

CHAPTER 2

WOMEN AND WORK : A REVIEW

2.1 Introduction

This chapter looks at women's productive and reproductive work and the feminization of the labour force as a result of industrialization and the new international division of labour. It discusses the factors that facilitate women's participation in the labour force and promoted the entry of married women into the labour force. However, some of these factors also work in conspiracy with institutionalized political and social forces to 'green' women labour into cheap, disposable labour to attract foreign investment. Because of the lack of gender sensitive policies and intervention program, women experience the feminine dilemma. Faced with work-family conflict related stress and strain and a disabling work environment, many women withdraw from the formal labour force. Some women use existing social arrangements to develop strategies to creatively carve out spaces for themselves and enter the informal sector. Within the informal sector, home-based subcontracting apparently offers women, who are restricted spatially within the domestic spheres, an opportunity to dispense with the either-or choice between participation in the labour force and domestic responsibility.

2.2 Women's Work¹

Traditionally, 'work' has been defined as activities for economic returns, participation in income-earning activity or paid production and is confined to that which is done for payment in cash or kind with economic value (Amsden,1980; Moser, 1992; Raju,1993). According to the 1938 League of Nations definition, 'gainful occupation' was

'for which the person engaged therein is remunerated, directly or indirectly, in cash or in kind' and 'housework done by members of a family in their own homes is not included in that description but work done by members of a family in helping the head of a family in his occupation is so included, even though only indirectly remunerated.' (ILO, 1976:28-29).

In this definition, it is the man who is regarded as head of his family and the main provider of his family (Moser, 1993; Ostergaard, 1992). However, if his wife or children plant, harvest, gather, fish, process and trade food and produce along with him but the work is not remunerated and paid in cash or kind directly or indirectly, this aspect of women's

¹ 'Work' is defined in the Oxford Dictionary as 'use of bodily or mental power in order to do or make something, especially as contrasted with play or recreation.'(1991:803) In this thesis 'work' includes both productive and reproductive work. One form of productive work is employment. 'Employment' is used to include '*working for pay, profit or family gains as an employer, employee, own account worker or unpaid family worker*'. Both employed and unemployed are in the labour force. Labour force includes '*all persons in the age group of 15-64 years old who are either employed or actively or inactively unemployed and excludes persons in the same age group reported as either not in work, without jobs, or not wanting to work*'. (Statistics Department quoted by Siti Rohani, (1994) in Jamilah (1994a: 8).

contribution to economic production is still not recognized and acknowledged as 'work'.

This ideological bias was pervasive and entrenched in the concepts of social sciences. The man continues to be paid a male family wage to enable him to maintain a non-employed wife and dependent children (Pahl, 1984; Beechey, 1988). Society including women themselves considered women's caring and maintaining of the family as a 'responsibility' rather than 'work' (Moser, 1993; Ostergaard, 1992).

Textbooks on 'work' in the past were overwhelmingly dominated by studies on male employment in coalmines, railway and factories. Serious works on women workers were few and far in-between (Myrdal and Klein, 1968 ; Boserup, 1970). It was only in the early 1970s, that most sociologists began serious discussion and research on women's work. These researches challenged this concept of work in 1970s especially by the publications related to the so-called 'domestic labour debate' and principally by a publication by Ester Boserup on '*Women's Role in Economic Development*' in 1970.

In these debates, the meaning and concept of work was not to be confined only to activities for pay or profit. Boserup (1970), for example, argued that a significant part of women's work is usually omitted in official statistics of production and income. This includes subsistence activities and unpaid family labour. Ann Oakley in her writing '*Housewife*', made a crucial contribution that

housework is work. She argued that housework is work performed by the housewife within her own home and the home is her workplace (Oakley,1974).

Thus women's work is beyond 'activity for pay or profit' (Boserup,1970; Beneria, 1988; Pahl,1988; Raju 1993). It encompasses both productive and reproductive work. Productive work is defined as

“ work done for payment in cash or kind. It includes both market production with an exchange value, and subsistence / home production with an actual use-value, but also a potential exchange value.”

While reproductive work involves

“ the child-bearing / rearing responsibilities and domestic tasks undertaken by women, required to guarantee the maintenance and reproduction of the labour force. It includes not only biological reproduction but also the care and maintenance of the work-force (husband and working children) and the future work-force (infants and school-going children)”

(Moser,1993:29-31).

