and there was no increase in women’s enrollment in a business education program. This evidence suggests that, at least in the short term, the reform did not have an effect on women more generally. As it takes time to change gender norms and stereotypes, this result may be explained with the relatively short amount of time between the passage of the quota and the evaluation of its impacts.

Interestingly, although Norway ranks high in terms of gender equality rankings, the gender quota law was not immune to resistance from the male-dominated business environment. In 2003, when the law was introduced, the share of women in boards of public-limited firms was only 9 percent. This share grew to only 17 percent in 2005 (far from the 40 percent target). Therefore, after a period of voluntary compliance the law became compulsory in 2006 and sanctions were established. If, after 2 years, firms did not comply, they would have to be dissolved. There is evidence that a large number of firms changed their status, most likely to avoid compliance with the law (Ahern, and Dittmar, 2012; Bertrand et al., 2014), and conditional on not having changed status, all remaining firms complied with it by mid-2008. The business community feared there would not be enough qualified women to fill the positions, suggesting the role of entrenched norms and stereotypes about women’s abilities. However, as noted above, these fears appear to have been unfounded as the quality of women appointed to boards increased after the quota policy (Bertrand et al., 2014).

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31 Most firms did not comply with the 2003 law, so in January 2006 the law became compulsory (not complying firms by January 2008 would be dissolved). Some firms switched corporate status to avoid complying with the law. The median percentage of female board members passed from 0 percent in 2003 to 40 percent in 2007 (Bertrand et al., 2014).
Positive feedback from affirmative action in politics

While, to best of our knowledge, there is no direct rigorous evidence that quotas in corporate boards lead to better labor market outcomes for women in general, an evaluation of a reservation program in India that mandated women's political participation in local villages (covered in the next section) found significant impact on female entrepreneurship (Ghani et al., 2014). The authors exploit variation in the timing of implementation of the policy across states and find that, although quotas did not have an effect on wage employment, they did lead to increased women’s entrepreneurship in the manufacturing sector—where female local networks had traditionally been strong (the increase is concentrated on female-owned, mostly household-based, unorganized businesses). After ruling out other unlikely channels, Ghani et al. (2014) argue that the results can be explained by two likely mechanisms. First, given empirical evidence that more women in powerful positions can lead to a shift in public expenditure, with higher provision of local infrastructures reflecting women’s preferences (described in section 2), this same mechanism could have lowered the costs of becoming entrepreneurs. Second, female leadership in local villages could have created a role model that inspired women's entrepreneurship.

5c. Political representation

Political gender quotas

Over the past 20 years, more than half of world’s countries have introduced some type of quotas as a way to “fast-track” women’s representation in national Parliaments and local government. The spread of these policies is considered to be a major driver of the increase in female representation the lower house of national legislatures worldwide from approximately 10 percent in 1995 to 22 percent in 2015 (figure 2). The Nordic countries reached the world’s highest share of women’s in parliament compared to other regions with an average of 41 percent (table 1), and have done so incrementally, without the adoption of political quotas at the national level, over a period of over 60 years. Instead, developing countries today are more frequently using quotas to accelerate women’s representation over a few years.

Several political scientists have analyzed the factors affecting the adoption of gender quotas in a country, focusing on the combination of domestic activism, international and transnational influence— the latter being more important for developing countries in recent years (Krook, 2006; Norris and Dahlerup 2015; Hughes et al., 2015). International factors have been particularly important for the adoption of quotas in post-conflict countries through aid conditionality and support during peace operations (Bush, 2011).

