

Clean Energy Access: Gender Disparity, Health and Labor Supply

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NCID, Universidad de Navarra, October 19 2020

Energy-Gender-Health-Labor Nexus

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- 2. Women spend a considerably higher amount of time on unpaid housework and care than men, hence less time in market work.

Energy-Gender-Health-Labor Nexus

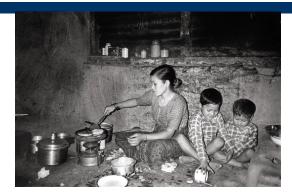
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- □ How access to energy can help filling this gap?
 - 1. Lower time-burden through modern appliances (Greenwood et al., 2005).
 - 2. Reduces health-burden through clean technology: by making women/children sick less often

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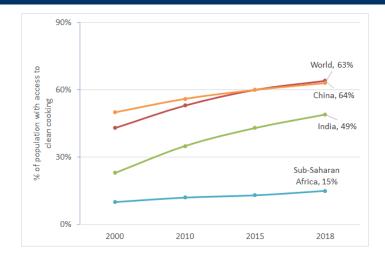
"How does having access to clean energy reduce gender disparity in health? How does it influence labor outcomes?"

Cooking Technology

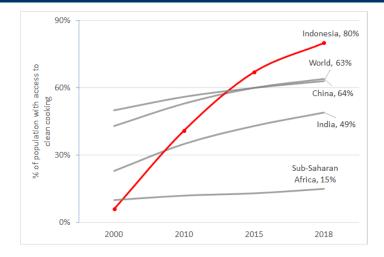


- 1. 40% of people globally is without access to modern and clean cooking
- 2. Indoor air pollution is associated with four million deaths annually (WHO). Health and time burden on women as the primary user.
- 3. Worldwide interest on policy to improve adoption on clean energy

Countries' Clean Cooking Initiatives



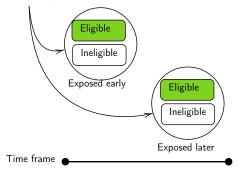
Intervention in Indonesia as a Policy Experiment



Overview of This Paper

Provide new evidence on the impact of clean cooking on adults' health and labor outcomes and potential mechanisms

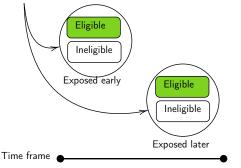
Program goal: Distribute to two-thirds of total population in 5 years



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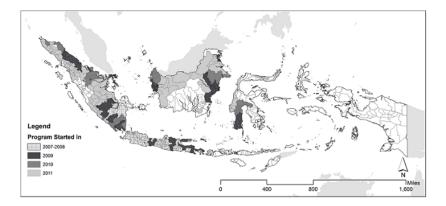
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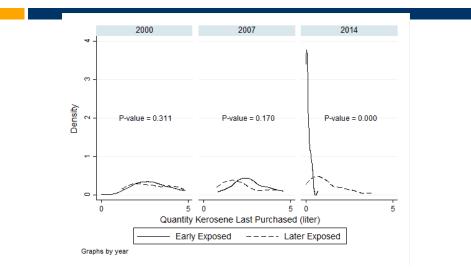
- Identification: program timing is unrelated to individual or regional characteristics
- □ Focus on the expansion period Imelda, 2020

Administrative data on the program between $2007\mathchar`-2014$



Districts by the implementation year (2007-2014).

Early vs Later Exposed



Kerosene Purchased at Baseline Year

Preview of Results

Health impact:

- Health improvements particularly among women
- Those who spend more time at home, experience greater health impact
 - □ Main channel: pollution

Labor impact:

□ increase work hours among women who benefit from the health impact

Main channel: health

increase in work hours among men in households where women enjoyed the health impact

Channel: subtitution and complementarity

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Take away: clean energy can reduce health disparity, and also improve labor outcomes not only for women but also for men.

Contributions

□ First evidence that document the wide spillover effects of an energy policy on health and labor outcomes within households.

