

Gender Identity and Entrepreneurship in China Yucong Zhao¹, Jinchuan Shi² and, Bing Ye³ School of Economics, Zhejiang University

Abstract

In this paper, we empirically investigate the impact of gender identity on men's selfemployment motives in China and find that men with more traditional gender identity are more inclined to be self-employed. A possible reason is that the more traditional men invest more in social relations and have more social capital, which is impetus for self-employment. Heterogeneities are also explored in the paper.

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Are Women Less Likely to be Manager? – Occupational Transition to Management in the UK Labour Market (Extended Abstract)

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Keywords: Gender discrimination, Occupational transition, UK labour market

Introduction

In recent decades, there have been a number of initiatives that have discussed the gender gaps in employment, payment and working hours. For example, the UK government introduced several labour market policies in 1997, which were designed to help low-income families and groups such as women with young children that had low attachment to the labour market. The gender gaps are common in the labour market, in particular, when people are seeking promotion. Office for National Statistics (ONS) finds the percentage of women working in senior management roles is only 35%, which is just slightly higher than the EU average (33%). ¹ Furthermore, women just occupied a sixth of all senior roles in top UK companies.² These issues motivate this research to look into why women are less likely to work in management, and what affect and/or restrict women's working performance and career path.

Being a manager needs professional expertise and sufficient experience, and that put women in a vulnerable position. In many cultures, no matter Eastern or Western, women should, in traditional thinking, be responsive to the housework duties such as cooking, cleaning, looking after children and family. This tradition builds up a gender discrepancy. It restricts women's ability and capability of working, and impairs women's competitiveness. Due to time-consuming housework and looking after the family, women have limited time to spend on working, and that impedes the accumulation of working experience and expertise in labour market. Women, therefore, have more difficulties to compete with men, especially in a role of management.

Contribution

This study is the first research to document the worker's occupational movement from nonmanagement to management by decomposing the movement with the employment-to-employment transition, unemployment-to-employment transition and inactive-to-employment transition in the UK labour market. We also look into the gender issue of this occupational movement, which has not yet been fully explored in the existing literature.

Data

Labour Force Survey (LFS) is a unique source of the quarterly longitudinal dataset of the UK labour market. It uses international definitions of employment, unemployment, and economic inactivity, together with a wide range of related topics such as occupation, industry, wage, training, and hours of work of household members aged 16 years and over. LFS is widely applied in the analysis of social, economic and employment policy. The achievable sample size of the UK Labour Force Survey (LFS) is around 80,000 individuals and 35,000 households. According to its design, sample size, and characteristics, LFS is an appropriate dataset to realise the research objective of

¹ <u>http://webarchive.nationalarchives.gov.uk/20160108153731/http://www.ons.gov.uk/ons/rel/lmac/women-in-</u>the-labour-market/2013/sty-women-in-work.html

² <u>https://www.ft.com/content/0713fe70-18f8-11e6-bb7d-ee563a5a1cc1</u>



this paper to analysis worker's occupational movement. This paper uses two-quarter longitudinal LFS from Q1 1992 to Q1 2017 to investigate the labour's career path in the UK, especially focus on whether there is any difference between male and female. This paper uses Probit model to examine the worker's occupational movement from non-management to management.

The aim of this research is to investigate the workers' occupational movement from nonmanager to manger. The dependent variable is a dummy indicating whether workers switch their occupation from non-manager to manger when they re-employed in another job. If a worker takes a manager role while his previous role is not a manager, then the value of the variable is 1, otherwise 0. The transition from manager to the manager is excluded from the samples, as it does not capture the non-manager to manager transition, moreover it only is account for 5% of the whole sample. We only focus on the transition between different employers, not the promotion within the same employer. There is limit information in the LFS to identify whether workers are promoted to a manager or not. Promotion of being a manager within the firm involves some unobservable factors, such as the relationship with line manager and company culture, so we exclude those cases to avoid the bias estimation.

Results

This paper presents several interesting results on how workers obtain a manager role. The effect of age on the probability of becoming a manager is non-linear, and it is concave shaped. This indicates workers have very low possibility to become a manager in their young and old age, but more likely to take a manager role in their middle age. Workers have higher possibility to take a manager role when they have sufficient experience, but the age negatively affects the promotion when they passed their middle age. Higher education significantly increases the possibility of becoming a manager. And if one is in a full-time job role, he has higher possibility to become a manager than those in part-time. Keeping the other conditions (e.g. education level, age, full-time or part-time, etc.) are the same, women are significantly less likely to become a manger than men. While linking with business cycle, women have higher possibility of becoming a manager during the recession. Married men are more likely obtain a position of a manager than single men, while the likelihood is no difference between married women and single women. This implies that marriage/cohabit push men to be more responsible and encourage men to climb the career ladder harder.