Do parliamentary quotas work in improving women’s numerical representation in politics? Although rigorous evidence is not available as it is difficult to establish a counterfactual (i.e., what would have happened to female representation in the absence of the policy), several qualitative studies provide support for the hypothesis that it did (for example, Norris and Dahlerup, 2015). On one level, given that quotas are usually set above current level of representation, the increase in female representation is mechanical. However, many countries still face important challenges in reaching the target percentage of women in parliaments defined in

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32 For more details on quota policies and impacts, see Pande and Ford (2011), Franceschet et al. (2012), and the International Institute for Democracy and Electoral Assistance (International IDEA) website http://www.idea.int/, and the Global Database of Quotas for Women http://www.quotaproject.org/.
their own quota law, i.e., in closing the “implementation gap”. Figure 8 lists all the countries that have adopted quotas and the year of adoption. The “gap in 2015” indicates the difference between the country-specific percent of women required by the quota and the actual percent female representation in the lower (or single) house of the legislature in 2015, expressed in percentage points and represented by circles. The red vertical line corresponds to a gap in 2015 equal to 0 (i.e., the country has reached its own required quota). The bars indicate the number of years that have passed since the country adopted the quota to the year in which the quota was reached. For example, Rwanda adopted a quota of 30% in 2003 and the same year female representation in Parliament was higher than the quota level (it increased from 26% in 2002 to 49% in 2003) and reached 64% in 2015, so that the number of years with the gap is 0 and the gap in 2015 is -34 percentage points (i.e., 30% minus 64%). For countries that have closed the gap (about 35 percent of the 74 countries that have adopted either legislative or reserved seats quotas up to 2015), we calculate that it took about 6 years to do so. Consistent with the discussion above, post-conflict countries are more likely to have closed the gap, with Rwanda currently being the front-runner of women’s political participation in the world with 64% of total seats occupied by women—a fraction well in excess of the national quota. In countries still facing an implementation gap, this can be explained by a range of different factors, including the wording of the law, the lack of mechanisms to sanction noncompliance or of complementary policies, low political will, and the short time since the adoption of quotas (for countries that have introduced it recently) (Krook, 2015; Franceschet et al., 2012).

Adverse social norms also play a major role. In Spain, for example, although the share of female candidates effectively increased after the adoption of legislative gender quotas in candidate lists—which required parties to have a minimum of 40 percent to a maximum of 60 percent of either sex—for elections in the Senate and the House in 2007, the percentage of women elected in the national legislatures remained low after the 2008 elections (28 and 36 percent in the Senate and the House in 2008, respectively). According to results in Esteve-Volart and Bagues (2012), the low share of women elected can be explained by the strategic nomination of female candidates. Female candidates were significantly more likely to be nominated as candidates when the position was expected to be lost. Indeed, in elections to the Senate, the share of women candidates was only 20% when the probability of winning the positions was high, while the share was 53% when the position was likely to be lost. Moreover, considering that candidates are listed in alphabetical order in the ballots (with voters known to prefer candidates at the top of the list) women with names starting with a letter from the bottom of the alphabet were systematically picked for tougher elections. This study clearly shows how male-dominated political parties manipulated the nomination system to reduce the risk of losing out power within the party.

33 There are three main types of quotas: reserved seats mandate a share of female legislators; legislative or statutory quotas are mandatory provisions for all parties to have a certain share of women among their candidates; voluntary party quotas are adopted voluntarily by parties that commit to a share of women among their candidates. We did not consider voluntary party quotas for the purpose of collecting information for figure 8. In the figure, light-colored circles represent reserved seats, while dark-colored represent legislative quotas.

34 If we disaggregate between reserved and legislative quotas, we see that the average number of years needed to close the gap for countries that introduced reserved seats is 5, while it is about 7 for those with legislative quotas.

35 For the world ranking, see the Inter-Parliamentary Union website: http://www.ipu.org/wmn-e/classif.htm

36 The authors propose that the current system in which candidates are listed should be changed to avoid manipulation. Instead of alphabetical order, they suggest a rotating ballot that equalizes each candidate’s probability of being placed at the top.
Negative reactions to female quotas are not confined to developed countries. In India, the adoption of gender quotas in village-level councils was initially seen with a great deal of skepticism by communities and government officials who thought that only illiterate women would be assigned to councils, unable to make decisions on their own but just follow their husbands’ directions (Banerjee and Duflo, 2011).