- The key mechanism is that the access to cleaner energy improves labor outcomes by reducing the health-burden on women.
- Using individual panel data over 14 years to provide causal estimates of the impact of clean energy intervention on adults (Pitt et al., 2006; Silwal and McKay, 2015; Cesur et al., 2016; Imelda, 2020).
- More broadly, "missing adult women" in developing countries (Sen, 1990; Klasen and Wink, 2002; Anderson and Ray, 2010).

- 1. Program details
- 2. Data and empirical strategy
- 3. Main results on health and plausible mechanism
- 4. Main results on labor outcomes and plausible mechanism
- 5. Robustness
- 6. Conclusion and policy implication

1. Kerosene to LPG Fuel Conversion Program

- Nationwide energy program, started in 2007, with ambitious goal to convert 50 million of households to use LPG within five years.
- □ The main purpose of the program was to reduce **the cost in subsidizing kerosene**.
- Eligible if the households have not used LPG before the program.
- □ Steps:
 - 1. distribution of a free starter kit (a stove and a cylinder)
 - 2. subsidy on the LPG refill.
 - 3. restriction on kerosene quantity.

Kerosene Vs. LPG

Fine particulates from burning LPG are about **46–76%** lower than particulates from burning kerosene (Imelda, 2020).



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Conceptual framework for labor supply

- When women (and their children) are less likely to be sick, they have options to increase their work hours and to participate in market work (Cai, 2010; Stabridis and van Gameren, 2018).
- □ Many reasons why clean energy access may not increase labor supply
 - health impact is not large enough to influence labor supply
 - individual preference on leisure
 - Iimited opportunities to participate in the market work

□ Administrative data on the program between 2007-2014

- Yearly data for LPG roll-out at district level
- Early exposed districts—program roll-out in 2009, 2010
- Later exposed districts—program roll-out beyond 2010.
 - Refined into several dummies (0-2, 3-4, 5-6 years of exposure)

2. Data

□ Administrative data on the program between 2007-2014

- Yearly data for LPG roll-out at district level
- Early exposed districts—program roll-out in 2009, 2010
- Later exposed districts—program roll-out beyond 2010.
 - Refined into several dummies (0-2, 3-4, 5-6 years of exposure)
- □ Indonesian Family Life Survey (2000, 2007, 2014)
 - longitudinal data that track the same individual over 14 years. Low rate of attrition (Thomas et al., 2012).
 - 2007 is the baseline year.
 - Eligible households = those who never use LPG at baseline years.
 - Households that are ineligible are used for placebo check.

Difference-in-differences event study style

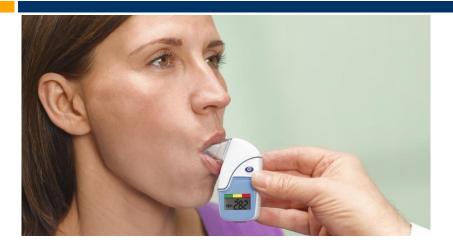
$$\begin{split} \mathsf{Y}_{idt} = & \beta_1 \mathsf{EarlyExposure} \times \mathsf{Post} + \beta_2 \mathsf{EarlyExposure} \times \mathsf{Pre} \\ & + \gamma_t + \delta_d + \theta X_{idt} + \epsilon_{idt} \end{split}$$

- □ where *i*,*r*,*t* denote individual, region and year of survey respectively.
- Post (Pre) is the dummy variables for 2014 (2000), and 0 for 2007—the baseline year.
- $\Box \gamma_t$ and δ_d are the time and district fixed effects; X_{idt} is a set of individual controls at year 2007; ϵ_{irt} cluster at district level.
- $\square \beta_1$ captures the intent-to-treat effect due to longer exposure to the program.

 $\begin{aligned} \mathsf{Y}_{idt} = & \beta_1 \mathsf{EarlyExposure} \times \mathsf{Post} + \beta_2 \mathsf{EarlyExposure} \times \mathsf{Pre} \\ & + \gamma_t + \delta_d + \theta X_{idt} + \epsilon_{idt} \end{aligned}$

- Outcome variables: lung capacity (Silwal and McKay, 2015; Rosales-Rueda and Triyana, 2019), and work hours
- □ Parallel-trend assumption: individuals in the two groups should be trending similarly pre program (β_2) .

