

# Fueling the engines of liberation with cleaner cooking fuel <sup>\*</sup>

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## Abstract

Using the staggered rollout of the Indonesian “Conversion to Liquefied Petroleum Gas (LPG) Program”, we show that a subsidy on the labor- and time-saving cook technology increased the female labor force participation. The program also increased household consumption expenditure and the decision-making power of women in the household, especially in financial matters. A back-of-the-envelope calculation suggests that benefits of switching to LPG far outweighed the costs to the households. Based on previous research, we conjecture that intra-household externalities and gender differences in preferences drive low rates of adoption of the cost-effective technology. The program’s impact on the financial decision-making power of women suggest that subsidies that empower women, even if temporary, can encourage the adoption and sustained use of beneficial technology.

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# 1 Introduction

Women held back from participating in productive market activities is human capital wasted. It is now well-established that the difference in rates of female labor force participation (FLFP) is an important explanation behind the persistent differences in GDP per capita across countries (Bloom et al. 2009). Despite this, females form a little more than a third of the formal labor force of the world with their participation rates ranging from as low as 6% in Yemen to as high as 84% in Rwanda and Madagascar (The World Bank 2018). What explains these large differences in FLFP across countries?

Previous research has suggested several factors, including the desirability of the jobs available, medical and production technology, discrimination, availability of childcare, and cultural attitudes, affect FLFP.<sup>1</sup> While it is likely that a combination of factors are driving these differences, one potential explanation that not received enough attention in the context of developing countries is that of “engines of liberation” (Greenwood, Seshadri, and Yorukoglu 2005). The emergence of cheap, time-saving household technology has often been credited with liberating women from the burden of household responsibilities and facilitating their integration into the labor force in the developed countries (Cutler, Glaeser, and Shapiro 2003; Goldin 2006; Aguiar and Hurst 2007; V. Cavalcanti and Tavares 2008; Coen-Pirani, León, and Lugauer 2010). But there is only limited evidence on the liberating effect of such technology in developing countries. While household responsibilities are still one of the biggest impediments to female labor force participation in developing countries (Schaner and Das 2016), whether women in labor abundant developing countries so liberated will seek and find employment easily needs empirical verification.

Against this backdrop, we study the role of a subsidy for a household cooking technology in determining female labor force participation in Indonesia. Indonesia, like many other low- and middle-income countries, has grown steadily over the last few decades. While the welfare gains from this phase of rapid growth in Indonesia have been shared equally between males and females in domains like education (Figure 1), the female labor force participation in Indonesia has remained below the world average.<sup>2</sup> An opportunity to examine the role of household cooking technology in determining FLFP presented itself when, in 2007, Indonesia implemented the national “Conversion to Liquefied Petroleum Gas (LPG) Program”.

The Conversion to LPG program, also known as the “No-Kero” or “Zero-Kero” program, subsidized the use of LPG. Studies from Indonesia have found that LPG is a labor- and time-saving cooking technology (Tuntivate 2015; Thoday et al. 2018). Using the staggered

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1. See, among others, Goldin et al. 1992, Galor and Weil 1996, Costa 2000, Goldin and Katz 2002, Attanasio, Low, and Sánchez-Marcos 2008, Albanesi and Olivetti 2009, and Fernández 2013.

2. In comparison, the labor force participation of Indonesian men has stayed well above the world average and relatively stable in the last three decades. See Figure 2.

roll-out of the program, we show that a switch to LPG increased the labor force participation of exposed women. We also find that the policy was associated with an increase in household expenditure and the subjective well being of women. We explore two possible mechanisms through which the switch to LPG might have affected the labor force participation of women - better health and time savings. Consistent with previous research on the topic, we do not find major effects on the health of the exposed women (Smith-Sivertsen et al. 2009; Duflo, Greenstone, and Hanna 2012; Thoday et al. 2018). While we do not have information on the time use of the exposed women, building on information from related studies, we postulate that time saved due to the technology is an important pathway through which the switch to LPG affected labor force participation of women.

A back-of-the-envelope calculation suggests that saving in households expenditure on fuel far outweighed the cost of the conversion incurred by the government. We conjecture that households fail to switch to LPG despite the unambiguous net gains because of intra-household externalities and gender differences in preferences - the benefits from switching to a cleaner fuel are greatest for the woman in the household but the monetary price is most-often paid by the earning male (Miller and Mobarak 2013; Pitt, Rosenzweig, and Hassan 2006). We also show that the policy improves the decision-making power of women in the household, especially in financial matters. Given the role of intra-household externalities and gender differences in preferences in the setting, this has important implications for the sustained use of LPG even after the subsidy is withdrawn.

The paper makes three main contributions. It is the first paper to evaluate the impact of the No-Kero Program on the labor force participation and intra-household decision-making power of those exposed. In that, it adds to the small but growing microeconomic literature on the effects of physical infrastructure on labor market outcomes in developing countries (Dinkelman 2011; Lipscomb, Mobarak, and Barham 2013; Chakravorty, Pelli, and Marchand 2014). Evaluations of the effects of physical infrastructure that typically focus on health, education, and poverty tend to overlook the employment and empowerment effects of household infrastructure. Our results show that the benefits of the policy went far beyond the saved subsidy expenditure, the main motivation behind the program. Second, the findings are related to the limited literature on the effects of changing constraints on women's work in the process of economic development in developing countries (Dinkelman 2011).<sup>3</sup> This is especially important for countries like Indonesia that does not fair too well on gender equality indices, where the working status of women is an important correlate of women's decision-making power within the household and attitudes towards domestic

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3. This is, as mentioned, in contrast to the large and compelling evidence from the developed countries. See, in addition to the studies cited above, Goldin 1995; Mammen and Paxson 2000; Bailey and Collins 2011

violence (Schaner and Das 2016). Third, our findings also relate to the strand of literature that investigates the seemingly low rates of adoption of simple, relatively inexpensive, highly effective technologies in developing countries that hold promises of improving the quality of life through their impacts on health and productivity.<sup>4</sup> To the extent that intra-household externalities and gender differences in preferences drive the lack of adoption (Wickramasinghe 2011; Miller and Mobarak 2013; Goodwin et al. 2015; Tuntivate 2015; Zhang and Adams 2016; Durix, Rex, and Joffre 2016; Mohapatra and Simon 2017), we show that such temporary subsidies, through their liberating effect, can increase women’s decision making power. This can encourage widespread adoption and sustained use of such technology even if the subsidy is later withdrawn.

While closest to Dinkelman 2011, Lipscomb, Mobarak, and Barham 2013 and Chakravorty, Pelli, and Marchand 2014 that document the positive employment and income effects of electrification, our study differs from evaluations of electrification in important ways. As shown in Lipscomb, Mobarak, and Barham 2013, electrification often boost the demand for labor through improvements in labor productivity.<sup>5</sup> In comparison, a switch to a faster household technology fuel primarily increases the supply of labor. Further, the demand shift due to electrification is often gender-neutral but the supply shift due to a faster household technology can benefit women more than men. An understanding of the different effects of different types of physical infrastructure on the supply and demand for labor is crucial for designing intelligent policies.

Another key difference is that electrification is almost always a supply-side intervention that covers most households in a large geographical area at a time. Its absence, therefore, does not pose the interesting question of why households sometimes do not adopt simple welfare-enhancing technologies that are readily available. Following our findings, since electricity benefits all genders, intra-household bargaining might not play as important a role as it does for LPG adoption. Related, compared to electrification that covers large geographical areas at a time, the evaluation of the LPG program allows us to better identify the characteristics of the household on the margin.

## 2 Background

At the turn of this millennium, kerosene was the main fuel used by Indonesian households for their cooking requirements. In 2004, 48 out of the 52 million Indonesian households

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4. See, for example, Foster and Rosenzweig 1995, Miguel and Kremer 2004, Bandiera and Rasul 2006, Duflo, Kremer, and Robinson 2008, Ashraf, Berry, and Shapiro 2010, Cohen and Dupas 2010, Conley and Udry 2010 and Foster and Rosenzweig 2010.

5. In addition to the direct effects on operation, electrification might also lead to lower information and transportation costs. The supply side effect due to liberation, while they may exist, may be small.

depended on kerosene, mostly for their daily cooking requirement and as lighting fuel (Budya and Arofat 2011). The government had provided large subsidies on kerosene for decades and the subsidy payouts were turning out to be a huge burden on the state, sometimes as high as 18 percent of the state's total expenditures.<sup>6</sup> In its attempt to reduce the subsidy burden, in 2007, the Indonesian government launched the "Conversion to LPG Program" to promote the use of Liquefied Petroleum Gas (LPG) in Indonesian households.

LPG was the replacement choice for a variety of reasons. First, it was estimated that LPG would greatly reduce the subsidy cost per unit of end-use calorific value of energy delivered for cooking and subsidy per unit of fuel. Based on calculations by a team from the University of Trinity in Jakarta and the State Ministry for Women's Empowerment that included laboratory experiments under various cooking conditions in Indonesia, it was found that one liter of kerosene was equivalent to 0.39 kg LPG in terms of its end-use energy value (Budya and Arofat 2011).<sup>7</sup> According to Budya and Arofat 2011, based on the 2006 calculations alone, this would have saved the state 2.17 billion USD. Second, LPG was a cleaner substitute with lower indoor pollution, which directly affected the health of the users, and lower levels of greenhouse-related pollutants compared to solid fuels.<sup>8</sup> Third, the infrastructure required to implement the transition to a cleaner fuel was more developed for LPG than for other alternatives like electricity. Successful implementation of subsidized LPG programs in neighboring countries of Malaysia and Thailand provided additional motivation.

Depending on the readiness of the the LPG procurement, storage, and distributional infrastructure in the region, the program was rolled out at different times in different regions. Urban regions often got the program earlier (Budya and Arofat 2011). By 2008, entire of Jakarta, Bali, Yogyakarta, Banten, and parts of West, Central, and East Java had been covered. By 2009, the entire of Java and Bali, parts of Lampung, South Sulawesi, East and West Kalimantan, South and North Sumatra, and Riau had received the program. By 2011, the program covered the entire of Aceh, North Sumatra, Riau, Jambi, Bengkulu, Lampung, entire of Kalimantan except central Kalimantan, and entire of Sulawesi except central and Southeast Sulawesi. By 2013, West Sumatra, West Nusu Tenggara, Bangka Belitung, and the remaining regions of Kalimantan and Sulawesi were covered. Some regions, like East Nusu Tenggara, Maluku, North Maluku, and Irian Jaya were not covered by the program. As is clear, there was a substantial level of variation in the roll-out date across provinces.

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6. The situation was worsened by the reduction of subsidies for industrial fuels (diesel, industrial diesel oil, and marine fuel oil) in the early 2005, pricing them at international prices. The price disparity between the fuel prices for industries and households led to a substitution of kerosene for industrial fuels wherever possible and, as a result, an arbitrage opportunity. This subsequent smuggling caused large leakages in the subsidy increasing the cost even further.

