International Employment Policies

Gender inequality and development strategies: Lessons from the past and policy issues for the future

by

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The 1990s opened up some new perspectives for the welfare of the developing countries. For many of them external events should prove to be more favourable than in the 1980s, although for a considerable number the external sector is unlikely to be a source of dynamism and the foreign exchange constraint will continue to be severe. Some countries are experiencing a radical transformation in economic and social development towards the liberalization of all markets, greater openness to the external sector, a different emphasis in market regulation, and towards greater political pluralism. An apparent novelty of this situation is that political pluralism and economic liberalism were rarely joined in the past. Whether there has been a major cultural shift based on a belief that markets are indeed less likely to fail in delivering the goods than are governments, or whether the identification of political and economic liberalism will be short lived, remains to be seen.

Currently, however, the widespread parameter changes in economic and social policy making appear drastic and it must be expected that they will call the objectives and instrumentalities of government intervention in the economy into question. The perceived nature of the desirable form of regulation of financial markets, goods and, most importantly for the ILO, labour markets will also change, although the process of change is likely to be spasmodic, uncertain and perhaps contradictory. In any event, democracy can, and often does, select a market-based production system as socially desirable but can nonetheless expect the public sector to play a greater role in the social field. This may be a question of regulating private activities, it may be one of the extent of government, social and infrastructural expenditure, all of which is important both for human capital development and employment generation. If the latter, there is then scope for considerable disagreement about trade-offs between the steps necessary to provide the government with the resources it needs and their effects, through generating distortions in production and savings, on the efficiency and sustainability of the productive system and the generation of employment. Furthermore "government failure" may arise in social sector development where programmes may be insufficiently thought through, implemented or followed-up.

Against this background the ILO has initiated a number of studies to pick up, as it were, the themes of old issues in a new setting of liberalization. The issues in question are those of investment in human capital, of rural-urban linkages, of gender inequalities and of
persistent gender inequality. The study's starting point is that in terms of relative survival rates, gender discrimination appears to have increased, perhaps because of the generally diminishing importance of the agricultural sector. However, ironically, there is now a greatly improved understanding of the underlying causes of women's deprivation.

The best way to achieve greater equity for women is by meeting strategic gender needs. This involves change in the parameters of within-household bargaining, namely the perception of the value of women's contribution to household activities and women's ability to earn outside the household. Policies to achieve such changes are likely to vary with a country's economic structure and involve both access to resources and labour market functioning. However, the right kind of political alliance is generally essential if such changes are to be sustained.

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Acknowledgements

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Contents

Introduction 1

1. Liberalization, structural adjustment, and transition 3

2. Women, work, and survival: theoretical and empirical issues 7

3. Women in structural adjustment 15

4. Policies to reduce gender inequalities in developing countries 19

5. Women, the state, and the political economy of development 26

Conclusion 32
1. Introduction

In spite of considerable attention and repeated policy initiatives to deal with the issue, gender inequality continues to be one of the most serious challenges facing development strategists. These inequalities range from labour market discrimination and unequal distributions of domestic work burdens to reduced access to health and survival-related resources. Intra-household inequalities in the distribution of resources are largely responsible for elevated female mortality rates in many parts of the developing world to the point that, in 1990, over 90 million women were "missing" as a result of cumulative discrimination against their survival chances (Sen 1989, Coale 1991, Klasen 1992).

While many of these female disadvantages have a long history and are not easily overcome, it is particularly worrying to notice that gender discrimination, measured in terms of relative survival rates, has been increasing in the past decades in many parts of the developing world. This deterioration appears in part to be correlated with long-run changes in agriculture, which in many instances appears to have worsened the relative economic and social position of women (Boserup 1970, Agarwal 1985, Palmer 1991, Klasen 1993b). To overcome these biases, the nature, direction, and dissemination of technological change, as well as the nature of the sexual division of labour must be carefully analysed to understand why such change may have hurt women in rural areas.\(^1\) In addition, however, much of the increase in gender discrimination can be linked to recent policy changes in some parts of the developing world. In particular, liberalization and adjustment policies have hurt women and girls in a variety of ways, both as producers and as consumers of resources in many countries (Palmer 1991, UNICEF 1987).

These outcomes pose two interrelated problems for development strategists. The first is that any development efforts that neglect half the population must be regarded as intrinsically flawed by anyone who is concerned with equity. Moreover, neglect of the economic and social roles of women might actually retard the development process itself by neglecting the crucial contribution of women. In particular, the economic and social role of women is strongly correlated to important development goals, such as low fertility, reduced mortality, and improved educational opportunities for children (Drèze and Sen 1989, Caldwell 1986). Moreover, given that women play key roles (directly or indirectly) in the production of goods and services, a weakening of their roles might exacerbate existing inefficiencies and misallocations of productive resources leading to slower growth and development (Palmer 1991, UNICEF 1987).

These recent adverse developments for women come at a time of greatly improved understanding of the underlying causes of women's deprivation. Both at the theoretical and at the empirical level, the economic and social correlates of women's disadvantage are well understood. Moreover, robust relations between women's deprivation and other desirable

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\(^1\)There is a large literature on this topic. For a discussion in the context of the contemporary developing world, see Sen (1985), Ahmed (1985), Palmer (1991), and for a discussion of agricultural change and the economic and social roles of women see Klasen (1993b).
development goals such as higher literacy as well as lower fertility and mortality, have been discovered.

This paper discusses and extends the lessons from this research, using them to explain current developments in the deprivation of women, and suggesting how different development strategies might improve the plight of women in the developing world. Section 1 reviews policy changes brought about by market reforms in China; structural adjustment programmes in Africa and Latin America; and current liberalization policies in Eastern Europe and the former Soviet Union. Rather than providing an exhaustive list of detailed reforms, this section highlights shifts in policy priorities in these countries.

The second section of the paper discusses household models and their predictions on intra-family resource allocation as well as educational choice, fertility, and mortality. Particular emphasis is placed on the role of female labour force participation and women's outside earnings in explaining intra-household inequalities in the allocation of food and medical care. Empirical evidence from a wide variety of developing countries is used to evaluate the proposed model.

In the third section, the predictions from these models are used to understand better how recent policy shifts could account for the increasing deprivation of women in many countries of the developing world. In particular, changes in the labour market situation of women as well as the breakdown or reduction of vital health and social service institutions are stressed in an explanation of recent trends in China and some parts of Africa and Latin America. Based on these experiences, likely effects of current policy changes in Eastern Europe and the current Soviet Union on the economic and social plight of women are outlined.

Section four consists of a policy agenda to address the issues identified in the previous sections. This policy agenda highlights the experience of countries and regions that have successfully improved the economic and social roles of women (e.g. Sri Lanka, pre-transformation China, the Indian state of Kerala) and indicates how different economic and social policies have achieved these results.

The fifth section links these policy recommendations with the larger political economy of development and, in particular, it tries to explain why policies that have adversely affected women have nevertheless been implemented, in spite of the rather robust understanding of the links between such policies and women's deprivation. This section also includes a discussion of political and societal institutions, the role of the state, and the role of ideology in the formulation of development strategies that affect women's deprivation. In the final section, an attempt is made to combine the specific policy recommendations (section 4) with a more general discussion about political and institutional change (section 5) in order to arrive at a feasible development strategy that includes an equitable advancement for women.
1. Liberalization, structural adjustment, and transition

Past years have witnessed drastic economic transformation in several parts of the developing world. Prodded by the pressure of international lending agencies, many African and Latin American countries have embraced stabilization and structural adjustment programmes to deal with balance of payment crises, inflation, fiscal deficits, and external debt (Palmer 1991, Stewart 1992, UNICEF 1987). At the same time, China has embarked on a much more fundamental restructuring of its economy. Beginning with the agricultural and foreign trade sectors, markets were liberalized and much of the collective system of agriculture was abandoned in favour of an emerging market economy (Perkins 1992a, Palmer 1985).

The Soviet Union - now the Commonwealth of Independent States (CIS) - and its former Eastern European satellites have also plunged, since 1989, into the most radical of all economic transformations in recent decades. Following dramatic political changes, these countries (and the ones that have emerged or are still emerging) have begun a fast-paced and all-encompassing transformation of their centrally planned economies into market economies, including large-scale privatization, price liberalization, and retrenchment of the state from most aspects of the national economy (Kornai 1992a, Sachs 1992, Fisher and Frenkel 1992).

While the scope of these economic reforms has varied considerably in the three cases indicated above, there appears to have been a considerable overlap in the kind of policies so far adopted. Specifically, all experiences of structural adjustment have involved significant retrenchment of the state in its role as regulator, provider of goods and services, and macroeconomic policy coordinator and, in particular, state subsidies on a large basket of commodities have been lowered, prices deregulated, state monopolies in the marketing of goods curtailed or eliminated, and state involvement in the foreign trade sector reduced. At the same time, central government expenditures on social services, the government bureaucracy and, in some cases, the military forces were reduced and many government controlled companies were privatized. Finally, the currency was devalued, credit was tightened, interest rates were increased, and the fiscal budget reduced (Corbo, Fisher, and Webb 1992, Palmer 1991, Krueger 1992).

This retrenchment of the state has left a vacuum which it was hoped would be filled in short order by a more efficient market mechanism. In particular, it was expected that the introduction of market-based incentives would increase production in the liberalized sectors,

\[\text{To be sure, the motivation for reforms was quite different. While in many developing countries, the reforms came as a response to a macroeconomic crisis (Krueger 1992), China embarked on a reform path of its own volition after a shake-up of the political leadership in the post-Mao era (Perkins 1992a). In Eastern Europe and the CIS, the economic reforms were part of a total dismantling of the previous existing order and were a result of the prior political changes. These crucial differences in motivation may explain a good portion of the economic record of structural adjustment and liberalization programmes. Nevertheless, the similarity of policies adopted allows one to consider gender-specific effects of these policies together. For a discussion of the similarities and differences in structural adjustment and reform programmes, see Krueger (1992) and Corbo, Fisher, and Webb (1992).}\]

\[\text{Note that this list of measures is far from exhaustive and varies from country to country.}\]
particularly the foreign trade and agricultural sectors, thereby promoting growth and macroeconomic stability at the same time.

There are a variety of viewpoints from which to assess the success of these reforms. The first approach is to investigate whether the reforms actually accomplished what they intended. Even on this count, the reviews of structural adjustment, liberalization, and transition to market economies is mixed. In many developing countries in Africa and South America, inflation remains high, the trade balance has not improved significantly, balance of payments crises have remained particularly rampant, and domestic production, particularly in agriculture, has not increased as much as was hoped for (UNICEF 1987, Palmer 1991, Taylor 1988, Stewart 1992). In fact, in many countries it is not at all clear at all that they are now in a better macroeconomic position than they were when they first embarked on structural adjustment programmes. Even the World Bank has conceded that, while insisting that growth has increased in adjustment countries, investment has been much lower in these countries (Corbo, Fisher, and Webb 1992).

There is considerable debate on the causes of the relatively poor results so far achieved by structural adjustment policies. Some researchers argue that the necessary reforms were never fully executed and so the adjustment programmes did not have a real chance of success to begin with (Krueger 1992). But even if that were to be the case, it does not vindicate those who advocated such reforms, for if the policies proposed to effect the most radical changes were not politically feasible, then it is of little use to lament later that they would have worked in some ideal political scenario (Woodward 1992).

