



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

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# The Ascendance of Social Policy

## ■ Late 1980s social costs of adjustment

- Popular discontent with social costs of stabilization and structural adjustment
- ‘Adjustment with a Human Face’ 1987
- Work on ‘human capital’ within the World Bank
- Response: targeting and ‘safety nets’

## ■ Financial crises of the 1990s and social protection

- Asian financial crisis 1997
- G7 requests WB to formulate ‘social principles’
- Response: Social Risk Management; WDR 2000/1 *Attacking Poverty*

## ■ ‘Post-Washington Consensus’: Rediscovering ‘the social’

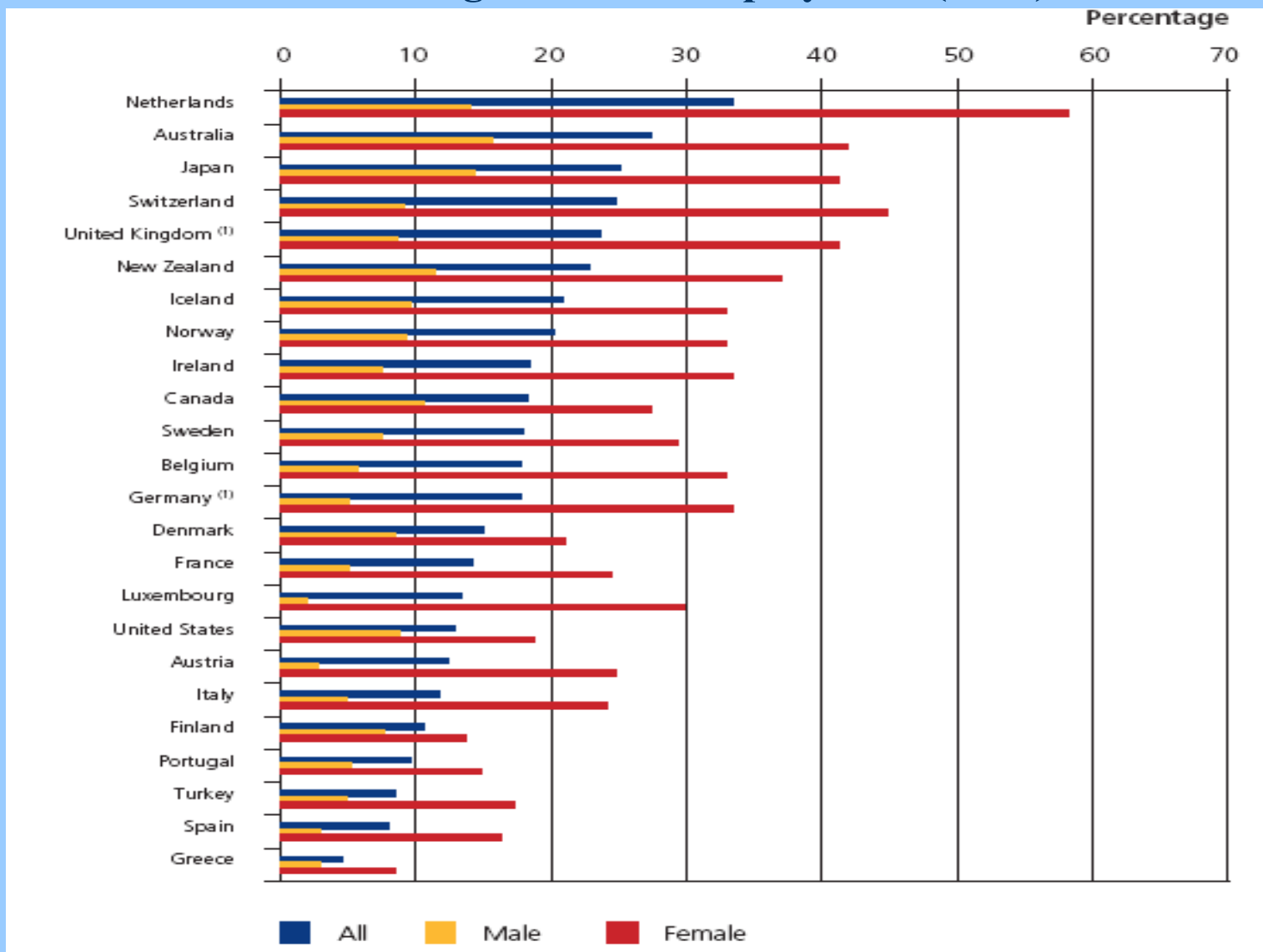
- social protection, ‘good governance’, participation
- Global focus on poverty PRSPs and the MDGs
- ‘embedded liberalism’ 2004 (WCSDG)