7. This does not take into account the possible misuse of kerosene for industrial purposes, which would further tilt the scale in favor of LPG. See Budya and Arofat 2011 for a detailed calculation, accounting for such leakages.

8. See Lam et al. 2012 and WHO 2014 for a review.

Figure 3 depicts the variation in roll-out of the program.

Under the program, all eligible citizens were to receive a free ‘initial pack’ comprising a 3-kg LPG cylinder with the gas, a one-burner stove, a hose, and a regulator. A few trials runs were conducted before the launch of the program to gauge the society’s perception and acceptance of LPG as a cooking fuel. The first test was carried out in Cempaka Baru Village, Kemayoran District, Central Jakarta, on August 1, 2006. 500 families were given the ‘initial pack’ and their responses and behaviors of the users were noted through surveys and observational methods. A second test was carried out with 18,800 households in Kemayoran District, Central Jakarta, and 6700 families in Karawaci District, Tangerang, Banten in December 2006. This test was not accompanied by a survey, and evaluations were based on observations of people’s reaction. The general picture from these market tests was that households were willing to switch to LPG under the subsidy (See Budya and Arofat 2011 for details). A third test was carried out in February 2007 when the Ministry of State-Owned Enterprises, under the State-Owned Enterprises Care program to help flood victims in Jakarta, distributed 10,000 LPG cylinders in Kampung Makassar, East Jakarta. Here too the results were in favor of scaling up the program.

The program had a significant impact on the use of LPG as cooking fuel in Indonesia (Andadari, Mulder, and Rietveld 2014). The share of LPG in household consumption expenditure increased from 1.9 percent in 2005 to 13.5 percent in 2013, while the share of kerosene dropped considerably from 18 percent in 2005 to 1.8 percent in 2013. (Toft, Beaton, and Lontoh 2016). Besides the savings in subsidy cost for the government, switching from Kerosene to LPG might have had implication on community-level pollution and depletion of natural resources like forests, on food habits, budget allocations, resources distribution and bargaining within the household, and on health, education, time use, and labor force participation of individuals from the exposed household. A cost-benefit analysis in terms of subsidy cost-savings alone is likely to understate the net benefits of the program. However, there have hardly been any systematic evaluations of the impact on the program, especially on factors affecting the health and economic well being of those covered by the program.<sup>9</sup>

### 3 Data and identification

For our main analysis, we use the information from the 2000 and 2010 waves of the Indonesian Population Censuses and the 1995 and 2005 waves of the Intercensal Surveys of

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9. Andadari, Mulder, and Rietveld 2014 look at the impact of the program on energy poverty. They find that the programs led to increased stacking of fuels, increasing consumption of both electricity and traditional biomass. It failed to reduce the overall number of energy-poor people although it was somewhat effective at reducing extreme energy poverty. Permadi, Sofyan, and Oanh 2017 find that the program led to significant reductions in emissions of greenhouse gases and air pollutants

Indonesia. The censuses interviews the entire population of Indonesia, Indonesian and foreign, residing in the territorial area of Indonesia, regardless of residence status and includes homeless, refugees, ship crews, and people in inaccessible areas. Diplomats and their families residing in Indonesia are excluded. These census collected information on a wide range of variables including the district and province of current residence and the primary fuel used by responding households, the educational attainment, employment status, age and gender of the individual respondents.

Using information from these censuses, we first examine the impact of the program on the household's primary fuel of choice and the employment status of individual respondents. While the large sample size of these censuses allow us to estimate the impact of the program on these variables with great precision, they lack additional details about the households and the individuals respondents preventing further analysis of the program. To get around this problem, we then use the information the third, fourth and fifth wave of the Indonesian Family Life Survey (IFLS). IFLS is a on-going longitudinal household survey representative of about 83 % of Indonesian population living in 13 of the 27 provinces in the country (Strauss, Witoelar, and Sikoki 2016). The first wave was administered in 1993 to over 22,000 individuals living in 7,224 households. The follow-up waves 1997, 2000, 2007, and 2014, sought to follow the original respondents and their off-springs in the same or split-off household. In IFLS 5, 50,148 individuals living in 16,204 households were interviewed. The survey is remarkable for its low levels of attrition, with the recontact rate of original IFLS 1 dynasties (any part of the original IFLS 1 household) in IFLS 5 as high as 92%. We make use of waves 3, 4, and 5 of the survey for our analysis. The survey contains information on a wide variety of topics at the individual, the household and the community level. At the individual-level, we make use of information on health, education, employment, subjective well-being, etc., of respondents. At the household level, we utilize the information on the main cooking fuel of the household and whether the household's kitchen is inside the house. Here, we first show that the impact of the program on LPG usage, education, and employment are robust across the two data sets. Then, we examine the impact of the program on a wide range of outcomes, including health and decision-making within the household.

The information on the variation in program roll-out across regions is obtained from Budya and Arofat 2011 and Thoday et al. 2018. As described above, in certain cases only a part of a province was covered in a given year. The rest of the province was covered in the following years. Unfortunately, we do not have precise data on variation in roll-out at a finer level (district/village/communities). Instead, we define a province to have received the program only if the entire province was covered. This induces some degree of measurement

error that will bias the estimates downwards.<sup>10</sup> Figure 4 depicts the variation in the rollout of the program across the communities in the IFLS data and Tables 1 and 2 reports the summary statistics for the two data sets we use.

## 4 Empirical specification

By the time of the 2010 census, some provinces in Indonesia had received the LPG program while others had not. If the program had been randomly assigned to the provinces, we could have attributed the differences in the outcome variables of interest across the provinces that had received the program (hereon, exposed provinces) and the provinces that had not (hereon, control provinces) as the causal impact of the program. But as we point out in Section 2, the rollout of the program was not random. The regions that had ready-infrastructure for LPG procurement, storage, and distribution had received the program. It is likely that the exposed provinces were different from the control provinces along a number of dimensions including our outcome variables of interest or the factors that drive these outcomes. To account for this, we use a difference-in-difference strategy. We compare the changes in our outcome variables of interest between 2005 and 2010 for provinces that had received the program by 2010 with provinces that had not received the program by 2010. Accounting for pre-existing differences across the provinces, we expect that the household in provinces that had received the program by 2010 must have increased their LPG usage more than those in control provinces.

The identifying assumption here is that in the absence of the program, the change in these outcome variables of interest should have been the same in the exposed and control provinces. Said differently, the trend in a variable of interest over time in the exposed provinces in the absence of the program is assumed to have been the same as the trend in the variable in the control provinces (hereon, the parallel trends assumption). We first provide support in favor of the parallel trend assumption by showing that the variables of interest trended parallel in exposed and control provinces before 2005. Then, we estimate the following equation:

$$Y_{idpt} = \alpha + \beta \times Post_t \times Treat_p + \tau_t + \delta_{dp} + \varepsilon_{idpt} \quad (1)$$

where  $Y_{idpt}$  is the outcome variable of interest for household or individual  $i$  living in district (Kabupaten in Indonesia)  $d$  of province  $p$  in year  $t$ . At the household level, the outcomes

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10. To see this, note that the measurement error arises from the possibility of categorizing exposed regions in province not completely covered by the program as unexposed (control) regions. Since exposed regions are expected to have a higher rate of LPG adoption or FLFP, mis-categorization of the sort will increase the average level of LPG adoption or FLFP in control regions. Therefore, the estimate of the treatment effect, the conditional mean difference between the control and exposed group, will be smaller.

of interest are whether or not the household used LPG as the primary cooking fuel. At the individual level, we are most interested in the impact of the program on the labor force participation of those exposed to the program, especially that of females.  $Post_t$  denotes the pre- and post-rollout period. It takes value '0' for year 2005 and '1' for 2010.  $Treat_p$  is an indicator variable that takes value '1' for all districts in all the provinces that had received the program by 2010, '0' otherwise.  $\tau_t$  controls for time-varying factors that were common to exposed and control province and could have affected the outcome of interest.  $\delta_{dp}$  controls for time-invariant differences across districts that could have affected the outcome.<sup>11</sup> To maintain consistency with the specifications that follow, we cluster the standard errors at the level of the district. Clustering them at the level of the province does not affect the statistical significance of the results.

However, provinces in Indonesia are considerably different. Not only in their population (ranging from a few hundred thousands to well over 40 millions) and their geographical area (from a little over 250 square miles to over 120000 square miles) but also in their distance from the government's seat in Jakarta or other bigger urban commercial centers in the country. As a result, it is possible that even though the time trends in variables of interest for the exposed and control provinces are parallel on an average, there are time-varying unobservable differences across provinces that might bias our results. For example, consider a scenario where some provincial administrations in-charge of the LPG program bundled the LPG program with other programs that affected the outcomes of interest while other did not. If so, if we estimate the model in (1), we will attribute any affect of these other programs on the outcome to the LPG program.

To get around this problem, we use a modified version of the shift-share instrument - we interact  $Post_t * Treat_p$  with the proportion of household in district  $d$  of province  $p$  that used kerosene as their primary cooking fuel in 2005.<sup>12</sup> The proportion of households in different districts within the provinces in Indonesia that used kerosene as their primary cooking fuel was vastly different. For the 258 districts included in the IPC and SUPAS, it ranges from as low as 0.03 % to as high as 94% in 2005. In the IFLS survey, out of the 311 communities, none of the households in nine communities and all of the households in 3 communities used kerosene in 2000. The LPG program was a national-level policy intervention and, therefore, the change in outcomes due to the program should not be correlated with variation in kerosene usage within the province.<sup>13</sup> Therefore, while the

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11. Replacing district fixed effects with province fixed effects does not change our results.

12. The shift-share instrument, often referred to as the Bartik instrument (Bartik 1991), is used extensively in the migration literature. Some early applications of the instrument include Altonji and Card 1989, Card 2001, and Card 2009. It leverages the observation that a national policy will have differential impact across different regions of the country depending on the size of the population in each region affected by the policy.

