



Women and Employment

1. Why is women's employment important?

Employment is among the most important links between economic growth and poverty reduction. At the same time women across the world suffer from limited access to decent work compared to men, also in Africa.

There are two main reasons to focus on women's employment. First, women have an equal right to decent work. Second, there is sufficient evidence to conclude that an increase in women's employment and income has more positive effects on child nutrition, health and education and family welfare than an increase in the income of men.

Why do women still face discrimination in Africa – and elsewhere? We face the challenge of identifying and implementing actions that can secure women better jobs, better entitlements and better capabilities to take advantage of opportunities.

There is a need to lift the issue of women's employment to the top of the international agenda. The political commitment made by the international community in Millennium Development Goal 3 on gender equality should be reinforced.

There has been much focus on women's access to health and education and less on women's access to employment, and promotion of women entrepreneurs. Economic growth that generates employment will benefit women, but additional actions may be needed to promote gender equality.

This note seeks to highlight some facts and key trends with respect to women and employment in Africa and to identify key issues. Other notes focus on economic growth and employment; youth, employment and education; and climate change and economic development.

2. Facts and trends

Labor market participation and pay

Women's labor market participation is not increasing in Africa. Only 15 of the 47 countries in sub-Saharan Africa experienced growth in female labor market participation during the period 1980-2004.¹ The average female labor market participation for the region was 62% in 2004, down from 64% in 1980. The comparable estimates for men were 85% per cent in 2004 and 87% in 1980.

The larger share of women's employment is in the informal economy.²

Women's pay is lower than that of men. Even though few reliable data exist on this matter, the fact that women earn less than men is well supported in almost all economies and existing evidence strongly indicates that this also holds true for African economies (World Bank, 2007). Although levels of education can explain part of the difference, it cannot explain all the difference. Female workers also tend to face poorer working conditions as they tend to be overrepresented in the informal economy.

Economic growth and employment

Agriculture dominates female employment in many countries in Africa. Women's possibilities in agriculture are, however, hindered by formal and informal rules restricting their opportunities for more productive employment and income. Women's access to land is hindered in many countries by formal and traditional rules, although several countries are reforming landownership. As a result, women often face difficulties in recruiting workers and obtaining credit for improving production, as they are not the rightful owners of the land (Lastarria-Cornhiel, 1997). Women also often face restrictions in relation to ownership of cattle and to control over water resources.

Even if more conducive property systems were eventually implemented a large group of women, having only small funds, very little education and low social status would still find it impossible to enter the market. Consequently, these women will either have to continue to rely on male members of their family to provide them with access to land or will have to seek employment elsewhere.

Development of rural areas has the potential to provide women with better jobs. Concurrently with the increasing urbanization many rural areas in Africa are undergoing a process towards market oriented systems where agricultural products are produced for the market place.

¹ Labor force participation is a better measure of labor market involvement than employment, since the latter measure may be (strongly) correlated with changes in the business cycle.

² Data from ILO covers Ethiopia, Tanzania, Mali, South Africa, Niger, Botswana and Benin.

Economic growth and increased activity in the agricultural sector can benefit women if the necessary prerequisites for an equitable and broad-based economic growth are present. This will, for example, involve addressing the constraints that restrain women's access to land, education, credit and markets.

The main conclusions to be drawn from the literature on this point are:

- Market based agriculture works best when the proper prerequisites have been met: sufficient infrastructure and communication, effective market for access to finance and for provision of inputs, advisory services, and easy access to market. If these conditions are not met, agricultural households will face large uncertainty with respect to yearly incomes and sale of their crops (Dorward et al., 2004).
- Rural industrialization, including agro-processing supported by improved government regulations and other interventions may improve non-agricultural rural employment. Such a process also requires well-functioning markets. This form of employment can come from processing high value agricultural crops or from other agriculture related work and ensuring women benefit, e.g. targeting specific crops.
- Once a middle class is growing, non-agricultural employment such as the production of craft items, higher value and processed food and domestic work will be demanded to a larger degree. This will in particular improve the employment prospects for women since these jobs traditionally have been done by women (Valodia, 2001).