## Where is the gender in ‘the social’?

- **Welfare state research: work and welfare (esp Esping-Andersen 1990)**
  - ‘De-commodification’ & labour as commodity
  - Unpaid work invisible
  
- **New policy mindset (EU): ‘Adult worker model’ (Lewis and Giullari 2005)**
  - Assumes gender equality in paid work
  - Assumes commodification of care

## Part-Time Employment Rates in OECD Countries, as Percentage of Total Employment (2001)



Note: (1) Data for 2000.

Source: ILO 2003.

**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

Source: OECD Employment Outlook, Paris: OECD, 2001, Table 4.5, p. 140.



# Developmental social policy

- **‘Productivist’ welfare capitalism (Holliday 2000)**  
**East Asia – South Korea, Japan**
  
- **Prioritise education & social insurance for ‘core’ male workers**
  - care provision by ‘family’
  
- **Developmental social welfare’**  
**South Africa – RDP 1994 & White Paper on social welfare 1997**
  - **Hierarchy of entitlements (Hassim forthcoming)**
    - ❖ ‘Public works’ privileged
    - ❖ social assistance (e.g. child support grant) lacks developmental potential
  
- **‘Productivist’ and ‘developmental’ welfare**
  - welfare ‘handouts’ = disincentives for work effort
  - Unpaid work and care naturalized as something ‘mothers’ and families do



# Social realities forcing unpaid work onto the policy agenda

## ■ Sub-Saharan Africa – HIV/AIDS

- Region where women carry heavy workloads (paid and unpaid) and responsibilities for care and social provisioning of their children
- Care burden of HIV/AIDS—women, especially grandmothers (ESRF 2004)
- Call for ‘home-based care’ and ‘community care’
- In South Africa proposal for community care work to be considered as part of an expanded public works programme (Lund 2005)

## ■ East Asia – fertility decline, population ageing, changing family structures

- Feminist advocacy (Japan) depicting traditional family as ‘caring hell’ for women
- Post-1993 political shifts (Japan) → expansion of social care (elderly, child care) and extension of parental leave
- 1990s economic crisis & political democratization (South Korea) → expansion of social welfare



# Commercialization of Welfare: Driver of Gender Inequality

A perverse trend in welfare provisioning?

- Social sector restructuring → commodification of welfare (‘user fees’ and other charges on public services) → exclusion due to inability to pay → re-familialization of care → intensification of women’s unpaid care work

**BUT**

- Women as providers of unpaid work/care → cash constraints → exclusion from commodified welfare





# Health Sector Reform

- **Health Sector Reform as promoted in SSA has promoted a shift to greater ‘commodification’ of health care:**
  - **liberalization of private clinical provision and pharmaceutical sales**
  - **retreat of government towards a mainly regulatory role + direct provision of some services in public health + responsibility for ‘basic’ health for the poorest**
  - **user charges for government health services, for government-provided drugs and supplies, and for community-based health services;**
  - **decentralisation of health systems to local government control;**
  - **a shift towards insurance rather than tax-based financing mechanisms. (Mackintosh and Tibandebage forthcoming).**



## Financing Mechanisms & Social Exclusion

- **Introduction of fees and charges in public health facilities & increasing reliance on private (out of pocket) payment**

**As a response to the exclusionary effects of ‘user charges’**

- **Promotion of mutual health insurance (MHI) (voluntary schemes)**
  - **Low participation rates (e.g. Tibandebage 2005 on Tanzania)**
  - **Financially unsustainable**
  - **Little space for redistribution and cross-subsidies**
- **Promotion of social insurance schemes (employment-based)**
  - **Limited coverage in countries with extensive informal economies**
  - **Some attempts to extend coverage to informal and independent workers BUT needs government subsidies (e.g. Costa Rica)**
  - **SSA – several countries have SHI (Kenya, Ghana, Mozambique, Tanzania) but limited coverage for women due to their low rates of formal employment**

**Table 3. Percentage of the labour force that is female, and percentage of the male and female labour force receiving wages or salaries**

<b>Country</b>	<b>Year</b>	<b>% labour force female</b>	<b>% male labour force waged</b>	<b>% female labour force waged</b>
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.)



