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**The Relevance of Women's Unpaid Work to Social Policy in Developing  
Countries  
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**Abstract**

The failure of orthodox economic models to generate growth and eradicate poverty has led to renewed interest in social policy (seen as part of the 'post-Washington Consensus'). Drawing on a comparative research project, this paper illustrates why the current agenda of social sector restructuring (which strengthens commercial provision and social insurance models based on 'labour market' contributions) is likely to entrench gender inequalities in access to social services and income supports, while doing little to enhance the capacity of families, communities, and societies to provide care (both paid and unpaid) that is fundamental to human welfare. Despite the 'pro-poor' and 'productivist' policy rhetoric, the actual design of 'new' social policies is largely blind to the needs of those who provide unpaid care (i.e. their contributions do not count). To address these concerns would require a major re-thinking of social policy, placing issues of redistribution and solidarity (cross-subsidies) at the heart of policy design. This is essential if unpaid work is to be 'counted in' and valued, and if the providers of unpaid care are to get access to entitlements as citizens in their own right.

**The Ascendance of Social Policy**

Judging by the policy pronouncements of diverse development actors, if the 1980s were about 'abstracting the economic from the social', then the 1990s and beyond surely signal a rediscovery of 'the social' (Mkandawire 2004), and a welcome, if belated engagement with it (Molyneux 2002).

By the late 1980s it was already evident that poverty and the social disruptions associated with stabilization and adjustment were not merely transitional phenomena. Global policy pronouncements became less assertive about the imperative of cutting social spending, more apologetic about the imposition of 'user fees', and began to acknowledge that social policy could have a vital role to play in the development process. The dilemma of how to respond to social needs while remaining within the constraints of macroeconomic stabilization was resolved by attempting to 'target' social expenditures to populations most in need (Vivian 1995). Certain expenditures were thereby re-allocated, for example from secondary to primary education, and

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supplementary programmes, ‘safety nets’ and ‘emergency funds’ were developed for the poor.

By the late-1990s a consensus seemed to be emerging on the importance of social provisioning and social protection, especially in a globalized economy where vulnerabilities were accentuated due to exposure to external risks.<sup>2</sup> This was reaffirmed by the 1997 Asian financial crisis, which prompted the G7 to request the World Bank to formulate ‘social principles’ and ‘good practice of social policy’ as a guide to policy makers worldwide. Some of the subsequent work on social protection within the World Bank was reflected in the *2000/2001 World Development Report (Attacking Poverty)*, which identified ‘social risk management’ (SRM) as the most sustainable basis for coping with risk and reducing the vulnerability of the poor. In this framework, the state was expected to provide ‘risk management instruments where the private sector fails’ in addition to ‘social safety nets’ for risk coping for the most vulnerable (Holzmann and Jorgensen 2000: 18)—displaying continuities with the earlier generation of minimal safety nets. At the same time, the state’s role in the development process as well as in ensuring effective governance was increasingly recognized (World Bank 1997).

The ‘post-Washington Consensus’ thus seemed to embrace many of the concerns that had been hitherto voiced by critics, such as poverty reduction and social protection, participation, and ‘good governance’, yet without abandoning the neo-liberal basics centered on economic liberalization and fiscal restraint. Indeed, there seems to be widespread adherence today to the view that if globalization is to stay on course, then it must be ‘tamed’ or ‘embedded’ through social policies and political reforms.<sup>3</sup> The model of ‘embedded liberalism’ (Ruggie 2004) posits the simultaneous liberalization of markets, and the strengthening of institutions for social protection and provisioning. What scope is there within this eclectic (if not incoherent) framework for an engagement with gender issues, especially with the issue of unpaid work? This is an important issue to address because of the assumption at the heart of the ‘embedded liberalism’ model that the deleterious effects of macroeconomic policies can be redressed through ‘social policies’, where the latter are at least implicitly assumed to be equitable and woman friendly. As we shall see, this assumption is highly questionable.<sup>4</sup>

## Is ‘the Social’ Gendered?

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<sup>2</sup> That this was not merely a rhetorical shift becomes apparent from the increasing share of Official Development Assistance (ODA) going to the social sectors (UNRISD 2005: Figure 8.1). Moreover, in several countries, levels of public social spending were restored in response to popular pressure and discontent (UNRISD 2005: Table 3.3).

<sup>3</sup> The *Report of the World Commission on the Social Dimensions of Globalization* (ILO 2004) is a good example of this genre of thinking.

<sup>4</sup> As the work on Gender Responsive Budgets has shown, to ensure that public expenditure is actually reaching women and girls equitably, for example, and that women benefit from mechanisms promoting social security, gender policy objectives have to be set and mechanisms put in place to guarantee that public expenditures are channeled to these areas, and to the provision of infrastructure and services that contribute to a reduction in women’s unpaid labour time.

Has the belated engagement with ‘the social’ provided a more comfortable terrain for policy makers to address the issue of unpaid work, and unpaid care work in particular, which forms the bedrock of social protection and provisioning in both developed and developing countries? Are social policies likely to value the unpaid work that is done primarily by women and to secure those providers social entitlements in their own rights as citizens? In this section I begin with some basic conceptual issues before turning to social policy reforms, especially in the developing countries, and their implications for unpaid work and the security of those who provide such work.

