

The Economic Cost of Stigma and the Exclusion of LGBT People: A Case Study of India

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EXECUTIVE SUMMARY

Human rights and equality for lesbian, gay, bisexual, and transgender (LGBT) people are usually considered through a social, cultural, or ethical lens, but equality and inclusion of LGBT people are also economic development issues. This report develops a model to estimate the economic cost of stigma—negative attitudes toward LGBT people—and the exclusion of LGBT people in social institutions such as education, employment, families, and health care. The model is applied to a case study of India.

Three major findings emerge from this report.

Clear evidence of stigma and exclusion exists for LGBT people in India.

- Data on public opinion from 2006 shows that 41 percent of Indians would not want a homosexual neighbor, and 64 percent believe that homosexuality is never justified. Negative attitudes have diminished over time, however.
- Homosexual behavior is criminalized in India, no protective legislation exists for LGBT people, and transgender people in India have only recently been accorded full legal rights and recognition through a Supreme Court decision.
- LGBT people in India report experiences of violence, rejection, and discrimination, including in employment, education, health care, and access to social services. High rates of poverty are found in some studies of LGBT people.
- Public health studies find evidence of health disparities that are linked to stigma and exclusion. Rates of the prevalence of depression, suicidal thinking, and HIV among LGBT people are higher than rates for the general population.

The effects of stigma and exclusion are potentially costly to economies. A conceptual model links exclusion of LGBT people and economic development through (1) lower productivity and lower output as a result of employment discrimination and constraints on labor supply; (2) inefficient investment in human capital because of lower returns to education and discrimination in educational settings; (3) lost output as a result of health disparities that are linked to exclusion; and (4) social and health services required to address the effects of exclusion that might be better spent elsewhere.

In India, existing research does not allow for a precise estimate of the cost of LGBT exclusion, but the cost could be substantial. The loss of labor productivity and output because of employment discrimination and the loss of life years due to early death or disability will reduce the economic output of the Indian economy. With better research on the lived experiences of LGBT people, researchers could use existing analytical tools to estimate the total cost of LGBT exclusion.

Recommendations for future research priorities include studying LGBT poverty, developing data on LGBT people to accelerate research, and building a research infrastructure. In addition, assessing actual anti-poverty interventions and ongoing public and private efforts to reduce homophobia and LGBT exclusion should be a high priority so that effective programs can be considered for scaling up.

1 INTRODUCTION

1.1 HUMAN RIGHTS AND EQUALITY FOR LGBT PEOPLE ARE ECONOMIC DEVELOPMENT ISSUES

Over the last several decades, the increasing global attention to issues of human rights for lesbian, gay, bisexual, and transgender (LGBT) people and other sexual minorities has focused on the intrinsic value of those rights from a social, cultural, and ethical perspective. Recognizing those rights represents a commitment to equality for a stigmatized group of people and to guaranteeing universal freedoms for those individuals. Enacting those rights to achieve equality means working to end discrimination and violence against LGBT people. The need for attention is clear: human rights agencies and scholars from around the world have documented violations of human rights, finding discrimination, family rejection, violence, imprisonment, and other forms of exclusion faced by LGBT people in every country studied.¹

Human rights and equality for LGBT people are also economic development issues. Social inclusion, defined as “the process of improving the ability, opportunity, and dignity of people, disadvantaged on the basis of their identity, to take part in society,” has come to be seen as an economic imperative: “Social inclusion matters because exclusion is too costly,” as a recent World Bank report concludes (The World Bank 2013). Many multinational businesses now recognize the links between inclusion of LGBT employees and business outcomes and have taken voluntary steps to end discrimination against LGBT workers in order to maintain a competitive workforce. Indeed, there are many reasons to think that exclusion of LGBT people—rooted in stigma—is costly to economies. Exclusion can generate economic costs through several important channels: lower productivity, diminished human capital development, and poorer health outcomes, for example. From this economic perspective, exclusion of LGBT people is costly to everyone.

On a concrete level, this report identifies evidence of workplace discrimination and health care disparities in HIV, suicide, and depression that would reduce the economic contributions of LGBT people in India. This report also develops an economic model of the cost of stigma and the resulting exclusion of LGBT people from full participation in social institutions such as education, employment, families, and health care services.² Existing data for the model of stigma and exclusion are discussed, and a general approach is developed for use with future data.

Following psychologist Gregory M. Herek, the term **stigma** is used in this report to represent negative responses to LGBT people and the inferior social status of LGBT people

¹ Research and documentation by Human Rights Watch, the International Gay and Lesbian Human Rights Commission (IGLHRC), and the United States State Department Country Reports on Human Rights Practices is extensive, among other sources.

² This is the final report on “India - Gender Identity, Sexual Orientation and Development: A Preliminary Case Study (P143951).”

(Herek 2009). The term **exclusion** in this report captures the structural manifestations of stigma in institutional settings, reducing LGBT people's access to equal treatment and participation in a wide range of social institutions, including schools, workplaces, health care settings, the political process, the financial system, the criminal justice system, families, government programs, and other laws and policies. **Discrimination** is a form of exclusion and refers in this report to the practice of treating members of one group differently from equally qualified members of another group. This report uses "stigma" and "exclusion" somewhat interchangeably since they are intertwined in shaping the lived experiences of LGBT people.

1.2 ROADMAP FOR THE REPORT

The report begins in the next section with a review of attitudes and laws in India that reflect a social and legal context of stigma that would contribute to the exclusion of LGBT people. Section 3 discusses terminology related to sexual orientation and gender identity, focusing on how it might be useful for understanding the experiences of diverse sexual and gender minorities in India.

Section 4 introduces a conceptual framework for understanding the impact of stigma in educational settings, with a focus on the economic losses that would occur if harassment and discrimination discourage or prevent LGBT people from achieving higher levels of education. Section 5 moves into the workplace setting, presenting evidence of discrimination against LGBT people and showing how that treatment generates economic loss. That section also considers the impact of pressure to marry on the labor force participation decisions of LGBT people, noting constraints that could also generate economic costs. Section 6 analyzes health disparities, connecting health with economic outcomes and reviewing evidence of health disparities in India for three conditions: HIV infection, depression, and suicide. Section 7 discusses the types of avoidable costs that are tied to health disparities. The final section summarizes the report's findings.

Although the terms of reference for this project did not include policy recommendations, the report makes suggestions in two key areas along the way and in the final section: the need for better data on LGBT people and the need for more research on the impact of stigma and exclusion on LGBT people, particularly with respect to poverty. Rapid advances in the understanding of how to ask questions about sexual orientation and gender identity suggest that collecting better data is feasible. Support for research projects focusing on poverty, participation in existing anti-poverty programs, education, and other topics would greatly expand our understanding of how exclusion of LGBT people operates in India and other countries and what the implications are for economic development.

2 EVIDENCE OF ATTITUDES TOWARD LGBT PEOPLE IN INDIA

This section presents data on attitudes toward homosexuals from the World Values Survey for India and discusses the broad legal context that creates space for the exclusion of LGBT people. In the 2006 World Values Survey, 64 percent of Indians say that they believe that homosexuality is never justified; 41 percent say that they would not want to have a homosexual neighbor. However, comparisons with data from earlier surveys show that negative attitudes about homosexuality have diminished since 1990. Indian law still criminalizes same-sex sexual activity, and no laws explicitly protect LGBT people from discrimination. Recent Indian Supreme Court decisions point in different directions for transgender people and LGB people, however.

2.1 WORLD VALUES SURVEY DATA

Survey data from India indicate that many people hold negative attitudes related to homosexuality. The World Values Survey (WVS) is a periodic survey of attitudes and values of individuals that is conducted using the same survey instrument in many different countries. India has been included in four waves of the WVS, and this report draws primarily on the most recent survey conducted in 2006. The survey was translated into ten languages and administered in face-to-face interviews with a random sample consisting of 2001 residents in the 18 largest states.³

Two questions allow for measures of tolerance for homosexuality in India. The first measure is a question that asks respondents whether they think that homosexuality (among other stigmatized behaviors) is ever justified. Respondents could give one of five possible answers: never justified, sometimes not justified, neither justified nor unjustified, sometimes justified, and always justified. A second measure asked whether respondents would not want to have members of particular groups as neighbors, including homosexuals. The measure based on that question captures whether homosexuals were mentioned or not, i.e. that the respondents would not want a homosexual neighbor.

Both measures indicate significant negative attitudes toward homosexuals but also perhaps some distinction between attitudes and respondents' own intention to avoid homosexuals. In the first measure, 64 percent of Indians say that they believe that homosexuality is never justified, 13 percent believe it is sometimes not justified, 10 percent believe it is neither justified nor unjustified, and only 14 percent said that it is sometimes or always justified.⁴ In the second simpler measure, 41 percent say they would not like to have a homosexual neighbor.

³ See "Study Description: [India]," 2006, available from <http://www.wvsevsdb.com/wvs/WVSDocumentation.jsp?Idioma=I>.

⁴ A large proportion of the sample, 499 people, either said they don't know or did not answer the justifiability question. Only 40 respondents did not answer the neighbor question.

Interestingly, the patterns in India by subgroups do not appear to conform to what is seen in other countries. In some other countries, certain personal characteristics have been shown to be correlated with views of homosexuality: younger people, less religious people, people in cities, and more educated people tend to have more positive attitudes toward LGBT people and homosexuality (Herek 2009). The detailed table in Appendix 2 breaks down Indians' attitudes by those characteristics but shows different patterns. In India, more positive attitudes are seen among people in older age groups, in small (but not the smallest) towns, among people who attend religious services relatively often, and among the least educated and most highly educated groups.⁵ Using a multivariate model to predict negative attitudes on these two measures confirmed that, holding all else equal, positive attitudes are most likely to be found among men, people over 25, those in small towns, those who are not literate, and those with moderate religious service attendance.

2.2 ATTITUDES COMPARED TO OTHER COUNTRIES AND OVER TIME

To further put these measures in context, consider two perspectives comparing Indian data to other countries and to surveys in earlier years. First, from a comparative perspective, India falls in the middle of the pack of countries included in the WVS. On the neighbor question, for example, Indians are more likely not to want a homosexual neighbor than are respondents in Mexico (30 percent), Vietnam (29 percent), the United States (25 percent), and Thailand (34 percent). However, Indians are less likely not to want a homosexual neighbor than respondents in China (68 percent), Ghana (79 percent), Hong Kong (49 percent), Indonesia (67percent), and South Korea (87 percent).⁶

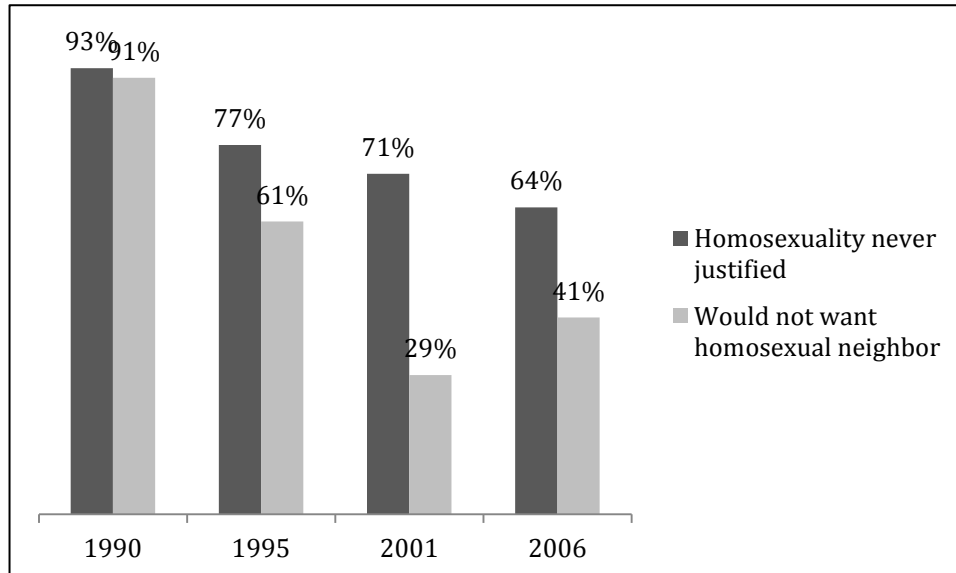
Second, the attitudes of Indians have gotten more positive over time, as a comparison of the 2006 figures with earlier WVS waves in 1990, 1995, and 2001 shows.⁷ Figure 1 charts the percentage of Indians who say homosexuality is never justified and the percentage that would not want a homosexual neighbor. The first measure has declined steadily. The neighbor measure shows an unexpectedly sharp decrease in 2001 and then an increase in 2006, but even the 41 percent figure in 2006 is considerably lower than the two earliest surveys.

⁵ Chi-squared tests indicate that differences are statistically significant at the 5% level for age differences (neighbor question), size of town (both questions), religious denomination (justified question), religious service attendance (both questions), and education (both questions).

⁶ Based on reported percentages of respondents mentioning homosexuals as someone they would not want to have as neighbors, WVS_Codebook_2005_v20090415.pdf, Table V38.

⁷ India was not included in the 2010-2014 wave of the WVS.

FIGURE 1: ATTITUDES TOWARD HOMOSEXUALITY IN INDIA FROM FOUR WORLD VALUES SURVEYS



Source: Author's calculations from World Values Surveys online data analysis tool at <http://www.worldvaluessurvey.org/index.html>.