Measuring lung capacity



Advantage of using lung capacity as proxy for health: (1) strong predictor for mortality for elderly; (2) reliable measure; (3) not easily influence by contemporaneous factors.

Summary Statistic at Baseline (2007)

		(1)		(2)	
	Early	Exposed	Later	Later Exposed	
	Mean	Std. Dev.	Mean	Std. Dev.	
Demographic					
Age(yrs)	43.03	15.20	41.64	15.40	
Ever Married (%)	0.83	0.38	0.79	0.41	
No school (%)	0.13	0.34	0.10	0.30	
Primary/Middle School (%)	0.47	0.50	0.41	0.49	
High School (%)	0.34	0.47	0.40	0.49	
Electricity (%)	0.95	0.21	0.94	0.23	
Refrigerator (%)	0.62	0.85	0.69	0.91	
Television (%)	0.77	0.42	0.72	0.45	
Per-capita Income (USD)	153.16	230.51	175.36	216.01	
Cooking Fuel Used					
Gas (%)	0.10	0.30	0.09	0.29	
Kerosene (%)	0.34	0.47	0.45	0.50	
Firewood (%)	0.54	0.50	0.45	0.50	
Health and Labor Outcomes					
Lung capacity (Litres/Minute)	329.20	113.00	337.78	107.65	
Employed (%)	0.77	0.42	0.73	0.45	
No. of hours worked per month	189.66	101.39	198.15	102.03	
Participation in Agriculture (%)	0.45	0.50	0.44	0.50	
Help in Household Work (%)	0.59	0.49	0.58	0.49	
N	3815		2255		

Parallel Trend Test: Main Outcome Variables (β_2)

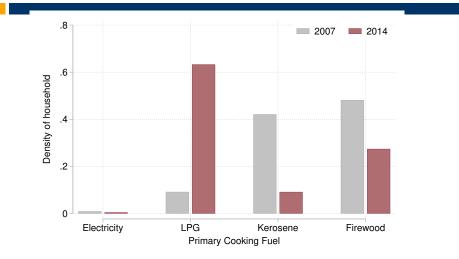
	Lung Ca	apacity	Hours Worked Per Month			
	(1)	(2)	(3) Women	(4) Men		
	Women	Men	(Housekeeper)	(Housekeeper HH)		
$EarlyExposure\timesPre$	10.13 (7.25)	1.03 (9.10)	17.30 (19.26)	11.12 (14.41)		
	(1.23)	(5.10)	(13.20)	(17.71)		
Control Mean Observations	283.3 7782	410.9 6049	152.4 879	211.1 1718		
	1102	00+9	019	1,10		

	(1)	(2)	(3)	(4)	(5)
	Anemia	Diabetes	Self report Health	Weight	Cough
$EarlyExposure\timesPre$	0.01	-0.00	0.03	0.46	0.00
	(0.00)	(0.00)	(0.03)	(0.34)	(0.03)
Control Mean	0.013	0.006	0.776	53.128	0.359
Observations	18269	18269	18270	18244	17284

Parallel Trend Test: Other Characteristics (β_2)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Education	Log PC Income	Electricity	Refrigerator	TV	Toilet	Water in/out
$EarlyExposure \times Pre$	0.00	0.04	-0.01	0.04	-0.02	0.03	0.05
	(0.01)	(0.08)	(0.03)	(0.07)	(0.04)	(0.04)	(0.04)
Control Mean	0.894	4.429	0.949	0.584	0.752	0.703	0.465
Observations	18270	16552	18270	18270	18270	18270	18270

Take-ups



Primary cooking fuel based on Indonesian Family Life Survey 2007 and 2014.

Suggestive Evidence: Fuel Choice and Health

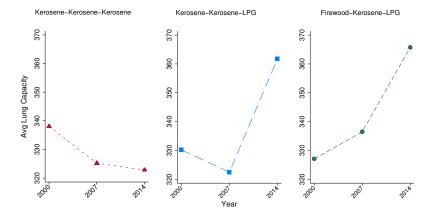


Figure 1: Average Lung Capacity Over Time

Is there any gender disparity in health?