Others claim that structural impediments and market imperfections have hampered the success of such programmes (Taylor 1988, Palmer 1991). In particular, in the countries targeted for structural adjustment, market signals are only imperfectly transmitted so that consumers and producers have responded only very slowly to a changing macroeconomic environment. Thus the adjustments did not lead to any visible improvements in the target variables for years. At the same time, since large parts of the population were suffering from the short-term effects of the programme, popular resistance to structural adjustment mounted.

While in many developing countries, structural adjustment was only a mixed success in terms of its own stated goals, the economic transformation in China was much more successful on that count. Table 1 documents some of China’s most impressive economic

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4Even this rather modest finding has been challenged. Woodward (1992) claims that the findings of higher growth in adjustment countries is based on biases which overestimate the alleged growth success of adjusting countries. See also Elson (1992). Note, however, that it is unclear what exactly were the alternatives to stabilization and structural adjustment in countries that faced severe macroeconomic difficulties. Some have argued, that given the magnitude of the problems, refusing to develop a structural adjustment policy was simply not a sustainable policy option (Krueger 1992, Bourguignon and Morisson 1992).


6This is one of the reasons why Jeffrey Sachs has advocated the rapid and simultaneous introduction of all elements of a reform package, leaving little time for domestic opposition to organize and fight individual elements of it (Sachs 1992). Such a strategy, however, appears to be only fruitful if it is assured that after a short shock therapy the country will embark on a growth path and this appears to be far from guaranteed.
achievements. Growth of real GDP averaged 8.5 per cent between 1978 and 1990; annual value of exports rose at about twice that rate; foreign direct investment began to flow in at rapid rates; and incomes in urban and rural areas began to rise rapidly. An important policy

Table 1. China: Economic indicators

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>Real GNP (bn. renminbi)</td>
<td>655.0</td>
<td>938.0</td>
<td>1,592.0</td>
<td>1,738.0</td>
<td>165</td>
<td>8.5</td>
</tr>
<tr>
<td>Real output, primary sector (b. ren.)</td>
<td>252.0</td>
<td>341.0</td>
<td>434.0</td>
<td>476.0</td>
<td>89</td>
<td>5.4</td>
</tr>
<tr>
<td>Exports (index 1970=100)</td>
<td>182.2</td>
<td>398.2</td>
<td>735.6</td>
<td></td>
<td>304</td>
<td>15.0</td>
</tr>
<tr>
<td>Foreign investment (m. US$)</td>
<td>291.5</td>
<td>1,199.9</td>
<td>3,193.0</td>
<td>3,755.0</td>
<td>1,188</td>
<td>23.7</td>
</tr>
<tr>
<td>Per capita consumption, farm (index)</td>
<td>100.0</td>
<td>148.5</td>
<td>215.2</td>
<td>212.7</td>
<td>113</td>
<td>6.5</td>
</tr>
<tr>
<td>Per capita cons., non-farm (index)</td>
<td>100.0</td>
<td>122.3</td>
<td>177.4</td>
<td>179.3</td>
<td>79</td>
<td>5.0</td>
</tr>
</tbody>
</table>


lesson on the success of structural adjustment and liberalization appears to be that of understanding the success of these policies in China and the reasons for the much poorer results in many other developing countries.⁷

It is too early yet to tell what the effects of the massive restructuring in Eastern Europe will be. While it is clear that none of the Eastern European countries will match the success of China's liberalization, it is uncertain as to whether growth and macroeconomic stability will resume after the current episode of economic contraction or whether these countries will be plagued by stagnation and macroeconomic uncertainty in the medium- to long-term.

Another viewpoint from which to analyse the success of structural adjustment and liberalization policies is to examine the side-effects of these policies. Many researchers have focused on the social costs of adjustment and have concluded that they are very large in many developing countries (UNICEF 1987, Woodward 1992, Palmer 1991). In particular, the economic recessions striking most adjusting countries have had particularly severe effects.

⁷One of the important factors that may account for these variations in performance is the very different initial conditions. While most developing countries were forced into structural adjustment and liberalization due to a serious macroeconomic crisis, China started its growth path with virtually no foreign debt, a balanced foreign trade position, little inflation, and no large budget deficit (Perkins 1992a). Bourguignon and Morrisson (1992) also find that adjustment policies in developing countries that had been initiated before a macroeconomic crisis or programmes that were initiated in the absence of serious macroeconomic problems achieved much more economic success with fewer social costs than that of countries that had been forced into adjustment due to severe macroeconomic difficulties.
on the poor who are invariably hit by higher unemployment and fewer state services to maintain a minimum level of essential nutrition and health care (UNICEF 1987, Elson 1992). World Bank researchers also found that adjusting countries reduced spending in education which in turn led to declining primary school enrolment ratios (Maasland and van der Gaag 1992). In addition, critics of structural adjustment programmes have charged that they have increased inequality in developing countries (Mills and Nallari 1991, UNICEF 1987).

Similarly, researchers have found that Chinese liberalization, in spite of its tremendous economic success, has not led to commensurate improvements in human development indicators, such as longevity, school enrolment, and mortality rates. In particular, life expectancy, after decades of rapid expansion has increased hardly at all since the reform process began in the late 1970s. Infant mortality has been on the increase, and school enrolment rates in rural areas have dropped (Davis 1990, Klasen 1993a, Banister 1987, 1992). Moreover, while inequality between rural areas and urban areas fell, it increased within rural and within urban areas (Ling 1991, Perkins 1992a).

In Eastern Europe and the CIS, the social costs of transformation have been large given that liberalization efforts were accompanied by contractions of GNP of between 10-30 per cent in all the countries transforming to a market economy. These severe recessions, combined with some increases in inequality in some countries, have led to a surge in poverty (Milanovic 1993, Klasen 1993a). At the same time, the dismantling of the state-run health care and social service delivery system is likely to lead to sharply reduced human development in many parts of the former Soviet bloc, particularly in the poorer regions of the former Soviet Union (Klasen 1993a, UNICEF 1993).

Unfortunately, many studies of the effects of transformation and structural adjustment are not disaggregated by gender. In order to understand the particular effects of liberalization and structural adjustment on women, more information is required on the economic and social roles of women in those countries that have already introduced, or are considering, drastic policy changes.

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*The 1980s saw a general deterioration in education in many parts of the developing world. A UNESCO study found that in two-thirds of all developing countries, spending per pupil was cut, and in a half of these nations, primary school enrolment fell. The reductions were particularly severe in Africa (UNICEF 1992).

*Unfortunately, there is little reliable data on income distribution in developing countries to check the validity of this assertion. What data there is points to some worsening in income distribution in most parts of the developing world, with the exception of some countries in East and South-East Asia. The UNICEF study finds that in four out of the five countries for which data was available, the share of income going to the bottom 40 per cent declined, while in South Korea, the fifth country, it increased (UNICEF 1987). Bourguignon and Morrisson (1992) also claim that available data point to a worsening in income distribution in Africa and Latin America and an improvement in East and South-East Asia. Stewart (1992) finds that in seven out of eight Latin American countries in her research sample, income distribution worsened.
2. Women, work, and survival: theoretical and empirical issues

There are essentially two interrelated but distinct issues involved when discussing policies regarding women in development, which may be referred to as efficiency and equity issues (Palmer 1991). Efficiency issues deal with women's role in the overall development process. They investigate whether the current deployment of female resources in developing countries is optimal to advance overall development goals, such as reductions in poverty, growth rates, modernization, demographic transition, and the like. Ingrid Palmer (1991) has taken this approach and argued very forcefully that liberalization and structural adjustment policies have sharpened the misallocation of female resources in developing economies (particularly in Sub-Saharan Africa) and therefore weakened the potential of these policy reforms (Palmer 1991).

The equity approach stresses what the development process does to women and is therefore primarily and directly concerned with women's (and girls') welfare in relation to their male counterparts. To sharpen the distinction, the equity approach is more focused on how welfare-related resources are distributed between the sexes rather than how to deploy those resources in the most income-enhancing way.

This distinction may also lead to considerably different judgements about the severity of the gender-imbalances in various regions of the developing world. As argued below, the equity issues are largest in South and East Asia where women and girls suffer from much-reduced access to household resources, while they are smallest in sub-Saharan Africa (ESCAP 1992, Boserup 1970). In contrast, efficiency issues might arguably be the worst in sub-Saharan Africa, where women's productive resources are hampered most by high fertility, high mortality, and shrinking access to productive resources in those areas where women have traditionally provided most of the agricultural output (Palmer 1991, Boserup 1970).

While these issues are distinct in their stated goals, both approaches recommend many similar policies. For example, enhancing female education in a country where women have much lower education is an efficiency as well as an equity issue. It increases women's development choices and their ability to get greater shares of household and other societal resources which clearly, as argued below, is an equity issue. But it also promotes efficiency concerns, such as growth via a more optimal allocation of scarce human capital investments; reduced fertility and infant mortality, thereby reducing inefficiencies and 'wastage' in the reproductive sector of the economy; and increased children's human capital (Streeten 1981, UNICEF 1987, Drèze and Sen 1989, Stewart 1985).

Similarly, policies to promote income-earning opportunities for women or to allow them to own and inherit land clearly have an efficiency component (Palmer 1991), and as argued below, they also have an important equity component. Keeping in mind that promotion of equity in many instances also contributes to more efficiency, we will focus on the equity aspects of development policy in the following analysis.

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10This approach is not confined to the role of women in the formal economy, which directly affects measured output and growth, but also extends to their productive roles in the informal sector as well as in the household (Moser 1989).
As stated in the Introduction, there are clear indications that women are suffering from unequal access to resources in many parts of the developing world. These inequalities are so large that they appear to be responsible for considerably elevated mortality rates for girls and women. Table 2 shows female-male ratios prevailing in all major regions of the world in 1990. Given that women have an inherent biological survival advantage, one would expect every region to exhibit a surplus of women.\textsuperscript{11} In reality, however, there are considerably fewer women than men in South, West and East Asia and the female-male ratio is also below unity in North Africa. At the same time, there appears to be no female "deficit" in sub-Saharan Africa, South-East Asia, and Latin America. It has been shown that these "missing women" are indeed a result of excess female mortality, particularly (but not exclusively) among children (Coale 1991, D'Souza and Chen 1980, Banister 1987, 1992) Most of this excess female mortality can be accounted for by intra-household inequalities in the allocation of food and medical care (Chen and D'Souza 1980, Chen et al. 1981).

Apart from such drastic cases of discrimination in survival chances, there are less glaring inequalities that reduce women's human development. They include such diverse issues as unequal distribution of work burden within the household, lower earnings for the same work, reduced access to paid employment, unequal political representation and power, inequalities in education, and other existing social and legal barriers.\textsuperscript{12}

In order to understand how these female disadvantages are generated and why they differ so much across the developing world, it is crucial to understand sex-specific resource allocation mechanisms and their economic, social, and cultural correlates. Such an investigation necessitates a close examination of mechanisms within the household that determine the distribution of goods and resources, since the household is the institution responsible for the distribution of the vast bulk of welfare-related commodities among its members.\textsuperscript{13}

Economists used to ignore intra-household distribution of resources assuming that individuals in the household were acting according to "non-rational" motivations, such as altruism, affection and love, about which economic analysts had little to say. Only recently have they undertaken the effort to extend economic analysis to intra-household relations and begun to study the causes of these inequalities.\textsuperscript{14}

\textsuperscript{11}The size of the expected "surplus" depends on a variety of factors, such as the average life expectancy in that region, sex-selective migration, and sex-specific excess deaths due to wars. As a result of the Second World War, the former USSR as well as European countries have a relatively high rate of "excess females" (Coale 1991, Klasen 1992).