Women entrepreneurs are on the rise in many countries outside agriculture and in urban areas. Many work in the informal sector as self-employed. They do not have equal access to resources such as land, to services such as finance and advisory services, and to influence on policy and legislation. So far, however, focus on the exact magnitude of these constraints, and how tackling the constraints can be mainstreamed in national strategies, action plans and donor support seems limited.³

The causal links between gender equality and economic growth, in both agriculture and in the economy in general can run both ways – economic growth can affect gender equality and vice versa. Determining the size and timing of effects will have profound implications for the resulting policy recommendations.

Main findings in studies of these links are:

- In the short run there does not seem to be a significant effect from greater gender equality in terms of labor market participation to higher economic growth. In fact the opposite may be

³ The World Bank Group is undertaking a two-year research program on reforms that improve business opportunities for women, supported by a number of donors, including Denmark (Doing Business; Women in Africa, World Bank Group, forthcoming 2008).

true, as low wages for women (inequality) appears to have supported South East Asian economic growth (Seguino 2000; Berik 2006).

- In the long run, however, existing evidence supports the conclusion that gender inequality in, for example, education lowers economic growth because it limits women's access to relevant knowledge and lowers their labor market participation (Klasen, 2002; Benedict et al., 2003).
- Summarizing a large number of studies the 2006 World Development Report, however, concludes that inequality of opportunity will "result in wasted human potential and often weaken prospects for over-all prosperity and economic growth". In addition, long term growth prospects will diminish if child health and educational investments are reduced because women control a smaller share of household income.

In summary, research indicates that economic growth will reduce gender inequality slowly and only over a long time period. Directed and corrective policy interventions are thus needed to address gender inequality in the short to medium term. If not, the above mentioned positive effects on child health and nutrition and in some cases also prosperity and economic growth will not materialize.

Other factors constraining women's decent employment

This naturally prompts the question of why women are often barred from profiting from increased economic growth. Why are women not participating in the formal labor force to the same degree as men?

Part of answer to these questions must be found in traditions, social norms of behaviour, and in the individual case in the extent of mutual affection and loyalty between spouses. This is, however, all examples of determinants where changes most often occur over generations rather than years. This, of course, does not imply that change should not be sought. Rather the contrary. It does, however, have implications for when results and improvements can be expected.

Among the factors more amendable to short and medium term changes are:

- Women are time poor. They spend many hours working in the household collecting water and firewood, making food and nursing children. As a consequence, they have less time to devote to working at the labor market.
- Women lack formal rights and/or information about existing rights. Often the legislation ensuring more equitable rights and opportunities are in place, but not enforced and/or is unknown outside small constituencies.
- Women have low levels of education. This is particularly true for post primary education.

In these areas governments and the private sector could affect changes through a higher level of commitment and with stronger voice of women through civil society groups, including business associations, employers association and trade unions.

Government departments responsible for gender equality and women affairs are, however, often among the most poorly resourced departments. As a consequence, they fail to convince Ministries of Finance to mainstream gender into national strategies for growth and poverty reduction. Gender consequently disappears from the agenda – despite the potentially huge human and economic benefits that would arise from improvements in this area.

3. Key issues

Why is there a tendency for gender equality to receive mention in overall strategies and visions and then “disappear” once the policies and priorities reach the planning and implementation stages? What can be done to prevent this from happening?

Are direct or indirect mainstreaming interventions more effective at improving women’s access to employment and economic opportunities? (*Direct interventions: special training programmes, legal reforms for equal rights; extension services for women; employment schemes for women. Indirect interventions: basic infrastructure, wells and roads to ease women’s time constraints; microfinance institutions; education and technical training; labor market regulations*)

Are there activities and sectors dominated by women (within agriculture and the informal economy), which could generate productive employment for women? Should future interventions focus specifically on binding constraints for women to land ownership, access to credit and access to justice etc.? How can the potential for grooming more women entrepreneurs be strengthened?

How can women’s access to primary, secondary, vocational and tertiary education be increased? Should focus be on supply and quality of the education provided, or on demand through incentives, special funds for female scholarships etc.? Do pre-school education and child care facilities have economic potential by giving women an opportunity to participate in the labor market as they do not have to look after their children, and/or give children a better chance of good education?

Is there a case for more support to develop capacity of African organizations (government and NGO’s) that work to improve women’s employment? Strengthening the analytical capacities to make gender specific analyses and their capability to undertake policy advocacy on behalf of their members?

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