*From welfare states to developmental social policy*

There has been a long-standing feminist critique of economic theory, which underlines its androcentric assumptions (for example, of individuals being autonomous and selfish within the market) and its neglect of different forms of unpaid work. One would think (naively perhaps) that social policy thinking would display less ‘male bias’ and be more attune to unpaid work and the welfare and security of those who provide such work. After all, some of the comparative work on modern welfare states (especially Esping-Andersen 1990) emphasized the important relationship between work and welfare. In this work, ‘de-commodification’ was defined as ‘the degree to which individuals, or families, can uphold a socially acceptable standard of living independently of market participation’ (ibid: 37). One would therefore have expected at least some problematization of unpaid work, and its interface with paid work and welfare, because it constitutes a non-market realm that contributes to welfare (‘the acceptable standard of living’ of families, though not necessarily all individuals within those families), and also because it structures patterns of paid work.

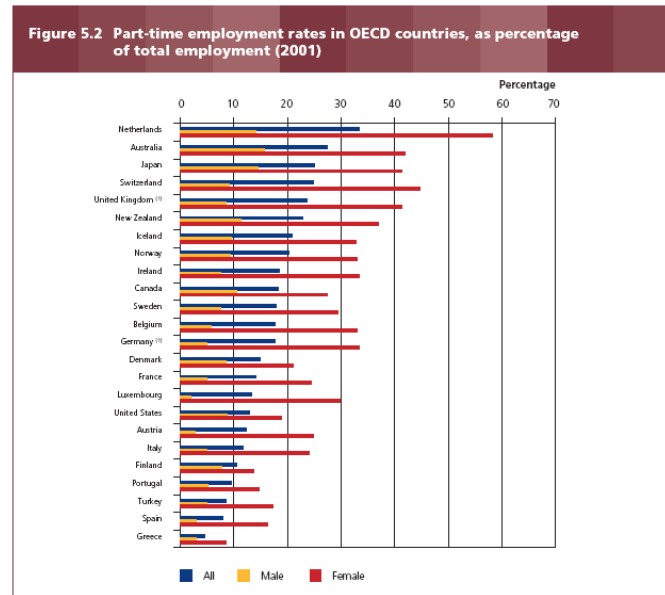
That was not to be the case as far as the early comparative work on advanced welfare states was concerned. Concepts such as ‘decommodification’ (besides being confusing) were highly gendered and had a male worker in mind, whose political mobilization was dependent as much on unpaid household work (carried out mainly by women) as state policies (Lewis 1992). Feminists criticized the concept for centering on ‘labour as a commodity’ and for neglecting the work carried out by individuals who are outside the labour force (Sainsbury 1996). Women, they argued, ‘disappear from the analysis when they disappear from the labour markets’ (Lewis 1992:161).

Some important ideational shifts have taken place in the recent decade or so, which seem to suggest greater gender awareness on the part of policy actors.<sup>5</sup> At the level of the European Union, for example, there has been a shift in policy assumptions about the contributions that men and women make to families. The ‘male breadwinner’ model seems to have been replaced by, what Lewis calls, an ‘adult worker model family’. According to this model both adults engage in paid work. Yet importantly, not much is made of the differences in women’s and men’s labour force participation, in particular women’s much higher rates of part-time work, even in gender-egalitarian Sweden (see Figure below). This carries major implications for their economic security and well-being in old age, especially in countries with pension systems that

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<sup>5</sup> This paragraph draws on Giullari and Lewis (2005).

closely connect pension benefits with years in paid work (Stark 2005). Policy assumptions about gender seem to be running ahead of social realities (Giullari and Lewis 2005).



What about unpaid work? Here the assumption made by governments and policy experts is that the work of care will increasingly shift to the formal, paid sector. But again, policy assumptions do not seem to reflect social realities. Even though there has been increasing commodification of care, unpaid care remains significant and continues to be carried out largely by women (within families, households, and community and kinship networks) even in the more industrialized countries (see Table 1 which provides evidence for selected OECD countries).

**Table 1 Time spent in unpaid and paid work by men and women in two adult families with a child under 5 years old (average hours per day).**

	Men (average for all men)		Women (employed full time in paid work)		Ratio: Women to Men	
	<i>Unpaid</i>	<i>Paid</i>	<i>Unpaid</i>	<i>Paid</i>	<i>Childcare</i>	<i>All unpaid</i>
Canada (1998)	4.0	6.3	5.1	5.9	1.4	1.3
United States (1995)	2.5	6.2	4.2	4.9	1.9	1.7
Denmark (1987)	2.3	7.2	4.0	5.4	2.0	1.7
Finland (1987)	2.8	6.1	5.6	3.9	2.8	2.0
Sweden (1991)	3.7	6.4	6.1	3.9	1.9	1.6
Italy (1989)	1.8	6.6	6.4	4.2	2.7	3.6
UK (1995)	3.1	6.3	7.4	3.5	1.4	2.4
Austria (1992)	2.2	6.9	5.8	4.7	2.2	2.6
Germany (1992)	3.4	6.1	6.2	4.1	2.1	1.8
Netherlands (1985)	2.9	5.2	6.2	1.7	2.4	2.1

Australia (1997)	2.9	6.1	4.6	6.0	1.8	1.6
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Source: *OECD Employment Outlook*, Paris: OECD, 2001, Table 4.5, p. 140.

