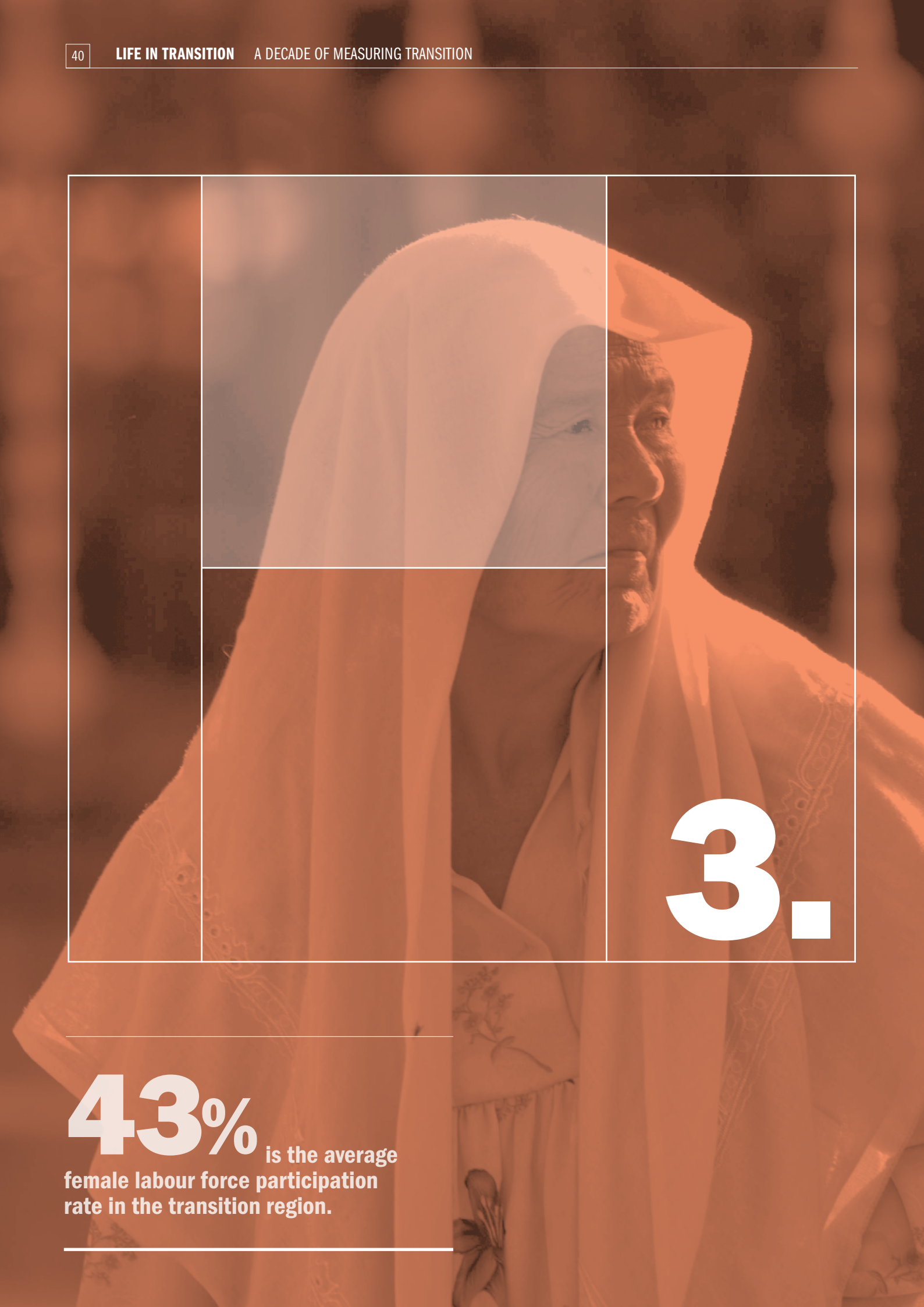


3.

43% is the average female labour force participation rate in the transition region.

Gender in the transition region

This chapter explores five gender-related priority areas using the data from the third wave of the Life in Transition Survey (LiTS) – education; labour market outcomes; female entrepreneurship; political participation; and general attitudes towards women in the transition region.

Introduction

The transition process from planned to market economies has brought many changes in the lives of both women and men. Gender equality is a human right but it is also a driver of economic development, as evidenced by the importance given to it in the United Nations Sustainable Development Goals. Indeed, there is a growing body of evidence that recognises the importance of greater gender equality, particularly in education and employment. Gender parity can foster growth, enhance key human development outcomes and make institutions more diverse.[1]

The EBRD has explored these issues in many reports and promotes gender equality through its operations.[2] The Bank's first ever Gender Strategy (2016-20) aims to establish a better future for women and men in the transition region where both have the same rights and opportunities to contribute to decision-making processes affecting their lives and both have equal access to finance and public services.

Despite unprecedented progress over recent years, gender inequalities persist in the transition region. According to the United Nations Development Program's Gender Inequality Index, nearly all transition countries have made progress toward gender equality since 2000 but only a few of them are close to gender parity at all levels, including reproductive health, empowerment and the labour market.[3] While women represent half of the population in the transition region, they still fall behind their male counterparts in terms of many socio-economic outcomes. Considerable challenges remain, from labour market discrimination to low levels of education, and an overall imbalance in equality of opportunities. These factors prevent the full participation of women in the labour market and decision-making at household, corporate and political levels. As a result, a great volume of economic potential remains untapped.

This chapter explores five gender-related priority areas using the data from the third wave of the Life in Transition Survey (LiTS) – education; labour market outcomes; female entrepreneurship; political participation; and general attitudes towards women in the transition region.

