

# FEMALE WORK ROLES IN A TRADITIONAL, OIL ECONOMY: KUWAIT

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## I. INTRODUCTION

Among the many transitions that the Kuwaiti society is undergoing, the one related with the female role and status is certainly noteworthy. Perhaps the most significant social transformation that has occurred as a result of the sudden oil wealth is the rapid spread of female education in Kuwait. Both the nationals and expatriates got a chance to gain from the free education provided by the government. Over the last two decades, 1965-1985, the percentage of literate females aged 10+ increased from 28 to 63 among the Kuwaiti nationals. The corresponding percentages among the non-Kuwaitis went up from 58 to 81 percent. A very important demographic effect of the increased educational level is the rise in women's age at marriage. Among Kuwaiti women, the singulate mean age at marriage (SMAM) increased from 18.9 years in 1965 to 22.4 years in 1985; the corresponding increase among non-Kuwaiti women was from 18.9 years to 23.4

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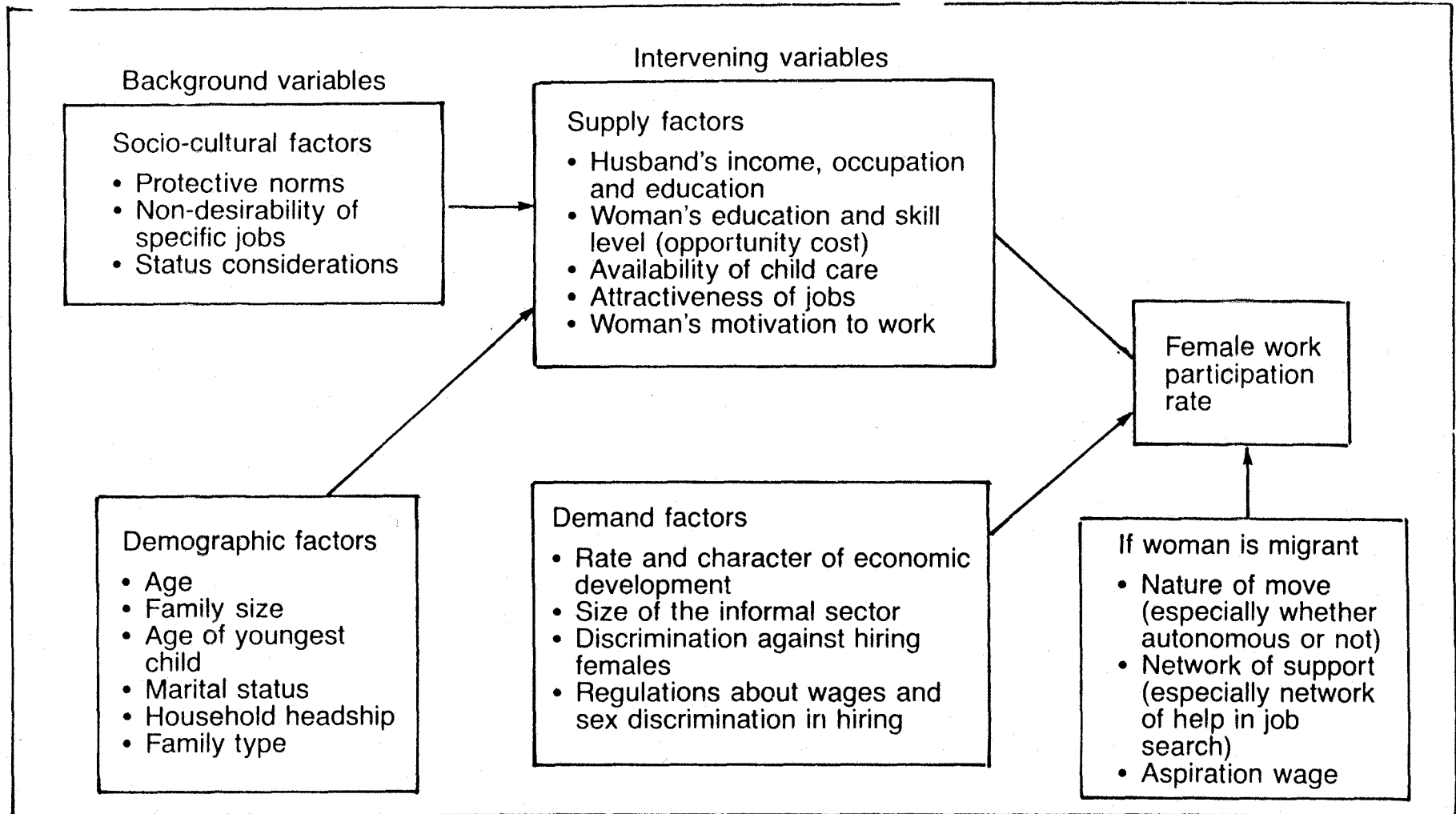
years. These sociodemographic changes have had a notable impact on the economic roles of women in recent years.

The measured labor force participation rate of Kuwaiti women increased from 2 percent in 1965 to almost 14 percent in 1985 (Table 1). The participation rate of non-Kuwaiti women, which was about 19 percent in 1965, more than doubled to 43 percent in 1985. The big jumps in the participation rates are indicative of significant socioeconomic and cultural changes in Kuwaiti society. A comprehensive discussion of the factors that facilitate or discourage female economic activity in Kuwait is the basic objective of the present paper. The likely impacts of increased economic activity on sociodemographic factors such as age at marriage and fertility are also discussed.

Our study is organized as follows. Section II gives a descriptive analysis of the nature of female work, presented in terms of: (a) the trends in activity rates and unemployment; (b) structure of the labor force with regard to occupational concentration and segregation; and (c) sociodemographic characteristics of the workers. This discussion is guided by an analytical framework, shown in Figure 1. The major concern here is to highlight the sociocultural and demographic determinants of work participation. Section III focuses on selected aspects of the dualism of the labor market as reflected in wages, both in terms of sex and nationality of workers. An attempt is made to estimate the extent of wage discrimination that exists in Kuwait's labor market in terms of sex and ethnic background, using multivariate regression analysis. Section IV concentrates on the sociodemographic impacts of female work participation. The final section contains a discussion of the government policy regarding female work, and the likely future growth of such work in view of the current labor force structure and motivation for work.

It is clear from the outset that any discussion of social change in Kuwait must be formulated with reference to two distinct groups, the citizens and the expatriates. The Kuwaiti nationals comprise 40 percent of the population, while the non-Kuwaitis, consisting mainly of Palestinians/Jordanians, Egyptians, Iraqis, Indians and Pakistanis, constitute the remaining 60 percent. The percentage of expatriates in the labor force is even higher; about 81 percent of the labor force in 1985 was non-Kuwaiti. Worker migration in Kuwait is selective of adult males, resulting in an imbalanced sex ratio among non-Kuwaitis (161 males per 100 females) compared to Kuwaitis (99).

A substantial percentage of the migrant population, especially Arabs, have resided in Kuwait for a fairly long time. For example, 57 percent of the Arabs aged 30 and over had lived in Kuwait for 10 or more years in 1985. Also, about 41 percent of all Arabs were born in Kuwait according to the 1985 Census. The above pattern indicates that a sizeable percentage of non-Kuwaitis are fairly stable members of the population as well as of the labor force. A thorough appreciation of the trends and structure of migration is therefore essential for an understanding of the growth and development of the labor force. Ethnic back-



Source: Shah and Smith (1984).

Figure 1. Framework for Analyzing Influences on Female Labor Force Participation

ground represents one distinct dimension along which the labor force is segmented. The analysis in this paper, therefore, differentiates between groups of nationals and expatriates. Before proceeding with the analysis, however, a word about the data sources and quality is in order.

### Data

Two main sources provided data for this paper. First, the Population Censuses, the first of which was held in 1957, prior to independence in 1961. Our analysis, however, is restricted to the 1965–1985 period, during which quinquennial censuses were conducted. In addition to published census data, the authors had access to a 25 percent sample tape of the 1980 and 1985 Censuses, which was used for part of the analysis. The second source is the 1983 Labor Force Survey based on a nationally representative sample of 5,374 households, representing about 3 percent of all households, conducted by the Ministry of Planning.

As in surveys and censuses in other Arab and Gulf countries, the measurement of female work is likely to contain some conceptual errors in Kuwait (Azzam & Moujabber, 1985; Zurayk, 1985). The undercount of economic activity may be substantial in the case of women who are not regular wage earners, are self-employed, and work in the private sector. The 1985 Census shows that a majority (97 percent) of the Kuwaiti women work in the public sector in return for regular wages. It is possible that Kuwaiti women engaged in part-time work in activities such as making and selling crafts (e.g., sadu cushions or wall hangings) are underreported. The extent of such underreporting is, however, likely to be small in view of the fact that a majority of low-income families in which the women may have needed previously to supplement the income are now assisted by the government welfare program, including cash payments.

Among the non-Kuwaiti women (74 percent of whom are engaged in private sector employment) several factors may encourage the misreporting of economic activity. One example is that of a woman who does part-time work at home (e.g., sewing or embroidering) but does not have a visa allowing her to engage in such activity. It is highly likely that the work of this woman will be underreported to the Census authorities who ask about whether an individual worked for pay or profit during a specified time period.