As detailed research on the key institutions that organize care (the family, the market, the voluntary sector, and the public sector) has shown, it is not possible to fully de-familialize care. Not only does this have important implications for women’s engagement in paid work (and economic independence), it also means that a case has to be made for the ‘recognition of care work as something that is worthwhile and necessary, which in turn necessarily involves *valuing* it. Human beings need care—it is a human activity—which means that we must also consider the way in which care work is shared in societies, both between men and women at the household level, and between the individual and collectivity’ (p.12). Giullari and Lewis find the Capabilities approach, pioneered by Amartya Sen, conducive for valuing care, and justifying the kind of policy measures that are needed to provide a real choice for both women and men in respect of paid and unpaid work.

Does unpaid work receive adequate attention in social policy debates elsewhere, in particular in the development context? We cannot talk about a policy mind-set across such diverse regional contexts as sub-Saharan Africa, South Asia, Latin America and the Middle East, in the way that one can talk about the EU policy framework. But there are pointers from different countries and regions to suggest some shared trends, and some important differences.

The concept of ‘developmental social policy’, which is sometimes used interchangeably with the notion of ‘productivist’ welfare state, has appeared in very diverse policy contexts. The early ‘productivist’ logic in East Asian social policy was premised on protecting and enhancing conditions for male workers in selected core industries, concentrating public expenditure on education, and relying on the family for the provision of care. The concept of ‘developmental social welfare’ also appears in various South African government documents, where it is defined as a welfare system ‘which facilitates the development of human capacity and self-reliance within a caring and enabling socio-economic environment’ (Hassim forthcoming). Here it seems to have, perhaps unintentionally, created a hierarchy of entitlements in which wage-earning programmes such as ‘public works’ are ideologically privileged over social assistance programmes. In debates about the child support grant (a non-contributory grant paid to the carer on behalf of the child), for example, ‘there was a strong view among many in government that welfare grants reinforced apartheid privileges, had no developmental potential and should be phased out in favour of greater attention to programmes such as community-based public works’ (Lund cited in Hassim forthcoming: 20-21).

A key concern that underpins the ‘productivist’ logic in its different manifestations is the long-standing anxieties about the disincentives that welfare ‘handouts’ can create for work effort, leading to apathy and clientelism. Paid work, on the other hand, is seen as contributing to development while providing a route out of poverty. There is clearly some truth to this logic: economic and social policies must be able to create economic dynamism and full employment—what East Asian developmentalist states were amply able to achieve in the 1970s and 1980s, and what is so out of reach for many developing countries in the present era (though what is not sufficiently

recognized is that what is needed for poverty reduction is decent employment, since some forms of paid work actually entrench poverty and erode people's capabilities). But even with this proviso, the 'productivist' logic remains problematic because it does not take into account the relationship between paid and unpaid forms of labour, and it does not acknowledge that the latter is as important in meeting needs and providing welfare as the former.

Education, health and contributory pensions are often treated as productive investments, while welfare grants are regarded with suspicion and devalued, especially when they compensate women for their unpaid care work. But such income supports can play a crucial role in helping households provide care, smooth out consumption and build up the capabilities of all household members, as the evidence on the South African Old Age Pension clearly shows (see below). So there needs to be a place for cash transfers or non-contributory income supports such as child allowances, family benefits and non-contributory pensions within 'productive' welfare—resisting the notion that these are 'handouts' for passive clients. Social realities, however, are forcing the issue of unpaid work onto the policy agenda, and bringing forth a diverse array of responses.

#### *Making unpaid work visible*

We know that as the toil of housework has been reduced in the more affluent countries, caring responsibilities have become the main reason why women cut back on their market based activities. In these countries 'the emphasis has shifted from seeing the household primarily as a site of work, although it undoubtedly still is, to seeing it as a site of care, which it undoubtedly always was' (Himmelweit 2000: 5).

In the less commoditised economies the unpaid economy includes both unpaid care (looking after young children, the elderly and the sick and frail), as well as a significant amount of unpaid non-care work which can include domestic food cultivation and small livestock management, food processing and preparation, fuel and water collection, and so forth. All these activities consume time and energy and carry economic significance for the household. Livelihood research pays lip service to them, but few studies collect systematic data concerning women's unpaid work. As a result, it is difficult to trace the implications of liberalization on unpaid work burdens and on health and nutrition indicators (Jackson and Rao 2005). The latter may only become manifest over the long term. There are a number of existing time use surveys for developing countries, but the available information has not been brought together in any systematic way.

Domestic burdens inflict upon many African women a 'time famine', limiting their possibilities of engaging in productive work (Blackden 1997). Others already spend a great deal of time on very poorly rewarded work, if and when such work is available (Whitehead 2001). Even if they do not suffer the acute gender discrimination over access to food that occurs in South Asia, their general level of physical well-being is affected by the long hours they spend on energy-intensive work, and by repeated childbearing. Maternal mortality rates are high compared with other regions, and have been rising in recent years. Even where there is no demonstrable direct effect of women's unpaid care burdens on measurable economic productivity, women's health and nutritional status, and their children's suffer. There are therefore good reasons for reducing women's unpaid work burdens, even if these burdens do not operate as an

inevitable binding constraint on the daily allocation of their time to so-called productive pursuits.

