A COMPARATIVE REVIEW OF COUNTRY STUDIES ON

WOMEN AND STRUCTURAL ADJUSTMENT

(Bangladesh, Jamaica, Malaysia, Nigeria, Sri Lanka, Tanzania, Trinidad and Tobago, Zambia and Zimbabwe)

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I. INTRODUCTION

This paper reviews the empirical findings of the nine country studies on Structural Adjustment and Women commissioned by the Commonwealth Secretariat and assesses them in relation to the Report of the Commonwealth Group of Experts ("Engendering Adjustment in the 1990s").

The review starts by summarising the central message of the Group's Report. The kind of supporting evidence required for addressing this message is then set out. The task set to the authors of the case studies is seen to be very data intensive. The next section makes it clear that lack of data - in some cases exacerbated by the conditions of the adjustment programme itself - is a major problem in many of the case countries. In only four of the nine countries (Bangladesh, Sri Lanka, Jamaica and Zambia) is an overall assessment of the impact of adjustment on women possible. Even then other methodological difficulties remain. The findings of each of the nine country studies are then summarised, in respect of the main hypotheses of the Report. Finally, the edividence is discussed thematicall, with brief remarks on the impact of adjustment on women in each of their four functional roles and on their individual welfare. The studies are able to present the most plentiful evidence on the impact of adjustment on women's activities as producers and to a lesser extent as household managers, with less information available on their role as mothers, and almost nothing on their work as community organisers.

II. NATURE OF THE ASSESSMENT

Message of the Expert Group's Report

The essence of the Expert Group's Report is that women's distinctiveness as social and economic actors is their unique multiplicity of roles, categorised as producer, household manager, mother and community organiser. Implicitly, men concentrate their effort to a far greater extent on being producers and on activity in the community-political sphere. In addition and not coincidentally, leisure time is inequitably distributed, with women's various activities taking up more of their waking hours than men's. Given these facts of community organisation, women face a harsh trade-off in use of their time and labour effort:

- working a greater time as "producers" to increase subsistence or cash earnings requires and intensification of effort in other directions, because the remaining functions have to be accomplished in less time;

- if household income declines, women have greater difficulty in fulfilling their non- "producer" roles. More effort is required in the transformation of purchased goods into consumable form, for example, as the composition of purchases shifts towards cheaper, less refined items of food, fuel, housing etc. Women's task as mothers becomes more demanding because the level of consumption may decline e.g. the nutritional value of food purchases fall and threaten their children's health.

The argument is that structural adjustment typically intensifies this trade-off for women. Economic contraction leads to falls in average individual and family incomes, so that women have to devote more time to their role as producer (i.e. to earning income). Even so, family income is

unlikely to be maintained at the previous level and, at the same time, reduced provision of state services and cuts in consumer subsidies, serve also to make performance of women's non-producer roles doubly more difficult. Women's welfare is reduced even beyond cuts in consumption to the extent that there are increases in the total level and intensity of their labour effort - already greater than men's. The report does not state directly that the prospective loss of welfare under adjustment is greater for women that men, but the inference is there.

More specifically, the argument is that while a decline in family income is general to any economic contraction, structural adjustment programmes, as pursued in practice, specifically reduce social support (i.e. the level of resources available to women in their non-producer roles), without redressing women's disadvantages in their role as producer.[1]

We may note here that the strategic possibilities for improving women's economic position relate to the trade-off noted above. The potential escapes from the trade-off fall logically into three classes:

- renegotiation of the sexual division of labour, so as to reduce the burden of women's non-producer functions;
- reduction of the content of the non-producer functions or improvement in the means of fulfilling them;
- improvement in women's income earning capability and /or productivity.

Items under the first head seem not to be susceptible to economic or social policy. There is little sign of any movement in this direction in any country, developed or developing, however great women's involvement as producers. The report thus argues that structural adjustment programmes should therefore be directed towards the second and third of these possibilities in order to minimise damage to women as a social group (or, more pointedly, to eliminate gender bias). Not only would this not prejudice the declared objectives of adjustment, but it would better help these programmes achieve the goal of growth and economic development.

Empirical testing and summary findings

The arguments of the Report present considerable difficulties when it comes to verification. It requires a lot of empirical information in areas where data is subject to unusually severe problems, both conceptual and practical. Furthermore, there are severe methodological difficulties in this type of investigation. There are two main problems. The first is to establish the counterfactual scenario - that is, to know what the situation would have been without a structural adjustment programme. The effects of adjustment can properly be evaluated only by reference to the counterfactual situation - which might have been worse than the situation with adjustment. In addition, there may have been underlying secular changes which continue in the period of adjustment but which are not to be ascribed to the adjustment programme itself. With respect to women's position, the long term increases in women's participation in the conventionally recorded labour force in many countries is the main consideration of this kind. It may mean that increases in female participation rates during adjustment need to be discounted when the historical trend is taken into account.

