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ESTUDIOS DE GENERO
"Centro de Información y Documentación"

AFTER THE REVOLUTION: INFORMAL ECONOMY, NEOLIBERAL POLICY, AND
GENDER IN NICARAGUA

Florence E. Babb

Associate Professor of Anthropology and Women's Studies

University of Iowa, Iowa City, Iowa, 52242

A paper prepared for presentation at the conference "Engendering
Wealth and Well-being," University of California, San Diego

February 17-21, 1993

1. Economía informal
2. Política neoliberal
3. Género
4. Nicaragua

Programs of stabilization and structural adjustment spread widely throughout Latin America during the 1980s. In revolutionary Nicaragua, the Sandinista government introduced an adjustment program late in the decade, but the IMF and World Bank-mandated measures have come more recently, after the 1990 elections ushered in the UNO (United National Opposition) government of Violeta Chamorro. A debate has emerged in the country over the consequences of these measures for the most vulnerable social groups. In Nicaragua, as elsewhere, the poor, women, and children are hit hardest by these policies.

This paper will first consider briefly some of the general consequences of structural adjustment policies for Third World women and men, and then turn to examine the particular effects these policies have had in Nicaragua. My focus will be on the urban sector, specifically the capital city of Managua, where I have been carrying out research over a three year period among women in formal and informal work in small industries and commerce. I will highlight the situation of women in several urban cooperatives, before turning to look at the growing number of women conducting informal activities, often out of the front rooms of their homes in the city's popular barrios.

Several analysts have led the way toward a critical and gendered perspective on the recent effects of development policies that rely on harsh stabilization and adjustment measures (e.g., Elson 1991; Benería and Feldman 1992; Afshar and Dennis 1992). They have called for attention to the household, where women are functioning as shock absorbers for these measures, and they have argued that adjustment plans extend women's unpaid work in the home in ways that must be assessed. I want to suggest that while turning to the household and women's unpaid work has brought about a needed transformation in our thinking about

economic development, it may be equally important at this point to assess the gender specific ways that women are experiencing adjustment and absorbing the shock through their paid work in and out of the home. Indeed, women's unpaid and paid work are strongly interconnected and just as women's expanding work in the household may constrain their participation in the labor force, their increasingly difficult experiences earning a livelihood make the new demands at home that much harder to meet.

Gender and Neoliberal Policy

In her book examining male bias in the development process, Diane Elson (1991:164) writes that "Macro-economic problems, such as large balance of payments deficits, high inflation rates and very low growth rates, have devastated many countries in Asia, Africa, Latin America and the Caribbean in the 1980s." She notes that these problems stem from both internal and external problems and that many countries have no choice but to look to the International Monetary Fund (IMF) and the World Bank for financial assistance. While it goes beyond the scope of this paper, I would add that such problems as Third World indebtedness and underdevelopment must be traced to histories of colonialism, dependence on a world market, and the changing structure of capital accumulation. In other words, global economic problems that are felt most severely in the Third World often find their origins in relations with the First World.

Elson's work calls into question the supposedly gender-neutral programs of economic stabilization and structural adjustment that are introduced as conditions of international assistance. These include plans to reduce inflation, privatize industry, increase export production, decontrol prices, and cut public expenditures. A number of questions could be raised regarding this market-

oriented model of development, but here it is most pertinent to consider the hidden burdens that women must shoulder under these programs.

As Elson and others have noted, adjustment programs that are designed to streamline economies and enhance competitiveness are based on macro-economic concepts that look at economies overall rather than at particular enterprises or households. Therefore, they are not concerned to examine the disproportionate number of women who are located in the small industries and informal businesses that are apt to suffer most from the new policies. Nor are they likely to notice that when unemployment rises, food costs go up, and healthcare and education are made less widely available, it is women who must see to family needs. Because the work of stretching household budgets, caring for the ill, and in general managing to get along under conditions of economic and psychological stress, are unpaid services that do not apparently affect the market, they are overlooked by development planners. Yet there is increasing evidence that women's ability to cushion the blow of economic adjustment is not without limits and some households may simply not survive the crises that recent policies are producing.

