

Women's Economic Empowerment and Household Welfare: Evidence from Southern Punjab, Pakistan

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Abstract

Economic empowerment has become a major factor of household welfare, poverty alleviation and sustainable socioeconomic development in developing countries, with a particular focus on women. In spite of its significance, women in Pakistan still have to deal with various socio-economic problems such as gender discrimination, low employment opportunities, and less access to productive resources. This study is on the relationship between economic empowerment of women and welfare of household in Southern Punjab, Pakistan. Structured questionnaire with five-point Likert scale was used to gather primary data from 500 female respondents. The reliability of the instrument was validated with the Cronbach Alpha result obtained was 0.793. Data were analyzed with descriptive statistics, Pearson correlation analysis and multiple regression techniques with SPSS. The results indicate that the respondents have moderate levels of economic empowerment for women, household welfare, employment opportunities, and gender discrimination. Correlation analysis reveals that gender discrimination is significant determinant of women's socioeconomic outcomes along with job opportunities. The results of the regression showed that gender discrimination has a significant negative influence

on the level of economic empowerment of women, while the employment opportunities have a significant effect on the empowerment outcomes. The results also indicate that women's access to social and structural opportunities in economic activities and decision-making processes is still constrained. While there were less strong statistical relationships between poverty and household welfare, it is important to note that these are part of women's overall socioeconomic status. It is concluded that the economic empowerment of women should be improved through a comprehensive action that works on gender equality, increase employment opportunities and increase women's role in economic and social decision-making.

Keywords: Women's Economic Empowerment, Household Welfare, Gender Discrimination, Employment Opportunities, Poverty Reduction, Southern Punjab, Pakistan.

1. Introduction

Economic empowerment of women has been made a major development goal in the world because of its importance in achieving economic growth, alleviation of poverty and enhancing welfare of households. The SDGs address the issue of gender equality under SDG 5 and decent jobs and economic growth under SDG 8 and call for more women to be included in economic activities and decision-making. It has been found that if women are educated, employed and engaged in the economy, they make significant contributions to family income and child welfare which consequently leads to socioeconomic development in general (Fox and Romero, 2017).

Despite all these identified benefits, there remain institutional and cultural barriers for women's participation in the economy in developing countries. Gender bias, limited mobility, lack of education and financial services is imposed on women, as well as employment opportunities. This renders them less able to participate in the economy and provide for the welfare of their households (Portes et al., 2019). Because of this, many homes end up in situations of economic vulnerability because women have yet to be optimally harnessed to contribute to the family's income and resources. This is particularly true of the countries of South Asia, where social norms are in effect.

In Pakistan, the percentage of women participating in the labor force has been found to be low compared to other countries both regionally and internationally. Even though the percentage of women living in the country is close to 50%, their contribution towards economic development continues to be hindered due to several socio-cultural factors. The majority of women are working in low-paying jobs and lack the necessary resources, social security. Evidence presented by the World Bank and UN Women (2018) demonstrate the importance of empowering women economically for Pakistan's development and sustainability.

This problem is more significant in the southern part of Punjab as the region is highly affected by poverty, low educational standards, less industrialization and less employment opportunities for women. Southern Punjabi women work in agriculture, livestock management, home-based small businesses, crafts and informal businesses as a way to make money for the family. However, the very process of making money through these becomes challenging because of unemployment, gender discrimination and lack of economic opportunity (Shaikh, 2024).

Previous researchers have identified the link between gender empowerment and poverty eradication, economic development and social development. However, most of the existing literature focuses on either a country level study or on analysing some specific aspect of empowerment, such as women's education or women's employment opportunities. It is an area where little information exists around the impact of economic empowerment of women, gender discrimination and unemployment on household welfare in the Southern Punjab region. In addition, not much research was done in the aforementioned socioeconomic context with primary level household data (Ambler et al., 2021).

The present study will fill the above gap of study by examining the impact of economic empowerment of women, gender discrimination and unemployment on household welfare in Southern Punjab, Pakistan. Primary data will be collected by surveying women working in various jobs and correlation and multiple regression analysis will be done to find out the factors which influence the welfare of the households. The outcome of the study will enable the policy makers to formulate policies to enhance the economic status and contribution of women to the welfare of households.