Because of the gender division of labour, productive work tends to be associated with men and reproductive work with women. Attempts to theorize gender in the study of work have been made by researchers like Cockburn,

Game and Pringle. (Beechey, 1987). Gender is seen as the process by which an individual born in the biological category of male or female acquire culturally and locally defined masculine or feminine attributes to become social categories of men and women. The individual takes on a 'role' which, represents the sum total of his or her multiple roles and he /she takes on the behavior pattern he/she believes is appropriate for that role. Men and women then interact in a manner demanded by the masculinity or femininity assumed (Amsden, 1980; Ostergaard, 1992; Moser 1993). This principle underlies the separation and differentiation of men and women's labour, typecasting men into primarily to do productive work and women into reproductive work.

This gender division of labour persists and is perpetuated through the continuous process of socialization. It imposes on women child bearing and child rearing responsibilities and spatially restricts them within the domestic spheres. This comprises childcare, cooking, washing, cleaning, caring for the elderly and the sick , keeping and maintaining the home. These are the six duties perceived as that of the women's (Oakley, 1974; Razak, 1994). These duties encompassed in women's reproductive role can be referred to as 'reproductive work'.

' Productive Work' involves the production of goods and services for consumption and trade. Women, alongside men, plant, harvest, gather, fish, process and trade food. However, this aspect of women's contribution to economic production is often less visible and less acknowledged.

This mechanism of gender division of labour operates at the level of community as well. Both men and women have a community role to maintain and improve the community in which they live. This type of work can be referred to as 'community work'. Community work entails considerable amount of volunteer time and contributes towards the cultural and spiritual development of a community. However, restriction by domesticity causes women's limited capacity for resource mobilization and skill development. This results in a lower status and less power and authority in the community.

Gender as a basis for division of labour is prevalent across countries and regions. In both primitive and developed communities, division of labour along gender lines is imposed based on sex difference itself (Boserup, 1970). Radical feminists, for example see women's oppression as a social group by men as a social group due to women's biology and reproductive ability. As a result, women are oppressed through unpaid domestic services and subordinated participation in the employment. Marxist feminists, on the other hand, attribute it as a by-product of the dynamics of capital accumulation and capital restructuring or struggles between capital and labour (Beechey, 1987; Pahl, 1988; Ng, 1994). Engels has suggested that the origin of women's subordination was in the introduction of private property. In patriarchal societies, where women do not own means of production, women have less access to capital accumulation. This subordination also operates at other levels allocating resources such as inheritance, financial loans, and facilitating access to

resources; and delineating social participation and political rights. The reproductive role in reverse becomes inferior, socially, economically, legally and politically (Amsden, 1980; Ostergaard, 1992 Moser, 1993).

The concept of reproduction is seen in three forms. First is biological reproduction or procreation of children. Second is the reproduction of the future labour force and third is social reproduction, which involves the reproduction of the total conditions of production (Beneria and Sen 1981; Beechey, 1987). Thus, the significance of the reproductive role is related to the guarantee of the present and future labour force. She reproduces the current generation's labour by providing supportive domestic work for the husband and reproduces the next generation's labourers through child-bearing (Engels, 1975; Beneria and Sen, 1981; Beechey, 1987; Moser, 1993; Ng, 1994). In this conceptual framework, children are perceived as nothing more than future labour force, to be nurtured and schooled to perpetuate the production of goods and services. The fact that the reproductive role is necessary and vital for the perpetuation and continuous maintenance of the family, a basic unit in the building block of society, is given secondary importance. Family life, as a result, is continuously re-engineered to serve this economic goal of the production of goods and services.

2.3 Entry of Married Women into the Labour Force

The Second World War was a turning point in the number of women entering the labour force. Before the 20th.Century, both men and women,

believed in two separate spheres of the public and domestic, with men dominating the public sphere and women restricted to the domestic sphere. Women were expected to cultivate leisure as a mark of affluence and idleness as a status symbol (Joseph, 1983). During the Great Depression, twenty-six states of The United States of America prohibited by law, the hiring of married women (Moen, 1992). During the Second World War, because of the need for women to replace the men at war, women were called to serve the nation by working especially in the war industries. The Office of War Information even challenged housewives to productive work by asking “ *Are you being old-fashioned and getting by just being a ‘good wife and mother’?*”. (Margolis , 1984: 23). Before World War II, about 25% of American women were employed. This percentage rose very drastically to 35% in 1944. By 1990 over half (59.4%) of married mothers with pre kindergarten children (ages 3-4 years) and over half of (51.3%) of the mothers with infants were in the American labour force (Moen, 1992). In the United Kingdom, in 1951, women constituted 31% of the labour force. The striking feature of that trend was the increasing participation of married women. They increased their share of the female labour force from 38% in 1951 to 63% in 1971 (Joseph, 1983).