HIV/AIDS has intensified the burden of unpaid work carried by many women and girls in sub-Saharan Africa, cruelly exposing the inadequacy of prevailing assumptions about women's 'coping' capacities (Mackintosh and Tibandebage forthcoming). The numbers are staggering:

close to 83 percent of all AIDS deaths by 2001 had occurred in Sub-Saharan Africa, including 90 percent of those dying before 15 years. In 2000 92 percent of the global total of 13.2 million AIDS orphans were in SSA (UNAIDS 2002; Africa Action 2000). As women and men aged 15-49 succumb to the epidemic, the elderly are forced to take care of their terminally ill adult children and then to care for their orphaned grandchildren. (Mackintosh and Tibandebage forthcoming)

The responsibilities and family costs associated with caring for the sick are heaviest in countries where the health and social infrastructure is thin (more on this later). Girls may be withdrawn from school to support the family; older women are left to provide for many dependent orphans of their own deceased sons and daughters. A recent assessment of the economic and social impact of HIV/AIDS in Tanzania found 34 percent of carers of orphans interviewed in schools to be grandparents, some of them taking care of as many as eight grandchildren (ESRF 2004 cited in Mackintosh and Tibandebage forthcoming), while in South Africa and Uganda 40 percent of orphaned children were found to be living with their grandparents, and in Zimbabwe more than half (*ibid.*).

The care burden imposed by the HIV/AIDS epidemic has brought home the point that there may not be an unlimited supply of caring labour available. This is forcing questions about care and its provision onto the policy agenda, and calls for 'home care' and 'community care'. However as Francie Lund (forthcoming) rightly points out, concepts and practices such as 'community care' and 'home-based care' conceal the fact that 'it is people living in families and neighbourhoods who do the caring' (p.14). While there can be many positive values about community care (both for the carer and the person who is being cared for), it is often introduced 'in a cost-cutting environment as part of a neo-liberal regime which also carries conservative messages about the primacy of the family, and women's place in the home' (*ibid.*). Despite these problems it is noteworthy that in South Africa there are now proposals for community care work to be considered as part of 'public works programmes', and for those providing such care to be paid a wage much like those doing manual work as part of public works (Lund 2005).<sup>6</sup> The idea of paid care work is to be pilot-tested as part of a large and expanded public works programme. There are of course many political and ideological questions and problems associated with creating a low-paid care work track that is likely to be largely occupied by women. But as Francie Lund (2005) argues, even though the proposal may not work in practice 'it is putting the idea of care work as something that costs women, right on the map' which is strategically important.

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<sup>6</sup> The proposal for the extension of public works programme to care work has apparently been passed politically but it is now stuck inside the Social Development Ministry (personal communication, Francie Lund, 26 September 2005).

Different dynamics seem to be at play in East Asia. Here the rapidly ageing population, together with fertility decline and changes in the family structure and in gender relations are imposing new demands (see Table 2). In Japan, ‘the crisis of the family’ has been brewing since the 1980s, and feminists have advocated for more social care (depicting the traditional family as ‘a caring hell’ for women). Ito Peng (forthcoming) describes how in the context of the political shifts that took place in the post-1993 period social policy and the expansion of social care became electoral issues. Care of the elderly shifted from being means-tested to rights based, while public supply of childcare was increased and parental leave extended. Somewhat similar developments took place in South Korea, where political regime shifts and demographic and structural changes combined to turn social welfare expansion into an electoral issue, especially after the Asian financial crisis of 1997. In China, however, one of the responses of the state to the care needs of a rapidly ageing population was to make it legally binding on the offspring to care for their elderly parents.

**Table 2 Family structures in Japan and South Korea 1980-2000**

	1980	2000
<b>Japan</b>		
Nuclear	60.3	58.4
Three+ generation	<b>19.7</b>	<b>13.6</b>
Single Person	<b>18.1</b>	<b>24.1</b>
<b>Korea</b>		
Nuclear	76.8	75.0
Three+ generation	<b>17</b>	<b>8.4</b>
Single Person	<b>4.8</b>	<b>15.5</b>

Sources: Peng forthcoming (MHWL (2001) *White Paper on Health, Welfare, and Labour*; KNSO (2003) *Future Household Projection*).

### **The Welfare and Security of Unpaid Workers**

The restructuring of the social sectors in the post-1980s period has been driven by a number of objectives in line with the ‘neoliberal’ logic of fiscal restraint and subsidiarity. These have included the increasing liberalization of private sector provision, pressures for cost recovery within the public sector (leading in turn to the imposition of various fees and charges for public services), decentralization of service provision to local governments, and a general shift to a pluralistic system with a mix of public, private and voluntary providers. There is fairly widespread agreement that social sector reforms (health, education, pensions) have had among other things the following outcomes: they have entrenched the commodification of public services through the imposition of ‘user fees’ and other charges as well as various insurance models, enhanced the role of the private for-profit sector in the provision of social protection and services (sometimes through the privatisation of what were previously state/public services), and shifted some of the unmet need for welfare onto families (re-familialization).

**There is a perverse logic here: more care work is being shifted onto the family or household (which means women, in a context where care work remains stubbornly feminized), but those who are expected to provide the care deficit—the unpaid carers—have difficulties themselves in accessing social services and supports because these are now increasingly provided either on a commercial basis or on the basis of years in paid work (labour contributions).** Below we will consider some of the reforms in health, pensions and family benefits which have followed this logic, while drawing attention to alternative arrangements which strive to be more inclusive. The emphasis on ‘alternatives’ underlines the point that, depending on the political alliances and social forces at play, there may be spaces for policy experimentation and heterodoxy even under the current ‘neoliberal hegemony’.