While these measures do not capture the full range of possible opinions and attitudes toward LGBT people, the WVS measures suggest that stigma of homosexuality is present and still very common in India. Negative attitudes create a context in which stigma can be enacted in the workplace, families, and communities to discriminate against and exclude LGBT people from important social contexts and opportunities.

2.3 LEGAL STATUS

In addition to understanding Indians' attitudes, it is important to understand the basic legal context for LGBT people under Indian law (see The World Bank South Asia Human Development Sector 2012). On one hand, LGBT people enjoy some freedom of association in India, and space exists in civil society for participation by LGBT people: LGBT organizations can form and operate, public demonstrations on LGBT issues take place, and LGBT cultural life exists publicly. On the other hand, Section 377 of the Indian Penal Code criminalizes sexual activities between adults of the same sex, and to date, the Indian Parliament has not passed any direct legal protections against discrimination against LGBT people, such as laws that prohibit discrimination based on sexual orientation or gender identity in social and economic spheres. Similarly, no legal recognition of same-sex relationships exists.

Two recent decisions by the Supreme Court of India demonstrate two very different directions for the current trajectory of the interpretation of Indian law and human rights with respect to LGBT people. The first decision concerned the criminalization of same-sex sexual activity. In 2009, the Delhi High Court had ruled in its *Naz Foundation* judgment that Section 377 of the Indian Penal Code was unconstitutional with respect to criminalizing

private consensual sexual activities between adults of the same sex (the law could still be applied to non-consensual sex and sex with minors) (Jain 2012). However, the Indian Supreme Court overturned that ruling in December 2013 in *Koushal v. Naz Foundation*, deferring to Parliament to make changes to Section 377 and leaving in place the criminalization of homosexual behavior in India.

In the second case, just a few months later on April 15, 2014, the Supreme Court of India ruled in *National Legal Services Authority v. Union of India* that transgender Indians were entitled to a third gender status as a means to equal treatment under the law, including legal recognition. The ruling paves the way for transgender people to use a third gender category on important identity documents. The Court also declared transgender people to be a “socially and educationally backward class,” entitling them to affirmative action in education and government employment. In addition, the Court directed the Government to include transgender people in social welfare schemes, to provide appropriate medical care, and to increase public awareness. As such, this far-reaching decision could lead to rapid improvements in the legal, social, and economic status of transgender people, since such protections have not been available at the national or state level (Jain et al. 2014). However, the two recent decisions by the Court create a protected category for transgender persons like *hijras*, while placing them within the purview of criminality for their sexual acts.

3 TERMINOLOGY AND ESTIMATES OF THE SIZE OF RELEVANT POPULATIONS

This section presents terminology related to sexual orientation and gender identity, along with estimates of the prevalence of LGBT people in the population. While the western LGBT categories do not map precisely onto Indian categories, the term “LGBT” captures at least the potential for common experiences of sexual and gender minorities in India and of LGBT people in other countries that result from stigma and prejudice. Prevalence estimates would provide a basis for scaling up individual costs of exclusion to the country level.

3.1 DEFINING SEXUAL ORIENTATION AND GENDER IDENTITY

In assessing the potential impact of exclusion and stigma on LGBT people and the Indian economy, a discussion of what is meant by “lesbian, gay, bisexual, and transgender” is necessary as a preliminary matter. In India, identities and terms such as lesbian, gay, bisexual, and transgender do not fully capture the range of sexual orientation and gender identities that exist across the Indian population. Nevertheless, the term “LGBT” is used in this report because as an umbrella term it is concise and captures at least two important elements that link the experiences of sexual and gender minorities in India to the growing global research on LGBT people: stigma and prejudice against those whose sexual attractions and behavior include people of the same sex, and stigma and prejudice against those who are gender nonconforming (with respect to their birth sex) in their expressions and identities.⁸ These identity terms that represent sexual orientations and gender identities are often used in human rights discourse to provide an overarching understanding of who the people are who face human rights violations because of their sexual orientation or gender identity.⁹

As noted earlier, “stigma” in this report is meant to broadly cover this sort of prejudice and other negative attitudes toward LGBT people, including attitudes related to someone’s gender identity or expression. “Exclusion” refers to the disadvantages and discrimination that result from stigma. Stigma and exclusion are used interchangeably in this report’s economic model since one concept, stigma, is the source of the other, exclusion. “Discrimination” is used in certain contexts, such as employment, to indicate the differential and disadvantageous treatment of LGBT people when compared with similarly qualified non-LGBT people.

International researchers involved in the scholarly study of sexuality and gender define sexual orientation and gender identity in different ways, depending on the purposes of a study and its theoretical context. In the HIV health and policy arena, which is an important source of data for India, the term “MSM” for “men who have sex with men” captures the

⁸ Psychologist Gregory M. Herek defines stigma as “the negative regard and inferior status that society collectively accords to people who possess a particular characteristic or belong to a particular group or category.” He defines sexual prejudice as “internalized sexual stigma that results in the negative evaluation of sexual minorities.” (Herek 2009)

⁹ See, for example, the Preamble to the Yogyakarta Principles.

behavioral aspects of being LGBT: the sex of one's sex partners. While such a concept is expandable to thinking about women who have sex with women (WSW), that is a group generally seen as less relevant in the context of the HIV epidemic, including in India, and no research on WSW *per se* in India has been found.

In addition to behavioral definitions, researchers also commonly draw on two other dimensions of sexual orientation: attraction to people of the same sex or a different sex, and identification as lesbian, gay, bisexual, or heterosexual (Laumann et al. 1994; Sexual Minority Assessment Research Team 2009). In most surveys that allow for comparisons across the three dimensions of sexual orientation, attraction to (or sexual desire for) people of the same-sex is more common than either actual sexual experiences with someone of the same sex or identifying as lesbian, gay, or bisexual. However, social science researchers have generally not theorized or measured direct connections between attraction and social or economic outcomes, focusing instead more on behavior and identity.

Sexual orientation identities involve thinking of oneself as having a socially constructed identity—such as lesbian, gay, or bisexual—and usually (although not always) involve same-sex sexual behavior and attraction to people of the same sex. Those identities are thought to have many psychological, social, cultural, and political dimensions that are relevant to such social and economic outcomes as family formation, employment outcomes, sexual orientation disclosure, or social movement creation. Being behaviorally LGB (i.e. MSM or WSW) might also expose a person to violence, police harassment, or discrimination, but without some kind of LGB identity, those behaviorally gay individuals might be less likely to organize important parts of their lives around their sexual orientation.

Gender identity captures a different human dimension, focusing on how one thinks of oneself in terms of being male or female. One way to define a transgender person is as someone whose sex at birth differs from how they currently think of themselves and how they live their life.¹⁰ In addition to gender identity, being transgender can also involve differences in gender expression, such as appearance and mannerisms that do not conform to what is socially expected of one's birth sex (Sexual Minority Assessment Research Team 2009).

3.2 INDIGENOUS CONCEPTS OF SEXUAL ORIENTATION AND GENDER IDENTITY

In the Indian context, sexual orientation and gender identity are intertwined and not necessarily distinct concepts, and the research from India cited in this report mostly draws on those indigenous concepts. Gender, geography, class, language, and religion have influenced the development of local non-heterosexual identities (Asthana & Oostvogels 2001; Mohan & Murthy 2013).

¹⁰ Using the third person plural form of pronouns is one way to indicate that personal pronouns used by transgender people might not fit their birth sex, for example.

However, we can also see the Indian terms being mapped into terms used in the global research related to sexual orientation and gender identity. In Indian health surveys, the term MSM includes transgender people who are born male but now have a female or feminine identity.¹¹ Several identities or groups have been noted across studies, with variations in the degree of sexual interest in men or women, their gender expression and identity, and whether they take insertive or receptive roles in oral and anal sex. These descriptions are fairly similar across studies (Asthana & Oostvogels 2001; Newman et al. 2008; Phillips et al. 2008), but it is important to keep in mind that variations in these characteristics of identities are possible, particularly in sexual roles. Such categories including these examples:

- *Hijras* (also known as *ali* in some places) are born male but take on a third gender along with a feminine appearance, and they generally have sex with men. Their ties to Hindu texts and traditions can still be seen in their role providing blessings at weddings or births. Despite that role, the socioeconomic status of hijras is often low and now often involves commercial sex work. They map onto male-to-female transgender or transgender women in western identity categories.
- *Panthis* are men with a masculine identity, are mainly oriented to sex with women, and when having sex with men generally take an insertive role. They are diverse in their socio-economic backgrounds.
- *Double-deckers* are men who are sexually attracted to other men, take insertive or receptive roles, and their gender identity can be masculine or neutral. Some argue they are the closest equivalent to a western “gay” identity (Asthana & Oostvogels 2001).
- *Kothis* are feminine men who might cross-dress; they mainly have sex with panthis, and are often of lower socioeconomic status.

A similarly complex taxonomy does not appear to be commonly used for women who are attracted to or have sex with other women or who take on a masculine gender (Mohan & Murthy 2013). One source noted the use of “single women” or same-sex loving women instead of “lesbian,” but those terms have not been widely adopted. Furthermore, the difficulty in studying lesbians in India is demonstrated by the fact that very little English-language survey data that focused on women who either identify as lesbians or who have sex with other women could be located. Indeed, recent attempts to collect survey data were unsuccessful in recruiting samples large enough to analyze quantitatively (e.g. CREA 2012).

The individuals who are sexually attracted to someone of the same sex but decide not to act on those attractions remain beyond identification by most research studies. It is likely that women are more likely than men to fall into this category in India. Marriage to a different-sex partner is expected for both men and women, but marital roles appear to be more limiting for women (CREA 2012; Asthana & Oostvogels 2001; Fernandez & Gomathy 2003;

¹¹ More recent HIV surveillance practice appears to be moving toward defining transgender populations as separate from MSM, however.

Mohan & Murthy 2013). Different-sex marriage does not appear to have the same limiting impact on married men's ability to seek out male sex partners and relationships. The stigma faced by unmarried women and the lack of freedom for married women suggest that many women who might prefer to live as lesbians if stigma were reduced will not be visible to most researchers. The missing lesbians in the research literature complicate our ability to understand the potential economic costs for women of stigma and exclusion.

3.3 PREVALENCE OF SEXUAL AND GENDER MINORITIES IN INDIA

Understanding the terminology and state of research in India is important for interpreting the potential costs of exclusion. The magnitude of the potential losses described in this report will be directly related to the size of the LGBT population (or the prevalence of being LGBT): the larger the number of LGBT people, the larger the costs of exclusion. In theory, one could aggregate estimates of the size of each of the different identity-based groups described above. However, there are no known national population-based studies that could generate reliable prevalence estimates for India for any of those groups, so this section also discusses other sources. Box 1 describes some of the challenges of collecting data but also the potential for greater data collection on LGBT people.

BOX 1: DATA CHALLENGES FOR ASSESSING INCLUSION OF LGBT PEOPLE

Finding empirical data on economic, health, family, and other outcomes for LGBT people is complicated by several challenges:

- Understanding local identities is essential but challenging, since the mapping of identities, sexual attraction, sexual behavior, and understandings of gender may work in very different ways across countries.
- Most countries' general surveys related to the economy or health do not include questions about sexual orientation or gender identity.
- Existing surveys of LGBT people are often administered to samples of individuals who are not representative of the LGBT population, such as surveys of people online, members of LGBT organizations, or "snowball" samples (when respondents provide contacts to other LGBT people) of people in a social network.
- Stigma and fear of discrimination might reduce the willingness of LGBT people to correctly report their sexual orientation or gender identity on surveys.
- Most efforts have focused on sexual orientation data with few allowing identification and analysis of transgender people; fewer studies exist of lesbian and bisexual women than of gay and bisexual men.

Data on LGBT people in developing countries are particularly difficult to find. Perhaps the biggest source of relevant survey data in these countries is research on MSM in the context of HIV/AIDS. Those studies often use samples of MSM and transgender women drawn from public sex environments, clinical samples, or through snowball sampling. Such sampling methods can be very useful for learning about the lives of LGBT people and about variation in their lives. The disadvantage is that the findings cannot be generalized from those nonrandom samples, and such surveys cannot be used to estimate the prevalence of LGBT people in the population.

In several countries, including some developing and emerging economies, statistical agencies and NGOs have made notable attempts to collect data on LGBT people, including these examples:

- Brazil (2010) and Uruguay (2011) asked questions about same-sex partnerships on their most recent census (Goldani & Esteve 2013).
- In 2011, Nepal's Central Bureau of Statistics (CBS) added a "third gender" category to its census form used to collect basic demographic data in the Household Registry. However, issues of disclosure, harassment by enumerators, and errors appear to have led to a very small count, and the CBS did not report the number of third gender people counted (Bochenek & Knight 2012).
- Ecuador's National Institute of Statistics and Census (INEC) used a snowball sampling method to survey more than 2,800 LGBTI people recently about their living conditions and experiences of discrimination (Anon 2013).

BOX 1 CONTINUED

- A 2011 study in Kenya interviewed 474 respondents about discrimination. The study found evidence of police harassment, family-related stigma, employment discrimination, discrimination by health care providers, discrimination in educational settings, and physical violence (The Kenya Human Rights Commission 2011).

