Online Appendix (Not for publication)

Labour market participation of women in rural Bangladesh: the role of microfinance

Table A1: Descriptive Statistics by Participation Status of Attritors during 1997/98

<table>
<thead>
<tr>
<th>Variables of Interest</th>
<th>Treatment</th>
<th>Control</th>
<th>Difference</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of the household head</td>
<td>43.02</td>
<td>44.59</td>
<td>−1.57</td>
<td>0.30</td>
</tr>
<tr>
<td>Number of adult working people in the household</td>
<td>2.52</td>
<td>2.54</td>
<td>−0.02</td>
<td>0.90</td>
</tr>
<tr>
<td>Household size</td>
<td>5.28</td>
<td>5.15</td>
<td>0.13</td>
<td>0.62</td>
</tr>
<tr>
<td>Highest grade/class passed by any family member</td>
<td>5.05</td>
<td>5.55</td>
<td>−0.5</td>
<td>0.29</td>
</tr>
<tr>
<td>Total arable land owned by household</td>
<td>65.79</td>
<td>60.02</td>
<td>5.78</td>
<td>0.78</td>
</tr>
<tr>
<td>Number of children aged 0–15 in the household</td>
<td>2.67</td>
<td>2.59</td>
<td>0.08</td>
<td>0.66</td>
</tr>
<tr>
<td>Number of women in the household</td>
<td>2.64</td>
<td>2.48</td>
<td>0.17</td>
<td>0.28</td>
</tr>
<tr>
<td>Number of people aged over 60 in the household</td>
<td>0.25</td>
<td>0.25</td>
<td>−0.01</td>
<td>0.91</td>
</tr>
<tr>
<td>Whether a woman is the head of the household</td>
<td>0.06</td>
<td>0.11</td>
<td>−0.05</td>
<td>0.12</td>
</tr>
<tr>
<td>Number of married people in the household</td>
<td>2.24</td>
<td>2.33</td>
<td>−0.09</td>
<td>0.32</td>
</tr>
</tbody>
</table>

Sample size

184 147
### Table A2: Descriptive Statistics of Socio-demographic Characteristics by Participation Status

