

Self-employment and gender differences in Turkey

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Abstract

It is widely agreed that entrepreneurship plays a key role in fostering economic growth. On the part of public authorities and international organizations, there is a growing interest in entrepreneurship with the goal of encouraging it due to its growth-enhancing role. The European Commission Europe 2020 strategy recognizes entrepreneurship and self-employment as key for achieving smart, sustainable and inclusive growth. The subject has also attracted the attention of researchers as well intending to improve the understanding of this phenomenon. Most of the empirical research focuses on characteristics of self-employed workers to identify socio-demographic groups that are more prone to seek self-employment. One of the most confirmed empirical evidence in this line of research stands out as a gender gap in self-employment where women are less likely to be self-employed compared to men. This study aims to analyze gender differences, if there are, in the probability of becoming self-employed in Turkey. In particular, we investigate whether the field of study has a significant effect in explaining the gender gap in self-employment along with conventional factors. We use Household Labor Force Survey (HLFS) 2004-2019 compiled by TURKSTAT and apply a variant of Oaxaca-Blinder decomposition adapted for binary choice models to reveal differences in self-employment rates between men and women.

Keywords: Self-employment, gender differences

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