[1] See Seguino (2000); Currie and Moretti (2002); Klasen (2002); Kabeer (2005); and Klugman et al. (2014). Also see The EBRD's Fostering Economic Inclusion within the Transition Impact Methodology.
[2] See The EBRD's Strategy for the Promotion of Gender Equality 2016-20.
[3] The Gender Inequality Index (GII) reflects gender-based disadvantages in three dimensions – reproductive health, empowerment and the labour market – for as many countries as data of reasonable quality allow. It shows the loss in potential human development due to inequality between female and male achievements in these dimensions. It ranges between 0, where women and men fare equally, and 1, which represents the most unequal outcome for one gender in all measured dimensions.

Education

Education is a basic human right and should be accessible to all.[4] Indeed, this was an overriding principle of the former communist governments in many transition countries, where intensive efforts were made to improve access to education and the quality of educational institutions, which were highly ranked for many years. Adult educational attainment and literacy were high for both genders, tuition and associated costs (such as textbooks) were free and dropout rates were relatively low. This success in achieving gender parity in education is still visible in many transition countries in 2016.

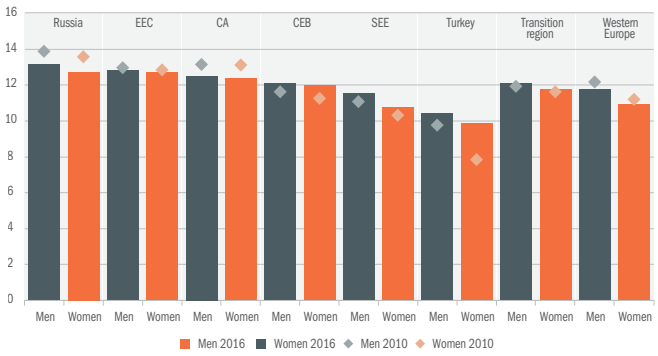
Chart 3.1 shows the average number of years of education received by people aged 25 and older. On average, the years spent in education is highest in Russia, while respondents in eastern Europe and the Caucasus (EEC) report the second highest average, followed by the countries of Central Asia (CA) and central Europe and the Baltic states (CEB). This contrasts with the western European comparators (Germany and Italy) where the average number of years of education is less than 12 years for both men and women.[5] It is also evident from the chart that the difference between male and female educational attainment is small in most regions, with the exception of south-eastern Europe (SEE), Turkey and western Europe.[6] This may be because women had relatively better access to education in former socialist countries. However, women have generally made gains in educational attainment in CEB, SEE and especially Turkey compared to the previous LiTS in 2010.

Chart 3.2 reports the proportion of respondents with at least a tertiary level of education. As this chart illustrates, there are higher percentages of women than men with at least a tertiary level of education in Russia as well as the EEC and CEB countries. By contrast, more men than women have post-secondary level education in Central Asia, SEE and Turkey (as well as the comparator western European countries included in LiTS III). Although a cross-country comparison reveals substantial variation across transition countries with regard to educational attainment, on average, the percentage of respondents who hold at least a tertiary level of education has increased relative to 2010.

Growth in demand for a skilled workforce requires both men and women to stay in education to equip themselves with the skills needed. However, women's education can be limited in cultures where marrying and starting a family at an early age is the social norm which may also, in turn, create barriers to labour force participation.[7] Indeed, Charts 3.3 and 3.4 provide some evidence in support of this view, plotting the teenage birth rates (that is to say, the number of births per 1,000 women aged 15-19) and early marriage index (the percentage of ever-married girls,[8] aged 15-19) against the female-to-male tertiary education enrolment ratio (values greater than 1 represent a higher share of tertiary education among women relative to men).[9]

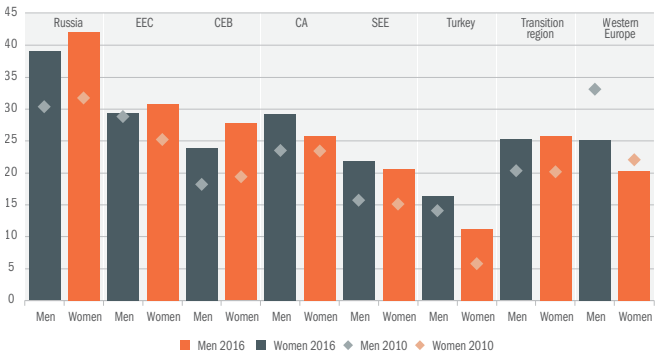
Women who are limited in their human capital accumulation because of childbearing during their teenage years may not reach their lifespan's economic potential. Indeed, studies from

CHART 3.1. Average number of years of education in 2010 and 2016 by gender and region



Source: LiTS II (2010) and LiTS III (2016).
Note: "Average number of years of education" refers to the number of years spent in education by a country's adult population (25 years and older) excluding years spent repeating grades. It is calculated using the International Standard Classification of Education (ISCED, 2011) taxonomies, produced and maintained by the United Nations Educational, Scientific and Cultural Organizations (UNESCO) to facilitate comparisons of education statistics and indicators across countries on the basis of uniform and internationally agreed definitions. This chart and all the other charts based on LiTS data use survey-weighted observations. Regional averages are based on simple averages of the country scores.

CHART 3.2. Percentage of men and women with at least a tertiary level of education



Source: LiTS II (2010) and LiTS III (2016).
Note: "At least a tertiary level of education" refers to the percentage of respondents (25 years and older) who completed this educational level following the completion of a school providing a secondary education.