Where men are present as contributors to households in Third World countries, it has been shown that although their incomes are typically higher than women's, they offer a smaller portion of what they earn to meet family expenses and keep more for personal spending (Blumberg 1991; Elson 1991). In contrast, whether or not women are the sole providers in their families, they tend to ^{invest} ~~turn~~ almost all their income ⁱⁿ ~~to~~ collective needs. In terms of unpaid services to families, the gender inequality is even more apparent, with women performing far more of the work of family maintenance. Unequal economic power is frequently accompanied by domestic conflict and violence against women, a serious

odd collection of tasks

/40 what to men? to women? in other lines of work?

fill the gap - bridge the gap

social problem that is now coming to light. Thus, if we are interested not only in aggregate measures of economic development but also in social justice, we need to disaggregate the household to discover patterns of resource allocation, the gender division of labor, and gender relations in the home.

In an analysis that considers the micro-dynamics of class and gender at the household level as the household responds to adjustment at the macro-economic level, Benería (1992:viii) describes the deepening inequalities that are emerging. While she notes the significant absence of alternatives that have been proposed to the neoliberal model, she is also optimistic that given women's key roles in the household and beyond, they will be instrumental in efforts to resolve current problems. In fact, she and others (e.g., Elson 1992; Pérez-Alemán 1992) point to evidence of women organizing together in ways that may ultimately transform societies.

The Nicaraguan Case

When the Sandinistas came to power in 1979 following their protracted struggle against the Somoza dictatorship, they faced almost insurmountable problems of underdevelopment: an impoverished population, poorly managed resources, inadequate healthcare and education, and so on. Nevertheless, what they accomplished in their first few years in government won international attention as they carried out a broad program of agrarian reform, created a mixed economy and improved working conditions, and made medical care and education available to all. They did not stop there, however, but addressed issues of gender inequality as perpetuated through the media, the law, and other social institutions. Through their mass women's organization, AMNLAE, they worked with women at the grassroots, in both the rural and the urban sectors, contributing to

the growth of political consciousness among those women and in the society at large.

Within a few years, however, the conflict with U.S.-backed Contras required the development of a wartime economy with little left in the budget to sustain growth or to further the social transformation that was underway. As in any new society that has broken away from traditional political and economic models, this one made mistakes, but external aggression stole the opportunity to correct those mistakes and move forward. A number of writers have offered extensive analyses of this decade of revolutionary government in Nicaragua (e.g., Booth 1985; Spalding 1987; Walker 1986, 1991; Martínez Cuenca 1992). A few have considered the situation of women in the revolutionary process (Randall 1981; Molyneux 1986; Padilla, Murguialday, and Criquillon 1987; Collinson 1990). Here, I will turn briefly to consider the impact of some policy initiatives taken in 1988 and 1989 during a time of mounting economic as well as political crisis.

In a book of essays surveying the achievements and setbacks of Nicaraguan women during the 1980s (Brenes, Lovo, Restrepo, Saakes, and Zúniga 1991), several writers discuss the adjustment measures taken by the Sandinista government and their consequences for low-income urban women. By 1988, the high cost of defending the country and of continuing to subsidize social services such as healthcare and education resulted in a large deficit and spiraling inflation. Attempting to reverse the trend, the government shifted from domestic production and consumption to export-oriented production, devalued the currency, laid off thousands of workers in the public sector (known as compactación), and cut social services drastically. Not surprisingly, women were affected most by these measures.

It is interesting to note the strong parallels between these "reforms" taken

by a revolutionary government and those mandated elsewhere in Latin America by the IMF and the World Bank. Motivated by similar problems despite the unique path of Nicaraguan development, the government took an established route to try to stabilize the economy. Significantly, the measures were decided upon by the country itself and not as a result of an externally imposed set of conditions. Even so, from the vantage point of poor and working class women this may have mattered little.

Of the 61 percent of Managua women who were employed at the time of the 1988 adjustment, a high proportion were represented in the informal sector as sellers and providers of [?]other services. While those between the ages of 16 and 39 might have found employment in the public sector, ^{re}with layoffs, ^{meant that}they, as well as older women and female heads of household, frequently turned to informal work. Many women needed to seek more than one source of income to support their families (Brenes, Lovo, Restrepo, and Saakes 1991).

A recent article by Pérez-Alemán (1992) assesses the coping processes of Nicaraguan women during this same period of economic crisis. As households needed more income-earners, more women sought to enter the labor market. Those seeking informal employment found increased competition from those in formal sector jobs who discovered that their real wages were insufficient to get along and that they could earn more in informal trade. ^{thus}Still, as early as 1985, 60 percent of employed women were in the informal sector, compared to 49 percent of employed men (Pérez-Alemán 1992:245). Women continued to experience higher levels of unemployment and lower wages and other earnings than men, and this was especially critical given the large proportion of female-headed households (45 percent in Managua). Women were also hit harder as workers in small industries and as artisans, since most available inputs were directed to large private and

state industries, and credit was tightened.