The survey techniques used in those examples are also still common in high-income countries, but statistical agencies in the United States, the United Kingdom, and Canada are beginning to add questions on self-identified sexual orientation, same-sex relationships, and sexual behavior, to large-scale random samples of the population. That approach to collecting population-based data has allowed for more detailed analyses of differences by sexual orientation in income, poverty, health, and education. For more information, see lgbtdata.com and Sexual Minority Assessment Research Team (2009).

As data collection on LGBT people improves in developing countries, researchers will be able to show how LGBT people are included or excluded, including comparisons of earnings, poverty, health, political participation, and other important outcomes. Such findings would be very useful in the context of modeling the economic costs of exclusion.

The 2011 Indian Census marked the first time that an “other” category was added to the male and female options on the question about sex, in essence providing a third gender category, but the resulting count of transgender people is thought by some observers to be unreliable. A total of 490,000 individuals of all ages reported the “other” option, or about 0.04% of the Indian population of 1.2 billion people. Many observers believe that figure to be an undercount given the unfamiliarity of the option, concerns about the quality of answers coded by enumerators, and the likely underreporting by transgender people worried about revealing a stigmatized status to the government (Nagarajan 2014; Roy 2011).¹² Of those using the “other” status, 66 percent lived in rural areas, compared with 69 percent of the whole population (Nagarajan 2014).

Otherwise, most available Indian data on the prevalence of men having sex with men (MSM) comes from HIV-related research and provides a range of estimates. A review of studies conducted between 2003 and 2007 in South Asia suggests that the lifetime prevalence of men ever having sex with a man is 8 to 34 percent. The authors of that review note that features of the two studies generating the high end of that range include sex workers and truck drivers, two groups likely to have a higher-than-average rate of same-sex sex and unlikely to be representative of all men in India (Cáceres et al. 2008). One study suggests that estimates of MSM prevalence in India might be suppressed because of respondents’ unwillingness to report same-sex behavior. When that study used survey modes that provide more privacy for men to report that they have had male sex partners (including computer-assisted surveys rather than face-to-face interviews), the prevalence rates were higher (Potdar & Koenig 2005). In that study, 7 to 8 percent of male college students and of young men living in slums reported having had male sex partners.

A different approach estimates the prevalence of MSM by comparing HIV statistics to the Indian population. HIV surveillance statistics reported by UNAIDS estimate that 2.3 million MSM lived in India in 2012, or 0.6% of population estimates for Indian men aged 15-59. (UNAIDS 2012) This prevalence rate provides a lower bound.

For comparison, these estimates from India overlap with the range seen in other countries. Surveys from the United States and Europe suggest that approximately 1-5 percent of those populations identify in some way as LGBT (Gates 2011). Broadening the definition to include same-sex sexual behavior (MSM or WSW) or attraction increases the prevalence range from 1.8 percent to 11 percent in those surveys.

Overall, the available data suggest that Indian men, at least, are not dissimilar from men in countries that have more representative data on prevalence, and regrettably no such data exist for women. For all of these reasons—the evidence of MSM behavior in many geographic settings¹³ and the fact that women are likely to suppress their attractions to

¹² Detailed data on “others” can be found on the census website, http://www.censusindia.gov.in/2011census/PCA/PCA_OTH_0000_2011.xlsx, last accessed 8/1/14.

¹³ For instance, the National AIDS Control Organization assumes that 40 percent of Indian MSM live in rural areas (National AIDS Control Organization 2006).

other women in the context of marriage—any attempts to estimate the model outlined in this report should take an expansive view of who is included as LGBT. When it is necessary to estimate prevalence, a range should be applied to both men and women to account for uncertainty. Indian HIV surveillance statistics data suggest a low end of 0.6 percent. A reasonable high end estimate might be either the 3.8 percent average of those identifying as LGBT in the U.S. and Europe from Gates (2011), or even the 7 percent low end of the studies of MSM prevalence among Indian men.

4 EXCLUSION IN EDUCATION: INEFFICIENT INVESTMENTS IN HUMAN CAPITAL?

This section assesses the impact of exclusion in the educational realm, which would hurt the economy by reducing investments in human capital. Some reports suggest that harassment and discrimination are present in educational settings, potentially reducing investments in human capital. If LGBT people are prevented or hindered by discrimination from pursuing formal education or by lower returns to human capital investments, then economic losses from lost human capital investments are very likely. However, a review of the literature found insufficient information with which to estimate the impact of stigma on LGBT people's educational outcomes in India.

This section begins the explicit analysis of the impact of stigma and exclusion of LGBT people on the Indian economy, starting with exclusion in the education and training systems. Following this discussion, the report analyzes the treatment of LGBT people in the labor market, and then turns to issues related to health. Each of these domains of human activity has an impact on the potential and realized economic contributions of LGBT people in India. The different domains are also linked to each other in ways that reinforce the impact of exclusion in one setting.

An important connection between stigma, exclusion, and economic outcomes flows through the educational and training process. Education is the primary setting for young people to acquire general human capital, which are the skills, ability, knowledge, and health that lead to higher productivity and economic growth. Exclusion and stigma can lead to lower levels of human capital for two reasons. First, exclusion of LGBT people in educational and training contexts would reduce their opportunities to develop human capital and would therefore diminish future economic output. Second, discrimination in wages could result in unequal compensation for LGBT people's human capital, and reduced returns to an investment in human capital may discourage investments by LGBT people.

Some evidence suggests that LGBT people face exclusion in educational settings. A small set of studies in India find that education and training opportunities are denied to LGBT people or are made more difficult by negative treatment of and lack of support for LGBT people. Indeed, a 2005 Naz Foundation study found that half of MSM respondents had experienced harassment and violence by teachers and classmates, and that treatment reduced their ability to continue with their education (Khan et al. 2005). Another study of a small group of transgender students in secondary schools found evidence of harassment and discrimination by students and teachers (Nirantar, a Centre for Gender and Education 2013). Furthermore, the incentives to engage in education and general training might be diminished if individuals doubt their ability to overcome discrimination and to receive their expected return on investment in the labor market. Resources for investment in training or education by families might also be diminished for children who are gender non-conforming.

A literature review found very little research on educational outcomes of LGBT people in India.¹⁴ In particular, the lack of data collected from representative samples of LGBT people prevents a detailed empirical comparison of educational outcomes by sexual orientation or gender identity (Traeen et al. 2009). Therefore, an estimate of the cost to educational outcomes or the benefits of compensatory resilience of LGBT people in the context of educational attainment is not possible at this time.

The 2011 Census provides one important preliminary comparison of the literacy rates for those using the “other” gender option. Only 46 percent of those using the other gender option were literate, compared with 74 percent of the other population (Nagarajan 2014). This stark difference in literacy rates could be the result of especially harsh and pervasive harassment of transgender people in educational settings. However, given the likely undercount of the transgender population, it is also possible that the question resulted in some response bias in which nonliterate individuals were more likely to use that option.

In addition, some of the HIV surveillance surveys of MSM in India have collected literacy and educational level data that allow for some rough comparisons. The 2002 National Baseline High Risk and Bridge Population Behavioural Surveillance Survey conducted for the National AIDS Control Organization (NACO) included surveys of 1,357 MSM in Delhi, Kolkata, Mumbai, Chennai, and Bangalore (National AIDS Control Organization 2002). Since the survey recruited respondents from public places that men go for sex with other men or for “hanging out,” they may not be a representative sample of MSMs or those identifying as gay or bisexual. Overall, 81 percent of the respondents fell between the ages of 19-35, with an average age of 28.

Table 2 compares the illiteracy rates reported by NACO for MSMs to 2001 Census figures on literacy for urban men in the relevant state for each city. Overall, the illiteracy rate for MSM is higher than for urban men in the same state in Chennai and is about equal in Delhi. The illiteracy rate is lower for MSM in Bangalore, Kolkata, and Mumbai.

¹⁴ The only study found compared quality of life measures in a convenience sample of LGB university students in four countries, including 25 female and 175 male students from one Indian university. However, the samples of LGB students and students who had had same-sex sexual experiences were fewer than ten for either men or women, limiting the study’s ability to make meaningful comparisons (Traeen, et al., 2009).

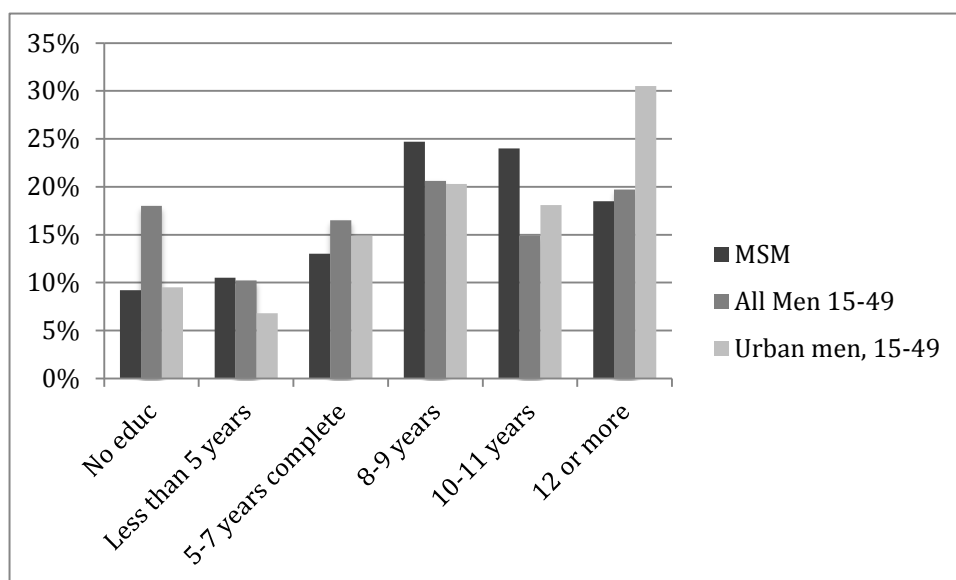
Table 2: Rates of illiteracy for MSM and all urban men (by state)

City	MSM	Urban in state, men, 2001
Bangalore	9%	13%
Chennai	15%	11%
Delhi	13%	13%
Kolkata	6%	14%
Mumbai	3%	9%

Source: NACO; Census 2001, http://www.nlm.nic.in/literacy01_nlm.htm accessed 11/5/13

Figure 2 compares education levels of MSM to those for all men in India in the National Family Health Survey (NFHS) of 2005-2006 (International Institute for Population Sciences (IIPS) and Macro International 2007). The education concepts reported by NACO do not appear to line up precisely with those in the NFHS, since NACO defines illiterate as “includes those respondents who can read and write but have no formal education.” Figure 2, therefore, includes “illiterate” MSM in the “no education” category. When compared to all Indian men, MSM are about equally likely to have 12 or more years of education and are more likely to have 8-11 years, suggesting slightly higher educational levels for MSM. Given the urban sample of MSM, the more appropriate comparison would be to urban men. That comparison shows that MSM are much less likely to have 12 or more years of education (19 percent for MSM vs. 31 percent for all urban men). Putting together the top three categories shows that 67 percent of MSM have eight or more years of education compared to 55 percent of all Indian men and 69 percent of urban Indian men.

Figure 2: Comparison of education levels for MSM and Indian population groups



Sources: National Aids Control Organization, 2002; International Institute for Population Sciences, 2007.

These comparisons suggest that there might be lower levels of literacy and educational achievement overall for transgender people and MSM. With regard to the distribution across educational levels, the more appropriate comparison to urban men suggests that MSM may have lower levels of educational attainment, as do Census 2011 data for transgender respondents. However, given the potential bias in the samples, such comparisons must be considered preliminary and suggestive. Also, there is no similar source of data for LGBT women, so such comparisons are not possible.

One additional possibility complicates an analysis of education and LGBT stigma. The possible linkage of discrimination and human capital investment opportunities has the potential, at least, to trigger the resilience of the LGBT population by increasing the demand by LGBT people for more formal education. In the U.S., for example, most surveys show that LGB people have higher levels of education than comparable non-LGB people (Badgett 2006). Many possible explanations have been offered for that pattern, but as yet there is little research on this issue even where data exist. Formal education may take place in relatively accepting environments, allowing individuals to develop LGBT identities. LGBT people might see greater investments in human capital as a strategy to overcome or mitigate the economic effects of discrimination. Higher education might prepare individuals for jobs that involve more tolerant working environments. All of these factors might increase demand for formal education among LGBT people. Whether or not they are able to translate that demand into actual outcomes given a context of educational discrimination in a particular country is another matter, however.

Beyond the realm of formal education, individuals also acquire human capital through on-the-job training and more formal training in their workplaces, and exclusion could also reduce access for LGBT people to those forms. To date, very little is known about whether or how exclusion against LGBT people translates into suboptimal opportunities and investments in human capital by firms and workers in India or other countries. And unless discrimination is limited to very low-skilled job categories—and the evidence discussed in the next section suggests that it is not—employment discrimination against LGBT people would also exclude them from opportunities to increase their human capital in higher-skilled jobs. As with education, diminished opportunities and investments in training would reduce the stock of human capital in the economy and result in lower output than could have been achieved.

