

Gender and trade: overview of effects and policy insights

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Three questions

- 1. What would we like to know about the gender impact of trade?**
- 2. What do we already know?**
- 3. What policy insights from trade assessments?**

1. What would we like to know about the gender impact of trade?

- Women as producers, home managers, main providers of care
- Employment, Income, Consumption
- Household relations and Well-being
- One sector? Many sectors?
- Direct effects ? Indirect effects?
- Short term? Long term?

Likely to be tensions between dimensions

Two useful conceptual frameworks:

- Macro-meso-micro and gender inequalities (Elson)
- Practical and strategic gender needs (Moser)

Impact of trade on income distribution:

- Income effect
- Consumption effect
- Public provision effect

Trade liberalisation affects gender inequalities at all three levels

- **Macro:** e.g. if female-int sectors expand gender gaps in market participation narrow
- **Meso:** e.g less government revenue might lead to reduction in public provision of social services
- **Micro:** e.g. trade destroys or creates sources of independent income for women, hence it may affect female control over household resources

2. What do we already know?

- Employment creating effect for women in countries producing basic manufactures especially in Asia (but risk of defeminisation)
- Mauritius only exception in Africa. Most recent evidence on the manufacturing sector of the African region reports job losses due to import displacement (South Africa, Zimbabwe)
- Employment opportunities in agriculture: traditional -, NTAE +
- Employment in services: mixed but no sufficient data
- Informalisation, increase in vertical segregation
- Gender wage gap not narrowing as one would expect (little data, especially on Africa, and mixed)

How does trade liberalisation affect intra-household dynamics?

- Agricultural studies in Kenya, the Gambia (IFPRI, 1994), Uganda, Guatemala:
 - Export production, other activities
 - Control over income
 - Food production and nutrition
 - Time allocation (impact on children)
- Studies from settings as different as export processing zones in Malaysia (Kusago, 2000), the off-farm informal sector in Guatemala (Katz, 1995) and NTAEs in Kenya (McCulloch and Ota, 2002), all point to the presence of other female members in the household as a determinant of women's participation in new opportunities created by trade

3. What policy insights from gender and trade assessments?

- General Equilibrium Analyses (economy-wide)
- Global Value Chain Analyses (focus on all the stages of one particular commodity)

Export support in Zambia: tobacco and cotton or horticulture?

- GE simulations (Fontana, 2002) compare the impact of export incentives in either commercial crops (tobacco, coffee, cotton and sugar) or horticulture (including roses, sugar beans and onions) and groundnuts.
- Different production structure:
 - **Commercial crops** use more land and capital than other agricultural sectors and employ a higher proportion of male workers. The female workers in this sector (providing 41 per cent of total labour time) do not have any education.
 - **Horticulture and groundnuts** use very little land and capital and employ a higher proportion of women (60 per cent of total labour time), the vast majority of whom have primary education.
- Thus a differential impact on women and men, and on workers with different levels of education.

Sectoral structure of Zambia, 1995

	Net output (% of GDP)	Export intensity*	Import penetratio	Tariffs as of imports	Female intensity(%)	F labour (% of tot)	M labour (% of tot)
Maize	4	4	15	3	54	6	6
Commercial crops	1	16	17	0	41	1	1
Horticulture and groundnuts	6	3	3	21	60	9	5
Food and livestock	7	2	5	19	70	13	4
Fishing and forestry	5	-	0	16	7	0	4
Mining	17	93	23	20	7	0	1
Labour-intensive manufacturing	10	4	13	12	43	3	2
Capital-intensive manufacturing	3	9	65	14	4	0	3
Construction and utilities	6	10	0	20	3	0	1
Trade and transport	21	-	8	13	51	9	4
Public services	7	-	-	-	29	2	8
Market services	13	9	25	13	32	2	4
All market	100	17	20	13	49	45	42
All social reproduction	21	-	-	-	84	33	6
All leisure	68	-	-	-	27	22	52
Total	189	-	-	-	47	100	100

Table 4.3. Female share of total hours worked in each sector (per cent), Zambia, 1995