13. "National specification of targeted localities for conversion would be done centrally under control of the conversion team established by Pertamina." - (Budya and Arofah 2011)

timing and nature of the program could have differed across provinces (shift), it is unlikely that it was associated with the differences across districts within a province and the districts with a higher proportion of kerosene users before the program within a province would have benefited more from the program (share).<sup>14</sup>

There are two reasons for why the districts with a higher incidence of kerosene usage stood to benefit more from the program. One, the LPG subsidy was rolled out to replace the kerosene subsidy. As a result, there was a high correlation between the phase in of the LPG subsidy and the phase out of the kerosene subsidy. This meant that while the cost of LPG decreased for all household in the regions that received the LPG subsidy, the relative price of kerosene went up even more for household that used kerosene before. Second, before the LPG program, kerosene was a highly subsidized fuel. Households that chose not to use kerosene even with the high subsidy must have had a relatively inelastic demand for the fuel they used instead.<sup>15</sup> It is likely that a reduction in LPG prices might have been equally unsuccessful in getting these households to switch from their fuel of choice. Therefore, one can think of the variation in pre-program kerosene usage across districts as a variation in the magnitude of the subsidy or the extent of its coverage. We estimate the following specification:

$$\begin{aligned}
 Y_{idpt} = & \alpha + \beta_1 \times Post_t \times Treat_p \times Kero_{dp,2005} \\
 & + \beta_2 \times Post_t \times Treat_p + \tau_t \times Kero_{dp,2005} + \gamma_{pt} + \delta_{dp} + \varepsilon_{idpt} \quad (2)
 \end{aligned}$$

where the terms common with (1) are defined as before.  $Kero_{dp,2005}$  is the percentage of households in district  $d$  of province  $p$  who used kerosene as their primary cooking fuel in 2005.  $\beta_2$  captures the impact of the program in districts where no one used kerosene as the primary cooking fuel in 2005.  $\beta_1$  measures the increase in the impact of the program with increase in the pre-program usage rate of kerosene. Following Acemoglu, Autor, and Lyle 2004, Hoynes and Schanzenbach 2009 and Hoynes, Schanzenbach, and Almond 2016, we also include interactions of the year fixed effects with the pre-program proportion of kerosene users in the districts to control for possible differences in trends across districts with different levels of kerosene users. In addition, we include province-year fixed effects  $\gamma_{tp}$  to account for time-varying difference across provinces and  $\delta_{dp}$  to account for time-invariant differences

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14. Our strategy is similar to Bleakley 2007 who combines the introduction of the hookworm eradication campaign in the American South in the 1910s with the variations in the hookworm infection rates prior to the campaign across regions to identify the impacts of hookworm eradication on later-life outcomes. The author points out that different areas of the US had distinct incidences of the hookworm disease and, therefore, stood to gain differentially from the campaign. The innovations in treatment of hookworm were not related to or in anticipation of the future growth prospects of the affected areas.

15. Firewood was the second most important primary fuel of choice before the program.

across districts. Even if the some provinces rolled out the program in combination with other programs, the province-year fixed effects will control for such differences. Since there is no variation in  $Treat_p$ ,  $Kero_{dp,2005}$ , and  $Treat_p \times Kero_{dp,2005}$  within a district, their effects are absorbed in the district fixed effect  $\delta_{dp}$ . The effects of  $Post_t$  and  $Post_t \times Kero_{dp,2005}$  are absorbed in the  $\tau_t \times Kero_{dp,2005}$  and  $\gamma_{tp}$

Once we establish the impact of the program using data from the censuses and the intercensal surveys, we move to the IFLS to examine other outcomes and mechanism variables of interest. None of provinces had received the program by 2000 when the third wave of IFLS was fielded. By the time of the IFLS wave 4 in 2007 while the program had started, it was still in its initial stages and none of the provinces had been covered completely. By the time of the fifth wave of IFLS, all the provinces included in the IFLS surveys had been covered. As a result, in contrast to data from the IPC and SUPAS, we do not have distinct exposed and control provinces in IFLS and, therefore, cannot use  $Post_t \times Treat_p$  identification strategy laid out in (1). However, IFLS, besides the in-depth information on individuals and households, has one more advantage that helps the identification of the program impacts. IFLS provides geographical identifiers for communities that are smaller geographical units than districts. This allows us to use variations in pre-program kerosene usage at a finer level to identify the impact of the program. We begin by estimating the following specification:

$$Y_{icpt} = \alpha + \beta_1 \times Post_t \times Kero_{cp,2000} + \tau_t \times Kero_{cp,2005} + \gamma_{pt} + \delta_{cp} + \varepsilon_{icpt} \quad (3)$$

where  $c$  denotes the community recorded in the IFLS survey.  $Kero_{cp,2005}$  is the proportion of households in community  $c$  of province  $p$  who used kerosene as the primary cooking fuel in 2000. Similar to (2), we include interaction of the time fixed effects with the pre-program rate of kerosene usage, sub-district-year fixed effects, and community fixed effects. We cluster the standard errors at the level of the community.

## 5 Results

### 5.1 Fuel of choice

Figure 5 reports the change in proportion of respondent households cooking with different kinds of fuel. The proportion of households using LPG increased substantially from below 10% in 2005 to almost 50% in 2010. We also observe a corresponding decline in the use of kerosene. Consistent with findings from earlier evaluations of the program, we find that there were no sharp trend breaks in the proportion of households using solid fuels between 2005 and 2010 (Thoday et al. 2018). The number of solid-fuel users declined throughout

the 1995-2010 period. The LPG conversion program started in 2007-08. Therefore, it seems likely that the increase in LPG usage rate resulted from the program. To probe this further, in Figure 6, we break down the LPG usage rate by whether the district was exposed to the program by the time of the survey. There was an increase in the LPG usage rate in all districts between 2005 and 2010.<sup>16</sup> However, the increase in LPG usage in districts that had received the program was visibly greater than that in districts that had not received the program. In Figure 7, we report the change in LPG usage by pre-program kerosene usage rate. As expected, we find a larger impact of the program in districts that had a higher rate of kerosene usage before the program.

We verify these findings using a regression framework that controls for district-level differences and province-level changes. Table 3 presents the results. In column (1), we compare the differences in the probability of a household using LPG across time in exposed and control provinces. We find that the households in provinces that received the LPG program were almost 40% more likely to use LPG after the program compared to the control provinces. In columns (2) - (4), we show that this finding is not sensitive to the level of geography that we include fixed-effects for and cluster the standard errors at. In column (5), using the strongest and our most-preferred specification from equation (2) that allows us to exploit finer geographical variation, we show that the impact of the program was much higher in districts with higher pre-program kerosene usage rate. The interaction coefficient suggests that the high rates of taking up of LPG in districts with high rates of pre-program kerosene usage rates are driving the results. The findings from Table 3 are consistent with the broad trends presented in the census data - the program had a causal effect on the LPG usage rate (see Figure 6), and this effect was larger in districts with high pre-program kerosene usage rates (see Figure 7 and 8).

Next, we verify these findings using information from IFLS using community-level variations. We also find an increase in the LPG usage over time and a larger increase in community with higher pre-program kerosene usage rates (See Figure 9 and 10, respectively) in the IFLS dataset. We present the regression results in Table 4. According to column (1), controlling for differences across time and time-invariant differences across communities, communities where everyone used kerosene in 2000 were 40 percentage points more likely to be using LPG after the program in 2014 compared to communities where no one used kerosene in 2000. Since the mean pre-program kerosene usage rate was 43%, this amounts to an average increase of 17.2 percentage points across communities.

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16. According to our definition of exposure, districts in a province are unexposed until the entire province is covered by the program. This means that we might categorize some districts that have already received the program as control districts. As explained in section 3, this will bias our coefficients downwards. This may also explain some of the increase in the LPG usage rate in control districts in Figure 6.

Controlling for household level differences do not change the results. As in Table 3, when we account for time-variant differences across communities with different levels of pre-program kerosene usage rates, the estimated effect of the program increases. The impact magnitudes estimated using information from IFLS are strikingly close to those from IPC and SUPAS, suggesting that estimated impacts are robust across datasets.

## 5.2 Labor supply

Adoption of modern household technology can have significant impacts on the labor force participation of household members. Multiple studies from the OECD countries documents the causal effect of modern household technology, like piped-water, washing machines, refrigerators and other consumer durable, on female labor force participation (Greenwood, Seshadri, and Yorukoglu 2005; Goldin 2006; Aguiar and Hurst 2007; V. Cavalcanti and Tavares 2008; Coen-Pirani, León, and Lugauer 2010). A related strand of literature examines the impact of access to electricity on labor force participation of women in developing countries. While access to electricity can affect both the demand and the supply side of local economies, it is, in many respects, similar to the adoption of modern household technology. Dinkelman 2011 finds that the increase in rural South African households' access to electricity raised female employment by releasing women from home production and enabling micro-enterprises. Matly 2003 finds that women in Indonesian and Sri Lankan households with access to electricity were more likely to do paid activities at home such as processing clove nuts, wrapping local cigarettes, making joysticks or weaving. Ramani and Heijndermans 2003 and Utomo 2015 find similar results, with the latter conjecturing that the increased female labor force participation was due to time savings.<sup>17</sup> It is, therefore, of interest to examine empirically if the LPG subsidy program affected female labor force participation.

Figure 11 presents the unconditional trend in the labor force participation of men and women in the exposed and control provinces. The labor force participation in the two groups followed a roughly parallel trend until 2005. However, the labor force participation of both men and women in 2010 was significantly more in provinces exposed to the program. Table 5 presents the difference in the labor force participation status controlling for pre-program difference across regions. According to column (1), the labor force participation increased significantly in regions exposed to the program. In column (2), we find that though the labor force participation of status of both men and women increased over the period, the increase in labor force participation of women was significantly higher than that for the men. In column (3), we examine the increase in labor force participation by pre-program kerosene

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17. See also Otte 2009.

usage rate. As expected, we find that individuals in regions where the program had a bigger impact on LPG usage see a higher increase in labor force participation.

Finally, in column (4), we break down the impact on males and females by pre-program kerosene usage rate. We find that the program had a negative effect on the labor force participation rate of males in districts with low rates of pre-program kerosene usage, but this effect was more than offset by an increase in the female labor force participation in these districts. The effect was no different for males in districts with higher rates of pre-program kerosene usage. However, the increase in labor force participation of women in these regions was much higher. In summary, we find that men might have decreased their labor force participation by a small amount and women increased their labor force participation in all districts, more so in districts more affected by the program.

Data from the IFLS allows us to examine the impact of the program on the type of work that men and women do. Table 6 presents the results. Women exposed to the program in regions that had a high pre-program usage rate of kerosene were more likely to report ‘working for pay’ as their primary activity in the week prior to the survey. This is accompanied by a decline in women reporting housekeeping as their primary activity in the previous week. There is a corresponding increase in men reporting housekeeping as their primary activity in the week prior to the survey, suggesting a reassignment of responsibilities within the household. In terms of all activities performed in the previous week, exposed women report having worked with or without pay more often. The increase in labor force participation of the exposed women is also visible in the increase in their probability of having ever held a job in the years preceding the survey (Table 7). Taken together, the results suggest an overall sizable positive effect on the labor force participation of women.

### 5.3 Time use

As per Table 6, the increase in female labor force participation has not caused a comparable decline in women housekeeping. This suggests that women must have found the time to do both - perform housekeeping activities and work for pay. Since it is unlikely that the program changed the list of housekeeping activities to be performed, women must have been able to perform their housekeeping activities in a smaller amount of time.

This is not unlikely. An advantage of cooking with LPG is the smaller amount of time required for cooking compared to cooking with kerosene or other solid-fuels. Igniting a solid-fuel or a kerosene stoves to full capacity is substantially more work than switching on the LPG stove by turning a knob. Unlike solid fuels, LPG does not require the women to collect the fuel and prepare it for use.<sup>18</sup> Since the cooking activities in most developing countries

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18. Aristanti 1997 finds that women on the Indonesian Island of Lombok spend four hours each week collecting

are predominantly carried out women, the benefits of a switch to LPG, especially in terms of time saved, are likely to be higher for women (Pitt, Rosenzweig, and Hassan 2006; Miller and Mobarak 2013; Khandker et al. 2014). Unfortunately, we do not have time use data for exposed women to be able to examine this mechanism explicitly. However, earlier research on related topics provide suggestive evidence.