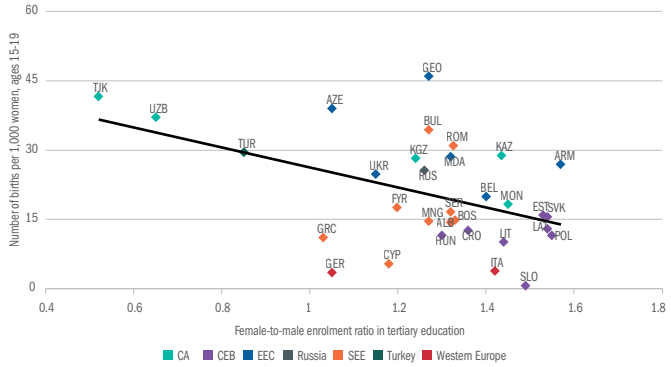
[4] Article 26 in the United Nations Universal Declaration of Human Rights: "Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit".

[5] Throughout the chapter, we use the term "western Europe" in order to benchmark the transition region against a number of advanced economies included in the Life in Transition Survey. More specifically, "western Europe (2010)" denotes the average of France, Germany, Italy, Sweden and the United Kingdom and "western Europe (2016)" denotes the average of Germany and Italy.

[6] In SEE there are small differences between former socialist countries (22 per cent for men and 23 per cent for women) and Greece and Cyprus (23 per cent for men and 25 per cent for women).

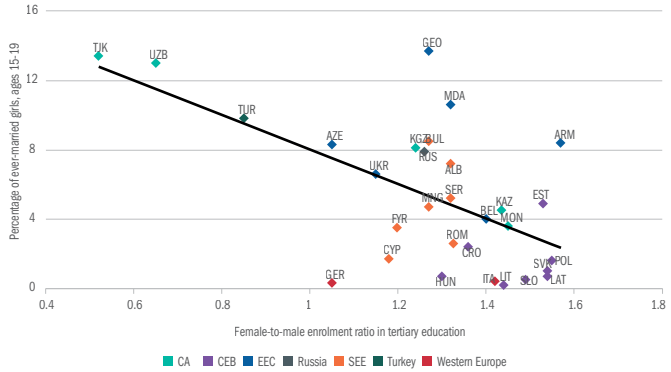
[7] Previous studies also show that high local unemployment rates significantly and positively affect teenage fertility rates. See, for example, Arkes and Klerman (2009) and Aksoy (2016).

CHART 3.3. Teenage fertility rate and tertiary education enrolment



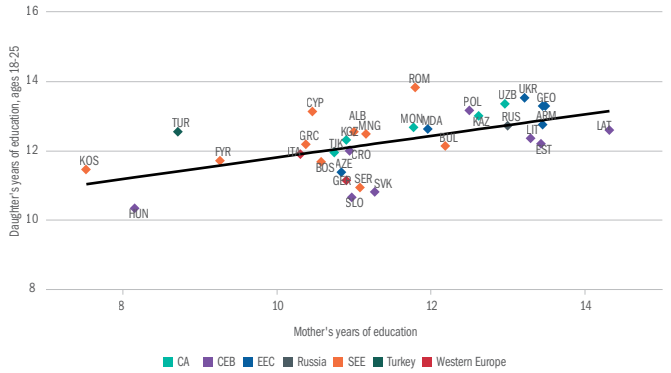
Source: LiTS III (2016) and United Nations, Department of Economic and Social Affairs, Population Division (2015).
Note: Teenage fertility rate is the number of births per 1,000 women ages 15-19. Higher values are less favourable for women. Enrolment ratio in tertiary education is the proportion of the female-to-male values of the enrolment in tertiary education. Values greater than 1 are more favourable for women.

CHART 3.4. Adolescent marriage rate and tertiary education enrolment



Source: LiTS III (2016) and United Nations, Department of Economic and Social Affairs, Population Division (2015).
Note: Early marriage rate is the percentage of ever-married girls aged 15-19. Higher values are less favourable for women. Enrolment ratio in tertiary education is the proportion of the female-to-male values of the enrolment in tertiary education. Values greater than 1 are more favourable for women.

CHART 3.5. Maternal education and daughter's years of schooling



Source: LiTS III (2016).
Note: "Daughter's years of schooling" refers to the number of years spent in education by a country's adult population (ages 18-25) excluding years spent repeating grades. "Maternal education" refers to the number of years spent in education by a country's adult population (ages 25-64) excluding years spent repeating grades. Both measures are calculated using the International Standard Classification of Education (ISCED, 2011) taxonomies, produced and maintained by the United Nations Educational, Scientific and Cultural Organizations (UNESCO) to facilitate comparisons of education statistics and indicators across countries on the basis of uniform and internationally agreed definitions.

a variety of countries show that teenage fertility has an adverse effect on educational attainment and increases the likelihood of living in poverty.[10] As illustrated by Chart 3.3, there is a negative correlation at the country level between teenage fertility and the female-to-male tertiary education enrolment ratio. This chart reveals that the highest average level of teenage fertility is found in Georgia, Tajikistan and Azerbaijan. Georgia is also a noteworthy outlier because, despite its high teenage fertility rate, the tertiary education enrolment ratio compares well with the transition region average. The highest female-to-male enrolment ratio and relatively low adolescent pregnancy rates can be found in central Europe and the Baltic states.