Women’s employment in developing countries between 1950 and 1985 grew phenomenally. In 1950, women’s participation in the labour force in developing countries stood at 37% and by 1985, it grew to 42% while the number of men joining the labour force in relation to total male population fell

and men's unemployment rose (World Development, 1989). However, despite this growth, women's participation in the labour force is still lower than that of men. It is thus important to examine both the factors facilitating as well as limiting the participation of married women in the labour force.

2.3.1 Factors Facilitating Entry of Married Women into the Labour Force

A variety of factors in combination have led to the feminization of the labour force including the participation of married women. Changing social conditions and rapid economic development, with associated psychological desire for paid employment as well as demographic factors, are all probable causes for this phenomenon.

ij Social Conditions

The changing social conditions brought about changes in attitudes and mindset. The availability of education plays a key role. Access to education, once denied to women, in many ways leveled some parts of the uneven playing field and opened uncountable number of opportunities for employment. Rising level of education led to increased career aspiration of women.

Cultural practices such as caste and class segregation have also undergone changes. Caste and class sanction social mobility. There are

social taboos for women of lower caste in seeking active labour participation in the presence of those of other castes. Women of higher caste are also excluded from labour force outside of familial domain as a symbol of high social status. These social restrictions have weakened in limiting women's participation in employment outside of the home (Heyzer, 1988; Raju, 1993).

The decrease in religious fundamentalism has resulted in increased participation of women. The role of religion in restricting the participation of women in the labour force is debatable. In Pakistan, Afghanistan and Arab countries, for example, religious legislation for the seclusion of women under Islam has been cited as the main reason for the extremely low rate of participation of women in the manufacturing workforce. The 1994 figure for women as a percentage of adult labour force for Pakistan was 13% while that of Afghanistan was 9%. Similarly the rate for Qatar and Saudi Arabia were both only 7% (United Nations, 1995). However, Islamic countries like Malaysia and Bangladesh show a much higher rate i.e. 36% and 41% respectively. Thus, it can be argued that it is not religion alone that is the causal factor. It is a more complex issue of the interaction of religious belief with different levels and structures of male supremacy especially in family, government and society (Heyzer, 1988; Raju, 1993). In Malaysia and Bangladesh where governments and society are more open to changes due to rapid

economic development, there is an obvious greater adaptability of religion to co-exist with the different and evolving social and economic situations. In such societies, the limiting impact of religion on participation of female labour is reduced.

Industrialization also brought about mass production of goods and services. Work like sewing of clothing, processing food, educating children traditionally consumed a large proportion of women's time. These goods and services formerly produced within the household are now available through mass production by other institutions. Ready-made clothing, convenience stores, fast food chains and schools have helped to reduce household chores. With the availability of labour saving domestic appliances, women feel under-employed. This leads to a search for self-fulfillment in gainful employment, which is associated with the concept of usefulness and self-esteem (Joseph, 1983; Sayers, 1987).

Structural adjustments in the economy in most countries also cause vulnerability and insecurity of employment. This and uncertainty of the permanence and length of marriage ties, add on to the pressure for married women to participate in the labour force. Husbands too have become receptive to the entry of wives into the labour force to gain additional income for family maintenance. Spiraling standard and cost of living necessitate dual income households.

ii) *Economic Conditions*

The post Second World War Economic recovery plan promoted mainly industrialization. It led to the squeezing of the subsistence rural economy and the expansion of the monetized and industrial sector. It moved production from home to factories, leading to an emphasis on employment. This led to the opportunity to be gainfully occupied and participate in the accumulation of capital and wealth. Private enterprises mushroomed creating a large number of jobs for both men and women.