However, Casas-Arce and Saiz (2015) find that the negative attitudes of political parties to having women in their candidate lists were not shared by their constituents. They study the introduction of quotas at the municipal level introduced in Spain in 2007 and exploit the fact that the quotas applied only to municipalities with more than 5,000 inhabitants.37 Using before and after data by party and municipality and employing a triple-difference empirical strategy, they find that parties most affected by the quota experienced an improvement in their electoral outcomes. Moreover, voter turnout did not decrease in municipalities affected by the quota. These results are suggestive of agency problems between parties and voters in which the former (historically male-dominated) are unwilling to field more women with the cost of, as the results suggest, losing votes. These are also not consistent with broad-based voter aversion to having female candidates.

There is considerable debate over whether a country should or not adopt quota policies that also apply to affirmative action measures in other areas, such as corporate boards (Krook, 2014; Dahlerup, 2006). The main argument in favor of the policy is that it is a way to improve the representation of women and achieve gender equality, while opponents argue that quotas will lead to the deterioration of the quality of politicians, thus threatening meritocracy. The latter claim does not appear to be supported by empirical evidence. For example, Baltrunaite et al. (2014) find that the overall quality of politicians, measured by their level of education, increased after the introduction of quotas in candidate lists in Italian local elections in 1993. The authors find that improved quality is not just due to more women elected (on average more educated than men), but also a reduction in the number of low-quality men elected. In Sweden, Besley et al. (2015) find that the adoption of a quota requiring all local party groups belonging to the Social Democratic party to alternate men and women on the ballot led to improved “competence” (based on a newly developed measure based on earnings data conditional on age, education, occupation and location) of male politicians, mainly due to the resignation of less competent men and the selection of more competent candidates. At the same time, the competence of women did not deteriorate but was roughly unchanged.

Another concern is that the women who are elected under quotas may lack independence. One piece of evidence against this argument comes from Ban and Rao (2008) who find that women in reserved seats in Indian village councils do not appear to have been pushed to run by their husbands and that, as found for other countries above, these women tend to be more informed about political activities, to have more political experience and to be wealthier than women in the general population.

Beyond the effects on numerical representation and the qualifications of politicians, it is important to understand the impact of increased representation of women on the outcomes for women beyond the representatives. The case of the reserved seats in Indian local government bodies is widely studied in the

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37 The 2007 Gender Equality Law in Spain introduced the same quotas (of a minimum of 40 to a maximum of 60 percent of candidates of either sex) in candidate lists at different levels of government, including the Senate and the House (analyzed in Esteve-Volart and Bagues, 2012), and at the municipal level (studied in Casas-Arce and Saiz, 2015). For more information the quota policy, see: http://www.quotaproject.org/country/spain
literature primarily because of the random variation in mandated reservation of seats to women across village councils that allowed the rigorous evaluation of the policy on a variety of outcomes. The evidence suggests that female leadership positively affected aspirations of parents and their adolescent daughters who also achieve more education and are less likely to be engaged in household chores (Beaman et al., 2012), and increased women’s entrepreneurship in the manufacturing sector (Ghani et al., 2014). After two terms of repeated exposure to women leaders in reserved villages, voter’s perceptions about the ability of women to be effective leaders improved and the probability that women competed for and won elected positions in previously reserved councils significantly increased (Beaman et al., 2009). Similarly in Mumbai, women were significantly more likely to be reelected in municipal councils that had previously reserved seats for women (Bhavnani, 2009). The evidence in Beaman et al (2009) and Bhavani (2009) suggests that, in some cases, temporary affirmative action interventions can have long-term effects on women’s participation. These reservations also led to broader social and policy-relevant changes, such as reduced incidence of corruption (Beaman et al., 2010) and increased reporting of crime against women, police responsiveness and number of arrests for such crimes (Iyer et al., 2012). This evidence suggests that the policy has been effective in shaping gender norms and breaking the vicious cycle leading to persistent low female political and economic participation.