### *Health Sector Reform and Unpaid Work*

Nowhere is this perverse logic more apparent than in the context of health sector reform, especially as it has been carried out in sub-Saharan Africa where as we have seen the HIV/AIDS epidemic has imposed a heavy demand for unpaid care. Mackintosh and Tibandebage summarize HSR as

a shift to greater ‘commodification’ of health care – that is, its provision as a set of discrete services for market payment or government ‘purchase’ on behalf of citizens – plus reduction of government activity and more systematic priority-setting in government spending based on cost-effectiveness of interventions. (p.5).

They further argue that the key change—to more extensive and explicit reliance on private payment—is likely to have disproportionately disadvantaged poor women, who typically undertake a disproportionate share of unpaid care and who often need to finance their own health expenses (and those of their children). They cite the available evidence showing how women have suffered disproportionately from fee-based care (in countries such as Nigeria, Zimbabwe and Tanzania, there is evidence of falling hospital admissions of pregnant women and increased maternal deaths).

A common policy response to the exclusionary effects of ‘user fees’ has been the promotion of mutual health insurance schemes as well as social insurance schemes. Unlike social insurance schemes, which are employment based, mutual health insurance (MHI) schemes are voluntary schemes to promote the inclusion of the poor and vulnerable by pooling their risks and providing exemptions for those unable to pay. MHI is therefore one form of insurance that does not demand huge upfront payment (as in private insurance which is beyond the means of most people in developing countries) or labour force attachment (as in most social insurance models). Those providing unpaid work would therefore theoretically have a place in these schemes.

However most community based MHI schemes face the problem of low participation rates and lack of financial sustainability. In Tanzania, for example, many rural Community Health Fund (CHF) schemes have not been able to extend their participation rates beyond ten per cent of eligible households (Tibandebage 2004). Inability to pay constitutes one of the main reasons for non-enrolment, which is likely to affect women more severely given that they are more cash constrained than men

and are likely to have more health needs. It is also not clear how such schemes can provide exemptions for the poor and ensure financial sustainability in the absence of significant subsidies from the state—given the difficulties of having cross-subsidies from the better off in small-scale voluntary schemes.

Enrolment in social insurance programmes is very often employment based. In the case of developing countries, coverage has tended to be limited due the large size of the informal economy, and the high rate of evasion of contributions, even by employers and employees in the formal sector (Huber 2000). For these reasons, even though social insurance schemes facilitate resource mobilization via contributions, they may not be the most effective vehicle for extending coverage to the majority of the population, particularly women who have tenuous connections to the labour market because of their unpaid work. In many parts of sub-Saharan Africa, for example, women are economically very active, but they are less likely than men to receive a wage or salary for their work (see Table 3), and hence much less likely to be part of social insurance schemes.

**Table 3. Selected African countries: percentage of the labour force that is female, and percentage of the male and female labour force receiving wages or salaries (most recent year available)**

Country	Year	% labour force female	% male labour force waged	% female labour force waged
Ghana	1990	51	33	9
Ethiopia	2000	41	10	7
Kenya	1995	46	32	12
Nigeria	1995	36	49	33
Tanzania	2000	42	n/a	n/a
Uganda	1995	48	21	7
Zimbabwe	2000	45	51	22
Zambia	1995	45	31	9

Source: Mackintosh and Tibandebage (from World Bank GenderStats <http://devdata.worldbank.org/genderstats>, accessed on 27 April 2004 and 24 April 2005.)

Unpaid workers are thus likely to be excluded from social health insurance schemes. This can also be seen as a major lacuna in the health sector reforms being undertaken in China at the moment.

Health sector reform in China is taking place alongside a fundamental restructuring of the labour force marked by massive unemployment in the state industrial sector and large-scale migration of the rural work force into global factories (Lee 2005, Wang forthcoming). Under the pre-reform health system women enjoyed very high employment rates, and hence direct entitlements as workers to some form of health insurance, and as spouses of workers they had the right to have 50 percent of their medical expenses reimbursed. However, the rate of women's participation in the formal work force has decreased sharply. A 2003 survey in Shanghai indicated that

the employment rate of women in the 16-54 years age group had declined to 52.6 percent, and their unemployment rate had reached 22.5 percent (ibid).

The 'basic health insurance scheme for urban workers' (also known as the Liangjiang Model), which is the principal component of China's health insurance scheme for the urban population, covers those who are in the formal work force and have permanent residence permits, thereby leading to the exclusion of informal workers, migrant labourers and those who are not part of the workforce (unpaid workers). These exclusions are exacerbated by the scheme's highly individualistic design, which does not provide coverage for the 'dependents' of the insured (which means the exclusion of unpaid workers attached to those covered by the insurance scheme). Furthermore, a social insurance model with gender-neutral design and individualized accounts is likely to produce very unequal outcomes for men and women in terms of access to benefits (relative to need) when it is filtered through structural inequalities, especially inequalities in wages/income, years of employment, retirement age and life expectancy. If coverage in social insurance programmes remains employment-based and individualised with little subsidy from the state, then women's labour market disadvantages are likely to feed into their weaker claims on health care, and unpaid workers will be categorically excluded.

If, on the other hand, the government steps in with financial subsidies to compensate those with lower contributions and those outside the work force, then the potential for a more egalitarian welfare system will be enhanced. This is the path taken by the South Korean National Health Insurance (NHI), which has expanded its coverage since the late 1970s, and which can claim to be universalistic since the latest wave of reforms undertaken in 2000 (Kwon and Tchoe 2005).