The second route by which exclusion could diminish human capital is if discrimination in wages results in lower returns for LGBT workers' investments in human capital than non-LGBT workers' returns for the same level of human capital. If LGBT people receive lower returns because of discrimination, they may be less likely to make investments. Unfortunately, we have no data on the returns to education for LGBT people in India. Such research in other countries is also rare, but does reveal lower returns to education for lesbians in same-sex couples in the United States (Jepsen 2007; Antecol et al. 2008), for example.

This important potential link between the treatment of LGBT people in education and training settings and in the labor market demonstrates the interconnectedness of forms of

exclusion. Exclusion in health settings and health disparities for LGBT people are discussed later in the report. Those disparities may also play a role in human capital investment, since better health and longer lives increase the incentives for individuals to invest in education and other forms of human capital that pay a return over time. Thus a disadvantage in one domain (health or education) can have effects in another domain (education or the labor market), suggesting that social and policy changes to promote full inclusion of LGBT people would need to be coordinated and aligned across different economic settings.

Box 3 describes additional dimensions of exclusion that would increase the economic costs of stigma and exclusion but lack sufficient research to identify evidence of exclusion. Further research on barriers to education and training for LGBT people and the other dimensions in Box 3 would increase our understanding of the full costs of exclusion.

5 EXCLUSION IN EMPLOYMENT: LOWER PRODUCTIVITY AND OUTPUT

This section develops a conceptual framework for understanding the impact of stigma in the workplace. Discrimination against LGBT people involves inefficiencies that reduce the productivity of labor and, therefore, economic output. A small but growing set of studies, both qualitative and quantitative, demonstrate that discrimination against LGBT people is present in Indian workplaces. For example, a 2013 survey of college-educated, white-collar LGBT workers in India found that 56 percent had experienced discrimination in the workplace based on their sexual orientation. Constraints on the labor supply of lesbians are also likely to reduce their economic contributions.

5.1 EMPLOYMENT DISCRIMINATION LEADS TO ECONOMIC INEFFICIENCIES

The conceptual model of the cost of stigma and exclusion is rooted in economic models of discrimination and of the family, as well as in health economics and psychological research on minority stress. From economics, we know that such treatment can reduce the economic contributions of LGBT people, both directly through unemployment, underemployment, and lower productivity, and indirectly through behavioral feedback loops that reduce individual and social investment in human capital and health. Lower wages and unemployment are associated with poverty, therefore LGBT people are likely to have higher rates of poverty, as discussed in Box 2. Models of social exclusion also focus attention on the links between social stigma and discrimination in various contexts, and such models show how earnings inequality can affect housing options, family formation, and education decisions.

In general, discrimination in workplaces can lead to underutilization of human capital if skilled workers from a stigmatized group are passed over in hiring or are replaced with less-skilled workers from favored groups. The degree of inefficiency would diminish to the extent that less biased employers exist who are willing to pay similar wages to the members of disfavored groups (Becker 1971), or to the extent that there might be other equally productive employment options in either the formal or informal economy. If there are not enough nondiscriminatory employers, or if information about other employment options is slow to reach jobseekers, then unutilized or underutilized skilled workers constitute a loss to economic output. In addition, the discriminatory treatment and harassment of LGBT people in the workplace can reduce their productivity, even if their wages and employment are not directly affected.

BOX 2: POVERTY IN THE LGBT COMMUNITY

The susceptibility of LGBT people to poverty is sometimes obscured by false stereotypes of affluent gay men, in particular. However, discrimination and exclusion are likely to lead to increased poverty in the LGBT community in India and elsewhere. Lack of access to jobs, barriers to education and housing, and rejection by families, for example, can put LGBT people in precarious economic positions. While all LGBT people potentially face those barriers, those living in poverty would have fewer financial resources and opportunities with which to mitigate the impact of stigma and discrimination.

Evidence of poverty among LGBT people is emerging in India and elsewhere:

- Third gender people in Chhattisgarh, India, who were involved in a leadership development project were found to be mostly living below the poverty line (Masih et al. 2012). Most of them made a living through begging, sex work, or dancing in weddings.
- A study of kothis in Chennai found that family rejection exacerbated the risk of poverty (Chakrapani et al. 2007).
- A study of kothis in five Indian cities and one city in Bangladesh found that 64% of respondents had incomes below \$70 per month (Khan et al. 2005).
- A community-based sample of MSM in Chennai found that two-thirds were living on incomes below \$1.50/day (Newman et al. 2008).
- In 2008 Tamil Nadu established a Transgender Welfare Board to improve the socioeconomic position of transgender people (known as aravanis) due to their particular vulnerabilities, such as discrimination and financial insecurity. The Transgender Welfare Board provides self-employment grants, income assistance, housing assistance, food cards, and health care to eligible low-income transgender people (Chakrapani 2012). In 2012, the board began providing a Rs1,000 monthly pension to eligible aravanis.

Focus groups of MSM from South Africa, Kenya, and Nigeria revealed that poverty itself also contributed to exclusion (Arreola et al. 2012). MSM felt forced to conceal their sexual behavior, making them vulnerable to blackmail, extortion, and violence. Some turn to sex work when they have no other options.

Direct comparisons of poverty rates and risk of poverty across sexual orientations and gender identities require data from representative samples of a population. The only known direct comparisons of poverty come from the United States. The most recent data there show that LGBT people are more vulnerable to poverty than heterosexual people with similar characteristics. In addition, when compared with heterosexual people, LGBT people are more likely to qualify for cash and food assistance, and they are more likely to report times when they did not have enough money to buy food (Badgett, Durso & Schneebaum 2013; Gates 2014).

5.2 EVIDENCE OF DISCRIMINATION AGAINST LGBT PEOPLE IN THE WORKPLACE

In India, discrimination based on sexual orientation and gender identity is not prohibited by law, and a growing body of evidence suggests that discrimination and unequal labor market outcomes exist in a wide range of economic contexts for male, female, and transgender LGBT people.

- The consultation process for the project, “Charting a Programmatic Roadmap for Sexual Minority Groups in India,” identified discrimination, including workplace discrimination, as “the core issue in the LGBT movement.” That report involved consultations with LGBT community members and leaders who reported the existence of discrimination (The World Bank South Asia Human Development Sector 2012).
- The 2011 Census of the Indian population revealed that 38 percent of third gender respondents were working, compared with 46 percent of the general population (Nagarajan 2014). Third gender workers also appear to have less secure employment: only 65 percent of the third gender workers were employed for at least six months of the year compared with 75 percent of the general employed population.
- A 2005 report on a survey of 240 MSMs in India and Bangladesh found that 75 percent of respondents engaged in sex work out of economic necessity since discrimination severely limited other opportunities (Khan et al. 2005).
- A 2011-12 study of 455 LGB individuals in India working for Indian or multinational companies in the financial, software, and engineering sectors in India showed evidence of discrimination (MINGLE 2011).¹⁵ One fifth of LGB employees who had disclosed their sexual orientation to others in the workplace had experienced discrimination either sometimes (9 percent) or often (11 percent). Thirty percent have experienced harassment by co-workers, and 80 percent have heard anti-gay comments in the workplace sometimes or often.
- In a 2013 survey of college-educated, white-collar LGBT workers in India, 56 percent reported experiencing discrimination in the workplace based on their sexual orientation (Hewlett et al. 2013).¹⁶
- U.S. State Department Country Reports on Human Rights Practices have consistently noted that Indian activists report employment discrimination based on sexual orientation and gender identity.

The fact that discrimination is common and well-documented in the multinational economic sector, with its reliance on an educated workforce that (in many countries) has more tolerance toward homosexuality, suggests that LGBT workers in other sectors might face even greater discrimination.

¹⁵ Respondents came from 17 companies operating in India. There were no transgender respondents to the survey.

¹⁶ In the sample, 314 respondents identified as gay, lesbian, or bisexual and 12 as queer, while another 24 people identified as transgender, 62 identified as intersex, and 6 as *Hijra*.

It is possible that casual labor or self-employment might be strategies for LGBT people in India to avoid discrimination and stigma in formal sector workplaces. Most people in India work in the informal sector, with a heavy concentration in agriculture (Basole & Basu 2011).¹⁷ The Indian economic context thus raises two issues. First, whether this avoidance strategy would provide effective protection against economic harms related to stigma will depend on the degree to which potential employers of casual laborers or potential customers and creditors of self-employed people have prejudiced attitudes toward LGBT people. Indeed, data on attitudes from the World Values Survey in Section 2 showed that negative attitudes toward homosexuality exist in both rural and urban areas of India. Additional research will be very important for understanding how LGBT people fare in those contexts. Second, the avoidance strategy would still result in economic inefficiency if work in the formal sector is more economically productive than work in the informal sector, as is generally thought to be the case.

Studies of discrimination from many other countries demonstrate other research methods that could be used to study discrimination against LGBT people in the Indian economy. That growing international body of evidence draws on several methods: self-reports of discrimination, regression analysis of wage differences by sexual orientation or gender identity that likely result from discrimination, and “audit studies” that show that LGBT job applicants are not treated in the same way as heterosexual applicants by employers (Badgett 2006; Klawitter n.d.).¹⁸ Also, a small but growing body of research in the United States suggests that employment discrimination against transgender people might be more severe than against LGB people (Grant et al. 2011).

Discrimination against LGBT people also appears to reduce their wages, at least for men. According to Klawitter’s review of a variety of studies of wage differences in the United States, Netherlands, UK, Sweden, Greece, France, and Australia, on average gay and bisexual men earn 11 percent less than heterosexual men with the same qualifications (Klawitter n.d.). Not all scholars agree on the cause of this wage gap, although most consider discrimination to be a reasonable contributing factor, if not the sole cause.¹⁹

While no similar studies exist for LGBT people in India, it is interesting to note that this international sexual orientation wage gap estimate is comparable to the wage gap for members of scheduled castes and tribes in India. Madheswaran and Attewell found a 9 percent negative gap for members of scheduled castes and tribes and an 11 percent gap for Other Backwards Classes in data from 1999-2000 (Madheswaran & Attewell 2007). In

¹⁷ There is evidence that MSM may be at least roughly as common in rural areas as in urban ones (Setia et al. 2008).

¹⁸ Countries with such findings include Austria, Australia, Canada, France, Italy, Greece, Netherlands, Sweden, U.K., and the U.S.

¹⁹ Other potential causes have to do with possible reductions in human capital and reductions in labor force participation. Badgett (2006) argues that gay men are not likely to have lower rates of unobserved human capital, given that rates of observed human capital investments in education are actually higher for gay men than for heterosexual men. Also, the difference in employment hours for gay and heterosexual men is very small.

contrast, the gender wage gap in India is much larger than the 11 percent pay gap for gay men. While the actual value of the gender wage gap varies across studies, one meta-analysis averaged findings across studies to get an average earnings gap for Indian woman of about 25 percent after controlling for observed differences in qualifications (Zweimüller et al. 2007).

5.3 ROLE OF DISCLOSURE

Additional forces connect the workplace treatment of LGBT people and the potential utilization of existing human capital. In particular, sexual orientation and gender identity are not always obvious personal traits, and they can often be hidden, colloquially known as “being in the closet,” as opposed to being known, or “being out.” Decisions about disclosure of one’s sexual orientation or gender identity appear to be influenced by many factors, including the perceived psychological cost of hiding, the perceived risk of disclosure, and the potential benefits of disclosure. In addition, LGBT individuals might be more open in some contexts than others, whether to family, friends, coworkers, or supervisors, for instance. India’s cultural context shapes the context and potential consequences for coming out, which might be a much stronger limit on women, who have fewer economic resources and options than men as well as more constraints on freedom (Mohan & Murthy 2013).

The workplace studies earlier show fairly low levels of disclosure in the workplace in India. The Center for Talent Innovation (CTI) study found that 45 percent of Indian respondents were out in the workplace (compared with 59 percent of U.S. workers in the same survey). In the MINGLE study, about half of Indian employees were out (16.5 percent) or partially out (34.5 percent) to their coworkers, but fewer were out (17.5 percent) or partially out (14 percent) to managers.

As a result of this potential invisibility of their stigmatized status, even discriminatory employers might hire sexual minorities into jobs. In closer working relationships, coworkers of LGBT employees might infer or presume an LGBT status, or LGBT workers themselves might disclose their status to coworkers or supervisors. Greater knowledge of the presence of LGBT workers in the workplace can also affect economic outcomes. If coworkers hold prejudicial attitudes toward LGBT people, then conflict might emerge if LGBT workers are open, reducing workplace productivity of LGBT and non-LGBT workers alike. If LGBT workers reveal their stigmatized status, though, they might be more vulnerable to discrimination. For example, the CTI study found that 71 percent of out Indian employees feel stalled in their careers, while only 57 percent of those not out feel stalled. The closet is not complete protection from discrimination, though. If LGBT workers successfully hide their stigmatized status, research from other countries suggests that they might have lower productivity and poorer health outcomes than they are capable of reaching (Badgett, Durso, Kastanis, et al. 2013).

5.4 THE POSITIVE IMPACT OF NONDISCRIMINATION POLICIES

However, employers can reduce possible negative outcomes by implementing policies of equality and other cultural changes. Many Indian workforces are increasing their attention to the need to manage a workforce that is diverse in terms of sex, language, disability, caste, ethnicity, religion, and other factors (Buddhapriya 2013). Although little diversity attention has been given to sexual orientation and gender identity, awareness of the need for and advantages of being attentive to sexual orientation and gender identity diversity is growing in India (Banerji et al. 2012).

