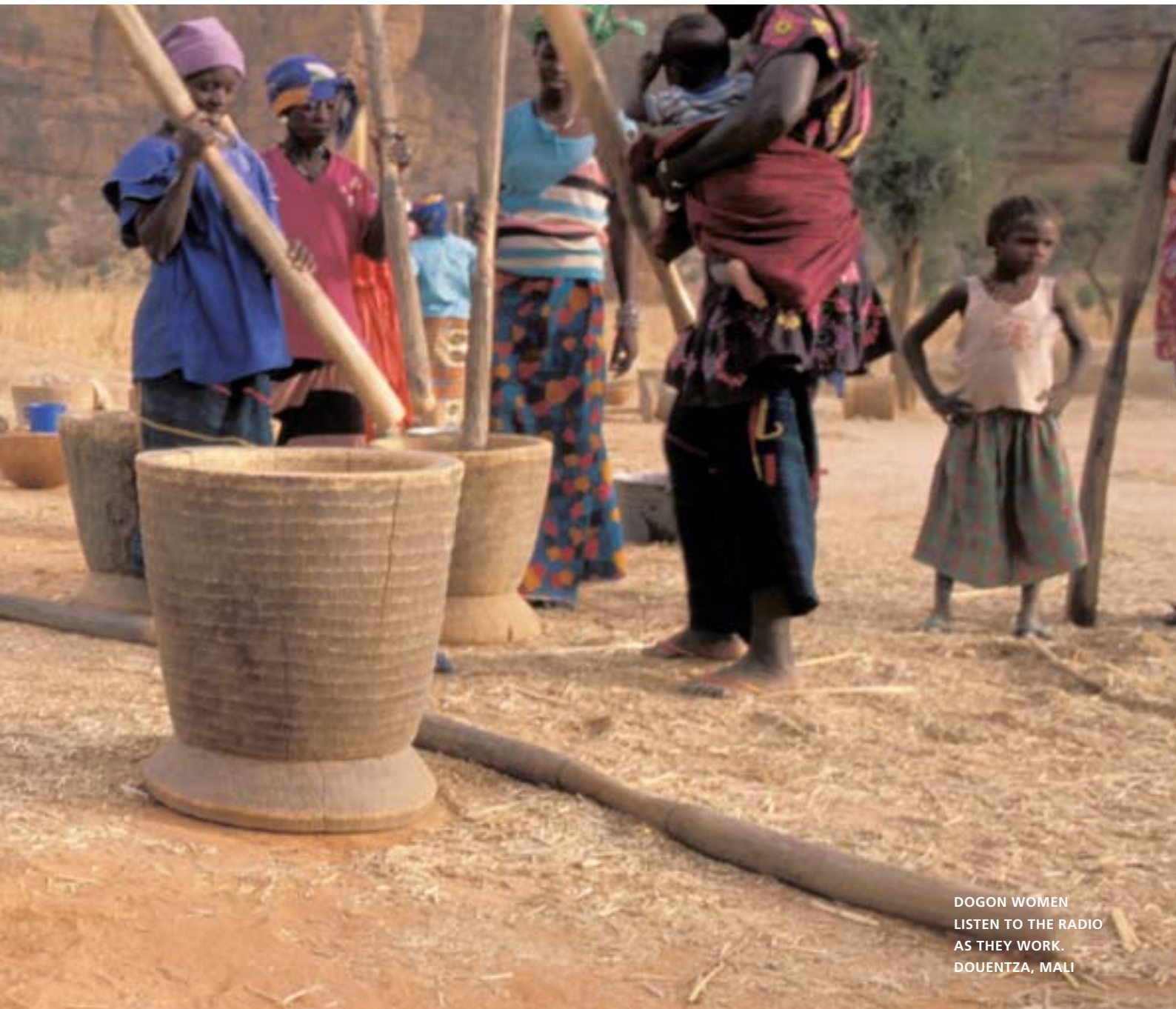
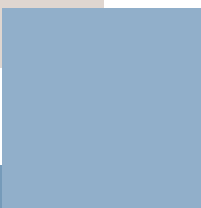
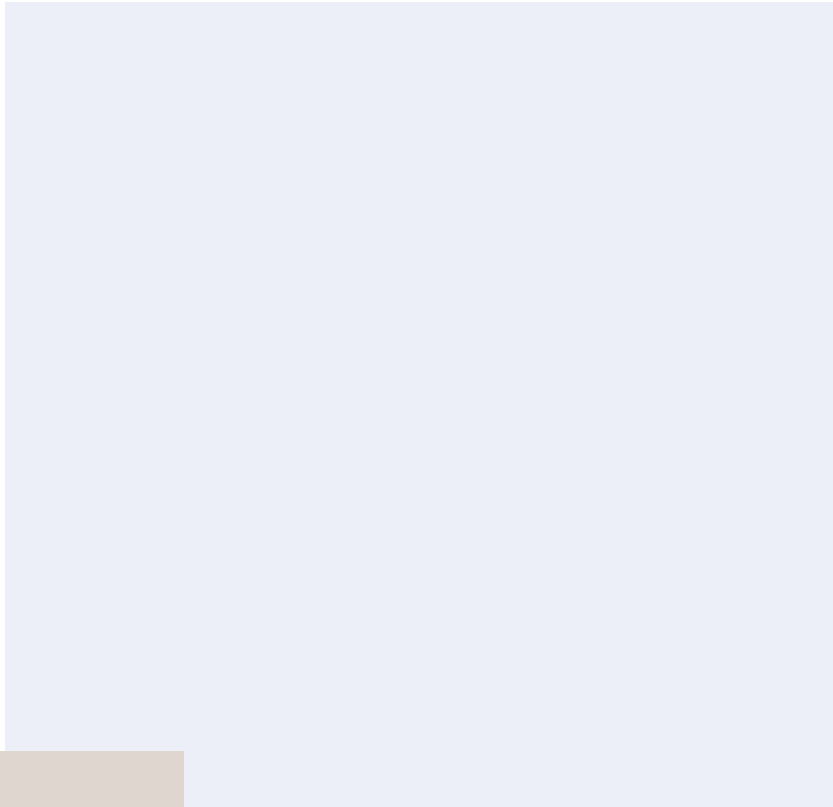




Section 2 Women, work and social policy



DOGON WOMEN
LISTEN TO THE RADIO
AS THEY WORK.
DOUENTZA, MALI



Unequal gender relations shape the ways in which families and households allocate resources, influencing the distribution of entitlements and responsibilities, work and leisure, between male and female members. It is less well recognized, especially within mainstream economic analysis, that social hierarchies and gender orderings have similar effects within market institutions. These do not operate in gender-neutral ways despite neoliberal protestations. On the contrary: markets, with all their risks and variable performance, embody gender hierarchies as they are found in society and its institutions. Nor do market institutions recognize the economic value of goods and services that take place outside the cash nexus. Hence, much of the unpaid work women do remains invisible. Market-based entitlements are therefore inherently male-biased.

Unless qualifying measures are introduced which help redress the inbuilt discriminations and vulnerabilities to which liberalized markets expose them, women in the workplace and in their livelihood and caring roles will tend to lose out. The thrust of contemporary neoliberal economic policy, however, has been against the use of regulatory measures to compensate for social risks and redress inequalities, in the name of efficiency, growth and freedom.

Liberalization has certainly opened up new job opportunities for some women, but it has also imposed upon them new burdens and risks. The four chapters in this section examine the impacts on women in different contexts. The first, "The feminization and informalization of labour", reviews women's increasing presence in the non-agricultural work force, while the second, "The changing terms of rural living", examines impacts on agricultural livelihoods. The third, "Cross-border migration of workers", is concerned with the phenomenon of women's growing mobility in search of work; and the final chapter, "The search for a new social policy agenda", explores the insecurities women have suffered from the lack of social protections in the era of liberalization, and examines prospects for realising them.





Chapter 5

The feminization and informalization of labour

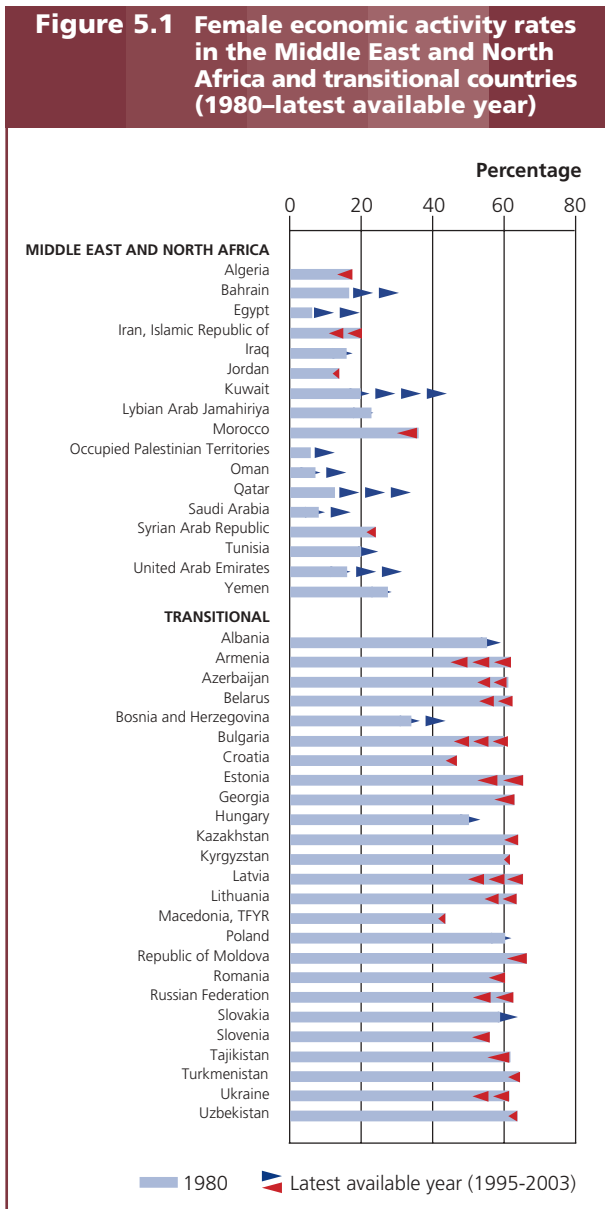
Over the past three decades women's economic activity rates have been rising in most parts of the world, as was shown in figure 1.2 and is shown in figure 5.1. There are exceptions to this general global trend, notably in the transitional economies which are part of Eastern Europe as well as Central and Western Asia where there have been notable reversals, and in the Middle East and North Africa (MENA) where they remain very low.¹ But the general trend is towards increasing female visibility in the economic domain, and in some countries women's activity rates are nearing men's. What does the apparent convergence in male and female economic activity rates actually mean? Does it signify the disappearance of gender from the labour market? In other words, is being a man, or a woman, no longer a significant attribute as far as one's entry into the labour force, pattern of employment, labour market status, and access to pay and welfare benefits are concerned? Another question that arises from the increase in female labour force participation is whether this has had an equalizing affect on the gender division of unpaid domestic and care work.