Universalization has been achieved by creating two separate health insurance funds (or risk pooling groups) that are managed by the NHI Corporation: one fund is for wage and salary earners who pay contributions on their taxable incomes, and the other is for 'residence-based' members (the self-employed, farmers, temporary workers who are not classified as wage and salary earners) whose contributions are calculated on the basis of different criteria such as the assets they own, sex, age, and number of family members;<sup>7</sup> the third source of funding comes from government subsidies.

Kwon and Tchoe's (2005) assessment of the redistributive impact of NHI integration (across different income groups) shows that among the first group (wage and salary earners) integration has had a positive impact on redistribution, with the lower income groups paying much less than before, while the highest income groups are now paying more. Their data is not disaggregated by gender. However, if we assume that women cluster among the lower income categories (a realistic assumption), then the impact of integration can be judged positively from a gender perspective. The assessment also found positive evidence of redistribution among the residence-based members group, where women in precarious work conditions and in full time care are likely to be found. Yet the evidence from household expenditure surveys reviewed by the authors also shows that out-of-pocket payment for health has in fact increased relative to income for the lowest income groups in 2000 compared to 1996, which dampens the

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<sup>7</sup> Households headed by women, or with infants and elderly members, are considered to be less well-off (Kwon and Tchoe 2005).

overall redistributive impact of NHI. Kwon and Tchoes' overall assessment is that while integration has increased equitable burden sharing, it has not yet improved overall equity because NHI's share of total health expenditure is still close to 55 percent, while the rest is borne by households themselves.

### *Pension Reform and Unpaid Work*

The reform of public pension programmes has gone ahead in a large number of countries over the past decade or so, especially in Latin America and Eastern and Central Europe. While the old pension systems were in most cases encountering serious problems (contributions not being paid by both employers and employees, and especially the self-employed; high administrative costs charged by unaccountable bureaucracies), they became exacerbated when economic crisis struck. Pension reform therefore became part of the structural adjustment programmes undertaken by governments and overseen by the international financial institutions (IFIs). While there was a general consensus that pension systems needed urgent reform, there was no corresponding consensus on a desirable replacement model (Huber and Stephens 2000). Moreover while there was a range of possible remedies to the problems of pension systems, the IFIs and their domestic allies preferred a particular model of reform, 'privatization' which had been tried in Chile in 1981 under the military dictatorship. The superiority of the 'Chilean model' was justified on several grounds, including its financial viability (by establishing closer links between contributions and benefits and improved work and saving incentives), the strengthening of capital markets, and its lower administrative costs. While this model was pushed forward in a number of countries (e.g. Mexico, El Salvador, Bolivia), pressures from the World Bank proved less effective in the more democratic countries, such as Costa Rica and Brazil, where it was strongly resisted, and in Uruguay, Colombia, Peru and Argentina, it was watered down (ibid).

In the debates surrounding the adoption of reforms, concerns with gender equity were largely mute. Yet the move towards privatization has major gender implications (Huber and Stephens 2000, Arenas de Mesa and Montecinos 1999). Here I will briefly compare the implications of pension reform in Chile (which is the only privatized pension system in existence long enough to allow for some assessment of its consequences), with a very different system of pension provision, namely the non-contributory Old Age Pension (OAP) as it operates in South Africa from the point of view of income security for poorer women who spend a disproportionate share of their lives doing unpaid work.<sup>8</sup> For reasons of space it is not possible to describe in any detail the workings of these two systems, or the political circumstances under which they have been imposed and reformed (see references cited in this section for a more thorough analysis). It is important to underline that both the equalization of pension benefits (along racial lines) in South Africa, and the extension of coverage to rural areas and people in informal work situations in Brazil happened in the context of political democratization which helped forge a new 'social contract'.

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<sup>8</sup> The expansion of social insurance to workers in informal and rural employment in Brazil, which was crystallized in the 1988 Constitution upon the return to democracy and then implemented, has resulted in a large increase in the coverage of the rural older population, along somewhat similar lines to South Africa (see Barrientos 2004).

We must begin first by making the point that for women in many developing countries (even those with a ‘social state’ as in some parts of Latin America), who typically spend large parts of their lives outside the paid workforce, and even for those who do paid work on an irregular basis, access to a pension or health insurance often becomes possible through their relations with a fully employed husband or father, as a *derived* rather than individual entitlement. In general therefore we can say that women have not been well covered in pension programmes, whether public or private, given their exclusion from the more formal labour market niches. But what is being suggested here is that the privatization and individualization of pension provision has exacerbated the existing gender-based exclusions and inequalities.

In a nutshell we can say that the fact that pension benefit levels in privatized and individualized systems correspond closely to the overall contributions by the insured person (it is the individual rather than the group characteristics that counts), and that women typically earn less money and work for fewer years than men (taking more regular breaks for various care-related reasons), means that women receive considerably lower benefits. Since women’s higher life expectancy is taken into account in most private systems, women’s benefits are further comparatively depressed. In public systems with defined benefits, there are generally similar gender discrepancies. But women’s disadvantages are usually mitigated by generous minimum pensions, by the fact that life expectancy does not affect benefit levels, and by credits given for years spent caring for children. The last feature was particularly strong in the ex-socialist countries, where the ‘caring credits’ were financed by cross-subsidy within the pension system.