On the contrary, the work participation of certain other women may be over-reported in case they are on a domestic service visa but are not actually employed as such. Kuwait has a law whereby the husband must earn a minimum wage (KD. 400 per month if employed in the public and KD. 650 if employed in the private sector) in order to bring his wife and children with him. Until the new immigration law was implemented in November 1987 some expatriates earning lower wages brought their wives to Kuwait on the visa of a *Khadima* (domest servant) that they bought from a Kuwaiti *kafeel* (sponsor). In the above situation, the nonworking wife may have been reported to the census authorities as a

member of the labor force. Since November 1987, the government allows the issuance of domestic servant visa only for women who are genuinely employed as khadimas. Fairly heavy penalties are imposed in case of a fraudulent visa on both the kafeel and worker. Apart from the above instances, the enumeration of work participation of most other non-Kuwaiti women is likely to be fairly valid and reliable.

## **II. THE EVOLUTION AND STRUCTURE OF FEMALE WORK**

Historically, the role of Kuwaiti women was confined to household and child-bearing/rearing activities. Preservation of tribal honor through female modesty and segregation of the sexes contributed important social values. Kuwaiti women

maintained a passive role even when the men were absent five months each year (May-September) when they went pearl diving (Alessa, 1981; Meleis, 1982). In several cases women owned property that they inherited from their father. During the days of sea trading, the owners of some merchant ships were women, but they were inactive in trade because they always conducted their business through male representatives. Some women who needed an income for themselves and their children engaged in pursuits such as raising chicken and sheep, sewing, healing, and providing Quranic instruction. Bedouin women also engaged in selling honey and woolen cloth that they weaved (Azzam and Moujabber, 1985). Thus, the activities of most women centered around the home and children, with few exceptions. The preceding description of historical roles is similar to the one that has been reported for Arab women in general (Rassam, 1984).

As the educational profile changed, the demand for the labor of women increased concomitantly. The labor force participation rate of Kuwaiti women increased sevenfold from 2 percent in 1965 to about 14 percent in 1985. Their percentage in the Kuwaiti workforce increased from about 3 percent to 20 percent over the same time period (Table 1). Given the traditional values concerning segregation of the sexes, it was (and still is) considered desirable to employ female teachers in female schools.

Teaching has, therefore, become a primary role for Kuwaiti women, with 35 percent involved in it. In fact, female teachers have displaced several male teachers over the years. In 1961/62 there were 86 female teachers for every 100 male teachers; by 1985/86 this ratio had reversed to 124. At the same time, the percentage of Kuwaitis among female teachers has increased notably—from 32 percent in 1978/79 to almost 50 percent in 1986/87 (CSO, 1984, 1987). It should be noted here that beyond the secondary school level (i.e., 12 grades), education

usually provided in a coeducational setting. There is, however, one Faculty, the Faculty of women, which provides a facility for segregated education to those women not willing to study in a coeducational environment.

*Table 1. Labor Force Participation Rates (LFPR) and Percentage of Females in the Labor Force by Nationality Among Females Aged 15 and Over (1965—1985)*

<i>Year</i>	<i>Labor Force Particip. rate</i>			<i>Women in Labor Force (%)</i>		
	<i>Kuwaiti</i>	<i>Non-Kuwaiti</i>	<i>Total</i>	<i>Kuwaiti</i>	<i>Non-Kuwaiti</i>	<i>Total</i>
1965	2.0	19.0	9.2	2.5	5.4	4.8
1970	2.4	19.0	10.2	3.3	8.2	6.9
1975	6.1	24.1	14.9	8.4	13.0	11.7
1980	9.6	29.6	20.2	13.2	12.8	12.9
1985	13.8	43.7	31.1	19.6	19.7	19.7

*Sources:* CSO (1980, pp. 38, 39, 126; 1986, pp. 34, 128).

Social values that encouraged the employment of Kuwaiti women as teacher has led simultaneously to other forms of occupational concentration, as reflected in Tables 2 and 3. The second major occupation of women consists of clerical and related workers. Over the last two decades an interesting shift occurred in the composition of service workers. In 1965, 41 percent of Kuwaiti women were engaged in service occupations, probably as a result of economic need. In 1985 the percentage in such occupations had declined to only 7.

While the increased involvement in teaching occupations may be expected in view of the cultural values outlined above, the concentration in clerical work is relatively unorthodox. Clerical work is often placed in settings that do not permit sexual segregation, especially in government hospitals, and *offices*. Another point worth noting related to the fairly large involvement of women in secretarial and typing work—roles that are quite nontraditional. In terms of social status, a clerical job probably ranks lower than a school teacher, which ranks lower than a *medical* doctor. Yet, 38 percent of the Kuwaiti females were engaged in clerical or related jobs in 1985 (Table 2). This suggests that social values regarding appropriate female roles are undergoing an important redefinition and expansion, thus augmenting the *supply* of workers. Another implication of this pattern, however, is that women may become squeezed into relatively low paying, dead-end occupations that allow little chance of promotions, as has happened in several countries around the world (Standing, 1978).

The non-Kuwaiti labor force is governed by a fairly different set of demand and supply factors. The two major groups that supply the non-Kuwaiti labor force are (1) the migrant workers, and (2) those born in Kuwait, as well as other residents who accompanied a migrant worker but then entered the labor force. The former group constitutes a majority of the workers. The market structure for the labor of expatriate females is again highly segmented. The three major occupations *for* which non-Kuwaiti females are imported, or selected, consist of: service work, professional or technical work, and clerical work (Table 2).

A further ethnic differentiation among the non-Kuwaiti women is essential for a comprehensive analysis of this group. The occupational profile of the Arab women appears to be quite different from that of Asian women (Table 3). A large majority (84 percent) of the Asians were clustered in a single occupation, domestic service, in 1985. Among the Arabs, one-third were teachers, while 13 percent were typists. Also, twice as many of the Arab women were in professional occupations, compared with Asians (12 and 6 percent, respectively). Finally, only 6 percent of the Arabs were domestic servants. The occupational concentration in low-paying, low-status jobs is hence much more extreme in the case of Asian than Arab women.

The increasing salience of service work in the occupational structure of non-Kuwaiti females is noteworthy. This category constituted 42 percent of all non-Kuwaiti jobs in 1965, but increased to 65 percent in 1985 (Table 2). Among the factors that have been significant in the expansion of domestic service, the

wing may be noted. First, an abundant supply of maids was available from several Asian countries, particularly Sri Lanka, at very low wages (Korale, 1986). A maid is usually paid KD.30 (U.S. \$100) per month plus room and board, and an airline ticket once every two years. Second, the network of

Table 2. Occupational Structure of Kuwaiti and Non-Kuwaiti Female Labor Force (1965, 1975, and 1985)

Occupation	Kuwaiti			Non-Kuwaiti		
	1965	1975	1985	1965	1975	1985
Professional and technical workers	21.7	55.6	51.4	45.1	36.7	21.9
Administrative and managerial workers	3.3	0.3	0.9	2.0	0.1	0.2
Clerical and related workers	22.4	28.1	38.3	5.0	8.0	9.5
Sales workers	1.1	0.3	0.4	0.7	1.1	0.9
Service workers	40.9	15.1	7.0	41.9	53.3	65.4
Agriculture, animal husbandry, fisherwomen, and hunters	0.7	0.2	0.2	0.0**	0.0	0.0*
Production workers and laborers	2.4	0.5	0.5	4.0	0.8	0.3
Not adequately defined	7.5	0.0**	1.4	1.2	0.0	1.9
Total (%)	100.0	100.0	100.0	100.0	100.0	100.0
(N)	1,067	7,305	24,803	7,671	27,525	107,325

notes: \*0.01.  
\*\*0.03.

Sources: CSO (1980, p. 126: 1986. p. 128).

*Table 3. Specific Occupations in Which Women are Concentrated Among Kuwaitis, Arabs, Asians and Others (1985)*

<i>Occupation</i>	<i>Kuwaiti</i>	<i>Non-Kuwaiti</i>		
		<i>Arabs</i>	<i>Asians</i>	<i>Others</i>
Medical and paramedical workers	5.4	11.7	5.8	7.9
Teachers	34.9	32.8	1.1	27.7
Other professional and technical workers	<b>6.1</b>	2.3	0.1	1.6
Typists, stenotypist and keypunch operators	6.2	12.8	2.9	9.3
Clerks	22.4	4.7	0.4	3.1
Domestic servants	0.1	6.1	83.9	22.0
Janitors	3.2	8.6	2.9	7.3
Others	21.7	16.0	2.4	19.8
Unemployed	0.0	5.0	0.5	1.3
Total (%)	100.0	100.0	100.0	100.0
(N)	24,457	32,989	72,505	1,811

*Source:* Population Census (1985, Vol. 3, Tables 120, 127).

recruitment agencies that facilitated the supply of maids grew quickly and is responsible for the importation of the majority of maids currently in Kuwait. Third, the demand for domestic servants probably increased, partly in response to the changing roles of the Kuwaiti women. As more Kuwaiti nationals entered the labor force, they required help with childrearing and housework. Finally, it seems that the demand for maids may have increased as a result of certain status considerations. For a household that can afford the services of a maid, hiring one is almost considered a necessity. A maid is 'consumed' in somewhat the same way as other durable goods that provide a high status.

Domestic service is a low-prestige job that will continue to be 'manned' by expatriate females as long as the demand for them persists. Kuwaiti nationals are unlikely to fill such jobs in the foreseeable future. The occupations in which Kuwaiti women may displace non-Kuwaitis in the future consists of teachers, clerical workers, and medical and paramedical workers.