	Total F	of which, by educational level:			
		No ed	Prim ed	Sec ed	Post ed
All market sectors	48.7	12.1	33.0	3.1	0.5
Horticulture and groundnuts	60.0	4.4	55.6	0.0	0.0
Commercial crops	41.0	41.0	0.0	0.0	0.0
Food and livestock	70.0	10.8	59.2	0.0	0.0
Fishing and forestry	7.0	1.6	5.1	0.3	0.0
Maize	54.0	14.8	39.2	0.0	0.0
Construction and utilities	3.3	0.4	0.9	1.7	0.4
Mining	6.5	0.8	1.1	4.1	0.5
Labour-intensive manufacturing	42.8	24.5	16.7	1.5	0.1
Capital-intensive manufacturing	3.6	0.1	0.9	1.8	0.9
Market services	32.1	5.0	16.2	9.9	1.0
Trade and transport	50.7	20.9	24.6	5.0	0.1
Public services	28.9	2.4	3.1	18.1	5.4
All social reproduction	83.6	22.9	46.3	12.7	1.7
Urban high-income	76.6	5.6	18.8	38.6	13.7
Urban low-income	77.9	10.1	40.3	24.6	2.9
Rural high-income	73.6	19.3	44.6	8.8	0.9
Rural low-income	87.0	29.4	51.2	6.1	0.2
All leisure	27.5	8.8	8.5	9.0	1.2
Urban high-income	26.0	1.3	2.1	16.9	5.6
Urban low-income	22.3	2.8	5.4	12.7	1.4
Rural high-income	16.5	5.4	6.0	4.6	0.4
Rural low-income	32.2	14.4	12.1	5.5	0.2

Table 4.11. Export incentives in commercial crops (percentage changes from the base)

	F no ed	F prim ed	F sec ed	F post ed
	%	%	%	%
Employment				
All market sectors, of which:	0.7	-0.0	0.0	0.1
Horticulture and groundnuts	-0.6	0.0	-	-
Commercial crops	14.6	-	-	-
Food and livestock	-0.7	-0.1	-	-
Fishing and forestry	-0.5	0.1	0.2	0.3
Maize	-0.5	0.1	-	-
Construction and utilities	-0.6	-0.1	-0.1	-0.0
Mining	-1.1	-0.5	-0.4	-0.4
Labour-intensive manufacturing	-0.8	-0.2	-0.2	-0.1
Capital-intensive manufacturing	-1.0	-0.4	-0.3	-0.3
Market services	-0.7	-0.2	-0.1	-0.0
Trade and transport	-0.5	0.1	0.1	0.2
Public services	-0.6	-0.1	0.0	0.1
All social reproduction, of which:	-0.5	0.1	0.0	0.0
Urban high-income	-0.7	-0.2	-0.1	-0.0
Urban low-income	-0.7	-0.1	-0.1	0.0
Rural high-income	-0.6	-0.1	0.0	0.1
Rural low-income	-0.4	0.1	0.2	0.3
All leisure, of which:	-0.5	-0.1	-0.0	-0.1
Urban high-income	-0.8	-0.4	-0.1	-0.1
Urban low-income	-0.8	-0.4	-0.1	-0.1
Rural high-income	-0.7	-0.3	-0.1	-0.0
Rural low-income	-0.4	0.0	0.2	0.3
Hourly wages				
Absolute change	0.89	-0.08	-0.11	-0.26
Relative to males	0.19	-0.43	0.12	0.01

Table 4.12. Export incentives in horticulture (percentage changes from the base)