Women are less likely to become manager if she has more dependent children. The coefficients of the number of dependent children are significantly negative for women's career path, but they are insignificant for men in all cases. This reflects that women were given more responsibility to look after children, and this impedes the women's career path and reduces their promotion opportunity.

Conclusion and Recommendation

UK childcare is in the most expensive group in the OECD countries, and parents spend 33.8 percentage of family net income on full-time childcare.³ Many women, no matter voluntarily or involuntarily, take the role of looking after children in order to save spending on childcare. This restricts the women's potential to be manager in the labour market. UK government extend the free childcare from 15 hours to 30 hours per week for 38 weeks a year, and this policy starts to execute from September 2017. However, whether this 30-hours childcare effectively helps women recoup the working capability and performance is an issue that we should keep an eye on. This research excludes the cases that get a promotion within the same employers as the information on workers' promotion isn't clearly outlined in LFS (as far as we acknowledged), but it would be interesting to investigate this occupational movement with another reliable data source if possible. Researchers might consider the company culture as an important factor, and how to measure the impact of company culture on workers' promotion. Does private or public employer behave differently in the gender issue? We leave these topics for future research.

³ <u>http://www.dailymail.co.uk/news/article-3831626/UK-childcare-expensive-world-Families-spend-income-nurseries-childminders.html</u>



The Impact of Gender Structure Change on China's Meat Trade

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Extended Abstract

Background

With China's economic growth entering a *New Normal* status, its population and trade, two major factors for China's long-term growth, are also restructuring profoundly. As for the population structure, it has gone through persistent and universal imbalance in sex ratio at birth (Li Shuzhuo, 2012). The aging trend is evident, and the demographic dividend is disappearing (Cai E, 2010). However, the import of meat products in China has increased rapidly. In 2016, the import of livestock products from has hit 23.4 billion US dollars, with a year-on-year growth of 14.5%.

Based on theories on population economics, this paper divides the population structure into the population age structure and the population gender structure, and establishes a theoretical framework to analyze the impact of gender structure change on meat trade. It also discusses to what extent and how those changes in gender structure are influencing meat trade, and thus what proper polices on meat trade we are able to formulate by taking the population factor into considerations.

Literature Review

The existing research on the relationship between population structure and international trade can be divided into the following categories:

Influence of Population Age Structure on Trade

Wang Renyan (2003) and Zhu Qing (2007) found out that China's special balance of payments structure and age structure of the population are closely linked. Aging will lead to a reduction in the working-age population, a decline in savings and investment, and an increase in consumption, which will be detrimental to the export trade. Bai Junfei et al. (2014) used household survey data on household consumption to analyze the impact of population aging on livestock meat consumption.

Impact of Population Gender Structure on Trade

Jin and Zhang (2006) used the theory of competitive savings to elaborate the mechanisms about how gender affect trade, pointing out that a gender imbalance would lead to an increase in social savings rates and thus have a positive impact on the current account. Tian Wei (2013) used a gravity model to analyze the influence of labor force participation on bilateral trade flows. Empirical evidence shows that the higher the labor force participation rate in women, the greater the volume of exports. Cai Xing, Liu Zilan (2013) and Liu Yulin, Liu Kaihao (2015) have verified that the sex ratio has a positive impact on the trade surplus.

Impact of Demographic Dividend on Trade

Lu and Cai (2016) pointed out that adequate labor supply contributes to the formation of a highly-invested and highly-capitalized country, bringing the so-called "demographic dividend". Cai (2010) and Wang Weitong (2012) analyzed the relationship between the demographic dividend and exports. Chen Song and Liu Haiyun (2013) pointed out that China's export-oriented development

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strategy is rooted in the demographic dividend while Ma et al. (2016) discussed whether the transformation and upgrading of exports can help alleviate the demographic dividend problem caused by the current demographic changes in China.

Earlier research focused mainly on the impact of changes in population structure on the current account, mainly through the study of the role of savings rate. The later research focuses on the impact of changes in population structure on the comparative advantages and the structure of export trade. The portrayal of the mechanism about the impact of population structure on international trade mainly focuses on the structure of trade and the comparative advantages of trade.

Possible Breakthroughs

Based on our review of the existing research, there is still little discussion on the impact of changes in gender structure on the sub-industry level. There is also very little research on the Chinese meat trade market. Therefore, it will be very interesting for us to study the influence mechanism about how the change of gender structure affects the meat trade in China.

Methodology and Data

This paper plans to use Jin and Zhang (2006) and Tian Wei (2013) to estimate the effect of gender structure change on China's meat trade at the provincial level by adding some modifications.

Data for the age and sex ratio of the population in this paper are derived from the Chinese Population Survey Yearbook. Among them, the sample data of 1% population sample survey in 2005 and the sample data of 1% population change survey in other years. Import and export of meat data from the UN Comtrade database.