\textsuperscript{12}For data on these issues and further discussion see United Nations (1991), UNDP (1992), Blau and Ferber (1986), and Tinker (1990), ESCAP (1992).

\textsuperscript{13}For a discussion of the importance of the household for the distribution of resources see Stewart (1987), Banerjee (1992), UNICEF (1987).

\textsuperscript{14}For a discussion see Folbre and Hartmann (1988).
The most widely known analysis of household economics was done by Gary Becker (1981). He uses the theory of comparative advantage as a metaphor for relations between a married couple and thereby justifies the

Table 2. Female:Male ratios and women’s labour force participation, 1990

<table>
<thead>
<tr>
<th>Regions</th>
<th>Female:Male ratio</th>
<th>Female share of labour force %</th>
<th>Women’s labour force participation rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Asia</td>
<td>0.935</td>
<td>20</td>
<td>22</td>
</tr>
<tr>
<td>West Asia</td>
<td>0.941</td>
<td>19</td>
<td>21</td>
</tr>
<tr>
<td>East Asia</td>
<td>0.947</td>
<td>40</td>
<td>59</td>
</tr>
<tr>
<td>North Africa</td>
<td>0.986</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Latin America and Caribbean</td>
<td>1.004</td>
<td>39</td>
<td>32</td>
</tr>
<tr>
<td>South-East Asia</td>
<td>1.005</td>
<td>34</td>
<td>48</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>1.020</td>
<td>37</td>
<td>47</td>
</tr>
<tr>
<td>North America</td>
<td>1.044</td>
<td>41</td>
<td>50</td>
</tr>
<tr>
<td>Europe, Japan, Australia</td>
<td>1.045</td>
<td>38</td>
<td>43</td>
</tr>
<tr>
<td>Former USSR</td>
<td>1.109</td>
<td>48</td>
<td>60</td>
</tr>
</tbody>
</table>

Note: Women’s labour force participation refers to the percentage of women above age 15 who are considered economically active.


existing sexual division of labour between husband and wife. While this theory is able to explain plausibly the existence of marriage as a mutually beneficial institution, it does not provide a convincing theory of distribution within households.

Becker assumes that both husband and wife are price-takers in a competitive marriage market, so that the resources allocated to each are simply determined by their contribution to household production and the general demand and supply conditions prevailing in the marriage market (Becker 1981). Presumably he would have to assume that women in India and Bangladesh are uniquely unproductive in their contribution to household production, since they are apparently unable to find an arrangement that would ensure their adequate nutrition. This appears to be rather unlikely. Instead, it seems much more reasonable to believe that, particularly after marriage, competitive analysis does not apply due to a number of theoretical and institutional reasons (Sen 1990, McCrate 1987).

But this is not the only theory of distribution that Becker advances. In cases of unobservable malfeasance, shirking and uncooperative "rotten" kids (or wives?), he reintroduces the notion of altruism and tries to show that an altruistic household head will
be able to allocate resources in such a way as to render uncooperative behaviour unproductive, even for the most selfish and malevolent member of the household.  

Following the logic of this altruistic allocation of goods, the intra-household distribution has to be regarded as optimal since the altruist considers and maximizes each member's utility function. This would render the currently very unequal distribution of food among boys and girls in Bangladesh, and the resulting higher mortality rate for girls, optimal for all parties involved, which appears to be a rather unreasonable assumption (D'Souza and Chen 1980, Chen et al. 1981, Folbre and Hartmann 1988).

Another way to model unequal distribution of resources between the sexes among children has been to treat children as investment goods and argue that calculations by parents lead them to neglect girls in favour of boys, due to the higher expected earnings of boys as child labourers and as adults (Rosenzweig and Schultz 1982, Palmer 1991). Clearly this kind of thinking is likely to influence parental allocation rules among their children, particularly in regions where they rely heavily on their children for old-age insurance. But this model is insufficient in and of itself for a number of reasons. It ignores the question of unequal distribution of resources among parents. Moreover, this analysis is based on the problematic notion of a joint family utility function, thereby blurring the crucial problem of conflicting interests and implicitly assuming that the girls have consented to the discrimination against them (Folbre and Hartmann 1988).

A third way to conceptualize intra-household distribution is Sen's model of "cooperative conflict" (Sen 1990). This game-theoretic formulation of household relations also argues for the existence of gains from marriage. At the same time, it states that there is an inherent conflict over the distribution of these gains between the members of the family (Sen 1990, Agarwal 1992).

The resolution of this conflict will depend on three factors. First, the so-called 'breakdown position,' referring to the notion that the share of a person within marriage depends on what that person's resources would be outside of marriage. For example, a woman will get a better distributional deal within marriage the higher her potential access to resources would be should she decide (and be able) to get divorced (Nash 1950, Sen 1990). Second, the higher the 'perceived contributions' of a person to the joint household

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15Due to a number of crucial assumptions, particularly the so-called 'inequality condition' demanding that, typically, the altruist's income must exceed that of any other member of the family in order to be able to compensate him/her, this famous "rotten kid theorem" will ordinarily only work when the altruistic head of household is male (McCrate 1987).

16This section of the paper draws heavily on Klasen 1993a.

17Additional socio-economic and cultural factors (which, in themselves, might have an economic foundation, see Boserup 1970) may reinforce these calculations. If, for example, a dowry needs to be paid for the woman and she will leave and settle with her husband's family (patrilocal marriage), parents have higher costs and little expected returns from investment in girls and depend even more on the well-being of their sons (Dyson and Moore 1983).

18There is also the question as to whether parents actually engage in these hard-headed calculations and then subsequently engage in wilful neglect of their female children (Drèze and Sen 1989).
production, the better the share in the distributional bargain, since it raises the perceived legitimacy of the claimant to a share of the resources. Note that the actual contributions might be less important than the perceptions thereof. For example, women's housework may be a very productive, valuable, and time-consuming activity but not recognized as such by either men or women. In this way it may be explicable that, in spite of many surveys showing that women actually work harder and for longer hours in market and home combined than men do, they expect and receive less remuneration for their effort in terms of household resources in many countries (Sen 1990, United Nations 1991, Tinker 1990, Waring 1988, Banerjee 1992).

The third factor influencing the intra-household resource allocation concerns perceived interests. If a wife puts the family's well-being ahead of her own, while her husband only values his individual well-being, she may be willing to settle for fewer resources as long as the welfare of the family is maximized. In a sense, this is a reversed version of Becker's altruism theory. Instead of the male head of household altruistically optimizing everyone's utility function, the woman might demand and receive less for herself so long as her sacrifice will maximize the welfare of the family. Such notions of women's sacrifice for the good of the family might lead to her receiving a reduced allocation of resources (Sen 1990).

If such considerations are important in the distributional struggle between husband and wife, they may translate into unequal allocation among children via the same mechanisms. If the mother believes she needs and deserves a smaller share than her male counterpart, it is not hard to imagine that she would assume the same for her daughter. While this model seems to capture distributional issues between parents quite well, it is not entirely satisfactory in its explanation of female disadvantage among children. In particular, it fails to explain that female disadvantage among children is not uniform, but depends importantly on family composition and birth order (Das Gupta 1987, Muhuri and Preston 1991, Klasen 1993b).

In the following discussion, we wish to propose a model that combines arguably the most persuasive elements of the investment and the cooperative conflict model. As far as distribution between the parents is concerned, we propose to use the cooperative conflict model which, in our view, best captures the congruent and divergent interests of men and women in their struggle over intra-household distribution. But one of these areas of

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The notion that a woman might be pursuing interests that are inimical to her personal well-being (as measurable in terms of nutrition, morbidity, and mortality) might lead to the apparently paradoxical concept that women are actively consenting to their own oppression. Marx referred to this notion as 'false consciousness' (Sen 1990). See also Agarwal (1992).

A question may arise as to whether such a model adequately captures the special situation of female-headed households which by now make up 25 per cent or more of all households in developing countries (United Nations 1991, Palmer 1991, Moser 1989). Three comments may be made. One is that in a female-headed household the investment considerations of child-rearing still apply so that this part of the analysis remains unchanged. A second is that, in many instances, a husband is present for some part of the year and may continue to play an important role in the bargaining over resources (Elson 1992, Palmer 1991). Finally, a considerable share of female-headed households consists of widows for which indeed this kind of bargaining model may not apply (Drèze 1990). Nevertheless, the policies discussed below to further its equity and welfare of women in developing countries would also improve the welfare of widows.
congruence is that both have an interest that there will be adequate resources for their old age and that little resources need to be spent on expenses such as dowries. Consequently, the notion of a joint utility function of the parents when considering their allocation rules vis-à-vis their children might be adequately capturing this aspect of distribution.\textsuperscript{21}

A number of important implications can be derived from this formulation of the theory. In particular, there appear to be two types of strategies that may help women and girls get access to more welfare-related resources within the household. Using a distinction made by Moser (1989), they may be referred to as policies supporting the strategic needs and strategies catering to the practical needs of women.\textsuperscript{22} Women's strategic needs, in this context, recognize the fact that women are in a bargaining situation in the household, as outlined above, and that any strengthening of their strategic position within the household will increase their share of resources and thereby contribute to intra-household equity. Practical needs, on the other hand, refer to alleviating particular welfare-related problems that women are suffering from without confronting the bargaining situation within the household. For example, improving the breakdown position of women serves women's strategic needs, while a maternal and child health programme (MCH) might serve their practical needs. While both policies enhance female welfare within the family, only policies targeting the strategic needs of women attack the root causes of gender discrimination and are thus more likely to improve women's welfare in the long run.\textsuperscript{23}

A policy to deal with strategic needs is to increase the outside earnings of women through higher female labour force participation or higher female/male earnings ratios. It will probably improve the situation of women, since it raises their breakdown position; is likely to improve their perception and that of their husbands regarding their contribution;\textsuperscript{24} and it might change their perceived interests as outside work is likely to raise their independence. At the same time, increases in the outside earnings of women raises the potential value of female children and might therefore lead to a reduction in discrimination against them.\textsuperscript{25}

\textsuperscript{21}Note, however, that in contrast to Schultz and Rosenzweig, the joint utility function of the parents is not a family utility function. Thus while it may be optimal for the parents to allocate more resources to boys and fewer to girls (particularly high birth-order girls), in no sense does this imply that it is optimal for everyone concerned and that the female children might have, implicitly or explicitly, consented to it.

\textsuperscript{22}Moser uses these terms somewhat differently. See Moser (1989).

\textsuperscript{23}In fact, an attempt to further the practical needs of women could be reduced or nullified even in the short run if, for example, the male household head felt justified to reduce women's share of household resources based on the belief that the program takes care of her needs. For a discussion of similar unintended outcomes see Drèze and Sen 1989).

