Labor force participation of married women in Turkey: A study of the added worker effect and the discouraged worker effect

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Abstract: We analyze married women’s labor supply responses to husbands’ job loss (added worker effect) and worsening of unemployment conditions (discouraged worker effect). We construct six two-year pseudo-panels based on previous year’s labor market outcomes using nationally representative Turkish Household Labor Force Surveys from 2005 to 2010. We find that women whose husbands involuntarily transition from employment to unemployment are more likely to participate in the labor force. We pool the six year pseudo-panels and examine the effects of aggregate employment conditions on wives’ transition to labor force. A worsening of unemployment conditions has a small discouraging effect on wives’ labor supply response.

Keywords: Female labor force participation, added worker effect, Turkey

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