The evidence explored in chapter 3 suggests that, while there have been important changes in women's work patterns—notably the increase in work for pay—labour markets continue to be segmented by gender, as well as by factors such as race, caste and ethnicity which intersect with gender. Labour market segmentation does not disappear with modernization and growth, as the experience in the Organization for Economic Co-operation and Development (OECD) countries clearly illustrates. As labour markets restructure and modernize, there are invariably both changes and continuities. However, the recent

intensification of women's paid work has been paralleled by processes of deregulation in the conditions of work, as well as outsourcing and fragmentation of international supply chains.

The first key issue concerning women's participation in the labour market is the way in which their employment has to accommodate their paramount role in the unpaid domestic and care economy. Even in industrialized countries where this type of work is shifting to institutions other than the family, the paid care undertaken in hospitals, crèches and homes for the elderly is a small part of all care work done in a society. The fact that this work is almost exclusively performed by women has repercussions for female employment; it tends to penalize working women and is key to their weak position in terms of earnings and occupational status.² Although many regard caring as a fulfilling occupation, in households where incomes are low and amenities few, women's caring load can be disproportionately high and, where it includes food and utility provision, costly. Policy concerns therefore include the need not only for more and better work opportunities for women, but to ease their domestic and care burden through better provision of basic services, and to encourage a fairer male–female distribution of unpaid work.

However, even when women are included in the labour market, women and men tend to be segregated into different occupations (what is often referred to as horizontal segregation). Women are also more likely than men to be in occupations with lower pay, poorer working conditions, and worse prospects for advancement (vertical segregation). This is one of the main reasons why labour market segregation is so pernicious. Authoritative research finds that, despite some improvements



Source: ILO 2003.

in the 1990s, levels of gender segregation in the labour market remain high throughout the world.³ Women tend to congregate in relatively low-paid and low-status work at the bottom of the occupational hierarchy, and also to have little job security. Reducing gender segregation requires proactive state intervention in areas such as special training for women and anti-discrimination legislation; as well as the promotion of women

employees' needs and rights within authoritative workers' organizations capable of demanding accountability from governments and employers.

The final gender considerations related to women's workforce participation and earning are the potential repercussions on their personal relations at work and at home. Earning money in any amount for the first time may not alter certain characteristics of gender subordination, such as women's dependence on male protection; but it may reduce their dependence on male provision, and enhance their economic security and say in household decisions. For younger women it could mean greater mobility, the chance to postpone marriage, and a bit of discretionary income. Their new-found value can also affect how women are treated, as well as their feelings of self-worth.⁴ These gains notwithstanding, there are reasons for caution in equating women's paid work with empowerment. As already noted, women may find their total workload increasing without any change in care responsibilities. There are also instances where men reduce their contribution to the household budget, especially in places where it is common for fathers not to live with their children, as in South Africa and some parts of the Caribbean.⁵

NORTH AND SOUTH: CONVERGING AND COMPETING?

The global economy, as pointed out in Chapter 2, is operating substantially below capacity and levels of unemployment are becoming more severe. Unemployment rates in most OECD countries are very high, as is open unemployment in developing countries. This marks a change: typically, developing countries have had lower open unemployment rates while disguised unemployment or underemployment has generally been more prevalent. The change therefore suggests that the problem of finding jobs has become so acute that it is now captured in such data.

Another common pattern is the global trend whereby work is becoming increasingly informal and casual, although the extent of convergence between patterns in North and South

should not be exaggerated. The “informal economy” includes both self-employment in small and unregistered enterprises, and wage employment without secure contracts, benefits or legal protection; this economy is growing in importance worldwide, both in its proportion of total employment and in the number of informal enterprises.⁶ Even in developed economies, fewer workers have secure contracts, and many in formal employment are losing work-related social benefits, such as health insurance and pension provision.⁷ In much of sub-Saharan Africa and South Asia, and in such Latin American countries as Bolivia, Ecuador, Peru and Mexico, only a fraction of the workforce has ever been engaged in formal employment. But in countries such as Argentina and Chile whose labour markets had come to resemble those of the industrialized world, factories have closed, public sector employment has been cut, real wages have fallen, and increasing numbers of households have become dependent on the informal and unregulated economy.⁸

This trend was unforeseen. In the 1960s and 1970s, it was assumed that the worldwide development of the modern economy would shrink and absorb informal activity, as had happened historically in the industrialized countries. The subsequent extensive growth of the informal economy has reversed such expectations; instead, the global economy has shown a tendency to encourage precarious forms of work which do not bring in sufficient earnings to meet subsistence. In spite of this deepening phenomenon, work and employment currently receive relatively little attention internationally, except, importantly, from the International Labour Organization (ILO); this is even the case within the poverty reduction agenda of the last decade. Indeed, employment hardly features in the Millennium Development Goals.

Finally, while the effects of global integration on workers in the South have been regarded, by trade economists at least, as positive for developing countries, the available evidence is ambiguous.⁹ For the vast majority of developing countries, manufacturing employment has actually stagnated or declined over the past decade, while the growth in manufacturing activities and employment has been confined to a handful of countries: China, Malaysia, Indonesia, Thailand and Chile. The rapid surge in imports associated with trade liberalization is responsible for manufactur-

ing’s poor performance elsewhere, as cheap, newly deregulated imported goods have displaced those made by small-scale, employment-intensive domestic producers unable to compete in international markets. Job losses from import competition have been significant in some developing countries, and has not been compensated for by the opening up of export employment.¹⁰

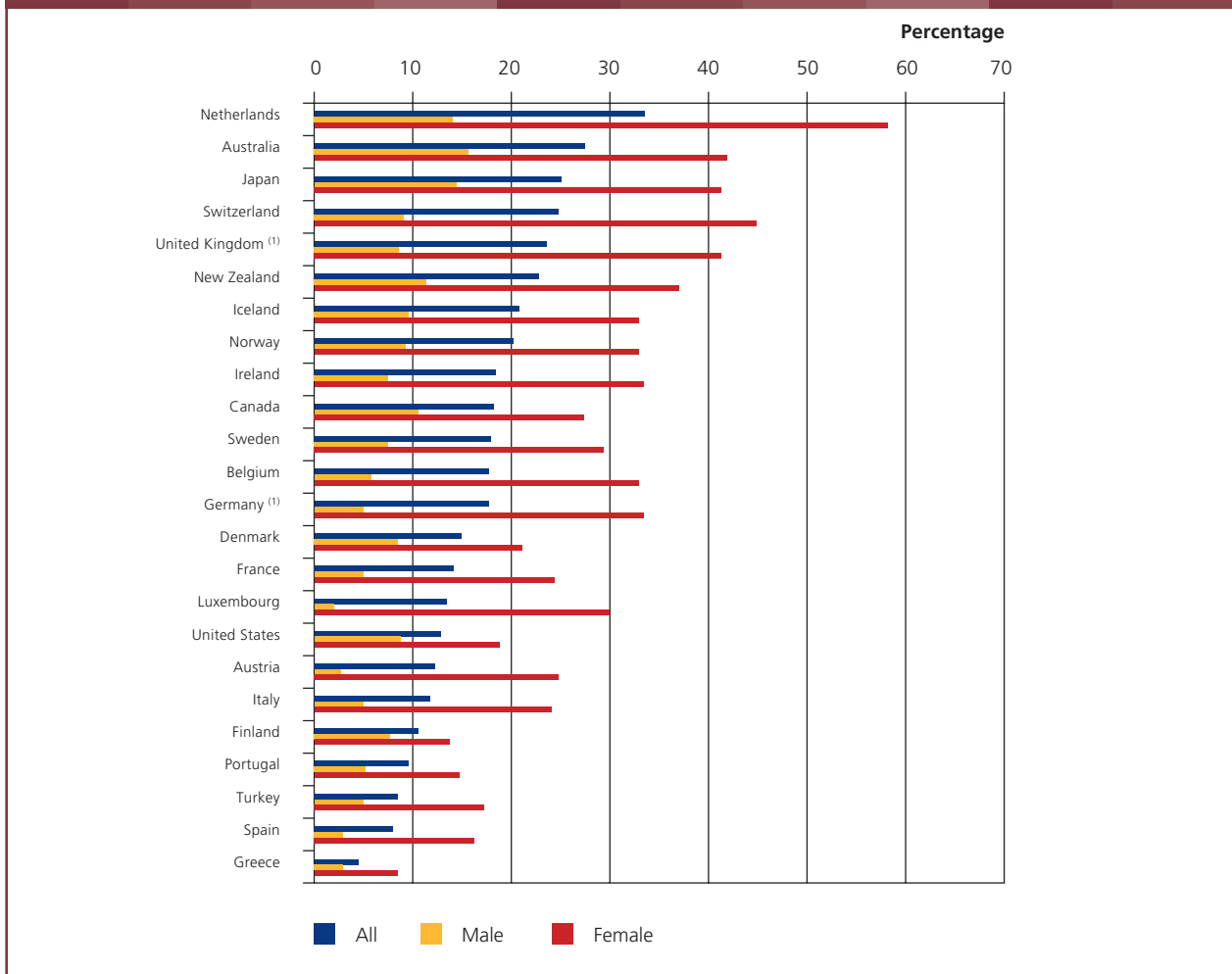
Some advocates of trade liberalization argue that women in the South have emerged as winners in the new manufacturing employment scenario. But the picture is not straightforward. Wherever export-oriented manufacturing industries have grown (including in China, Malaysia, Bangladesh, Mexico and Thailand), women have been disproportionately absorbed into their workforces. And even though the working conditions and terms of pay in many of these factories are poor by international standards, they are usually better than in the urban and rural informal economy. However, these positive considerations concerning expanding female employment opportunities need to be qualified.