\textsuperscript{24}Work outside the home is typically valued much more than housework and the contribution to the household made by outside work is much easier to quantify (Waring 1988; Drèze and Sen, 1989).

\textsuperscript{25}In addition, there are a number of indirect ways how these mechanisms may operate. For example, an improved labour force position of women is likely to reduce fertility (Becker 1981) and thereby reduce the overall discrimination against girls which is heavily concentrated among high birth order children (Das Gupta 1987). Moreover, an improved "value" of girls may reduce or even eliminate female-specific costs, such as dowries, which should also raise their survival chances (Boserup 1970, Dyson and Moore 1983).
Table 2 supports the impression that, with the exception of China, the higher the labour force participation of women, the better the female/ratio of the population. Table 3 presents the same kind of data for the 17 largest states and territories in India in 1981. An OLS regression linking female labour force participation and the (migration-adjusted) female/male ratio shows that women's labour force participation significantly influences the female/male ratio in the expected direction and accounts for over 40 per cent of the (very large) variation in female/male ratios.

In addition, a wealth of studies from developed countries has shown that increased female labour force participation coincided with a number of important advances for women, such as rising female/male earnings ratios, declining occupational and pay discrimination, higher rates of female political participation, and some redistribution of domestic work burdens (Blau and Ferber 1986, Becker 1981, Goldin 1991, United Nations 1991, Davis 1984, Schor 1992).

While raising the outside earnings potential of women might be a particularly promising strategy for improving discrimination against women's human development, it is by no means the only one. The model also predicts that institutional, legal, and cultural changes might help the strategic needs of women and girls considerably. For example, the legalization of divorce and the institution of an effective alimony and child support structure would, once again, raise the breakdown position of women. Rising divorce rates in Western countries and sharply reduced fertility are further indications of increased independence for women which have translated into reduced inequality in the intra-household distribution of benefits and burdens (McCrate 1987, Becker 1981). Moreover, the promotion of education for women and a reduction in the female-male literacy and school enrolment gaps are likely to improve the bargaining position of women within the family since it enables them to get better access to higher paying employment.

Similarly, enabling women to better control their fertility via easy access to birth control and abortions, as well as facilitating child-rearing by instituting parental leave with job guarantee and child care, are other steps to improve their economic and social position since it enables them to enter, remain or return to the workforce and pursue careers similar to men's in much greater numbers (Goldin 1991, Blau and Ferber 1991, Davis 1984). Sweden

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26 The female/male ratio is only an imperfect measure of the rate of discrimination in survival chances. For a discussion see Coale (1991) and Klasen (1992).

27 For similar analyses, see Bhardan (1987) and Agarwal (1992). Incidentally, during episodes of excess female mortality in early European development, the labour force participation of women in rural areas was also a key determinant of the survival chances of women (Humphries 1991).

28 Note that the importance of female education varies with a number of other influences. First, if women face severe legal and cultural barriers to employment, better education may not at all improve their lot (see also Rosenzweig and Schultz 1982, Muhuri and Preston 1991). Second, the importance of education is highest in areas where a high share of employment is in formal or informal sector industries and services. In countries that employ most of their people in agriculture, the promotion of education plays a much smaller role in intra-household inequalities. This may explain why sub-Saharan Africa, which has one of the largest female-male literacy gaps, does not exhibit excess female mortality on any discernible scale (United Nations 1991).
Table 3. Female:Male ratios and women's labour force participation: India 1981

<table>
<thead>
<tr>
<th>States</th>
<th>Female labour force participation rate %</th>
<th>Female:Male ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>39.5</td>
<td>0.975</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>36.0</td>
<td>0.959</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>34.4</td>
<td>0.945</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>31.9</td>
<td>0.973</td>
</tr>
<tr>
<td>Karnataka</td>
<td>28.4</td>
<td>0.966</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>28.1</td>
<td>1.002</td>
</tr>
<tr>
<td>Kerala</td>
<td>19.0</td>
<td>1.019</td>
</tr>
<tr>
<td>Gujarat</td>
<td>16.5</td>
<td>0.942</td>
</tr>
<tr>
<td>Orissa</td>
<td>16.2</td>
<td>0.977</td>
</tr>
<tr>
<td>Bihar</td>
<td>14.2</td>
<td>0.930</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>14.2</td>
<td>0.911</td>
</tr>
<tr>
<td>Tripura</td>
<td>13.9</td>
<td>0.954</td>
</tr>
<tr>
<td>West Bengal</td>
<td>9.1</td>
<td>0.933</td>
</tr>
<tr>
<td>Jammu and Kashmir</td>
<td>8.8</td>
<td>0.886</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>8.6</td>
<td>0.870</td>
</tr>
<tr>
<td>Haryana</td>
<td>7.3</td>
<td>0.909</td>
</tr>
<tr>
<td>Punjab</td>
<td>3.4</td>
<td>0.887</td>
</tr>
<tr>
<td>Delhi (Union Territory)</td>
<td>10.2</td>
<td>0.893</td>
</tr>
</tbody>
</table>

Note: Female labour force participation refers to women above age 15 who are considered 'main workers' by the 1981 census. The reported female: male ratios were adjusted for net birthplace migration within India. Regressing migration-adjusted female: male ratios (FMR) on the female labour force participation rate (FLFP) yields the following results (standard error in parenthesis):

\[
FMR = 0.894 + 0.248 \times FLFP \\
\hat{r}^2 = 0.442 \\
(0.069)
\]


has been particularly generous in implementing these policies and consequently has achieved the highest female labour force participation rate as well as the highest female/male earnings ratio in the Western world (Blau and Ferber 1986, UNDP 1992).\(^{29}\) Moreover, the introduction of old-age insurance might drastically reduce the incentive to favour boys and thereby reduce discrimination against girls, giving parents an alternative to their investment calculations.

\(^{29}\)In developing countries where girls experience discrimination in the allocation of food and medical care, a reduction in fertility is going to lower overall discrimination since the unequal treatment is concentrated among high parity girls (Das Gupta 1987, Muhuri and Preston 1991).
Cultural and institutional changes, such as moving from patrilocal to matrilocal marriages, would raise the value of a girl as a potential provider in old age as would the ability of women to own and inherit property (Dyson and Moore 1984, Palmer 1991). Changing perceptions on the value of child-rearing and housework could also go a long way towards improving the strategic position of women in the household, as it would raise their perceived contributions (even if their actual contributions remained the same) and might change their perceived interests (Sen 1990, Waring 1988). Finally, there are a number of strategies that may cater to the practical needs of women and girls. In particular, state intervention might partially make up for discrimination against girls and women. Access to free health care and free nutrition for those in need might eliminate the most egregious forms of inequalities in the distribution of health care and nutrition.

This theoretical formulation, which is backed by considerable empirical evidence, thus allows us to analyse the effects of economic, legal, and social arrangements on the welfare of women. In order to develop a policy agenda, it is now crucial to understand the link between recent structural adjustment and liberalization policies and women's welfare in the developing world.

3. Women in structural adjustment

There are two ways to assess the welfare effect of recent policy changes on women in developing countries. One way is to look directly at welfare outcomes such as mortality, education, fertility, and consumption. Another approach is to see whether and how the economic, social, and legal correlates of women's deprivation change, and to infer likely welfare outcomes based on the theoretical framework described in the last section.

As far as the first approach is concerned, there has to date been relatively little careful research done in the context of developing countries. Most studies analysing the social costs of structural adjustment policies have looked at overall welfare indicators and have not disaggregated them by gender (UNICEF 1987). Moreover, changes in economic policies may not have had immediate effects on the intra-household distribution of resources, given that customs and cultural practices governing intra-household distribution often adjust only very slowly to changing economic conditions.

There are, however, alarming signs that liberalization in China has adversely affected women's relative welfare. Banister (1987, 1992) reports that infant mortality rates for girls have more than doubled since 1978. At the same time, female life expectancy gains were considerably smaller than male advances. Finally, the female-male ratio of the population dropped by half a percentage point, indicating that excess female mortality is on the increase (Banister 1987, Klasen 1993a). To date, there is no reliable information on the effects of transition in the former Soviet bloc on the welfare of women and girls. It is interesting to note, however, that in the former Soviet Union, similar to India, women's relative welfare,

*A considerable portion of this increase is likely to be attributed to the enunciation of the one-child policy in 1976 which led to increasing discrimination against female children (Banister 1987).*
as measured by female-male ratios or female-male life expectancy ratios was highest in those republics that had the highest female labour force participation rates. Thus the link between work and intra-household distribution appears to hold there as well.\(^{31}\)

With regard to the second approach, there are clearer signs that structural adjustment, liberalization, and economic transition have, with some important exceptions, adversely affected women’s bargaining situation within the household and are therefore likely to lead to detrimental welfare outcomes. Palmer (1991) focuses on sub-Saharan Africa and finds that structural adjustments have hurt women in the following ways.\(^{32}\) First, a renewed emphasis on exportable cash crops will typically lead to higher earnings for men since they tend to be in charge of this line of agricultural production. Such an expansion of male agriculture has, in some cases, led to a curtailment of women’s usufructuary access to land, thereby reducing their potential to contribute to household income (Palmer 1985, 1991). In addition, land adjudication and reforms, often a part of structural adjustment programmes, have often led to women losing access to traditional usufructuary rights, thereby severely weakening their breakdown position as well as their potential contributions. These developments do not only apply to Africa. Agarwal reports that the introduction of property rights and the reduction of the commons reduces women’s access to productive resources in South Asia as well (Agarwal 1992).\(^{33}\) Moreover, contractions in formal sector employment often falls disproportionately on women, particularly cutbacks in public sector employment (Elson 1992, Palmer 1991).\(^{34}\)

Finally, the contraction of social sector budgets which are often targeted at women’s practical needs, do much to reduce their access to health care and subsidized nutrition, thereby severely reducing their welfare in several parts of the developing world, including sub-Saharan Africa and Latin America (UNICEF 1987, Palmer 1991, Stewart 1992).

These adverse effects of structural adjustment have come in addition to long-run developments that appear to have affected the bargaining position of women in many developing countries. In particular, there appears to have been a marked decline in female labour force participation in sub-Saharan Africa in the past 20 years (United Nations 1991, ILO 1989). They are projected to fall even further, unless steps are taken to stem these developments. Similarly, the reduction in the overall female-male ratio in India from 0.972 in 1901 to 0.932 in 1981 can be linked to declining female labour force participation (Harriss

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\(^{31}\)For details on the regressions and the data on which they are based see Klasen (1993a).

\(^{32}\)Note, however, that in spite of the probable deterioration of women’s welfare as a consequence of recent policy changes, inequality indicators such as differences in mortality rates or aggregate sex ratios continue to show that women in sub-Saharan Africa suffer from less absolute inequality in the intra-household allocation of resources than women in North Africa, West, East, or South Asia (see Table 2 and also Svedberg 1990).

\(^{33}\)The same development took place earlier in Europe where women appear to have been the losers of the enclosure movement. See Allen (1992), Humphries (1991).