In their 2016 study of the Indonesian domestic biogas program of 2009, Gurung and Setyowati 2016 found that women save well over one hour per day when they switch to domestic bio-gas for their cooking needs. This time saving, they report, is net of activities like cleaning the stable, collecting dung, putting the dung into bio-digester, putting bio-slurry into the pit, etc., needed to fuel a bio-gas plan that requires close to forty minutes. LPG stoves do not require these elaborate processes to keep it running. Therefore, the time saved from switching to LPG might have been higher. Gurung and Setyowati 2016 also find that most of the saved time is spent in productive activities. Similarly, an in-depth survey of cooking fuel consumption and cooking habits in peri-urban households outside Yogyakarta City in central Java by the World Bank found that cooking with LPG was significantly faster than other methods (Tuntivate 2015). When examining preference for fuels and cooking stoves, the survey finds that households preferred technologies that saved time. Studies evaluating other similar household technologies also find considerable time savings.<sup>19</sup>

It is likely that the LPG program, since it was similar to the bio-gas program but only faster, had similar effects on the time use of the women in the household and on their labor force participation.<sup>20</sup> Was the time-saving enough to generate impacts on labor force participation? Building on the findings from Gurung and Setyowati 2016, even if we use a conservative estimate of one hour saved every day, it amounts to seven hours in a week. Aggregating time saved over a week is especially important in this case since some activities that it replaces, like the collection of firewood and chopping it into usable blocks, is done on a weekly basis and often performed collectively by female members of the households. With such activities no longer required, it is plausible that women might have had enough time to work for pay for at least one day during the week. Since women so liberated often start in-house micro-enterprises that do not require a large time commitment (Matly 2003; Ramani and Heijndermans 2003; Dinkelman 2011; Utomo 2015), the time savings should

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dead wood or agricultural residue to be used as fuel. Pachauri and Rao 2013 finds that women and men in India, on average, in spend 3 to 4 and 1 to 2 hours weekly on collecting fuel for cooking. For rural India, Khandker et al. 2014 reported a similar figure - 10 to 12 hours for women and 5 to 6 hours for men.

19. Rosen, Vincent, et al. 1999 find that women in Zanzibar around three hours a day when electrified water pumping replaced the traditional methods of water collection. Similarly, replacing traditional hand milling with a diesel-driven mill saved households in Mali 30 minutes per day on processing grains (Clancy et al. 2012).

20. An audit of energy subsidies and usage in Indonesia also conjectured significant time savings for women who switched to LPG due to the program (Kusumawardhani et al. 2017).

have been enough to generate impacts on female labor force participation.

Unfortunately, it is difficult to make claims about time use as a mechanism with certainty without data on time use. Future research should aim to test with hypothesis explicitly. Instead, in the next section, we examine whether there was an improvement in health of the household members due to the LPG subsidy program that could have driven the increased labor force participation of women.

## 5.4 Health outcomes

Cleaner cooking fuel generates less indoor air pollution. This could have improved the respiratory health of the household members. In fact, much of the motivation behind the large subsidies on cleaner cooking stoves and fuels comes from their potential positive impact on health, and in particular, the respiratory health of women and young children through reduction in indoor air pollution. And while better health is a desirable result in itself, it might also affect the labor supply of the household members.

However, despite this perceived potential benefit, there is a dearth of empirical evidence on the respiratory health benefits of using cleaner cooking fuels or technologies. Duflo, Greenstone, and Hanna 2012 examine the impact of a randomized distribution of cleaner cooking stoves in rural Orissa in India on respiratory health of those who received the cook stove. They find reduction in the amount of smoke inhaled in the first year but no improvements in lung capacity or other measures of health. RESPIRE study, an experiment involving randomized distribution of concrete stoves in Guatemala, finds similar results - reduction in CO and pm2.5 exposure but no improvement in lung function and other respiratory symptoms like chronic cough, wheezing, tightness of chest, etc. (Smith-Sivertsen et al. 2009).

Using information from IFLS waves 2, 3, and 4, Silwal and McKay 2015 find that individuals living in households that cook with firewood have 11.2 percent lower lung capacity than others. But their instrument of choice for a household's fuel choice, the availability of an all-whether road in the community, might have affected health via other channels like access to health care facilities. Gajate-Garrido 2013 uses a two-wave panel survey of Peruvian children and a household fixed effects specification to show that young boys in households cooking with firewood are more likely to report respiratory illnesses. The household fixed effects model does not account for household-level time varying factors that might affect the choice of cooking fuel and child health. Besides, it is not clear why the effect might be differential effects on girls, for whom she finds no impact, and boys.

Since IPC and SUPAS do not contain health measures for the respondents, we turn to the IFLS to examine the impact of the program on health. As a part of the IFLS survey,

a professionally trained nurse collects an extensive array of biomarker measurements. In Table 8, we examine the impact of the program on some of these measures. The program had no effect on the maximum lung capacity of those exposed to the program. Among other measured health biomarkers, we do not find any significant impact of the program on the probability of being underweight, grip strength, systolic or diastolic blood pressure of any adult in the household. Exposure to the program is associated with a significant increases in the proportion of overweight males and females and their pulse rate. It is *a priori* unclear whether an increase in the body mass index (BMI) or pulse rate is a positive or negative outcome for the Indonesian population. For example, evidence from Indonesia and other lower-middle-income countries suggest that there is a positive association between socio-economic status and BMI (Dinsa et al. 2012; Sohn 2017). Similarly, a heart rate of 60 to 100 beats a minute while at rest is normal for most people. An increment over one to three beats over an average heart rate of close to 78 beats per minute is difficult to categorize as a positive or negative development.

IFLS also collects self-reported information on doctor-diagnosed chronic conditions. Table 9 reports the impact of the program on the probability of having been diagnosed with certain chronic conditions. Consistent with our earlier findings on lung capacity in Table 8, we find no effect of the program on respiratory conditions like asthma and other lung conditions. Exposure to the program is associated with a small decrease in the incidence of hypertension. Interestingly, we do not observe a corresponding decrease in the systolic and diastolic blood pressure reported in Table 9. The increase in diabetes that we observe is also somewhat puzzling since epidemiological research posits a positive association between pollution and incidence of Type 2 diabetes (Liu et al. 2013; Balti et al. 2014; He et al. 2017). An increase in the prevalence of diabetes due to behavioral changes triggered by the program is more likely.

Taken together, the findings suggest that there was no major impact of the program on the health of those exposed to the program.<sup>21</sup> Our findings, that are consistent with Smith-Sivertsen et al. 2009 and Duflo, Greenstone, and Hanna 2012, appear to be driven by several factors. First, most of the households that changed their primary cooking fuel switched from kerosene to LPG. Studies find that kerosene is almost as clean as LPG in household cooking settings (Mehta and Shahpar 2004). Second, as reported in Table A1, there is a significant positive association between cooking with solid fuels and having the kitchen outside the main housing building. This is consistent with the findings of Pitt, Rosenzweig, and Hassan 2006 and Miller and Mobarak 2013 who find that households in Bangladesh understand the

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21. Imelda 2018 finds that the program caused a small but significant decrease in infant mortality rate. We, in comparison, are interested in the role of health in increasing female labor force participation. The indirect effect of a reduction in IMR on FLFP is ambiguous.

harmful effects of indoor air pollution generated due to cooking and invest in mitigation mechanisms. Similarly, Kan et al. 2011 find that households in Anhui, China use griddle stoves with smoke removed by a hood or a chimney and cook in a separate room or building to mitigate the harmful effects of cooking with solid-fuels. If the Indonesian households choose the location of the kitchen strategically to mitigate the negative impact of indoor air pollution due to cooking, it seems plausible that these households also invest in other methods of mitigation, including better ventilation in the kitchen. The lack of any major significant effects on the respiratory health of those who received the program are, therefore, not surprising.

Next, as reported by Kusumawardhani et al. 2017 and Thoday et al. 2018, many households who switched to LPG continued might have continued to use other fuels to supplement LPG. It is possible that the amount of cooking such households performed with LPG was too small to have a large impact. Last, it is possible that it is too late or too early to see an impact. It could be too late if adult respiratory health, as measured by lung capacity, once determined in an environment with high levels of indoor air pollution does not improve even with reduction in the level of pollution. That is, the damage done earlier in life might be difficult to reverse. It could also be too early to see an impact if lung capacity changes over periods of time longer than the few years of exposure to the program and the new cooking method. In any case, the health effects are too small to explain the magnitude of the effect of female labor force participation.

The programs impact on lifestyle diseases, chances of being overweight, hypertension and diabetes, are unlikely to result from a reduction in indoor air pollution. While a reduction in labor market activities could have explained the increasing weight-related issues in men, we do not find a reduction in the labor market or household activities for males in the IFLS dataset that we used to evaluate the health effects of the program. In addition, the change in labor market activities cannot explain the results for women who were working more often. A more plausible pathway is the income effect. An increase in labor force participation of women is likely to increase the household income. This additional income may have changed the composition of household's food consumption that lead to these effects.

## 5.5 Other benefits

The increase in participation of women in work for pay activities, even though small, should imply an increase in household income and expenditures. We examine this by looking at the impact on different types of expenditure for the households. We report the results in Table 10. For pre-program kerosene-user households exposed to the program, weekly expenditure on food items increased significantly after the program. While an increase of USD 2.03

might not look high, it is important to compare it with the average food expenditure per week. It amounts to a 10% increase in the weekly food expenditure. Similarly, for household exposed to the program, there was a 33% increase in the expenditure on monthly non-food consumption in the month prior to the survey. There is a similar significant increase in expenditure on education in the year prior to the survey.

We find similar results when we examine the impact of the program on the value of household assets. We report the results in Table 11. Households exposed to the program report a higher value of their present dwelling and their other house if they own one. They also have land of much higher value and more savings in the form of saving certificates. Their furniture is of lower value but the magnitude of this difference is small compared to the increase in the value of their other assets. Imelda 2018 documents that the program also decreased infant mortality rate.

However, it is not clear by itself that the women preferred the arrangement where an increase in consumption expenditure came at the cost of them working more. It is possible that women would have preferred to enjoy their time savings as leisure but were pressured by household members to work for pay instead. While there is no way to verify that with the data we have, we might expect such a situation to have a negative effect on the subjective well being of women. Table 12 reports the impact of the program on the subjective wellbeing of members of the exposed household. Women and men exposed to the program report that they were doing worse economically five years before the survey than they were doing at the time of the survey. Women also report a higher level of happiness on the happiness scale of 1 to 4, where '1' is 'very unhappy' and '4' is 'very happy'. Given these results, it looks unlikely that women were pressured into work against their wishes. In the next section, we provide further evidence on increased decision-making power of women that rules out the possibility of women being pressured into work further.