The second problem is the difficulty, even impossibility, of ascribing specific effects to particular features of adjustment programmes in a situation of comprehensive change of policy context. The usual method in the social sciences is to analyse changes at the margin; that is, effects of change in one factor while all others remain fixed. That approach is ruled out here. The case studies stand rather as descriptions of changes in women's economic position over the period of adjustment than as detailed analysis of the impact of adjustment measures. Nevertheless, as discussed in the Report, adjustment programmes have been similar in character among countries, with certain predominant economic effects. In the light of these, the findings of the country studies build up a circumstantial case of the general effects of adjustment on women.

Even without strict regard to casuality in these various respects, support of the argument requires information for each case country from:

- **representative survey** that has been carried out (or better still **a series of surveys** starting before the adjustment period) to obtain quantitative and/or qualitative historical information about women's experiences of the adjustment period;

- and, in relation to the central proposition of the Report, **time use survey data** for more than one year, providing evidence on women's total workload and time allocation patterns;

- **and/or** an assemblage of statistical information on the following points:

  changes over time in women's income earning capacity as producers (i.e. their search for and access to jobs, the types of jobs they take, hours of work, wages, and, for own account workers, earnings) and access to productivity enhancing resources such as credit and training;

  changes in the resources available to women as household managers as a function of nominal income and prices of the consumer goods and services that contribute to family welfare;

  changes in the resources available to women as mothers (i.e. provision of childcare, health and nutrition and education services);

  changes in the resources available to women as community organisers (i.e. in services delivered at community level, such as water and housing) and demands made on them in this capacity; for example, new forms of community facilities and services set up by women at the local level.

The impact of structural adjustment on women's welfare is determined by the sum of the outcomes of these effects (e.g. changes in nutritional status, relative incomes, unemployment) and consideration, additionally, of the labour effort entailed. Information is, therefore, also needed on changes in the number of hours of work required and the work intensity of those work hours.

The country case studies were in most cases commissioned from researchers in the countries concerned, who, in view of the time and resources available, were constrained to work with secondary sources. The case studies show that, unfortunately, no relevant historical surveys have been carried out in any of the case countries. (The authors of the Tanzanian and the Nigerian case studies, carried out small surveys of their own, but these were limited in scope.) Nor do any comparative time series data on time use or labour allocation exist for any of these countries.

The authors, therefore, assembled evidence on various aspects of the question from existing statistical sources. Information on consumer prices, social services provision, public sector employment, some sectoral wage rates, and health and nutritional status indicators is generally available. But few country case study authors were able to describe women's activities in community organisations and in women's groups. And other information can be problematic, even where official statistics exist:

- for the producer role: statistics on employment, though usually voluminous, tend to be incomplete and unreliable, especially so for women. The concepts of "labour force participation" and "unemployment" are particularly dubious when applied to women, so is recording of the "informal sector", where women are concentrated. The data have to be used with care;

- for the household manager role: the incomes actually available to women cannot be ascertained without in-depth survey information, given the apparently universal existence (to a greater or lesser degree in different societies and types of household) of income sharing or pooling within households;

- for the welfare impact: techniques have not been developed (or at least are not deployed by economic statisticians) to measure intensity of labour effort.[2]

A fairly consistent picture emerges from the case studies despite all the difficulties of data and interpretation, some countries of course exhibiting the negative features, others the positive, more strongly than the rest. Overall, the main thrust of the Report is strongly confirmed. Structural adjustment programmes have done nothing to alleviate the specific difficulties women face in balancing demands on their time, which are a source of both social injustice and economic inefficiency. Adjustment has made the balancing act even more difficult than before. There have been in almost every case severe cuts in consumer subsidies and social services and declines in real income, all of which impinge especially on women because of their responsibilities for household welfare. At the same time, economic pressures have increased the need for women to step up their producer role. Their attempts to do so have often been in vain or for very low returns. Female open unemployment has increased, having typically been higher than men's from the start, and there is some evidence that women have taken on even more work in informal sector activities, where most women's employment is in the smallest scale and lowest income activities. In the absence of special programmes, which are evident only on a small scale in one or two instances, women's position in the informal sector - which is most important to women as a source of income - has probably deteriorated. The same may be true of agriculture, insofar as demands on women seem to have increased most in unremunerated work (i.e. unpaid family labour). As independent operators,

women's farms are typically small, and the case studies reveal a considerable size bias in the adjustment programmes against small farmers. On the other hand, retrenchments in the public and private sectors seem not to have affected women more than male employees, while women have been the main beneficiaries of the most marked source of new employment attributable to the policy changes under adjustment, with the growth of the export manufacturing in several countries outside Africa. Women's access to formal sector employment then, while still very restricted compared to men's cannot be said to have been worsened under adjustment. The case studies add little information on changes in women's roles as mothers and as community organisers, but even so, in the absence of the complete picture, these findings of the pincer effect of changes in women's roles as producers and as household managers is evidence enough of intensification of demands on women's time and energy, without affecting declining levels of real income.

III. FINDINGS OF THE CASE STUDIES AT COUNTRY LEVEL

The nine country studies are grouped regionally, but the studies are too few to allow for generalisations about regional differences. The regional dimension does not coincide in any case with the distribution of characteristics of national economies such as size, previous openness to international trade and the social welfare stance of governments, which might explain variations in the impact of adjustment programmes. Some of these factors are explored in the individual case studies.