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Pérez-Alemán suggests that while the demands on women became far greater both in the labor force and at home, these women also found new ways to organize and confront oppressive conditions (Pérez-Alemán 1992:250). Although women's participation in neighborhood organizations declined, their engagement in sectoral organizations of the labor movement grew stronger. As we look to the current period of the UNO government, we may also observe openings for furthering women's participation despite the deepening problems the country is facing.

In short, when the government of Daniel Ortega responded to a war-torn economy made worse by a US trade embargo and brought about its devaluation of the national currency and massive cuts in the public sector, the results were severe for the majority of the population. This may account in significant part for the electoral loss of the FSLN party two years later. However, the US-supported adjustment adopted by the UNO has had much harsher consequences. Privatization, cuts in social spending, and a reduction of the state sector are familiar by now as key elements in the program. Yet in Nicaragua, the speed with which these measures have been brought about has been particularly crushing, and even more so for a country that had grown accustomed to the state providing a safety net for those most vulnerable in the society.

After announcing a sharp devaluation in March 1991, the UNO government stepped up its efforts to stabilize the economy. That year, a Plan of Occupational Reconversion offered up to \$2,000 to state sector workers who would give up their jobs. Thousands left, many to begin selling items informally from their homes. Calling 1992 "The Year of Reactivation," privatization of industries and export-oriented production moved apace. Inflation was brought under control, yet all indicators showed that Nicaragua had never had a worse

depression, with levels of unemployment and poverty unprecedented in the country's history. Between 1990 and 1992, formal sector employment dropped 18 percent, with many workers leaving jobs in health, education, and other public services. Unemployment rose to 19 percent and underemployment to 45 percent in 1992. (Envío, October 1992:18-20)

In the urban areas, workers in small industries and commerce are seriously affected by industrial restructuring. With the rapid entry of competing foreign industries and products, cuts in credit available to national industry, and the removal of subsidies and some price controls, small producers and sellers face a shortage of primary materials they need in their work and a declining demand for the items they offer for sale. The neoliberal strategy of establishing free trade zones and favoring large industries that are more competitive in the world market, as well as sharply reducing protective tariffs on imported goods, has already driven out many small industries and threatens to weaken many more in Nicaragua. As a result, the informal sector is expanding as it absorbs displaced workers from industries and from the shrinking, "more efficient" state sector.

Viewed by Western development analysts, the UNO, and even some Sandinistas as inevitable, structural adjustment has curbed inflation while contributing to high levels of unemployment, declining real wages, and a sharply falling standard of living. Access to basic health care and education, once free for everyone, are now becoming privileges for the middle class. Although many new products are entering the market, few people have the resources to buy them.

Structural adjustment, while supposedly gender neutral, has had particularly harsh consequences for ^{women} women, who have borne the burden of policies disproportionately. ^{to whom?} Increased unemployment, higher costs of living, and cuts in social services are all experienced most significantly by women, but this has

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only recently received attention in Nicaragua (FIDEG 1991a). At work and in the family, women have often provided the cushion needed when resources are in short supply. This is seen as women seek new sources of income, stretch household budgets, and take up the slack of social services that are no longer available. Thus, any success that structural adjustment may have in contributing to "productivity" and "efficiency" depends on a longer working day for women, who carry the major responsibility for maintaining their families. And this, of course, leaves aside the failure of adjustment programs to address the underlying structural causes of economic crises and underdevelopment.

Women in Cooperatives in Managua

During the years of the Sandinista government, many small-scale producers were organized into urban cooperatives. These coops benefited from the distribution of low cost materials and from the state's assistance in marketing their products. Aside from some token support for "microenterprises," the UNO government's national policy does not favor small industry in general, and cooperatives bear the stamp of a political orientation that is antithetical to the free market economic model now in place. Many coops have failed in the last few years, and those that remain are struggling to be viable in the new political economic context.