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Treatment</td>
<td>Control</td>
<td>Difference</td>
<td>Treatment</td>
<td>Control</td>
<td>Difference</td>
</tr>
<tr>
<td>Individual-level characteristics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual is male</td>
<td>0.49</td>
<td>0.46</td>
<td>0.03**</td>
<td>0.53</td>
<td>0.51</td>
<td>0.02</td>
</tr>
<tr>
<td>Age of the individual</td>
<td>32.87</td>
<td>32.82</td>
<td>0.05</td>
<td>32.62</td>
<td>32.88</td>
<td>–0.26</td>
</tr>
<tr>
<td>Individual is married</td>
<td>0.76</td>
<td>0.75</td>
<td>0.01</td>
<td>0.73</td>
<td>0.74</td>
<td>0.00</td>
</tr>
<tr>
<td>Individual is single</td>
<td>0.21</td>
<td>0.21</td>
<td>0.00</td>
<td>0.23</td>
<td>0.23</td>
<td>0.01</td>
</tr>
<tr>
<td>Individual is illiterate</td>
<td>0.22</td>
<td>0.38</td>
<td>–0.16***</td>
<td>0.22</td>
<td>0.29</td>
<td>–0.07***</td>
</tr>
<tr>
<td>Individual can sign only</td>
<td>0.40</td>
<td>0.20</td>
<td>0.20***</td>
<td>0.36</td>
<td>0.23</td>
<td>0.13***</td>
</tr>
<tr>
<td>Individual can read only</td>
<td>0.01</td>
<td>0.01</td>
<td>0.006**</td>
<td>0.02</td>
<td>0.01</td>
<td>0.00</td>
</tr>
<tr>
<td>Individual can read and write</td>
<td>0.37</td>
<td>0.41</td>
<td>–0.04***</td>
<td>0.40</td>
<td>0.47</td>
<td>–0.07***</td>
</tr>
<tr>
<td>Household-level characteristics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age of the household head</td>
<td>44.02</td>
<td>44.98</td>
<td>–0.96*</td>
<td>46.22</td>
<td>47.07</td>
<td>–0.85</td>
</tr>
<tr>
<td>Number of adult working people</td>
<td>2.80</td>
<td>2.82</td>
<td>–0.02</td>
<td>2.99</td>
<td>3.09</td>
<td>–0.10*</td>
</tr>
<tr>
<td>Household size</td>
<td>5.72</td>
<td>5.52</td>
<td>0.20**</td>
<td>6.11</td>
<td>6.09</td>
<td>0.02</td>
</tr>
<tr>
<td>Highest education of any member</td>
<td>5.29</td>
<td>5.76</td>
<td>–0.47***</td>
<td>5.91</td>
<td>6.62</td>
<td>–0.71***</td>
</tr>
<tr>
<td>Number of children aged 0-15 years</td>
<td>2.93</td>
<td>2.70</td>
<td>0.23***</td>
<td>2.33</td>
<td>2.15</td>
<td>0.18***</td>
</tr>
<tr>
<td>Number of women in the household</td>
<td>2.73</td>
<td>2.57</td>
<td>0.16***</td>
<td>2.99</td>
<td>2.90</td>
<td>0.09</td>
</tr>
<tr>
<td>Number of people aged over 60 years</td>
<td>0.21</td>
<td>0.29</td>
<td>–0.08***</td>
<td>0.34</td>
<td>0.41</td>
<td>–0.07***</td>
</tr>
<tr>
<td>Whether a woman is household head</td>
<td>0.04</td>
<td>0.06</td>
<td>–0.02**</td>
<td>0.05</td>
<td>0.06</td>
<td>–0.01</td>
</tr>
<tr>
<td>Number of married people</td>
<td>2.40</td>
<td>2.37</td>
<td>0.03</td>
<td>2.72</td>
<td>2.69</td>
<td>0.03</td>
</tr>
<tr>
<td>Area of arable land (in decimals)</td>
<td>57.80</td>
<td>83.08</td>
<td>–25.28***</td>
<td>65.38</td>
<td>102.35</td>
<td>–36.97***</td>
</tr>
</tbody>
</table>

Notes: The reported p-values are from the two-tailed test with the null hypothesis that the group means are equal.
Table A3: Results of the Propensity Score Matching Balance Test