Another interesting example is from a field experiment in Afghanistan. Although the intervention does not involve the adoption of strictly defined gender quotas as in the examples described above, it mandated women’s equal participation in newly established village councils and in the selection of development projects as part of a large development program. Beath et al. (2013) find that, in randomly selected “treated” villages where the intervention was implemented, the program led to increased women’s mobility through higher participation in village governance, and in some economic, social, political community activities, and income generation. The authors, however, do not find any effect on attitudes towards the role of women in society and decision-making within the household. They argue that their evaluation may not be capturing the effects on entrenched attitudes because it was carried out only two years after the start of the program and more time may be required to achieve deeper social changes in this context.

5d. Understanding the dynamics between legal change and shifting norms

In this section we look at some of the wider theoretical arguments that seek to explain how legal changes can shift persistent norms and what, if any, empirical evidence exists to support them.

A dominant view in economics is that the law, to be effective and replace the prevailing social norms and customs, must act as a “focal point”. The persistence of discriminatory norms and practices partly depends

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38 The National Solidarity Program (more info can be found at: http://nspafghanistan.org/) was created in 2003 to improve the ability of Afghan communities to manage their own development projects. The composition and functioning of the Community Development Councils (CDCs) are regulated by the CDC By-Laws, passed with a presidential decree in 2006.

39 Refer to the WDR 2015 on “Mind, Society, and Behavior” World Bank (2014c) for an in-depth discussion of the psychological and social influences on human behavior and decision-making that draws on findings from many disciplines.
on reciprocal expectations about the behavior of others.\textsuperscript{40} As long as discriminatory norms are broadly shared by a critical mass of individuals who expect that the others will conform to the practice, there will be no incentive to deviate from it. Strategic interdependence of individual beliefs will maintain the unequal distribution of power. A shift requires the coordination of beliefs, as each individual’s action depends on the expectations of what others will do (Basu, 2000, 2015; Bicchieri, 2006).

Aware of the fact that the factors contributing to the effectiveness of laws in inducing social change are complex and highly context-dependent, here we attempt to draw a few lessons based on existing evidence.

First, laws that are in great conflict with existing norms and culture are unlikely to be successful in changing behavior and can lead to backlash (World Bank, 2014c; Acemoglu and Jackson, 2017).\textsuperscript{41} As previously discussed, laws prohibiting a range of gender-based violence, including child marriage, female genital mutilation, sex selective abortion, and domestic violence, largely failed in changing behavior because these practices are too entrenched in culture and social sanctions for not conforming are often too strong. In India, a law banning abortion for sex determination did not prove effective in achieving the desired behavior, rather, sex ratios have continued to worsen over time (i.e., more males born). This is because the law failed to address the underlying cultural preference for sons and led some people to seek unsafe abortions with harmful consequences on women’s health (Arnold et al. 2002).

Second, legal prohibitions can indeed have the intended effects by enabling those who desired to abandon the practice to do so. The implementation of complementary interventions prior to the adoption of legal prohibitions can help shift the equilibrium of individual beliefs. For example, education campaigns and advocacy work were important preexisting conditions for abandoning FGM among those disapproving the practice following an anti-FGM law in Senegal. However, the law did very little among those who strongly supported FGM and in some cases drove the practice underground (Shell-Duncan et al., 2013). In other cases the law may act as a “magnet” on the custom by offering an outside option to disadvantaged groups who wished to abandon the custom which increases their bargaining power thereby leading to incremental social change. For example, a Ghanaian inheritance law (also discussed in section 5a) which gave wife and children the rights to inherit from her spouse or father, thereby contradicting significant aspects of matrilineal customs caused a progressive evolution of the custom in the direction of the new law even though the latter was not strictly enforced (Aldashev et al., 2012a, 2012b).