Chart 3.4 shows a scatter plot of the female early marriage index and the female-to-male tertiary education enrolment ratio, illustrating that a lower adolescent marriage rate tends to be associated with a higher female-to-male tertiary education enrolment ratio in the transition region. In Tajikistan, for example, the enrolment ratio is the lowest in the transition region while the adolescent marriage rate is the second highest. However, there are notable exceptions such as Armenia, where the adolescent marriage rate is relatively high but the enrolment ratio is also among the highest in the transition region. Although the reasons for early marriage are varied and complex, previous research has shown that access to education is an important factor in delaying teenage marriage.[11] Early marriage can also have undesirable inter-generational effects as children are less likely to be educated or immunised if their mother has not received an education.[12]

Previous research has shown that a mother's education has a significant impact on a daughter's schooling and each extra year of maternal education increases the likelihood of attending university.[13] Chart 3.5 displays a scatter plot of this relationship – the number of years of education completed by the respondent's mother against the daughter's average years of schooling. The chart shows that there is a positive correlation at the country level between maternal education and girls' educational attainment. This is particularly visible in Russia, central Europe and the Baltic States, and eastern Europe and the Caucasus. Intergenerational correlation in education is very important for designing policies and in mitigating discriminatory cultural factors to reduce educational inequality in the transition region.

[8] The term "ever married" describes persons who have been married at least once in their lives although their current marital status may not be "married" (United Nations, Department of Economic and Social Affairs, Population Division, 2008).
[9] Data on adolescent marriage and fertility come from the United Nations, Department of Economic and Social Affairs, Population Division (2015).
[10] Moore and Waite (1978), Klepinger et al. (1995) and Bronars and Grogger (1994).
[11] Bates et al. (2007) and Field and Ambrus (2008).
[12] World Bank (2011).
[13] Glick and David (2000).

Employment

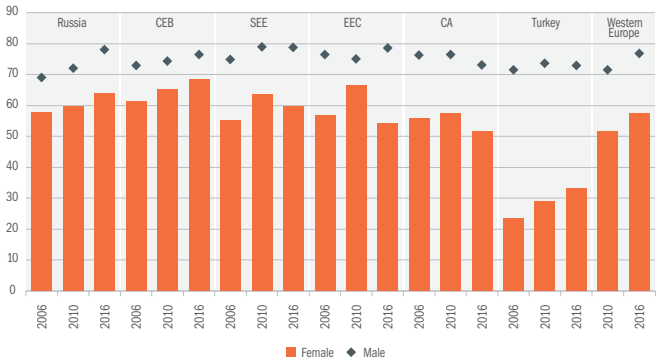
The relatively equal education attainment across gender in much of the transition region does not translate into similarly equal labour market outcomes. In fact, some transition countries remain characterised by low female labour market participation and employment rates.[14] Chart 3.6 shows the average female labour force participation rate is about 43 per cent in the transition region which is substantially lower than the average for men. It also varies across countries, ranging from 33 per cent in Turkey to 64 per cent in Russia. Considerable variation also exists across regions when it comes to the labour force participation gap. The highest participation gap is observed in EEC and CA countries as well as in Turkey, ranging from 22 per cent to 40 per cent. These numbers are consistent with earlier findings that women's labour force participation rate is lower than that of men in the transition region.[15]

By contrast, the gender gap is relatively lower in Russia and CEB countries, with the notable exception of Turkey where the gap is the highest in the transition region. Interestingly, male labour force participation rates are fairly homogenous across all countries.

Chart 3.7 shows the percentage of women and men who were in employment at any time in the previous 12 months. Women are less likely than men to be in employment in all countries, including the two western European comparator countries, Germany and Italy. Women in the CEB region and Russia have the highest chance of being employed, with about 48 per cent reporting they have worked for wages in the year prior to LiTS III, while only 43 per cent of women in the EEC region, 41 per cent in CA and 39 per cent in the SEE region did so. The lowest female employment ratios are in Turkey, Kosovo, FYR Macedonia and Bosnia and Herzegovina. Although female employment has generally increased compared to 2010 levels, the gap remains considerable in many transition countries. There is also a substantial difference between women's employment in rural and urban areas. The survey shows that women undertake most of the essential but unpaid work in rural areas such as childcare, caring for elderly family members, doing household chores and so on. This restricts their ability to participate in the labour force and take on paid work.

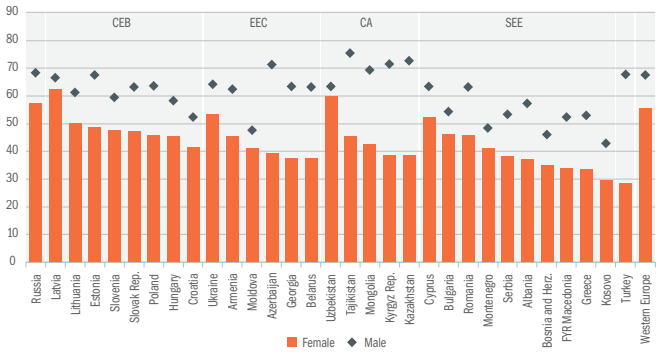
To assess the association between gender and full-time employment, a number of regressions are estimated. These connect observable characteristics to full-time employment by partnership status (that is to say, married or in a cohabiting partnership versus single). This partnership-based investigation is important as prior work in the literature suggests that heterosexual men in partnerships might specialise in market production while some heterosexual women in partnerships might specialise in home production, especially in environments with unequal labor market opportunities.[16] In other words, family tasks are in many cases still considered the domain of women and marriage plays a crucial role in attachment to the labour market. Note that in these models the comparison group consists of male individuals.