In the first place, as chapter 3 has shown, as these industries have upgraded, matured, and needed a higher skilled workforce, there has been a widespread defeminization of labour.¹¹ There has also been a strong tendency in industries with a largely female workforce, especially garment manufacturing, towards deregulation and subcontracting; this often leads to the extensive use of homeworkers, one of the most invisible groups in the informal economy (see below). Finally, jobs that are destroyed as a result of import liberalization are not only those occupied by the male “labour aristocracy” in state-owned or state-protected industries, but include jobs held by women. These may be in the state-owned sector as in China, or informal forms of work in small-scale and labour-intensive local enterprises.¹²

WOMEN’S EMPLOYMENT IN OECD COUNTRIES: CONTINUITY AND CHANGE ¹³

In the OECD countries, women’s labour force participation has been rising as industrialization and urbanization have drawn women into the formal workforce, albeit unevenly across countries.¹⁴ In some, women’s employment rates are nearing men’s.

Figure 5.2 Part-time employment rates in OECD countries, as percentage of total employment (2001)



Note: (1) Data for 2000.
Source: ILO 2003.

Women are also being drawn into the informal economy where this kind of activity is significant, most notably in southern Europe. The trend of going to work is most noticeable among mothers with young children, the group most likely to drop out of employment in the post-Second World War period. However, workforce participation rates are crude indicators of working women’s situations. They reveal nothing about the intensity of men’s and women’s employment (part-time versus full-time), their relative contribution to paid and unpaid work,

or about different patterns of lifetime participation. These factors complicate the picture.

First, women are under pressure to limit their paid economic activity. In all these countries caring and household work remains predominantly with women, many of whom subordinate employment to family responsibilities. In many countries, some of the care burden of children, the sick and the elderly is shifting to institutions other than the family, but women still have to shoulder a time-consuming household load. Thus many work

part-time or drop out of the labour force altogether at far higher rates than men. Even in the Nordic countries where levels of formal participation are highest, many mothers of young children technically in the labour force are actually on parental leave; few men take up their parental leave entitlements. Moreover, where care work is bought in—nannies, nurses, cleaners, minders—it is usually done by women, often from racial or ethnic minorities (see chapter 7). It is invariably underpaid relative to “male” occupations involving similar levels of competence.

Thus the gender division of labour is not disappearing, but modernizing, as women enter the labour force and stay in employment for greater portions of their lives. It is now sometimes argued that gender difference is increasingly based on time, with men working full-time and women working part-time (see figure 5.2). This has replaced the older gender distinction between men’s participation in paid work and women’s full-time domesticity and absence from the labour market. There is variation in the quality of the work women engage in between countries, as well as in the mix of paid and unpaid work, but the basic pattern is the same: men “specialize” in paid work while doing little at home; women do the bulk of unpaid work, increasingly in combination with employment. There are different views over whether women work more hours overall. The evidence suggests that certain groups of women are hard-pressed, for example employed mothers who work a “second shift” at home.¹⁵

According to recent ILO estimates, three categories of non-standard or atypical work comprise 30 per cent of overall employment in 15 European countries, and 25 per cent of total employment in the United States: self-employment, part-time work (in which women predominate), and temporary work.¹⁶ This cannot be equated with informal work in developing countries; some of it takes place under contract and falls under the scope of labour legislation. Work of this kind may be a deliberate choice by male and female workers with resources, skills and other options. Part-time and temporary workers are often employed by regular firms and institutions. Nevertheless, atypical workers have fewer protections and benefits than full-time employees, although there are differences between countries. Part-time workers are more likely to be eligible for benefits in Europe than in North America or Japan.¹⁷

There is also a rising trend of irregular, informal and hidden employment in many industrialized countries. This kind of work is usually undertaken by immigrant women and men, many of whom are undocumented (see chapter 7). It is therefore extremely difficult to obtain reliable figures concerning its extent or the situation of women as opposed to men employees.

Finally, it is important to underline the fact that there is still a substantial earnings gap between men and women in OECD countries, despite an EU policy mindset which assumes that women, like men, work full-time and are financially independent.¹⁸ This is partly because so many women work part-time; but there are also earnings gaps among full-time workers, as table 5.1 clearly shows. These reflect occupational segregation and the fact that “women’s jobs” earn lower wages. Interestingly, younger women seem to have much higher relative earnings, which may indicate progress over time toward gender parity. But it may also reflect the fact that the youngest cohorts have not yet entered the prime childrearing years, when women are under greater pressure to scale back on employment in ways that often result in lower pay.

WOMEN’S EMPLOYMENT IN EASTERN AND CENTRAL EUROPE: CRISIS AND DECLINE

The situation with regard to female employment in the formerly centralized command economies of Eastern and Central Europe has undergone more radical shifts, and some reversals. Prior to 1989, these countries had achieved remarkably high rates of female labour-force participation, despite gender segregation of jobs, modest gender wage gaps, and an unchanged distribution of household responsibilities. After the socialist regimes collapsed and economies were liberalized, there was a radical and alarming decline in employment and activity rates for both men and women. During the course of economic transformation, around one-third of all jobs were lost, leading to widespread unemployment. At the same time, state welfare systems

Table 5.1 Women's average annual income/earnings as a percentage of men's, by age groups for full-time, full-year workers in the mid to late 1990s

	Total 15+	15–24	25–34	35–44	45–54	55–64	65+
Austria	74.9	88.1	80.6	73.4	73.4	65.7	53.0
Canada	73.1	82.5	78.2	74.8	69.9	62.4	–
Denmark	82.8	–	–	–	–	–	–
Finland	77.6	79.5	81.7	74.5	74.7	75.4	–
Ireland	65.0	–	–	–	–	–	–
Italy	81.2	93.9	88.9	79.7	80.2	80.2	67.8
Netherlands	71.2	88.6	86.6	84.1	75.5	77.6	–
Norway ⁽¹⁾	71.2	85.1	71.6	73.4	67.7	79.2	–
Spain	77.9	77.9	85.9	82.1	73.8	63.9	34.4
Sweden	78.7	84.2	80.2	77.4	76.4	76.6	–
Switzerland ⁽²⁾	76.4	95.1	87.2	80.9	69.6	72.3	–
United Kingdom ⁽³⁾	73.8	–	–	–	–	–	–
United States ⁽²⁾	68.0	87.2	81.1	69.6	63.5	53.5	54.8

Notes (1) Youngest age group is 16–24.

(2) Median annual income.

(3) Average weekly earnings; figure refers to Great Britain.

Source: Orloff 2002.

were dismantled. As the real value of wages declined, social benefits were being reduced, pensions lost their value, inequalities increased, and poverty became visible and deepened. Complicating the economic and social crisis, an ideological backlash ensued against the kind of “emancipation” fostered by regimes of the communist era, with worrying implications for gender equality prospects.

In this turbulent and traditionalist-resurgent context, questions were raised about women's ability to maintain their presence in the public sphere. By the early 1990s there had already been reversals in women's labour-force participation. Women were facing new—or perhaps old but previously disguised—forms of discrimination and higher rates of unemployment than men, while benefits for employed mothers were being cut.¹⁹ Were these apprehensions of women's loss of hold in the labour market borne out by subsequent developments?

Apart from Slovenia, the three countries in the region exhibiting the highest level of economic prosperity, the most streamlined progress towards liberal democracy, and the quickest transition into the EU are the Czech Republic, Hungary

and Poland. However, concern has been expressed about the “male democracies” taking shape in the region, maybe precisely because of their rapid integration into the globalizing world.²⁰

Employment and activity rates for both men and women declined sharply after 1990 and are very low in two of the three countries (Poland and Hungary) (see table 5.2). Czech women have had most success in staying economically active, probably because employment retrenchment in the Czech Republic was generally milder than in the other two countries.²¹ Polish women, with a higher rate of inactivity in 1989 than women in the other countries, were less likely to be employed or active in 2001. The low levels of economic activity in Hungary are particularly worrying, especially as far as women with lower qualifications are concerned (see box 5.1). In addition to the mass disappearance of jobs in the early 1990s, high rates of inactivity have been attributed to the legacy of an early retirement age, and generous maternity/parental leave policies which encouraged mothers (but not fathers) to leave work. Women's activity rates are well below the EU average (60 per cent), or even the

Table 5.2 Activity rates and female/male mean wage ratio, Czech Republic, Hungary and Poland

	Activity rates (percentage of population aged 15 to 64)				Female/male mean wage ratio		
	Male		Female		1988–1989	1995–1996	1999–2000
	1990	2001	1990	2001			
Czech Republic	—	71.9	—	67.9	70.6	78.3	73.8
Hungary	83.8	67.8	75.9	52.4	72.1	80.2	80.1
Poland ⁽¹⁾	74.3 ⁽²⁾	64.3	57.0 ⁽²⁾	49.7	70.8 ⁽³⁾	64.9	65.2 ⁽⁴⁾

Notes: (1) Wages for white-collar only; (2) Data for 1988; (3) Data for 1985; (4) Data for 1985.