While doing research in Nicaragua in 1991-92, I spent time with women in four urban cooperatives that formed during the last decade, one as recently as two years ago. Two of the coops are made up exclusively of women, while women figure prominently in the other two. Two involve women in traditional gender roles, in the preparation of clothing and food, while the others are non-traditional, in welding and artisanry. All have felt the impact of the current

economic policies, and the women interviewed note the adjustments that they themselves are making at work and at home in order to get by. These are frequently viewed as coping or survival strategies, but they should also be understood as women's response to economic policies that are transferring work from the public to the private sector. In their workplaces and in the household, women absorb the shock of the economic crisis and in so doing, they help to underwrite the very policies that marginalize them.

Women's United Textile Cooperative

The experience of one cooperative can serve to illustrate some recent developments. The Women's United Textile Cooperative formed in 1982 as a service coop, made up of women sewing clothing at home who came on a rotating basis to sell their clothes from a small store in Managua's market district. Like other service coops formed under the Sandinista government, they benefited from the availability of lower priced materials, in their case, fabric and thread. They enjoyed the friendships they made with other women workers, and like many cooperatives, they joined the national trade union of small industries known as CONAPI, which allocated supplies and offered other support.

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Co-ops would not enjoy friendships

The coop began with a membership of 68, but by 1991 their number had declined to 29. Many of the remaining women were among the founders, now middle aged or older women, who regard the coop as a sort of family to which they owe their loyalty. Like others in small industries, they identify the problems they are experiencing as stemming from the new government's support of large industries and elimination of assistance to small industries, in the name of the "free market." The garment producers have been particularly hard hit, however, as imported new and used clothing from the United States and elsewhere began

flooding the market and underselling them. For those who have retained active membership in the coop, current conditions have slowed their production to adapt to even slower sales, and many have sought other sources of income. Like many in Managua, some sell soft drinks or other items from their homes, and some, ironically, have even entered in the business of selling used clothing. As one woman put it, "the compañeras understand that I do it out of necessity."

The first half of 1992 saw an even more serious downturn for the cooperative. Their store, which had displayed racks of clothing made at home by members, stood nearly bare, and almost no customers came to make purchases. The women continued taking turns coming to the store, but mainly to safeguard their property and to share the meal that the women prepared together; everyone ate, regardless of ability to pay, and they had each other's company at a time when the mood was grim. Some expressed resentment that CONAPI had used them as a "battle horse" for the organization, praising their relatively long history and commitment, yet now that times are hard they hear nothing from the leadership. They are particularly bitter because the new president of CONAPI was in the garment industry himself but pulled out in time to avoid the problems these women are facing. They feel that he had a responsibility to advise them, but instead just looked out for his own interests.

Now the cooperative is dealing in isolation with the tough question of whether to sell their store and dissolve the coop or to hang on a while longer. On my last visit to the store, I found the women in low spirits, feeling defeated, with a single rack of clothing for sale. Sadly, the items were not produced by the women themselves, but were imported second hand clothing from the US. One woman summed up the present situation by saying, "The truth is, our chances of surviving here are few..."

Although the coop's clothing production has dropped off sharply, some members have put more time into attracting sales by selling to clients from their homes and from market stalls in streets near the coop's store. Some have added shoes or other merchandise to their offerings. Still others concentrate on working to meet the seasonal demand for new school uniforms or Easter dresses. Those who continue to sew are finding that acceptable quality fabric and thread at reasonable prices are more difficult to locate, and so more time is put into searching for supplies. For these women, adjustment policies that favor large garment factories have not yet put them out of business, but they are struggling harder to retain a minimal number of sales.

Industrial Bakers of Managua

My research in other coops revealed both similarities and differences in relation to the garment cooperative. The largest service cooperative of bakeries, Industrial Bakers of Managua, was established in 1979. More men than women became members, but many had wives who worked closely with them, and a number of women owners of bakeries were represented as well. They benefited from the coop's provision of basic materials such as flour at lower cost, and also belonged to CONAPI. In early 1992, however, the coop ceased to function, having been driven out of operation when suppliers of flour began selling directly to the bakeries at favorable prices. Unable to compete, the coop put its offices up for sale, and the bakeries I visited were already viewing their enterprises as independent. They see little advantage in affiliating with a trade union organization that is itself struggling for survival. Some bakery owners have adopted the attitude of the UNO regarding the desirability of open competition, though others look back nostalgically on the more protective

Sandinista years.