CHART 3.6. Labour force participation rate in 2006, 2010 and 2016 by gender and region



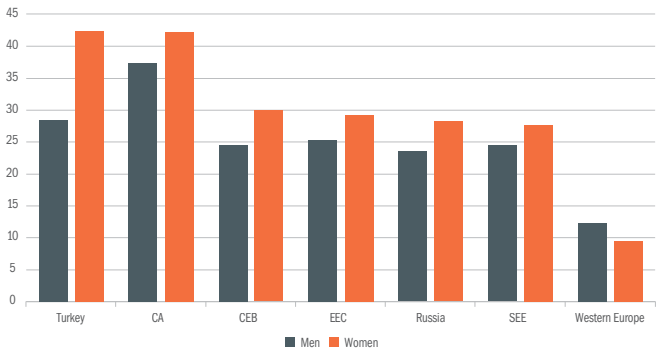
Source: LiTS I (2006), LiTS II (2010) and LiTS III (2016).
Note: The female (male) labour force participation rate is a measure of the active female (male) proportion of an economy's labour force. It refers to the number of people aged 18-64 who are either employed or are actively looking for work.

CHART 3.7. Employment to population ratio in 2016 by gender and country



Source: LiTS III (2016).
Note: Employment (rate) to population ratio refers to the percentage of female (male) in employment as a percentage of the female (male) working age population (between 18 and 64 years old).

CHART 3.8. Youth not in employment, education or training (NEET)



Source: LiTS III (2016).
Note: NEET refers to the proportion of young people (aged 18-24) who are not in employment, education or training, as a percentage of the total number of young people in the corresponding age group, by gender.

[14] Conservative social attitudes toward women in the work place prevail in other regions as well. In the Middle East, North Africa and south Asia, less than 40 per cent of women aged 25 and older participate in the labour force (Verick, 2014).
[15] See Pignatti (2016).
[16] See Becker (1991), Hundley (2000) and Aksoy et al. (2016).

TABLE 3.1. Full-time employment gap in the transition region

Sample	(1) Full sample	(2) Partnered sample	(3) Non-partnered sample
Individual level variables			
Female	-0.114***	-0.172***	-0.031***
	(0.003)	(0.005)	(0.006)
Degree level education	0.153***	0.154***	0.145***
	(0.005)	(0.007)	(0.008)
Rural	-0.057***	-0.062***	-0.049***
	(0.004)	(0.005)	(0.006)
Presence of children	-0.015***	-0.020***	-0.018**
	(0.004)	(0.005)	(0.007)
Good health	0.113***	0.097***	0.133***
	(0.004)	(0.005)	(0.007)
Female*rural	-0.003***	-0.002*	-0.018***
	(0.000)	(0.001)	(0.006)
Female*children	-0.071***	-0.102***	-0.002
	(0.004)	(0.010)	(0.008)
R^2	0.265	0.269	0.282
N	46,101	27,571	18,530

Source: LiTS III (2016).
Note: * significant at 10%; ** significant at 5%; *** significant at 1%. Dependent variable is full-time employment. Specific controls in each column include age and its square; religion and country dummies. Country level controls include GDP per capita (constant 2011 international dollars). Column 1 also includes a control for being in any kind of partnership.

For the likelihood of full-time employment in column 1 of Table 3.1 (pooled sample) and column 2 (partnered sample), the results indicate that women are significantly less likely to be in full-time employment than comparable men. The point estimates on the female variable are large, even after controlling for demographic characteristics. This difference for women is driven by the partnered sample – partnered women are 17.2 percentage points less likely to be working full-time than similarly partnered men. Looking at column 3 in Table 3.1, the full-time employment gap is substantially smaller, where non-partnered women are only 3.1 percentage points less likely to be in full-time employment. This holds even after controlling for the presence of children in the household.

This table also shows that women with children and women who reside in rural areas are less likely to be in full-time employment compared to men in similar circumstances. Altogether, the findings suggest that, as elsewhere, women who are responsible for child-rearing and looking after other family members are significantly less likely to be integrated into the labour market.

The data suggest that labour markets do not function in a competitive way in most transition countries and structural reforms are needed to boost women's participation in the labour force. One solution is for policy-makers in the transition region to provide suitable allowances for child care, elderly care and so on, to enable more women to participate in the labour force and maintain employment.[17]

Youth inactivity

The transition towards the market economy, technology-based industries and globalisation, which requires skilled workers with higher levels of education, has certainly accentuated the vulnerability of many young people across the transition region. Economic inclusion remains a critical challenge for many of the EBRD's countries of operations.

Youth unemployment stands at alarming levels of around 50 per cent in Bosnia and Herzegovina, Croatia and Serbia, compared to about 15 per cent in western Europe. In parallel, most transition countries experience high levels of youth inactivity – that is to say, not in employment, education or training (NEET).

Chart 3.8 shows the percentage of young people aged 18-24 who are not in education, employment or training. In all transition countries, NEET rates are higher for women than for men. More specifically, the transition region average NEET rate for young women is 6 percentage points higher than the rate for young men. Only in Cyprus and Greece are young men more likely to be NEET than young women.

Gender gaps in NEET rates are largest in Kosovo, Azerbaijan and Turkey, where being NEET appears to be one of the biggest obstacles to the independence of the younger generation. An examination of their background, based on information obtained through the LiTS, suggests that NEETs are more likely to be found among those who live in rural areas and are less educated. These NEET measure-based findings are particularly important because NEETs often struggle to find opportunities in the labour market and are likely to remain unemployed for the long term.

Entrepreneurship

One of the most pressing problems in the transition region is its persistently low level of entrepreneurial activity. Studies show that entrepreneurial activity rates are lower in the transition economies on the whole than in other developed and developing economies.[18] In other words, a substantial potential for job creation and economic growth remains untapped. Although the business environment in the region is similar for men and women, the number of female-owned enterprises remains substantially lower. Indeed, the same investment climate barriers can impact male-owned and female-owned businesses very differently as the latter tend to be among the smaller businesses with fewer resources to navigate bureaucracy. According to data from the Global Entrepreneurship Monitor, the total early-stage entrepreneurial activity among females – that is to say, the proportion of a country's working-age female population who are actively trying to start their own business and those who at least partially own a business less than 3.5 years old – is approximately 3.25 per cent in the transition region compared to the two western European comparators (Germany and Italy) average of 8.25 per cent.[19] While these figures disguise considerable variation across countries, they still reflect the common trends regarding female entrepreneurship in the transition region.