	F no ed	F prim ed	F sec ed	F post ed
	%	%	%	%
Employment				
All market sectors, of which:	0.1	0.4	0.0	0.1
Horticulture and groundnuts	3.0	2.6	-	-
Commercial crops	-0.4	-	-	-
Food and livestock	0.0	-0.5	-	-
Fishing and forestry	0.0	0.4	0.2	0.3
Maize	0.0	-0.5	-	-
Construction and utilities	-0.3	-0.7	-0.1	-0.1
Mining	-0.6	-1.0	-0.4	-0.3
Labour-intensive manufacturing	-0.2	-0.6	0.0	0.1
Capital-intensive manufacturing	-0.5	-0.9	-0.3	-0.3
Market services	-0.3	-0.8	-0.1	-0.1
Trade and transport	-0.1	-0.5	0.1	0.2
Public services	-0.2	-0.6	0.0	0.1
All social reproduction, of which:	0.0	-0.5	0.1	0.0
Urban high-income	-0.3	-0.7	-0.1	0.0
Urban low-income	-0.2	-0.6	0.0	0.1
Rural high-income	-0.1	-0.5	0.1	0.2
Rural low-income	0.0	-0.4	0.2	0.3
All leisure, of which:	-0.1	-0.4	0.0	-0.1
Urban high-income	-0.4	-0.7	-0.2	-0.2
Urban low-income	-0.3	-0.6	-0.1	0.0
Rural high-income	-0.3	-0.6	-0.1	0.0
Rural low-income	-0.1	-0.4	0.1	0.2
Hourly wages				
Absolute change	0.26	0.94	-0.08	-0.22
Relative to males	0.23	0.54	0.10	0.04

Cashew nuts in Mozambique

(Kanji et al, 2004 in *Chains of Fortune*)

- Mozambique the world's leading exporter of cashew nuts
- Drought, war an displacement, inconsistent policies towards the smallholder sector, diseased trees leads to decline in production
- The current government strategy recognizes the need for a broader approach and calls for active participation of government, private sector, communities and NGOs to revive the cash sector.
- Strategies in the three interlinked areas of production, processing and commercialisation.
- Promoting trade liberalisation is unlikely to increase benefits to small producers in Mozambique without a range of supporting policies ensuring marketing infrastructure, fair prices, appropriate technology for growing and storing the nuts and extension services.

Where are women in the chain?

- Traders, big exporters, those who have been able to capture most of the additional profits so far. Organised, control the prices.
- Women are directly involved in the marketing of the nuts (74 % of women interviewed) but mostly involved in processing nuts for home consumption (important role in food security)
- Although women smallholders do market cashew the higher and more lucrative ends of the private sector does not involve them.
- Larger profits concentrated in the final stages of processing, roasting, salting, packing.

Production

- Both men and women own trees. No distinct gender division of labour, except for pruning which is done by men.
- Women tend to decide how much of cashew nuts allocated to local consumption.
- Lack of information of the causes of low productivity. Current practices such as spraying are difficult to implement for poor and small farmers.
- Women farmers are even less likely than men to have access to information and inputs. They are less likely to belong to farmer associations or to attend village meetings. Extensions services seem to be very male oriented.

Processing

- More than 80 percent of labour force in factories visited were men. Gender division of tasks, with women concentrated in peeling (but men increasing involved in this activity too). Workers have no much information on their rights.
- One specific factory in Namige has a different structure:
 - 60 per cent men and 40 percent women.
 - Targets female headed households (more in need for cash and hence hard workers)
 - Meal at work, some health assistance, crèche under construction.
 - Women excluded from running machines, work longer hours than men, earn less.

A New Initiative

- Training component for production and processing. A micro finance component. Other advisory and facilitation services.
- Construction of small-scale processing units through loans to the private sector. Small-scale factories using semi-mechanical cutting technology give a better quality output, and have less management problems
- Namige chosen as first intervention zone. Small units buy the raw cashew, steam, crack, peel it. The factory grades it and pack it and deal with buyers.
- Three individuals for first experimental units. One is a woman.
- Need to distinguish between the few large scale producers and the large majority of small scale producers. Promotion of grassroots and producers organisations to bring women together as workers and producers to protect their interests and participate in other parts of the cashew chain. Support for marketing and 'branding'.

General lessons

- Trade should be reviewed from a gender and pro-poor perspective to ensure that low-income women producers and workers are able to contribute to, and benefit from, export initiatives
- Differences between different groups of women (depending on level of education, location or household they belong to)
- Important to understand which sectors expand or contract with trade
- Need to ensure greater mobility of women across sectors
- Need to address constraints to women's participation, including, importantly, household needs
- Need to distinguish between women as independent producers and as wage workers:
 - Independent producers: market support, increased access to market contacts and information on prices, technical assistance, R&D, property rights
 - Workers: labour legislation to extend beyond permanent workers, enforcement of labour laws, more training opportunities, greater awareness on legal rights