In terms of their contribution to the Kuwaiti labor force, women comprised almost half of all professional and technical workers, and about 28 percent of clerical workers in 1985 (Table 4). Their presence in most other occupational groups was negligible. The expansion of female roles in the future will of course depend on the interaction of the various supply and demand factors, as well as



the formative and demographic constraints as the society moves from an illiterate, traditional one to a literate, modern one.

Among the non-Kuwaitis, the percentage of females increased almost seven times among the total clerical and related workers, and by four-and-a-half times among the total service workers during the 1965-1985 period. The female proportion in professional and technical occupations has remained almost constant over this time (Table 4). Thus, the concentration of non-Kuwaiti females in low-paying, nonprestigious occupations has increased over time (Shah & Al-Qudsi, 1987). The marked increase in the number of maids is, of course, an obvious reason for this trend. From 11,921 in 1975, the number of maids increased to 19,552 in 1980, and 63,250 in 1985. In the absence of the observed increase in the number of domestic servants, the rise in the labor force participation among non-Kuwaiti females may have been more modest than it actually was.

It was mentioned earlier that 97 percent of the Kuwaiti and 26 percent of the non-Kuwaiti females are employed in the public sector. Table 5 presents the distribution of private versus public sector employment in various occupations. Among the Kuwaitis, the two occupations in which most of the women were employed in the private sector consisted of sales work, and agricultural work carried out largely by illiterate (poorer) women. These two occupations contained only 139 women, or 0.5 percent of the female labor force. Consistent with the high concentration of employment in the public sector, the percentage of women who were self-employed was negligible in 1985-only 0.6 percent

Table 4. Women's Share in Various Occupations (1965, 1975, and 1985)

Occupation	Women in occupation (%)					
	Kuwaiti			Non-Kuwaiti		
	1965	1975	1985	1965	1975	1985
Professional and technical workers	15.2	41.7	49.1	28.6	31.5	28.4
Administrative and managerial workers	2.4	2.0	5.6	6.2	1.2	2.6
Clerical and related workers	3.1	11.5	27.9	3.1	10.9	20.9
Sales workers	0.3	0.4	1.6	0.5	1.6	2.9
Service workers	3.1	3.4	4.3	10.5	32.3	47.3
Agriculture, animal husbandry, fisherwomen and hunters	0.9	0.3	1.7	0.1	0.0	0.1
Production workers and laborers	0.3	0.2	1.1	0.5	0.3	0.2

Sources: CSO (1980, p. 126; 1986, p. 128).

*Table 5. Employment of Women by Major Occupational Groups, Employment Sector and Nationality (1985)*

<i>Major Occupational Group</i>	<i>Kuwaiti</i>					<i>Non-Kuwaiti</i>				
	<i>Public Sector</i>	<i>Private Sector</i>	<i>Joint Sector</i>	<i>Total</i>		<i>Public Sector</i>	<i>Private Sector</i>	<i>Joint Sector</i>	<i>Total</i>	
				<i>%</i>	<i>N</i>				<i>%</i>	<i>N</i>
Prof. and Tech. Workers	97.9	1.8	0.4	100.0	12,750	78.4	21.0	0.7	100.0	23,554
Adm. and Manag. Workers	49.8	38.1	12.1	100.0	223	9.5	80.5	10.1	100.0	169
Clerical and Related Workers	97.0	2.0	1.0	100.0	9,497	41.0	51.0	8.0	100.0	10,154
Sales Workers	10.8	89.3	0.0	100.0	93	0.3	98.3	1.4	100.0	919
Service Workers	97.9	2.0	0.2	100.0	1,730	6.2	93.8	0.1	100.0	70,149
Agr., Animal Husb., Fisherwomen and Hunters	0.0	100.0	0.0	100.0	46	0.0	100.0	0.0	100.0	8
Production Workers and Laborers	98.3	1.7	0.0	100.0	118	20.4	79.1	0.5	100.0	373
Total	96.6	2.7	0.7	100.0	24,457	25.7	73.3	1.0	100.0	105,326

*Source:* Population Census (1985, Vol. 3, Tables 126-128).

among the Kuwaitis. Similar to this pattern, only 0.6 percent of the Arab and 0.04 percent of the Asians were self-employed.

Among the non-Kuwaitis, the only occupation in which the majority of women were employed in the public sector consisted of professional and technical workers, composed mainly of teachers and medical/paramedical personnel. About four-tenths of the clerical workers were also employed by the government. Public sector employment of females may be more amenable to changes in the future, as the non-Kuwaitis are replaced by Kuwaiti nationals, while the private sector may be more resistant to such changes.

### Unemployment

Kuwait has managed to keep its unemployment rate at its historically low levels—less than 2 percent—for Kuwaitis and non-Kuwaitis combined. These

Historically low levels have been manipulated by an amalgam of fiscal, employment and immigration policies. On the fiscal side, the continued expansion of government current and development expenditures and their multiplier effects have constantly raised the level of demand for, and actual employment of, both Kuwaitis and non-Kuwaitis. Fiscal expansions were relatively easy to engineer and implement in the presence of sizeable and rising government revenues. On the other hand, the role that the public sector assumed as a last-resort employer of Kuwaitis established a *de facto* floor on acceptable or tolerable Kuwaiti-specific unemployment rates. Meanwhile, and congruent with its policy of employing Kuwaitis, is the pursuit of a selective immigration policy by the executive administration. New immigrants are allowed in only if they have work permits, while existing workers can continue to reside only if they are productively employed.

### Occupational Segregation

Thus far, the structure of female employment has been described in terms of concentration in specific occupations. Another important dimension according to which female occupations may be analyzed consists of the relative representation of women versus men in the occupational structure. Indices of occupational segregation enable us to measure the relative representation of each sex. Such indices point out the amount of imbalance in the distribution of persons between occupations according to any given characteristic, for example, sex. In certain cases, the indices may be indicative of discrimination against either sex. In order to measure the sexual segregation or imbalance in the structure of occupations, we have used the coefficient of female representation (CFR) in specified occupations.

The CFR measures the degree of segregation in any occupation by the relationship between the proportion of women in the occupation and the proportion of women in the labor force. Defining the coefficient of female representation

(CFR) as the ratio between these two proportions, women are said to be over-represented in a given occupation if the CFR for that occupation is greater than unity and underrepresented if it is less than unity (OECD, 1985).

Table 6 contains the results of the calculations carried out on data gleaned from the 1985 census. *The* table is restricted to results based on broad occupations and a few selected detailed occupations. We found that Kuwaiti women were over-represented in professional/technical occupations and clerical occupations, since the CFR coefficients in these occupations were 2.46 and 1.39, respectively. Apart from these two occupations, Kuwaiti women were heavily underrepresented in all the other occupations, with the CFR ranging between 0.06 and 0.28.

The degree of representation varied widely according to specific jobs within broad occupations. Among the professionals, Kuwaiti women were very well represented in teaching, physical scientist jobs, and medical jobs, with CFRs well above 2. However, they were grossly underrepresented in certain other jobs,

*Table 6. Coefficient of Female Representation (CFR) in Broad Occupations and Selected Female Detailed Occupations (1985)*

<i>Occupation</i>	<i>Kuwaiti</i>	<i>Non-Kuwaiti</i>
Professional and technical	2.46*	1.42*
Teachers	3.45	2.51
Physical scientists	2.54	1.16
Doctors, other medical workers	2.36	2.90
Jurists	0.95	0.33
Engineers	0.24	0.08
Administrators and managers	0.28*	0.13*
Clerical and related	1.39*	7.69*
Typists/machine operators	3.56	4.90
Telephone/telegram operators	1.95	0.15
Government executives	0.63	0.06
Clerical supervisors	0.22	0.05
Sales workers	0.08*	0.15*
Service workers	0.21*	2.36*
Cooks and waiters	3.28	0.31
Housekeepers, maids	2.35	3.88
Managers	0.71	0.17
Building contractors	0.54	0.65
Agriculture workers	0.09*	0.00*
Production workers	0.06*	0.01*
Tailors	3.30	0.17
Broadcasting	0.28	0.18
<i>Food</i> and beverage processors		0.12

*Note:* \*No women in the category.

*Source.* Computed from the Population Census (1985).

such as jurist jobs and engineering. Among clerical workers, women were overrepresented in typing/machine operating, and telephone/telegram operator jobs, but were underrepresented in supervisory jobs. Among the service workers, females were overrepresented in cooking and housekeeping jobs.

The pattern of occupational segregation was somewhat different among the non-Kuwaitis. Females were heavily overrepresented among the clerical workers, with a CFR of 7.7. They were also overrepresented among the professionals and the service workers. In contrast to their Kuwaiti counterparts, the non-Kuwaiti women were underrepresented among the telephone/telegram operators and tailors. Thus, it may be concluded that there are distinct imbalances in the occupational structure of the Kuwaitis as well as non-Kuwaitis that relate both to the demand and supply factors discussed already.

### Who Works and Why

Several sociocultural and demographic factors may exert a significant influence on the supply of the female labor force. In the Kuwaiti situation, employment of native females seems to be a direct result of their rising educational levels, because nine-tenths of the employed women had attained an education up to the intermediate or higher level, compared with only one-fourth of their non-working counterparts (Table 7). As women have gained education, the opportunity cost of their time probably increased. At the same time, the demand for their work in occupations that are culturally acceptable and valued went up. As more and more women entered the labor force, the work role (albeit in specified areas) has probably become a legitimate sphere of female activity. Moreover, the easy availability of domestic help is likely to have further facilitated labor force entry.