\(^{34}\)At the same time there is evidence that women increased their employment in the informal sector which might be likely to increase their bargaining position (Palmer 1991).
and Watson 1987, Shobha 1987, Banerjee 1992). Similar developments have been observed in Bangladesh (Miller 1984). These longer-term trends, which have been observed for some time, are often held to be linked to technological change which favours male agricultural production, as well as unequal access to credit and other key inputs, as well as reduced access to non-agricultural work (Boserup 1970, Sen 1984, Palmer 1991, Ahmad 1985). Note, however, that structural adjustment policies did not lead to a deterioration in women's bargaining position everywhere. In particular, in some parts of East and South-East Asia, the renewed emphasis on exportables, mainly in the labour-intensive light manufactures sector, appears to have helped women in this area, since they provide most of the workers in this sector and consequently were able to increase employment and earnings considerably (Perkins 1992). We will return below to review the important difference in women's experience between parts of East and South-East Asia and the rest of the developing world.

Turning our attention to China after its liberalization began in 1978, there are conflicting reports on the ability of women to improve their bargaining position. On the one hand, employment opportunities appear to have increased for women in agriculture as well as in non-agricultural employment (Croll 1985). On the other hand, the decollectivization of agriculture increased the importance of the household as the prime distributor of resources. That appears to have hurt women considerably as their bargaining position in the intra-household distribution continues to be quite weak, due to a still very low breakdown position as well as to reduced perceived contributions of women who concentrate on production in the domestic sidelines (Croll 1985, Palmer 1985, Kelkar 1988). Moreover, the dismantling of the rural health care system as well as the communal provision of resources are likely to have hurt women considerably (Henderson 1990, Banister 1987). The welfare indicators discussed above appear to support these conclusions.

In Eastern Europe and the CIS, there are a number of developments in place that are likely to reduce women's welfare dramatically. Before commenting on them, however, it may be useful to review briefly the economic and social position of women in the Soviet bloc prior to the current transformations.

Women in these countries had achieved equality in education up to the highest levels. Moreover, female labour force participation was higher than anywhere in Western Europe with the exception of Sweden. These achievements were brought about by liberal child care and family leave policies; laws guaranteeing legal equality; easy access to divorce,

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35Some of the variations in labour force participation may be due to measurement error and changing inquiry methods that bias female labour force participation rates. For a discussion see Anker, Khan, and Gupta (1988).

36In other areas, however, including East Asia and Latin America, the possibilities for non-agricultural work appear to have enabled women to increase their labour force participation considerably over the past few decades (ILO 1989, United Nations 1991). Note also that technological change, such as the use of heavier tools, modern seed varieties, and increased emphasis on grain over livestock production in early European agriculture, is also held responsible for declining work opportunities for women in rural areas (Snell 1981, Oberschelp 1982, Allen 1992, Klasen 1993b).

37This section of the paper draws heavily on Klasen (1993a).
contraception and abortion; as well as state encouragement to recruit women into the labour force (Kornai 1992, Klasen 1993a).38

First reports from Eastern Europe and the CIS indicate that women are now being pushed out of the labour force in record numbers. In former East Germany, female unemployment reached 20.1 per cent while the male rate stood at 11.2 per cent. In Poland and former Czechoslovakia, 60 per cent of the unemployed are women. In Russia, 70 per cent of the registered unemployed are women (Weir 1993). Data on labour force participation show that it is falling for women, particularly in child-bearing ages (ILO 1992). Elimination of child-care facilities; sharp cut-backs in traditional female occupations and industries; open and hidden labour market discrimination; the absence of organized opposition to these developments; and reduced access to fertility control; have all contributed to this rapid deterioration of the female labour market position. It thus appears that women are forced back into their reproductive role, which might seriously circumscribe their bargaining position within the family and therefore their share of household resources (Klasen 1993a).39 These developments, combined with a retrenchment of the state in the provision of health and social services, may affect women's welfare in the entire region. The developments are likely to be worst in the southern tier of the former Soviet Union, where to begin with women were in a much more vulnerable labour market and social position. Unless policies are formulated to reverse the current trends, it is probable that these new countries might soon exhibit excess female mortality and a "missing women" problem (Klasen 1993a).

It thus appears that the policies of the past decade have done little to improve the economic and social position of women. On balance, structural adjustment, liberalization, and economic transformation have done much damage to their bargaining position in most parts of the developing world, including the newly emerging countries in Eastern Europe. In addition, the overall retrenchment of the state has reduced programmes tackling women's practical needs so that the inequalities in the welfare of women and men appear to be on the increase.

As stated earlier, policies that adversely affect the welfare of women are also likely to lead to a worsening in the overall development performance. In particular, weakening the position of women within the family or otherwise reducing their welfare, is correlated with increases in fertility, higher infant and child mortality, and reduced investments in the human capital of children (Palmer 1991, Drèze and Sen 1989, Caldwell 1986, UNICEF 1987). Thus these developments are not only inequitable but inefficient and might retard overall development in the future.

38In spite of these policies, women certainly fell short of achieving economic equality. For details see Klasen (1993a).

39Here we describe only the effects on the equity of intra-household resource distribution. In addition, unemployment and seclusion in the home create a number of other problems for women at the individual level.
4. Policies to reduce gender inequalities in developing countries

If past policies have exacerbated existing inequalities and inefficiencies in many parts of the world, the question arises as to how these inequalities could be addressed successfully. Given the wealth of theoretical and empirical literature on this subject, it is possible to outline a policy agenda that is likely to contribute to reduced gender inequalities. The first important policy question arising is whether it is preferable to address the strategic or practical gender needs of women. There is a considerable debate on this subject and there have been several shifts of emphasis in the past decades.40 There are two issues involved. One is the likely outcome of successful implementation of a policy, and the other is the feasibility of implementing such a policy. We will take up the latter issue in the next section while just commenting here on the former question.

It appears that meeting strategic gender needs is the most promising approach to achieve greater equity. It directly addresses inequalities of power in the bargaining over household resources, thereby addressing the root cause of the inequality in welfare. Moreover, such a strategy is self-sustaining, since it enables women to increase their influence over the household bargaining process so that no further intervention may be needed (Moser 1989). It is not surprising that much of the legal, social, political, and economic achievements for women in Western countries were concurrent with their increasingly important role in the economy, which improved their intra-household bargaining position (Sen 1990, Blau and Ferber 1986, Goldin 1991).41

Catering to women's practical needs, such as introducing policies to improve women's consumption and health, sidesteps the issue of an unequal bargaining relation so that it may not alter the underlying causes of gender discrimination. This can lead to reduced effectiveness of the programme, particularly if women receive an even smaller share of household resources as the result of a programme that provides them with external resources. Also, it might require continual intervention on the part of the policy-maker, since women are likely to continue to suffer from unequal access to resources within the household.

On the other hand, there may be many policies that ostensibly cater to women's practical gender needs, but support their strategic needs at the same time. For example, programmes that help women reduce their domestic burden might at first be aimed at their practical gender needs. At the same time, however, they thereby allow women to spend more time in the paid economy which is likely to increase their bargaining position within the household. Similarly, policies to improve women's health and nutrition may be prerequisites to allowing them to serve their strategic gender needs. Thus, often a combination of policies mixing

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40 For a discussion of these policy shifts refer to Moser (1989). See also Elson (1992).

41 In fact this development had already been predicted by Engels in the late 19th century (Engels 1884, Sen 1990).
strategic and practical gender needs might be necessary, even if the ultimate aim is to promote women’s strategic position within the family.\textsuperscript{42}

Following the theoretical discussion in section 2, meeting strategic gender needs involves the challenge to change the three parameters of intra-household bargaining, breakdown position, perceived contributions, and perceived interests, in women’s favour. As alluded to earlier, the ability of women to gain outside earnings may be one of the most crucial elements of any strategy. In practice, it is crucial to differentiate between regions and sectors of the economy to arrive at specific policy recommendations.

We first discuss policy issues for sub-Saharan Africa. First, it is important to reemphasize that the relative (i.e. vis-à-vis men) welfare position of women in sub-Saharan Africa in terms of mortality, nutrition, and health indicators is still better than that of women in most other parts of the developing world, mainly due to the important and independent role of African women in the agricultural system (Svedberg 1990, table 2).\textsuperscript{43} But this relatively favourable position is threatened by three developments. One, the male biases in agricultural technology that threaten to undermine the dominant role women seem to play in the agricultural systems of these countries (Boserup 1970, Ahmad 1984, Sen 1985).\textsuperscript{44} Second, as discussed in the last section, structural adjustment, export promotion, and liberalization have eroded women’s role in agriculture. Third, long-term structural changes involving a shift from an agriculturally based to an industrially based economy could pose another severe threat to women. Since female-male literacy as well as school enrolment gaps are among the highest in the developing world, women will have a considerably harder time adjusting to an industrializing economy (UNDP 1992, United Nations 1991). The very small share of female employment in the formal sector and the overall decline of female labour force participation is a testimony to the difficulties that women are likely to encounter (Palmer 1991, United Nations 1991).

Therefore, policies for the advancement of women in sub-Saharan Africa must simultaneously strengthen their roles in the agricultural sector as well as prepare them for the inevitable shift away from agriculture. As far as policies within agriculture are concerned, access to secure land titles for women is crucial to improve their bargaining position within the family and to increase their access to credit to buy necessary inputs (Palmer 1985). This would immediately increase their breakdown position and access to credit would allow them to increase their production, thereby increasing their contributions to the household economy (Palmer 1991).

\textsuperscript{42}Also, there is obviously little reason to believe that policies that serve the practical needs of women should be abandoned. So long as they advance overall development goals, such as increasing longevity, health care and education of the population, they are clearly beneficial. The point is, however, that they should not be the sole emphasis of policy makers who are specifically concerned with improving the relative position of women. For a discussion of issues surrounding this question see Moser (1989).

\textsuperscript{43}Note, however, that in \textit{absolute} terms, women in Africa are among the poorest, worst-nourished, and least healthy women in the world (UNDP 1992).

\textsuperscript{44}These biases include the move towards heavier, typically male-operated tools, the shift from subsistence agriculture to cash crops and biases in the allocation of modern inputs.
Moreover, such a policy is likely to reduce the very high fertility rates in Sub-Saharan Africa. Research in developing countries as well as the experience of early developers have shown that land and children are seen as substitutes for old-age insurance (Palmer 1991, Costa 1993). If land rights for women are more secure, they need to rely less on their offspring. A reduction in fertility would release women’s time for remunerative activities, which could once again improve their bargaining position.

At the same time, research and extension of new technologies must not be confined to male-dominated cash crops but be made available to subsistence agriculture as well. In addition, programmes should attempt to give women a more controlling interest in the production of exportables, targeting them for credit and extension services to expand their role in cash crop production.

In order to improve women’s role within the formal and the non-agricultural sectors, equal access to education is a key prerequisite to reducing the large literacy and enrolment gaps. This does not only mean that more education should be made available, but also that incentives to stay in school should be increased and equalized across gender.45

So far, we have only mentioned policies serving the strategic needs of women, but policies serving the practical needs of women, however, can also support the above-mentioned policies considerably. For example, in order to reduce the incentive to take girls out of school, the demands for female labour in the countryside must be reduced by introducing labour-saving technologies for the household (electrification, water access, etc.) as well as for subsistence production. In addition, policies that serve to reduce fertility, such as efforts to reduce infant and child mortality, will enable parents to invest more in a child’s education via a quantity-quality trade-off (Becker 1981).