Africa

Zambia

Women have not escaped the drastic falls in real wages and personal incomes over the past decade in Zambia. In urban areas women have faced reduced formal sector employment opportunities, though perhaps less retrenchment than men in the public sector. The female formal labour force participation rate has fallen, as has the male rate. As a result, very many women have chosen to supplement their formal sector jobs by working in the lowest productivity activities in the informal sector. Within the informal sector however, women are concentrated in small scale activities and generally lack assets and access to credit, and so have relatively low earnings and are less financially secure. Female heads of household have probably found it more difficult to take on this type of extra work than women in joint-headed households. The importance of such activities to household incomes has increased dramatically over the 1980s. Those entering the informal sector face intense competition, and real earnings have decreased partly for this reason and partly because the purchasing power of urban consumers has fallen.

In rural areas, despite some evidence of an improvement in aggregate income relative to urban areas, it seems likely that women have not shared in the increase, which has been based mainly on non-traditional cash crops, where women provide labour but do not receive a wage payment.

Women have made many and varied adaptations in food preparation and consumption patterns at the household level. These testify to their resourcefulness as household managers in the face of reduced real income. There are significant differences in the types of adaptation by household type, with female headed household forced to keep consumption in line with income because they are less able to borrow or to supplement their income through informal activities.

Cuts in social service expenditures by government have been severe, especially in health, and in both health and education user charges are heavy in relation to average incomes. One result may have been increases in malnutrition and morbidity among children, of which there is some evidence. Reductions in government health and education services seem likely to have diverted demands for health care back into the home, where they can be met only by women's unpaid labour contribution.

Zimbabwe

The Zimbabwe study is hampered by lack of statistical data. There is no reliable information on changes in the numbers of women in formal sector employment although there was a precipitous decline (by five-sixths) in the number of women employed in permanent positions in agriculture. While the officially recorded female labour force seems not to have increased between 1981 and 1985, the proportion of women within the total in "casual employment" increased significantly, mainly in the agriculture sector which more than doubled its share of employed women. The author takes this shift towards more exploitative employment to be synonymous with an increase in women's involvement in the informal sector. But the author specifically disclaims it as an effect of structural adjustment, taking it rather as a consequence of general contraction and unemployment. No information is given on the rate of casualisation of male labour for comparison.

There are no data on changes in the actual real wages or incomes received by women, or on participation and unemployment rates. However, some inferences are possible. As noted, the employed female labour force did not increase between 1981 and 1985 while the employed male labour force increased approximately by 90 per cent, being absorbed mostly in agriculture, construction and a variety of services. This suggests that women <u>were</u> strongly discriminated against in access to new formal employment opportunities (quite apart from casualisation).

A major factor, however, not conveyed in the study, is that formal opportunities of this kind must represent only a very small part of women's income (or subsistence) earning activity. The enumerated female labour force accounts for only about 12 per cent of the female population of working age. Even though agriculture accounts for a small share of women's reported employment, the known involvement of women in agriculture throughout Southern Africa and the report that women are the main cash crop and food producers in the communal areas suggests that the impact of structural adjustment in agriculture will have been far more important to women. But the study presents no information on changes in the level and composition of output of income in agriculture. It does however, note that a number of special measures were built into the adjustment programme, notably extension of credit facilities and entitlement to land, and that these did benefit women and served as a cushioning mechanism. But it is not clear whether women benefited in proportion to their importance as farmers, and whether these institutional reforms played any role in raising women's productivity and control of income in agriculture.

Public expenditure has not been severely cut. Instead emphasis has been upon retargeting programmes at vulnerable groups particularly in the health sector where primary health care is being expanded. The reduction of consumer subsidies has affected food prices and the author suggests that real incomes have declined rapidly.

Tanzania

Tanzania resisted major structural reforms until 1986. The early 1980s were characterised by high inflation, low growth in real GDP from 1980-1985 (the annual average growth rate was only one per cent) and declining agricultural output (this fell by eight and nine per cent in 1981 and 1982 respectively). The economy has improved since 1986 with nearly four per cent growth in 1986 and 1987 and increased agricultural production for domestic and export markets. However inflation is still high, having fallen only slightly from 33 per cent in 1985 to around 30 per cent at the end of 1987, and income levels have declined in real terms.

There are no data in this case to show whether or not under adjustment there was a decline in relative or absolute formal sector employment for women. The author suspects that the 1985 retrenchment in public sector employment most affected the grades where women's jobs are concentrated. In 1988 one third of employed women in a low income area of Dar es Salaam, but only 14 per cent of urban women generally, had a job in the formal sector. No precise data seems to be available on rates of unemployment, or changes in real wages. However, average wages from employment are known to have fallen way below subsistence level, and as in other countries, all household members, including children, have been drawn into informal sector activity to add to family incomes. Women are particularly active, and their earnings are comparable to wages from formal sector employment.

There is unfortunately little information in the study on the impact of structural adjustment on agricultural production and on labour use and incomes in rural areas, where the great majority of the population lives.