Third, gradual enforcement may be needed to allow time for behavioral change to take place (Acemoglu and Jackson 2017). For example, in relation to the India reservation policy discussed above, attitudes towards women leaders as well as the probability of women to run for and win unreserved positions improved only in councils that were reserved to women in the two previous electoral terms (i.e., ten years), not in those reserved once only. Therefore, only continued exposure to women leaders was able to induce social change (Beaman et al, 2009). At the same time, Bhavani (2009) finds that one electoral cycle with exposure to women in Mumbai municipalities was enough to significantly increase the probability that women with unreserved

\textsuperscript{40} See Mackie 2000 discusses this with specific reference to female genital mutilation.

\textsuperscript{41} Engle Merry (2006) describes the process of “vernacularization” in which formal laws are translated in the context of the local culture in ways that involve the existence of intermediaries to allow people to relate to the content of the law using their own language and shared concepts about the status of women in society, for example through plays that use traditional folk tales, posters, local organizations, etc, to address cultural issues, such as dowry violence, FGM, etc.
seats after the quota was withdrawn. The open question is then how long is enough to change norms. It is reasonable to expect that longer exposure will generate stronger change, but wide-ranging empirical evidence on the dynamics is lacking.

Fourth, in some cases the mere existence of the law can bring a ‘cultural shift’. This is the case of domestic violence legislation—“The very existence of legal remedies for domestic violence counteracts the traditional view that domestic violence is a personal, private problem that is the victim’s fault” … “Thus, law can promote a new vocabulary, a new perspective, and a new cultural understanding of domestic violence” (Goldfarb, 2011, p.63). However, the desirability of laws that criminalize domestic violence is controversial and has been criticized (Goldfarb, 2011). For example in India, a new 2013 law made punishment harsher and introduced the death penalty for rape convictions. However, given that the victim of violence often knows the perpetrator, capital punishment can have unintended consequences and actually deter women from reporting it (Pande, 2015). Similarly in the United States, research has shown that stricter mandatory arrest laws increased crimes related to domestic violence, most likely due to decreased reporting to the police because of fear of harsher abuse and of the psychological as well as economic consequences (Iyengar, 2009). On the other hand, the fact that reporting of crimes against women increased after the India political reservation policy is again a powerful example of how creating a role model for women can bring social change (Iyer et al., 2012).

Taken together, this discussion makes evident that more research is warranted to understand in which cases the law may (or not) be enough in a more systematic manner and how this relationship plays out over time.

6. Concluding observations

The studies described in this paper suggest that formal constraints and social norms are important factors that contribute to the persistence of gender gaps in economic and political participation. Despite progress, legal constraints hindering women’s employment and entrepreneurship are still widely prevalent in the developing world, especially in the Middle East and North Africa and Sub-Saharan Africa regions (where gaps tend to be larger). Adverse gender norms likely reinforce formal constraints and vice-versa. The available evidence indicates that deeply entrenched informal norms about a woman’s place and role in society are not only still pervasive in the developing world but also in rich countries, suggesting that economic growth will not solve these problems.

Have institutional reforms been successful in delivering gender equality? The evidence presented in this paper suggests that well-designed land titling programs that encouraged co-titling of the land improved tenure security for women with effects on agricultural productivity. Granting inheritance rights to daughters leads to increased investments in their education. Creating an enabling legal environment for women’s economic participation, such as removing legal constraints requiring a husband’s permission to work outside the home, to register a business and restrictions on work in certain industries, is a pre-condition for women to thrive and stay in the labor force. Mandating inclusion through affirmative action in local government entities increases the probability that women compete and win elected positions, improves perceptions about the ability of women to be effective leaders, improves parental aspirations for their daughters and their
educational attainment, and leads to increased reporting of crimes against women. An important result is that some of these effects lasted even after the quotas were removed, which makes the case that transitory interventions may have lasting effects. Taken together, the evidence on gender quota policies from different countries points to the conclusion that in the electoral realm, as in the corporate realm, there does not seem to be a trade-off between gender equality and the quality of representatives.

