

COORDINACION DE HUMANIDADES



PROGRAMA UNIVERSITARIO DE  
ESTUDIOS DE GENERO  
"Centro de Información y Documentación"

PNABC 276

12-03  
B79/  
4057

02186

THE SOCIO-ECONOMIC EFFECTS OF STRUCTURAL ADJUSTMENT ON WOMEN

Paper Presented to the OECD/DAC  
Paris, France

October 5, 1988

by

PHILIP BOYLE

Office of Women in Development  
Bureau for Program and Policy Coordination

1. Ayuda externa
2. Condiciones, macro-  
económicas
3. Productividad
4. Desarrollo
5. Género

# THE SOCIO-ECONOMIC EFFECTS OF STRUCTURAL ADJUSTMENT ON WOMEN

Philip Boyle

Office of Women in Development  
U.S.A.I.D.

October 5, 1988

## 1. Introduction: The Nature of Stabilization and Adjustment

The developing world is currently undergoing serious reorganization of its economic and financial relationships with the developed world. During the late 1970's and early 1980's a rapidly increasing number of poor countries worldwide found themselves facing worsening terms of trade, recession, rising fiscal shortfalls, accelerating balance of payments deficits, and soaring indebtedness. To attempt to remedy this critical situation, two types of adjustment were recommended by international financial institutions: stabilization and structural adjustment.

Stabilization was intended to be a short-run process (1-2 years) of fiscal and monetary contraction, coupled with currency devaluation. Through such changes aggregate internal demand was to be reduced significantly, in order to reduce imports and encourage exports. External demand for the latter would be raised through devaluation. Stabilization policies have generally been required by the International Monetary Fund as a condition for loan facilities.

Structural adjustment focuses on building a supply response to changed internal and international relationships. Emphasis is placed on increasing productivity and efficiency of the economy and the institutionalization of a capacity to produce tradeables, that is exportable goods or products capable of substituting for imports. The time frame for such restructuring was originally intended to be medium-term (3-5 years), but this has proven to be unrealistically short for most countries.

Stabilization and structural adjustment are normally undertaken in tandem by countries; the World Bank requires an IMF stabilization program be undertaken as a condition for an adjustment loan. Both programs stress greatly increased reliance on market forces and the private sector, with a concomitant withdrawal of the State from resource allocation.

It is, in fact, the State-created distortions in resource allocation through over-control of the economy by the public sector that is felt to be at the origin of countries' inability to adjust to changed international economic realities. However, the extremely successful East Asian NIC's (newly industrialized countries) are highly statist and have maintained continued and effective control over their economies during their period of rapid development (Eienefeld, 6-7, 1988). It is not statism per se, but the type of State control that must lie at the root of the deteriorating balance of payments situation in many Third World countries.

Structural adjustment is thus market-driven and "getting the prices right" is felt to be crucial to unleashing the proper reallocation of resources to find their highest-value use. Devaluation is normally the first step in the process leading from stabilization to long-term growth. A falling currency value should raise import prices and lower export prices, thus rapidly resulting in a new equilibrium state based on international realities. The problem has been that underdeveloped economies in general do not have the economic and organizational complexity to respond rapidly to the changed value of their currencies, and serious lags and rigidities prevent an orderly process of shifting of resources to most profitable uses. The real or imagined fear of uncontrollable political instability has also constrained many Third World governments in their adjustment efforts.

The second step in the adjustment process is the liberalization of capital and commodity markets. This is often difficult to achieve rapidly, and initial results can be counter-productive. The sudden release of pent-up demand following years of import controls on essential infrastructural replacement goods and luxury items may rapidly aggravate the current account deficit.

A further problem is that substantial international lending to adjusting countries to finance the foreign exchange costs of essential imports, coupled with the relaxation of import controls, may produce a short-run illusion of refound prosperity. Nevertheless, new debts continue piling onto older liabilities, the repayment of which is based on faith in a timely and appropriately-sized supply response.

The pressure on the public-sector budget, which is unremitting during the process of structural adjustment, is seen to be both necessary and inevitable. Nevertheless, the required short-run reductions in government expenditures may result in damage to the long-run potential of developing countries to build an efficient institutional and infrastructural base to support required shifts in resource allocation and production.