While steep rises in consumer prices are documented, there is no information on cuts in consumer subsidies. Expenditure on health and education has fallen sharply as a proportion of the total budget, and correspondingly the quality of these services has deteriorated with infant deaths and pupil/teacher ratios rising since the early 1980s.

Nigeria

The early 1980s was a period of declining real incomes, high inflation and economic hardship in Nigeria. Per capita income fell from an average of $1000 in 1980 to $370 in 1988, reflecting a negative GDP growth rate of three per cent between 1982 and 1985.

The information given in this study on changes in women's position in formal employment is insufficient to reach any firm conclusions, and in omitting any information on agriculture, it leaves out the sector that probably provides a major area of productive activity for women. Total official unemployment has risen, but no information is given on either the breakdown by sex or on changes in the female labour force participation rate. Indeed the information available on employment and unemployment rates by sector and/or sex as well as other structural data has been severely constrained by structural adjustment cuts in government expenditure.

Since, among women, unemployment is concentrated among the age group 15-24 years, the implications are first, that new entrants to the labour force have been unable to find work and second, as the author states, that women

generally have been crowded into the informal sector, though the evidence available to support this statement is slight.

Many examples of women's home based income generating and consumer expenditure saving activities are given, but no evidence that women's informal sector involvement has increased. (It is of course highly plausible that this has happened, given that real incomes have fallen very substantially, partly because of across the board cuts in subsidies and social service provision - but this must remain a premise in the lack of firm evidence.) The evidence relating to changes over time in women's total workload and to the allocation of working time between their different functional roles in unclear. There is some indication of a deterioration in the nutritional status of children, and also of decreased rates of hospital deliveries, both of which suggest women's greater difficulty in fulfilling their childrearing function. On the other hand, official statistics of national child and infant mortality rates show no deterioration over the 1980s. But as in other countries reliable national infant and child mortality data are not available. The standard methods of data collection in this area are inadequate.

Caribbean

Jamaica

The Jamaican economy has followed a turbulent path in the 1980s. Following economic recession in 1980, the economy stagnated in 1981-84, and contracted sharply again in 1985. However, there was a strong recovery in 1987. Per capita income and total employment followed a similar trajectory. Open unemployment has recently fallen - but only to the same levels as were experienced ten years before. There is an enormous and unchanged gender differential in unemployment, the female rate being 2-3 times higher: it touched 41 per cent in 1982.

Structural adjustment led to considerable reshaping of employment possibilities for women, with some sectors and occupations severely cut but others expanding quite strongly in response to new opportunities. On balance, there was no net change to women's position as producers. While some jobs for women were forthcoming in services and manufacturing (notably garments) with the growth of tourism in particular, it was not enough to support any increased participation of women in the labour force. Jobs for women were lost in the public sector (especially nursing and teaching) with expenditure cutbacks. Most women continue in relatively low paid jobs, though there has been a trend, not attributable to adjustment, towards greater representation of women in higher professional grades. The importance of agriculture as an employer of female labour has declined by 7 per cent since 1985 due to increased emphasis on large scale export-oriented agricultural production. Structural adjustment is thought on the other hand to have stimulated increased informal sector activity with 30 per cent more women entering the distributive trades between 1980-87 and many others moonlighting. It also led to the emergence of a new and very lucrative occupation for women, "informal commercial importer", probably as a result of the dismantling of entry barriers with changes in regulations. The distributive trades have ended up being the greatest source of income equalisation in the 1980s and women are extremely active in this area.

On the social services and consumption side, there were significant falls in budgetary allocations and, despite changes in the composition of

expenditures to the benefit of the poor, low income groups certainly suffered cuts in their standard of living. A 22 per cent per capita reduction in health expenditure since 1981 has had far reaching effects on women and children's access to health care and health education. Women have also suffered from the declining funds of the National Housing Trust making it harder for them to obtain housing loans. Jamaica's food aid programme fails to provide an adequate safety net for the vulnerable groups.

Trinidad and Tobago

The Trinidad and Tobago economy suffered consistent negative economic growth between 1982 and 1987. The Gross Domestic Product fell unabated until 1987 when the rate of decline slowed to a negative four per cent in 1988 (compared to the previous year's negative seven per cent). Agriculture was the only sector which grew throughout this period. Production rose by five per cent yearly whereas construction like most other sectors suffered a negative growth rate. It fell by an average of 15 per cent from 1982 to 1987 until growth resumed to five per cent in 1988.

Women have suffered increased unemployment with adjustment, along with men. Their rate of unemployment was higher than men's, though the differential is small compared to some other countries (e.g. Jamaica) and has not widened. There was no increase in the female labour force participation rate. Public sector employment has not diminished in importance for women, though (unspecified) wage cuts were imposed. An increase in self-employment among women is alleged, but it is not borne out by the data. Thus, the evidence points to some, but not major, overall deterioration in women's position as producers (at least as regards access to formal employment) and no great changes in the employment structure. The cost of living is said to have tripled between 1985 and 1988 whereas average earnings rose by only nine per cent over the same period. No information is given of specific changes in incomes, subsidies, or social provision, whereby the consumer effect could be assessed.

Asia

The Asian case studies are notable for the fact that their economies have not been subject to major shocks or contraction during the 1980s. They are not untypical of the a region in this respect.