Movement of capital and products from one country to another was greatly facilitated with the development of better transportation and communication, the spread of liberal democracy as well as free market forces. Globalization and the internationalization of capital led to the explosive growth of multinational companies and their dominance in global production of goods and services. This also created three macro-economic trends. First is the emphasis on export-led industrialization, relying heavily on the use of low-wage female labour. Second is the pursuit of cost-cutting (and by implication, low wage) strategies in the development process; and lastly, labour market deregulation (Standing quoted in *World Development*, 1989: 938). These three trends converge to create the dual labour market and the internationalization of labour. The developed countries hold on to a labour market for skilled and specific knowledge workers and create a secondary market in developing

countries. The secondary workers are regarded as those who are easily dispensable, with low economic rewards, relatively low inclination for training and experience and unlikely to develop solidarity with fellow workers (Beechey, 1987). Women and marginalized groups often constitute these secondary workers hired to fill the vacancies for unskilled and manual assembly line operators. They are employed by the multinationals in the export-oriented industries in developing countries. This can be referred to as the 'new international division of labour'.

This international division of labour is intensified by investment promotion policies of governments. Government policies of giving tax holidays and other incentives attract multinational companies to relocate from a high cost region to one that offers lower cost of labour (Pearson, 1986). Multinational companies moved to developing countries to exploit the cheap labour promoted by these governments to reduce production costs. Government agencies through policies suppress wages and keep it artificially low with either no minimum wage or a low minimum wage and non-unionization and offer a pool of cheap labour, often in the form of nimble-fingered women (Pearson, 1986; Amarjit, 1990; Jamilah, 1994c). This leads to the creation of jobs for women far more than before.

2.3.2 *Factors Limiting Participation of Women in the Labour Force*

Undoubtedly a variety of factors in combination facilitated the participation of married women into the labour market as potential, marginal or transitory employees. However, some of these ideological forces also work in conspiracy with political institutions such as the state to subordinate women workers and limit their participation.

i) Ideology

Traditionally work has been conceived as unwanted painful toil, which should be avoided if needs can be satisfied without working. An ideal life has been conceived as one profuse with abundance without laborious toil but filled with leisure pursuits and idleness (Sayers, 1988). This attitude is still embedded and often communicated through the mass media. Numerous glossy women's magazines reinforce the typecasting of women as wives and mothers. The media tends to over-emphasize the importance for a woman to stay physically attractive for her man with little stress on her developing her intellectual abilities. There are probably more features on cooking and home decoration than substantive matters for the development of women. The bias is towards the frivolous over the serious. In a majority of women's magazines a successful woman is portrayed as a career woman and/or wife of a

successful man and a good mother. There are often photos showing her wearing expensive jewelry or designer clothes, a photo of her with her children and vacationing overseas with her family (Mustapha and Shakila, 1994). These portrayals can well fire the imagination of many of the workers at the boring assembly lines to yearn to marry a husband rich enough to get them out of the drudgery of factory work to live like the ladies in the royal courts, beautifying themselves and pampering their bodies with milk and honey or spa. It suggests that a woman married to a prosperous man, should not seek employment even if she enjoys the work (Jamilah, 1995). Encapsulated within the confines of her home, she bears children and carries out the maintenance of her home with the help of domestic servants. The epitome of her life is being a good wife and good mother.

ii) *Patriarchy*

Among the cultural factors, the concept of patriarchy stands out as a foundation principle underlying the subordination of women. Patriarchy is not a single or simple concept but has a range of meanings in feminist writings. Radical feminists focus on the domination and subordination of women by men and the institutionalization of such power relationships in different societies (Beechey, 1987, Ng, 1994). In traditional Chinese society, for example, the principle of filial piety and

the three cardinal guides (ruler guides subject; father guides son; husband guides wife) accorded a greater social and political importance to the men of the house and accorded him or his representatives the dominant role. This is further enforced by the Confucian ethical code for women, which requires the ideal woman to observe 'three obediences'. A woman before marriage must obey her father; after marriage her husband and after her husband dies, her son. This factor thus restricts women to the domestic sphere and places domestic responsibility solely on the women, thus limiting their employment outside the home.

Marxist feminists such as Kate Millett (1969) and Juliet Mitchell (1974) further contributed to the discourse with the analysis of the relationship between patriarchy and various modes of production (Beechey, 1987). Mitchell (1974) refers to the kinship systems in which men exchange women. This illustrates the symbolic power fathers have within the system. This inferiorized the psychology of women (Beechey, 1987). The power of a father or his representatives (the brothers) to arrange marriage of the daughter is an example of such power. Of course, such traditional practices are increasingly challenged by the emancipation of women tilting the economic balance. The once submissive village daughter may have become a major contributor to household income, and thus is able to resist traditional practices such as arranged marriages (Jamilah, 1994c). However, such cultural laws are

inherited and transmitted from generation to generation resulting in the perpetuation of men assuming these powers, beyond the family to the workplace.