This becomes problematic because, in order to achieve medium-term restructuring of a developing economy through economic liberalization and open international competition based on comparative advantage, a country requires a fairly well developed economic and social base. At a minimum, this will require: "a strong administrative structure, a well functioning infrastructure, a relatively stable social situation, a substantial pool of entrepreneurial skill, a reasonably well organized and nationally controlled capital market and a significant indigenous technological capability (Bienefeld, 7, 1988)."

Few of the countries now practicing adjustment strategies can claim the socio-institutional and technological base necessary to make an orderly adjustment to renewed growth in the medium term. On the contrary, an overly hasty process of imposed adjustment may actually provoke serious damage to the social and political fabric of many of the poorest countries, many of which are African.

Furthermore, since every structural adjustment program takes place in a particular political and socio-cultural context, outcomes of policy modifications will be unpredictable in specific instances without taking into account these non-economic--but functionally interrelated--variables. Since policy makers seem currently unable to do so, it is unreasonable to expect successful restructuring of economies in the short-run, and longer-term successes will undoubtedly follow a period of experimentation.

This period of experimentation is certain to be far more complicated than "getting the prices right." It will involve, knowingly or not, manipulation of domestic political and socio-cultural factors until outcomes correspond to desired objectives. Successes may well be outnumbered by failures in the short run.

## 2. The Human Factor in Structural Adjustment

In order for structural adjustment programs to realize their long-term growth objectives, policy makers must begin to appreciate the important role of human behavior in the processes underlying the restructuring of national economies. This is because human behavior is not the same from one national or local economy to another. It is, in short, highly conditioned by microeconomic context, political environment, social values, and cultural characteristics. Consequently, the likely outcomes of policy reforms can only be estimated if such socio-cultural and political characteristics are fully taken into account.

On the other hand, the very strong recessionary impact of initial stabilization and adjustment measures has engendered a

concern in the last few years over the meaning of structural adjustment for the very poor or disadvantaged in many countries, generally termed "vulnerable groups" (see Cornia et al., 1987). The elimination of subsidies, cuts in social services, the rise of consumer prices, higher priced imports, reduced internal demand for many domestically-produced goods, the reduction in number of lower-level public sector employees, the lack of future employment for school graduates at all levels, all mean harder times for the lower socio-economic classes in most developing countries.

It is now generally agreed by international donor organizations that something must be done to protect the very poor and other vulnerable groups against undue hardship during the "crossing of the desert" into renewed prosperity. However, not nearly enough is yet known of the composition and characteristics of these groups.

Use of the term "groups", moreover, implies that this population must be relatively small; yet this may be far from the truth. In middle-income Morocco, for example, a government survey in 1984 established that 73% of the rural population and 40% of urban households should be classed as absolutely poor (Pascon and Ennaji, 38-39, 1986). Removal of the bread wheat subsidy under a proposed agricultural sector adjustment program, according to the World Bank, would result in the lowering of 26% of the total population below the level of nutritional adequacy (World Bank, 3, 1986). Care must be taken in the implementation of desubsidization measures to ensure adequate compensation to affected populations.

### 3. Women and Structural Adjustment

It is not an academic exercise to isolate women as a distinct group, when discussing the socio-economic opportunities and effects of structural adjustment programs. There are three important reasons for this:

First, women have distinct, often key economic roles in agriculture and in the commercial and service sectors. This includes much of household food production and agricultural wage labor worldwide and a growing involvement in self-employment and wage labor in small-scale enterprise, petty trade, and services, often in the informal private sector.

Second, there are important cultural and socio-legal barriers to the effective expansion of women's economic activities in many sectors of national economies. This will directly hinder the efficiency of the factor shifts implicit in the process of economic adjustment.

Third, the crucial economic support role of women in providing food, fuel, and water for their families, performing household chores, raising and educating children, and looking after the health and nutritional needs of infants must be appreciated. If women did not perform these tasks, men would have to do so. We would then begin to speak of the important opportunity costs of male unpaid labor. For the moment, such important household provisioning and maintenance work remains largely unseen and unevaluated. This is the hidden dimension of female productive capacity in the developing world.