In terms of their demographic characteristics, a large majority (82 percent) of the Kuwaiti working women were aged less than 35, and almost two-thirds of them were married, in 1985 (Table 7). The young ages of the workers probably reflect the recency of the education-work transition. The large percentage of married women suggests that marriage does not discourage work participation. Instead, a comparison of the participation rates of single women with that of their married counterparts in selected age groups suggests that singlehood has a strong positive association with work participation (Table 8). Although the causal direction of the above association is difficult to disentangle, the extremely high participation rate of single women aged 25–39 is worth underlining—60 percent of those aged 25–29 and 63 percent of those aged 30–39 were in the labor force.

With rising female education, the age at marriage has undergone a significant increase—of 3.5 years among Kuwaiti and 4.5 years among non-Kuwaiti females. The percentage of single women is considerably higher among working

nonworking women. Among women aged 25–29, for example, 30 percent of those in labor force were single compared with only 10 percent among the nonworking (data not shown). Thus, women may enter the labor force because

*Table 7. General Characteristics of Working and Nonworking Women by Nationality (1985)*

<i>Characteristics</i>	<i>Kuwaiti</i>		<i>Non-Kuwaiti</i>	
	<i>Working</i>	<i>Non-Working</i>	<i>Working</i>	<i>Non-Working</i>
<b>Age Structure</b>				
15-24	24.2	41.2	23.3	35.6
25-34	58.0	21.2	44.9	28.7
35-44	15.1	16.2	22.9	20.9
45+	2.7	21.3	8.9	14.8
Average	29.2	32.3	31.5	31.3
<b>Marital Status</b>				
Single	28.5	28.6	31.9	25.1
Married	65.2	59.1	63.4	70.8
Divorced	4.8	2.3	1.5	0.4
Widowed	1.5	10.0	3.2	3.7
	100.0	100.0	100.0	100.0
<b>Educational Level</b>				
Illiterate	2.5	41.1	24.9	15.8
Read and write	1.9	11.7	33.7	12.5
Primary	4.5	22.4	2.6	24.8
Intermediate	21.4	17.0	4.2	25.4
Secondary and below	45.0	7.1	20.9	17.3
university level	24.7	0.8	13.7	4.3
Graduates and postgraduates	100.0	100.0	100.0	100.0

*Source:* Population Census (1985, Vol. 3), Tables 114-116, 117-119, 122-124; CSO (1986, pp. 46, 49).

they are not yet married. As they get older, they may be pushed out of the marriage market altogether but continue to remain in the labor force. Thus, a small group of women end up fulfilling only the work role. As women gain higher levels of education, the size of this group is likely to grow.

A second group among which the participation rate is decidedly higher is that of divorced women. The working women contained about twice as many divorcees as the nonworking women among Kuwaitis (4.8 and 2.3 percent, respectively-Table 7). Similarly, Table 8 indicates that the participation rate among the divorced Kuwaiti women (25 percent) was almost twice as high as the single women (14 percent), and about 10 times higher than the widowed women (2.5 percent). A high participation rate among divorced women was documented by Youssef (1974) for several Middle Eastern countries. It seems that cultural norms

*Table 8. Female Labor Force Activity Rates by Age and Marital Status, Kuwaitis and Non-Kuwaitis (1985)*

<i>Age Group</i>	<i>Kuwaiti</i>					<i>Non-Kuwaiti</i>				
	<i>Single</i>	<i>Married</i>	<i>Divorced</i>	<i>Widowed</i>	<i>Total</i>	<i>Single</i>	<i>Married</i>	<i>Divorced</i>	<i>Widowed</i>	<i>Total</i>
15-19	0.6	2.5	8.0	0.0	0.9	11.5	17.2	35.0	41.7	12.1
20-24	19.6	16.1	28.9	20.5	17.8	70.0	34.8	65.2	75.2	52.6
25-29	59.6	27.0	41.8	13.5	32.7	91.7	44.9	81.2	77.7	55.9
30-39	62.9	29.6	37.5	11.3	23.1	94.3	46.2	85.7	75.4	51.2
40-49	28.9	4.7	15.6	4.7	5.6	90.0	37.8	79.7	60.3	41.5
50-59	12.0	1.6	5.9	1.8	2.0	77.0	27.1	71.7	40.5	31.9
60-64	7.1	0.6	4.6	0.4	0.7	59.6	18.7	47.2	17.5	19.8
65+	0.0	0.3	0.0	0.1	0.1	28.3	<b>8.8</b>	.4.9	3.1	4.9
Total	13.8	15.0	25.0	2.4	13.8	49.7	41.0	76.8	39.6	43.7

*Source:* Population Census (1985, Vol. 1, Table 117, pp. 301-310).

in Kuwait support the employment of divorced women. Also, the economic need of divorced women may be greater than that of the other groups. The widowed women probably have greater access to government welfare than the divorced women; hence the lower participation rate among the former. In some cases, the divorced women may join the labor force because of economic necessity, while in certain other cases, participation in the labor force may facilitate divorce by providing economic independence to the woman. The causal connection between marital status and work participation is not necessarily clearcut, however.

The characteristics of the non-Kuwaiti labor force are similar to the Kuwaitis in some respects but different in certain others. Like the Kuwaitis, a majority (63 percent) of them were married, in 1985. The average age of the non-Kuwaitis was relatively higher than the Kuwaitis (31.5 and 29.2 years; respectively). Their educational pattern was not skewed like the Kuwaitis but was in fact curvilinear. About 59 percent had no formal education while 35 had a secondary or higher level of education (Table 7). The above educational pattern once again reflect the segmented nature of the labor force. A majority of the maids probably do not have any formal education although some of them can read and write. On the other extreme are the teachers, clerical workers, and medical/paramedical workers, most of whom require a secondary or higher level of education for recruitment.

As among the Kuwaitis, the participation rate was much higher among the single as well as divorced women compared with the other groups (Table 8). It is indeed noteworthy that more than three-fourths (77 percent) of the divorced and about half of the single non-Kuwaiti women were in the labor force. Among the subgroup of those aged 25—49, participation rates were as high as 80—90 percent among the single and divorced women. The role of divorce in work participation appears to be even more significant among the expatriates than the natives. Among the sending countries, it was noted in Sri Lanka (Gunatilake 1986; Korale, 1986) that divorce is higher among migrants than nonmigrants. In addition to the single and divorced women, the participation rate was also very high among the widowed women aged 20—49. It appears that financial need is a crucial factor responsible for the relatively larger supply of female labor among the women who do not have a husband to support them. Let us reiterate, however, that a majority (63 percent) of the non-Kuwaiti women were in fact married and were in Kuwait mainly to supplement the husband's income (assuming that he was employed).

A more detailed examination of the correlates of work participation is possible when age, education, and marital status are controlled simultaneously, as done in Table 9. The level of education attained by Kuwaiti women is indeed a crucial variable in determining their labor force activity rates. Among single Kuwaiti women aged 25-34, for example, the participation rate increased from about percent among illiterate women to 46 percent among the ones who had 4—8 years of education, 74 percent among the ones who had completed secondary school



*Table 9. Female Labor Force Participation Rates by Age, Marital Status and Education*