<table>
<thead>
<tr>
<th>Variables</th>
<th>Treatment</th>
<th>Control</th>
<th>% bias</th>
<th>t</th>
<th>p &gt;</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Age of the household head</td>
<td>43.89</td>
<td>43.79</td>
<td>0.80</td>
<td>0.25</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Age of household head squared</td>
<td>2075.50</td>
<td>2067.30</td>
<td>0.60</td>
<td>0.20</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td>Number of adult working people in the household</td>
<td>2.79</td>
<td>2.79</td>
<td>0.40</td>
<td>–</td>
<td>0.41</td>
<td></td>
</tr>
<tr>
<td>Household size</td>
<td>5.66</td>
<td>5.71</td>
<td>–</td>
<td>0.67</td>
<td>0.50</td>
<td></td>
</tr>
<tr>
<td>Highest education of any household member</td>
<td>5.27</td>
<td>5.22</td>
<td>1.20</td>
<td>0.35</td>
<td>0.72</td>
<td></td>
</tr>
<tr>
<td>Total arable land owned (in decimals)</td>
<td>55.80</td>
<td>59.15</td>
<td>–</td>
<td>–</td>
<td>0.39</td>
<td></td>
</tr>
<tr>
<td>Number of children aged 0–15 in the household</td>
<td>2.90</td>
<td>2.89</td>
<td>0.90</td>
<td>0.26</td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td>Number of women in the household</td>
<td>2.69</td>
<td>2.73</td>
<td>–</td>
<td>–</td>
<td>0.41</td>
<td></td>
</tr>
<tr>
<td>Number of people aged over 60 years in the household</td>
<td>0.21</td>
<td>0.21</td>
<td>–</td>
<td>0.70</td>
<td>0.21</td>
<td></td>
</tr>
<tr>
<td>Whether a woman is the household head</td>
<td>0.05</td>
<td>0.04</td>
<td>0.20</td>
<td>0.05</td>
<td>0.96</td>
<td></td>
</tr>
<tr>
<td>Number of married people in the household</td>
<td>2.38</td>
<td>2.41</td>
<td>–</td>
<td>0.86</td>
<td>0.39</td>
<td></td>
</tr>
<tr>
<td>Health facilities in the village</td>
<td>0.18</td>
<td>0.16</td>
<td>4.70</td>
<td>0.13</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td>Madrasha in the village</td>
<td>0.90</td>
<td>0.90</td>
<td>0.30</td>
<td>0.09</td>
<td>0.93</td>
<td></td>
</tr>
<tr>
<td>Primary school in the village</td>
<td>0.86</td>
<td>0.85</td>
<td>2.60</td>
<td>0.70</td>
<td>0.48</td>
<td></td>
</tr>
<tr>
<td>Secondary school in the village</td>
<td>0.34</td>
<td>0.34</td>
<td>–</td>
<td>–</td>
<td>0.89</td>
<td></td>
</tr>
<tr>
<td>Adult male wage</td>
<td>56.93</td>
<td>57.04</td>
<td>–</td>
<td>–</td>
<td>0.87</td>
<td></td>
</tr>
<tr>
<td>Adult female wage</td>
<td>32.64</td>
<td>32.89</td>
<td>–</td>
<td>–</td>
<td>0.57</td>
<td></td>
</tr>
<tr>
<td>Presence of pucca road in the village</td>
<td>0.35</td>
<td>0.34</td>
<td>1.50</td>
<td>0.42</td>
<td>0.67</td>
<td></td>
</tr>
<tr>
<td>Presence of grocery market in the village</td>
<td>0.23</td>
<td>0.23</td>
<td>–</td>
<td>–</td>
<td>0.94</td>
<td></td>
</tr>
<tr>
<td>Presence of frequent haat (big market)</td>
<td>0.32</td>
<td>0.34</td>
<td>–</td>
<td>–</td>
<td>0.24</td>
<td></td>
</tr>
<tr>
<td>Presence of bus stand in the village</td>
<td>0.15</td>
<td>0.14</td>
<td>2.00</td>
<td>0.56</td>
<td>0.58</td>
<td></td>
</tr>
<tr>
<td>Presence of post office in the village</td>
<td>0.20</td>
<td>0.20</td>
<td>–</td>
<td>–</td>
<td>0.79</td>
<td></td>
</tr>
<tr>
<td>Presence of telephone office in the village</td>
<td>0.06</td>
<td>0.05</td>
<td>3.80</td>
<td>0.15</td>
<td>0.25</td>
<td></td>
</tr>
<tr>
<td>Presence of Union Parishad office</td>
<td>0.14</td>
<td>0.14</td>
<td>–</td>
<td>–</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td>Youth organization in the village</td>
<td>0.15</td>
<td>0.14</td>
<td>2.00</td>
<td>0.56</td>
<td>0.58</td>
<td></td>
</tr>
<tr>
<td>Distance to nearest Upazila (in kms)</td>
<td>7.19</td>
<td>7.11</td>
<td>1.20</td>
<td>0.36</td>
<td>0.72</td>
<td></td>
</tr>
<tr>
<td>Share of landowner in share-cropping</td>
<td>47.56</td>
<td>47.55</td>
<td>0.10</td>
<td>0.03</td>
<td>0.98</td>
<td></td>
</tr>
<tr>
<td>Number of moneylenders in the village</td>
<td>8.02</td>
<td>8.12</td>
<td>–</td>
<td>0.25</td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td>Large farmers/traders in the village</td>
<td>3.78</td>
<td>3.80</td>
<td>–</td>
<td>0.05</td>
<td>0.96</td>
<td></td>
</tr>
<tr>
<td>Small credit/savings groups in the village</td>
<td>0.80</td>
<td>0.77</td>
<td>2.60</td>
<td>0.71</td>
<td>0.48</td>
<td></td>
</tr>
<tr>
<td>Number of low lift pumps</td>
<td>0.43</td>
<td>0.33</td>
<td>3.90</td>
<td>1.22</td>
<td>0.22</td>
<td></td>
</tr>
<tr>
<td>Number of shallow tube wells</td>
<td>12.74</td>
<td>13.25</td>
<td>–</td>
<td>0.75</td>
<td>0.45</td>
<td></td>
</tr>
<tr>
<td>Number of hand tube wells in irrigation</td>
<td>2.29</td>
<td>2.50</td>
<td>–</td>
<td>–</td>
<td>0.58</td>
<td></td>
</tr>
<tr>
<td>Number of hand tube wells in drinking water</td>
<td>80.51</td>
<td>81.48</td>
<td>–</td>
<td>–</td>
<td>0.73</td>
<td></td>
</tr>
<tr>
<td>Number of deep tube wells</td>
<td>0.29</td>
<td>0.29</td>
<td>0.30</td>
<td>0.10</td>
<td>0.92</td>
<td></td>
</tr>
</tbody>
</table>
Table A4: PSM Regression Results: Effect of loan amount on labour supply