#### Women and the Household: Women's Dual Productive Roles

Households constitute worldwide the basic unit of human organization. These fundamental production and consumption units must adapt to the opportunities and pressures of economic adjustment. It is here that new productive strategies are worked out to respond to changed price signals and perceived opportunity costs for alternative uses of family resources. It is grouped within families that populations face the rigors of forced unemployment of members, cutbacks in government services, rises in consumer prices, and general countrywide recession or depression. Extended family households and wider kinship groups constitute important "solidarity networks" to cushion and spread negative welfare impacts.

Decision-making in production and consumption activities is far from being the monopoly of the--usually--male family head. On the contrary, women tend to be the "mediators between the fluctuating opportunities in the wider environment and the daily subsistence requirements of poor households (Anderson and Chen, 12, 1988)."

What this means is that women are responsible for assuring the welfare of the household, even if they are not the principal wage earner. Women provision the household through purchase or production of basic foods and clothing, and collection of water and fuel. They produce milk and meat for family members through localized herding of animals, often with the help of children. Vegetables and fruits are raised in home gardens, the value of which can be substantial. A study by the Asian Development Bank, for example, has estimated the monetary value of Indonesian home garden production at about 60% of the total value of rice production in that country (Castillo, 27, Appendix A, 1988).

Women play the principal role in the education, both informal and formal, of their children, as well as assuring nutritional well-being and curative health services. This is not to say that males are not concerned with these important questions, only that women have the responsibility to see that these functions are carried out. Moreover, studies consistently

indicate that women "allocate more of their income directly to the budget or make intrahousehold distribution of food more equitable when they contribute to the food budget (Castillo, 29, Appendix A, 1988)." In the words of another study, "women are the last guarantors of the survival of the family through various types of work and services: wage and non-wage work (Castillo, 20, Appendix A, 1988)."

The severe contraction of the domestic economy in the early stage of structural adjustment programs, from which the majority of developing countries have as yet to emerge, requires households to find strategies which maintain viable levels of existence for their members. Eventually, such restructuring of family productive resources is expected to result in renewed national economic growth. For the present, many poor rural and urban populations are facing serious dangers to their well-being.

It is in the context of such adaptation to rapidly evolving external economic conditions that the dual productive roles of women within national economies take on great importance. Available time after household provisioning and maintenance and access to economic opportunities and resources constitute the major constraints to the expansion of female productive capacity. Nevertheless, women, by the very nature of their household responsibilities, are being forced to supplement family income through a variety of types of formal and informal wage work or self-employment, all characterized by increasingly marginal returns.

#### Women in Household Agricultural Production

In spite of cultural and socio-legal barriers to the expansion of their productive capacity, women perform a major portion of agricultural labor in the cultivation of food crops, particularly in Africa and Southeast Asia. Household maintenance, in many regions, is probably not even the most important role of women. On the contrary, it appears that women--in addition to their "unpaid" household activities--perform 60% to 80% of agricultural labor in Africa and Asia, and about 40% in Latin America (Leslie, 1987). In many African countries over 90% of women work in agricultural production--91% in Mali, 94% in Zaire, for example (ICRW, 26, 1988). Moreover, women participate fully in virtually all agricultural production activities, as well as assuring essential food preservation, processing and, in many regions, marketing.

Women not only supply the majority of the most tedious labor in household agricultural production, but are often instrumental in production decisions. This is particularly true for much of Africa and for the rice-growing economies of Asia. According to one study on Asian rice production, 20-25% of key production

decisions, ranging from credit, land preparation, planting materials, and fertilization, through harvesting, transportation of produce, and marketing, are made by the wife alone, 20-25% by the husband and wife together, and only 40% by the husband alone (Unnevehr and Stanford, 1985).

In spite of considerable latitude in managing farm production, women do not have the same access as men to productive resources, including general education, training, extension services, technology, credit, and ownership of land. Various barriers exist to deny them the same productive flexibility and productivity enjoyed by male farmers. These barriers may be cultural and traditional, or they may be explicit in law and policy.