Sources: Pollert 2003; Fultz et al. 2003, cited in Fodor 2004b.

average of the EU accession countries. This is a new phenomenon in Hungary where the drop was the sharpest; in Poland it represents a continuation of earlier trends. Only the Czech Republic maintains a relatively high, if reduced, female activity rate at 68 per cent.

Low economic activity rates cause obvious problems. Few families relying on only one wage enjoy a decent standard of living; thus women's lack of gainful employment may expose a family to poverty. In Poland and Hungary, studies show a significantly higher risk of poverty in households with inactive members; the typical poor family consists of a working husband and an "inactive" wife raising young children. In addition, high divorce rates and inadequate social provisions for mothers on their own, place women outside the labour force in a particularly vulnerable position.

Despite some common patterns across the three countries, there are also some notable diversities in gender hierarchies. In Poland, emphasis on women's domestic roles and a long history of women's labour market disadvantage assigns most women to the household. Women do work, but unemployment is rampant, the gender wage gap is significant, and women seem to have difficulty gaining positions of workplace authority. Since 1989, the Church has strongly influenced social policy, in particular decisions about abortion and contraception, and loudly favours traditional family values and gender roles.²²

In the Czech Republic, the economic transformation process was slower and less radical than in the other two countries.

Here, women are more likely to be economically active, but they occupy low-level positions at a distinct disadvantage to men. The position of Hungarian women is sharply divided along class and ethnic lines. This differentiation also exists in the other two countries, but the presence of the Roma in Hungary makes social exclusion along the lines of gender, as well as race and class, more visible. Middle class women, especially those who are young, childless and well-educated, have managed to gain or retain their positions in the labour market and win social rights which help them combine paid and household work. Those in low-income groups are left behind, economically inactive, forced into early retirement or welfare subsistence.

In countries in the region where the transition has been more traumatic, many people previously employed in public enterprises or the bureaucracy are now engaged in the informal economy, often in home-based work.²³ Some have been retrenched from the public sector but are entitled to a minimum pension; others may retain a public-sector post but on wages that are too low to cover the rising cost of survival. Members of minority and migrant populations tend to fall into the poorest categories: for example Kosovar and Roma women in Serbia, and Polish women in Lithuania. These women are often excluded from the more lucrative niches in the informal economy, and are forced to manage on very few financial and social resources.

Box 5.1 Women outside the labour market in Hungary

The rate of economic inactivity in Hungary is high and on the rise. From 1.5 million women aged 15–64 in 1999, the number had gone up to 1.7 million in 2001, from 41 to 48 per cent of the age group. (The corresponding rates for men were 23 per cent in 1999 and 34 per cent in 2001.) All age groups are represented, and the majority have very low qualifications. The declared reasons for women not to be working include seeking education (27 per cent), undertaking childcare (21 per cent), and taking early retirement (27 per cent); a quarter give no reason. In 2002, other than those in education or near retirement, the great majority said that they would like to work—far more than the number of active job-seekers. Re-entry into the formal labour market is not easy however, as many companies have been liquidated and former employers are not able to take their ex-employees back. Return is particularly difficult for those who have spent a long spell outside the labour market. Few people can afford to pay for childcare, care for the sick or elderly, or domestic help. Meanwhile most households need a second earner. So those women who are able, undertake a variety of casual work—gardening, taking care of children or older people, cleaning—in their vicinity for a few hours a day or week, bypassing the formal economy. Those engaging in such work are poor, live on a pension or childcare assistance, and so grasp any opportunity they can. The rate of pay has little to do with the official minimum wage. The segmentation of the labour market in Hungary is deep, with few passageways between the unrecognized informal economy and the formal workplace.

Source: Laky 2004.

MIDDLE EAST AND NORTH AFRICA: STALLED INDUSTRIALIZATION AND DIVERSIFICATION

Although the MENA region is often studied as an integrated whole (due to certain shared cultural, religious and historical characteristics, and the prevalence of oil economies), it includes three distinct types of economy: the oil economies (such as Kuwait and Saudi Arabia); the mixed oil economies (such as Algeria, Islamic Republic of Iran, Iraq and Tunisia); and the non-oil economies (such as Jordan, Morocco and Turkey). Women's labour-force participation and access to paid employment in the region are lower than those reported for other developing regions, although they have been rising in recent years (see figure 5.1).

As part of state-directed industrialization during the 1970s and 1980s, the formal sector in most countries in MENA was largely made up of government agencies and state-owned enterprises. High wages and generous social policies for employees were made possible by state oil revenues, and by the capital and labour flows between countries (for example, remittances of

workers from non-oil countries working in the oil or mixed-oil economy countries). At the same time, income taxes were among the lowest in the world. A detailed comparative study of wage trends has established that the wages of manufacturing workers were higher in most of these countries than in Asian countries such as the Republic of Korea, Malaysia and the Philippines.²⁴

The political economy of oil, however, was a mixed blessing. It weakened accountability mechanisms between the citizens and the state, allowing authoritarian states to dominate the economy and society. There were also important implications as far as employment opportunities and lack of economic diversification were concerned. High wages for male workers, large-scale male migration from the non-oil countries to the oil-rich countries, remittances sent back by (male) migrant workers, and the cultural and legal sanction given to the “male breadwinner” ideal, all served to suppress women's employment. In some labour-sending countries, labour shortages led to a new dependence of the agricultural sector on women workers. But overall, the region did not exhibit the levels of female labour-force participation developing in Southeast Asia or parts of Latin America.

Employed women in the region were professionals, mostly in the social sector. Compared with other parts of the world, women were under-represented in production jobs, clerical and sales work, and administrative and managerial positions.

The ramifications of the near-collapse of oil prices in 1986 (from US\$28 per barrel to US\$7 per barrel) were widespread. Governments put in place austerity measures, and tried to shift from a state-directed development strategy with large public sectors to a growth strategy favouring the expansion of the private sector. Export industrialization was also encouraged. In Morocco and Tunisia, as well as in Turkey, there has been a significant absorption of women into manufacturing for export. Outside North Africa and Turkey, modern manufacturing industries for export have failed to take hold. In Islamic Republic of Iran, significant numbers of women are recorded in census figures as working in manufacturing, but this is predominantly informal activity, rural and family-based, such as rug-weaving and handicrafts.

The impacts of the changing political economy on female employment and gender hierarchies in labour markets have been

mixed. Some trends stand out and need to be studied more closely. First, there has been an increase in the supply of job-seeking women, and an emergence of very high rates of unemployment among women (see table 5.3).

Another is the expansion of women's non-governmental organizations (NGOs), which appear to be playing important roles culturally, politically and socially, while also providing employment opportunities for women who might otherwise not find them in the government or private sectors.

The contraction of public-sector employment has contributed heavily to job losses, especially in the former state-owned enterprises, but women have been surprisingly little affected. In the Islamic Republic of Iran, for example, women's share of civil service employment grew from 30 per cent in 1986 to 38 per cent in 1996. Throughout the region, there is an increasing presence of women in government employment. The feminization of the civil service seems to be linked to two factors: the rising educational attainment of women, and the downgrading of the public sector and gravitation of men into

Table 5.3 Unemployment rates, selected MENA countries, 1990s

Country	Year	Male (per cent)	Female (per cent)	Total (per cent)
Algeria	1992	24.2	20.3	23.8
	1997	26.9	24.0	26.4
	2001	-	-	27.3
Bahrain	1991	5.5	13.4	6.8
Egypt	1995	7.0	22.1	10.4
Iran, Islamic Republic of (urban)	1991	8.9	21.5	14.5
	1996	8.3	12.5	10.2
Jordan	1991	14.4	34.1	17.1
	1994	12.9	28.3	15.0
	1997	11.7	28.5	14.4
	2000 (Nov.)	12.6	19.8	13.7
Lebanon	1996	8.6	7.2	7.0
Morocco (urban)	1992	13.0	25.3	16.0
	1998	17.4	22.9	18.7
Oman	1993	4.7	8.7	5.1
Syrian Arab Republic	1981	3.2	2.0	3.0
	1991	5.2	14.0	6.8
	1995	5.1	11.6	6.5
Tunisia	1993	14.7	21.9	16.1
Yemen	1991	14.0	6.0	12.3
	1994	10.1	5.4	9.1

Sources: World Bank 1995a:5; ERF 1996:103; ERF 1998:128; ESCWA 2000:37; ILO 1999; Moghadam 1998; Yemen Ministry of Planning & Development 1998; Jordan Department of Statistics various dates; IRI 1993:table 8, p.64; IRI 1997:table 3-1, p.70; Republique Algerienne 2000; World Bank 2004a, cited in Moghadam 2004.

the expanding and more lucrative private sector. The jobs obtained by women are not necessarily at high levels: they have minimal presence in administrative and managerial positions. In the late 1990s, the percentages ranged from a low of under 6 per cent in Algeria, Islamic Republic of Iran, Jordan, Kuwait and Syrian Arab Republic, to 10–13 per cent in Egypt, Tunisia and Turkey.²⁵

One distinctive feature, long noted by researchers, is women's disinclination to enter sales work and service occupations in the private sector, confirmed by wage employment data showing their under-representation in retailing, services, hotels and restaurants. Women's "avoidance" of these occupations has been explained in terms of cultural norms, as these are occupations with the highest likelihood of indiscriminate contact with male outsiders. But the traditional urban markets—bazaars or souks—are the province of a male merchant class and imbued by a masculinist and elitist culture. Thus exclusionary forces operating through male networks are even more likely than women's own "disinclination" to have kept them out of this domain. Some change is under way, however. In Tunisia, for example, women are finding their way into the more open niches, and gender divisions are slowly melting away.