In the case of Chile as the table below illustrates, there are numerous factors in the private pension system that disadvantage women: the 20-year requirement for contributions (equal to men’s); the strict calculation of benefits based on one’s entire career which militates against women who have lower wages and who contribute on average for fewer years; the pressure to retire later so as to earn a higher pension; and the fact that life expectancy is now considered when calculating the benefits. So a typical woman who spends some of her working life doing unpaid work and caring for others is likely to receive a much lower pension, and may not even qualify for the minimum basic pension (which is subsidized by the state) because it requires at least 20 years’ contribution.

**Table 4 Comparison between public and private pension systems in Chile**

	Public pension		Private pension system	
	Men	Women	Men	Women
Requirements for old-age minimum pension (years)				
Affiliation	15.3	9.6	0.0	0.0
Contributions	7.7	0.0	20.0	20.0
Retirement ages	65.0	60.0	65.0	60.0
Requirements for the calculation of pensions				
Salaries	Between 10% and 3% of working life (last 5, 3, or 1 years)		100% of the working life	
Years of contributions	30 or 35 years <sup>a</sup>		100% of the working life	
Rate of return of	Not considered		Considered	

pension fund		
Pension fund commissions	Not considered	Considered
Retirement ages	Retirement age does not affect level of pensions	The higher retirement age the higher level of pension
Life expectancy	Not considered, therefore women were favored	Considered. Insured with long life expectancy (women) get lower benefits
Dependents	Not considered. Some get an additional year of contribution for each child	Considered. Insured with dependents get lower benefits than insured without dependents

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<sup>a</sup> For men, this represents 66% or 77% of their working lives. For women, it represents 75% or 88% of their working lives.

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Source: Arenas de Mesa and Montecinos 1999

The South African OAP system works on very different principles. It is a non-contributory scheme, which means that it is funded from general revenue rather than individual contributions. Women at age 60 and men at age 65 become eligible to receive a monthly pension from the state, provided that they qualify in terms of an income-based means test. The following findings emerge from recent research on the OAP (all sources cited in Lund forthcoming).

- It is well-targeted in racial terms (for example it reaches 80% of the African population, most of whom are poor, and an insignificant number of the white population).
- it is well targeted to rural areas
- it is well targeted to women, because they live longer, draw the pension earlier, and are poorer (three times as many women as men receive a pension)
- it is valued for its reliability
- it contributes to the security of the households in which elderly people live
- it contributes to the production of livelihoods of elderly people themselves, and of other and younger family members.

**Unpaid workers (like workers with incomes that fluctuate and are below the cut-off rate) effectively have a guarantee of partial economic security in their elderly years, affording them an earned place in the household.** The OAP is now recognized for making a distinctive contribution to poverty alleviation – both for pensioners themselves, and for people in the households in which they live (the majority of poorer older people in South Africa live in three-generation households). This is most timely in view of the already mentioned demands that the HIV/AIDS epidemic is imposing on older people, especially older women in terms of care and provisioning for your orphaned grandchildren.

#### *Family Benefits and Unpaid Work*

The last area that I want to consider briefly is that of family/child care benefits. States ‘support’ families and children in a multitude of ways, including maternity and childcare benefits and leaves, cash transfers or tax exemptions to name a few. These can be provided as universal flat-rate benefits, or be means-tested and targeted to

families with children that fall below a certain level of income; they can also be employment linked (as in maternity and child care benefits). As Nancy Folbre rightly points out, while family allowances vary widely the common characteristic they share is that they ‘defray only a small percentage of the cost of children, and fail to protect women adequately from the increased risk of poverty that motherhood imposes’ (1994:122-3). Moreover, while concern for the well-being of families and children is very often an important stated aim of these measures, what states do and the conditions on which benefits are made available also carry other implicit (if not explicit) objectives and consequences, supporting particular models of the family and of gender relations, as well as concerns about over- or under- population (often mixed with crude eugenic and racist motives).

The attention to children and their needs is of course nothing new (especially in development cooperation and the aid industry), but the recent policy interest in ‘human capital’ and ‘social capital’ seems to have given child-centred programmes renewed impetus and force. While historically child-centred programmes have often been premised on maternalist<sup>9</sup> assumptions, and have often served to entrench women’s traditional duties as mothers and wives, this is not merely a historical relic. In a recent analysis of the Mexican anti-poverty programme, *Oportunidades* (or PROGRESA as it used to be called before it was re-launched in 2002 under its new name), Maxine Molyneux (forthcoming) provides evidence of how the new anti-poverty agenda is premised on maternalist assumptions that naturalizes motherhood and takes women’s unpaid work for granted.

*Progresas/Oportunidades* is the most extensive programme of its kind in Latin America. While it began as an anti-poverty programme for rural areas, coverage was extended to 4.2 million families in 2002 (of whom 2.9 were rural), and by 2005 it covered five million households. It is a targeted programme ‘that attempts to combine short and long term objectives of sustainable poverty reduction, as advanced by the social risk management approach’ (p.23). The families that are selected based on means-testing, are given cash transfers to assist them in meeting the financial and opportunity costs of their children’s school attendance (to facilitate female education, girls receive a bigger stipend); this is supplemented by additional cash to assist child nutrition. At a practical level, the programme works through ‘mothers as the key to securing improvements in the life chances of their children, born and unborn’ (p.23). One of the guiding principles of this programme is its emphasis on participants’ ‘active managements of their risk’ through what is called co-responsibility (in line with the social risk management outlined by the WB). As Molyneux explains:

Co-responsibility is formalised through a quasi-contractual understanding that in return for the entitlements proffered by the programme, certain obligations are to be discharged by the two parties, that is, the programme and the participating mother. This conditional form of entitlement, although well established in other regions, and originating in the United States, is of more recent origin in Latin America but it is being widely adopted. In this case the responsible participants (mothers) receive their

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<sup>9</sup> Maternalism or the use of the ideology of motherhood to legitimize women’s political activity, underline their special expertise, contributions, and moral authority, and claim certain rights, has featured in women’s political activism in diverse historical and regional contexts. The acceptance of traditional gender roles has rendered maternalist movements and demands controversial. The protean character of maternalism also leant itself to subtle shifts from ‘a vision of motherhood in the service of women to one serving the needs of paternalists’ (Koven and Mitchel 1993:5).

stipend conditional on fulfilling the duties laid out by the programme managers: this involves taking children for regular health checks, meeting targets for ensuring their children's attendance at school, attending workshops on health and programme co-ordinators meetings, and contributing a set amount of hours of work to the community, typically for cleaning buildings or clearing rubbish. Failure to comply with the requirements can lead to being struck off the programme (pp.24-5).

As a human development intervention, the programme has had some important achievements (increasing school attendance, improving child nutrition); it has also shown some sensitivity to gender issues (making the cash transfers directly to women, as well as providing bigger education stipends for girls). But critics contend that the programme suffers from the usual problems associated with targeted interventions: means-testing has generated 'a lack of trust, social divisions and feelings of envy and exclusion' among those not selected, stigmatization of those identified for assistance, and the creation of community divisions and tensions. Moreover there are concerns that providing cash stipends does not resolve—and cannot be a substitute for—the fundamental problems with weak and run-down public services.<sup>10</sup> In addition, there are concerns that the programme has intensified the women participants' unpaid workloads by naturalizing motherhood and done little to strengthen their labour market skills and their access to income and economic security. As Molyneux puts it:

In effect *Oportunidades* creates a dependency on a subsidy which confirms mothering as women's primary social role, one which may enhance their social status and self respect, but nonetheless puts them at risk of remaining in poverty for the rest of their lives. These programmes unambiguously rest on normative assumptions concerning 'women's roles' so that the work women undertake in ensuring that children's needs are met, is taken for granted as something that mothers 'do'. The social relations of reproduction therefore remain unproblematised, and the work performed easily naturalised (p.32).

Very different assumptions and requirements underpin the South African 'child support grant', which replaced the racially based 'state maintenance grant' in the aftermath of the democratic transition (Hassim forthcoming).<sup>11</sup> The changes to welfare provisions for children were overseen by the Lund Committee, which was able to introduce an important discursive and administrative shift in the area of child/family grants by moving away from the familialist 'male worker/female carer' model of social policy in recognition of the great diversity of family and household forms in the South African context. The Committee thus chose to adopt a "'follow the child" policy, with emphasis on the child rather than the carer – in other words, the grant would be paid to the primary caregiver on behalf of the child' (Lund Committee 1996 cited in Hassim forthcoming, p.20).

While the Lund Committee was not able to resist the pressure for means-testing (the Committee favoured a universal grant), it insisted that if means-testing were adopted, it should be a simple economic test and should not in any way 'depend on a definition of a family' (ibid). On targeting and means-testing the Committee voiced many of the

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<sup>10</sup> Personal communication with Diana Alarcon (27 September 2005), from the research department of the Inter-American Development Bank which is the main funder of *Oportunidades*.

<sup>11</sup> Like other aspects of social welfare the 'state maintenance grant' was awarded on a racially differentiated basis with whites receiving the highest amount followed by other groups. Although African families constituted the majority of poor households, only two per 1000 African children received the grant.

concerns encountered in targeted programmes: the administrative costs on the system, the costs on parents and the fact that it could act as a disincentive especially for foster parents; it also noted the biases in the selection process given the extensive powers of 'traditional leaders' in rural areas. However, in the end the Department of Welfare maintained a two-tier means test to establish eligibility for the grant (both an income test, and proof that the carer is actively seeking work) (Hassim forthcoming).

While there are many concerns and issues with the size of the grant (the budget had to be extended to a much larger population but within a fiscally constrained climate) and the problems in its delivery (huge backlogs, children that are not being reached because they lack the relevant identity papers), recent evidence suggests that since its recent extension to older age groups, for the 0-6 years olds in 2004, at the national level the grant is going to 71% of poor children and to nearly half (3,398 619 of 6,368 801) of all children in these age groups (Leatt 2004).

### **Concluding remarks**

The failures of orthodox economic policies have led to a renewed interest in 'the social'. Concern with the social costs of macroeconomic policies, and the risks generated by open economies, have combined with the interest in 'human capital' to shift 'social policy' onto the policy agenda. While feminists have often shown an interest in the redistributive mechanisms of social policy, such mechanisms have weakened in recent years as equality and redistribution as core values underpinning public policy have been displaced by a 'market oriented' logic that introduces 'individualised' methods of risk and benefit calculation into social insurance programmes (for health and pensions), and weakened public services for those with high risks and low 'contributions'. This is a logic that condemns core values of solidarity and redistribution and penalizes those whose contributions are 'unpaid' or on the periphery of the formal/visible economy. It condemns poor women in particular to elusive special projects and 'safety nets' that apart from being patchy can also invoke and depend on certain gendered assumptions about women's identities, interests and responsibilities.

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