Bangladesh

The main hypothesis - of reduced social supports under adjustment on the one hand and lack of opportunities on the other - does not hold in Bangladesh. Expenditure on health and education was not reduced, the food subsidy programme was maintained and successfully redirected in part towards women and children in need, and some major employment openings appeared for women with growth of non traditional exports. Moreover trade liberalisation measures were phased so that the textile industry, where many women work as handloom weavers, remained protected till very recently.

The situation in Bangladesh is, however, unusual in several respects. It has exceptionally low per capita income, which stagnated rather than declined during the period of adjustment, and absolutely minimal levels of social support ($3-4 US per capita per annum public expenditure on health and education combined), and pervasive discrimination and disadvantage is

suffered by women to an extreme degree. Women's nutritional status is worse than men's at all ages, as are female mortality rates, and women's life expectancy is unnaturally less than men's as a result.

The issue here should therefore be the extent to which structural adjustment is seized as an opportunity to bring about a social transformation to remove these fundamental welfare biases against women. On this score the adjustment programme does not bode particularly well. Stabilisation has been achieved quite quickly but mainly at the cost of sharp declines in investment and, probably partly as a result, in reduced rates of growth of output in agriculture and industry. There has been no increase in the minimal levels of social expenditures which are inadequate to build human resources. However, there has been some success in implementing compensatory social programmes for credit and training as well as food disteribution which benefit women considerably, though they still remain very limited in scope.

As regards women's direct income earning opportunities, agriculture is by far the most important sector. The adjustment programme took place at a time of major but counteracting changes in the pattern of rural women's employment. Technical change in rice milling, by far the largest single source of employment for women, has led to massive displacement of women workers. In contrast the introduction of high yielding varieties has resulted in increasing demand for women's paid (and unpaid) labour across the board and seems to have encouraged women's entry into a wider range of field tasks. Most paid employment is on larger farms but as the adjustment programme was in practice biased against small farmers it was probably not directly damaging to women's employment. The income polarising effects seem likely to add to supply side pressures in the labour market and indirectly therefore to have a negative effect on women's earnings.

As regards other rural activity, women's income earning capacity in some areas has been increased by the expansion of government and NGO small scale credit and training schemes notably the Grameen bank. But despite the Grameen bank's success in setting up a model scheme benefiting 350,000 assetless women, it still reaches only 3-5 per cent of the target population of women from landless households.

In industry women have benefited in employment terms from the recent rapid expansion of garment manufacture and shrimp processing for exports Garments alone now employ 4-5 per cent of the total active age female urban population,[3] at a level of nominal wages far higher (by a factor of 8) than average female urban wages. This is directly attributable to the policy changes that have lifted controls on private sector operations and increased export incentives. On the other hand decontrol of investment is thought likely to hasten technical change in industrial production. This would be to women's disadvantage in present employment patterns because it would reduce labour intensity and lead to relocation of production away from domestic premises. So far the delayed introduction of import liberalisation in textiles has prevented such pressures taking effect in the weaving sector, protecting women's jobs in the less mechanised parts of the sector for the time being.

As regards changes in the distribution of women's work between the formal and informal sector, the relative expansion of exports of manufactures entails a new source of formal sector job for women. A significant proportion of these jobs are of a casual or temporary kind. Adjustment clearly did not,

in this case, lead to a reduction in formal sector employment for women. There is no clear evidence on the direction of net change in women's earning capacity in non-contractual employment in agriculture or industry, given the various complexities noted above. Nor is any information given on possible changes in labour intensity of women's informal employment; no time-use survey data is cited in the study.

Female headed households exist in large and probably increasing numbers in Bangladesh. They are significantly poorer than other households and reliant to a much higher degree on women's wage earnings. They seem to have benefited from the redirection of state expenditure on food industries by way of a major programme of vulnerable group feeding (limited to female headed households with young children) and a food for work programme, which has been modified to attract women participants. Overall food for work programmes provide 10 per cent of total wage-work days in a rural areas. Total per capita food grain availability in the public food programme has increased slightly in the 1980s. Perhaps related to this, infant and child mortality rates are declining, having peaked in 1983-4. The total fertility rate is also on a steadily declining trend.

These data suggest that despite possible underlying forces towards further immiserization in rural areas accompanying adjustment, no intensification of poverty among vulnerable groups has yet been observed. On average, adjustment has not in this case led to short term cuts in incomes; real wages in rural areas have been rising throughout the 1980s.

Sri Lanka

Sri Lanka is another exceptional case in that the first stage of structural adjustment was not prompted by a fiscal crisis but by long term structural considerations, so that it took place in a context of growth rather than contraction.

The case study authors believe that overall the employment position for females improved under adjustment. Total employment increased by 30 per cent for women between 1980 and 1985. But this rested almost entirely on a doubling of the share (to 23 per cent) of unpaid family workers (mostly agriculture) and a large increase in the number of self-employed women in the informal sector. Among low-income families women are still confined to the informal sector to a much greater extent than men, although they also account for most of those who take up relatively well paid domestic service work abroad. Among women in paid employment, average earnings increased by about the same amount as men; and the share of women in the total number of income earners rose. But the unemployment rate among women remains double the male rate, at about 20 per cent, and while there was some increase in the size of the female labour force, the main source of this was, ominously, increases in participation by 10-14 year olds.