The situation is quite different in North Africa and West Asia. Women there make up a very small share of the labour force and suffer from excess female mortality in a number of countries. Joekes (1987) claims that this small share has been falling in recent decades, while other data point to a slow but steady increase of female labour force participation (United Nations 1991). It appears to be that the biggest opportunities for female employment are in agriculture and among poorer households (Nasr, et.al. 1985, Obermeyer 1992).

Barriers to more employment are large literacy and education gaps as well as legal barriers to many sectors in the formal economy. Moreover, fertility rates continue to be among the highest in the world despite rapid progress in health and mortality (Obermeyer 1992), which serve to confine women to the home. Policies to improve the welfare situation of women must deal with the human capital and legal barriers to employment as well as increasing access to and use of family planning.46

In South Asia women and girls suffer from the highest levels of excess female mortality in the developing world (Coale 1991, Klasen 1992). At the same time they have a

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45In particular, it appears that recent adjustment policies have led to increasing demands for female child labour in many developing countries which might undermine efforts to increase female education (Palmer 1991, Elson 1992).

46There may be considerable political barriers to such improvements and we will return to these issues in the next section.
considerably lower (and falling) labour force participation than in sub-Saharan Africa. But, as already shown in table 3, there are huge regional differences within South Asia and within India as far as the inequality of intra-household resource allocation is concerned (see also Bhardan 1987, Agarwal 1988, 1992).

Given that excess female mortality is particularly strong in rural areas, policies should be concerned particularly with the agricultural sector. Here the importance of land holdings and tenurial rights is important. Agarwal (1990, 1992) finds that in areas of bilateral and matrilineal inheritance, there is little or no excess female mortality, while many patrilineal systems exhibit discrimination against women's survival chances. In addition, higher access to communal resources appear to help women in their intra-household bargaining position as they rely more on the use of common resources. Moreover, rapid technological change heightens the importance of discrimination in factor markets and credit (Ahmed 1985), so that it may be no surprise that the regions that enjoyed the fastest technological change are precisely the same regions that have high and rising excess female mortality.

Following from these findings, the importance of secure tenancy and inheritance rights as well as equal access to credit for women could go a long way to improve their position in rural areas. At the same time the success of schemes that have increased women's access to factor markets, such as the Grameen Bank in Bangladesh and the Self-Employed Women's Association in western India, should be carefully scrutinized and replicated wherever possible (Agarwal 1988, 1992).

The importance of increasing the role of women in agriculture is also evident, given that the regions with the lowest rural labour force participation also exhibit the highest excess female mortality. Recognizing that women already suffer from very high work burdens (Agarwal 1985), there is another example to cater to the practical gender needs of women in order to address their strategic needs. Lightening the domestic workload, via rural electrification, improved access to water and fuel and strategies to lower female fertility, could contribute much towards enabling women to get more involved in agricultural production (Banerjee 1992).

In this context it is also important to stress the significance of old-age insurance. It appears that much of the discrimination in South Asia, particularly against female children, is related to concern by parents for security in old age. Increasing the earnings potential for adult women would already alleviate some of the problem by raising the investment values of girls. Moreover, policies to build up state-administered old-age insurance in rural areas might take away a considerable incentive for the discrimination against girls. It is not surprising that excess female mortality in European countries disappeared concurrently with the introduction of old-age insurance in the late nineteenth and early twentieth centuries (Klasen 1993b). As with sub-Saharan Africa and the Middle East, a reduction of the considerable gender gap in education is also likely to improve the ability of women to increase their participation in the non-agricultural sectors of the economy.

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*Given that women now legally enjoy equal rights in inheritance and property ownership, the question becomes why these changes have not been implemented. We will return to this issue in the next section.*
The example of the Indian state of Kerala may serve to highlight the success of some of these strategies. Although women have only an average labour force participation rate (see table 3), considerable efforts were made to cater to the practical gender needs of women. Health care is provided free of charge and nutrition support is subsidized or given free to those who need it. At the same time the literacy gap is the smallest in all India, thereby allowing women to compete with men for higher paying employment. The combined effect of these interventions to support the strategic and practical needs of women has been that there is absolutely no excess female mortality. 4 Similarly, Sri Lanka’s public provisioning of health and subsidized food have contributed to turning a male advantage in life expectancy in the early 1950s to a female advantage by the early 1970s (Nadarajah 1983, Langford 1984).

These two examples show that the most egregious forms of discrimination, those dealing with survival opportunities, can be successfully dealt with if appropriate policies are instituted. The challenge is to discern to what extent and how such policies can be replicated elsewhere in South Asia.

In China, the challenges are somewhat different. Before suggesting policy changes, it may be useful to review the pre-transformation achievements of China in reducing gender inequalities in the distribution of resources within the household. Women in pre-revolutionary China suffered from various types of discrimination ranging from lack of access to property or education; arranged marriages; complete legal and social subordination to their fathers and husbands; to footbinding and considerably higher mortality rates (Johnson 1983, Wolf 1985, Banister 1987).

Once the Communists took control of government, they vowed, among other things, to ensure equal rights for women. In the Marriage Law Campaign of 1950 they gave equal rights to men and women, allowed divorce, forbade arranged marriages, legalized the remarriage of widows, allowed women to own property and made them beneficiaries of the 1949 land reform (Johnson 1983, Banister 1987, Croll 1985). While many of these reforms were never implemented in many parts of rural China, due to heavy resistance of the male population, they were reasonably successful in reducing women’s discrimination in the areas where they were implemented (Johnson 1983). In addition, repeated campaigns to mobilize women for the workforce led to rapidly rising female labour force participation rates.

Apart from these legal and economic campaigns, the creation of free medical care and public health facilities throughout China, combined with the income and food security provided by the communes and backed by the central government, ensured that girls and women had improved access to medical care and food. Table 4 shows that these policies were quite successful, not only in raising overall life expectancy, but also in enhancing women’s health. While, in 1953, women outlived men by just one year, the gap in life

Moreover, fertility is very low, thereby reducing considerably the reproductive work burden for women. Other aspects of Kerala’s success may be historical and tied to better tenurial and inheritance rights for women. For more details on Kerala’s success in providing high levels of overall human development without excess female mortality see Drèze and Sen (1989) and Sen (1993).
Table 4. Gender-specific vital statistics in China

<table>
<thead>
<tr>
<th>Year</th>
<th>Infant mortality</th>
<th>Life expectancy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>1953</td>
<td>179.3</td>
<td>169.5</td>
</tr>
<tr>
<td>1964</td>
<td>89.4</td>
<td>81.7</td>
</tr>
<tr>
<td>1970</td>
<td>70.3</td>
<td>70.4</td>
</tr>
<tr>
<td>1978</td>
<td>36.8</td>
<td>37.7</td>
</tr>
<tr>
<td>1982</td>
<td>34.9</td>
<td>57.5</td>
</tr>
<tr>
<td>1984</td>
<td>33.9</td>
<td>67.2</td>
</tr>
<tr>
<td>1990</td>
<td>39.7</td>
<td>83.1</td>
</tr>
</tbody>
</table>


expectancy rose to 3.2 years in 1964.\(^4\) The communal agricultural system also provided for old-age insurance so that some of the considerations leading to discrimination against female children were reduced or eliminated.

As indicated in the last section, the relative (and in some respects absolute) position of women has not improved since the economic reforms, despite rapid growth of income, agricultural production, urban and rural incomes. In order to ensure continued progress for women in China, some of the policies of the past must be reintroduced. In particular, the campaign for equal rights, equal access to land, property, and credit must be renewed so that women in rural areas will be able to benefit more from the rapid agricultural change. Increased efforts to close the gender gap in education are also needed to give women an equal chance in the rapidly growing industrial sector of the country.

Moreover, it is crucial to reintroduce old-age security in rural areas to reduce discrimination against children. Given the severe financial penalties associated with the one-child policy, the absence of old-age security combined with the reduced independence and earning power of women has led to unprecedented discrimination against female infants, ranging from neglect, abandonment, and attempts to secure adoption, to outright infanticide and selective abortions (Croll 1985).\(^5\) In order to increase the survival chances of girls, the

\(^4\)To be sure, this relatively small gap in life expectancy is an indication of continued discrimination against women. In countries with little or no discrimination, the gap in life expectancies usually ranges from 5 to 8 years (United Nations Population Division 1992). Nevertheless, China did not follow the trend of many other developing countries in which the relative welfare of women declined during the same time period (Croll 1985).

\(^5\)At this stage, infanticide and selective abortions appear to make up only a small part of the "disappearance" of female infants, most of which is due to neglect (Banister 1992). Given the rapid spread of advanced medical technology in China, this may change very soon.
incentives for having girl children must be increased. The legal and economic changes outlined above could be highly important steps in the right direction.\footnote{One additional possible policy for increasing the economic value of girls is to promote matrilocal marriages so that parents will be able to derive support from their daughters in old age. This policy proposal has been advanced by the Chinese Women's Federation (Kelkar 1988).}

In Latin America and the fast-growing economies of South-East Asia, the issues appear to be different yet again. The economies in these regions are quickly moving away from a predominant reliance on agriculture. Women appear to have achieved a better position, given that they have profited considerably from the boom in manufacturing in these areas. This is likely to be due to insignificant or hardly any gaps in male and female literacy or school enrolment rates. Finally, fertility has decreased quite rapidly, thereby enabling women to join the workforce in greater numbers (United Nations 1991). As discussed above, women in South-East Asia appeared to have benefited from many of the provisions of liberalization and structural adjustment policies, particularly those that have promoted exports of female-dominated light manufactures.

Thus, many of the issues surrounding a strengthening of the bargaining position of women within the household centre upon labour market discrimination. They vary from extreme occupational segregation to huge earnings disparities in many countries of South-East Asia and Latin America. In South Korea, for example, women's earnings are less than half of men's for comparable work (United Nations 1991, Stewart 1992). In order to improve this situation, policies that have been tried in advanced industrialized countries, should be the most appropriate, such as the encouragement of women to train and enter predominantly 'male' fields; anti-discrimination legislation; comparable worth policies; and affirmative action programmes (Blau and Ferber 1986).

After decades of considerable advancement for women in Eastern Europe and the former Soviet Union, it is now crucial to formulate appropriate policies to stem the tide of rapid deterioration of women with regard to their labour market, economic, and social position in these countries. What makes these countries so different from the rest of the developing world (although their income level puts them squarely into the middle-income category), is that many of the institutions and economic arrangements that are sorely needed in many developing countries were already in place in these nations, but are now being dismantled. This fact, on the other hand, offers an opportunity to protect women's welfare more successfully, for what is needed is the preservation or reintroduction of these institutions/policies that enabled women to gain such an independent position, including the continued commitment to the provision of child care; continued guarantee of old-age insurance, legislation and enforcement of anti-discrimination laws; and continued access to health care. Unless these policies are enacted, women may become the major and permanent losers of these otherwise very welcome economic and political changes in the former Soviet bloc.\footnote{For a further discussion of these issues see Klasen 1993a.}

The policy mix to satisfy women's strategic needs depends crucially on the current economic structure of the region and the human capital endowment of the population, as well
as upon the legal and economic bottlenecks that hinder the ability of women to improve their bargaining position. Nevertheless, none of the policy prescriptions are entirely new or untried. Questions arise, therefore, as to why there has been so little success in many parts of the developing world, and how it is possible, that in some countries, the economic and social position of women has been or is currently deteriorating so rapidly. In order to answer these questions, we need to know more about the political economy of development policymaking, an issue that is taken up in the next section.