	<i>No Qualification</i>				<i>Elem. /Intermediate<sup>a</sup></i>				<i>Second. /College/University and above</i>							
	<i>S</i>	<i>M</i>	<i>D</i>	<i>W</i>	<i>S</i>	<i>M</i>	<i>D</i>	<i>W</i>	<i>S</i>	<i>M</i>	<i>D</i>	<i>W</i>	<i>S</i>	<i>M</i>	<i>D</i>	<i>W</i>
<b>Kuwaitis</b>																
15-19	0.6	0.0	0.0	0.0	0.4	2.9	0.0	0.0	2.1	11.2	50.0	0.0	0.0	0.0	0.0	0.0
20-24	1.0	0.2	2.3	0.0	14.4	16.9	39.4	22.0	20.6	32.8	42.8	50.0*	69.3	67.2	0.0	0.0
25-34	2.2	0.8	2.2	1.0	45.5	24.8	50.6	42.9	74.3	70.4	87.0	88.9	90.3	81.7	100.0	66.7
35-44	6.9	1.8	10.2	3.5	55.8	19.7	46.9	25.0	96.7	60.8	73.7	41.7	87.5	76.6	109.0	83.3
45-54	5.6	1.2	4.8	2.3	71.4	10.0	28.6	7.4	100.0	33.3	66.7	0.0	100.0*	56.3	0.0	75.0
55-64	0.0	0.5	2.9	1.0	0.0	10.0	0.0	33.3*	50.0*	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	1.3	1.0	5.2	1.8	5.3	18.5	41.9	24.6	28.6	54.7	74.4	58.3	83.9	78.5	100.0	76.9
N	2081	16183	636	2358	7383	5826	363	126	2699	3338	129	24	647	1207	23	13
<b>Arabs</b>																
15-19	24.2	1.6	50.0*	0.0	0.3	0.3	0.0	0.0	8.2	3.9	0.0	0.0	0.0	0.0	0.0	0.0
20-24	42.5	5.2	33.3	44.4	9.3	3.2	18.7	0.0	35.0	19.1	57.1	0.0	61.1	44.9	0.0	0.0
25-34	52.4	9.6	60.0	38.2	36.4	4.4	45.2	26.3	81.3	36.9	78.3	58.3	87.5	63.2	100.0	100.0*
35-44	61.3	8.8	68.6	31.9	30.4	5.1	68.8	36.1	93.8	43.3	75.0	70.4	96.7	79.3	95.5	100.0
45-54	65.5	10.2	71.4	33.1	55.6	6.7	25.0	34.3	91.4	41.6	100.0	<b>81.8</b>	92.9	78.2	100.0*	78.6
55-64	25.0	9.1	78.9	18.0	0.0	0.0	0.0	20.0	83.3*	21.4	0.0	30.0*	100.0*	54.6	100.0*	66.7*
Total	39.6	8.9	66.2	26.4	2.1	4.3	40.9	28.7	36.8	35.0	76.4	66.2	80.0	68.3	94.7	87.9
N	665	7770	130	754	5941	6942	71	129	2659	6270	55	71	668	3282	38	33
<b>Asians</b>																
15-19	91.4	73.4	100.0*	0.0	6.4	24.5	0.0	0.0	11.8	33.3	0.0	0.0	0.0	0.0	0.0	0.0
20-24	98.5	83.2	100.0*	100.0	72.0	42.5	0.0	0.0	59.1	29.4	0.0	0.0	0.0	18.4	0.0	100.0*
25-34	99.2	85.5	98.8	96.6	94.1	46.2	71.4*	100.0*	93.4	54.5	80.0*	80.0*	60.0	43.2	100.0*	100.0*
35-44	98.8	80.0	95.2	94.5	100.0	50.8	100.0*	94.1	100.0	56.1	100.0*	100.0*	94.4	48.7	100.0*	100.0*
45-54	98.4	71.9	87.5	75.3	100.0*	35.3	100.0*	70.0	100.0	54.5	100.0	50.0*	94.4*	55.4*	100.0*	0.0
55-64	93.3	68.0	100.0	46.4	0.0	25.0	0.0	33.3*	100.0*	50.0	0.0	75.0*	100.0*	40.0*	0.0	0.0
Total	97.8	80.6	97.6	81.1	38.1	45.1	76.9	79.5	69.5	52.4	75.0	97.8	<b>86.5</b>	44.2	100.0	83.3
N	4735	10993	164	571	1047	1629	13	39	902	2566	12	27	237	946	5	6

*Notes:* \* Ten or fewer cases in the cell. <sup>a</sup>includes education up to 8 grades; bIncludes 12 years of school and 2 years of college. S = Single; M = Married; D = Divorced; W Widowed.

*Source:* Based on a 25 percent sample of 1985 Population Census.

(12 years) or two years of college, and 90 percent among those who had university level or higher education. The pattern among married Kuwaiti women aged 25–34 was similar, although they had relatively lower rates than the single women. The divorced women aged 25–34, on the other hand, had higher rates than their single, as well as married, counterparts. The strong positive association between education and labor force participation is illustrated further for married women in Figure 2.

Unlike the single Kuwaiti women, over half of the single Arab women, and more than 90 percent of the Asian women aged 25–54 who had no formal

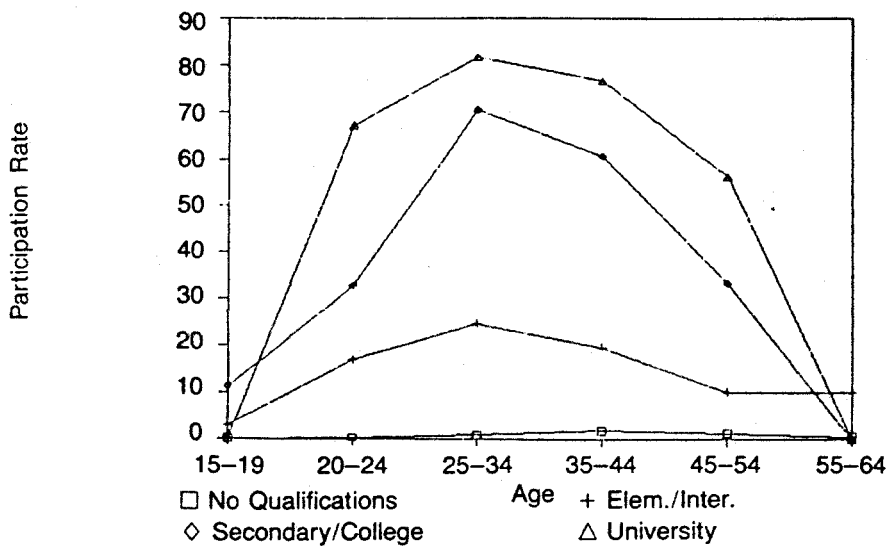
education were in the labor force. The rates for divorced women were similar. Consistent with the Kuwaiti pattern, however, education up to the secondary or higher levels also appeared to be a very important factor in encouraging the economic activity of Arab, as well as the Asian, women.

The important points that emerge from Table 9 are as follows:

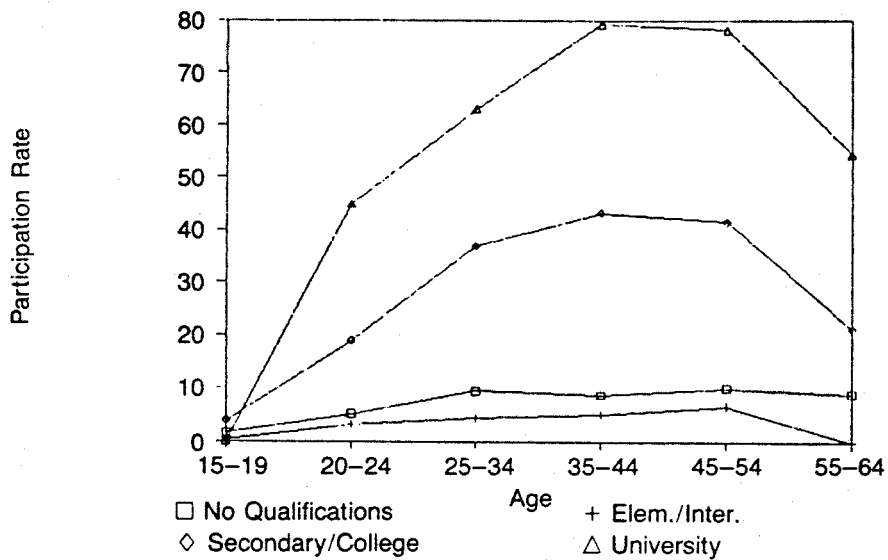
1. Education up to the secondary or higher level had a strong positive association with work participation among Kuwaiti, as well as non-Kuwaiti women.
2. Almost 90 percent of the single Kuwaiti women aged 25–44 who had completed university or higher level of education were in the labor force in 1985, which is indeed noteworthy.
3. Among those who had secondary or higher levels of education, participation rates were higher among the single and divorced women compared with their married counterparts.
4. Within each educational and marital status subgroup, an inverted U shaped pattern of activity generally existed by age of respondents. That is, participation rates were usually higher in the middle of the age distribution (ages 25–54) than at the tails, as illustrated in Figure 2.
5. Participation rates were very high for women who had no formal education among the non-Kuwaitis. These women were primarily maids, who constitute an important facilitator of the work participation of indigenous women by providing household help and childcare.

The positive effect of education on the decision to work may operate through an amalgam of factors: (a) by increasing a woman's desire to work for social recognition or economic reasons; (b) by increasing her productivity in the labor market relative to home, meaning, education raises the opportunity cost of not working; and (c) increasing the probability of finding employment, especially in the public sector. The participation rate of educated Kuwaiti females has risen over the 1980–1985 period (data not shown). This implies that educated working women continue to supply work effort once in the labor market. The peak of

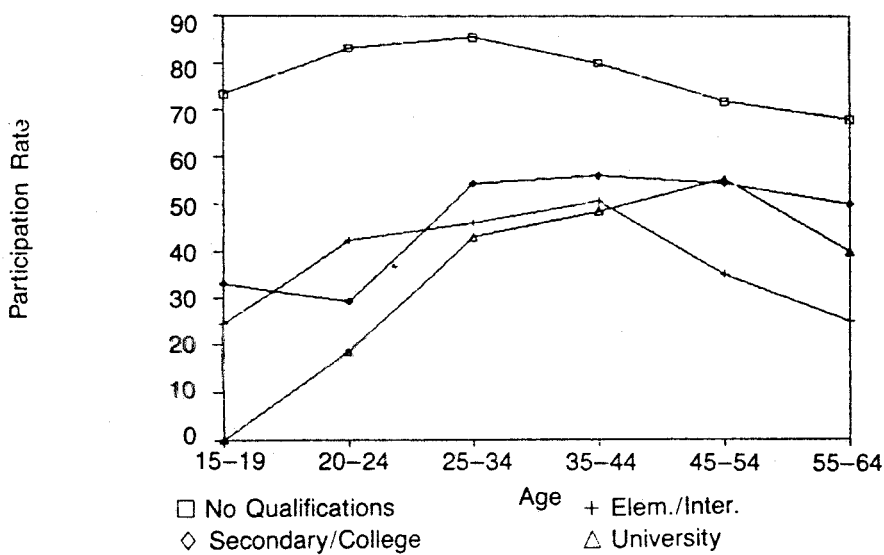
### Kuwati Women



### Arab Women



### Asian Women



Source: Shah and Smith (1984).