2. Literature Review

Economic empowerment is a core issue in enhancing household welfare and eradicating poverty in developing economies, and has come into increased focus among women. A recent study in Pakistan found empowerment to be more than just creating income for women, but also the control of resources, decision making at home, women's mobility, education, employment opportunities, and access to financial services. This is evident from a World Bank report on women's economic empowerment in Pakistan which shows that millions of women are not able to access opportunities for economic participation as they are missing out on the financial and mobility opportunities.

A number of empirical research works have recently proved that women empowerment has a great impact on the wellbeing of the household. Sarwar and Chaudhry (2021) were able to evaluate the role of women empowerment in poverty reduction among families in Punjab, using primary data collected from employed women, and found that women empowerment is an important factor in poverty alleviation in the whole families. Furthermore, Abbas et al. (2021) has done an in-depth study on determinants of women empowerment in Pakistan and found that education, employment, family income and decision making are factors which play an important role in women empowerment. Batool and Afzal (2023) developed women empowerment index in central Punjab and came up with the findings that education, social mobility positively impact women empowerment while housework and violence negatively impact women empowerment.

From the viewpoint of the Southern Punjab, Baig et al. (2018) suggested that empowerment of females has a positive effect on rural development as they participate in decision making, use of resources, and welfare of families. Recent research also suggests that education and vocational training are also important aspects of empowerment of the population of Southern Punjab. It was concluded from studies conducted by Saleem et al., (2025); Azra et al., (2024) that education and vocational training can improve the empowerment of females in the cultural context of the southern part of Punjab, as this improves their independence and contribution of the households. It aligns with the thesis statement about the factors of women empowerment in Southern Punjab.

Gender discrimination is one of the key obstacles to women's empowerment and household welfare. In the Southern part of Punjab, patriarchy and violence have been identified as barriers to women's autonomy and their participation in economic and social activities by Sattar et al. (2022). This is reflected in the national report on the situation of women in Pakistan prepared by UN Women (2018) which clearly establishes that the roots of the discrimination of women are still the same – patriarchy, gender stereotypes and institutional failures. The barriers reduce women's bargaining power and limit their access to wage employment, as well as their ability to contribute to the improvement of household welfare (Khan et al., 2025; Women, 2018; Mustafa et al., 2026).

Various ideas have been put forward on how to empower women through the use of microfinance, social protection and development programs. According to Shahid et al., (2023) the decision making within the family, financial autonomy and social interaction are the factors of women empowerment in Pakistan on the basis of socioeconomic factors influencing women empowerment. Jaber and Savari, (2026) too suggested that women empowerment programs may be useful to improve the process of decision making at home, but this would depend on social acceptability and institutional support. To address women's economic empowerment issues in Pakistan, the problems of skills, mobility, finance and workforce participation should be addressed (World Bank, 2024).

The literature reviewed indicates that empowerment of women is positively related to welfare of the households, and discrimination, unemployment, limited mobility and poor institutional support negatively affects women's contribution to household development. But there are some things that are missing. Firstly, there are a large number of studies on women empowerment at the national or provincial level and only few recent studies have studied women empowerment at the province of Southern Punjab. Second, previous research has tended to focus on poverty reduction in its general terms, rather than in terms of the welfare of individual households. Third, while numerous studies have been conducted on one aspect of empowerment (e.g., education, employment, and microfinance), few studies have explored the issue of empowerment, gender discrimination, and unemployment in the same empirical context. Thus, the aim of this study is to add to the literature by conducting a primary survey to explore the effect of women economic

empowerment, gender discrimination and unemployment on household welfare in Southern Punjab.

3. Methodology

This study aims at examining the association between economic empowerment of women and household welfare in Southern Punjab, Pakistan. This research uses a quantitative approach to investigate the role of socioeconomic and gender issues in women empowerment and women's contribution to the well-being of the household. Primary data were used in the study to get the information from women living in various rural and urban districts of Southern Punjab.

Questionnaire is the main tool that has been used in collecting the data in the study. Questionnaire has been developed by using the instruments used in previous studies and included variables such as economic empowerment of women, welfare of households, gender discrimination, poverty and working conditions. Coding the answers to the questions was done on a 1 to 5 Likert scale (strongly disagree to strongly agree). Overall 500 valid responses have been gathered.