Rather than serve to reduce such inequality of access, public policies and institutions tended to reinforce these barriers prior to structural adjustment. Thus, it is possible that withdrawal of the public sector from input supply, credit delivery, and marketing functions will improve the access of women to essential productive assets, inputs, information, technology, and marketing channels. Privatization provides an opportunity to increase women's access to inputs and markets, but, depending on the region and country, male dominance in commercial activities may hinder progress.

Although they cannot usually sell the land they farm, nor can they offer it as collateral for agricultural credit or other loans, women as sole farm managers are becoming increasingly common in many regions, particularly Africa. The percentage of female-headed households in the developing world is estimated at up to one-third of the total (Buvinic, Youssef and Von Elm, 1978). In countries in East Africa, such as Kenya and Botswana, from one-third to one-half of all rural households are headed by women (Youssef and Hetler, 1984). Most of these women are married to men who have migrated in search of work. Their remittances are usually woefully inadequate.

Lack of equal access to productive resources is a severe problem for these female farm managers. This is particularly evident for the most important support services, such as training and credit (Staudt, 1978). As a result, female-headed farming families suffer lowered productivity and diminished rural incomes. The number of such households appears to be growing rapidly under current conditions of recession and structural adjustment, as men continue to seek wage work in cash-crop agriculture or in the cities.



## Female Labor in Cash Crop Production

While most structural adjustment programs emphasise the transfer of scarce production factors from subsistence crops to cash crops for export or import substitution, the means by which household labor shifts from local food crops to entirely marketed crops is generally ignored. It is the availability of female labor, particularly during periods of conflicting agricultural labor need, that can determine the success of these shifts. Moreover, where surpluses of cereals crops, such as rice, depend on female wage labor, the introduction of new export-oriented crops may be seriously restricted or result in local cereals shortages.

Barriers to the movement of women's labor from food crops to cash crops will result in labor bottlenecks and inefficiencies in factor shifts, as populations attempt to take advantage of new price relationships. The key barrier to the shift of women's labor from household food production to cash cropping, whether undertaken on the family farm or on nearby estates, is the time and energy constraints placed on females by the need to provision and maintain the household. This is as true for landless women as for those who engage in some on-farm production.

Other barriers to female participation in cash-cropping as managers or co-managers of household production systems lie in their inability to acquire credit, market information, technology, and inputs. If such barriers to increased production on family farms were removed, women as out-growers in major export promotion schemes could greatly increase their household output and resulting revenue.

## Women in Non-Agricultural Labor Markets

Data are slowly becoming available on changing female labor participation in the formal and informal labor markets of countries undergoing macro-economic adjustment. Much of the preliminary work has been done in Latin America and the Caribbean, but patterns discovered there are likely to prove similar to future observations from many parts of South and Southeast Asia and Sub-saharan Africa.

The data indicate clearly that the economic crisis of the developing world in the late 1970's and early 1980's, coupled with the stabilization and adjustment measures initiated in recent years, have led to both increased participation of women in various labor markets, particularly the informal private sector, and a markedly decreased quality of the employment found there. As household welfare falls, active members seek outside employment of an increasingly marginal nature. This is particularly true for women who, finding fewer formal sector

opportunities than men, turn to unstable and usually part-time market production, petty services, and other informal sector activities. However, in spite of a general increase in employment in recent years, "in most countries unemployment rates for women were higher than for men during recessionary years, and throughout the 1980's (Berger, 23, 1988). Employment for women is rising, but the number seeking jobs is climbing even faster.

Even in the formal sector, non-agricultural employment now concerns approximately one-third of the total female labor force in many developing countries. This is roughly evenly divided between industry and services. However, women tend to be found in very low-skill jobs, with little room for advancement, training, or salary increase. In some regions, such as Latin America, women are overwhelmingly in services; only 10% to 20% of employed women are industrial workers (Leslie et al., 321, 1988). Employment in low-paying service jobs also explains the fact that women's wages have fallen during recent years faster than those for men.

The segmentation of labor markets by gender, a worldwide phenomenon, has failed to decline under recession and structural adjustment, indicating a lack of substitution of female for male labor in most sectors. Only in areas where women find employment in free trade zones have they penetrated formerly male-dominated manufacturing employment.