The review has also emphasized the important difficulties posed by power inequalities and adverse social norms which hamper the effectiveness of reforms. Based on the available evidence, a few lessons emerge in relation to the effectiveness—or failure—of laws in inducing social change. First, laws that are too detached from the cultural context and destabilize deeply held, ingrained power relationships are likely to fail and can sometimes backfire. Second, slow and gradual enforcement may be needed to allow time for behavioral change to happen and sometimes complementary interventions may help shift the equilibrium of individual beliefs. Third, those who desire the change prescribed by the law can be enabled by the legal reform to behave according to it and, in some cases, the law can bring cultural change by merely presenting a new perspective that was previously unthinkable given the cultural context.

The evidence also indicates that there is a bi-directional endogenous relationship between political and economic participation. On the one hand, mandating women’s political representation can help breaking the vicious cycle leading to low female labor force participation by raising aspirations and encouraging entrepreneurship by providing a role model of a successful woman policy-maker (Beaman et al, 2012; Ghani et al, 2014). A higher presence of women in parliaments is found to be correlated with greater equality of employment laws (Htun and Weldon, 2014), and with the probability that a country implemented a reform to remove legal gender differences in economic rights (Hallward-Driemeier and Hasan, 2013). On the other hand, increases in women’s education and economic participation in the Nordic European countries starting in the 1960s gradually paved the way for increased participation of women in national legislatures that is, still today, on average the highest among all world regions (without the need to introduce quotas at the national level) (Dahlerup, 2005). One possible channel is the gradual change of voter attitudes towards women. In a review of the evidence on the relationship between work and political power mostly in relation to the US experience, Iversen and Rosenbluth (2008) document that low female labor force participation can contribute to the underrepresentation of women in public office by strengthening adverse traditional attitudes held by voters towards women and by limiting the supply of professional women who can launch successful electoral campaigns. This correlation is intriguing and suggests that reforms in one realm can alone trigger changes in other dimensions in a self-reinforcing dynamic of inclusion.

While we only reviewed the evidence on the effects of legal change on gender equality, other interventions have shown to be highly effective in bringing a swift change in norms. There is mounting evidence on the role that the media have in generating profound changes in gender norms and other socio-economic outcomes, likely through the use of role models (see La Ferrara, 2016, for a review). For example, the exposure to commercial television led to rapid changes in women’s attitudes, such as reduced acceptability of domestic violence, lower son preference and higher women’s autonomy (Jensen and Oster, 2009); reduced fertility rates (La Ferrara et al, 2012); higher rates of divorce and separation (Chong and La Ferrara, 2009), and lower teen pregnancy rates (Kearney and Levine, 2015).
Finally, the occurrence of major tragic events, such as conflicts, can open up opportunities for women who have to take over roles that had traditionally been held by their male counterparts and provide space for domestic movements leading to the passage of women-friendly laws and higher representation of women in politics and peacebuilding processes (Tripp, 2015). Moreover, there is evidence that the increase in female labor force participation brought by war can have consequences on women’s labor supply in the next generation by changing the preference of an increasing fraction of men who were raised by a working mother (Fernandez et al, 2004).

Taken together, this work helps us understand the strands of the interconnected and circular relationship between institutional constraints and norms and women’s economic activities and political participation. As we move forward, increased research on which interventions work, alone or in combination, to improve this trajectory and break self-reinforcing bad equilibria, will help identify promising interventions to improve outcomes in the course of the development process.

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Tables and figures

Figure 1. FLFP, GDP, and perceptions about women’s abilities

Panel a) Relationship between female to male LFP and logged GDP per capita

Panel b) Relationship between female to male LFP and perceptions about women’s abilities

Source. Authors based on: i) World Development Indicators, Ratio of female to male labor force participation rate (%) (modeled ILO estimate), 2014; ii) World Values Survey Wave 6, 2010-2014: men’s and women’s replies to the question "On the whole, men make better business executives than women do", all countries for which this info is available ; iii) GDP per capita (constant 2005 US$) , World Development Indicators, 2014 (natural log).
**Figure 2.** Proportion of seats held by women in national parliaments (%)

![Graph showing the proportion of seats held by women in national parliaments from 1997 to 2015.](image)

*Source:* Authors based on WDI (Women in parliaments are the percentage of parliamentary seats in a single or lower chamber held by women), from Inter-Parliamentary Union (IPU) ([www.ipu.org](http://www.ipu.org)).