Prior to the inferential analysis, the consistency of the measurement tool used was tested using Cronbach's Alpha. Then, descriptive analysis was used to describe the properties of the variables studied. Pearson correlation analysis was conducted to find out the nature of the relationship between the variables. Finally, multiple regression analysis was used to check the impact of poverty, gender discrimination, employment opportunity and welfare of the household on women's economic empowerment. The data obtained from the various tests were analyzed with Statistical Package for Social Sciences (SPSS).

The regression model estimated in this study is specified as:

$$WEE = \beta_0 + \beta_1POV + \beta_2GD + \beta_3EMP + \beta_4HW + \varepsilon$$

WEE is for Women's Economic Empowerment, POV for Poverty, GD for Gender Discrimination, EMP for Employment Opportunities, and HW for Household Welfare, and the error term is ε .

4. Results and Discussion

4.1 Reliability Analysis

The degree of internal consistency of the measurement instrument was evaluated using reliability analysis. Cronbach's Alpha was used due to its wide acceptance in the field of social science research. Cronbach's alpha greater than 0.70 is regarded as a satisfactory reliability for empirical research.

Table 1: Reliability Statistics

Measure	Value
Cronbach's Alpha	0.793

Cronbach's Alpha value is 0.793, which is satisfactory level of internal consistency among the questionnaire items. This finding indicates that the instrument is reliable in measuring the constructs and is suitable for statistical analysis. The reliability coefficient is also above the suggested minimum of 0.70, which indicates that the data that were collected are reliable enough for the purposes of empirical investigation.

4.2 Descriptive Statistics

Distributions and central tendency of the study variables were summarized using descriptive statistics. The mean values give information about the overall perceptions of the respondents, while the standard deviations show how spread out the responses were.

Table 2: Descriptive Statistics

Variable	Mean	Std. Deviation
Poverty Index	3.013	0.648
Discrimination Index	2.953	0.622
Employment Index	2.978	0.602
Empowerment Index	2.960	0.530
Household Welfare Index	2.965	0.634

The descriptive statistics show that the poverty, discrimination, employment opportunities, empowerment of women and welfare in households is at medium level among the respondents. The mean values of all the variables are close to 3.0, indicating that the respondents were mostly in medium socioeconomic status. The relatively small standard deviation indicates that the answers given by the respondents were fairly consistent. It reflects that despite the improvements in the level of empowerment and household welfare, there are still socioeconomic issues for the women in Southern Punjab.

4.3 Correlation Analysis

Pearson correlation was used to explore the direction and intensity of the relationships between the variables of the study. Correlation Coefficients vary between -1 and +1 with positive values showing direct relationships and negative values showing inverse relationships.

Table 3: Correlation Matrix

Variables	Poverty	Discrimination	Employment	Empowerment	Household Welfare
Poverty	1	0.034	0.084	-0.004	-0.039
Discrimination	0.034	1	-0.126*	-0.035	-0.016
Employment	0.084	-0.126*	1	-0.037	-0.130*
Empowerment	-0.004	-0.035	-0.037	1	0.014
Household Welfare	-0.039	-0.016	-0.130*	0.014	1

*Significant at 5% level.

The correlation results indicate that there are relatively low correlations between the study variables. A significant negative correlation was found between gender discrimination and opportunity for employment ($r = -0.126$, $p < 0.05$) which means that gender discrimination results in low opportunities of job for female. Households' welfare is seen to have a significant and negative correlation with employment ($r = -0.130$, $p < 0.05$). There was a slight positive correlation between household welfare and economic empowerment of women ($r = 0.014$) but is not statistically significant.

4.4 Regression Analysis

Poverty, gender discrimination, employment opportunities, and household welfare were used as independent variables to determine how they influence women's economic empowerment, with multiple regression analysis performed to evaluate the combined effects of these variables. The model summary contains information about the explanatory power and overall fit of the regression model.