Bread producers would seem to have the advantage of engaging in a business that would have a constant demand. To a degree this is true, though as more bakeries open there is more competition, with larger enterprises having more chance of success. Some bakers reported changing with the times to offer popular items like pizza or sweet pastries. One bakery where I interviewed is well-known for its pizza, advertised on a large billboard in one of the busiest areas of Managua. The family that owns this bakery is proud of their college-educated daughter, who handles bookkeeping and manages the enterprise, no doubt contributing to the success they have had. Another family in the bakery business has cornered the market in one city neighborhood, with the mother doing business near a major traffic circle and her daughter managing her own bakery just a block away. The daughter has space for a half dozen tables where customers can sit down to enjoy pastry and something to drink, thus drawing more people to the bakery.

Francisco Estrada Cooperative

Five jewelry makers and five bark-work artisans came together in 1987, working out of the home of one woman, a German who had come to Nicaragua in solidarity with the revolution during its early years. They founded the Francisco Estrada Cooperative, named for an artisan and national hero. The men and women who made up their workshop included a woman who specialized in making ornamental wall hangings and other items from the bark of trees found on the Atlantic coast. She trained several other women who are now part of the artisans' cooperative, though she herself left to work independently.

Despite the high quality of their work, sales have been low, limited to

foreigners in Nicaragua seeking unusual artisans' crafts and the small number of Nicaraguans who can afford ornamental items. Two men recently left the coop, and the other members say that the men could not accept the crisis conditions that they were collectively facing. At present, members are slowing production and seeking new markets to increase sales.

As in the sewing cooperative described before, members of this coop are substituting time spent in marketing their products for production time. Often, a couple members will take off an afternoon to visit hotels or shops that might sell their jewelry or bark items. They are also exploring possibilities of exporting their work to European markets. To date, however, these efforts have not resulted in many opportunities to expand their sales.

Another strategy of the coop has been to try new techniques and designs to capture the interest of the buying public. This can backfire, however, as when two of the women invested many hours and costly materials to create several folding room screens with detailed bark work. The client who commissioned the work with a down payment failed to come up with the remaining money owed and the screens remain unsold. The coop has considered whether the bark workers should be apprenticed as jewelers (one already has been), since jewelry sales are somewhat more steady.

On a more positive note, a final strategy employed by the artisans in this cooperative has been to seek financial support to build a separate workshop and expand their productive capability. Following months of efforts, requiring many visits to various offices, CONAPI and a Norwegian NGO (nongovernmental organization) gave the coop the support they needed and construction got underway last year. The artisans hope that as their visibility and their productive capability grow, so will their sales.

Welders Cooperative

Finally, a fourth cooperative formed two years ago, after a group of ten formerly unemployed women completed a course in welding. Their preparation included not only ten months of technical training but also consciousness-raising workshops to ready them as women for non-traditional work. A sample of their work was displayed at an International Women's Day festival, and soon afterward they inaugurated their workshop in one of Managua's women's centers, sponsored by AMNLAE. The national coordinator of AMNLAE, Gladys Baez, was on hand and spoke at the gala opening. With high spirits, the women began their work with support from local organizations, making wrought iron chairs and tables, plant stands, and security bars for windows and doors.

In the early months, jobs kept them busy, but then work tapered off and interpersonal problems developed over how work was shared. Some felt that the co-coordinators were lacking in necessary skills. Other differences emerged when CONAPI sought their participation in the trade union organization and the director of the AMNLAE center resisted this decision on feminist grounds, saying that the women would lose their autonomy under the male dominated leadership.

By mid-1992, only two welders from the original group remained active in the coop. One of the co-coordinators, judged by others to be too much of an individualist for the cooperative, left to work in partnership with a male welder. Lack of work and heavy family responsibilities kept some women away, including a few who had hoped to resume their work later. Eight new women had begun a training course, but within a few months, only three of these women remained. The continuing coordinator of the coop surmised that the cost of transportation to the training center was prohibitive when the women lacked paid

employment.

Despite their setbacks, the remaining welders have devised several strategies for the survival of their coop. Besides continuing with the training of new women, they are also consulting with several individuals regarding the promotion of their work. One woman has been designated advertising manager and she is polling the others concerning ways of becoming better known around the city. At present, the women are receiving a few jobs by word of mouth and through the assistance of INATEC, the organization that trained them.