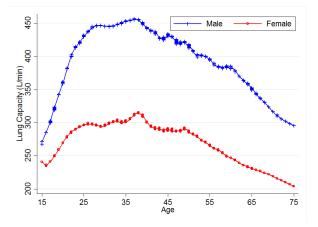
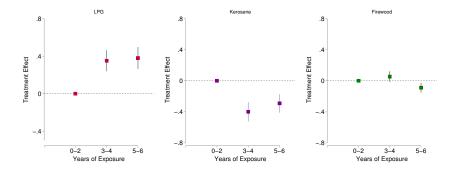


Figure 2: Lung Capacity by Gender at Baseline

Fuel Switching by Duration of the Program

First stage: Program Impacts on Fuel Choice



Years of exposure 0-2 years, 3-4 years, 5-6 years, are those individuals who received LPG after 2014, 2013-2014, 2011-2012, 2009-2010, respectively.

4. Results: Program Impact on Health

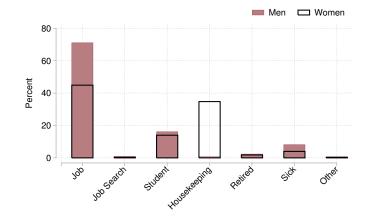
Longer exposure to clean energy access leads to higher lung capacity

	Women				Men			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
$EarlyExposure \times Post$	11.34** (5.501)	11.34** (5.502)	11.34** (5.542)	11.34** (5.500)	1.940 (6.043)	1.940 (6.044)	1.940 (6.100)	1.940 (6.042)
Control Mean Observations	283 7782	283 7782	283 7782	283 7782	411 6049	411 6049	411 6049	411 6049
Rural-Urban FE Individual Controls District FE	~	√ √	√ √		V	\checkmark	√ √	
Individual FE				\checkmark				\checkmark

Magnitude: women who are exposed earlier experienced improvements in the lung capacity (4%) than those who are exposed later.

 $\square~\approx$ if a regular smoker quits smoking for 10 years.

Disparity in housework activities and time spent at home



Survey Question in 2007 asked: primary activity during the past week.

Impact on lung capacity among women who most likely spent their time indoors

	Women					
	(1)	(2)	(3)	(4)		
EarlyExposure \times Post	6.91	6.91	6.91	6.91		
	(5.42)	(5.42)	(5.46)	(5.42)		
$EarlyExposure \times Post \times Housekeeper$	11.89**	11.89**	11.89**	11.89**		
	(5.67)	(5.67)	(5.71)	(5.67)		
Control Mean	283	283	283	283		
Observations	7782	7782	7782	7782		
Rural-Urban FE Individual Controls District FE Individual FE	V	√ √	√ √	V		

4. Results: Program Impact on Health (β_1)

- Reduced gender disparity on health: increase in lung capacity among women (4%) and no effects on men
- No effects on other health measures (cough, weight, hypertension, self-reported health)
- □ Channels:
 - 1. Pollution (impact on lung, concentration on housekeepers, driven by those who were exposed longer)
 - 2. Expenditure (reduce 2% or 2 USD monthly expenditure)
 - 3. Income, assets, education level (undetectable changes) table
 - 4. Local economic growth (no impact on ineligible households living in the same district) table

Program Impact on Other Outcomes

		Other Health Outcomes			Non-F	lealth Out	comes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Cough	Self Reported Health	Weight	Hypertension	Education	Per Capita Income	House has electricity
EarlyExposure \times Post	-0.03 (0.04)	0.02 (0.02)	0.38 (0.28)	0.01 (0.01)	0.01 (0.01)	-13.51 (30.01)	-0.00 (0.02)
Control Mean Observations	0.35 13505	0.82 13505	53.90 13505	0.02 13505	0.92 14169	206.88 12924	0.96 14169

Program Impact on Other Outcomes

	Ν	Ion-Healt	Placebo Impact			
	(8)	(9)	(10)	(11)	(12)	(13)
	Own a Refrigerator	Own a TV	Toilet Inside house	Water Source Inside House	Lung (All)	Lung (Housekeeper)
$EarlyExposure\timesPost$	-0.02 (0.05)	-0.01 (0.03)	-0.00 (0.03)	-0.00 (0.06)		
Placebo Sample	(0.00)	(0.00)	(0.00)	(0.00)	-1.69 (7.71)	3.39 (14.91)
Control Mean Observations	0.72 14169	0.79 14169	0.74 14169	0.49 14169	300.42 872	297.91 294