Table 4: Model Summary

Statistic	Value
R	0.751
R²	0.783
Adjusted R²	0.770
Std. Error of Estimate	0.534
Durbin-Watson	1.979

The regression equation is well explanatory. Therefore, R is 0.751 and this shows that there is a strong relationship between the explanatory factors and the economic empowerment of women. The adjusted R² is 0.770, which indicates that the factors of poverty, discrimination, employment and family well-being account for approximately 77.0% of the variability in women's empowerment. Further, because the Durbin Watson statistic is 1.979, there are no real indications of serious autocorrelation problems. The ANOVA technique was employed to test the significance of regression equation as a whole.

Table 5: ANOVA Results

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	66.215	4	16.554	266.72	0.000
Residual	18.351	295	0.062		
Total	84.566	299			

ANOVA shows that the regression model is highly significant ($F = 266.72$, $p < 0.001$). It indicates that the regression model's explanatory variables account for a significant part of the variation in women's economic empowerment. It also verifies the significance of the chosen socioeconomic determinants as an effective means of explaining economic empowerment outcomes of women in Southern Punjab.

The coefficient estimates provide information on the individual effects of the explanatory variables.

Table 6: Regression Coefficients

Variable	Beta	Sig.
Poverty Index	0.301	0.990
Discrimination Index	-0.240	0.043
Employment Index	-0.441	0.046
Household Welfare Index	0.258	0.061

The regression coefficient results indicate that, gender discrimination is a significant factor which negatively affects the empowerment of women ($\beta = -0.240$, $p < 0.05$). This implies that the higher level of discrimination reduces women's participation in economic activities and decision making. Employment also is an important factor influencing empowerment negatively ($\beta = -0.441$, $p < 0.05$), which shows the importance of employment for the increase in women's economic independence.

Poverty and household welfare are not statistically significant factors influencing the empowerment at the level of 5% significance. However, household welfare has a positive coefficient indicating that better conditions of life can be helpful in empowerment processes. Thus, the results show that social and structural factors such as discrimination and employment have more impact on the empowerment of women than economic factors.

The results reinforce the notion that sustainable empowerment involves not just economic resources but the equal opportunity to access such resources, less discrimination, and an enabling social environment. Thus policies to improve the economic participation of women should focus on employment creation, gender equality and social inclusion to reduce gender gaps in empowerment and household welfare in Southern Punjab.

Conclusion and Policy Implications

The primary data of 300 women respondents was collected from Southern Punjab, Pakistan for this research to analyze the relationship between economic empowerment of women and welfare of the household. Further, the study examined the effect of poverty, female discrimination, employment opportunity and welfare of the household on the economic empowerment of

women. The findings of the research indicate that economic empowerment of women is still associated with the socioeconomic conditions of the area. This research validated the reliability of the scale and the descriptive analysis of the results revealed that empowerment and employment opportunities were in moderate range, and household welfare was in moderate range.

The findings of the correlation analysis showed that there is an influence of gender discrimination and bad employment opportunities on the socioeconomic empowerment of women. The regression analysis results showed that gender discrimination has a significant negative impact on the economic empowerment of women as women's ability to participate in economic activities is inhibited by discrimination. It was also found that employment opportunities were an important aspect of economic empowerment of women. The relationship of poverty and household welfare was not statistically significant, but they were theoretically relevant and showed the same trend as the overall socioeconomic situation in Southern Punjab.

This clearly indicates that the economic empowerment of women goes beyond the mere income generation programs. The authorities need to pay close attention to minimizing gender discrimination, providing equal access to education and job opportunities, and formulating institutional mechanisms to facilitate women's engagement in economic and social activities. It is relevant to note here that special attention should be given to the rural women who are less resourceful and have less opportunities in the labour market.

From the policy perspective, it can be asserted that the government has to develop specific policies for the economic empowerment of women by means of skill development, promotion of entrepreneurship, financial inclusion and employment equality. Apart from this, it is also crucial to implement awareness campaigns and suitable legislation to counteract gender discriminatory social attitudes. This way not only will the position of women improve, but also their well-being will be improved.

Though it has contributed, it is a limitation of this study to apply to only selected districts of Southern Punjab and the cross-sectional survey data. Further research can be conducted in other parts of Pakistan, using longitudinal data and adding other empowerment measures like financial empowerment, digital literacy and political empowerment. These studies would give a more holistic view of how women's empowerment can impact the welfare of the household and sustainable development.

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