[17] For example, see Jenson and Jacobzone (2000) and Tekin (2014).

[18] See Estrin et al. (2006) and Aidis et al. (2008).

LiTS III asked respondents whether or not they have ever attempted to start their own business, allowing for the possibility that they may have done so in the past but are no longer involved or it did not succeed. As Chart 3.9 illustrates, across all regions, men are more likely to report that they tried to set up a business. The highest level of entrepreneurial activity is in Central Asia where, on average, about 20 per cent of respondents (22 per cent of men and 16 per cent of women) indicate that they have attempted to set up a business. It is apparent from this chart that women in all regions are under-represented. Notwithstanding variation within and across regions, men are about twice as likely to be entrepreneurs as women, on average. In addition, there are small differences in the size of the gap in terms of educational level, age group, marital status or urban/rural status. But when it comes to the success rate of their businesses, women are not significantly less successful than men – about the same percentage of women as men say they have managed to set up a business of their own.

Respondents who reported that they tried to set up a business and did not succeed in doing so were asked a follow-up question:

What was the main reason you did not manage to set up the business?

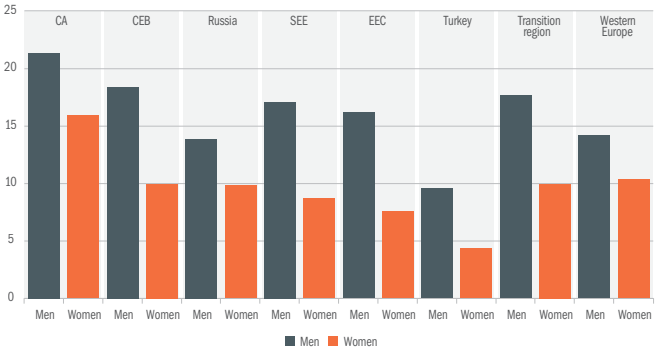
- ***Did not have enough capital***
- ***Too much bureaucracy/red tape***
- ***Could not afford the bribes***
- ***Could not afford protection***
- ***Competitors threatened me***
- ***Change in personal situation***
- ***Other.***

There are noteworthy gender-specific differences in the responses to this question. As shown in Chart 3.10, female entrepreneurs are more likely to cite insufficient funding as the main barrier to setting up their own business. Nevertheless, about the same share of men and women sought capital to set up their business (34 per cent and 36 per cent respectively) and women do not, in general, report any less success in obtaining it than men. In CA and EEC countries the data reveal some gender disparity in access to funding but the difference is negligible. Women in Russia, Turkey, Central Asia and the western European comparator countries (Italy and Germany) cite a change in their personal situation as the main reason for not being able to set up a business. Bureaucratic obstacles, interestingly, do not seem to prevent entrepreneurs from reaching their goals. These figures, however, should be interpreted with caution owing to a small number of observations in each category.

Entrepreneurship comes with inherent risk bearing.[20] To better understand the degree of risk aversion in the transition region, LiTS respondents were asked to rate their risk-taking or aversion behaviour on a scale from 1 to 10, where 1 denotes they are not willing to take risks at all and 10 denotes they are very much willing to take risks.

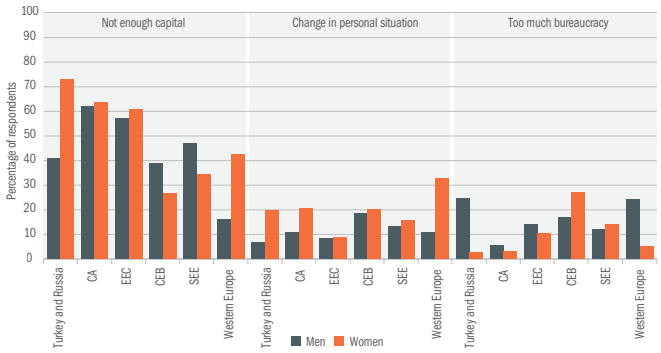
Across the transition region, women are, on average, more risk averse than men. However, this difference has fallen compared to the previous LiTS in 2010. In other words, women have become

CHART 3.9. Percentage of men and women (aged 18-64) who have ever attempted to start their own business



Source: LiTS III (2016).
Note: Percentage of female (male) who have ever attempted to start their own businesses as a percentage of the female (male) working age population (between 18 and 64 years old).

CHART 3.10. Top three reasons for not being able to set up a business by gender and region



Source: LiTS III (2016).
Note: "Top three reasons for not being able to set up a business" refers to the percentage of people who reported that their attempt to set up a business failed because of one of the following reasons – a) not enough capital; b) too much bureaucracy; c) could not afford the bribes; d) could not afford protection; e) threats from competitors; f) change in personal situation; and g) other.

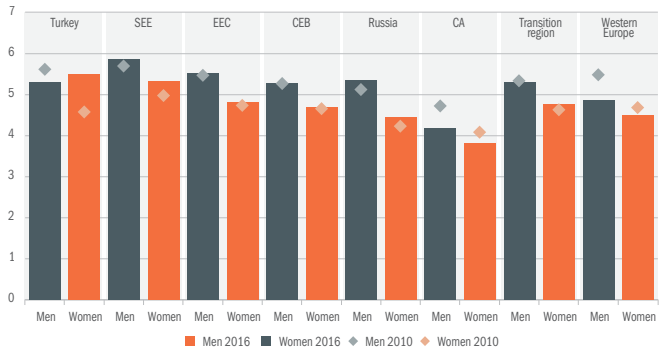
About

20%

of men and women in Central Asia indicate that they have attempted to set up a business of their own.