The future looks uncertain at a time when work in welding is competitive, and discrimination against women in the field is prevalent. Those remaining in the coop depend, for the most part, on other sources of family support to get through the current period. The women, whose group still lacks a name, are currently talking about refashioning themselves as a microenterprise--a legal entity of up to five workers--in order to go with the times and increase their likelihood of receiving a loan. Recently, two Peace Corps volunteers became involved with the welders, offering them workshops designed for women in small businesses and encouraging them to apply for development grants. If they take this suggestion, they will need to invest more unpaid time and it remains to be seen how much longer the women can hold out before seeing some return on their work.

Women in the Urban Informal Sector

As women in cooperatives and other formal sector employment are losing ground in Managua, many are turning to a precarious livelihood in the urban informal sector. There, small-scale production and commerce, often based at home, do not benefit from protective legislation or the representation of a trade

union organization. Although there is great diversity within the informal sector, earnings are typically very low (Chamorro et al. 1991).

Several factors have contributed to growth in the informal sector in recent years. While this sector of the urban economy has included over half of Managua's economically active population for several years, there have been some significant changes. Under the Sandinista government, some informal workers were "formalized" as they joined cooperatives and state enterprises. Now that these are being reduced in the interest of streamlining the economy, people are falling back on independent and informal activities.

Recent policy has had the effect of transferring even more workers from the public to the private sector. As mentioned, a plan for "occupational reconversion" was introduced to encourage public sector employees to leave their jobs and set up small businesses. Far from supporting sustainable enterprises, the plan resulted in a large number of people purchasing freezers in order to sell drinks or ice out of their homes. It appears that many who left public sector jobs were Sandinistas, considered undesirable by the new government, and women, viewed as appropriately turning their attention back home. Home is no refuge, however, when women must work double time to take care of families and earn incomes by undertaking a host of small-scale informal activities in manufacturing and commerce.

In one Managua barrio known for its high concentration of artisans and sellers and a smaller number of professionals, I have found city blocks in which a majority of households are also small commercial establishments, operating both informally and formally. Small restaurants, barbershops, carpenters,' tailors,' and mechanics' workshops are among the most visible. Less obvious from the street are the many households engaged in selling small quantities of fruits,

vegetables, soft drinks, or other goods out of their homes' front rooms. In the poorest families, children add to the family income by selling in the streets or by asking for tips for guarding parked cars.

My ongoing interviews with people in this barrio often lead from conversations about declining business and deteriorating standards of living to discussions of how women are attempting to survive crisis conditions. Generally taking place in people's homes, some of the stories they tell are poignant, as in the case of a young woman I spoke with one morning as her two young children sat nearby. Employed as a teacher, she was seeking other sources of income to support her family, since her husband's business failed four years ago around the time her second child was born. Under the Sandinistas they received the package of support to state workers that included rice, beans, and other foods. Now they receive no such benefits. She told me that her husband had been deeply affected by his unemployment, had consulted a psychologist, and later converted to an evangelical faith.

Another woman, much older, who has lived in the barrio for many years, is in somewhat better circumstances because several adults contribute to the household income. She herself manages a frontroom store, selling items that she advertises with a number of makeshift signs displayed outside her door along with a couple of campaign posters for the FSLN left over from the 1990 elections. The signs suggest the range of goods that she has sold at one time or another: "We have cheese, cream, beans, bread, and snacks;" "We have ice and ice cream;" "We have soft drinks;" "We have chicha;" "We have black dye;" "We have used clothes." She smiled when I asked if she sold all of these items now, saying that she currently sells just a few things, including bread, cheese, cream, eggs, soft drinks, and beer.

Beginning in 1960, she and her husband began selling materials for shoemaking. The business was declining by the late 1970s and then with the "Triumph" in 1979, they began the store she has now. During the next decade they expanded to sell basic grains, but by 1988-89 this business also suffered badly. Today, however, they are worse off. She attributed the economic problems of the Sandinista government to the war and the blockade, and said that at least people had something to eat since the government provided basic foods at lower prices. Before, there were loans for small businesses, but now those who can get them must pay high interest rates for short-term loans. In short, she said, with no money circulating and high unemployment caused by the poor administering of the capitalist government, the situation is critical.

A small retirement income that her husband receives helps this woman's family through a difficult time. Friends also help out with food and other needed supplies from time to time. Much of the personal support that this woman counts on, however, seems to come from her longtime political commitment to the FSLN party and to working with a group of mothers of the disappeared who get together regularly. As a community leader, she has a wide network of friends and acquaintances who help relieve some of the psychological pressure that she says is prevalent in the country as a consequence of the economic crisis. Her story suggests the importance of women's organizing to confront current political and economic conditions, and to maintain a safety net of social support.