Some evidence suggests that positive connections exist between less discrimination, more disclosure, and higher productivity likely apply to the formal Indian workforce. In the MINGLE study, 50 percent of respondents believed that discrimination and being closeted had an effect on their productivity at work (MINGLE 2011). That survey also found that respondents who reported being out in their workplaces were more comfortable with their managers, more loyal to their coworkers, more satisfied with their promotions, and reported making more of a contribution to their workplace than were workers who were not out.

The research in India is consistent with a broader international body of research finding that nondiscrimination policies and signals that LGBT people are treated fairly have positive impacts on employer outcomes—the so-called “business case for diversity.” (Conversely, discriminatory environments can have effects that would be detrimental to an employer’s outcomes.) A recent review of literature in psychology, economics, sociology, public health, and management reveals several key findings from studies mostly conducted with U.S.-based samples (Badgett, Durso, Kastanis, et al. 2013):

- Having LGBT-supportive policies in the workplace is associated with reduced incidence of discrimination, and less discrimination is associated with better psychological health and increased job satisfaction among LGBT employees.
- A supportive workplace climate—which includes both LGBT-supportive diversity policies and broad support from co-workers and supervisory staff—is associated with a greater likelihood that LGBT employees will feel comfortable disclosing their sexual orientation at work. In turn, increased disclosure of sexual orientation is related to improved psychological health outcomes among LGBT employees.
- LGBT employees report more satisfaction with their jobs when covered by LGBT-supportive policies and working in positive climates.
- The presence of LGBT-supportive diversity policies and practices in the workplace is associated with improved relationships among LGBT employees and their co-workers and supervisors. In addition, LGBT employees are more engaged in the workplace, are more likely to go above-and-beyond their job description to contribute to the work environment, and report greater commitment to their jobs.

Many of these outcomes related to LGBT people have been shown in related workplace literatures (not focused on LGBT people) to be associated with higher productivity and lower labor costs, potentially increasing employer profits.

In summary, exclusion of LGBT people in the realm of employment as the result of stigma means lower wages, reduced access to employment that fully utilizes an LGBT individual's existing productive capacity, increased unemployment of LGBT people, and conditions within places of employment that reduce the productivity of LGBT people. Eliminating stigma and discrimination would increase worker wages or income and thus would increase productivity and output as human capital is better utilized. Also, employers have access to policies and practices that can reduce discrimination and lost productivity.

5.5 CONSTRAINTS ON LABOR SUPPLY

While evidence from Section 5.2 shows that lesbian and bisexual women face discrimination in India, the impact of discrimination is more complex and requires additional considerations related to women's labor supply. For women, assessing the cost of stigma is not easily summarized by a wage gap; instead predicting the impact of stigma on labor market outcomes requires predicting its effect on family formation and household decision-making. If, in the absence of stigma, LGBT people were free to form families and households without being forced to marry a different-sex partner, their family decision-making would take place in a different context and might well result in different economic decisions about labor force participation.

For example, as discussed earlier in Section 3, research suggests that a lesbian in India faces enormous pressure from her family and culture to marry a man. She and her husband would likely have children and make decisions to use her time more in care work and productive work in the home. Even if she is more productive in the labor force than she is in work in the home, the family might still decide that the family is economically better off with the husband working for wages outside the home.²⁰ These economic decisions would be reinforced or even dictated by social and cultural norms about the proper roles of husbands and wives in the family. Additional household decisions might further reduce her economic contributions, for instance, making fewer investments to increase the productivity of her labor in agriculture or in her small business. In line with this analysis, the 2011-2012 Indian labor force data described below shows that only 22.5 percent of women are in the labor force (using both their primary and secondary employment statuses), compared with 55.6 percent of men in the labor force.

However, lesbians might well make different kinds of labor market decisions if they are freed from these pressures to marry a man and work in the home. Gender norms are likely to play smaller roles (if any) in decision-making in same-sex couples, particularly when it comes to decisions about working in the paid labor market. These differences might allow lesbians who can create families with other women to shift their economic contributions from the household into paid labor when it makes sense to do so, increasing both family

²⁰ Gary Becker's theory of the family argues that families are more efficient when dividing up labor based on the comparative advantage of spouses rather than on their individual advantage in one realm or the other.

resources and overall economic output. Or some lesbians might choose not to marry but instead live independently on their own labor market earnings.

As a result, reducing stigma for LGBT people may also increase the labor force participation of lesbians and bisexual women in India. Although we have no quantitative data on the labor force decisions of lesbians in India, evidence from other countries supports this prediction, showing that lesbians work more in paid labor than do heterosexual women (Klawitter n.d.). The fact that lesbians in the countries studied so far also earn more than heterosexual women suggests that their human capital (most likely on-the-job training and other impacts of greater experience) is enhanced as a result of living a life outside of the constraints of heterosexual families. The fact that the “lesbian wage premium” is strongest for women who have never married suggests that women whose careers have not been shaped by the division of labor in heterosexual households are doing better in the labor market because of their greater accumulation of experience and other human capital (Daneshvary et al. 2009). Therefore, reducing or ending LGBT stigma might increase both labor force participation and wages for lesbian and bisexual women.

These family-generated differences are likely to be much larger for women than for men. Although gay and bisexual men in India are also likely to be pressured to marry a different-sex spouse, men have more agency in the context of Indian culture to act according to their labor market interests, even though they cannot necessarily avoid the effect of discrimination (Fernandez & Gomathy 2003; Mohan & Murthy 2013).

While some studies in high-income countries show that men in same-sex couples have lower employment hours than comparable men in different-sex couples, that difference is very small. Male same-sex couples’ difference in hours could instead be a jointly-determined decline in hours not associated with stigma or discrimination but rather associated with having another relatively high-earning male in the household. However, we might plausibly see differences in hours worked by sexual orientation and gender identity if employers discriminate against gay men—or lesbians, bisexuals, and transgender people—in ways that reduce their employment hours or increase unemployment.²¹ If LGBT people are more likely to be unemployed or have lower hours worked than heterosexual people because of discrimination, then the lost labor productivity and output could be even greater than that implied by wage differentials.

5.6 METHODS FOR MODELING THE IMPACT OF STIGMA ON PRODUCTIVITY AND LABOR HOURS

Following the conceptual framework outlined in this section, we would expect two general negative effects on economic output in the presence of stigma and labor market discrimination that could be estimated for India if adequate data were available. First, any

²¹ For example, Klawitter finds that state laws against sexual orientation discrimination in the United States are associated with more employment hours for gay men (Klawitter 2011).

observed wage gaps experienced by LGBT people would reflect discrimination, that is the fact that they are not hired into positions for which they are best suited given their abilities and human capital. The wage gaps would reflect a decrease in productivity, so output falls per work hour and total output falls. Second, output would also decrease as LGBT men and, especially, women work fewer hours as a result of discrimination and constrained labor supply decisions. In this section, two different methods for estimating the economic loss from stigma and discrimination are described.

Studies of other forms of exclusion offer methods by which to estimate these economic effects of exclusion, including in the contexts of gender equity in education, the exclusion of Roma people, and interpersonal violence. One method estimates the loss in the wage rate that results from inequities; the other estimates the economic impact of inequities on the amount of time worked. Those changes in income (either from changes in the wage or time worked) are then scaled up by the number of affected individuals to estimate the total lost income—that is, lost productivity—from exclusion, as seen in these examples:

- *Cost of gender inequity:* Completing the next higher level of education would increase wages earned by women, and therefore, raise GDP by an estimated 0.5 percent in India. Reducing joblessness rates of young women to those of young men would increase women's time worked, adding 4.4 percent to GDP in India. (Chaaban & Cunningham 2011)
- *Cost of intimate partner violence:* Lower earnings for women who experience intimate partner violence cost the Tanzanian economy 1.2 percent of GDP (not including lost productivity of self-employed agricultural workers) (Vyas 2013). Women's lost days of work as a result of intimate partner violence led to a loss of 1.6 percent of GDP in Vietnam in 2011 (Duvvury et al. 2013).
- *Cost of Roma exclusion:* The lost productivity from exclusion of Roma people in Europe was measured as the wage gap between Roma and non-Roma people, with an estimate of €3.4-9.9 billion per year for Central and Eastern Europe and Balkan countries (Europe and Central Asia Region Human Development Sector Unit 2010).²²

At least conceptually, similar estimates would be possible for LGBT people in India if adequate data were collected to estimate the key parameters of such a model, described below.

(1) *Wage gaps:* Survey data that included questions on sexual orientation and gender identity, as well as on earnings, would allow for comparisons that would reveal any wage gaps in India. For example, a meta-analysis of data from several countries shows that gay and bisexual men typically earn 11 percent less than equally qualified heterosexual men (Klawitter n.d.). In the economic cost models described above, that figure would imply a loss in economic output per gay or bisexual man of 11 percent of heterosexual men's

²² Although that study also estimate the wage gap net of observable differences between workers, the cost of exclusion was based on the gross difference in earnings between Roma and non-Roma.

average earnings in those countries. In contrast, for lesbians Klawitter reports 9 percent higher earnings than heterosexual women. As noted earlier, this “lesbian premium” likely represents additional (unmeasured) experience that accrues from higher levels of labor force participation, generating a form of human capital that would increase their productivity. As such, 9 percent of heterosexual women’s wages would be an estimate of the decrease in labor market productivity of a lesbian or bisexual woman whose family and labor force options are limited by stigma.²³ However, currently no such survey data exists to make these comparisons in India.

(2) *Employment gaps*: Survey data on time worked would also allow an analysis of any differences in unemployment or work hours for LGBT people. Also, any decreases in employment or increased in unemployment that are unrelated to LGBT people’s human capital and ability would be another source of lost output as a result of stigma, providing a per worker loss in employment time. Very little research on this effect exists in other countries, and none is available in India.

(3) *Earnings*: Published figures from India’s National Sample Survey Office (NSS) provide an estimate of average individual earnings to turn the percentage of wage or lost labor time from steps (1) and (2) into actual quantified losses. The NSS data from 2011-2012 imply a weighted average of earnings of Rs. 55,532, estimated in two steps. First, published figures based on the NSS data include average annual earnings for Indian workers aged 15 to 59 (including rural and urban workers and men and women). Assuming that employed people work 6 days per week for 52 weeks per year, the average annual earnings for wage/salary and casual workers is calculated to be Rs. 74,507.²⁴ Second, for self-employed workers (just over 50 percent of Indian workers are self-employed according to the NSS), other Indian data are available for unincorporated non-agricultural businesses that includes financial data on “own account enterprises,” which are predominantly sole proprietorships without additional employees.²⁵ In such businesses, the average annual gross value added for such businesses is Rs. 40,498, and 94.22 percent of it constitutes net surplus to the business owner on average, implying an average income for those business owners of Rs. 38,157, which is similar to the NSS estimate of earnings for casual laborers. Weighting the two earnings estimates by the proportion of workers in the three categories (self-

²³ The countries that are the source of the 9 percent lesbian wage premium are not societies that have eliminated stigma and discrimination against LGBT people. But institutionalized stigma in these countries has diminished sufficiently to give many women the opportunity to live their lives and form families with another woman or to live independently. Other evidence, such as self-reports of discrimination by lesbian and bisexual women, suggest that this estimate of the wage premium may have netted out negative discrimination-related pressure on lesbians’ wages, so that 9 percent would be a conservative estimate of the gains from eliminating stigma.

²⁴ This calculation required weighting the reported daily earnings for casual and wage and salary workers by their shares of that combined employment group.

²⁵ Government of India, Ministry of Statistics and Program Implementation, National Sample Survey Office, “Economic Characteristics of Unincorporated Non-Agricultural Enterprises (Excluding Construction) in India,” NSS 67th Round, February 2013.

employed, casual, and wage/salary workers) gives an average of Rs. 55,532. Multiplying this average by the proportion of wages lost would give an estimate of lost earnings for an LGBT worker.

(4) *Prevalence of Being LGBT*: Estimates of the prevalence of being LGBT would allow a calculation of an estimate of the number of LGBT individuals whose wages and employment are diminished by stigma. Multiplying the prevalence rate by the number of employed people in India (445 million according to the National Sample Survey in 2011-12²⁶) or the number of potential workers (to capture those currently unemployed) would provide the factor by which to scale up the per LGBT worker loss. As presented in Section 3, the HIV surveillance data suggests a lower bound prevalence of MSM as 0.6%, which could also be used for women and transgender people as a highly conservative estimate of prevalence. If the proportion of people is larger who either have same-sex sex partners or identify as LGBT or another sexual or gender minority term, as might be expected given the international scholarship, then an upper bound for modeling a range of estimates would also be appropriate to use.

(5) *Wage share of output*: Lost economic output will likely be even greater than the lost labor income estimated in the method outlined in steps (1) – (4), however, since labor typically combines with capital and other inputs to produce output. Following a method used in other World Bank studies (Europe and Central Asia Region Human Development Sector Unit 2010), it is possible to use the wage share of output to estimate the likely overall loss in output from discrimination in the labor market. Two different sources, one for manufacturing industries and one for unincorporated non-agricultural businesses, suggest that the wage share of the overall value of economic output in India is 20 percent.²⁷ In other words, dividing wages paid to workers by the value of total output is 20 percent. Another widely used source of data for many macroeconomic studies of economic development reports that the labor share of output for the whole Indian economy was 48.6 percent in 2011.²⁸ Accordingly, a model would divide an estimate of lost income by an estimate of the wage share percentage to estimate total lost output.