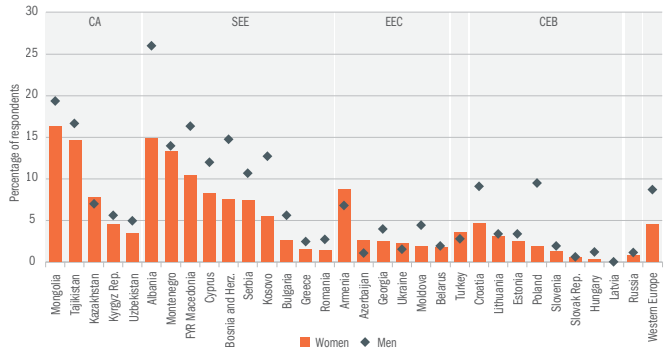
[19] Based on data from the Global Entrepreneurship Monitor (1999-2012). The averages are calculated for 13 transition economies and 2 western European comparator countries for which data is available.
[20] See Kihlstrom and Laffont, (1979), Parker (2009) and Guiso and Rustichini (2011).

CHART 3.11. Mean of risk aversion in 2010 and 2016 by gender and region



Source: LiTS II (2010) and LiTS III (2016).
Note: On the 10-point scale, 1 represents "not willing to take risks at all" and 10 represents "very much willing to take risks". Therefore, a lower scale implies higher risk aversion.

CHART 3.12. Political party membership in 2016 by gender and country



Source: LiTS III (2016).
Note: Political party membership refers to the percentage of respondents who reported that they are a member of a political party at the time of the interview.

less risk averse among all surveyed sub-regions except Central Asia. The proportion of female respondents indicating that they are willing to take risks is highest in Turkey, followed by the SEE and EEC regions. Another noteworthy finding is that risk-taking behaviour in the transition region is relatively higher than in the western European comparator countries – an encouraging finding given that risk aversion is negatively associated with wealth creation.

Political participation

Persistent gender gaps are often associated with discriminatory social and political institutions, which restrict the economic and social integration of women. Most transition countries – where women's political participation in the past was secured through quotas – democratised their political institutions and practices following the collapse of communism. Although the shift toward democracy should theoretically increase equal political participation of men and women, research shows that the formation of new democratic governments has not led to an increase in female political integration nor their representation in parliaments compared to the communist era.[21]

Despite the fact that women are still less likely to participate in politics, legislation to promote gender equality in the transition region has led to some progress over the past decade. Women are gradually increasing their role in politics, most political parties include assurances of the rights of women in their party programmes, and intergovernmental organisations play a greater role to ensure inclusion of women, especially with respect to civil and political rights.

Women's parliamentary representation varies significantly across countries. It ranges from a high 33-37 per cent in Serbia, Slovenia and FYR Macedonia to a low of 10-12 per cent in Hungary, Armenia, Ukraine and Georgia.[22] Chart 3.12 shows the percentage of respondents who reported that they are a member of a political party. Across the transition region, on average, women are less likely to be affiliated with political parties. However, in five transition countries (Kazakhstan, Armenia, Azerbaijan, Ukraine and Turkey) women report a higher proportion of political party membership than men. Most notably, the gender gap in political participation is the largest in the SEE countries. In Albania, for example, the difference is more than 10 percentage points, while in Greece, Montenegro and Romania the differences are small. In the CA and CEB regions, the data reveal only limited gender disparity.

LiTS III asked respondents whether or not they are members of voluntary organisations such as church/religious groups, sport or recreational associations, labour unions, women's groups, farming cooperatives and so on (see Chart 3.13 for the full list). In each transition sub-region, membership of voluntary organisations is substantially higher than political party membership. About the same proportion of men and women report membership of a voluntary

[21] LaFont (2001).
[22] Interparliamentary Union website (2016).

organisation and women do not in general report any less involvement than men. In FYR Macedonia and Montenegro the data reveal some gender disparity but the difference is small. Women in Belarus, Bulgaria, Croatia, Latvia, Lithuania, the Kyrgyz Republic, Kazakhstan, Moldova, Serbia, Turkey and Ukraine report higher rates of voluntary organisation membership than men. This suggests that many women participate in politics at a local level, mostly as NGO workers and civil activists.

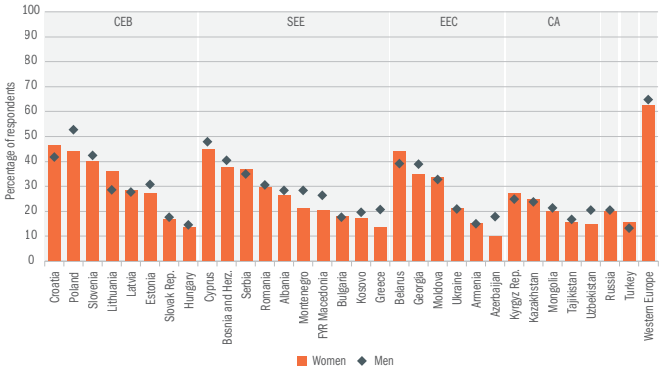
Attitudes towards women

Chart 3.14 shows that the vast majority of people in Russia and in EEC and CA countries believe that it is "better for everyone involved" for the man to earn the money and the woman to take care of the home and children.[23] Women in these countries are also supportive of this stance – for example, 80 per cent of women and 78 per cent of men in Russia and 95 per cent of men and women in Azerbaijan are in favour of traditional gender roles. The gap is slightly larger in the SEE region where more than half of the male respondents think that women should stay home and look after the family.