Another area is related to the concept of reproduction. Besides biological reproduction, women are also involved in social reproduction i.e. the reproduction of the total conditions of production as well as the reproduction of the labour force (Beechey, 1987). Patriarchal society that practices patrilineal kinship structure, recognizes only the son as a descent group member to carry on the family and inherits the wealth. Society such as the Chinese community, places great pressure on the woman to procreate sons and nurture them. It regards the most important duty of a woman is to perpetuate the patriarchal lineage and *xian fu jiao zi* () or to care for her husband and teach her son. This is given a greater priority over economic participation.

(iii) The Role of the State

While the state can play a crucial role in facilitating married women's employment, it can also limit the participation of women. Often the government in its eagerness to stimulate economic growth functions to facilitate the industrial growth at the expense of female labour. To entice foreign investment, government advertises the availability of a ready cheap

labour force. Marxist theory proposes that economic forces modified by institutionalized political and ideological forces cause women to function as an industrial reserve army of labour (Engels, 1975; Beechey, 1987; Pahl, 1988). Women's labour is projected as a reserve army, ready and can be activated but disposable (Beechey, 1987). Pearson argued that cheap labour with all the characteristics suitable for the multinational companies, in reality, does not exist but is directly cultivated through the 'greening' process of women's labour. The greening process is implemented through

' a number of complex mechanisms provided by capital through the recruitment preferences and production practices of management, the legislative and political actions (or inactions) of the State, and the ideology of gender roles which provides sex stereotyping of male and female jobs which are enforced by the community in general, the organized male skilled working class, and women's own perceptions of what constitutes appropriate work for women' (Pearson, 1988:462).

The state through its gender blind or gender biased legislations and policies can also hinder women's labour force participation. Such policies create a disabling environment not conducive for greater participation of women. Low wages combined with the lack of child-care support from the state or the company is an example of gender insensitive measure. It causes women to find the cost of employment outside of home not cost-effective resulting in

withdrawal from the labour force. When women work from home due to their domestic responsibility, they provide a pool of casual, flexible and disposable labour, activated when there is work and disposed of when work is less. This casual flexible labour helps to turn labour from a fixed cost into a variable cost. Other fixed costs can also be externalised to these home-based workers and help to increase profitability (Watanabe, 1972; Mitra et.al, 1980; Singh and Kelles-Viitanen, 1987). Government by not recognizing these informal workers, does not legislate to force industry to protect them or pay them a fair wage. Thus the government allows industry to maximize gain by riding on the back of these women.

Legislation and policies can also lead to ethnic division of labour (Parmar, 1977; Wee, undated). Certain jobs maybe viewed as more suited to a certain ethnic groups. There may also be a preference for a certain group to work in a certain industry. As a result, government agencies may view a particular industry to be associated with a certain ethnic group.

Thus, society through its many institutions continues to send mixed messages to women that they should be career-orientated and have high aspirations but not at the expense of their primary role of child-bearer and child-nurturer. If they work, it is purely to bring home a second income to improve the standard of living of the family, not to build a continuous career.

While the labour force participation rate of women has increased and women are less confined to the domestic role, the deeply entrenched ideology of a woman's role as primarily domestic, has not changed. The paragon of domesticity of the woman remains. These women therefore face the predicaments caused by these expectations and conflicting demands.

These two conflicting aims reflect the ambivalent attitudes to work. On the one hand, women feel the need – an inner need – to work, not just as a means to earn a living. A purely domestic role is no longer fulfilling or sufficient. On the other hand, women still value their domesticity, which restricts their involvement outside of the home. Women, as explained by Myrdal and Klein (1968) are caught between wanting to work and having a family :

“At this juncture of our social history women are guided by two apparently conflicting aims. On the one hand, they want, like everybody else, to develop their personalities to the full and to take an active part in adult social and economic lifeOn the other hand, most women want a home and a family of their own.” (Myrdal and Klein, 1968: 194-195)

2.4 Feminine Dilemma

The tension between the two roles, productive and reproductive roles, produces what Myrdal and Klein refers to as the ‘feminine dilemma’. Without

men taking their share of domestic responsibilities, women are often faced with the dilemma of choosing either production or reproduction (Myrdal and Klein,1968; Aminah Ahmad et al ; 1999). Men, unlike women, can go out to work without experiencing similar conflicts as they are able to enjoy social, political and economic support for them to assume the role of breadwinner.