There were marked shifts in the distribution of female employment among economic activities. Women participated in the expansion of export orientated products in agriculture and industry that followed devaluation; there was a net increase in total manufacturing employment for women, concentrated in the Export Processing Zones. But trade liberalisation had a clear negative effect on the small scale, industrial sector that was previously protected; many women's livelihoods were eliminated. While adjustment contributed directly to this result, the authors point out that

other factors were also at work, such as rationalisation and changes in production organisation with new technology.

While manufacturing was an important source of new employment, most of the increase for women was in unpaid agriculture. Most of the work was in paddy and related crops where output was expanded in response to changed price incentives. This seems to be an instance of the mobilisation of female labour into cash production without direct reward and at the expense of their other functions. Women have also been discriminated against in agriculture in the formal allocation of newly irrigated land under the Mahaweli scheme, whereby 20 per cent of the population were given land or had their tenure regularised. The majority of women on these lands are full time farmers and on average contribute around half the household income. But title to land was granted only to male heads of households.

On the social services and consumption side, there was a major reduction in resources, especially for the poorest. Even though attempts were made to ensure that the reductions impinged less than proportionately on the lowest income households, shifts in the composition of the health, education and food subsidy budgets were not enough to outweigh the effect of a 50 per cent cut in the food subsidy budget and could not prevent falls in real income for the poorest groups. Relatively greater rises in malnutrition were recorded for women than men, clear evidence of cuts in welfare at the most basic level, and of socio-cultural biases in provision of consumption to women. (At least this shows that interventions previously redressed such biases).

Malaysia

Structural adjustment in Malaysia, like Sri Lanka, has been characterised by consistent steady economic growth which dropped only temporarily in 1984 and 1985.

The employment rate grew four per cent yearly in the 1970s but this fell to three per cent in the early 1980s and two per cent from 1985/88. Along with a decline in growth, there was a marked redistribution of the workforce from primary to secondary sector employment - notably into construction where employment grew seven per cent annually between 1980 and 1985, and the commerce and service sectors which both expanded by six per cent over the same period. The sharp fall in GDP in 1984/85 was mirrored by a contraction in the construction industry which suffered negative growth of -2.1 per cent between 1985 and 1986. In contrast the service and commerce sectors continued to expand with an average growth rate of four per cent each year. Female employment, in line with general employment, has risen slowly from just below to just above one third of the total workforce over the last fifteen years.

Women suffered greatly in the economic downturn which especially hit the export industries though men in the agricultural sector - notably the rubber and oil palm estates - were also badly affected. Overall unemployment arose from five to nine per cent between 1980-85 with consistently greater unemployment amongst women in both the rural and urban areas. The author documents the growing proportions of unemployed professionals.

The government is a major employer in Malaysia. Public sector employment grew at nearly six per cent between 1970 and 1980 but growth was

checked to approximately one per cent since 1985 due to a cut in recruitment levels as part of the government's fiscal cutbacks. Female participation has increased however, while male employment rates have declined, as the government continued to take on staff in the vital sectors (teachers, nurses) during the recession. Women still occupy the lower ranks of the occupational structure. A slight wage distribution, from the high to the lower paid during the recession benefited female government employees.

A growing number of women are moving from the agricultural sector into labour intensive manufacturing export industries. The proportion of women in this sector grew to over a fifth of total female employees in 1983 with most jobs concentrated in highly automatised export industries (especially semi-conductors). Government support (tax incentives and grants) in the free trading zone helped cushion the effects of the recession but retrenchment did occur on a wide scale between 1983 and 1986. This mainly affected female production-line workers who either temporarily moved back into agricultural production or joined the ranks of the informal sector. Women are concentraed in precarious lower ranking positions which are highly susceptible to increasing automisation.

The service sector has grown to become the largest employer of female labour with nearly 50 per cent of the female workforce. In comparison this sector's share of total employment only increased from 20 to 30 per cent between 1970 and 1988. The more educated women tend to be employed in government jobs but as more women move away from agriculture, the informal sector is swelling. Industrial retrenchment in the 1980s caused further movement into this sector as women try to combine child-rearing with wage labour. Piece-meal work in manufacturing and food processing plants is common, as is office/house cleaning and food production for petty-trading.

The importance of agriculture as a major employer continues to decline, aided by positive government discrimination for the indigenous Malaysian population to leave agriculture and find jobs in the modern industrial sector. Despite the tendency for women to return to this form of employment during retrenchment the proportion of women in agriculture has continued to fall.

Overall, women have not been disproportionately hit by austerity measures in Malaysia. Unlike most other countries undergoing structural adjustment, health and education expenditure were not cut and government cuts in subsidies (mainly petroleum products) did not have an unduly harsh effect on the poor. The authors document the increasing cost of living and tell of economic measures employed in poor households. They refer to children, especially young girls, being taken away from school to look after their siblings and young girls at the age of sixteen being sent to work in Malaysian factories. Poor households are said to cut back on education and food in times of hardship and engage children in informal sector employment.