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Cost of children and gender discrimination – empirical evidence from China

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Extended abstract

Tremendous size of population and low-wage labor force played an important role to the emergence of China's economic development since 1978. In 1980, the well-known one-child policy was enforced to chase greater economic prosperity. From the early 1980s to 2010, the total fertility rate in China declined from more than 2 to 1.65 children per woman (Wang et. al., 2017). Even though the one-child policy was gradually relaxed from the mid-80s, the fertility rate had kept declining year by year. In addition to the family planning policy, many studies found that the decline of fertility can be attributed to broad socioeconomic developments, for example, women's schooling, household income, and the shift in the labor force from agricultural activities to industrial production (Schultz and Zeng 1995; Zhang 1990). Even the new family planning policy allows a couple to have two children since January 1st 2016, the policy might fall short of pulling China out of its aging situation as expected. Based on this point, it is generally believed that the pro-natal actions shall be taken in the very near future in China, such as child support payments.

Measuring the costs of a child dealing with the role of standards of living has policy implications on the determination of child support payments. Interestingly, we found rare studies of measuring the costs of a child in China through the framework using measurement of equivalence scales. In this studies, we aim to provide empirical evidence on the measurement of the cost of a child in China and on its extended issues, such as household economies of scale, gender discrimination, and age difference.

Extensive work has been conducted on measuring the costs of a child dealing with the role of living standards (e.g., Deaton and Muellbauer, 1986; Deaton et al., 1989; Phipps, 1998; Michelini, 2001; Liu and Hsu, 2004). These results have had a policy implication on the measures of poverty and inequality, on the design of benefit programme, and on the determination of child support payments. The typical framework uses measurement of equivalence scales to examine how much a child costs relative to an adult. Much of the studies have relied on the household consumption survey data and focused on the relationship between the demographic structure of the household and the distribution of expenditures.

Three areas of investigations with the context of demographic structure have been conducted to describe the impacts on household consumption. First, it is commonly distinguished that the cost per person of maintaining a certain living standard decreases as the household size increases. For instance, Phipps and Garner (1994) estimated the equivalence scales by using US and Canada household data. The results suggest that larger households would benefit from economies of scale with consideration of the necessity bundle of goods for household consumption. Second, it is widely believed that gender discrimination exists in intra-household allocation and males are treated better than females with the resources of nutrition, health, and education (Dasgupta, 1993; Strauss and Thomas, 1995). Researches found that household consumption acts against girls in India, Pakistan, and Bangladesh (Deaton, 1997), Spain (Bosch- Domenech, 1991), and in Taiwan (Liu and Hsu, 2004). Third, the age difference of children would also cause different demands on certain items of goods. Ray (1983) proposed a utility-based approach to estimate the equivalence scales by using the household budget data provided by the U.K. Family Expenditure Surveys. The study found that young children have insignificant scales,

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while an older child costs around 10 percent of an adult couple.

In our study, new empirical evidence is provided on the measurement of the cost of a children¹ with the considerations of household economies of scale, gender bias, and age difference. Following Ray (1983), Phipps (1998), and Liu and Hsu (2004), a utility-based approach is chosen to investigate the cost of children in China by using household expenditure data provided by the China Household Finance Survey (CHFS), which was conducted by Southwestern University of Finance and Economics in China. The CHFS is a national-wide survey, and the primary sampling units include 262 counties (including county level cities and districts) from 29 provinces (including municipalities) in China except Tibet, Xinjiang, Inner Mongolia, Hong Kong, Macau, and Taiwan. A four-item classification is used in our study – Food, Clothing, Daily Necessities, and Communication. The correspondent prices of goods in household locations are provided from the National Bureau of Statistics of China. The prices are normalized at unity in year 1978.

The primary interests of this study is to answer the following questions via the estimations of equivalence scales. 1. Do Chinese households experience economies of scale for raising more children?² 2. Does there exist gender discrimination in Chinese households? 3. Will the costs of children be different with the considerations of age difference? 4. Will the costs of children be different in rural and urban areas?

Our empirical results suggest that there is no significant economies of scale for raising more children without considering gender bias and age difference. There is also no significant difference between the costs of raising boys and girls without considering age difference. However, when we impose age difference into the utility-based approach, the results show that older children would cost more than younger children and girls would cost more than boys in older ages. Further, the costs of children is larger in urban areas than in rural areas. The differences of the costs between genders and ages are larger in urban areas than in rural areas.

It is worth noting that only the necessity bundle of goods for food, clothing, daily necessities, and communication are included in our estimations. We would impose household expenditure on education into the measurements as our further study. It might illustrate more interesting ideas for gender discrimination issues in this piece of work.

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² Even though the limitation of having second child were not exclusively released before 2016, the limitation was conditionally implemented among households in rural and urban areas. So that, there is a quite large portion of households having over two children.

¹ Children are defined as household members who are under the age of 18-years old.



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