5. Women, the state, and the political economy of development

The political context of development policy-making is a crucial determinant of gender-related development policies. This is not only true in today's developing world, but during the economic evolution of Europe and the United States, government policies crucially determined the economic and social roles of women (Goldin 1991, Blau and Ferber 1986). In the developing countries, however, the contemporary role of the state has been even more important, given that the state has played a much more active role in the shaping of their economies. In addition, the international community in general, and bilateral and multilateral development agencies in particular, have together left a distinct imprint on the development process of most developing societies.

There are three factors that determine the outcome of gender-sensitive development policies. The first deals with policy formation, the second with its implementation at the bureaucratic level, and the third with implementation at the local level. These three factors may pull in very different directions. For example, a government or agency may have the will and determination to formulate policies aimed at meeting strategic gender needs, but it may not have the power, the bureaucracy's cooperation, or the popular support of the people. Nor may it be able to sustain a particular reform effort. The examples of China and, more recently, Eastern Europe and the CIS, show how well-intentioned policies might never be implemented or may easily be dismantled if political conditions change. We will address these three issues in turn.

Only since the 1970s have development policy-makers begun to examine gender as a separate category similar to income, class, or race. This is not surprising, given that most economists, who play an important role in the policy-making process, have only begun to

\[53^\text{Note that at the same time there has been considerable success in meeting many practical gender needs, such as improved nutrition, policies to reduce infant and child mortality, and policies aimed at reducing fertility (UNICEF 1993). The crucial question, however, is why there has been so little success to date in many countries of the developing world in meeting strategic gender needs.}

\[54^\text{Moreover, it would be important to consider the role of colonialism on gender-related economic and social policies in the developing world, but such a survey would lead beyond the scope of this paper. See, for example, Charlton, et al. (1989).}

\[55^\text{It is sometimes difficult to disentangle the precise reason for failure of a certain reform effort. It often tends to be a combination of lack of political will and failure of successful implementation.}
analyse intra-household relations since about the same time.\textsuperscript{56} Thus, it is not unexpected that there was little concern for the relative well-being of women within the family, since they remained invisible in the models of economists as well as in the policy charts of development planners. The more important question, however, is why there has been so little progress since the 1970s, when gender was first introduced and recognized as a legitimate category of analysis in development policy-making.\textsuperscript{57}

On the policy-making level, there appear to have been four problems that have reduced the effectiveness of initiatives attempting to address gender inequality in the developing world. The first is that policy-makers today still do not have sufficient tools to assess adequately the gender impact of development policies. In particular, women's work outside of the labour force continues to remain uncounted by standard income accounting practices (Boserup 1970, Waring 1988). Thus, by definition, a policy aimed at reducing the workload and increasing the productivity of women who work in the household, is at odds with a policy to increase incomes and promote growth in the counted sector of the economy, since scarce resources would have to be allocated away from the 'counted' sector of the economy to the 'uncounted' one.

In addition, a successful policy to balance the budget in a developing country can be designed to shift the social service burden from the paid economy to the unpaid economy by cutting health care and child care welfare expenditures by the state, assuming that a higher work effort by women in the unpaid economy will make up for these reduced expenditures so that there is no real loss for the 'counted' economy. In fact, some researchers have argued that much of the effect of structural adjustment has been to shift increasing burdens to the unpaid economy, thus serving to decrease women's welfare (UNICEF 1987, Palmer 1991, Elson 1992).\textsuperscript{58}

Finally, such systems of accounting may have a direct impact on the intra-household allocation of resources. It should be noted that when Sen discusses his model of cooperative conflict, he refers to \textit{perceived} contributions as being one of the determinants of intra-household resource allocation. Since the contributions of women working in the household are not measured and, in fact, considered worthless by the accounting system, it may

\textsuperscript{56}There have, of course, been earlier attempts to analyse intra-family relations going back to Engels (1884).

\textsuperscript{57}The 1975-85 UN International Decade for Women witnessed an explosion of state agencies and institutions concerning themselves with women's economic and social improvement (Staudt 1990). In addition, international agencies and bilateral donors opened divisions to assess the gender-specific effects of development policies (Tinker 1990).

\textsuperscript{58}Such a policy is not entirely costless even if one restricts attention to the paid economy. First, in areas where women are very active in the paid economy, increasing their domestic work burden reduces their measured output. Moreover, losses in human capital may retard growth in future generations (Palmer 1991, UNICEF 1987). Nevertheless, these losses are much harder to pinpoint and are likely to be smaller than the reductions in state support.
crucially shape the perceptions of husband and wife of their relative contributions and may contribute to a worsening of the woman's bargaining position (Sen 1990, Waring 1988).\textsuperscript{59}

Thus the current tools of development policy analysis provide a strong disincentive for supporting women in their domestic and reproductive roles, since they will not directly promote any of the macroeconomic indicators usually used to measure development performance. Instead, all indicators will only measure women's performance in the paid economy, giving a very distorted picture of the actual workings of a developing economy.\textsuperscript{60}

Similarly, economists have not yet developed a comprehensive set of tools for analysing intra-household inequality. To date the most popular tool of analysis has been the household budget survey which is not disaggregated by gender. Using consumption of so-called "male goods" (such as tobacco and alcohol) economists try to infer gender bias by studying how the consumption of "male goods" is affected by the number of males and females in the family. The theoretical and empirical limitations of this kind of analysis are enormous and have at times shown that, even in areas of extreme anti-girl bias (such as some regions in Bangladesh), there appears to be no gender bias as measured by these budget surveys, a finding that flies in the face of the available demographic data for these same households (Morduch 1993). At the same time, economists shy away from more interdisciplinary types of analyses of gender bias, making use of surveys, questionnaires and direct observation, as well as sociological and anthropological studies.

These problems of insufficient tools link directly to the second problem, the training of policy-makers, too many of whom naturally presume that women assume a 'non-productive' role, thereby relegating policies advancing women's needs within the realm of welfare policies. This is not only factually inaccurate for many parts of the developing world, but hurts efforts to increase productivity in the household, or to enable women to enter the 'paid' economy in greater numbers (Moser 1989, Palmer 1991).

A third problem at the policy-making stage appears to be the inherently challenging nature of the policies needed to promote strategic gender needs. Although many policies aimed at improving gender inequality are not entirely zero-sum, policies serving the strategic needs of women inherently challenge many male economic and social privileges and thereby meet considerable opposition from male policy-makers. As long as most governments and international agencies are male-dominated, the chance that such policies would lead to a partial redistribution of resources from males to females may be small (Staudt 1990, Elson 1992).\textsuperscript{61}

\textsuperscript{59}It could even be the case that the strong positive correlation between outside earnings of a woman and her bargaining position within the family is partially due to the fact that her domestic contribution is undervalued by policy-makers, so that the measurable aspect of outside earnings plays an important role in its impact on the intra-household bargaining position.

\textsuperscript{60}In addition, women's work in the 'counted' economy is often underrepresented in official statistics, thereby further devaluing the contributions of women to the economy (Anker, Khan, and Gupta 1988).

\textsuperscript{61}There is also no guarantee that even considerable female representation in governments and agencies will automatically solve this problem. For a careful discussion of these and related issues see Staudt (1990).
The various approaches taken by Women in Development (WID) researchers, discussed by Moser (1989), demonstrate the difficulty of designing policies addressing strategy gender needs in developing countries. The first approach, which Moser coins the *equity approach*, was motivated by Boserup (1970) and the feminist movement in Western nations. The goal was to integrate women in the development process and promote egalitarian policies aiming at social and economic equity for women.

This approach came under considerable criticism from several quarters. Government and development agencies often resisted and rejected the approach based on its perceived close connection with Western feminism. Moreover, many agencies and governments charged that such policies would interfere with the cultures and indigenous practices of these countries. Many women's groups also joined in the rejection of an approach allied with Western feminism for the same cultural reasons (Moser 1989).

Interestingly enough, when much of the WID research shifted away from strict equity questions and attempted to frame the issue of gender in developing countries as an issue of poverty, it has apparently been considerably more successful with domestic policy-makers and international agencies (Moser 1989). At the same time, however, this shift appears to have been a move away from serving strategic gender needs towards focusing instead on practical gender needs, a much more popular approach among development agencies (Moser 1989).

Similarly, recent emphasis on the efficiency of promoting gender needs in developing countries (e.g. Palmer 1991) have also found much more support in the development community. This popularity may be partly due to the fact that efficiency issues critically influence measured economic variables, such as income, growth, and fertility decline, which is, once again, related to the limited tools of analysis used by development policy-makers. For example, Kardam (1990) studied the role of gender issues at the World Bank and discovered that only if gender issues were framed in terms of efficiency and measured economic success of a certain project, were they taken seriously by key policy-makers. A second reason for the popularity of the efficiency approach is that it frames gender relations in terms of a non-zero-sum game. Advances for women enhance overall productivity and

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62 Moser claims that the reason for resisting anything closely associated with Western feminism was the challenging nature of the demands made by women.

63 Probably the strongest resistance on cultural grounds has come from many governments in the Middle East, who equate improvements in the economic and social status of women with a Westernized development model which is rejected on cultural and religious grounds. Instead, the resurgence of religious fundamentalism has done much to reduce women's economic, legal, and social achievements in a number of countries in the Middle East (Agarwal 1988). Religious fundamentalism is not restricted to the Middle East but has found its way into policy-making in a number of other countries (Agarwal 1988). For a careful study of the link between development, demography, and women's role in Arab countries and to its complicated relation to the West see Obermayr (1992).
growth and do not reduce men's welfare, so that there is no reason to oppose them from a male point of view.64

These shifts in the WID research agenda highlight the importance of the conflictual nature of gender-sensitive development policies. Issues and approaches that are seen as potentially threatening from a male point of view are often rejected or deflected into less controversial territory. Thus much of the success in formulating gender-sensitive development policies will simply depend on the power of those promoting them versus the power of those resisting them.

Two issues appear to be involved here. One is the nature, background, and ideological conviction of the policy-makers, and the other is the role of political pressure to enact these policies. The current adverse developments for women in China, Eastern Europe, and the CIS may serve as illustrations of these issues. Politics in the former Eastern bloc as well as in China was entirely controlled by men. Although female representation in the legislative bodies was very high, the upper echelons of power, particularly the politbureaux, continued to be entirely dominated by men. Nevertheless, the ideological convictions of the policy-makers led to a series of policies promoting legal, social, and economic gender equality (Croll 1985, Jancar 1976, see also section 3). In addition, the massive recruitment of women into the workforce, combined with generous family support policies, led to increasing economic roles for women. But, as mentioned in section 3, these advances have been, or are in the process of being, reversed so that much of the advances for women have already been lost. The question then becomes how such a radical about-face was possible.

It appears that two crucial problems led to this failure. One was that women were never able to penetrate successfully the upper echelons of power so that they, in a sense, were (and continue to be) at the mercy of the ideological convictions of the male rulers of the country. As these convictions changed with changes of leadership (in Eastern Europe) or of leadership priorities (in China), women were unable to protect and enhance their achievements. Secondly, women have little means by which to pressure policy-makers. Their representation in parliament has dropped drastically since the change of regime in Eastern Europe (table 5), and there has been little organizing effort in support of women's issues (Bren 1992, UNDP 1992). These changes underscore the need for increasing female representation at all levels of government as well as in the development of effective pressure groups to sustain past achievements and promote further improvements (Moser 1989, Klasen 1993a).