- □ There are many factors that can influence labor outcomes.
- We hypothesize that (if any) labor outcome impact should be concentrated among individuals who enjoyed the benefits from the program.
- We introduce two additional indicators for "if individuals are more likely to be benefited from the program"
 - 1. Housekeeper at baseline (for women)
 - 2. Households where there is at least one women did housekeeping at baseline (for men)

Heterogenous Impact on Work Hours (β_1)

Subsample: individuals that are more likely to be benefited from the program

		W	/omen		Men			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
$EarlyExposure \times Post$	31.69* (17.35)	31.28* (17.35)	31.61* (18.43)	28.36 (18.24)	28.46*** (10.61)	28.53*** (10.62)	28.57*** (10.88)	29.28*** (10.73)
Control Mean Observations	152 879	152 879	152 879	152 879	211 1718	211 1718	211 1718	211 1718
Rural-Urban FE Individual Controls District FE Individual FE	√	\checkmark	\checkmark	V	1	\checkmark	√ √	,

Heterogenous Impact on Work Hours (β_1)

The remaining sample (individuals that are less likely to be benefited from the program)

		W	/omen		Men			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
$EarlyExposure \times Post$	-4.206 (8.147)	-4.233 (8.147)	-3.920 (8.240)	-6.199 (8.302)	10.77 (10.23)	10.74 (10.21)	10.61 (10.40)	7.854 (10.28)
Control Mean Observations	181 3475	181 3475	181 3475	181 3475	211 3228	211 3228	211 3228	211 3228
Rural-Urban FE Individual Controls District FE	V	\checkmark	√ √		√	\checkmark	√ √	
Individual FE				\checkmark				\checkmark

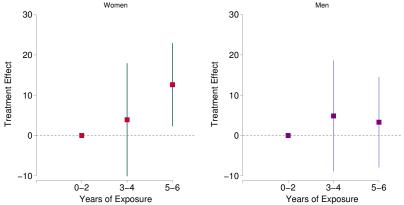
PANEL B : NON-HOUSEKEEPER/ DOES NOT BELONG TO HOUSEKEEPER HOUSEHOLD

5. Results: Program Impact on Labor Outcomes

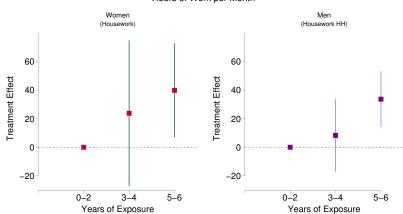
	PANEL A : WOMEN				
	Hours Worked Per Month	Work Status			
	(1)	(2)			
$EarlyExposure \times Post \times Houskeeper$	37.03** (18.17)	0.173** (0.0830)			
Control Mean Observations	175.62 4352	0.25 2227			

Program Impact on Health by Duration

Lung Capacity (L/Min)



Program Impact on Work Hours by Duration



Hours of Work per Month

5. Results: Program Impact on Women's Sector

	Women(Housekeper)					
	(1)	(2)	(3)	(4)		
Baseline Sector of Women	Agriculture	Manufacturing	Social Service	Retail		
EarlyExposure \times Post	30.82* (16.61)	20.02 (36.43)	-15.36 (73.35)	39.35 (49.48)		
Control Mean Observations	148.428 498	144.767 90	147.587 93	168.201 198		

The results on labor supply will be focused on households that are likely affected by the program:

- Increase in work hours of women who were housekeepers at baseline.
- Increase in work hours of men who were in households where there is at least one women did housekeeping primarily at baseline.

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- Channels:
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 - Local job opportunity (no changes on ineligible households.)
- **Spillover effects**: increase in work hours of men. Channels: subsitution and complementarity

Substitution

Women can act as a substitute for men's housekeeping efforts (columns 1-3). Subsequently, the program increases men's propensity to have secondary job as men are likely to have some spare time from less unpaid housework activities (columns 4-6).

