

REVISITING THE FLFP - FERTILITY RELATIONSHIP: EVIDENCE FROM NFHS 5

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ABSTRACT

An extensive literature in labor economics recognizes that female labor force participation is closely associated with social norms and her family decisions such as fertility. This paper attempts to examine the impact of having more than two children on paid work status of women in the Indian context and also tries to validate if the social norms can act as a possible pathway to explain this relationship. Using the NFHS-5 dataset (2019 -21), bivariate probit model is estimated controlling the possible endogeneity in the relationship. The results indicate that married women having more than 2 children raises the probability of joining paid work. This positive relationship can be seen especially among lower-income families as they need to work to sustain their family. This positive effect can further increase if the family has a preference for having a male child or if wife has household autonomy in decision making procedure and mobility. Also, if the couple is living in a joint family structure, then it can help them in child upbringing, thus increasing probability of joining labor force. However, the effect of fertility on paid work status can decrease if the husband is educated or if the family belongs to a higher wealth quantile. This effect can also be different depending on the region considered.

Keywords: FLFP; Women's Paid work status; Fertility; Joint Family; Son Preference; Working Spouse; Bivariate Probit Model

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