It may be important to discuss the role of participatory democracy in this context. Barring an ideological commitment of the male leadership to gender equality as in the Eastern European and Chinese cases, it appears that participatory democracy may be a necessary condition for advancing policies serving strategic gender needs (Elson 1992).

64While there is obviously much merit in the view that enhancing women's practical and strategic needs may be part of an optimal strategy to enhance overall efficiency of the development process, it has serious limitations. In particular, some advances for women's strategic and even practical needs will inevitably come at the expense of men. Moreover, it leaves open the possible claim that certain gender relations which are highly inequitable and, for example, lead to considerable excess female mortality, are the result of efficient intra-household resource allocations rightly favouring the more productive (male) members of the household.
Staudt (1990) discusses a number of case studies where the absence of democracy prevents the formulation of effective pressure to alter the gender inequality within a society.

At the same time it appears that democracy (including female suffrage) is no guarantee in effecting change to serve women's needs. Several democratic countries, most notably India, continue to have a poor record in terms of gender inequality, in spite of a 40-year tradition of democracy. Democracy without effective representation for women at all levels of government as well as the ability of women to pressure governments into altering their policy agendas may do little to alter the policy priorities.65

In addition, bilateral and multilateral development agencies operate within a very different political context. In particular, they tend to be more amenable to political pressures of the donor country or countries than are the recipients of aid (Moser 1989, Staudt 1990). So in these cases, progress in formulating gender-sensitive policies depends on the effective pressure and representation of Western women's groups in the development policy process.

These issues lead to a final problem of formulating policies aimed at serving the strategic needs of women. Divisions between women of different class, race, and persuasion often weaken the effectiveness of organization and lobbying efforts to effect changes in development policy priorities. Hirschman (1990) and Lewis (1990) describe cases where class divisions between women in policy-making positions and their constituents led to ineffectual, or even harmful, policy outcomes. Such divisions may even be magnified when, in the case of international and bilateral development organizations, the distance between the advocates of gender-sensitive policies, i.e. Western or Western-educated women, and the actual recipients of the benefits is particularly large.66

These particular problems and resistances all appear at the policy-making level, but they are not confined to it. In order to implement any policy, a government must also rely on the compliance and cooperation of an effective bureaucracy. In the case of gender-sensitive development policies, however, much of the problems already apparent at the policy-making level transcend to the bureaucracy level.67 In particular, the staffing and ideological outlook of a bureaucracy can foster and hinder implementation of many policies. Similarly, the role, power, and influence of women within and outside any bureaucracy will determine the outcome of any policy initiative.

Finally, a policy may fail or be altered at the implementation level due to resistance at the grass roots. There is extensive literature on the failure of many initiatives to empower women due to the ability of men at the grass roots to deflect initiatives, appropriate the benefits of a programme or prevent women's participation in it. In part, the technological biases that developed in the process of agricultural modernization may partially be due to the power relations at the grass roots level that enabled men to appropriate new technologies

See also Drèze and Sen (1989) for a discussion of the role of democracy in changing public policy.

The question whether a foreign aid agency can empower women in developing countries is taken up by Himmelstrand (1990).

For a survey of these issues see Staudt (1990).
Table 5. Percentage of women in Parliament

<table>
<thead>
<tr>
<th>Country</th>
<th>1988</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>27</td>
<td>9</td>
</tr>
<tr>
<td>Czechoslovakia</td>
<td>42</td>
<td>10</td>
</tr>
<tr>
<td>Hungary</td>
<td>26</td>
<td>8</td>
</tr>
<tr>
<td>Poland</td>
<td>25</td>
<td>16</td>
</tr>
<tr>
<td>Romania</td>
<td>52</td>
<td>4</td>
</tr>
<tr>
<td>USSR</td>
<td>53</td>
<td>17</td>
</tr>
</tbody>
</table>

For comparison:

<table>
<thead>
<tr>
<th>Country</th>
<th>1988</th>
<th>1990</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>24</td>
<td>26</td>
</tr>
<tr>
<td>Sweden</td>
<td>45</td>
<td>62</td>
</tr>
<tr>
<td>USA</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

Note: The 1990 data are for unified Germany.

faster and more effectively than women.

The example of China illustrates the problems of implementation at the level of bureaucracy as well as at the grass roots. When the Chinese leadership embarked on the Marriage Law Campaign in 1950 to achieve social, economic, and legal equality for married women, they had to rely on local male cadres to implement the Campaign at the local level. These cadres strongly resisted implementation. In addition, resistance from the male population at the local level was such that the Law was only enacted in small parts of rural China, leaving the position of women unchanged in many parts of the country (Johnson 1983, Croll 1985).

The political economy of development policy-making is a crucial, and often overlooked, determinant of the success and failure of policies addressing women's needs in developing countries. Any strategy to be effective must combine substantive policy recommendations with suggestions about how to change policy-making and implementation in order to be able to overcome this crucial obstacle to improving gender-sensitive development policies. We will outline some such recommendations in the conclusion.

Conclusion

In this paper we have outlined the effects of development policies on gender inequality in developing countries. Using theoretical models and empirical evidence, we have developed a policy agenda for promoting strategic gender needs in developing countries. While few of these recommendations are new or untried, nevertheless, they have not yet been adopted in many nations in the developing world. Furthermore, in some countries, there has been a
worsening of women's welfare in the past decade. The political economy of development may play a crucial role in the failure to implement these policies as well as in the implementation of policies adversely affecting women. We will not attempt to summarize the policy agenda outlined in section 4, but focus instead on specific recommendations on the political environment of development policy-making in order to improve the formation and implementation of policies serving women's needs in developing countries.

While it may be possible to generate broad alliances to meet practical gender needs or to promote efficiency by redirecting some resources to women, the analysis in the last section has shown that it will be much harder to develop and implement policies that squarely address equity issues and attempt to promote strategic gender needs. In particular, we identified four problems relating to the tools and training of policy-makers; the nature of political power; and the divisions within pressure groups formulating gender-sensitive policies.

Regarding the tools and training of policy-makers, the inclusion of non-market activities, such as housework and child-rearing, in national income accounting could do much to improve the accountability of women in the development process and make their contributions as well as their needs more visible. Usually, calls to change income accounting in such a way are met with the objection that such change is not practically feasible, requiring too many arbitrary assumptions. It is true that a number of assumptions would have to be made that would render income accounting somewhat less precise, but it is also true that, under the current system, similar assumptions are already regularly made. For example, the inclusion of depreciation estimates as well as educated guesses of the consumption of own-produced agricultural goods in income accounting indicates that income accountants do not consistently shy away from making assumptions in the face of insufficient information (Waring 1988). The inclusion of estimates of the value of domestic work of women in national income accounting is therefore possible without adding much to the already existing inaccuracies of such accounting.68

As far as the training of policy-makers is concerned, conventional assumptions about the usual and proper role of women in a developing society should be questioned on empirical grounds as well as with equity concerns in mind. Only when the multi-faceted role that women play, or want to play, in developing societies is clearly understood will it be possible to develop appropriate policies.

Confronting the third problem, the issue of power and political pressure, will be more difficult, given that it could imply conflict with the existing political structure. Specific policies to tip the political balance would begin with the recruitment of more women at all levels of the policy-making hierarchy. Countries in which women have gained considerable policy-making clout, have led to rapid improvements in their economic and social position.

68It is also far less problematic than the inclusion of more complex phenomena, such as natural resource depletion, pollution and species extinction in national income accounting. In contrast to the complex environmental questions (World Bank 1992), all the uncounted production and services of women can be valued quite easily since, in most cases, there are market indicators and counted providers of these goods and services. For example, the wages paid to nannies, domestic cooks, and other household personnel could be used to impute the value of household services that women regularly provide free of charge (Waring 1988).
Such a change should include increases in the proportion of women in all legislative and executive bodies of government, including the bureaucracy responsible for implementing many of these policies. While a democratic system might slowly recruit more women at all levels of government, affirmative action and quota programmes might also be necessary to enhance the policy-making clout of women in the short term.

Such policies are only feasible in democratic countries. Thus, much improvement in a policy environment favouring strategic gender needs will depend on the democratization of autocratic and authoritarian societies. Efforts by the international community via aid policies as well as general support for domestic opposition aspirations could lead the way to greater democracy in many developing nations.

These proposals have so far dealt with people inside the policy-making apparatus. In addition, pressure groups lobbying for women's needs in developing countries need to be strengthened and supported by international agencies and bilateral donors as well as by non-governmental organizations (Sobhan 1992). Often, such pressure groups are formed to generate change dealing with issues of practical gender needs. In the process, however, these groups then often begin to challenge other facets of their economic and social surroundings, thereby formulating their strategic gender needs. Moser (1989), who champions this approach, calls it the empowerment approach and claims that it will be more effective, since it is initiated by women themselves in developing societies rather than by Western feminists who developed the equity approach earlier. To date, these pressure groups have often only been able to achieve relatively little, mainly because they are shunned by the official development community. The international community as represented by international, bilateral, or non-governmental development agencies, would have to play a crucial role in strengthening such grass roots efforts and supporting their policy agendas, particularly since pursuing such a role might challenge existing political structures in developing countries and thereby meet with resistance by local policy-makers.

To deal with the final issue of divisions within women's groups, more communication between women inside and outside of the institutions is essential to maintain the contact between advocates and constituents. This also involves consistent and cooperative contacts between Western women's groups and grass roots women's movements in developing countries, given that the Western groups have the ability to influence policy-making in multilateral, bilateral, and non-governmental development agencies. As women in developing

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69 See, for example, the link between political representation and pay equity in developed countries. For data see UNDP (1992).

70 Sobhan (1992) suggests that, in addition to a general election, women would be allowed (for a limited time) to cast a second vote to elect more women to parliament. Such a strategy, while undoubtedly controversial, might be a promising step towards increasing quickly the political power of women. However, the aim should not be simply to increase the number of commissions, delegations and offices dealing with women's issues, for such institutions are often instituted as a token gesture to give the appearance of concern for gender issues. Instead, gender issues must be moved to the forefront of all mainstream policy-making bodies. Therefore, it is crucial to recruit women for mainstream policy-making offices, rather than for institutions that are often excluded from actual policy-making activities (see Staudt 1990, Moser 1989).

71 See also Staudt (1990) and Ferguson (1990) for a discussion of such an approach.
countries would be the ultimate benefactors of any changes in policy priorities, their own priorities should inform the agendas of international community institutions acting as pressure groups more strongly than the influence exerted by policy agendas of Western women's groups (Ferguson 1990).

Clearly, such changes in the policy-making apparatus are not easily achieved. But small improvements on all these fronts could already lead to significant improvements in gender inequality in many developing countries. Given the current adverse situation of women in many developing countries, even small improvements could be of tremendous help.
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INTERNATIONAL EMPLOYMENT POLICIES

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<tr>
<th>Reference</th>
<th>Title</th>
<th>Author(s)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
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</tr>
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</tr>
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</tr>
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