Challenges facing women in the labour market besides high rates of unemployment are structural weaknesses in the economies; widening within-country inequalities; continued high rates of illiteracy in some countries (such as Egypt, Iraq, Morocco, Syrian Arab Republic and Yemen); and the gap between anachronistic laws and norms and the realities of women's lives. In Tunisia, furthermore, women's employment and access to social programmes could be undermined when the Free Trade Agreement with the EU comes into effect in 2007. The elimination of tariff barriers may increase imports and trade deficits, diminish state revenue from tariffs, and adversely affect the social welfare programmes administered by the state, as well as retrench thousands of women workers.

Anecdotal accounts and ethnographic studies suggest that self-employment and other forms of informal work—both high-end and low-end—have been expanding, as different groups of women search for a toe-hold in a differentiated informal economy. However, more qualitative and quantitative studies are

needed to determine the extent and types of informal activities that women (and men) are undertaking, the constraints they face, and how gender hierarchies interact with other types of segmentation within the informal economy.

THE INFORMAL ECONOMY

The informal economy is sometimes defined in terms of what it is not: economic activity and enterprises that are not registered, not regulated, and do not pay taxes. But it is being increasingly recognized that registered companies which belong to the formal economy may also engage workers on their own premises on an informal basis, without secure contracts, worker benefits or legal protection. They also have complex subcontracting arrangements whereby individual homeworkers are informally employed. Finally, some of those who are "self-employed" are highly vulnerable; "self-employment" is a category covering a great range of contractual conditions, including thinly disguised forms of wage labour.²⁶

At the 2002 International Labour Conference, therefore, a new and broader definition of the informal economy was endorsed, which accommodates this diversity. The new concept of "informal employment" defines it as employment without secure contracts, worker benefits or social protection, and encompasses the following situations:

- self-employment in *informal enterprises* (that is, small and/or unregistered enterprises)
 - employers
 - own-account workers
 - unpaid contributing family members
- wage employment in *informal jobs* (that is, without secure contracts, worker benefits or legal protection)
 - employees of informal enterprises
 - informal wage workers for formal firms or households: casual day labourers, domestic workers, contract workers, temporary and part-time workers (without protection).²⁷

The ILO has recently provided a statistical picture of the informal economy, which helps shed light on the male–female share of informal employment, job status and incomes earned.²⁸ Some of the findings are summarized below.

In developing countries

- Informal employment comprises one half to three-quarters of non-agricultural employment: 48 per cent in North Africa, 51 per cent in Latin America, 65 per cent in Asia, 72 per cent in sub-Saharan Africa (table 5.4).
- Informal employment tends to be a larger source of employment for women than for men in all developing regions except North Africa (table 5.4).
- Self-employment comprises a greater share of informal employment (outside agriculture) than wage employment in all developing regions. In most countries this share is greater for women than for men (table 5.5).

- Although women’s labour force participation rates are lower than men’s, the limited data available point to the importance of women in home-based work and street vending.
- Those who work in the informal economy are generally not covered by labour legislation for social protection and earn less, on average, than workers in the formal economy.

Women in all parts of the world speak of the advantages— notably the flexibility—of part-time and home-based work. But this type of labour market adaptation is generally one-sided, derived from the needs of employers to access workers whose domestic responsibilities would otherwise exclude them.²⁹ Much of this work is low-paid and insecure. Typically there are no contractual rights to paid leave, for sickness, maternity or vacation. Nor are pension rights included. There is an assumption that a husband or son will provide support for the retired worker in her old age.³⁰ Even the presumed advantages of “flexible” work—accommodation of women’s caring responsibilities—may be less relevant in settings where the potential domestic pool is

Table 5.4 Informal employment in non-agricultural employment, by sex, different regions and selected countries (1994–2000)

Region /country	Informal employment as percentage of non-agricultural employment	Women’s informal employment as percentage of women’s non-agricultural employment	Men’s informal employment as percentage of men’s non-agricultural employment
North Africa	48	43	49
Algeria	43	41	43
Egypt	55	46	57
Sub-Saharan Africa	72	84	63
Chad	74	95	60
Kenya	72	83	59
South Africa	51	58	44
Latin America	51	58	48
Bolivia	63	74	55
Brazil	60	67	55
Chile	36	44	31
El Salvador	57	69	46
Mexico	55	55	54
Asia	65	65	65
India	83	86	83
Indonesia	78	77	78
Thailand	51	54	49
Syrian Arab Republic	42	35	43

Source: ILO 2002b.

Table 5.5 Wage and self-employment in the non-agricultural informal sector by sex, different regions and selected countries (1994–2000)

Country/region	Self-employment as percentage of non-agricultural informal employment			Wage employment as a percentage of non-agricultural informal employment		
	Total	Women	Men	Total	Women	Men
North Africa	62	72	60	38	28	40
Algeria	67	81	64	33	19	36
Egypt	50	67	47	50	33	53
Sub-Saharan Africa	70	71	70	30	29	30
Chad	93	99	86	7	1	14
Kenya	42	33	56	58	67	44
South Africa	25	27	23	75	73	77
Latin America	60	58	61	40	42	39
Bolivia	81	91	71	19	9	29
Brazil	41	32	50	59	68	50
Chile	52	39	64	48	61	36
El Salvador	65	71	57	35	29	43
Mexico	54	53	54	46	47	46
Asia	59	63	55	41	37	45
India	52	57	51	48	43	49
Indonesia	63	70	59	37	30	41
Thailand	66	68	64	34	32	36
Syrian Arab Republic	65	57	67	35	43	33

Source: ILO 2002b.

wide, paid domestic labour is cheap, and where many women are the sole income earners within their households.³¹

Rural migrants entering the urban informal economy

A more in-depth gendered analysis of the informal economy can be gained by drawing on a range of relevant case studies. Rural impoverishment has historically contributed to migration into urban areas and continues to do so. Migrants come from all strata of society, and those who have capital, skills and contacts tend to go furthest and do best.³² Women who migrate are often seen as “associational”, simply accompanying their husbands: in India, for example, even though female migrants predominate, only 1 per cent are recorded as migrating for employment. However

wives do look for work, returning home if they fail, and the many who stay are migrants in their own right.³³ Women’s patterns of migration can also change rapidly depending on workplace opportunity, as has recently happened in Bangladesh.³⁴

The employment of young, rural, migrant women in export-oriented manufacturing industries has been studied extensively over the past decade, with conflicting interpretations of what such employment means to the women involved. However, a much larger contingent of women can be found on the lowest, least visible rung of the informal employment ladder. Many lack the skills and connections needed to secure more stable jobs with decent pay. They usually live in slum housing without even the most basic amenities, and are often at the mercy of local “strongmen”.³⁵

Particularly pertinent in the context of an overall concern with liberalization is a study in Dhaka (Bangladesh) comparing

pay and working conditions of women workers in export garment industries with those of women working for domestic markets.³⁶ Compared with those working for the export industry, the working conditions of those employed in non-export firms were much less formalized. They rarely received a contract letter of any sort (4 per cent), maternity leave (18 per cent), overtime pay (8 per cent) or medical care at work (13 per cent). Women in export garment-industry jobs, especially those employed in the Export Processing Zones, tend to be younger, from distinctly better-off backgrounds, and better educated; primary-school qualification is needed for entry.

The majority of women working in the domestic informal economy, whether self-employed or waged, were clustered in a limited range of occupations. Those in waged work were concentrated in domestic service, casual manual work (often on construction sites), and small-scale manufacturing; the self-employed had small shops or tailoring businesses, or were vendors in petty trade. Over half (52 per cent) had been without work for some period of the past year, a serious problem for informal workers. Their shorter working hours, compared to the long hours put in by export garment workers, were not indicative of an active choice on their part. Casual work, while more flexible than factory work, often entails high levels of underemployment, which means fluctuating and low earnings.