Chart 3.15 attempts to provide some evidence on gender roles within the household, which mainly considers the involvement of women in economic decisions. In Russia, more than 80 per cent of women report that they are in charge of daily household spending, followed by the CEB countries. In Turkey, however, only about 60 per cent of women report that household spending is their responsibility, which is the lowest in the transition region. In the CA, SEE and EEC regions there are also substantial differences when it comes to daily household spending decisions. In families where financial decisions are not made jointly by partners, women tend to be the main decision-makers and take charge of the family's daily expenses.

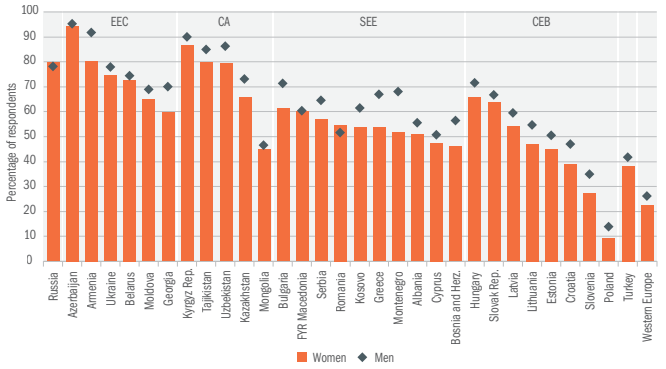
The second and third areas of investigation are making large household purchases and household savings, investments and borrowing. Interestingly, there are more gender differences in these categories compared to the previous one, which sheds light on the true primary financial decision-makers in the household. Across the transition region, women are rather more reluctant to make financial decisions (outside of day-to-day spending and paying bills) than men, except in Russia and the CEB countries. However, the gap is considerably small in all regions except Turkey.

CHART 3.13. Voluntary organisation membership in 2016 by gender and country



Source: LiTS III (2016).
Note: Voluntary organisation membership refers to the percentage of respondents who report that they hold membership in at least one of the following organisations: 1) church and religious organisations; 2) sport and recreational organisations; 3) art, music or educational organisations; 4) labour unions; 5) environmental organisations; 6) professional associations; 7) humanitarian organisations; 8) youth associations; 9) women's groups; and 10) farming cooperatives.

CHART 3.14. Preferences for women's time allocation in 2016 by gender and country



Source: LiTS III (2016).
Note: "Preferences for women's time allocation" refers to the proportion of respondents in each country who agree or strongly agree that "it is better for everyone involved if the man earns the money and the woman takes care of the home and children".

[23] Tirole (1996) shows that individual reputations are determined by collective reputations (and vice versa). In other words, stereotypes persist because new members of a group inherit the collective reputation of the previous generation.

CHART 3.15. Household decision-making in 2016 by gender and region

Source: LiTS III (2016).
Note: "Household decision-making" refers to the proportion of respondents in each country who report "mostly me" and "shared equally between me and my partner" make decisions in the following issues: 1) managing day-to-day spending and paying bills; 2) making large household purchases (such as cars, major appliances); and 3) savings, investment and borrowing.

Conclusion

This chapter has argued that while educational attainment is relatively equal across genders in the transition region, this is not yet reflected in labour market outcomes. More specifically, on average, there are few gender differences in terms of years of education and the share of respondents with tertiary education has increased relative to 2010. There are, however, notable differences among sub-regions and across countries. For example, only around 10 per cent of women and 15 per cent of men have a tertiary level education in Azerbaijan and Serbia, while about 26 per cent of women and 30 per cent of men do so in the Kyrgyz Republic, Mongolia and Poland.

This chapter has also explored how women are disadvantaged in the labour force. When it comes to paid work, they are less engaged in the workforce than men. Women are also less likely to be in full-time employment. In terms of unpaid work, they bear a disproportionate share of the housework and care of children and relatives. The most prominent and gender-specific factors that hinder women's participation in the labour force are having children, lack of education and residing in rural areas.

There are fewer business women in the transition region in comparison to the two western European countries (Germany and Italy) and the proportion of female entrepreneurs in the region has not increased significantly since 2010. On average, female entrepreneurs have higher levels of educational attainment but there is no significant correlation at the country level. Both men and women often cite insufficient funding as the main barrier to setting up a business while more women than men fail to start a business due to a change in their personal situation (such as having a child).

LiTS III results show that women's views are not always sufficiently taken into account in decision-making processes at national, local or even at household levels. Female political participation is rather limited in the region as a whole. By contrast, many women participate in politics at a local level, mostly as NGO workers and civil activists. The majority of LiTS III respondents believe that "it is better for everyone involved if the man earns the money and the woman takes care of the home and children".[24]

This chapter has investigated forms of gender inequality across the transition region and identified a number of important issues for public authorities to consider when designing policies to encourage more equal gender representation in the labour market. First, reforms in family and education laws are needed in order to encourage parents to invest in their daughters' education. Moreover, instruments need to be developed to further engage women in higher education, particularly in science and technology, in order to improve their employment prospects. Second, governments should adopt strategies such as child and family care allowances, improve access to training, and provide support for work/life balance to address gender gaps in employment outcomes. Third, gender gaps in access to finance need to be addressed. This could be achieved by the introduction of dedicated credit lines, risk loss cover schemes and technical support and business advisory services tailored for women-led enterprises. Lastly, proactive measures should be taken to address the gender gap in political representation and to ensure equality of opportunity for women to participate at both local and national levels. ■

More than

80%

of women in Russia report that they are in charge of daily household spending.

[24] LiTS III (2016).

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