Adjustment at What Cost?

Nearly all the women I talked to in Managua commented on the ways that they were coping at home and at work with low earnings, rising prices, and inadequate services. Many noted that their families' eating habits had changed, and instead

of waking up to large meals of rice, beans, eggs, and cheese, they just had a bit of gallopinto (mixed rice and beans) and coffee. Instead of having three abundant meals, including meat, each day, they included meat only about once a week in their diet. They looked longer and harder for less expensive foods. Other women cut back on transportation costs, opting to walk to places where they had formerly taken buses. Some who had the resources in the past to hire other women to wash and iron their clothes, were doing this work themselves. Those who had always done this work themselves were restricting it to once or twice a week to save on soap and electricity. In addition, with an apparent deterioration of physical and mental health in the country, women were taking on the care of family members in ill health.

These household responses to the crisis conditions brought on by adjustment policies in Nicaragua have a familiar ring, as they have parallels in a number of other countries. I suggested at the beginning of this paper that it might be time to reexamine women's strategies to confront crisis conditions in their paid work as well. By offering examples of women working in urban cooperatives and in the urban informal sector, I have tried to show that even in instances where production and sales have slowed down, working women often step up their efforts to get by. They often work longer hours to find affordable materials, to acquire the skills they need, and to gain access to markets for their products. The strain of surviving under conditions that are driving many small industries and commercial enterprises out of business must affect their ability to carry out family responsibilities, too. In this way, I would suggest, we need to examine the interconnectedness of women's unpaid and paid work, as both are extended as a result of neoliberal policies.

One of the women in the Women's United Textile Cooperative, mentioned

earlier, described the ways that she is getting along, illustrating the multiple strategies women employ at home and at work. Now 70 years old, Julia has been a seamstress for the last 30 years. She and her daughter have seven sewing machines in their Managua home, where they used to employ several other women. Julia joined the coop when it formed a decade ago, with a lot of enthusiasm. She regrets that a dramatic decline in demand for clothing produced by small industries in Nicaragua has meant that her sewing has stopped and her machines are idle. She still takes her turn at the coop's store, where sales are almost at a standstill, saying that the members are her "family." Like many others, Julia sells soft drinks and other items from a freezer in her home, where she has also begun selling used clothing from the United States. To save money, she has given up eating meat, and she gets around the city by truck, the cheapest form of transportation. She is not optimistic about the future, she says. With so much unemployment, no one can buy, and she sees little change ahead.

Structural adjustment, by introducing new competition and reducing national demand, has led to the decline of many urban cooperatives and small industries that were begun during the last decade in Nicaragua. Since women, including single mothers, were among the major beneficiaries of the coops and industries, the decline has hit them particularly hard. CONAPI reported that some 7,000 small and medium-size industries and services closed in 1992 alone, leaving just 3,000 shops registered with the Ministry of Economy (Barricada Internacional, January 1993).

More enlightened approaches to adjustment in third world countries have been proposed (Cornia, Jolly, and Stewart 1987; UNICEF 1989), and more recently writers have called for discussion of structural transformation as well as structural adjustment (Gladwin 1991). In Nicaragua, a nation that has seen

structural transformation of the last decade rolled back to a significant degree since the 1990 election, there is beginning to be more serious discussion of a "national project" and alternatives to the neoliberal economic model (Envío, December 1992).

Almost half of all households in Nicaragua's cities are headed by women and women make up at least 44% of the economically active population. Any policies that do not take gender into account will have particularly harsh effects on the health and well-being of single mothers and their children. My work and other recent studies have shown that structural adjustment is cushioned by women whose discretionary time and energy is already extremely limited. The human cost of recent policies will be seen in the long term if the consequences of these policies are not considered now. Clearly, there is a need for structural change, but who in Nicaragua or other Latin American countries is forced to make the most painful adjustment?

Acknowledgements

Research in Nicaragua was funded in 1991 by a Fulbright Senior Research Award, and in 1992 by a Wenner-Gren Foundation for Anthropological Research Regular Grant and a Faculty Scholar Award from the University of Iowa. The project will continue in 1993 with the support of the Faculty Scholar Award and an International Travel Grant from the University of Iowa.

An earlier version of this paper was presented at the meetings of the Latin American Studies Association in September 1992 (Babb 1992a), part of which appeared in Cultural Survival Quarterly (Babb 1992b).

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