IV. EVIDENCE ON THE FUNCTIONAL IMPACT OF ADJUSTMENT ON WOMEN

In this section we draw out thematically the main summary conclusions from the case studies concerning the impact on women and of their response to structural adjustment. Following the argument of the Report, the ordering is: the effects of demand restraint, modification of the trade regime and market liberalisation on women as <u>producers</u>; the effects of demand restraint, and

price decontrol on women as household managers; the effects of changes in social service expenditures on women and mothers, or more generally as supporters of the family including their own; and on the demands put on them as community organisers.

Women as Producers

In all the case countries, except Sri Lanka and to a lesser extent Malaysia and Bangladesh, structural adjustment has occurred during a period of economic contraction, with falls in national income and marked reductions in real wages.

Women have experienced these changes alongside men. It is not clear that they have suffered disproportionately from these declines. Modification of the trade regime has altered the sectoral structure of employment to a greater or lesser degree in all countries, and especially in the higher income and/or more open economies of Malaysia, Sri Lanka, Jamaica and Trinidad. Some opportunities have probably opened up for women in all countries with this restructuring, but others have been lost in activities with reduced returns. In aggregate women have not clearly lost out in this process. But then neither have the changes supported any significant improvement in women's employment position. It is possible nevertheless that particular sub-groups of women or households do suffer, losing employment in one sector and being unable to take jobs in newly expanding industries because of location, lack of skill, or age. In the Malaysian case there is rapid growth of female participation in the highly automated manufacturing sector which has a long term trend of declining direct labour use in the industry.

The major structural change in women's employment has been a tendency towards casualisation of their employment, primarily through expansion of their involvement in the informal sector. This is more or less well substantiated in almost all the countries, with the exception of Bangladesh[4] and apparently Trinidad. Increased competition within this sector has reduced individual earnings (in total or at an hourly rate) in Africa as it has in Latin America.

But in general, evidence on all aspects of women's incomes - individual wages, real earnings, and total incomes controlled by women - is elusive. The Jamaican case, however, is a reminder that not all of women's activity in the informal sector is low income, and also that some informal sector activity, especially perhaps services, deal in tradables which would in principle be advantaged by changes in the trade regime under adjustment.

In the light of this general relative expansion of informal sector activity, it is difficult to put much weight on data, where available, on women's official rates of labour force participation, and even more so, of unemployment. In most cases there is little or no change in female participation, and increases in the level of unemployment. In richer countries where employment data are more reliable (including several in Latin America), increases in female labour force participation rates are commonly recorded during recession particularly in lower income groups. The fact that many of the present case studies do not show rises similarly should not be given much weight in interpretation. The Bangladesh study indicates that women's labour force participation is subject to the same sort of influences. The trend in female participation rises over time in association with rising average income, and women in poor households are much more likely to take paid

work than the average. There is therefore a prima facie case even here that declines in real household income would lead to increases in the numbers of women seeking paid employment. Micro-data on household expenditures and on falls in the purchasing power of average formal sector wages, especially in Africa, are persuasive circumstantial evidence that women have indeed probably had to devote more time to income generating or consumption expenditure saving activities.

Finally, it is worth remarking that the case studies produce little information on how women have fared in agriculture, a sector where producers have in principle supposedly strongly benefited under adjustment. The only two studies with detailed information suggest that women have not done well: in both Zambia and Sri Lanka, where cash crop output has increased, it has been with a large input of unpaid female labour. Whether this is at the cost of diminished subsistence food production is not clear. In Zimbabwe, by contrast, it is implied that women farmers may have profited with the expansion of subsidised credit schemes to which they have access; however, the evidence is far from conclusive. Bangladesh lacks good data on agricultural employment for women, but it is argued that the adjustment package has been biased against small farmers and as such has adverse effects on women in two ways. Women heads of households are disproportionately represented among smaller farm-size classes and women wage workers may see their earnings fall because of pressures on the female wage rate.

Women as Household Managers

All the studies confirm marked rises in consumer prices, due to reduction of consumer subsidies and rises in producer prices, together with stagnation or falls in nominal wages and incomes.[5] Thus there is no doubt that real incomes have been squeezed in most countries. To the extent that low income families, first, are not able to place extra household members into well paid positions in the labour market, and second if these families benefited previously from food and other subsidies, they will have been doubly subject to reductions in their standard of living. None of the studies, however, adds significantly to our knowledge of income sharing practices in poor households, and none is able to document changes in the income controlled by women within the household.

Examples of the kinds of adaptation that women make in trying to maintain the consumption of their families in the face of falls in income are given in a number of the studies. Commonly there have been cuts in the consumption of protein and other nutritions foods reduction in the number of meals and greater time spent procuring food and other items. For Zambia it is noted that female headed households, which are relatively poor, are less able to take out credit to moderate the consumption effect of falls in real income. Women, and the children of poor families (and children in female headed households), seem likely to be especially damaged by cuts in social services which offered them a route to build up their human capital, and compensation for their lack of other assets.