In Bangladesh the export garment industry has been nurtured by national capital under the protection of the Multi-Fibre Arrangement (MFA), providing jobs to 1.5 million women (1.8 million workers altogether).³⁷ Although working conditions in many of these factories are below international standards, the expansion of employment for women in a highly patriarchal society has been judged positively by many observers and by women workers interviewed by researchers.³⁸ In other countries, however, global integration has not produced dynamic export industries, nor has it lured global firms to tap into a potentially vast labour force. Many countries in Africa have experienced de-industrialization, while extractive sectors (mining and logging) and trading activities have grown. Even in the early 1990s, while trading constituted 50 per cent of enterprise in Swaziland, more than 60 per cent in Botswana and close to 70 per cent in Kenya and South Africa, manufacturing only

constituted 17 per cent in South Africa and Botswana, and 35 per cent in Lesotho. Zimbabwe was exceptional with a high manufacturing component of 65 per cent, but liberalization has since pushed Zimbabwe increasingly into trade.³⁹ Export-oriented industries have failed to take hold, and much of women's work is in trading and services rather than in manufacturing.⁴⁰

Many women in the urban informal economy in sub-Saharan Africa are working for others, or have done so at some stage. These employer/employee relations within the urban informal economy have been described as “ubiquitous and vicious networks of micro-exploitation of the poor exploiting the very poor”.⁴¹ An example is the female head porters or *kayaye* in urban markets in southern Ghana. Most are young women migrants from rural areas in northern Ghana, eking out a living portering goods on their heads at the service of sellers or purchasers (see box 5.2). Low growth in the “lost decade” of 1980s in Latin America led to the expansion of open unemployment, as well as the accelerated expansion of low quality employment, mostly in informal activities. During the 1980s and 1990s, eight out of every ten new jobs created were in the informal sector, while the 1999 manufacturing wage was only 3 per cent higher than its 1980 counterpart.⁴²

Both Ecuador and Bolivia, for example, have seen a rapid expansion in their non-farm informal economies in the last decade, as an outcome of severe macroeconomic and financial crises and restructuring. Global integration has taken place, but without an expanding export-oriented manufacturing sector or foreign capital inflows. A recent survey highlights the extensive nature of informal work, its variability in incomes, and the high vulnerability for the workers concerned, especially women.⁴³ In the low-income urban communities surveyed, only 18–20 per cent of workers were formally employed, and they were predominantly men. Women were typically engaged in small-scale domestic production in traditional crafts, furniture, shoes, leather and garments; these informal markets have recently suffered from the invasion of large amounts of second-hand products, mostly from the United States. El Alto, a de facto annex to the city of La Paz (Bolivia's capital), has become the quintessential indigenous “informal city”, with the great majority of its inhabitants surviving from microenterprises,

Box 5.2 Kayaye in Ghana: The poor exploiting the very poor

Commercial head-loading by girls and women known as *kayaye* is commonplace in large towns and city areas in Ghana, where women traders and buyers employ these women to move their goods between purchasing points and transport facilities. Head-load portering is women's work in Ghana as elsewhere in Africa, while portering by men involves the use of wheeled equipment such as a hand-pulled cart or wheelbarrow.

The female portering trade depends on a network of ethnic ties. These facilitate the migration of girls from rural areas and their incorporation into city life, supplying them with accommodation, working tools and access to savings schemes. Most are from northern Ghana, the most economically deprived region in the country; the majority of the *kayaye* in Accra, for example, come from northern Ghana and spend six months to a year in the city. They maintain close ties with their families and send them part of their income. They share accommodation and form savings clubs as part of their strategy to survive.

Kayaye typically live in wooden sheds around the markets. These are used for trading by day, and as shelter when the trading day is over. They pay a fee and sleep on cardboard, sacks or on a piece of cloth. Only at night can they use the sheds for sleeping, so they have difficulty storing their belongings and caring for their children. Mothers leave their children in the care of girls aged as young as six, who operate as child minders before graduating into portering themselves. The *kayayes'* housing situation makes them vulnerable to sexual abuse.

Kayaye are members of a growing urban homeless contingent. After portering and petty trading, commercial sex is the next most popular activity among females in this category. *Kayaye* may also engage in commercial sex work at night to augment their meagre earnings. Children as young as ten are involved in commercial sex, for which there is a high demand. Just as these girls are not able to demand fair wages for their services as porters, they are not able to negotiate safe sex or reasonable wages for sex. They rarely have access to reproductive health services, including safe abortions.

Source: UNICEF 2002.

street vending and similar activities. In both countries, the informal economy is dominated by low-return and low-productivity activities pursued as a means of survival.

Perpetuation of informality to disguise real employment

In many parts of the world, types of employment relationship are emerging that are purposely disguised as something else, or not clearly defined. Recruitment into more secure positions tends to be selective, drawing on male candidates with their higher educational qualifications and other advantages; successful applicants for jobs are also often from socially privileged or ethnically favoured groups. Women cannot transcend the many biases against them and remain locked into the casual workforce.

Box 5.3 describes the process of labour segmentation in agro-processing in south India. In many such situations, although there is clearly an employment relationship, the worker is not covered by labour legislation, and receives no social benefits. In other cases there may be a contract, but the relationship is deliberately disguised as commercial transaction. This is done so that the employer can sidestep labour legislation and avoid even basic occupational health and safety responsibilities, not to mention social benefits. A variation is to acknowledge the employment, but to hire the same worker on repeated short-term contracts—"permanent temporary work"—so that social benefits and customary entitlements can be denied.

There are also cases where the employment relationship is ambiguous: for example, where dependent workers operate at home on a piece-rate basis rather than attend an organized work-

Box 5.3 Stratified markets in south India entrench insecurity

In small south Indian towns dominated by agro-processing activity there are several fault lines in the security of labour. The typical informal unit is tightly controlled by patriarchal male family members who confer or withdraw security at their whim. Workers are selected by origin (local), caste (usually avoiding Scheduled Castes) and gender (male). There are a number of permanent jobs, highly sought after, in livelihoods ranging from the night watch to accountancy. Contracts are individualized and verbal. Payment periods vary, and may be confined to yearly disbursement, while dismissal is instant. Some permanent jobs can be part-time, others seasonal. A form of occupational welfare is usually extended to this workforce in the form of loans and gifts of cash for medical costs, education and marriages. These can be seen as primitive imitations of regular state protections, but their other purpose is to tie down employees valued by the employer.

Meanwhile the casual workforce is entirely at the mercy of the employer and receives no benefits of any kind. Pay is low and fluctuating, the job turnover is high and security is nonexistent. Labour recruiters belong in the upper category and enjoy annual bonuses and small loans; but they are encouraged to turn labour over fast so as to reduce customary entitlement to annual “gifts” and avoid protective obligations. Male casual labour is occasionally unionized, but the multiplicity of unions leads to the political mediation of disputes; the state effectively enforces the labour laws, rarely in the workers’ favour. Factory inspectors with huge territories to cover and few resources for enforcing the law are often corruptly implicated with bosses in the evasion of laws and the erosion of labour rights.

Female casual labour is subjected to extremes of casualization, negligence and harassment and to unsafe and unsanitary working conditions, their wages often being reported by bosses as “pocket money”. In such firms, work has for decades been subcontracted, often exported to rural sites to avoid inspection and to profit from cheap or unwaged family labour, from low rents, and from the ease of evasion of any welfare obligations and taxes. Thus capital uses informal practices and a selective idiom of social protection to render the majority of the workforce extremely insecure, and a small valued minority less insecure.

Source: Harriss-White 2000.

place. Increasing numbers of people work in situations where brokers or subcontractors intermediate between the person doing the work, and the firm for which it is being done. The worker only has contact with the supplier of materials and collector of the finished goods. The broker himself or herself may be operating on slim profit margins, and also be vulnerable and insecure.

After the Asian crisis, the garment industry in the Philippines was restructured; many women lost their formal jobs, yet remained in the industry. One woman became a labour supplier for the same firm she had previously worked for, organizing women she had formerly worked with, to produce the embroidered smocking on children’s clothes. She is Gloria Bularin, in box 5.4 below. This illustrates the many-layered nature of subcontracted work. It also shows the exceptionally low wages at the lower end of the chain. Information about the earnings of middle-level subcontractors is invariably difficult to obtain.

The informalization process: Outsourcing

Since informalization of employment is growing, it is important to understand the process which leads to the deconstruction of jobs and their removal from the protected workplace. The increased organization of the workplace cannot be guaranteed; on the contrary. Previous assumptions that certain occupations and enterprises were fixed in the formal or informal economy have turned out to be misleading; some that were formal have become informal, often with the same worker in place. Textile, clothing, leather and footwear industries in South Africa, protected and subsidized under the old apartheid regime, show these characteristics, according to a study documenting the impacts of labour retrenchment and the introduction of subcontracting and other “flexible” labour practices in

Box 5.4 Subcontracting and pricing in clothing, the Philippines

Angono in the Philippines is a town well known for its embroidery work. Demand comes from Carol's, a major local retailer of children's wear. In this domestic chain of production, baby dresses with hand embroidery sell for between US\$6.86 and US\$9.80. Diana Juan is a supplier to Carol's. She has live-in workers doing the straight sewing, and subcontracts the hand embroidery through Marisol Ugarte, who gets US\$0.03 a line. Marisol Ugarte subcontracts to Gloria Bularin at US\$0.02 per line. Gloria Bularin in turn organizes homeworkers, who she pays US\$0.01 to US\$0.015 per line.

Source: Doane et al. 2003, cited in Lund 2004.

the context of liberalization.⁴⁴ With the lowering of trade barriers, imports began to flood the economy. By the late 1990s, both employment and production in the footwear industry began to decline, with the clothing, leather and textile sectors later following suit. Restructuring and “rationalization” in these labour-intensive industries resulted in massive job losses.

As far as women are concerned, the negative employment effects stem from the increasing informalization of the workplace. “Rationalization” is achieved through job rotation, outsourcing and subcontracting. Some retrenched workers have been encouraged to buy their equipment and set up in home-based production. At the same time, growing numbers of women evicted from these clothing and textile industries are ending up in street trading and other survival activities in the informal economy. Despite official commitment to aid small and medium-sized enterprises, there is no access to state support, at least from the central government.⁴⁵

In many countries, the phenomenon of homeworkers is growing; most of them are women. Millions of these subcontracted employees, working on a piece-rate basis, feed productive profit-making output from their homes into the more formal manufacturing companies or their intermediaries. The payment they receive is extremely low, and they may have to work extremely long hours or at night to make enough money to survive; many also use their children as subsidiary workers. These areas are untouched by labour laws and social welfare. The fact that homeworkers are dispersed raises special challenges for collective action, but to change the conditions under

which they work they need to bargain for more regular work orders, higher piece rates and more prompt payment (see box 5.5).