## **5.6 Cost-benefit analysis and female decision-making power**

In 2007, the cost of LPG/kg (US\$ 0.89) was marginally higher than the cost of a liter of kerosene (US\$ 0.61). However, 1 liter of kerosene was equivalent to 0.39 kgs of LPG in terms of end use energy generated (Budya and Arofah 2011). Even if we assume that the two fuels generated the same amount of energy per kg, and the average LPG requirement for one household to be between 4 to 5 kgs per household per week (Thoday et al. 2018), the benefits of switching to LPG on household food expenditure alone outweighed the costs. The question that then arises is why did the household not switch to LPG themselves?

The lack of adoption cannot be explained as a supply side constraint. In 2007, the average rate of LPG usage across different IFLS communities was close to 20%. Out of the

312 communities, 237 had at least one household using LPG. But even among communities with at least one LPG user, the LPG usage rate was around 26%. Later, the single-most important reason for choosing LPG as the replacement fuel was that “... *elements of the supply chain were already in place and it was the easiest fuel to distribute to rural and remote populations across a vast territory*” (Thoday et al. 2018). This suggests that even in 2007, LPG was available. Since the difference between the cost of the two fuels would have been around five percent of the average household weekly food expenditure, it is unlikely that credit constraints prevented around 80 percent of the Indonesian households from using LPG. Another often-cited reason is that the LPG cylinders before the program had a capacity of 12 kgs while those distributed during the program were 3-kg cylinders and the 12 kg-cylinders were difficult to transport and store. We cannot rule this out as an explanation. But a 12-kg cylinder would have meant a single trip to the retailer in a month compared to multiple trips for those using kerosene. Storage at home is also unlikely to be a factor since the two types of cylinders were significantly different only in their height.

A more likely reason seems to be the one suggested by Miller and Mobarak 2013 and alluded to by Pitt, Rosenzweig, and Hassan 2006 - intra-household externalities and gender differences in preferences. In Indonesia, mostly women are in charge of cooking activities. As a result, they bear the maximum brunt of the negative impact of the conventional cooking methods. However, expenditure decisions are often taken by the males in the family who might sometimes be reluctant to spend money on commodities that do not benefit them directly. That is, there might be intra-household externalities of the decision to switch fuels and there might be a difference in preferences across different genders within the household.

Tuntivate 2015 found that women in Indonesia could independently buy a lower-cost biomass cookstove but needed to consult with their husband and make a joint decision to purchase a more expensive stove. The study finds that women decide alone on small home appliances below an expenditure ceiling, but the decision becomes a joint one above that amount. The threshold for joint decision making is lower in poorer households. Zhang and Adams 2016 find that while men did little cooking, they had a major role in choosing stoves, especially as new and more expensive cooking technologies appeared. The study found that men do not consider the purchase of a cleaner cooking technology a priority. Women reported that getting a new, modern stove was not an easy negotiation with their husbands. Multiple other reports have also pointed out the salience of intra-household bargaining in household cooking technology decisions in Indonesia and elsewhere (Wickramasinghe 2011; Goodwin et al. 2015; Durix, Rex, and Joffre 2016; Mohapatra and Simon 2017).

It is possible that if women had more say in financial decisions, there might have been a higher rate of adoption of cleaner cooking fuel. To examine this further, we examine

the association between the woman’s choice of cooking fuel and her decision-making power within the household. We use two measures of a woman’s decision-making power within the household. IFLS surveys ask a respondent 18 questions about who among their household members makes decisions pertaining to different household matters. For example, one of the questions asked that pertains to financial decision-making is “In your household, who makes decisions about money for monthly savings?” The respondent can choose more than one person as the decision-maker. For our first measure, we count the respondent as having a complete say in the matter if the respondent reports that he or she takes decisions in the matter alone. For the second measure, we count the individuals as having some say in the matter, if the respondent reports more than one person, including himself or herself, as the decision-makers. We use a count measure of the number of domains in which an individual has complete or some say in the matters. Besides the general measure that aggregates the decision-making responses over all 18 questions, we also define similar measures of financial decision-making using eight questions related to financial matters.

As reported in Table 13, we find that the probability of a woman cooking with LPG (or solid fuels) before the program was significantly and positively (negatively) associated with the decision-making power of women.<sup>22</sup> Among other correlates, working status of a woman was also associated with a higher likelihood of cooking with LPG. Since the subsidy program increased female labor force participation, we might expect the program to have increased the decision-making power of women in the exposed households. We examine the possibility in Table 14. Women affected by the program report an increase in their decision-making power, especially in financial matters. This change in decision-making power is, possibly, a result of increased work-force participation of women.<sup>23</sup> If the unwillingness of the husbands to pay for LPG was, in fact, a reason that explained low adoption of the fuel, the increase in labor force participation and decision-making power of women, especially in financial matters, might ensure that they buy the beneficial technology on their own even in the subsidy’s absence.

## 6 Conclusion

In an attempt to reduce the subsidy burden of kerosene, the Indonesian government sought to replace it with subsidized LPG. Cooking with LPG is less time consuming than cooking with kerosene or solid fuels. Previous research has found that modern time-saving household technologies have implication on female labor force participation. Consistent with this, we

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22. The results remain unchanged if we use complete say in all decisions and financial decisions instead of some say in the decisions.

23. Wickramasinghe 2011 also conjectures a two-way interrelation between women earning wages and the transitions to cleaner cooking fuels and technologies.

find large impacts on the female labor force participation of women exposed to the LPG subsidy program. The results reinforce the effectiveness of relatively inexpensive policy incentives for the adoption of modern household technology in ensuring greater integration of women in the labor force.

We explore two possible pathways through which a switch to LPG for cooking might have affected labor force participation of women - better health and time saving. We rule out the health mechanism but do not have adequate data to verify the time-saving mechanism. Based on previous research on the topic, we posit that the time-saving mechanism might have been operation. We leave a more rigorous examination of this mechanism to future research. We show that the program had benefits for the entire households, and not just for women. Household consumption expenditure and asset value increased significantly. Women had more decision-making power within the household, especially in financial matters.

The results have important implications on the cost-benefit analysis of the programs of the kind. Focusing on the health alone might underestimate the benefits of such programs. The recent developments in consumer technologies have been impressive not only in their pace but also in the increasing number of feature they incorporate. A comprehensive analysis of the benefits of any such technology should examine the effects on a number of dimensions of well-being. Another important take away pertains to private incentives to adopt modern technology. Even in situations where the private benefits of adoption might surpass the cost for a household, intra-household externalities and differences in preferences within the household might hinder adoption. We must, therefore, revisit the question of low adoption of welfare-enhancing technology and evaluate the extent to which difference in preferences of the potential beneficiaries can explain the puzzle. Temporary subsidies that mitigate externalities might go a long way in solving the low-adoption problem in such contexts.

Our analysis leaves a lot to be desired. An direct examination of the causal analysis of the impact of the decision-making power with women on the adoption of modern technology is essential in the identification of possible virtuous cycle of greater adoption and welfare. Similarly, an understanding of the pathways through which technologies such as cooking with LPG affects labor force participation of women is of crucial importance for designing policies aimed at improving female labor force participation. Due to data limitation, we leave this to future research.

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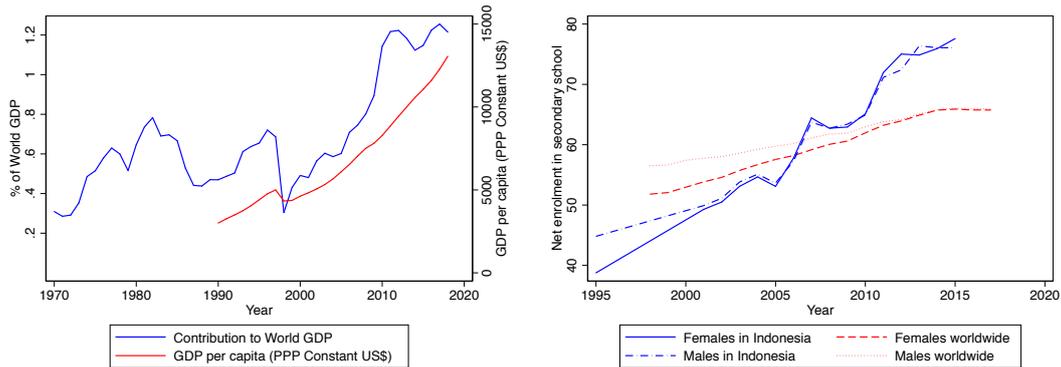
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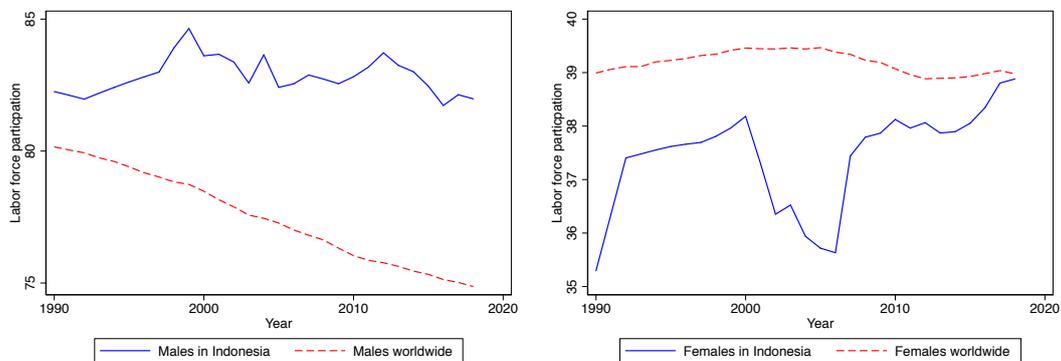
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**Figure 1:** Trends in GDP and education in Indonesia



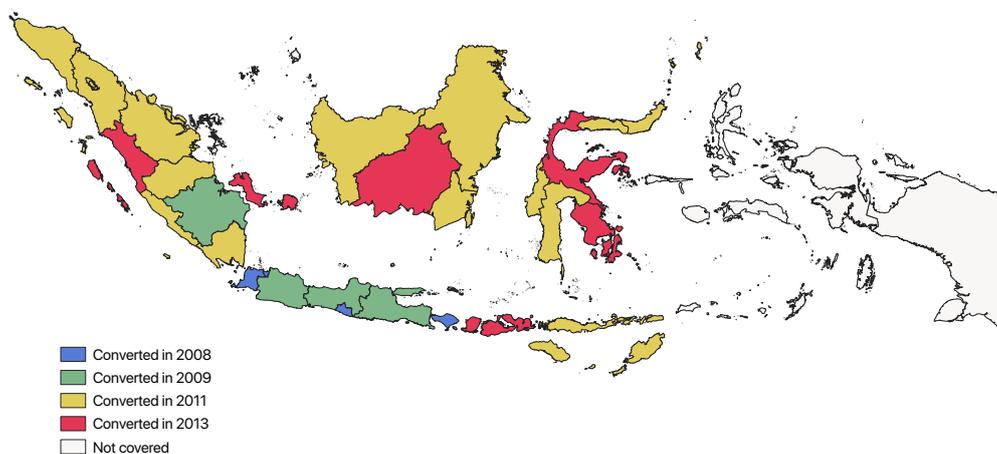
Notes: Based on the World Bank national accounts data, and OECD National Accounts data files. GDP per capita in constant US\$ terms.