<table>
<thead>
<tr>
<th>Regression adjusted estimates of</th>
<th>Self-employment on the farm</th>
<th>Wage employment (in both agriculture and non-agriculture)</th>
<th>Self-employment in non-agriculture</th>
<th>Total labour force participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Men and Women</td>
<td>−0.49* (0.27)</td>
<td>−1.62*** (0.50)</td>
<td>4.41*** (0.66)</td>
<td>2.30*** (0.56)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.08</td>
<td>0.10</td>
<td>0.08</td>
<td>0.21</td>
</tr>
<tr>
<td>Number of observations</td>
<td>88,075</td>
<td>88,075</td>
<td>88,075</td>
<td>88,075</td>
</tr>
<tr>
<td>Adult Men</td>
<td>−0.74** (0.37)</td>
<td>−3.61*** (0.79)</td>
<td>6.72*** (1.07)</td>
<td>2.38*** (0.72)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.10</td>
<td>0.11</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>Number of observations</td>
<td>46,300</td>
<td>46,300</td>
<td>46,300</td>
<td>46,300</td>
</tr>
<tr>
<td>Adult Women</td>
<td>−0.02 (0.28)</td>
<td>0.91* (0.46)</td>
<td>0.96*** (0.35)</td>
<td>1.85*** (0.66)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.07</td>
<td>0.04</td>
<td>0.01</td>
<td>0.04</td>
</tr>
<tr>
<td>Number of observations</td>
<td>41,775</td>
<td>41,775</td>
<td>41,775</td>
<td>41,775</td>
</tr>
<tr>
<td>Child labour</td>
<td>−0.02 (0.72)</td>
<td>−3.22*** (1.61)</td>
<td>0.63</td>
<td>−2.60</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.13</td>
<td>0.12</td>
<td>0.08</td>
<td>0.23</td>
</tr>
<tr>
<td>Number of observations</td>
<td>3,835</td>
<td>3,835</td>
<td>3,835</td>
<td>3,835</td>
</tr>
</tbody>
</table>

Notes: The loan amount is in ten thousand taka adjusted by the agricultural price index, with 1997–98 as the base year. See the footnote to Table 2.
Table A5: Regression Results: Effects on labour supply using standard fixed effects model

