



# INSTITUTE OF DEVELOPMENT STUDIES KOLKATA

(A Centre of Excellence in Social Sciences funded by the Government of West Bengal)

SALT LAKE CAMPUS • DD 27/D, SECTOR 1, SALT LAKE, KOLKATA 700 064

## Seminar

Dr. Ashmita Gupta, Post-Doctoral Fellow, University of Wageningen, Netherlands, will present a paper on :

### **Effect of Trade Liberalization on Gender Inequality: The Case of India**

Date: August 10, 2018 Friday

Time: 3:15PM

Venue: IDSK Seminar Room, 5<sup>th</sup> Floor, Salt Lake

(All are welcome to participate in the seminar)

*Subhanil Chowdhury*

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#### Abstract

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Using a panel of establishments from the Annual Survey of Industries (ASI), I study the impact of the 1991 trade liberalization episode in India on the employment share of women. Contrary to the predictions of a taste-based discrimination model, I find that establishments exposed to larger output tariff reductions and import competition reduced the share of female workers. I also find that input tariff reductions neither raised nor reduced female employment share. The negative association between output tariff reductions and female employment appears to be driven by two factors. First, establishments facing larger output tariff declines engaged in more skill-upgrading which worked against women (who are less skilled in terms of measured education). Second, establishments facing larger tariff declines increased the number of shifts per worker. Since women in India are prohibited by law from working long hours and night shifts, this hours-constraint appears to have reduced relative employment of women. I find this effect to be particularly large among "big and private" establishments. This paper is the first to provide empirical evidence of how a well intentioned policy of limiting female work hours might have unintended side effects.