		Help in Hou	sework	Secondary Job			
	(1)	(2) Men in	(3) Men in	(4)	(5) Men in	(6) Men in	
	All men	Houskpr HH	Non-Houskpr HH	All men	Houskpr HH	Non-Houskpr HH	
$EarlyExposure \times Post$	-0.09* (0.05)	-0.16*** (0.06)	-0.05 (0.06)	0.08* (0.05)	0.13** (0.05)	0.06 (0.06)	
		()	()	()	()	()	
Control Mean Observations	0.246 4106	0.228 1466	0.256 2640	0.353 5202	0.325 1810	0.368 3392	

Complementarity

It is likely easier for women to pick up the slack or act as a complement for men when there were both in the **same sector** at baseline—proxy for similar skills.

	Agr	iculture Area	Cultivated	Number of Crops (Variety)			
	(1) All HH	(2) Both in Agriculture	(3) Both NOT in Agriculture	(4) All HH	(5) Both in Agriculture	(6) Both NOT in Agriculture	
$EarlyExposure \times Post$	0.25**	0.60*	0.11	0.36*	0.63	0.23	
	(0.12)	(0.31)	(0.15)	(0.21)	(0.39)	(0.21)	
Control Mean	0.748	1.045	0.624	1.416	1.489	1.386	
Observations	1821	535	1286	1818	534	1284	

Robustness

Coarsened Exact Matching CEM

 Direction as well as magnitude of the impact in consistent with earlier results

Poverty Alleviation Program PAP

- No systematic correlation of PAP with the timing and the eligibility for the clean cooking program
- □ Sample Restrictions SR
 - Impact is not highly sensitive to relaxing or restricting to various samples

Conclusion

- Access to clean cooking improves women's health and women's labor outcomes.
- □ Although men accrued small or zero health benefits relative to women, they also increased their working hours.
- Clean energy can benefited not only women but also men, ignoring these spillover effects underestimates the benefit of clean energy access.
- Access to clean energy can not only support the 7th UN Sustainable goal (SDG7) but also help to achieve gender equality (SDG5), good health and well-being (SDG3).

Thank you!

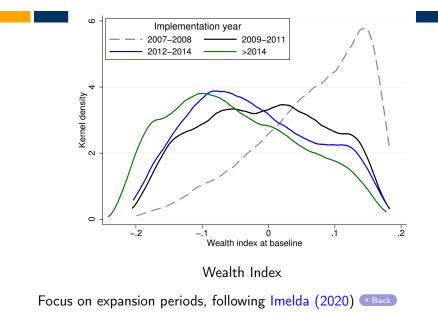
Comments? Questions? iimelda@eco.uc3m.es

Draft (https://sites.google.com/a/hawaii.edu/imelda/research)



This Project has received funding from the European Research Council (ERC) under the European Union's Horizon 2020 research and innovation programme (grant agreement No 772331).

Expansion periods



Labor impact concentrated on household with positive health impact $% \left({{{\bf{n}}_{{\rm{n}}}}} \right)$

PANEL A : WOMEN (Housekeeper)							
	Mean Chang	e in HH Lung Capacity	Placebo Impact				
	(1) (2)		(3)				
	$Mean \bigtriangleup > 0$	$Mean \triangle \leq 0$	All				
EarlyExposure \times Post	44.81**	21.55	6.92				
5	(21.05)	(27.32)	(75.54)				
Control Mean	153	155	158				
Observations	964	429	104				
PANEL B : MEN							
	Mean Chang	Placebo Impact					
	(1) (2)		(3)				
	$Mean \bigtriangleup > 0$	$Mean \triangle \leq 0$	All				
EarlyExposure \times Post	22.82***	-2.32	-8.79				
	(8.79)	(12.35)	(16.36)				
Control Mean	212	204	201				
Observations	3656	1547	515				
Sample		Eligible	Ineligible				



The gap persists

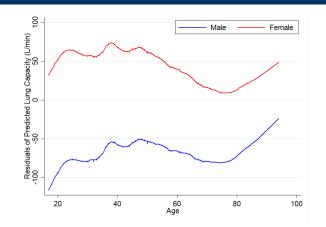


Figure 3: Residuals of predicted lung capacity conditional on age and height