Studies from 1980s to 1990s, show that in developed countries, women spend at least two hours per week more than men and often 5-10 hours more for domestic work (United Nations, The World's Women 1995:105). However, unpaid domestic responsibilities continue to dominate women's use of time.

"In most countries, women work approximately twice the unpaid time men do- and in Japan, nine times Two-thirds to three-quarters of household work in developed regions is performed by women. In most countries observed, women spend 30 hours or more on housework each week while men spend around 10-15 hours per week" (United Nations, The World's Women 1995 :106)

When women are employed, they suffer greater stress from the demands of their multiple roles more so than men. This is because the women face incompatible multiple-role demands. Men on the other hand, are less affected by such diverse role demands. These inter-role conflicts experienced by women are mainly due to:

- (i) utilization of time for one role means less time for other roles;

- (ii) stress and strain from one role affects other roles; and
 - (iii) behavior appropriate for one role may be inappropriate for other roles
- (Kahn et al, 1964;Greenhaus and Beutell, 1985). Role conflict can lead to dissatisfaction at work as well as unhappiness at home.

It is important when assessing the effects of employment to take into consideration the demands both of work and family responsibilities of the married women and the women's ability to cope with the dual demands of production and reproduction. As the demand of the work role encroaches into family role, conflict increases. As women continue to bear greater responsibilities for the domestic sphere, their entrance into employment will continue to make excessive role demands (Holahan and Gilbert,1979; Barnett and Baruch, 1985). A few studies have shown that working women with young children are most vulnerable to role-overload and role strains because of the heavy responsibilities of the home. It was also found that if the husband was involved in child-care, employment was more likely to have a positive effect on the wife's well being. Thus, it can be implied that without proper child-care facilities, women especially those with small children, will be extremely vulnerable to the role conflict.

In order to alleviate the feminine dilemma, women try to find space within their social constraints to reduce the conflicting demands of work and home. With the availability of family planning, women are better able to gain control

of their biological reproduction and sexuality. They resort to the scheduling of work and family responsibilities sequentially. They alternate employment with withdrawal from the labour force for childbearing and child-caring responsibilities, returning to employment when the children are older. This can be reflected in the double peak pattern of the female labour force participation rate as compared to normal plateau pattern of the male participation. The pattern normally shows marked decrease in the female labour force participation in the groups after the active marriage and childbearing age cohort and peaking again in the later age cohort showing the re-entry into the labour force. This strategy is not always possible in countries where re-entry to employment is difficult due to lack of re-training opportunities or high unemployment rate. Thus they use an alternative strategy i.e. to marry later in life and have fewer children in order to stay in the labour force longer. They may even decide not to get married or not to have children even though married in order not to interrupt their career.

If assistance and facilities for child care is available, married women may relegate their childcare tasks to maids or members of extended families, or send their children to childcare / daycare facilities. With rapid industrialization, the pool of rural young girls formerly available for domestic help is fast depleting. The rural girls now migrate to industrial areas and seek factory jobs instead. In some countries, governments allow the importation of foreigners to work as domestic helpers and release the married women back to the labour force.

However, in communities where the 'good wife and good mother' ideology and patriarchal attitudes are still prevalent, facilities for child care may remain inadequate and pressure on the women to solely bear the responsibility of child care maybe overwhelmingly strong (Jamilah, 1995). These women, thus, have to resort to withdrawal from the formal labour force. With the availability of labour saving domestic equipment and mass-produced convenience goods, these women may feel underemployed and unfulfilled. The solution to accommodate the demands of family and work is then to take on part-time and flexible employment or less involved jobs. Thus, these married women withdraw from the formal labour force and enter the informal sector.