Many female homeworkers process products in the global value chain, while others work on articles destined for the domestic market. In the garments industry workforce alone, the percentage of homeworkers in the mid-1990s was estimated at 38 per cent in Thailand, between 25–39 per cent in the Philippines, 30 per cent in one region of Mexico, between 30–60 per cent in Chile and 45 per cent in Venezuela.⁴⁶ Very recent research indicates that some of this “soft” employment is facing a crisis as textile and garment exports face growing competition in world markets, and companies try to cut costs still further.

Informalization and public-sector retrenchment

In many low-income countries, public-sector workers have also been crowding into the informal economy, even when they have managed to maintain their jobs despite public-sector retrenchment. The civil service reforms of the early 1990s often entailed radical downsizing; today more emphasis is placed on “new public management” reforms which seek to change the incentive structures and outsource some of the functions of the public administration (see chapter 11).⁴⁷

Cameroon is a case in point. Like many other African countries, Cameroon underwent an economic recession in the

Box 5.5 Homeworkers and the self-employed

The problems and constraints faced by self-employed home-based workers and homeworkers are quite different, although both typically lack bargaining power and have to provide their own social protection. Homeworkers are often forced by circumstances to work for low wages without secure contracts or fringe benefits and to cover some production costs ... Most self-employed home-based workers, except high-end professionals, face limited access to and/or competition in relevant markets. To improve their situation homeworkers need to strengthen their capacity to bargain for regular work orders, higher piece rates, and overdue back pay (a common problem faced by homeworkers worldwide); while home-based self-employed need better access to financial markets and enhanced capacity to compete in product markets. In effect, homeworkers often face problems of *exploitation* while the self-employed often face problems of *exclusion*. The strategies to address problems of exploitation in labour markets—such as collective bargaining for higher wages—are different than the strategies to address problems of exclusion in capital and product markets—such as providing access to financial, marketing, and business services.

Source: ILO 2002b.

mid-1980s, and subsequently embarked on a structural adjustment programme. One target of the reforms was the civil service. In addition to downsizing of the public sector through retrenchments and retirements (in 1995/96 alone, seven ministries fired significant numbers of workers), the terms and conditions of service for public employees were drastically trimmed. Within three years, civil servants experienced salary cuts of up to 60 per cent, and payments fell heavily into arrears. As in many other African countries, civil servants forced to compensate for loss of earnings and falling living standards began to make forays into the informal economy, along diverse lines (see box 5.6).⁴⁸

Women and men are not evenly placed within the public service. Women generally tend to have a minimal presence in administrative and managerial positions; they also tend to cluster within services such as health and education. Reliable statistics showing how women and men have fared comparatively in terms of retrenchment from the public sector are difficult to find; much depends on where the staff cuts have been made. But public-sector reforms also generate downward pressures on wages and working conditions, and these are likely to have fallen particularly on lower-level staff. These pressures are affecting women health workers and their interactions with women health users, as explored in chapter 8.

The case of China

In China where women have been intensively employed in state-owned enterprises, the process of industrial restructuring has dealt a heavy blow to their employment prospects and security. China is often cited as threatening jobs prospects in other parts of the world, with its dynamic export-oriented industries attracting millions of young rural migrants each year: 48 per cent of all migrant workers in China are women (figures for 2000).

The view of China as the “workshop of the world” is one-sided. Often overlooked are the huge inequalities—class, regional, rural/urban, age, gender—stemming from a quarter-century of market reform which has drastically restructured the economy and workforce. The privatization of industry has dealt a severe blow to permanent state workers’ entitlements, shattering their prized employment and livelihood security. Workers in collective enterprises, which previously functioned as state subsidiaries, also suffered huge layoffs. In 1993 the official union found that women workers accounted for 37 per cent of all state workers but 60 per cent of those laid off and unemployed. By 1999 women accounted for 45 per cent of all laid-off workers.⁴⁹

Informal work, termed “flexible employment” by some Chinese researchers, has become a major source of income for the unemployed. The availability of such employment varies

Box 5.6 Straddling strategies by teachers and health workers in the South West Province of Cameroon

Before the economic crisis, teachers were among the best-paid civil servants in Cameroon. Once the reforms began to bite, teachers began to supplement their falling wages with informal activities. They now comprise the largest number of formal employees working as newcomer entrants into the informal economy: 67 out of 75 of the teachers interviewed in a study undertook such activities. Health workers are now joining them, as are clerical staff.

These public-sector workers use their position, equipment and time in the regular workplace to undertake other profit-making work on an informal basis. The different ways they do this depend on the existing job and to a considerable extent on gender. In the case of teachers, while men, and a few women, provided supplementary private tuition for individual students or classes, and sold reproductions of lecture notes to secondary and high-school students, women teachers mostly undertook petty trading in food. They sold meals at lunch time and a variety of snacks, as well as non-food items. The capital base of such trade is very small.

Nurses, like teachers, were involved in informal activities related to their formal work. From being a secretive sporadic activity, private practice or “PP” became widespread and open after general and hospital strikes of the early 1990s failed to obtain improved working conditions and salaries. PP commonly involves minor consultations and drug sales to patients outside the hospital, sales of drugs within hospital premises during working hours, home-care nursing, or a combination of informal health care and petty trading.

Source: Agbaw 2000, cited in Tsikata 2004.

across cities and regions, but the Ministry of Labour has estimated that of 25 million unemployed and laid-off workers nationwide, 15 million have found jobs in the informal economy.⁵⁰ Those with financial means have opened up private or family businesses such as restaurants, salons or neighbourhood stores. At the other end of the spectrum, especially in the northeast “rust belt” where economic growth has been sluggish, casual work only is available. Men work as day labourers in construction, help out in private enterprises or trade on the street. Unemployed women workers sometimes turn to prostitution. In one study in three northeastern cities, of more than 100 sex workers, 74 per cent were former state-owned-enterprise workers, and most (92 per cent) had become sex workers after seeking alternative employment for over four years.⁵¹

There are no clear patterns of gender disparity in the re-employment of laid-off workers. Qualitative studies have offered divergent interpretations. One study in Wuhan finds that female laid-off workers have a better chance starting a service-oriented business than male counterparts; these are more averse

to service roles but have more success in finding positions in established companies.⁵² Another study in three cities finds that age discrimination is at least as serious as sex discrimination. Almost every interviewee aged over 30 cited this rather than gender as a major obstacle to finding re-employment. This situation is compounded by the cohort experience of the over-30s as the unlucky generation sent out to the countryside during the Cultural Revolution and deprived of a sound education.⁵³

Another issue often overlooked in discussions about China is the sharp increase in labour conflicts. There has been a proliferation of conventional and irregular labour activism, from petitions, labour arbitration and litigation, through protests, marches and road blockages. The state has responded with measured mixes of concession and repression. Economic and livelihood demands are recognized and often partially answered by swift financial compensation doled out by the central or provincial government. However political demands such as for the removal of officials and cross-factory actions are relentlessly suppressed and harshly punished. There is only one legal union

in China, the All China Federation of Trade Unions (ACFTU). Independent unions are illegal, and attempts at forming autonomous unions have been designated as treason or subversion. However, even where trade unions and NGOs are legal and tolerated, the organization of women workers in the informal economy presents formidable challenges.

ORGANIZATIONS OF INFORMAL WORKERS

One of the promising developments of the 1990s was the emergence of new forms of organizing among women workers in the informal economy, both domestically and internationally. The Self Employed Women's Association (SEWA), in Gujarat, India, with 700,000 members, is one of the oldest and best-known; many others have emerged over the past decade, some taking SEWA as their model, as did the South African Self-Employed Women's Union (SEWU), formed in 1993. These organizations include street vendors, home-based workers and small agricultural producers. Other women's associations—some independently and some as part of national trade union federations—have focused on organizing domestic workers; these remain a highly vulnerable section of the female workforce in many countries, both developed and developing.

Historically, women workers have found it very difficult to voice their concerns from within male-dominated trade unions. In the 19th and early 20th century industrial revolution, trade unions were hostile to women workers' presence in the industrial workforce; they used protective legislation and the construct of the "family wage" to relegate women to the sphere of unpaid work in the home.⁵⁴ The picture has changed dramatically down the years, largely through women's efforts to reform workplace procedures, goals and cultures, both from within mainstream trade unions and by building independent trade unions. However, women's attempts to secure gender justice and parity within labour organizations are often resisted or sidelined.

Responsiveness to women workers has been equally problematic in the developing world. Even where an explicit commitment to women workers' rights has been made, it is rarely

recognized that women workers may have different priorities from male workers: childcare support, for example, may be more important to them than a minimum wage.⁵⁵ An illustration of "gender blindness" comes from an electronics factory in India. Women workers organized to make certain demands: a company bus so as to avoid sexual harassment on public transport, especially late in the evening and uniforms, to reduce the hierarchies and problems arising from the fact that women in this factory came from different socioeconomic backgrounds. These demands were agreed by management, but the male workers were dismissive: "Girls do not know how to raise demands. They fall into the trap laid by management. They ask for general facilities while the real issue is wages ... now the girls have a bus, uniforms so they are just happy with that. They don't ask for wages."⁵⁶

The attitude of Indian trade unions to informal workers in general has been described as "indifference, rising almost to enmity", underpinned by "fear that pressure from below would lead to the gradual erosion of the rights gained during a long struggle by protected labour".⁵⁷ Homeworkers have been seen by unions as "outlaws" or "scab labour", undercutting the organized workplace. These fears are understandable, especially in economies where the formal regulated workforce is no more than 10 per cent of the total workforce. However, this demonstrates that the culture and procedures of the trade union movement, primarily a champion of male workers in the formal sector, are biased towards male preoccupations and are out of tune with the lives of predominantly informally working women.⁵⁸ Not surprisingly, women have tended to create a "separate space", either within mainstream trade unions or independently, where their concerns can receive a better hearing.