Figure 2. Labor force participation rates of married women (1985)

female labor participation which occurs at relatively early ages (25–34) is attributable to the entry of recent school leavers into the labor force.

Among the factors that motivate women to join the labor force, financial need continues to be an important one even in the affluent Kuwaiti society. Despite the high and fabulous rise in real income level of Kuwaiti households, a larger percentage of the relatively poorer households allow/encourage their females to take up wage employment, as indicated in the Table 10 (below).

Although evidence on the relationship between family income and female participation in Kuwait's labor market is not conclusive, available data indicate that participation rates are much higher among the women in relatively less affluent households. Women's earnings supplement overall family income and contribute to the achievement of higher consumption levels. This pattern is true for all three ethnic groups, but is most pronounced in the case of Asians.

## II. SEXUAL DIFFERENCES IN EARNINGS

This section examines the earnings differential between men and women in Kuwait's labor market. In 1983 Kuwaiti men earned an average KD. 390 per month (US \$1370). Women earned under two-thirds of this, at KD. 248. In order to examine the sources of male–female earnings differential, we utilize the rich data set of the 1983 national labor survey, which was conducted by the Central Statistical Office of the Ministry of Planning. The survey covered all wage workers and included 12,076 individuals, representing about 3 percent of the labor force. The sample contained information on variables such as monthly earnings, sex, age, marital status, education, years of job-tenure, employment in public or private sector and type of occupation.

As our earlier discussion revealed, a large proportion of non-Kuwaiti (predominately Asian) women work as domestic servants. To avoid statistical biases that might arise from the clustering of Asian women in these menial jobs, the analysis below excludes all individuals who work as domestic servants. Non-

*Table 10.* Proportion of Women in the Labor Force by the Distribution of Household Income (private households only)  
(In Percent)

<i>Households</i>	<i>Kuwaitis</i>	<i>Arabs</i>	<i>Asian</i>
Bottom 40%	24.5	26.1	78.6
Middle 40%	16.3	19.2	39.2
Upper 20%	5.2	4.8	10.8
Average	19.3	19.1	49.3

*Source:* Computed from CSO (1983)

Kuwaiti men are excluded from the analysis, while the Kuwaiti men are used as the reference group against which Kuwaiti, Arab, and non-Arab women are compared. Therefore, our subsample contains information on 3,374 individuals.

The analysis of male–female earnings differentials is conducted utilizing the human-capital approach. The Oaxaca (1973), Blinder (1973), and Malkiel and Malkiel (1973) techniques for decomposing the gross earnings differentials between the two sexes according to their ethnic origin is used. The objective is to decompose observed earning differentials into components attributed to variations in human capital attributes and unexplained variations that generally measure the extent of sex discrimination in earnings. The link between measurable human capital characteristics and earnings is analyzed for men and women and according to ethnic background—Kuwaitis, Arabs, and non-Arabs. Following Mincer's (1974) formulation, separate wage equations are estimated for each sex and ethnic background as follows:

$$\text{Ln}Y^m = \alpha^m + \sum_{j=1}^n \beta_j^m X^m + U^m \quad (1)$$

$$\text{Ln}Y^w = \alpha^w + \sum_{j=1}^n \beta_j^w X^w + U^w \quad (2)$$

where:  $\text{Ln}Y$  is the natural logarithm of monthly earnings in Kuwaiti dinars;  $X$  is a vector of personal characteristic; and  $U$  is the error term.

The superscripts  $m$  and  $w$  connote men and women, respectively. This specification is referred to as the basic human capital model.

Evaluating Equations (1) and (2) at the mean values for the characteristics and then subtracting (2) from (1) yields:

$$\overline{\text{Ln}Y^m} - \overline{\text{Ln}Y^w} = (\alpha^m - \alpha^w) + (\sum \beta^m \bar{X}^m - \sum \beta^w \bar{X}^w) \quad (3)$$

The first term on the right-hand side of Equation (3) represents the amount of the gross differential in earnings between men and women that has not been explained by the regressions. The second term of the differential may be broken down into two components, one attributable to differences in endowments of the productive characteristics held by the two sexes, and a second that comes from differences in the way these characteristics are evaluated in the wage equations. This enables (3) to be rewritten as:

$$\overline{\text{Ln}Y^m} - \overline{\text{Ln}Y^w} = (\alpha^m - \alpha^w) + \sum \beta^m (\bar{X}^m - \bar{X}^w) + \sum \bar{X}^w (\beta^m - \beta^w) \quad (4)$$

The second term on the right-hand side represents the advantage (or disadvantage) in endowments of the male group. The first and third terms represent the difference between how the high-wage (male) equation would evaluate the average characteristics of the low-wage (women) group and how the low-wage equation actually evaluates them. It has become acceptable to refer to the first and third terms of Equation (4) as a measure of sex discrimination in earnings.

The basic human capital equation can be expanded to include a range of personal and institutional variables, such as marital status, sector of employment (public vs. private) and occupation. An expanded function of this sort controls for a wide range of sources of potential labor market discrimination against women. With occupation held constant, an expanded function tests the hypothesis of "equal pay for equal work." Any residual yielded by this procedure can be ascribed to wage discrimination.

The analysis below uses the coefficients of two sets of equations. The first uses the coefficients derived from the basic human capital model, which include years of schooling, years of previous experience, measured with the help of the Mincer algorithm (Mincer, 1974), and years of job tenure, defined as the length of time workers have been employed in their current occupations.<sup>2</sup> The use of these coefficients will measure "total" potential discrimination against women by pushing both wage and job discrimination into the unexplained residual. The cost is that this procedure does not measure wage discrimination per se. The second set of estimates adds various dummy variables for marital status, sector of employment (private vs. public) and occupation. The inclusion of these variables may still understate the effects of job discrimination, but the residual now measures wage discrimination with some precision.

### Empirical Results

Variable means for both sexes are shown in Table 11. The results of the basic and expanded human capital models appear in Tables 12 and 13. The regression results of the basic model indicate that human capital traits are rewarded differently according to sex. The Chow tests performed pair-wise on the individual

*Table 11. Variable Means by Nationality*

<i>Variables</i>	<i>Kuwaiti Men</i>	<i>Kuwaiti Women</i>	<i>Arab Women</i>	<i>Non-Arab Women</i>
Education	7.03	12.02	12.22	10.66
Previous Experience	9.37	5.42	6.85	9.36
<i>Years of Job-Tenure</i>	8.71	4.91	7.55	6.68
Percent Married	77.00	56.80	72.70	85.60
<i>Percent in Public Sector</i>	97.00	98.00	75.60	44.40

*Source:* Computed from CSO (1983).

Table 12. Regression Results of the Basic Human Capital Model

Variables	Kuwaiti Men	Kuwaiti Women	Arab Women	Non-Arab Women
Years of Schooling	.04542* (24.197)	.07592* (15.700)	.05535* (16.758)	.08405* (9.183)
Previous Experience	.02017* (5.782)	.00478 (0.761)	.00480 (0.498)	.02231 (1.382)
Previous Experience Squared	-.00033* (-3.184)	-.00027 (-1.146)	-.00018 (-0.163)	-.00084 (-1.442)
Years of Job Tenure	.06805* (21.589)	.02911* (2.769)	.05280* (7.771)	.07881* (4.334)
Years of Job Tenure Squared	-.00148* (-12.539)	.00052 (-0.754)	-.00144* (-3.801)	-.00170* (-2.101)
Constant	5.0992* (152.520)	4.7035* (55.989)	4.37992* (69.199)	3.7462* (21.789)
R <sup>2</sup>	0.3810	0.4620	0.4641	0.6188
F	250.065	93.055	113.756	52.629
Sample Size	2024	537	652	160

Notes: T-Values in parentheses; \*Significant at 5 percent level.

Source: Computed from CSO (1983).

earnings equations (e.g., Kuwaiti male vs. Kuwaiti female; Kuwaiti male vs. Arab female) result in the rejection of the equivalence of regression coefficients according to sex and nationality.<sup>3</sup>

The explanatory power of the human capital model is higher for non-Arab women than for Kuwaiti and Arab women, which suggests that competitive forces are stronger for the former group. Of interest also is the apparently higher rate of return to education in the case of women relative to men. Years of job-tenure have a stronger impact on enhancing individuals' earnings than years of previous experience for each group considered (Table 12). The sign of the marital status dummy variable is significantly positive in the case of men (Table 13). For men, marriage provides a rationalization for the payment of higher wages because of greater financial requirements. In Kuwait, earnings are positively associated with public sector employment, which provides various allowances and fringe benefits, as was found by Quisi (1984). Participation in administrative occupations seems to be positively associated with the earnings of Kuwaiti men, as well as Arab and non-Arab women. The sign of professional/scientific occupations is positive for all groups, but its statistical significance can be ascertained for Arab and non-Arab women only. The earnings profile of Kuwaiti men steeper relative to the earnings profiles of the three groups of women.