**Figure 3.** Countries where customary or religious law is constitutionally recognized

![Map showing countries where customary or religious law is constitutionally recognized.](image)

*Source:* Authors based on 2016 Women, Business and the Law. The map is constructed using two questions: 1) Is customary law recognized as a valid source of law under the constitution?; 2) Is personal law recognized as a valid source of law under the constitution?
Figure 4. Number of legal gender differences and gender outcomes

**Panel a.** Female to male LFP and number of legal gender differences

**Panel b.** Proportion of parliamentary seats held by women and number of legal gender differences

*Source: Authors based on: i) World Development Indicators, Ratio of female to male labor force participation rate (%) (modeled ILO estimate), 2014; ii) World Development Indicators 2015 Proportion of seats held by women in national parliaments (%); iii) Number of legal gender differences from WBL (World Bank, 2015). These exclude high-income countries.*
Figure 5 Women are entitled to some of the marital property upon divorce or after the death of the husband intestate, by the type of marriage in selected SSA countries

Source: Authors based on the Women's Economic and Legal Empowerment Database for Africa, Hallward-Driemeier, and Hasan (2013b).
Figure 6 Share of men and women who agree or strongly agree with the statement “If a woman earns more money than her husband, it’s almost certain to cause problems”

Source: Authors based on World Values Survey Wave 6: 2010-2014.

Figure 7 Share of men and women who agree or strongly agree with the statement “On the whole, men make better political leaders than women do”

Source: Authors based on World Values Survey Wave 6: 2010-2014.
Figure 8 Gender quotas in Parliament, implementation gap

Sources: World Bank (2015); http://www.quotaproject.org; Celis et al. (2011); Ballington (2004). Note: The “gap in 2015” is the difference between the % of women required by the quota and the actual % female representation in the lower (or single) house of the legislature in 2015, expressed in percentage points. The red vertical line corresponds to a gap in 2015 equal to 0. The bars indicate the number of years that have passed since the country adopted the quota to the year in which the quota was reached. Circles indicate the “gap in 2015”, and the color the type of quota: light-colored for reserved seats quota, dark-colored for legislative quotas. The year indicated for each country is that of the quota adoption and the % of women required by the quota is from World Bank (2015).
<table>
<thead>
<tr>
<th>Region</th>
<th>Single House or lower House</th>
<th>Upper House or Senate</th>
<th>Both Houses combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nordic countries</td>
<td>41.1%</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Americas</td>
<td>27.3%</td>
<td>26.9%</td>
<td>27.2%</td>
</tr>
<tr>
<td>Europe - OSCE member countries including Nordic countries</td>
<td>25.6%</td>
<td>24.7%</td>
<td>25.4%</td>
</tr>
<tr>
<td>Europe - OSCE member countries excluding Nordic countries</td>
<td>24.1%</td>
<td>24.7%</td>
<td>24.3%</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>23.3%</td>
<td>21.9%</td>
<td>23.1%</td>
</tr>
<tr>
<td>Asia</td>
<td>19.1%</td>
<td>15.3%</td>
<td>18.8%</td>
</tr>
<tr>
<td>Arab States</td>
<td>18.4%</td>
<td>11.7%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Pacific</td>
<td>13.2%</td>
<td>36.0%</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

Source: [http://www.ipu.org/wmn-e/world.htm](http://www.ipu.org/wmn-e/world.htm), accessed May 3, 2016. Regions are classified by descending order of the percentage of women in the lower or single House.