In rural areas women's productive activities outside of agriculture are most commonly found in cottage industries, such as handicrafts and food processing and preservation, petty commerce, and some services. These also form part of the informal private sector. This uncontrolled, and largely uncontrollable, world of small trade, micro-enterprise, and low wage opportunities is a growing phenomenon in developing countries, but is normally associated with burgeoning urban areas.

In many areas of the world, particularly Latin America and South and Southeast Asia, women are finding their way in increasing numbers into the urban informal sector, where wages and working conditions are far below those of the formal, government-regulated sector. According to a recent study by the International Center for Research on Women (ICRW), "the number of workers employed in the informal sector increased by more than 18 percent between 1981 and 1983 in twelve Latin American countries, while average earnings in the sector fell by 21 percent (Berger, 28, 1988)." The same study reports that when women enter informal sector jobs, the employment they find or create represents a permanent fall in economic status. They tend to have far more difficulty moving back into formal sector activity than men.

An allied phenomenon to the rise in importance of the informal sector is the "informalization" of the formal sector. Thus, under economic recession and adjustment programs many of the former benefits of formal sector employment are reduced. Wages, employment security, fringe benefits, and promotion have all been cut back severely under contraction of public sector budgets and stabilization-induced demand reduction programs worldwide.

Heightened unemployment and downward pressure on wages for men under structural adjustment programs has meant that women's cash income, although earned in menial wage work or from micro-enterprise activities, has taken on great importance in meeting the basic needs of the household. On the other hand, for the increasing number of female-headed households in most areas of the world, the general fall in wages and formal sector employment opportunities for women has resulted in a significant decline in their economic status, plunging many into absolute poverty (Berger, 30, 1988).

Ironically, the growing shift of family labor into cash wage work sometimes fails to result in a proportional rise in household welfare. Studies show that adult male household members often hold back a higher portion of their income for personal consumption than do their wives (Blumberg, 8, 1988). It is also possible that family income from whatever source may be appropriated by men, particularly the head of family, for personal use. Much more needs to be known about income disposal and sharing of various wage earners within the household.

In sum, under current recession and adjustment programs worldwide, it appears that unemployment of men and women is increasing, working conditions and wages for those employed in the formal sector are deteriorating, increasing numbers of men and women, particularly the latter, are finding job niches in a rapidly burgeoning informal sector, and for those finding employment in this sector, it is women who have the most difficulty acceding eventually to better quality work. The importance of female income within households is, thus, clearly on the rise, as well as the number of female-headed families, which tend to be among the most destitute. Finally, the shift from household subsistence production to cash cropping and wage work of family members may result in unequal sharing of proceeds, since men frequently use their own and possibly others' income to satisfy personal needs before those of household provisioning and maintenance.

## Women's Household Strategies: Unseen Adaptive Roles

Women in developing countries must balance the need to increase agricultural production or outside formal and informal wage work against the imperative to provide essential household maintenance and to assure health, nutritional, and educational services to themselves and to their children. The nurturing and socialization of the next generation, often called social reproduction, must not be taken for granted.

Exacerbating the economic pressures forcing family members (including children) into marginal occupations, is the cutback in health and education services, or the imposition of cost recovery programs for these and other social services, such as water supply. Women, whose duty it is to care for the educational and health needs of children, are especially concerned by these cutbacks. Not only is much of the public savings made at the cost of additional unpaid household work, but reduced social services place women in the bind of needing to spend more time in the home caring for children, while, at the same time, requiring increased income to meet pressing health and educational expenses. Moreover, the very number of children to be cared for can be expected to climb, as family planning options are reduced.

Increasing resort to traditional home health practices and to collaborative forms of child care is to be noted worldwide under current economic conditions. This has been made necessary by the need for women to supplement meager incomes of male household members or to provide for their families in the absence of their husbands or other adult males. In Latin America "mothers' clubs" constitute simple day care centers, in which mothers alternate participation in weekly shifts (Cornia, 96, 1987). Self-help collaborative housing activities, popular kitchens, and mutual assistance in agricultural production are other forms of adaptive strategies which women have initiated in the 1980's.