Reliable comparative data on the deterioration of nutritional standards is available from Sri Lanka and Zambia. Sri Lanka is notable for the greater increase in malnutrition among women than among men in certain areas. Other studies refer to increased incidence of malnutrition but fail to compare with statistics from previous years.

Women as Mothers

Women's access to household consumption resources is the primary feature of this role, and as such has clearly been reduced by cuts in income, and probably by increased time spent on income earning activity. At the same time, reduction in provision of (and with increased charges in some instances, reduced access to) health and education services, in particular, has increased the demands on women's time. The country studies confirm that where there are fiscal crises, cuts in health and education and consumer subsidies are a feature of most programmes of adjustment.[6] They add some detail on the nature of those time demands, showing that children are routinely tutored outside school in some African countries, that more time is needed for nurturing children and others through periods of sickness (e.g. Tanzania, Zambia), whether or not morbidity is rising, and that women are specifically disadvantaged by deteriorating standards of provision and maintenance of water supplies.

Women as Community Organisers

It is disappointing that the studies say virtually nothing about women's activities in this sphere. This might be because community activities are most important in Latin America which the existing literature would suggest, or, more likely, because this is a phenomenon not yet documented elsewhere so that information was not available to the authors of the studies reliant on secondary sources.

The Welfare Impact

In general, it seems on the basis of these studies that women have not seen any significant net change in their position as producers with the introduction of adjustment programmes. They have not seen any relative deterioration in their (disadvantaged) access to income from formal employment, although the employment impact of adjustment has not been inherently biased against women. Figures on female participation rates are an incomplete guide to the lack of women's involvement as producer. But women do seem to have drawn into casual income earning activities, mainly in the informal sector, probably to a greater extent than men, to try and add to falling real wage income. And given the probable decline in average unit earnings in the informal sector it seems likely that women have had to devote more time to the producer function in that sector. Some studies point to increased use of women as unpaid family workers in agriculture in newly profitable crops, which may also be counted as a negative welfare impact.

As regards social services and consumer subsidies, vital elements in family welfare on the consumption side, there is clear evidence in every case except Malaysia and Bangladesh of drastic declines in government expenditure on social services and/or consumer subsidies, which are vital elements in family welfare. This is likely to have had a negative effect on family consumption. The poorest households have been proportionately worst hit by cuts in subsidies. The exception to this would be remote households mainly dependent on subsistence agriculture, unreached by previous subsidies, but the case studies provide no evidence about such groups in the population.

In general then these findings bear out the argument of the Report that women's welfare under adjustment has declined as a consequence of a distinctive conjunction of circumstances. There have been more or less severe

cuts in subsidies and declines in real income which impinge especially on women because of their responsibilities for household consumption and welfare. While women's position in formal employment may not have been specifically disadvantaged by adjustment, they have been subject, along with men, to increases in recorded unemployment, at relatively higher rates and they seem to have taken on extra work in the informal sector in many different country settings. While there is no direct information in any of the studies on the intensification of women's labour efforts, nor clear evidence of an increase in total hours of work, such increases can be inferred as a consequence of this pincer effect: on the one hand increased time demands for family welfare have fallen on women as public services and subsidies have been cut, and on the other hand women have met constant or greater demands on their producer function for falling or constant returns. Women's role as producer has become more important during adjustment, while demands on them in their roles of household managers and as mothers have increased.

NOTES

1. This leaves aside the moot point, at this stage, of whether such programmes will be seen to have induced sustainable aggregate growth, not otherwise attainable, once the adjustment period itself is over. At issue is the nature of damage caused in the interim; for what good is ultimate growth if, in the short rather than the long run, we are dead, or "the crossing of the desert". (a phrase sometimes used to refer to the transitional period during adjustment) is <u>not</u> accomplished? With respect to women, there is the additional possibility of setbacks to women's economic emancipation from one generation to the next.

2. Changes in nutritional status can be indicative of changes in food energy requirements as well as of food intake. At low levels of food consumption, intensification of women's labour effort leading to increases in food energy requirements can reduce nutritional status. Such detailed information has been documented in rural populations related to the agricultural cycle, but not in other contexts.

3. The most generous estimate puts the female urban labour force participation rate at 12 per cent in 1981. Garments therefore absorb about one third of the formal female labour force.

4. The situation is anomalous here. The official rate of female labour force participation is extremely low, although survey data shows that women make a major economic contribution in home based activities, mainly in post harvest food processing and in a range of urban and rural small industries which might be referred to as informal sector. There is no evidence as to whether women's participation, and work intensity in such activities has increased with adjustment. The main development, directly attributable to adjustment has been the emergence of a major new source of employment for women in the formal sector, in non-traditional manufactures for export.

5. Bangladesh is again an exception. Real wages have been rising. But food deficit households (small farmers and landless households) accounting for well over half the population have been hit by the rise in the market prices of the staple grain, rice. On the other hand, public food distribution programmes have been significantly redirected to reach more vulnerable groups particularly women (especially female heads of household) and children.

6. In Malaysia, there were no significant cuts in health or other social development programmes, and in Bangladesh cuts in these programmes have not been made - but mainly because expenditures on health and education were extraordinarily low and scarcely offered scope for cutbacks.