# Social Insurance Models: China and South Korea

## ■ China: HSR and Economic Restructuring

(1) Sharp decline in female LFP and high unemployment rates

(2) ‘Basic Health Insurance Scheme for Urban Workers’ or Liangjiang Model; promulgated and piloted 1996-1998 (Wang forthcoming)

➤ **Basic features of the Model are:**

- ❖ A public fund
- ❖ personal or individualised accounts (‘gender-neutral’)
- ❖ three-stage payment system

➤ **Groups that are covered under the Model are:**

- ❖ those in formal employment
- ❖ those with permanent urban residence

➤ **Excluded groups are:**

- ❖ Informal workers
- ❖ Migrants without urban permits
- ❖ Unpaid workers and carers



## ■ South Korea: Economic Restructuring and Universalization of NHI

(1) Increasing informalization of labour (esp female) after 1997

(2) National Health Insurance (NHI)

- **Basic features of the Model are:**
  - ❖ **Two health insurance funds:**
    - wage and salary earners who pay contributions; ‘residence members’ whose contributions are subsidised by the state
    - ❖ 55% of health expenses paid by NHI; 45% by households themselves
  
- **Groups that are covered under the Model are:**
  - ❖ those in formal employment
  - ❖ those in other kinds of employment
  - ❖ All other residents
  
- **There is redistribution**
  - ❖ NHI has achieved equitable burden sharing: lower income groups pay less than before while highest income groups are paying more
  - ❖ NHI has not improved overall equity because of large out of pocket payment by hhs (Kwon and Tchoe 2005)



# Pension Reform: Diverse Models

- **Privatization (the ‘Chilean Model’) as preferred route of IFIs and their domestic allies**
  - Chile and later Mexico as front-runners in privatization in LA
  - Resistance in Costa Rica and Brazil
  
- **Other models include:**
  - Provident Fund (e.g. Singapore)
  - Basic residence based pension (e.g. South Africa)
  
- **Features of privatized and individualized systems that discriminate against women workers (especially unpaid workers):**
  - Extensive ‘years of contributions’ to qualify for minimum pension; 20 years for both women and men in Chile and in Mexico (Brachet-Marquez 2005)
  - Close connection between ‘contributions’ and benefits (discriminates against those with lower incomes) based on all years of work
  - Life expectancy counts
  - Pressure to retire later

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

	<u>Public pension</u>		<u>Private pension system</u>	
	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 pension fund	Not considered		Considered	
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	

<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.

Source: Arenas de Mesa and Montecinos 1999



- **South African Old Age Pension (OAP)**

- **Non-contributory financed from general revenues**
- **Means-tested**
- **Women retire at age 60, men 65**

- **Recent research on OAP suggests (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**
- **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 effectively have a guarantee of partial economic security in old age**





# Family and Child Benefits

## ■ Mexican anti-poverty and human capability programme ‘Oportunidades’

- Cash stipends given to mothers on behalf of children (for education, health and nutrition)
- Means-tested but extensive coverage (5 million households by 2005)
- Programme works through mothers as ‘conduit of policy’ (Molyneux forthcoming)
- Regulation of mothers’ domestic responsibilities
- Unpaid work required of mothers (‘co-responsibility’)

## ■ Evaluation results

- Improvements in child education and nutrition
- Low quality of public services untouched
- Targeting → community tensions and divisions and stigmatization of those selected
- Unpaid work requirements resented
- Naturalized motherhood as something women do  
(Molyneux forthcoming)



## ■ South African ‘Child Support Grant’

- Replaced ‘state maintenance grant’ (overseen by Lund Committee)
- Coverage extended to majority African population under ‘fiscal restraint’
- Cash grant paid to ‘carer’ on behalf of child (0-6)
- Means-tested but extensive coverage (71% of poor children; more than 50% of all children in relevant age group)
- No unpaid (community) work is required