<table>
<thead>
<tr>
<th>Regression adjusted estimates of</th>
<th>Self-employment on the farm</th>
<th>Wage employment (in both agriculture and non-agriculture)</th>
<th>Self-employment in non-agriculture</th>
<th>Total labour force participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Men and Women</td>
<td>-0.54 (0.76)</td>
<td>-3.81*** (1.17)</td>
<td>11.05*** (1.42)</td>
<td>6.70*** (1.35)</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.08</td>
<td>0.10</td>
<td>0.08</td>
<td>0.21</td>
</tr>
<tr>
<td>Number of observations</td>
<td>90,280</td>
<td>90,280</td>
<td>90,280</td>
<td>90,280</td>
</tr>
<tr>
<td>Adult Men</td>
<td>-1.25 (1.13)</td>
<td>-8.57*** (1.89)</td>
<td>17.40*** (2.35)</td>
<td>7.59*** (2.04)</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.10</td>
<td>0.11</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>Number of observations</td>
<td>47,410</td>
<td>47,410</td>
<td>47,410</td>
<td>47,410</td>
</tr>
<tr>
<td>Adult Women</td>
<td>0.59 (0.60)</td>
<td>0.23</td>
<td>4.39*** (0.96)</td>
<td>5.21*** (1.27)</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.07</td>
<td>0.04</td>
<td>0.02</td>
<td>0.04</td>
</tr>
<tr>
<td>Number of observations</td>
<td>42,870</td>
<td>42,870</td>
<td>42,870</td>
<td>42,870</td>
</tr>
<tr>
<td>Child labour</td>
<td>2.11 (1.66)</td>
<td>-5.52 (4.11)</td>
<td>7.07* (3.65)</td>
<td>3.66</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.13</td>
<td>0.11</td>
<td>0.09</td>
<td>0.23</td>
</tr>
<tr>
<td>Number of observations</td>
<td>4,015</td>
<td>4,015</td>
<td>4,015</td>
<td>4,015</td>
</tr>
</tbody>
</table>

Notes: These are the results from the standard fixed effects regression model which uses the full sample. The sample size used in every regression is presented at the bottom of each panel. All individuals in the sample are considered in these regressions. There are a total of 94,295 individuals from sample households (47,410 adult men, 42,870 adult women and 4,015 children). See the footnote to Table 2.
### Table A6: PSM Regression Results: Effects on labour supply using alternative definition of child labour

<table>
<thead>
<tr>
<th>Regression adjusted estimates of</th>
<th>Self-employment on the farm</th>
<th>Wage employment (in both agriculture and non-agriculture)</th>
<th>Self-employment in non-agriculture</th>
<th>Total labour force participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Men and Women</td>
<td>-0.62</td>
<td>-4.16***</td>
<td>11.77***</td>
<td>6.99***</td>
</tr>
<tr>
<td></td>
<td>(0.76)</td>
<td>(1.23)</td>
<td>(1.46)</td>
<td>(1.38)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.08</td>
<td>0.09</td>
<td>0.08</td>
<td>0.20</td>
</tr>
<tr>
<td>Number of observations</td>
<td>77,535</td>
<td>77,535</td>
<td>77,535</td>
<td>77,535</td>
</tr>
<tr>
<td>Adult Men</td>
<td>-1.11</td>
<td>-9.90***</td>
<td>18.80***</td>
<td>7.79***</td>
</tr>
<tr>
<td></td>
<td>(1.14)</td>
<td>(2.03)</td>
<td>(2.52)</td>
<td>(2.07)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.10</td>
<td>0.10</td>
<td>0.04</td>
<td>0.07</td>
</tr>
<tr>
<td>Number of observations</td>
<td>39,805</td>
<td>39,805</td>
<td>39,805</td>
<td>39,805</td>
</tr>
<tr>
<td>Adult Women</td>
<td>0.40</td>
<td>0.22</td>
<td>4.55***</td>
<td>5.16***</td>
</tr>
<tr>
<td></td>
<td>(0.65)</td>
<td>(0.95)</td>
<td>(1.00)</td>
<td>(1.37)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.07</td>
<td>0.04</td>
<td>0.02</td>
<td>0.04</td>
</tr>
<tr>
<td>Number of observations</td>
<td>37,730</td>
<td>37,730</td>
<td>37,730</td>
<td>37,730</td>
</tr>
<tr>
<td>Child labour</td>
<td>-0.69</td>
<td>0.10</td>
<td>7.30***</td>
<td>6.72**</td>
</tr>
<tr>
<td></td>
<td>(1.24)</td>
<td>(2.88)</td>
<td>(2.74)</td>
<td>(3.08)</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0.11</td>
<td>0.14</td>
<td>0.09</td>
<td>0.31</td>
</tr>
<tr>
<td>Number of observations</td>
<td>9,825</td>
<td>9,825</td>
<td>9,825</td>
<td>9,825</td>
</tr>
</tbody>
</table>

Notes: In this analysis, a child is defined as anyone aged between 7+ and 18+, while an adult is aged between 18+ and 55 years. See the footnote to Table 2.