²⁶ National Sample Survey Office, Ministry of Statistics and Programme Implementation, "Key Indicators of Employment and Unemployment in India: NSS 68th Round (July 2011-June 2012)," June 2013, Table 8.

²⁷ Government of India, Ministry of Statistics and Program Implementation, National Sample Survey Office, "Economic Characteristics of Unincorporated Non-Agricultural Enterprises (Excluding Construction) in India," NSS 67th Round, February 2013; United Nations Industrial Development Organization (UNIDO), Statistics for India 2009, http://www.unido.org/Data1/IndStatBrief/D_MVA_per_Employee_and_Output_Share_per_Sector.cfm?print=no&tttype=D&Country=IND&sortBy=isic&sortDir=&Group=, last accessed January 10, 2014.

²⁸ Feenstra, Robert C., Robert Inklaar and Marcel P. Timmer (2013), "The Next Generation of the Penn World Table" available for download at www.ggdnet.net/pwt, last accessed July 18, 2014.

Unfortunately, existing data sources to directly estimate values for model steps (1), (2), and (4) are inadequate for India, so this study does not quantify an estimate of the lost output related to stigma and discrimination against LGBT people in the labor market. However, the current evidence of discrimination and labor market constraints in India presented in this section clearly suggest that the Indian economy's output is lower than it otherwise would be with the full inclusion of LGBT workers.

BOX 3: LIMITATIONS IN RESEARCH ON POTENTIAL COSTS OF EXCLUSION

Some important indicators of LGBT exclusion that could have an impact on economic output and productivity have not been included in this report, usually because little or no research exists in general, or because estimates specific to India are not possible given the current state of research. These are important directions for future research in order to better estimate the full cost of LGBT exclusion.

Lack of access to important government institutions and services: LGBT people might face barriers to pursuing enforcement of rights and filing criminal claims of assault, such as police harassment and difficulty in gaining access to the justice system. Transgender people often have difficulty getting the proper identity documentation necessary for employment or access to social services and benefits. LGBT people may face barriers to participation in anti-poverty or social security programs.

Cost of emigration: Economies might lose the productive capacity of LGBT people who migrate to countries with policies promoting equality of LGBT people, including those who leave to seek asylum as protection against violence. In some cases LGBT people might receive their education before migrating, increasing the social cost of emigration.

Additional health concerns: Other health-related concerns for LGBT people that require further research include the use and overuse of alcohol and drugs, other health care disparities, physical violence, domestic violence, and access to appropriate health care. Also, the lack of reproductive rights for LGBT people can generate added economic costs through reduced investment in children.

Property rights and inheritance: LGBT people may be disinherited from ancestral property, which could increase their risk of poverty and generate other economic costs from the potential loss of efficiency in use of existing assets (Khan et al. 2005).

Housing and homelessness: LGBT people might have difficulty getting housing, an essential component of stability to enable good health care and employment (Ayala et al. 2010; Masih et al. 2012; CREA 2012).

Extending the impacts of exclusion to other people: While this model of exclusion has been focused on the individual LGBT person, the larger economic impacts can extend to birth families of LGBT people, who might experience social stigma and exclusion by association, and particularly to any children the LGBT people might be raising. For instance, discrimination and poverty might reduce the financial resources an LGBT parent would have to educate their children, leading to lower than optimal educational levels.

The offsetting effects of resilience: The resilience of LGBT people could create economic gains that mitigate the economically harmful effects of exclusion to some extent. Resilience might be manifested as building social capital with other LGBT people, which can help build trust, solidarity, and more formal associations that would aid LGBT individuals in coping with poverty and insecurity. However, aside from the existence of some LGBT health and political organizations as well as some leadership training efforts, we know very little about these forms of resilience through existing research.

6 LOST OUTPUT DUE TO EXCLUSION-LINKED HEALTH DISPARITIES

This section analyzes the connections between exclusion, health, and economic productivity. Models of “minority stress” show how stigma and exclusion can create or exacerbate health conditions, leading to health disparities between LGBT people and non-LGBT people. Those disparities can reduce LGBT people’s ability to work, their productivity in the workplace, and their ability to invest in other forms of human capital. This section also outlines a method that could be used to estimate the cost of health disparities for LGBT people in India.

6.1 CONCEPTUALIZING THE IMPACT OF STIGMA AND EXCLUSION ON LGBT HEALTH

Health is another form of human capital with important implications for economic outcomes. Sexual and gender minorities in India, of course, face the same health challenges as others in India. In addition to the typical challenges, however, LGBT people face additional mental and physical health issues that have been documented in India and elsewhere.

“Minority stress” is a conceptual framework that focuses on the psychological impact of LGBT people’s disadvantaged position, whether at a broad level, such as unequal treatment in legal or economic institutions, or the stigma revealed in everyday interactions and “micro-aggressions” against LGBT people (Meyer 2003). Through minority stress, many forms of stigma and exclusion in other important social and economic settings could have impacts on the health of LGBT people. In addition to creating psychological stress, economic discrimination would reduce financial resources available to seek health care services, and social exclusion might make health care services less relevant or accessible to LGBT people. Rejection by families creates stress as well as reductions in potential resources. Experiences of violence and sexual assault that LGBT people experience can affect both mental and physical health. The disfavored position of LGBT people in their families could increase minority stress and accompanying health problems.

Even as the health needs for LGBT people may be greater as a result of minority stress, the health care system may not offer culturally competent or nondiscriminatory services to LGBT people. The fear of stigma in health care settings can lead to avoidance of care or poorer quality of care when relevant information about sexual practices is not revealed by patients.

In addition to larger social forces of discrimination as an influence on health outcomes, families of LGBT people in India might play a particularly important and complicated role in health. Family support can improve the situation for LGBT people. Families sometimes accept LGBT sons and daughters, and that support might mitigate the harm of social exclusion, although supportive families might not be common (Vanita 2009). One study found that married MSM had lower rates of depression than unmarried MSM, perhaps because they could avoid some social stigma and had more general sources of support, although that support seems unlikely to extend to having sex with men outside of the marriage (Safren et al. 2009).

Family influence can also be negative. Marriage is common for LGBT people in India, and many LGBT people report pressure to marry from their families. Avoidance of different-sex marriage is one strategy employed by LGBT people, as some surveys find low rates of marriage among MSM, and some highly visible marriages of female couples occur in the context of family pressure to marry men.²⁹ Being forced into different-sex marriages also creates minority stress, perhaps especially for lesbians, for whom marriage might not provide a zone of privacy for same-sex relationships (as may be true for some MSM) but instead a stricter set of social roles and reduced freedom. Some anecdotal reports suggest that depression and thoughts of suicide may be common for lesbian or bisexual women forced into marriages. And, of course, marriage and other legal recognition does not exist for same-sex couples, preventing them from having a source of social and emotional support from their chosen or preferred partners.

As a result of these additional challenges, the health status of LGBT people might be lower than that of non-LGBT people in India. Minority stress and poorer health would reduce the well-being of LGBT people. Poorer health can also reduce individuals' ability to work and to invest in human capital, reducing economic output both in the short and long run.

6.2 EVIDENCE OF HEALTH DISPARITIES FOR LGBT PEOPLE IN INDIA: DEPRESSION, SUICIDALITY, AND HIV

Existing studies of LGBT people in India find very high rates of depression, suicidality, and HIV infection, especially when compared with general population rates. While the literature on LGBT people's health in India is not extensive, some clear evidence of those particular negative health outcomes exists, and those outcomes can often be linked to stigma or lack of social support and resulting minority stress.

Depression: Several studies that suggest that the rate of depression among LGBT people is very high in India. In Chennai, 55 percent of a community (non-random) sample met the criteria for clinical depression (Safren et al. 2009). A community-based study in Mumbai found that 29 percent of MSM met the standard for current major depression (Sivasubramanian et al. 2011). Other qualitative research on MSM (Chakrapani et al. 2007) and lesbians (CREA 2012) shows that depression is common and is related to the stigma experienced by LGBT people in India.

Comparing the Indian population prevalence of depression to the prevalence in LGBT samples shows that rates of clinical depression for MSM were 6-12 times higher than population rates. The population prevalence estimated in the World Mental Health Survey

²⁹ See Vanita (2009) on lesbians. For low rates of marriage among men, ranging from 21-42 percent in three studies, see Caceres et al. (2008). See also Sivasubramanian, et al. (2011); Safren et al. (2006; 2009).

(WMHS) for India was 4.5 percent for a twelve month rate (Kessler et al. 2010).³⁰ Of course, the LGBT studies did not use representative samples of the LGBT population, and it is possible that individuals suffering more stigma and depression were more likely to respond to the survey, either because of its recruitment method or because of other sources of response bias. Therefore, any attempts to estimate the cost of this health disparity could adjust this excess risk of depression to account for the possibility of sample selection bias.

Suicidality: High rates of suicidality have been found in studies of LGBT people in India. One suicide behavior measure is suicide attempts. Strikingly, one qualitative study of lesbians in India found that four out of 24 respondents (17 percent) had attempted suicide during their adult lifetimes (CREA 2012). Qualitative research in that report and other studies suggest that lesbian suicides may be often related to family pressures to marry a man. In some documented cases lesbian couples have considered, attempted, or even committed suicide together (National Alliance of Women 2006; Fernandez & Gomathy 2003; Vanita 2009). Unfortunately, these qualitative studies are not directly comparable to the 12-month incidence rate found for the general population, which was 0.4 percent over the prior 12 months in the World Mental Health surveys of developing countries (Borges et al. 2010).

The only available quantitative studies allowing comparison to population-based studies assess suicidal ideation, or thoughts about killing oneself, and rates for LGBT people are also very high. In a nonclinical sample of MSM in Mumbai, 45 percent were currently suicidal, with 15 percent at particularly high risk (Sivasubramanian et al. 2011). In Tamil Nadu, approximately 30 percent of MSM and transgender people living with HIV expressed suicidal intent (Family Planning Association of India n.d.).³¹ A qualitative study of MSM found that suicidal thoughts were common (Chakrapani et al. 2007), and a survey of urban lesbians found that 20 percent had suicidal ideation at some point in their lives (Fernandez & Gomathy 2003).

Comparisons with World Mental Health Survey data show that this range of LGBT suicidal ideation rates is 7-14 times the population rate from developing countries. The developing country 12-month prevalence rate of suicidal ideation is 2.1 percent, which combines WMHS data for India with other developing countries (Borges et al. 2010). No other population-based results for India were found for direct comparisons.

HIV: Rates of contracting HIV/AIDS are higher among sexual minority populations in India than for the population as a whole. In the research literature, estimated prevalence rates for MSM range from 7 percent to 16.5 percent, and prevalence estimates go as high as 55 percent for transgender people (Setia et al. 2008). Official rates are 5.7 percent for MSM and transgender people combined, and some local surveillance prevalence rates for transgender people (primarily hijra) are 8.8 percent and higher (UNAIDS 2012). In

³⁰ The World Mental Health Survey for India was conducted on a probability sample of household residents in the Pondicherry region.

³¹ These figures were estimated from Figure 3, p. 21, of that report.

contrast, the overall population prevalence was only 0.3 percent in 2011 (National AIDS Control Organization 2013).

Institutional actors, advocates, and scholars who have studied and fought the HIV epidemic suggest that stigma and exclusion might be a powerful reason for the higher rates of infection among MSM and transgender people. Many of the largest funders of HIV prevention and treatment, such as UNAIDS, the World Bank, and the Global Fund to Fight AIDS, Tuberculosis and Malaria have pointed to the importance of human rights in the fight to contain and turn back the epidemic (Beyrer et al. 2011). Those organizations and others have argued for prioritizing structural changes, such as changes in public policy and in public attitudes toward people living with HIV (PLHIV) and MSM, arguing that negative attitudes toward MSM, for instance, can reduce the effectiveness of other prevention policies (Ayala et al. 2010).

Research in India also supports the existence of a strong link between stigma and exclusion in many settings and HIV-related outcomes. Stigma among health care providers, perceptions of anti-LGBT bias in one's country, and experiencing negative consequences when out, for instance, were associated with reductions in MSM's access to health care and prevention through condoms and lubricants (Arreola et al. 2012). In a 2010-2011 survey in Tamil Nadu, MSM and transgender people who were living with HIV reported greater levels of social and self-stigma and discrimination. They also reported that much of that treatment was related to their sexual orientation on top of their HIV status (Family Planning Association of India n.d.). MSM report barriers—including harassment by police—to getting testing, information, and other HIV-related services (Safren et al. 2006). Also, the impact of other forms of exclusion, such as low incomes, low levels of education, low self-esteem, and depression, increase the likelihood of high-risk sexual practices (Chakrapani et al. 2007; Newman et al. 2008; Thomas et al. 2009; Thomas et al. 2012; Safren et al. 2009).