**Figure 2:** Labor force participation in Indonesian and worldwide



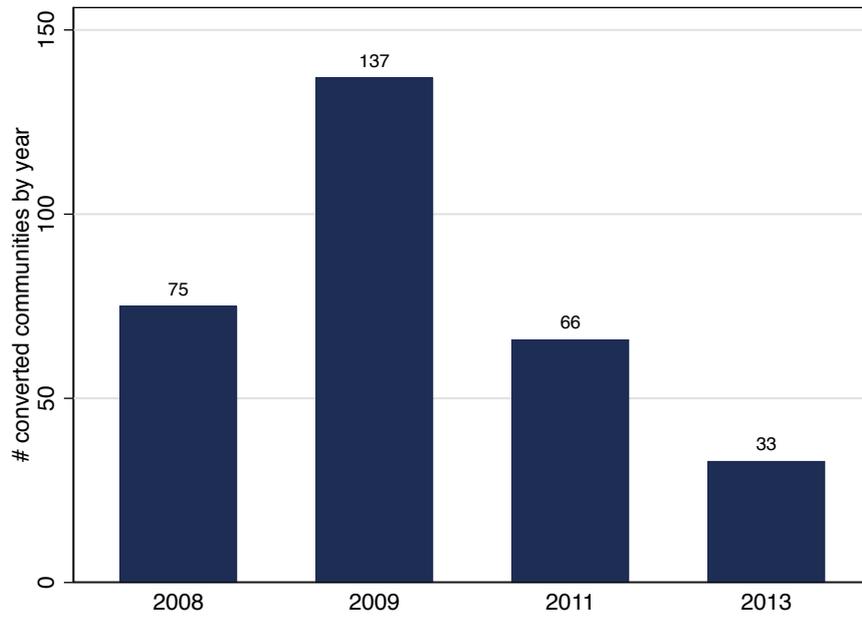
Notes: Based on the World Bank national accounts data, and OECD National Accounts data files.

**Figure 3:** Staggered rollout of the LPG subsidy program across provinces



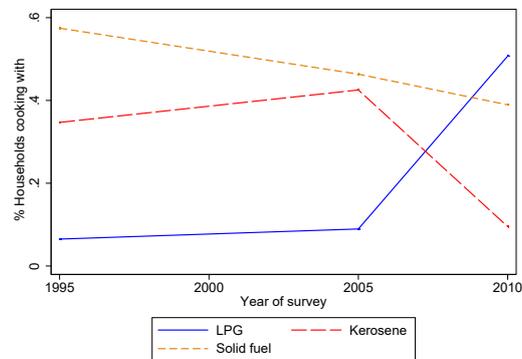
Notes: In some cases, the program was rolled out in different areas within a province in two consecutive years. However, we do not have information on roll-out at a finer level. For this reason, we define a province to have received the program only once all areas within the province were covered.

**Figure 4:** Difference in LPG program roll-out across IFLS communities



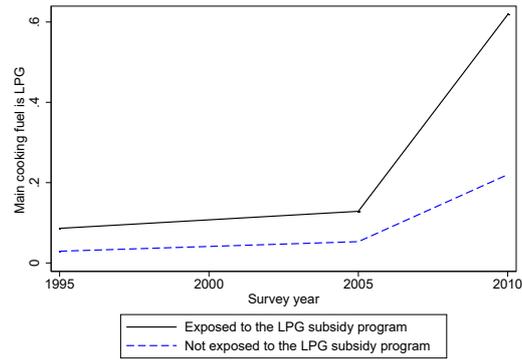
In some cases, the program was rolled out in different areas within a province in two consecutive years. However, we do not have information on roll-out at a finer level. For this reason, we define all communities within a province to have received the program only once all areas within the province were covered.

**Figure 5:** Primary cooking fuel (Survey: IPC and SUPAS)



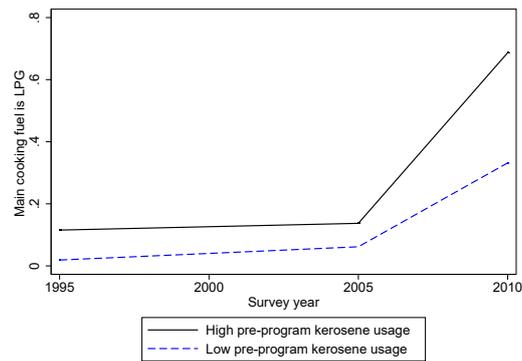
Notes: We use information from the Indonesian Population Census (IPC) of 2010 and Intercensal Population Survey of Indonesia (SUPAS) waves 1995 and 2005 for the figure. IPC 2000 does not contain information about household's primary cooking fuel.

**Figure 6:** Primary cooking fuel by program exposure status (Survey: IPC and SUPAS)



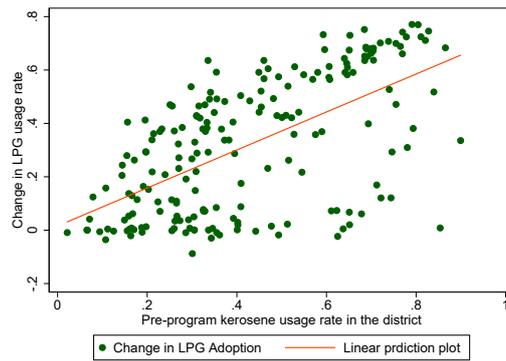
Notes: We use information from the Indonesian Population Census (IPC) of 2010 and Intercensal Population Survey of Indonesia (SUPAS) waves 1995 and 2005 for the figure. IPC 2000 does not contain information about household's primary cooking fuel.

**Figure 7:** Primary cooking fuel by pre-program kerosene usage (Survey: IPC and SUPAS)



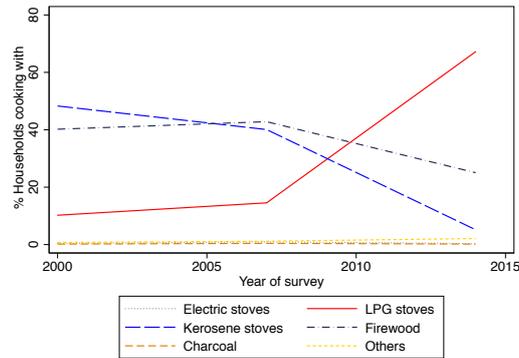
Notes: We use information from the Indonesian Population Census (IPC) of 2010 and Intercensal Population Survey of Indonesia (SUPAS) waves 1995 and 2005 for the figure. IPC 2000 does not contain information about household's primary cooking fuel.

**Figure 8:** Change in LPG usage by pre-program kerosene usage (Survey: IPC and SUPAS)



Notes: We use information from the Indonesian Population Census (IPC) of 2010 and Intercensal Population Survey of Indonesia (SUPAS) wave 2005 for the figure.

**Figure 9:** Primary cooking fuel (Survey: IFLS)



Notes: We use information from the third (2000), fourth (2007), and fifth (2014) waves of Indonesian Family Life Survey for the figure.

**Figure 10:** Change in LPG usage by pre-program kerosene usage (Survey: IFLS)

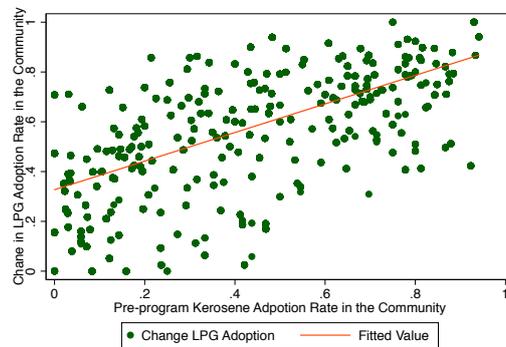
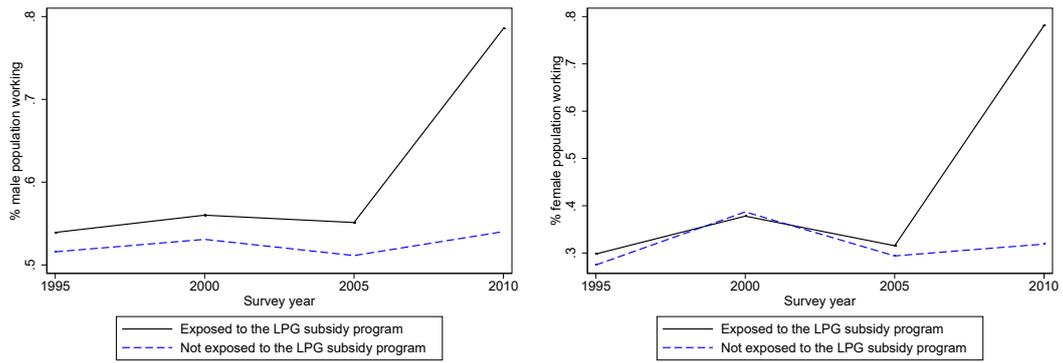


Figure 3: Higher Pre-program Kerosene Adoption Indicates Higher LPG Adoption

Notes: We use information from the third (2000), fourth (2007), and fifth (2014) waves of Indonesian Family Life Survey for the figure.

**Figure 11:** Labor force participation by program exposure status (Survey: IPC and SUPAS)



Notes: We use information from the Indonesian Population Census (IPC) of 2000 and 2010 and Intercensal Population Survey of Indonesia (SUPAS) waves 1995 and 2005 for the figure.

**Table 1:** Summary statistics (Data: IPC and SUPAS)

| Year                                    | 1995                    | 2000       | 2005      | 2010       |
|---|-------------------------|------------|-----------|------------|
| Observations                            | 718,837                 | 20,112,539 | 1,090,892 | 23,603,049 |
| Number of households                    | 166,033                 | 5,124,971  | 266,732   | 6,151,164  |
| Number of districts                     | 200                     | 267        | 258       | 268        |
| Number of provinces                     | 17                      | 26         | 25        | 26         |
|   | Mean [S.D. in brackets] |            |           |            |
| Kerosene usage rate                     | 0.35                    | NA         | 0.42      | 0.12       |
|   | [0.48]                  |            | [0.49]    | [0.32]     |
| LPG usage rate in                       | 0.06                    | NA         | 0.09      | 0.46       |
|   | [0.24]                  |            | [0.28]    | [0.50]     |
| Labor force participation rate of men   | 0.53                    | 0.55       | 0.53      | 0.69       |
|   | [0.50]                  | [0.50]     | [0.50]    | [0.46]     |
| Labor force participation rate of women | 0.30                    | 0.38       | 0.30      | 0.60       |
|   | [0.46]                  | [0.49]     | [0.46]    | [0.49]     |

Notes: Information on cooking fuel was not collected during the IPC of 2000. The SUPAS did not interview the province of Aceh due to the 2004 Indian Ocean earthquake and tsunami that affected the province.