While there is no firm evidence thus far that girls are being withdrawn from school to replace their working mothers in the home, such a trend may yet appear in future data. Although education budgets as a proportion of national budgets have shrunk in recent years, this cannot yet be correlated with reduced female access to primary education.

There is as yet no empirical evidence attesting to a reduction in health service use under structural adjustment, although a downward trend in health expenditures within many countries is to be noted. Nor is it clear what the price elasticity of demand for health, education, and water services may be in various areas, as user fees and fees for services are instituted for cost recovery.

Should future trends reveal that use of educational and health services have fallen for the poorer population of developing countries, women will suffer more over the long run. This is because girls are often obliged to defer to boys in access to such services and because increased access to health facilities and primary education has been instrumental in recent years in aiding young women to gain entry to labor markets.

The reduction or elimination of food subsidies has potentially dire consequences for the poorest of the poor, who may, in fact, be quite numerous in relative and absolute terms, even in middle-income countries. According to the World Bank, as we have seen, up to 26% of the population of Morocco would fall beneath the level of nutritional adequacy with the desubsidization of the price of bread wheat.

Consumption strategies, designed to safeguard food intake, health and nutrition levels, and clothing and shelter as household income falls or as food, clothing, and energy prices rise, are devised and managed by women as part of their household provisioning responsibility. Common adaptive behaviors include: changes in purchasing practices, in order to reduce the cost of existing food and other household necessities; changes in types of goods and services consumed, particularly true of food items, clothing, and domestic help; modification of dietary patterns; and deliberate altering of intra-household food distribution.

The most critical changes in household consumption patterns involve changed dietary practices. Cornia, who notes that poor households already spend from 60% to 80% of their total income on food, states that these families "are forced, first to increase the proportion of food expenditure in total expenditure; secondly, to concentrate their food expenditure almost exclusively on calories; and thirdly, to substitute cheap for expensive source of calories (Cornia, 99, 1987)."

Evidence suggests that food distribution within households may be altered as economic hardship is felt. Under extreme poverty little may be left for particularly young children, after adult males, then females take their shares. This is particularly true for scarce proteins, such as meat. The health of lactating mothers is also negatively affected, when diets do not allow enough for all family members. The negative effects of these practices on the health and productivity of future generations are incalculable.

#### Other Household Adaptive Strategies

Selling household assets, particularly productive assets, and incurring new debt to local merchants and moneylenders is a common survival strategy of poor families, but it can result in a downward spiral from which recovery is rare. This is

particularly the case for female-headed households, whose small size and reduced productive and income-generating capacity precludes accumulation of sufficient surplus to reconstitute assets. The increasing number of such woman-headed or woman-supported households and their progressively marginalized economic situation is the reason that women can be considered disproportionately represented among the poor in the 1980's.

Another common household survival strategy under economic hardship is increased reliance on intra-familial income transfers. This is particularly important for female-headed households but can involve several related nuclear families. The extension of important kinship links to redistribute income between closely related, but residentially distinct, households seems to be on the rise in many areas. This provides a cushion for households whose senior male members have migrated on a long-term (or permanent) basis in search of economic opportunity.

#### The Economist's "Black Box" Explored

Recent research efforts by a variety of scholars have sought to penetrate the "black box" of the household. Of importance for knowing how populations will react to the rigors of structural adjustment is an appreciation of intra-household decision making. This is not simply an academic question, but one which determines how families will reallocate scarce resources, particularly labor, to new productive ends and how and what they will consume.

The response of householders to more rational price signals and to the perceived opportunity costs of reallocating resources will, in most cases, require a process of negotiation within the household. Far from being the convenient "black box" of classical economics, the household is, in the words of one researcher, "an uneasy aggregate of individual survival strategies (Schmink, 1984)." In it male and female roles join or conflict, and what may appear to be an irrational decision from a policy-maker's point of view, will probably be quite comprehensible when the full range of female activities and productive roles are taken into account. More household survey research needs to be undertaken in this area.