BOX 4: INCREASING EFFORTS TO ADDRESS HIV AMONG MSM AND TRANSGENDER PEOPLE IN INDIA

In 1987 and with help from the World Bank, the National Aids Control Organization (NACO) established the National Aids Control Program (NACP). From 2007-2012, NACP entered its third phase with the goal of reducing incidence in high prevalent states by 60% and vulnerable states by 40%. NACP-III utilized various strategies including targeted interventions of “core transmitters,” or those most likely to acquire and transmit HIV.

In particular, NACP-III included more than 200 targeted interventions for men who have sex with men and for transgender people (National AIDS Control Organization 2013). These efforts include the development of guidelines for prevention services and for health services for MSM and hijras (National AIDS Control Organization 2010; Beyrer et al. 2011). Interventions included services such as HIV testing, condom and lubricant provision, and antiretroviral therapy. In addition, many projects were turned over to community-based organizations, thus allowing groups run by MSM and transgender individuals to provide appropriate solutions.

Overall, NACO estimates that 70.6% of MSM and transgender people—nearly 300,000 individuals by NACO’s estimate—had received some form of targeted intervention through NACP-III. The most recent NACO report showed that HIV prevalence rates for MSM appeared to decline from 2003-2011 (National AIDS Control Organization 2013).

6.3 METHODS FOR MODELING THE ECONOMIC IMPACT OF HEALTH DISPARITIES

It is possible to construct a model that could be used to estimate the economic impact of health disparities for LGBT people, such as HIV, depression, suicidality, and additional disparities that might someday be identified in new research. A study of the “cost of homophobia” in Canada used public health studies of health disparities for LGBT people in measures of suicide, smoking, alcohol use, depression, and drug use to estimate the cost of those disparities (Banks 2001). Other studies have drawn on detailed data on hospitalization, lost days of work, and early mortality to estimate the cost of racial and ethnic disparities in health in the United States (Hanlon & Hinkle 2011; LaVeist et al. 2009). This section proposes a method similar to these studies that draws on existing data for India that could be used to estimate the cost of health disparities related to stigma and exclusion of LGBT people.

Such modeling involves two basic steps. First, estimate the “excess risk” of the condition in question, or the number or percentage of LGBT people who currently have the disease but would not have it in a world of LGBT inclusion. Second, assign a cost to excess cases based on health care costs, lost productivity, early mortality, or other measure of economic cost of the disease.

Estimating excess risk for LGBT people: The first step calculates the current excess prevalence or risk of the health condition for LGBT people. This step involves comparing the current prevalence rate of the illness to the prevalence rate for LGBT people in the absence of stigma and exclusion. The Canadian study used the prevalence rate for heterosexual people as a benchmark for inclusion; studies of racial and ethnic disparities have used the best health outcomes observed for a racial-ethnic group as a benchmark. While the studies reviewed in the previous section provide prevalence estimates for the three conditions in the LGBT community in India, no studies also provide a comparable estimate for non-LGBT people in India. Given the lack of the most obvious comparison group for LGBT people, another benchmark option is to use the population prevalence of a condition, which are available in India for HIV, suicidal ideation, and depression and were presented in the previous section.

While the population rates for depression and suicidal ideation are plausible benchmarks for an LGBT-inclusive prevalence rate, the population prevalence for HIV in India, currently 0.3 percent as noted earlier, is too low as a benchmark. Recent research and epidemiological modeling suggest that MSM prevalence rates are higher than adult population rates for a variety of biological and behavioral reasons, particularly because of the “...high per-act and per-partner transmission probability of HIV transmission in receptive anal sex.” (Beyrer et al. 2012)

Nevertheless, the HIV prevalence rate for MSM and transgender people in India could clearly go much lower than the current rates. The Government of India, through the National AIDS Control Organization (NACO), has successfully increased prevention efforts and access to HIV-related health care services for MSM. Working with community-based organizations, NACO has steadily increased the number of targeted interventions for MSM

(see Box 4). These efforts include the development of guidelines for prevention services and for health services for MSM and hijras (National AIDS Control Organization 2010; Beyrer et al. 2011). In recent years, NACO reports that HIV prevalence among MSM is now stable or declining (National AIDS Control Organization 2010; National AIDS Control Organization 2013).

Estimated the cost per condition: The second step assigns a cost to each condition based on some measure of the economic cost of the disease. Two analytical tools that provide a country-level measure of the health impact of disease and a way to value the health impact in economic terms could be used for India.

The health impact measure is the disability-adjusted life year, or DALY, which was estimated by the Global Burden of Diseases, Injuries, and Risk Factors Study 2010 for India. That project calculated the “disease burden,” or impact, of different conditions and injuries on years of life lost (YLLs) and years lived with a disability (YLDs) for people living in 187 countries (Murray et al. 2012). YLLs are calculated for someone with a disease by subtracting the age at death from a standard life expectancy value, defined as the lowest death rate for an age group across countries. YLDs are years lived with a disability and are valued based on the public’s perceptions about the severity of health conditions. One YLD is less than a year of life lost. Its actual weighting reflects survey data on the public’s judgment of the severity of a disability, meaning that more severe conditions generate more YLDs. Adding YLLs and YLDs together provides the measure of disability-adjusted life years, or DALYs, for the three conditions that could be assessed for LGBT people in India.

The Global Burden of Disease reports total DALY values for India in 2010:

- HIV generated 9,265,130 DALYs (Ortblad et al. 2013).³²
- Major depressive disorders generated 10,038,500 DALYs.³³
- “Self-harm” generated 13,063,200 DALYs.

The health impact can be translated into economic loss by valuing one DALY as one to three times a country’s per capita income. This intuitive rule-of-thumb was proposed by the World Health Organization’s Commission on Macroeconomics and Health (Commission on Macroeconomics and Health 2001). This rule-of-thumb to value DALYs has been adopted

³² Comparing this figure with the estimated 2 million people in India who are HIV-infected implies an average value of 4 DALYs per HIV-infected person. That average is much smaller than that used by the WHO Commission, which referenced a value of 34.6, and by Bertozzi et al., which assumed a uniform 20 DALYs (Bertozzi et al. 2006). The 2010 implied averages were likely lower because the increasing use of antiretroviral therapies also reduced mortality from HIV. In addition, the 2010 DALYs were generated with some important changes in methods from the earlier DALY values.

³³ Total DALYs for major depressive disorder and self-harm for India come from the database for the Global Burden of Disease project, <http://vizhub.healthdata.org/gbd-compare> last accessed 8/1/14.

by many researchers to estimate the overall economic cost of a year of life lost to death or disability. This approach has also been used in studies that measure the cost-effectiveness of different HIV prevention and treatment programs targeted at MSM in India. In 2012, per capita annual income in India was Rs. 80,281, or US\$1,530.³⁴ Three times per capita income is Rs. 240,842, or US\$4,590.

The WHO Commission notes that this macroeconomic measure would not capture some other important effects of health on the economy, particularly factors that would affect per capita income, such as burdening business with higher turnover and absenteeism, loss of investment capital and savings as families spend savings on health care, reducing tourism, or depressing productive investments in education (Commission on Macroeconomics and Health 2001, pp 30-39). Therefore, using one to three times per capita income per DALY would be a conservative measure of the economic effect.

Given these inputs into the analysis—total DALYs per condition, per capita income, population prevalence of LGBT people, and the excess risk for LGBT people per condition—an estimated cost per health disparity could be easily calculated:

1. Calculate the share of DALYs experienced by LGBT people with the benchmark rate (if the benchmark rate is the population rate, then the share will be simply the prevalence of being LGBT in the population);
2. Calculate the share of DALYs at current LGBT prevalence rate (figure 1 times excess risk);
3. Subtract the figure from step 1 from the step 2 figure;
4. Multiply figure from step 3 by total DALYs;
5. Multiply figure from step 4 by one to three times per capita income.

Deriving estimates of the cost of health disparities by this process would provide conservative estimates given the lack of detail on the broader impact on businesses, family savings, and future investments in human and physical capital, as noted by the WHO Commission. However, these estimates would illustrate the magnitude of the economic cost of stigma and exclusion on the health of LGBT people. In addition to these costs, the next section addresses the avoidable costs to health and social services that are also generated by exclusion.

³⁴ These figures come from the World Bank database, <http://data.worldbank.org/>, accessed 11/12/13, using the GNI per capita, Atlas method for conversion to dollars.

7 AVOIDABLE COSTS FOR SOCIAL AND HEALTH SERVICES REQUIRED TO ADDRESS THE EFFECTS OF STIGMA AND EXCLUSION

This section discusses the types of avoidable costs that are difficult, if not impossible, to estimate. Money spent on care for LGBT people that is exacerbated or generated by stigma adds to the economic burden of exclusion. One example concerns spending on HIV prevention and services, where stigma may add to national expenditures on those programs.

One important potential consequence of health disparities for LGBT people, beyond the opportunity cost of lost productive effort from health disparities and discrimination, would be the need to provide services that might be avoided if levels of exclusion were lower. These costs would be related to the Government of India's efforts to prevent and treat HIV, for example, particularly with the increasing efforts of the Government to reach more MSM and transgender people. In some cases, the LGBT community has also stepped in to provide needed services, devoting their own resources to dealing with the effects of exclusion that might be better used elsewhere. For instance lesbian organizations have provided help lines and crisis services to deal with violence. Some health centers focus on the needs of all or part (e.g. MSM) of the community.

More generally, reducing prevalence of HIV, depression, suicide, and violence from high levels in the LGBT community to at least general population levels would reduce needed health expenditures. Such expenditures could be at the public or private level, so reducing the prevalence of stigma-related disease would free up public resources to serve others and, potentially, to invest private resources in preventative care or other economic opportunities.

In addition, to the extent that exclusion leads to fewer employment opportunities and lower incomes, LGBT will have a greater than average need and demand for anti-poverty programs and other public services for low-income people. Reductions in exclusion can, therefore, lead to reductions in the need for such programs.

To provide an example, a small amount of information on spending on HIV-related prevention programs and services is available at the national level. India's National AIDS Control Programme III (NACP-III) involved domestic expenditures as well as funding through development agencies and international funders. Domestic expenditures averaged Rs. 2,231,240,000 (US\$37 million) over the five years of the program. Future expenditures on NACP-IV are predicted to be more than twice as large. If reduced stigma against LGBT people leads to more prevention and better treatment, then prevalence rates for MSM and transgender people might fall. Lower prevalence rates could mean that eventually the Government expenditures on HIV would fall, or that the funds allocated to serve MSM and transgender people could be used for other subpopulations.

8 CONCLUSION, CAVEATS, AND RECOMMENDATIONS

This section summarizes the findings on economic harms of stigma and exclusion of LGBT people in this case study of India. The implications of these findings are discussed with respect to future research on the effects of exclusion, on potential policies to achieve inclusion, and on development interventions.

8.1 SUMMARY OF ECONOMIC COSTS OF STIGMA AND EXCLUSION OF LGBT PEOPLE

As this analysis indicates, stigma and exclusion of LGBT people are likely to generate economic costs, particularly from lost productivity as a result of workplace discrimination, and health disparities (in HIV, depression, and suicidal ideation). Evidence suggests that educational outcomes might also be lower for LGBT people because of discrimination and harassment in schools and universities. Each of those forms of exclusion results in the loss of potential human capital or the underutilization of existing human capital.

Table 3 presents a matrix summarizing the types of costs of exclusion for which some evidence was available in India. Estimating the cost of each of these elements is theoretically possible by following current methods used in estimating the cost of exclusion: valuing lost time in the labor market, estimating lower incomes that result from lower productivity (as a result of lower levels of human capital), or by using DALYs to measure the lost productive time resulting from premature death and disability. The lack of data on LGBT people and their lives makes it difficult to quantify the cost with precision, so that is not attempted in this report, but the evidence clearly demonstrates the existence of discrimination and health disparities that generate economic costs. Future research on LGBT in India could make such estimates feasible.

TABLE 3: SUMMARY OF COSTS OF STIGMA AND EXCLUSION OF LGBT PEOPLE IN INDIA

Form of stigma or exclusion	Nature of cost	Evidence from India
<i>Education</i>		
Harassment and discrimination	Lower investments in human capital	Surveys, 2011 Census
Fewer family resources	Lower investments in human capital	
<i>Labor market discrimination</i>		
Lower wages	Lower productivity, inefficient use of existing human capital	Surveys, individual reports
Loss of employment	Lost labor input	Surveys; 2011 Census
Unemployment	Lost labor input	2011 Census
Harassment, discrimination	Lower productivity	Surveys, individual reports
<i>Labor supply constraints</i>		
Not in labor force	Lost labor input	
<i>Health disparities</i>		
HIV	Lower productivity; lower output	HIV surveillance data
Depression	Lower productivity; lower output	Health surveys
Suicidal thinking	Lower productivity; lower output	Health surveys

The economic impact of exclusion of LGBT people is potentially even larger and more pervasive than suggested by Table 3, but the absence of research in other areas prevents a more detailed analysis. Box 3 describes some additional types of costs that might be revealed through future research, and other issues that could not be fully captured in the report include the following:

- Families of LGBT people might face discrimination when the sexual orientation or gender identity of their family members becomes commonly known.
- Transgender people might face even greater costs from discrimination and exclusion than lesbian, gay, or bisexual identified people.
- Government services and NGOs will see extra demand for poverty reduction and health programs as a result of stigma and exclusion, generating public and private costs that could be avoided.