**Table 2:** Summary statistics (Data: IFLS)

| Year  | 2000                    | 2007   | 2014   |
|---|-------------------------|--------|--------|
| Observations  | 20,729                  | 21,487 | 23,226 |
| Number of households  | 7,360                   | 8,224  | 8,816  |
| Number of communities   | 311                     | 310    | 311    |
| Number of Kecamatan   | 282                     | 284    | 282    |
| Number of Kabupaten   | 152                     | 153    | 153    |
| Number of provinces   | 15                      | 15     | 15     |
|   | Mean [S.D. in brackets] |        |        |
| Kerosene usage rate   | 0.49                    | 0.40   | 0.05   |
|   | [0.50]                  | [0.49] | [0.22] |
| LPG usage rate in   | 0.12                    | 0.16   | 0.69   |
|   | [0.33]                  | [0.36] | [0.46] |
| Labor force participation rate of men<br>(Work for pay)       | 0.74                    | 0.76   | 0.77   |
|   | [0.43]                  | [0.42] | [0.42] |
| Labor force participation rate of women<br>(Work for pay)     | 0.46                    | 0.43   | 0.41   |
|   | [0.50]                  | [0.50] | [0.49] |
| Labor force participation rate of men<br>(Any kind of work)   | 0.78                    | 0.78   | 0.78   |
|   | [0.42]                  | [0.42] | [0.42] |
| Labor force participation rate of women<br>(Any kind of work) | 0.52                    | 0.55   | 0.54   |
|   | [0.50]                  | [0.50] | [0.50] |

**Table 3:** Impact on household's LPG usage status (Data: IPC and SUPAS)

|  | (1)                         | (2)               | (3)               | (4)               | (5)               |
|--|-----------------------------|-------------------|-------------------|-------------------|-------------------|
|  | Primary Cooking fuel is LPG |                   |                   |                   |                   |
| Post × Treat                                   | 0.38***<br>(0.05)           | 0.38***<br>(0.03) | 0.37***<br>(0.05) | 0.37***<br>(0.02) | 0.07<br>(0.06)    |
| Post × Treat × Pre-program kerosene usage rate |                             |                   |                   |                   | 0.50***<br>(0.10) |
| District FE                                    | No                          | No                | Yes               | Yes               | Yes               |
| Province FE                                    | Yes                         | Yes               | No                | No                | No                |
| Year FE  | Yes                         | Yes               | Yes               | Yes               | No                |
| Province-year FE                               | No                          | No                | No                | No                | Yes               |
| Year FE × Pre-program kerosene usage           | No                          | No                | No                | No                | Yes               |
| SE Clusters                                    | Province                    | District          | Province          | District          | District          |
| Mean of DV                                     | 0.44                        | 0.44              | 0.44              | 0.44              | 0.44              |
| Pre-program kerosene usage rate                |                             |                   |                   |                   | 0.43              |
| Observations                                   | 25,221,426                  | 25,221,426        | 25,221,426        | 25,221,426        | 24,642,624        |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the district. All specifications include the relevant double interactions.

**Table 4:** Impact on household's LPG usage status (Data: IFLS)

|  | (1)                         | (2)                | (3)                |
|--|-----------------------------|--------------------|--------------------|
|  | Primary Cooking fuel is LPG |                    |                    |
| Post × Pre-program kerosene usage rate           | 0.40***<br>(0.042)          | 0.46***<br>(0.052) | 0.58***<br>(0.048) |
| Household FE                                     | No                          | Yes                | Yes                |
| Community FE                                     | Yes                         | No                 | No                 |
| Year FE  | Yes                         | Yes                | No                 |
| Pre-program kerosene usage-year FE               | No                          | No                 | Yes                |
| Province-year FE                                 | No                          | No                 | Yes                |
| Mean of DV                                       | 0.32                        | 0.32               | 0.32               |
| Pre-program kerosene usage rate in the community | 0.53                        | 0.53               | 0.53               |
| Observations                                     | 24564                       | 24564              | 24564              |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community.

**Table 5:** Impact on labor force participation status (Data: IPC and SUPAS)

|   | (1)                                 | (2)               | (3)               | (4)                |
|---|-------------------------------------|-------------------|-------------------|--------------------|
|   | Labor force participation indicator |                   |                   |                    |
| Post × Treat  | 0.31***<br>(0.01)                   | 0.19***<br>(0.01) | -0.00<br>(0.02)   | -0.07***<br>(0.02) |
| Post × Treat × Female                                   |                                     | 0.24***<br>(0.01) |                   | 0.13***<br>(0.02)  |
| Post × Treat × Pre-program kerosene usage rate          |                                     |                   | 0.08***<br>(0.03) | -0.03<br>(0.03)    |
| Post × Treat × Female × Pre-program kerosene usage rate |                                     |                   |                   | 0.23***<br>(0.05)  |
| District FE   | Yes                                 | Yes               | Yes               | Yes                |
| Province-year FE  | No                                  | No                | Yes               | Yes                |
| Year FE   | Yes                                 | Yes               | No                | No                 |
| Year FE × pre-program kerosene usage rate               | No                                  | No                | Yes               | Yes                |
| Mean of DV  | 0.56                                | 0.56              | 0.56              | 0.56               |
| Pre-program kerosene usage rate                         |                                     |                   | 0.44              | 0.44               |
| Observations  | 45,512,808                          | 45,512,808        | 44,690,116        | 44,690,116         |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the district. All specifications include the relevant double interactions.

**Table 6:** Impact on labor force participation status (Data: IFLS)

|   | (1)               | (2)                | (3)                  | (4)                   | (5)              | (6)             |
|---|-------------------|--------------------|----------------------|-----------------------|------------------|-----------------|
|   | Primary activity  |                    | Activities past week |                       |                  |                 |
|   | work<br>for pay   | housekeeping       | work<br>for pay      | work w/<br>or w/o pay | housekeeping     | job<br>search   |
| Post × Pre-program kerosene usage rate          | 0.03<br>(0.027)   | 0.03*<br>(0.014)   | 0.01<br>(0.026)      | 0.02<br>(0.026)       | -0.04<br>(0.030) | 0.00<br>(0.014) |
| Post × Pre-program kerosene usage rate × Female | 0.07*<br>(0.037)  | -0.07**<br>(0.032) | 0.02<br>(0.031)      | 0.03<br>(0.031)       | 0.02<br>(0.032)  | 0.00<br>(0.013) |
| Estimated effect for females                    | 0.09***<br>(0.04) | -0.04*<br>(0.03)   | 0.04<br>(0.03)       | 0.06*<br>(0.03)       | -0.03<br>(0.03)  | 0.01<br>(0.01)  |
| Mean of DV                                      | 0.59              | 0.24               | 0.64                 | 0.65                  | 0.47             | 0.04            |
| Pre-program kerosene usage rate                 | 0.53              | 0.53               | 0.53                 | 0.53                  | 0.53             | 0.53            |
| Observations                                    | 63633             | 63633              | 63838                | 65341                 | 63841            | 63837           |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.

**Table 7:** Impact on labor force participation in previous years (Data: IFLS)

|   | (1)                             | (2)       | (3)         | (4)        | (5)        | (6)       |
|---|---------------------------------|-----------|-------------|------------|------------|-----------|
|   | Ever held a job in the previous |           |             |            |            |           |
|   | year                            | two years | three years | four years | five years | six years |
| Post × Pre-program kerosene usage rate          | 0.04*                           | 0.04*     | 0.04*       | 0.04*      | 0.04*      | 0.04*     |
|   | (0.02)                          | (0.02)    | (0.02)      | (0.02)     | (0.02)     | (0.02)    |
| Post × Pre-program kerosene usage rate × Female | 0.05*                           | 0.06**    | 0.07**      | 0.07**     | 0.07***    | 0.07**    |
|   | (0.03)                          | (0.03)    | (0.03)      | (0.03)     | (0.03)     | (0.03)    |
| Estimated effect for females                    | 0.09***                         | 0.10***   | 0.11***     | 0.10***    | 0.11***    | 0.11***   |
|   | (0.03)                          | (0.03)    | (0.03)      | (0.03)     | (0.03)     | (0.03)    |
| Mean of DV                                      | 0.72                            | 0.73      | 0.74        | 0.75       | 0.75       | 0.76      |
| Pre-program kerosene usage rate                 | 0.53                            | 0.53      | 0.53        | 0.53       | 0.53       | 0.53      |
| Observations                                    | 65341                           | 65341     | 65341       | 65341      | 65341      | 65341     |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.

**Table 8:** Impact on measured health (Data: IFLS)

|   | (1)                   | (2)            | (3)               | (4)              | (5)               | (6)              | (7)             |
|---|-----------------------|----------------|-------------------|------------------|-------------------|------------------|-----------------|
|   | Max. lung<br>capacity | BMI < 18       | BMI ≥ 25          | Grip<br>strength | Pulse             | Systolic<br>BP   | Diastolic<br>BP |
| Post × Pre-program kerosene usage rate          | -3.59<br>(7.21)       | 0.02<br>(0.02) | 0.02***<br>(0.01) | 1.09<br>(1.19)   | 2.93***<br>(0.64) | 1.27<br>(0.97)   | 0.73<br>(0.61)  |
| Post × Pre-program kerosene usage rate × Female | 2.96<br>(5.54)        | 0.00<br>(0.02) | 0.01<br>(0.01)    | 0.54<br>(0.59)   | -1.37*<br>(0.71)  | -1.85*<br>(0.99) | -0.64<br>(0.67) |
| Estimated effect for females                    | -0.63<br>(6.10)       | 0.02<br>(0.02) | 0.04***<br>(0.01) | 1.63<br>(1.16)   | 1.56**<br>(0.61)  | -0.58<br>(1.05)  | 0.10<br>(0.59)  |
| Mean of DV                                      | 341.70                | 0.14           | 0.06              | 28.06            | 78.15             | 128.87           | 79.92           |
| Pre-program kerosene usage rate                 | 0.53                  | 0.53           | 0.53              | 0.53             | 0.53              | 0.53             | 0.53            |
| Observations                                    | 65502                 | 54326          | 54326             | 41296            | 62324             | 62254            | 62254           |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.