#### 4. Conclusion: Structural Adjustment, Development and Women

Program lending by major multilateral and bilateral donor institutions represents a bold attempt to realign macro-economic relationships between developed and developing nations. Structural adjustment theory, based as it is on the power of market mechanisms to relaunch faltering economic growth, is billed as a necessary, if painful, prescription for progress. The danger is that macro-economic reform may come to be seen as a

panacea, a medium-term cure for chronic underdevelopment.

If stabilization and adjustment policies are to result in renewed, sustainable economic growth in developing nations, policy makers must better understand the "actual decision-making environment of private-sector participants (Timmer, 27, 1988)." This includes impacts of policies on small farmers, landless peasants, and urban poor consumers. It also includes understanding the technical and human dimensions of farming systems, rural-urban exchange, and alternative income-generating strategies of men and women in both rural and urban areas.

In short, renewed growth with equity will require a great deal more understanding of the human dimension of structural change than is currently the case. Policy makers and development assistance agencies must know the basic socio-economic, cultural, and gender characteristics of the populations they seek to transform; that is, they must know "who does what, what resources they use, who has access to and control over these resources and why, where the restrictions to actions lie, etc. (Anderson and Chen, 14-15, 1988)."

The recent concern within UNICEF and the World Bank to cushion the impacts of structural reform on the poor and other "vulnerable groups", while laudable, risks begging the question of the fundamental nature of underdevelopment and the path or paths to renewed socio-economic progress (see Cornia et al., 1987; Demery and Addison, 1987). In spite of worthy intentions, underdevelopment, poverty, and human suffering will not disappear with the successful implementation of structural adjustment programs. Alternative and supplementary strategies need to be studied immediately, for the world beyond structural adjustment must not be allowed to overwhelm us in 10 to 15 years. By such time, for example, the populations of many of the poorest countries will have risen 50 percent.

#### Importance of the Gender Issue in Future Development

A consideration of the differential effects of structural adjustment policies on women must not become an academic exercise, replete with jargon and stock phrases. This is not simply an equity concern; it is, rather, an integral part of a growing need to examine the human dimension of development strategies. Further, the need to examine the special place and roles of women in developing economies goes well beyond the fact that they compose half the population and should, therefore, be given equal consideration with men.

The importance of the gender issue lies in the dual productive roles of women in the developing world: household provisioning, maintenance, and social reproduction, on the one

hand; increasing participation in wage labor, micro-enterprise, and subsistence farming, on the other. The trade-offs are complex and as yet only partially understood.

Some trends stand out, however, and have certainly been accentuated by structural adjustment programs. Women are increasingly adopting important income-generating strategies to supplement reduced male incomes, and it is unlikely that this pattern will ever be reversed. At the same time, large numbers of women worldwide are finding themselves the sole support of families, both in rural areas and in cities. Further, women are not only increasingly important in food and cash crop production in many countries whose prospects for long-term industrialization are poor at best; they are also seen as a growing labor source in first-level industrialization, such as processing or assembly plants.

Women's new economic roles will require heightened access to labor-saving devices and practices, education, and health services. Investment in female human capital is, consequently, crucial to economic progress in most developing countries under structural adjustment and beyond. More than this, the solutions to the very real problems of escalating population growth and the mental and physical quality of the next generation are largely in their hands.

#### The Need for More Information

The preceding discussion has dealt primarily with elucidating the critical roles women play in productive processes in the developing world and the general ways these roles are affected by severe recession and contractionary policies. Women's productive activity, however, is dualistic, occurring both within the household and in the wider economy, and it is changing. Women are responding to or creating a great variety of employment opportunities under the current economic crisis. Nevertheless, the real barriers they encounter in expanding their involvement in national economies must be understood by policy makers.

In spite of gender-specific barriers, women are responding positively and in large numbers to new opportunities for income generation, particularly in the informal sector. These income-generating strategies, too, must be understood more clearly by policy makers. Women constitute a valuable productive resource, which can be tapped for national economic progress in ways that have not been considered in the past. To do so, we must know more about their present adaptive strategies and the potential constraints to the expansion of their productive endeavors.



Policy makers need more information on the likely impacts of various reform packages on a wide variety of population groups, in order to avoid social unrest from ill-advised actions. As they seek to stimulate productive energies within the population, while minimizing socio-economic inequities, they must be guided by empirically-based knowledge. The case has been made here that considering women's economic roles and actual and potential contributions to national economies is necessary to assure a rapid and effective transition to renewed growth with equity.