Today, there are many women workers' organizations of different origins and types. Some are independent organizations that have arisen outside the framework of the traditional trade union movement; others are independent within established trade union structures; yet others are part of unions originating in the formal economy but organizing informal workers. They cover a great variety of industrial sectors and services, as well as agriculture and rural occupations. In some developing countries, however, NGOs have taken up the needs and rights of

women workers. Some offer affordable services, such as child-care facilities, low-cost residences and legal support. New kinds of labour organizations are also emerging that base themselves within the community, and offer a much wider range of support services than do traditional trade unions.⁵⁹

Many of these new trade unions, as well as NGOs and community-based organizations (CBOs) responding to women workers' rights, face major difficulties in expanding their reach and becoming sustainable. SEWU's main challenge, for example, remains its persistent inability to become financially self-sufficient: after 10 years, its paid-up membership remains less than 5,000, while more than 10,000 members have allowed their membership to lapse by non-payment of dues. This is a problem shared by other unions of vulnerable workers in South Africa and elsewhere.

NGOs have greater flexibility because they are not membership-based organizations and seldom have a single constituency; but this also raises questions about their accountability, which is not usually democratic and is rarely transparent to their beneficiaries. Both trade unions and NGOs face challenges in alliance-building to broaden the scope and reach of their efforts. While there is wide scope for trade unions and NGOs to support each others' aims—and there are some exemplary cases of collaboration—relations between them have often suffered from tensions and rivalries rooted in ideological and organizational differences.⁶⁰

Despite such caveats these developments are promising. Only through collective action have workers historically regulated their wages and working conditions, and eliminated the worst forms of exploitation; they were responsible, in effect, for the formalization of the workplace. But the stresses of the last couple of decades have other ramifications. Not only have new union and NGO workers' champions emerged, but the trade union movement has itself suffered a major shake-up. Older organizations have seen their membership and influence decline and been forced to adjust to new realities in the world of work.

The General Agricultural Workers' Union (GAWU) of Ghana is a case in point. It expanded its membership to non-waged workers and subsistence farmers after structural adjustment caused its membership to drop from 130,000 to 30,000. Another example is the Uganda Public Employees Union (UPEU). In

the 1990s, membership dropped from 108,000 to 700 as a result of public sector reforms. The union then transformed its outlook and scope: it revised the concept of "public employee" from the narrow meaning of "civil servant" to a much broader concept of engagement in serving the public, including such groups as street vendors. As a result of this change and an organizational drive, its membership grew to 17,000 by 1999.⁶¹

International campaigns and alliances

In recent years the issue of labour standards has become divisive in view of proposals being made for its enforcement through international trade agreements and trade sanctions. There are, understandably, concerns among Southern governments and civil-society groups about protectionist motives lurking behind such proposals. More to the point, it is not just the traded sectors that require labour-market regulation.

While transnational alliances between trade unions and NGOs have been effective in campaigning for workers' rights, these campaigns have been limited to workers in traded goods visible to Northern consumers. The direct benefits are often limited to workers with jobs dependent on multinational companies and their subcontractors, who are often among the more privileged and best-paid members of the workforce.⁶² Where a much larger proportion of the workforce operates in the informal economy in far worse conditions, they are beyond the reach of such campaigns. However, the different segments of the workforce do not necessarily live in isolation from each other. Successful campaigns and organizations affecting one segment are likely to have ripple effects on power relations elsewhere. The female working class is less segmented than sometimes appears, and changes in one part are likely to have implications in others.

For women with virtually no assets and who work in the informal economy, collective action through democratic organizational routes presents the only practicable avenue for regulating or improving their working conditions. The idea that the formalization of property rights constitutes the solution to the problems of the informal economy is a complete misconception as far as working women are concerned (see box 5.7).

Box 5.7 “Property rights” are no panacea for the informal economy

The influential work of Hernando de Soto has paved the way for a particular policy perspective on the informal economy.⁶³ According to de Soto the transition of informal into formal work is constrained by a deficient framework of property rights. Allegedly, lack of legal recognition for some forms of property constrains access to institutional sources of credit. A similar perspective informed the World Commission on the Social Dimensions of Globalization. Its report sees the legalization of de facto property rights as:

a vital step in the transformation of the informal economy. To achieve this, governments need to: identify the people and assets concerned; identify the practices and customs which govern the ownership, use and transfer of these assets, so as to root property law in the prevailing social context; and identify administrative, bureaucratic and legal bottlenecks and obstacles to market access.⁶⁴

The axiomatic understanding of such a position is that the informal economy is inherently vibrant, flexible and dynamic, and that it can effectively compete with larger units in the formal sector once constraints—such as lack of access to credit—are removed. This ignores a number of the informal economy’s key features, and the problems faced by its many and varied practitioners.

The size of its units—typically individuals and households—is critical in many ways. For example, market access is fundamentally dependent not on legal status, but on output. Larger size allows organizational economies of scale. Increased access to markets by small units usually requires some degree of co-operation between them; alternatively, they might make arrangements with a larger unit or obtain public intervention through marketing bodies. As for credit, access is typically more difficult for all small units, even in the formal sector, not only because of the lack of collateral and high administrative costs, but because they are perceived to be inherently more risk-prone.

Looking at the issue of property rights itself, there are problems and risks associated with the establishment of rights, such as regulated tenure and ownership of land. The evidence from sub-Saharan Africa shows that the customary rights of women, and of other marginal groups, are often lost in the process of titling and registration. A large number of workers in the informal economy anyway have no “property” to be registered; they are engaged in informal activities only because they cannot find work in the formal sector. Most women workers are in this category.

Finally, and perhaps most crucially, it is a mistake to assume that all informal activity is effectively self-employment and that employer–worker relationships do not exist. As already demonstrated, a main attraction of the informal economy for employers is precisely the absence of labour regulation, allowing lower labour costs and greater exploitation of workers. Increasingly, formal sector organizations depend on units of the informal sector to undertake production by means of sub-contracting; the line between the two sectors has thus become much harder to draw. This means that the most basic difference between formal and informal parts of the economy is not the access to credit or markets, but the absence of regulation and lack of protection for workers in the informal economy, as well as the latter’s lack of voice and political influence.

Source: Ghosh 2004b.

Notes

- 1 Figure 5.1 includes countries in the MENA region for which data were available. Because of certain shared characteristics, including culture, religion, history, and the prevalence of oil economies, the MENA region is considered an appropriate site for regional analysis, not only by international organizations such as the World Bank but also by scholarly organizations such as the Middle East Studies Association.
- 2 Elson 1999.
- 3 Anker et al. 2003; Anker 1998.
- 4 Kabeer 1995.
- 5 Elson 1999; Folbre 1994.
- 6 ILO 2002b.
- 7 Standing 1999.
- 8 Pearson 2004.
- 9 Ghosh 2003a.
- 10 Ghosh 2003a.
- 11 UN 1999.
- 12 Ghosh 2003a.
- 13 This section draws heavily on Orloff 2002.
- 14 Orloff 2002.
- 15 Hochschild 1989.
- 16 ILO 2002b.
- 17 ILO 2002b:27.
- 18 Lewis and Giullari 2004.
- 19 Einhorn 1993.
- 20 Eisenstein 1993.
- 21 Fodor 2004b.
- 22 Heinen and Portet 2002.
- 23 Pearson 2004.
- 24 Karshenas 2001 cited in Moghadam 2004.
- 25 Moghadam 2004.
- 26 Harriss-White 2000.
- 27 ILO 2002b.
- 28 ILO 2002b.
- 29 Elson 1999.
- 30 Elson 1999.
- 31 Pape 2000 cited in Tsikata 2004.
- 32 Breman 1996.
- 33 Jackson and Rao 2004.
- 34 Kabeer and Mahmud 2004.
- 35 Roy 2003.
- 36 Kabeer and Mahmud 2004:tables 7 and 8.
- 37 Kabeer and Mahmud 2004.
- 38 Kabeer 2004.
- 39 Rogerson 1997 cited in Tsikata 2004.
- 40 Tsikata 2004; Hart 2004.
- 41 Davis 2004:22 cited in Tsikata 2004.
- 42 Tokam 2002.
- 43 Beneria and Floro 2004.
- 44 Deedat 2003; see also Hart 2004.
- 45 Lund et al. 2000.
- 46 Chen et al. 1999.
- 47 Bangura 1994, 2000.
- 48 Agbaw 2000, cited in Tsikata 2004.
- 49 Chang 1995; China Employment Report 2002 cited in Lee 2004.
- 50 Institute for Labour Studies of the Ministry of Labour and Social Security of China 2002, cited in Lee 2004.
- 51 Huang and Wuanming 2003, cited in Lee 2004.
- 52 Tsui 2002, cited in Lee 2004.
- 53 Cook and Jolly 2001.
- 54 Hartman 1979; Gallin and Horn 2004.
- 55 Chhachhi and Pittin 1996; Rowbotham and Mitter 1994.
- 56 Chhachhi and Pittin 1996:115–16.
- 57 Breman 1996:247.
- 58 Mitter 1994.
- 59 Kabeer 2004.
- 60 Eade 2004.
- 61 Gallin 2004.
- 62 Anner and Evans 2004; UNRISD 2004.
- 63 De Soto 2000.
- 64 ILO 2004e: 61.