Vulnerability Resilience and Female Labor Force Participation: Evidence from Adverse Shocks on Rural Households in Bangladesh

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Abstract

The rural poor households in Bangladesh are vulnerable to a wide variety of adverse economic, social, cultural, ethnic, and natural hazards. However, household’s socio-economic status, along with regional, physical, and other factors, significantly affect their coping mechanisms, resilience against, and recovery from such shocks. In this paper, we conduct an in-depth analysis of the nature and characteristics of rural households experiencing negative shocks. This paper also attempts to quantitatively investigate how adverse shocks impact female labor force participation in rural areas of Bangladesh utilizing a rich rural representative dataset, the Bangladesh Integrated Household Survey (BIHS) 2015. Several descriptive and statistical analyses have been conducted in this paper and results obtained from the analyses suggest households with less education, a larger amount of outstanding loans, bigger household size, owning less amount of assets as well as productive lands, and have lower per capita income are more vulnerable compared to the other households. Additionally, one important finding gleaned from our quantitative analysis is that the female household members are significantly more likely to participate in the labor force if the household is adversely affected by a hazard during the previous four years. Among the three types of hazards studied in this paper the female labor force participation likelihood increased the most by natural shocks. Our result also suggests the likelihood of female labor force participation declines in rural Bangladesh if the household head is employed, and it has significant regional impacts.

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