Donor organizations have an important role to play in assuring that adequate information is gathered on the effects of policy reforms on populations. They should encourage countries undergoing structural adjustment to monitor the impacts of their reforms on various population groups, disaggregating data by gender. In many cases, donors will need to provide funding and technical assistance to promote these efforts within restructuring countries. If need be, information-gathering and monitoring procedures and products may have to be made part of lending conditionality.

## Works Cited

1. Anderson, Mary and Marty Chen. 1988. "Integrating WID or Restructuring Development?." Paper prepared for AWID Conference, Washington, D.C. April, 1988.
2. Berger, Marguerite. 1988. "Women's Responses to Recession in Latin America and the Caribbean: A Focus on Urban Labor Markets." Paper presented at workshop on "Economic Crises, Household Survival Strategies and Women's Work", Cornell University, Ithaca, N.Y. September, 1988.
3. Bienefeld, M.A. 1988. "Structural Adjustment and Its Impact on Women in the Developing Countries." Paper submitted to Canadian International Development Agency. February 15, 1988.
4. Blumberg, Rae. 1988. "Making the Case for the Gender Variable: Women and the Wealth and Well-being of Nations." Research monograph prepared for the Office of Women in Development. USAID. Washington, D.C.
5. Buvinic, Mayra, Nadia Youssef, Barbara Von Elm. 1987. "Women-Headed Households: The Ignored Factor in Development Planning." International Center for Research on Women. Washington, D.C.
6. Castillo, Gelia. 1988. "WID at ADB: A Promise of Integration". Asian Development Bank.
7. Cornia, Giovanni, Richard Jolly, Frances Steward, eds. 1987. Adjustment with a Human Face. Vol. 1: Protecting the Vulnerable and Promoting Growth. Clarendon Press. Oxford.
8. Demery, Lionel and Tony Addison. 1987. The Alleviation of Poverty under Structural Adjustment. The World Bank. Washington, D.C.
9. Joekes, Susan, Margaret Lycette, Lisa McGowan, Karen Searle. 1988. "Women and Structural Adjustment. Part II: Technical Document." Paper prepared for OECD/DAC. April 18, 1988. Paris.

10. Leslie, Joanne. 1987. "Women's Work and Child Nutrition in the Third World." Report prepared for the Carnegie Corporation and Rockefeller Foundation, International Center for Research on Women.

11. Leslie, Joanne, Margaret Lycette, Mayra Buvinic. 1988. "Weathering Economic Crises: The Crucial Role of Women in Health." In Health, Nutrition and Economic Crises: Approaches to Policy in the Third World. David Bell and Michael Reich, eds. Auburn House. Dover, MA.

12. Fascon, Paul and Mohammed Ennaji. 1986. Les paysans sans terre au Maroc. Editions Toubkal. Casablanca.

13. Schmink, Marianne. 1984. "Household Economic Strategies: Review and Research Agenda." Latin America Research Review. 19:3:87-101.

14. Staudt, Kathleen. 1978. "Administrative Resources, Political Patrons, and Redressing Sex Inequities: A Case from Western Kenya." Journal of Developing Areas. July, 1978.

15. Timmer, Carole. 1988. "Agriculture and Structural Change: Policy Implications of Diversification in Asia and the Near East." Background paper for the USAID/ANE Conference on Agriculture in the 1990's. Harvard Institute for International Development. Cambridge, Ma. September, 1988.

16. Unnevehr, Laurian and M.L. Stanford. 1985. "Technology and the Demand for Women's Labor in Asian Rice Farming." In: Women in Rice Farming Systems. International Rice Research Institute.

17. World Bank. 1986. Morocco--Second Agricultural Sector Adjustment Loan (Annex 2): "Compensatory Measures to Alleviate the Impact of Food Subsidy Reduction--Expanding Food Security Programs." Washington, D.C.

18. Youssef, Nadia and Carol Hetler. 1984. "Rural Households Headed by Women: A Priority Concern for Development." Rural Employment Program Research Working Paper. International Labor Organization. Geneva.