**Table 9:** Impact on reported diagnosis of health conditions (Data: IFLS, for age above 40 only)

|   | (1)               | (2)              | (3)            | (4)             | (5)                      | (6)                 | (7)               | (8)             | (9)             | (10)             |
|---|-------------------|------------------|----------------|-----------------|--------------------------|---------------------|-------------------|-----------------|-----------------|------------------|
|   | Hypertension      | Diabetes         | TB             | Asthma          | Other lung<br>conditions | Heart<br>conditions | Liver<br>problems | Stroke          | Cancer          | Arthritis        |
| Post × Pre-program kerosene usage rate          | -0.01<br>(0.02)   | -0.01<br>(0.01)  | 0.00<br>(0.01) | -0.01<br>(0.01) | 0.01<br>(0.01)           | 0.01<br>(0.01)      | -0.00<br>(0.01)   | 0.01<br>(0.01)  | -0.00<br>(0.01) | -0.03*<br>(0.02) |
| Post × Pre-program kerosene usage rate × Female | -0.04<br>(0.03)   | 0.03*<br>(0.02)  | 0.01<br>(0.01) | 0.00<br>(0.02)  | 0.001<br>(0.01)          | -0.00<br>(0.01)     | 0.01<br>(0.01)    | -0.01<br>(0.01) | 0.01<br>(0.01)  | 0.06**<br>(0.03) |
| Estimated effect for females                    | -0.06**<br>(0.03) | 0.02**<br>(0.01) | 0.01<br>(0.01) | -0.01<br>(0.01) | 0.01<br>(0.01)           | 0.01<br>(0.01)      | 0.00<br>(0.01)    | 0.001<br>(0.01) | 0.01<br>(0.01)  | 0.02<br>(0.02)   |
| Mean of DV                                      | 0.21              | 0.04             | 0.01           | 0.03            | 0.02                     | 0.03                | 0.01              | 0.02            | 0.01            | 0.11             |
| Pre-program kerosene usage rate                 | 0.53              | 0.53             | 0.53           | 0.53            | 0.53                     | 0.53                | 0.53              | 0.53            | 0.53            | 0.53             |
| Observations                                    | 19252             | 19249            | 19256          | 19256           | 19253                    | 19253               | 19256             | 19257           | 19256           | 19252            |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.

**Table 10:** Impact on expenditure (Data: IFLS)

|  | (1)                         | (2)                              | (3)                             | (4)                              |
|--|-----------------------------|----------------------------------|---------------------------------|----------------------------------|
|  | Expenditure on              |                                  |                                 |                                  |
|  | food last week <sup>†</sup> | non-food last month <sup>†</sup> | non-food last year <sup>†</sup> | education last year <sup>†</sup> |
| Post × Pre-program kerosene usage rate | 2.03*<br>(1.07)             | 33.75**<br>(16.05)               | 737.10<br>(807.60)              | 73.27***<br>(21.02)              |
| Mean of DV                             | 19.96                       | 100.58                           | 480.59                          | 189.56                           |
| Pre-program kerosene usage rate        | 0.53                        | 0.53                             | 0.53                            | 0.53                             |
| Observations                           | 24564                       | 24564                            | 24564                           | 24564                            |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates. <sup>†</sup> Expenditure converted to 2000 US\$ according to the exchange rate at the time of each survey.

**Table 11:** Impact on value of household asset (Data: IFLS)

|  | Value of                       |                             |                     |   |                      |
|--|--------------------------------|-----------------------------|---------------------|---|----------------------|
|  | (1)                            | (2)                         | (3)                 | (4)   | (5)                  |
|  | dwelling<br>house <sup>†</sup> | other<br>house <sup>†</sup> | land <sup>†</sup>   | livestock/poultry/<br>fishpond <sup>†</sup> | vehicle <sup>†</sup> |
| Post × Pre-program kerosene usage rate | 787.48**<br>(357.14)           | 443.27***<br>(167.21)       | 214.79*<br>(117.09) | -5.55<br>(10.99)                            | 4.36<br>(49.65)      |
| Mean of DV                             | 3059.71                        | 518.04                      | 333.44              | 27.28                                       | 291.17               |
| Pre-program kerosene usage rate        | 0.53                           | 0.53                        | 0.53                | 0.53  | 0.53                 |
| Observations                           | 24361                          | 24361                       | 24361               | 24361                                       | 24361                |

|  | Value of                            |                                    |                          |                      |                    |
|--|-------------------------------------|------------------------------------|--------------------------|----------------------|--------------------|
|  | (6)                                 | (7)                                | (8)                      | (9)                  | (10)               |
|  | household<br>appliance <sup>†</sup> | saving<br>certificate <sup>†</sup> | receivables <sup>†</sup> | jewelry <sup>†</sup> | furniture          |
| Post × Pre-program kerosene usage rate | -13.19<br>(16.42)                   | 104.12**<br>(46.51)                | 7.04<br>(24.30)          | 15.75<br>(21.90)     | -46.68*<br>(27.75) |
| Mean of DV                             | 108.79                              | 112.67                             | 39.08                    | 91.25                | 117.71             |
| Pre-program kerosene usage rate        | 0.53                                | 0.53                               | 0.53                     | 0.53                 | 0.53               |
| Observations                           | 24361                               | 24361                              | 24361                    | 24361                | 24361              |

Notes: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates. <sup>†</sup> Expenditure converted to 2000 US\$ according to the exchange rate at the time of each survey.

**Table 12:** Subjective well-being (Data: IFLS)

|   | (1)                    | (2)              | (3)             | (4)                | (5)              | (6)            | (7)             |
|---|------------------------|------------------|-----------------|--------------------|------------------|----------------|-----------------|
|   | On which economic step |                  |                 | Concerned about    |                  |                | Happiness       |
|   | today                  | five year ago    | five year later | standard of living | food consumption | health status  | scale (1-4)     |
| Post × Pre-program kerosene usage rate          | -0.07<br>(0.05)        | -0.09*<br>(0.05) | -0.01<br>(0.06) | 0.03<br>(0.02)     | 0.02<br>(0.02)   | 0.01<br>(0.02) | 0.01<br>(0.03)  |
| Post × Pre-program kerosene usage rate × Female | -0.02<br>(0.05)        | 0.01<br>(0.05)   | 0.04<br>(0.06)  | -0.02<br>(0.02)    | -0.03<br>(0.02)  | 0.00<br>(0.02) | 0.04<br>(0.03)  |
| Estimated effect for females                    | -0.09<br>(0.06)        | -0.09*<br>(0.05) | 0.03<br>(0.06)  | 0.01<br>(0.02)     | -0.01<br>(0.02)  | 0.00<br>(0.02) | 0.05*<br>(0.03) |
| Mean of DV                                      | 2.90                   | 2.71             | 3.58            | 0.19               | 0.13             | 0.17           | 2.99            |
| Pre-program kerosene usage rate                 | 0.53                   | 0.53             | 0.53            | 0.53               | 0.53             | 0.53           | 0.53            |
| Observations                                    | 61539                  | 61319            | 58849           | 61781              | 61781            | 61781          | 41257           |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.

**Table 13:** Correlates of fuel choice and decision-making power of women in 2000 (Data: IFLS)

|  | (1)          | (2)       | (3)           | (4)                                | (5)                                     |
|--|--------------|-----------|---------------|------------------------------------|---|
|  | Cooking with |           |               | Some say in                        |   |
|  | LPG          | kerosene  | solid<br>fuel | all decisions<br>(Score out of 18) | financial decisions<br>(Score out of 8) |
| Some say in all decisions (Score out of 18)      | -0.004*      | -0.003    | 0.007***      |                                    |   |
|  | (0.002)      | (0.003)   | (0.003)       |                                    |   |
| Some say in financial decisions (Score out of 8) | 0.010**      | 0.010     | -0.021***     |                                    |   |
|  | (0.005)      | (0.008)   | (0.006)       |                                    |   |
| Primary activity is work for pay                 | 0.026***     | -0.030*** | 0.004         | 0.506***                           | 0.182***                                |
|  | (0.007)      | (0.009)   | (0.008)       | (0.091)                            | (0.043)                                 |
| Years of education                               | 0.017***     | -0.002    | -0.015***     | 0.087***                           | 0.054***                                |
|  | (0.001)      | (0.002)   | (0.001)       | (0.012)                            | (0.005)                                 |
| Head of the household                            | 0.040***     | 0.025     | -0.075***     | -2.785***                          | -1.113***                               |
|  | (0.014)      | (0.021)   | (0.017)       | (0.246)                            | (0.103)                                 |
| Wife of the head of the household                | 0.013        | 0.027*    | -0.044***     | 10.596***                          | 4.342***                                |
|  | (0.011)      | (0.015)   | (0.012)       | (0.141)                            | (0.062)                                 |
| Household head is female                         | -0.053***    | 0.065**   | -0.011        | 1.106***                           | 0.503***                                |
|  | (0.020)      | (0.026)   | (0.018)       | (0.246)                            | (0.105)                                 |
| Mean of DV                                       | 0.14         | 0.53      | .33           | 7.92                               | 3.22                                    |
| Observations                                     | 8,766        | 8,766     | 8,766         | 8,766                              | 8,766                                   |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. Brackets report p-value of the program effect on females. All specifications include community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates. As an example, one of the questions asked to elicit financial decision-making power is "In your household, who makes decisions about money for monthly savings?" Response options are respondent, spouse, son, daughter, mother, father, etc.

**Table 14:** Impact on decision-making power of women (Data: IFLS)

|                                      | (1)                                | (2)                                     | (3)                                | (4)                                     |
|--------------------------------------|------------------------------------|---|------------------------------------|---|
|                                      | Complete say in                    |   | Some say in                        |   |
|                                      | all decisions<br>(Score out of 18) | financial decisions<br>(Score out of 8) | all decisions<br>(Score out of 18) | financial decisions<br>(Score out of 8) |
| Post × Pre-program kerosene rate     | 0.25<br>(0.23)                     | 0.05<br>(0.12)                          | -0.07<br>(0.32)                    | -0.31*<br>(0.16)                        |
| Post × Pre-program kerosene × Female | 0.39<br>(0.28)                     | 0.35**<br>(0.15)                        | 0.74**<br>(0.34)                   | 0.60***<br>(0.18)                       |
| Estimated effect for females         | 0.64**<br>0.29                     | 0.40***<br>0.15                         | 0.66*<br>0.34                      | 0.28*<br>0.17                           |
| Mean of DV                           | 3.52                               | 1.3                                     | 10.84                              | 4.58                                    |
| Pre-program kerosene usage rate      | 0.48                               | 0.48                                    | 0.48                               | 0.48                                    |
| Observations                         | 44,456                             | 44,456                                  | 44,456                             | 44,456                                  |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, community fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates. As an example, one of the questions asked to elicit financial decision-making power is "In your household, who makes decisions about money for monthly savings?" Response options are respondent, spouse, son, daughter, mother, father, etc.

**Table A1: Mitigation**

|                             | (1)               | (2)                 |
|-----------------------------|-------------------|---------------------|
|                             | Kitchen outside   | Move kitchen inside |
| Firewood /Charcoal users    | 0.04***<br>(0.01) |                     |
| Switch to a cleaner fuel    |                   | 0.11***<br>(0.03)   |
| Switch to a less clean fuel |                   | 0.02<br>(0.07)      |
| Mean of DV                  | 0.25              | 0.02                |
| Observations                | 24,586            | 7,883               |

Note: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ . Robust standard errors in parentheses are clustered at the level of the community. All specifications include the relevant double interactions, district fixed effects, province-year fixed effects, and year fixed effects interacted with pre-program kerosene usage rates.