Table 14 is developed from the coefficients of the basic model and reports the results of the decomposition analysis of Equations (1) to (4) set out above. We

*Table 13. Regression Results of the Expanded Human Capital Model*

<i>Variables</i>	<i>Kuwaiti Men</i>	<i>Kuwaiti Women</i>	<i>Arab Women</i>	<i>Non-Arab Women</i>
Years of Schooling	.04370* (19.580)	.06869* (11.900)	.05593* (13.277)	.07263* (7.086)
Previous Experience	.01524* (4.628)	.00987 (1.554)	.00551 (0.990)	.01154 (0.802)
Previous Experience Squared	-.00028* (-2.978)	-.00020 (-0.092)	-.00007 (-0.309)	-.00030 (-0.560)
Years of Job Tenure	.04910* (15.371)	.02564* (2.432)	.06077* (8.699)	.07692* (4.325)
Years of Job Tenure Squared	-.00099* (-8.634)	-.00060* (-0.870)	-.00131* (-4.422)	-.00174 (-2.312)
Marital Status (Married = 1)	.26274* (13.574)	-.00384* (-0.145)	-.0882* (-2.799)	.03331 (0.332)
Sector of Employment (Public = 1)	.05277* (2.215)	.03100 (0.373)	.00040 (0.013)	.33795* (3.686)
Administrators	.03023* (6.180)	-.18497 (-0.625)	.69379* (5.099)	.97258* (3.152)
Clerks	-.13032* (-7.585)	-.11560* (-2.360)	.07898 (1.804)	.50737* (4.775)
Teachers	-.08531* (-2.246)	.03819 (0.661)	-.04085 (-0.903)	-.15958 (-1.167)
Other Professionals	.01976 (0.692)	.03960 (0.623)	.15413* (2.825)	.23485* (2.092)
Constant	5.04080* (93.052)	4.7736* (40.171)	4.34406* (65.089)	3.59442* (23.038)
<i>R</i> <sup>2</sup>	.4702	.4825	.5119	.7258
<i>F</i>	164.225	46.433	63.069	39.262
Sample Size	2024	537	652	160

Notes: T-Values in parentheses; \*significant at the 5 percent level.

Source: Computed from CSO (1983).

find that out of total earnings differentials between Kuwaiti men and women, 0.220, in the logarithm term or KD. 77 per month, nearly 20 percent is diminished by the higher productive endowments that Kuwaiti women have relative to Kuwaiti men, and 120 percent is due to unexplained variables including discrimination. The earnings differentials portion due to endowments reflects the higher educational attainment of Kuwaiti women. The remaining larger differentials, 120 percent of the two groups of workers measures "total" discrimination against women; that is, the combined effect of wage and job discrimination against Kuwaiti women.



Table 14. Decomposition of Earnings Differentials

<i>Description</i>	<i>Equation</i>	<i>Kuwaiti Women</i>		<i>Arab Women</i>		<i>Non-Arab Women</i>	
		<i>Logarithm</i>	<i>KD</i>	<i>Logarithm</i>	<i>KD</i>	<i>Logarithm</i>	<i>KD</i>
Kuwaiti Men Average Salary	$\Sigma\beta^m X^m$	5.9661	390	5.9661	390	5.9661	390
Women Average Salary	$\Sigma\beta^w X^w$	5.7468	313	5.3699	214	5.1240	168
Women Salary, if paid according to men's pay structure	$\Sigma\beta^m X^w$	6.0111	408	6.1400	<b>465</b>	6.0633	430
Overall Salary difference	$Ln Y^m - Ln Y^w$	0.2193	77	0.5962	176	0.8421	222
Endowment difference	$\Sigma\beta^m (X^m - X^w)$	-0.0439	-18	-0.1739	-74	-0.0972	-40
Residual (discrimination)	$\Sigma X^w (\beta^m - \beta^w)$	0.2632	95	0.7701	250	0.9393	262

Source: Derived from the Basic Equation in Table 12.

The decomposition analysis also shows that Arab women have superior endowments relative to Kuwaiti men. As Table 11 indicates, the average years of schooling for Kuwaiti men is 7.03, which is much lower than the corresponding average among Arab women, 12.22.

Higher productive endowments mitigate the earnings edge that Kuwaiti male workers have over Arab women. About 29 percent of the total earnings differentials between Kuwaiti men and Arab women is offset by the superior productive endowments possessed by the latter group. The residual difference, 129 percent, is due to discrimination in favor of Kuwaiti men. By the same token, nearly 112 percent of the total earnings differentials between Kuwaiti males and non-Arab female workers is accounted for by discrimination. The better productive endowments possessed by non-Arab female workers reduce the total earnings differentials by 12 percent.

What is of particular interest for Kuwait is the result that we obtain from the residual in row 6 of Table 15, that is, the earnings differentials that remain even after we correct for other personal characteristics and occupational affiliation. As expected, this residual fraction is generally higher in the basic model than in the expanded model because the expanded model explains more of the endowment differences. This result therefore corroborates the hypothesis that earnings discrimination against Kuwaiti, Arab and non-Arab women persists even when the model controls with some precision for the type of occupation.

Table 16 shows the sources of earnings discrimination attributable to explanatory variables (calculated for the expanded model only). The table entries show the percentage of the differential in earnings that arises from the coefficients and the endowments. A positive entry indicates an advantage in favor of males. The most significant factors that contribute toward the endowment differential portion of earnings are education and job tenure. The percentage contribution of these factors to endowment differentials between male and female groups is in the order of 5 percent to 23 percent. Discrimination takes place through previous experience, sector of employment, occupational affiliation and marital status. Dominating the table is the contribution to discrimination of the constant term.

The above findings indicate that male Kuwaitis receive a constant premium over the earnings of females. However, the premium appears to vary according to the "ethnicity" of the female. That is, there appears to be more discrimination against non-Arab than Arab women, who in turn suffer more discrimination relative to Kuwaiti women. These findings, therefore, corroborate earlier empirical work on discrimination according to ethnic background (Al-Qudsi, 1985; Al-Qudsi & Shah, 1988; Hosni & Al-Qudsi, 1986). Thus, it is clear that Kuwait's labor market is segmented along sexual and ethnic lines. These results also indicate that even when women have higher educational attainment, their earnings are still less than men. Despite apparent equality in the educational opportunity for both sexes, women's position in Kuwait's labor market is not equal to

*Table 15. Decomposition of Earnings Differentials*

<i>Description</i>	<i>Equation</i>	<i>Kuwaiti Men vs. Kuwaiti Women</i>		<i>Kuwaiti Men vs. Arab Women</i>		<i>Kuwaiti Men vs. Non-Arab Women</i>	
		<i>Logarithm</i>	<i>KD</i>	<i>Logarithm</i>	<i>KD</i>	<i>Logarithm</i>	<i>KD</i>
Kuwaiti Men Average Salary	$\Sigma\beta^m X^m$	5.9661	390	5.9661	390	5.9661	390
Women Average Salary	$\Sigma\beta^w X^w$	5.7468	313	5.3699	214	5.1240	168
Women Salary, if paid according to men's pay structure	$\Sigma\beta^m X^w$	5.9558	386	6.1022	447	6.0699	433
Overall Salary difference	$Ln Y^m - Ln Y^w$	0.2193	77	0.5962	176	0.8421	222
Endowment difference	$\Sigma\beta^m (X^m - X^w)$	0.0106	4	-0.1361	-57	-0.1038	-43
Residual (discrimination)	$\Sigma X^w (\beta^m - \beta^w)$	0.2087	73	0.7323	233	0.9459	265

*Source:* Derived from the Expanded Equation in Table 13.

*Table 16.* Discrimination Component  $\{\bar{X}_w (\beta_m - \beta_w)\}$  in the Case of Kuwaiti, Arab and Non-Arab Women (In Percent)

<i>Variable</i>	<i>Kuwaiti Women</i>		<i>Arab Women (%)</i>		<i>Non-Arab Women (%)</i>	
		(%)				
<i>Constant</i>	0.2670	0.6967			1.4464	
<i>Education</i>	-0.3004	-0.1491			-0.3081	
<i>Previous Exp.</i>	0.0226	0.0487			0.0346	
<i>Job Tenure</i>	0.0997	-0.0609			-0.1305	
<i>Marriage</i>	0.1514	0.2551			0.1964	
<i>Sector</i>	0.0213	0.0396			-0.1265	
<i>Occupation</i>	-0.0529	-0.0927			-0.1623	
<i>Discrim. Component</i>	0.2086		95.2	0.7374	122.6	0.9500
<i>Endowments Component</i>	0.0106			4.8	-0.1361	-22.6
<i>Overall Differential</i>	0.2192		100.0	0.6013	100.0	0.8462
						112.3
						-12.3
						100.0

*Source:* Derived from Table 13.

men's. Equality of education may be a necessary condition, but it does not appear to be a sufficient condition for equality of pay.

The preceding decomposition analysis is subject to two important caveats. First, the evidence presented here does not enable us to reach any conclusions about the quality of education and innate abilities of the four groups.<sup>4</sup> The second caveat stems from the necessity to remember that the component identified as discrimination contains unexplained differences in constant terms. It is prudent to be somewhat reluctant to call all differences "discrimination" until we are sure that they contain no remaining unidentified differences in productive characteristics.

#### IV. CONSEQUENCES OF INCREASING WORK PARTICIPATION

The trend toward greater labor force activity among women has somewhat different implications for the nationals and the expatriates. Two major types of consequences may be identified, namely the economic and the sociodemographic. Among the Kuwaitis, the major economic consequence of increased female work participation consists of the reduction of dependency on foreign workers, albeit in selected occupations.