In addition, while there is no firm basis for a quantitative estimate, there are other likely costs to the economy in terms of diverted economic contributions of LGBT individuals and collective effort by LGBT people. LGBT groups might self-provision to make up for lost services, such as HIV education, anti-domestic violence programs, and perhaps other development-relevant programs, and they need to lobby governments to reduce the

disadvantages that they face. Those human resources could be diverted to other economically productive uses in the absence of stigma and exclusion.

8.2 POTENTIAL FOR GREATER GAINS FROM INCLUSION

The economic costs of exclusion estimated and discussed in this report are costs that can be reduced through effective efforts toward full social, economic, and political inclusion of LGBT people. Inclusion is likely to lead to increases in productivity of existing workers, greater investment in human capital, and better health.

Beyond those gains are other broader gains to society from inclusion of LGBT people. Box 5 presents several “positive externalities” from inclusion that could lead to greater economic gains. In particular, inclusion of LGBT people can send a powerful message of tolerance and openness in a society—a message that may be attractive to many non-LGBT people who might decide to visit, to remain in, or to immigrate to countries offering such an environment. Tolerance, along with the loosening of restrictive gender roles, can contribute to unleashing additional creative energy and economic growth opportunities.

BOX 5: POSITIVE EXTERNALITIES OF LGBT INCLUSION

Some effects of inclusion of LGBT people are likely to contribute to economic growth above and beyond reversing the effects of exclusion. Therefore, the benefits of equality and efforts toward full inclusion of LGBT people would add substantially more to the economy than the sources discussed in the text of this report. These “externalities” have impacts extending to non-LGBT people as well as LGBT people, enhancing the creativity and openness of societies:

- Tolerance for LGBT people might attract creative non-LGBT people seeking tolerant societies to live and work in, as Richard Florida argues: “[M]ore tolerant and open nations can also attract entrepreneurs, educated workers, and even gifted athletes, or the families that produce them.” (Florida 2014) Positive policies toward LGBT people are visible indicators of openness.
- Addressing the issues of LGBT people are likely to generate discussions and changes of restrictive gender norms, and such changes could expand the acceptable social and economic roles for all men and women. If roles expand, the rights of women are likely to be enhanced, in particular, leading to a much larger potential gain in economic output.
- Better individual health for LGBT people can affect all individuals, such as reducing the transmission of disease or freeing up health care resources to treat other conditions.
- Community organizations founded by LGBT people to create safe spaces and advocacy or health services can also serve to help LGBT overcome other forms of exclusion. The presence of community-based organizations creates social capital and contributes to better health and a sense of community among LGBT people (Arreola et al. 2012).

8.3 RECOMMENDATIONS FOR FUTURE RESEARCH PRIORITIES AND INFRASTRUCTURE

Rather than attempt to provide and prioritize a long list of research topics, this discussion lays out several dimensions that are particularly important for LGBT-related research. Where the need for more research is so great, as this report finds, it is essential to prioritize in order to further the goal of inclusion for LGBT people more rapidly. Below are recommendations for pursuing several research goals, utilizing diverse sampling methods and research designs, and building a research infrastructure.

Clarifying research goals is essential to ensure efficient use of resources. In the context of LGBT exclusion and economic development, several potential goals of research appear particularly important:

- *Identifying problems:* Research can measure the impact of stigma on important economic outcomes, such as identifying inequalities in positive outcomes (e.g. gaps in wages or access to stable employment) and disproportionate burdens of poverty, poor health, or other forms of exclusion in anti-poverty programs. Understanding patterns of inequality could be useful in the creation and targeting of development efforts and for identifying the underlying reasons for exclusion.
- *Evaluation of the impact of interventions:* Research can be used to evaluate the success of interventions designed to address exclusion. The programs evaluated could be general anti-poverty efforts that are assessed with respect to their effectiveness for LGBT people. The Institute of Development Studies in the U.K. has been conducting “policy audits” of whether and how social development efforts in some countries include LGBT people (Lim & Jordan 2013). In addition, programs that are already targeted to LGBT people might be assessed for effectiveness and scalability. (See the discussion below of possible high-priority topics.)
- *Constructing policy alternatives:* Research can be helpful in designing new policy approaches to further the inclusion of LGBT people. In the Indian context, one strategy is to assess whether current positive discrimination or other related policies would be appropriate to extend to LGBT people. Monitoring the process of providing those protections to transgender people as the recent Supreme Court decision is implemented in India could provide ideas for LGBT people. Other ideas might come from research on policies in other countries.
- *Research as an economic development program:* In addition, the research process itself can contribute to economic growth through the development of research capacity and employment among LGBT people and organizations. The leadership and involvement of local members of the LGBT community in research projects could provide valuable training for them and enhance the relevance and value of the research. Also, providing research support to local university students and faculty can enhance the status of research on LGBT people. Analyzing the history of HIV-related social science and health research might suggest ways of organizing research efforts to achieve this goal for the LGBT communities.

Research on LGBT people requires diverse sampling methods and research designs. While population-based samples of LGBT and non-LGBT people are not impossible (see Box 1),

the challenges can be difficult to overcome without other kinds of research being conducted first. Small-scale qualitative research projects and medium-scale surveys of convenience samples of LGBT people not only result in valuable knowledge about LGBT people's lives, but also contribute to better understandings of how to eventually study LGBT people in population-based surveys (Sexual Minority Assessment Research Team 2009). Therefore, a diversified approach to research methods is essential.

In the context of a large and diverse country such as India, useful research requires attention to population diversity in sampling and construction of research questions. Confronting the needs and limitations of existing data in this report suggest the following sources of variation in LGBT experiences to incorporate into future research efforts:

- Inclusion of diverse sexual orientations and gender identities;
- Urban and rural differences;
- Differences in LGBT experiences in formal and informal sectors of the economy, including agricultural work and self-employment;
- Inclusion of women and transgender men as well as men and transgender women;
- Intersectionality of sexual orientation and gender identity with other important identities, such as disability or Scheduled Caste/Tribe;
- Attention to age cohort differences in experiences.

Proactively building a local research infrastructure would help meet the research needs related to LGBT inclusion more efficiently and effectively. As noted above, if local researchers are central to research projects from the beginning, the research infrastructure could serve two goals, creating more research on LGBT people and creating a research community. The infrastructure envisioned here is primarily a virtual one, but consideration of institutionalization of the infrastructure might also be desirable.

Important goals of the infrastructure would include the following:

- Promoting interdisciplinary conversations by bringing together, for example, economists, sociologists, anthropologists, and public health scholars studying LGBT inclusion to pool research knowledge and insights related to specific policy domains, such as employment, health, or family;
- Encouraging researchers to share survey instruments, research protocols, training materials, data, and other materials related to LGBT issues;
- Coordinating LGBT-related research efforts in multi-country research projects to encourage comparability of measures across countries;
- Encouraging or requiring existing research projects related to social inclusion to incorporate data collection on sexual orientation and gender idea and to consider LGBT issues, and providing technical support to implement this goal.

8.4 HIGH-PRIORITY RESEARCH AREAS FOR POLICY AND DEVELOPMENT INTERVENTIONS

The findings of this study demonstrate a need to consider policy and development strategies for promoting inclusion of LGBT people, both as a way to ensure the basic human

rights of LGBT people and as a way to enhance conditions for overall economic development. While the terms of reference for the study did not include policy recommendations per se, additional research in three high-priority areas could provide an evidence base to guide future considerations of policy and development programming.

First, research on poverty among LGBT people should be prioritized. The small amount of research that exists (see Box 2) shows that LGBT people are highly vulnerable to poverty. Research can help policymakers understand the challenges faced by poor LGBT people, as well as how stigma and intergenerational poverty interact to further exclude the LGBT poor from full and equal participation in society. That understanding will also be important for economic development agencies working to end poverty. Research on LGBT poverty is the least likely research to be taken up by private research organizations and academic researchers, who tend to focus on easier-to-reach and higher-status LGBT subpopulations, such as employees of multinational corporations, making a public investment essential.

Second, developing data on LGBT people should be a high priority since an investment in data can accelerate research. Policymakers can ask for an analysis of whether and how existing national surveys could include questions or response options that would include LGBT people, such as gender options beyond male or female, or new response options for same-sex couples. India has started this process with its third gender category on the most recent census, but low counts and reports of problems suggest that further improvements are needed to gain a more accurate count. Box 1 lists several innovative approaches that could be evaluated for use in India and other countries. Coordination of national statistical agencies could facilitate creation of at least some measures that are comparable across countries.

Finally, assessing actual anti-poverty interventions and ongoing public and private efforts to reduce LGBT exclusion should be a high priority so that successful programs can be considered for scaling up. Some examples to consider in India and elsewhere would include the following:

- Monitoring the addition of transgender people to reservation programs in education, health care, or other programs in India (Mohan & Murthy 2013);
- Current efforts to create livelihood and education programs for transgender people and MSM, such as programs run by SAATHII (Solidarity and Action Against the HIV Infection in India);
- The local effects of voluntary employer policies of nondiscrimination, such as multinational corporations' corporate-wide policies;
- The impact of news media and the entertainment industry in shaping non-LGBT people's attitudes toward LGBT people in India and other countries.

These research priorities have the potential to lead to a fuller understanding of the needs of the most excluded among LGBT people and to provide promising strategies for their inclusion.

APPENDIX 1: ABBREVIATIONS

DALY	disability-adjusted life year
FSW	female sex workers
LGBT	lesbian, gay, bisexual, and transgender
MSM	men who have sex with men
MSW	male sex workers
NACO	National AIDS Control Organization
NSS	National Sample Survey
PLHIV	people living with HIV
WMHS	World Mental Health Survey
WVS	World Values Survey
YLD	years lived with a disability
YLL	years of life lost

**APPENDIX 2: ATTITUDES TOWARD HOMOSEXUALITY IN INDIA, WORLD VALUES
SURVEY 2006**

	Is homosexuality ever justified?						Would not want homosexual neighbor	
	Never justified	Some- times unjus- tified	Neither	Some- times justified	Always justified	N	%	N
Total	64%	13%	10%	5%	9%	1502	41%	1961
Men	64%	13%	10%	5%	8%	897	41%	1115
Women	63%	12%	9%	4%	11%	604	41%	843
AGE #								
15-24 years old	73%	9%	7%	3%	8%	161	39%	209
25-34	64%	14%	9%	4%	9%	401	42%	512
35-44	63%	12%	10%	5%	10%	391	47%	496
45-54	64%	13%	12%	4%	7%	262	35%	357
55-64	61%	12%	8%	6%	13%	155	43%	199
65 and up	56%	17%	11%	7%	9%	132	38%	186
SIZE OF TOWN * #								
2,000 and less	71%	13%	9%	2%	5%	443	42%	623
2,000-5,000	64%	14%	9%	4%	9%	565	44%	686
5,000-10,000	50%	15%	13%	7%	16%	256	31%	318
10,000-20,000	49%	8%	11%	10%	22%	91	66%	113
20,000-100,000	77%	6%	11%	6%	0%	35	38%	56
100,000-500,000	73%	4%	8%	9%	5%	75	38%	96
500,000 and up	80%	10%	3%	3%	3%	30	12%	60
RELIGIOUS DENOMINATION *								
Buddhist	43%	11%	21%	11%	14%	28	53%	32
Christian	65%	20%	10%	2%	4%	51	37%	62
Hindu	66%	13%	9%	4%	9%	1128	41%	1492
Jain	70%	15%	5%	0%	10%	20	14%	21
Jew	70%	10%	0%	10%	10%	10	42%	12
Muslim	52%	18%	10%	7%	13%	123	47%	159
Other	67%	33%	0%	0%	0%	3	25%	4
Sikh	73%	6%	18%	2%	0%	49	37%	65
RELIGIOUS SERVICE ATTENDANCE *#								
More than once/week	66%	10%	3%	5%	16%	292	26%	423
Once a week	59%	15%	14%	6%	6%	315	42%	402
Once a month	63%	18%	9%	2%	9%	222	48%	265

Only special Holy Days	68%	12%	8%	4%	8%	286	45%	387
Once a year	54%	16%	11%	4%	15%	96	48%	115
Less often	71%	11%	11%	3%	3%	175	49%	194
Never/practically never	71%	3%	8%	5%	13%	63	54%	80
EDUCATION *#								
Nonliterate	52%	21%	14%	5%	9%	387	33%	587
Below primary	64%	6%	9%	7%	14%	104	41%	152
Primary Pass (completed Class V, not Class VIII)	58%	20%	9%	5%	8%	174	41%	234
Middle Pass (Completed Class VIII, not Class X)	66%	11%	11%	2%	11%	205	48%	256
Matric (Completed Class X/high school or equiv)	77%	5%	6%	4%	9%	243	47%	283
Intermediate/College no Degree	67%	10%	7%	6%	10%	168	46%	194
Graduate (BA, BS, etc)	69%	9%	8%	6%	9%	158	46%	176
Post Graduate (MA, MS, etc)	76%	7%	12%	5%	0%	41	35%	46
Professional degrees and higher research degrees	58%	17%	8%	8%	8%	12	36%	14

Source: Author's calculations from raw WVS data

Notes: May not sum to 100% because of rounding. An asterisk, *, indicates differences in rates across rows are statistically significant at the 5% level for the Justification measure, and # indicates statistical significance for the Neighbor measure.

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