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## **Taking Empowerment Seriously: Women's Empowerment and Employment Outcomes in Arab Countries**

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### Extended abstract

We explore the nexus between young women's empowerment and labor market outcomes, as a key, but little explored, determinant of the gender gap in employment across Arab Countries. Taking advantage of a rich survey that measured directly women's empowerment in various life dimensions in Morocco, we estimate the effect of empowerment on labor supply in the intensive and extensive margins, and on entry in the wage labor market. We use dimensions of women's empowerment unrelated to employment in the agnate household as exogenous instruments for empowerment in employment decisions. On the extensive margin, a woman empowered to decide on her employment status is 17.5% more likely to be in the labor force and 13% more likely to supply her work outside of the household. Empowerment is found to be a significant driver of labor supply also on the intensive margin, but only for married women. To put this effect in context, empowerment of the woman on employment decisions offsets in magnitude the strongly negative effect of being married on labor supply, which is typically observed in the regional literature. In fact, single women in their agnate household enjoy, on average, greater decision-making ability than married women, and their marital status, rather than the number of children in the household, is the primary driver of low participation of married women. On the other hand, failing to include empowerment overstates the importance of the classical drivers of labor supply used in the Western literature, such as caretaking duties and earning potential. Finally, empowerment of women in other dimensions of life affect gender outcomes that also contribute to better employment prospects. Women who were empowered to decide on their schooling duration, their marital age, and their husband identity, tend to study longer, to marry later, and they are more likely to search for work outside their homes.

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