The stability of the labor force in occupations where a large percentage of nationals are employed is likely to increase as part of this process. A relative consequence of this trend, however, may be the concomitant increase in the importation of domestic help needed for home and childcare while the woman is

at work. **I**n the future, as an increased proportion of the professional/technical and clerical jobs are filled by nationals, a shortage of vacancies may eventually occur, resulting in the unemployment of qualified, educated women. Further-more, Kuwaiti women may begin to seek jobs in occupations other than the present ones, thus competing with men. The latter change, however, presumes that cultural values will be modified sufficiently to encourage/enable the participation of women in nontraditional spheres of activity.

A discernible sociodemographic consequence of work participation is the increase in age at marriage of working females. In fact, the percentage who were single among women aged 30+ was much higher among the working than the nonworking women in 1985 (18 and 2 percent, respectively). A lower marriage rate among working women will obviously exert a negative impact on fertility, as will their higher age at marriage. The employed women may also serve as important agents in transforming desired fertility to lower levels. It has been

own in Kuwait that the number of children ever born among women with a secondary or higher education is substantially lower than that among illiterate women (Al Omair & Kohli, 1984; Shah, 1988). As the educated women enter the labor force and develop serious career orientations, their fertility may be reduced further. They may adopt Western orientations concerning the number of children (Caldwell, 1982). It may be noted here, however, that the government policies in Kuwait are highly pronatalist, which may continue to encourage higher fertility than expected.

Whether the majority of the female workers will develop serious career orientations is also open to question. Most of the jobs that the nationals enter are supply rather than demand constrained. Therefore, they involve almost no competition. A Kuwaiti national seeking a job is literally guaranteed one. Consequently, labor force participation does not require a high work commitment. Furthermore, several of the jobs (e.g., clerical) may provide only horizontal rather than vertical mobility in the occupational hierarchy, thus perpetuating the low work commitment.

Despite the above factors, the increasing numbers in the work force may serve an important role in legitimizing the work role further. Economic activity may come to be seen as a significant role in its own right, and may even be considered as an appropriate alternative role (to the mother/wife role) in some cases. The Kuwaiti society is nevertheless a traditional, Muslim society, in which the values concerning female chastity and integrity of the family hold a very high salience. The wife/mother role is considered as the most important one by a majority of the society. Any redefinitions in this role will come about slowly and will occur as accommodations, rather than alternatives, to it.

The consequences of the increased demand for expatriate female workers may be viewed from the perspective of both the sending countries and Kuwait. Needless to say, female migration has in most cases helped the economy of the sending countries, because the labor of several of them (e.g., maids) would have

been surplus in the home country. The social consequences of female migration, especially of domestic servants, are perhaps more noteworthy. A concern has long been expressed in Kuwait about the undesirable influence of foreign maids, who have a different cultural background, religion and language, on the upbringing of Kuwaiti children (Ministry of Social Affairs and Labor, 1983). An opposing view seems to suggest that the negative influence is not as serious as some newspaper stories make it look. Despite the debate, no reduction in the importation of maids is visible to date.

The treatment of maids in Kuwait is another topic that deserves mention. While no empirical data are available, informal observation and press reports suggest fairly serious abuse in some cases. The extent of the problem has not been quantified, however. It was in reaction to reports about the sexual harassment of maids that President Aquino recently banned the export of Filipino maids to the Middle East from February 15, 1988 (*Arab Times*, 1988). Other exporting countries, such as Sri Lanka, have hinted at the problem but have not taken any tangible action like the Philippines (Korale & Karunawathie, 1981).

Thus, several economic as well as sociodemographic consequences of work participation may be identified for the Kuwaiti and non-Kuwaiti women. The most important consequences probably are the possible expansion of roles, increased social acceptability of new roles, and greater visibility of women, particularly in jobs that are nonsex segregated. In the case of jobs based on Western models, value orientation concerning age at marriage, fertility control, family size and interspouse role relationships may undergo significant modifications. Government policies are likely to be an important factor in shaping the pace and structure of such changes, as discussed below.

## V. GOVERNMENT POLICY AND THE FUTURE OUTLOOK

The central focus of population policies in Kuwait consists of devising ways and means to increase the percentage of nationals in the labor force. One important strategy aimed at accomplishing this goal is to increase the participation of females. The latest five year plan (1985/86—1989/90) identifies teaching and supervisory administrative jobs as areas that are appropriate for an increased participation of Kuwaiti females, at least in the short run. The plan also mentions the need to augment female participation in the service sector (Ministerial Council, 1985).

Two policies that appear to be contradictory to the Government's plan to expand female work participation are that of reducing the age at marriage and encouraging large families. Earlier research has shown that the fertility of women with intermediate education is about 20 percent less, while that of the women with above secondary education is about 50 percent less than the illiterate women

(Shah, 1988). Because almost 70 percent of the Kuwaiti employed women have a secondary or higher level of education, their contribution to the fertility level of the population is bound to be low. Furthermore, the percentage of single women who cannot contribute to fertility (in Kuwait) is much higher among the working than the nonworking, as discussed earlier. In the presence of the profertility cultural values and government incentives, including cash subsidies for procreation, the fertility of working women may be maintained at a higher level than could have been expected otherwise.

Although the increased female participation in clerical occupations suggests a change in attitudes toward the appropriate roles that working women may fulfill, certain constraints continue to exist. In a 1973 study quoted by Alessa (1981), it was found that 69 percent of the survey respondents agreed that women should work, while the rest did not. Among those who supported female work, 90 percent said that government jobs, preferably in education, were appropriate, because such jobs were segregated by sex. A continued preference in favor of teaching jobs is evident from the concentration in such jobs in the 1985 census. Another reason that Alessa (1981) gives for the relatively low work participation of women concerns the social definition of females as dependent. Because the husbands/fathers are expected to provide for the wife/daughter/sister, the women's incentive to work is reduced.

In an interesting study of women in the banking sector, it was reported that in January 1985, one-fourth of the total manpower in the banking sector was female (Bank Employee's Union, n.d.). Unfortunately, the nationality breakdown of employees was not provided. In order to establish the attitudes of the management toward female workers, a survey was conducted. It was found that 62 percent of the managers preferred to select men, rather than women, to work with them. Forty-nine percent of the managers stated that the work performance of both sexes was equal, while 41 percent suggested that the performance of women was below that of men. Some of the constraints in female productivity were identified to be maternity leave, frequent casual leave, and eagerness to leave work early. Finally, almost half of the managers said that women are not given an equal opportunity to occupy senior positions. These findings suggest that despite the role expansion of women in Kuwait, several additional factors which may lead to discrimination against employment of women still exist.

The government has successfully mobilized the labor of an increasing percentage of females over the 1965—1985 period. The extent to which it can continue to augment the supply will depend on the appropriateness of education and vocational training, as well as the changes in societal attitudes toward female roles. According to some researchers, the level of female activity will change, but its pattern will remain somewhat static in view of traditional values and stereotypes Gulf countries (Azzam & Moujabber, 1985).

In view of the government policy to expand female participation among Kuwaitis, several suggestions for innovative programs are possible. First, incen-

tives to join the labor force may be enhanced, and service benefits for men and women may be equalized. Working Kuwaiti women are provided the same social security benefits as men. Also, their basic entry salary is identical to men if their qualifications are identical. However, the fringe benefits granted to women are lower—they receive only half the social allowance of men, and are not entitled -- to child allowance if their husbands work for the public sector. Increasing fringe benefits may attract more women to employment. Second, the private sector may be encouraged (or even instructed) to hire more Kuwaiti women than it does at the present time. Finally, importation of maids may be allowed only for those families in which the woman is employed outside the house. Although the preceding strategies may encourage participation, social attitudes concerning appropriate female roles will continue to play a significant role in determining the supply, as well as demand, for female work.

### NOTES

1. A difficulty with the specification of Equation (I) is that some control for the amount of labor supplied should be included. The dependent variable—earnings—is the product of hours worked and hourly wage rate. Economic theory suggests that hours worked depend on, among other things, the wage rate, which in turn, depends on the human capital traits. Hence, as Blinder (1973) points out, the use of earnings as the dependent variable can result in biased estimates of the parameters of the earnings function. The direction and magnitude of the bias will depend on the supply responses to wage rates. Accordingly, Blinder suggests that the appropriate specification of the dependent variable should be wage rates rather than earnings. Mincer (1974), while recognizing the problems of controlling for labor supply, introduces the log of labor supply units (weeks) on the right hand side of the earnings functions as the dependent variable. If this coefficient turns out to be unity, then this is equivalent to the specification suggested by Blinder. However, if this coefficient differs significantly from unity, the interpretation of the coefficient estimate becomes difficult. This problem is mitigated in our sample because it is restricted to a group of persons 15 years of age and over, who worked at least 35 hours per week and who were wage and salary earners having positive monthly earnings.

2. Following Mincer (1974), total experience is defined as age — years of education — 6. Previous experience is defined as total experience minus years of job-tenure.

3. The computed F-values of the Chow-tests are 37.5, 207 and 105 for Kuwaiti men versus Kuwaiti, Arab and non-Arab women, respectively. These values are greater than the theoretical values.

4. This is referred to as the self-selection problem (Willis, 1986). In the case of migrant workers, variations in earnings might also be due to variations in years of residence in the labor market of the host country (Chiswick, 1979). In our sample, the average years of residence is 14 and 10 for Arab and non-Arab women, respectively. That is, the sample contains long-term Arab and non-Arab residents.

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