2.5 The Informal Sector

The informal sector is an important source of employment for married women. These women often are unable to enter or have withdrawn from the formal sector. For various reasons and circumstances, these women find their entry to the formal labour force obstructed or difficult because they do not have the appropriate technology or educational level or training and resources to enter the regulated competitive industry. Often, they possess skills and work experiences that are valuable to the industry. These women then enter the informal sector because it presents them with a viable alternative to reduce the production-reproduction conflict. As explained by Portes, et. al (1989:6) :

'The informal economy is the perfect ground level entry point, for the informal economy is simultaneously part of daily life of individuals and households and the means through which important production and distribution functions take place '

Before the 1970s, the informal sector was regarded as part of the underground economy in industrial countries. It was viewed as dysfunctional and a failure in the systems. The industrialization model saw the high number of self-employed and employment in micro-enterprises as indicators of economic failure and poverty. A 1972 study of the International Labour Organization (ILO) brought this sector into international attention to find solutions to fix it. The suggested approach was to offer assistance for these enterprises to be formalized.

For the Marxists, rather than formalizing the sector, it should be maintained. To them the informal sector is a product of unequal development of capitalism and urban non-industrialized areas (Chickering and Salahdine, 1991). The informal sector besides being a source of employment for many, has contributed to the development of the economy. It was the publication of a 1987 study of the informal sector in Peru by Hernando de Soto called *'El Otro Sendero'* (The Other Path) sparked off a debate about the role of the informal sector in Peru and other developing countries. De Soto has argued that implicit coalition of traditional conservatives and socialists supported by government

institutions and policies has excluded the people in the informal sector from employment and from using their entrepreneurial skills to better their lives and contribute to economic and social progress (De Soto, 1987). The formal sector uses the informal sector to provide an industrial reserve army of labour, which helps to suppress wages and allowed capital accumulation and surplus.

The root cause of exclusion of the informal sector is the bureaucratic model of development, which regarded self-employment and micro-enterprises as an economic failure, and an indicator of poverty. This model promotes large-scale enterprises, rapid industrialization and advanced technology (Turham et.al., 1990; Chickering and Salahdine, 1991). It continues to ignore informal labour force within the formal sector and their contributions in helping the formal sector to develop the domestic economy. The contributions of the informal sector are estimated to be between 19% and 51% of total production in developing countries (United Nations,1995:116). According to the World Development Report 1995 '*Workers in an Integrating World*', workers in the informal sector, made up 55% of the labour force in the middle-income developing countries and 85% of the low income developing countries (World Bank, 1995:5).

Until 1993, there was no recommended statistical definition of the 'informal sector'. The International Conference of Labour Statisticians in 1993 agreed on the definition of the informal sector. It defines informal own account enterprises as

'enterprises in the household sector owned and operated by own-account workers, which may employ contributing family workers and employees on an occasional basis but do not employ employees on a continuous basis. Informal sector enterprises engage in the production of goods and services with the primary objective of generating employment and income to the persons concerned and "typically operate at a low level of organization with little division of labour and capital as factors of production and on a small scale.

The production unit may or may not operate with fixed premises and may or may not own and use fixed capital assets. It may be owned and operated by one person alone or by several members of the same household or as a partnership between members of different households. And it may be operated all year round or as a seasonal enterprise or on a casual basis."

(United Nations, 1995:116)

This definition is still not universally adopted and the informal sector remains largely invisible in economic statistics. Ironically, in most developing countries, where large section of the working population is in the informal sector, there is no official definition and measurement of the economic contribution of this sector (Loh-Ludher and Chong, 1993). This results in it

being ignored by legislators and planners. Therefore, the work done in the informal sector is often not being measured or costed.

For the formal sector, these informal entrepreneurs provide goods and services at low unit costs due to their informality. In fact many informal sector entrepreneurs offer a flexibility and adaptability much needed by large-scale industrialization enterprises (Chickering and Salahdine, 1991; Loh-Ludher, 1995). They provide products and services essential and vital for the large-scale modern manufacturing enterprises. One such service is home-based production or homework including home-based subcontracting.

2.6 Home-based Production

Home-based Production refers to

"production of goods and services carried out by workers at a place of their own choosing, often at home, for middlemen or other types of employers against remuneration, for the purpose of exchange." (Lazo,1994)

Home-based production is not unusual and by no means isolated. On the contrary, its prevalence transgresses developing economies and poor countries. Historically, the home and its vicinity had been the site for production. Men, women and children contribute to production for household survival. With the industrial revolution and development of capitalism, production was moved

away from the home leading the separation of the private and public spheres. This restricted women's participation in most forms of paid work. With the industrial boom and resultant feminization of the labour force, women re-entered paid employment. The difference is that this time it is outside the home. However, they, especially married women, are considered secondary workers and part of the industrial reserve army. Their position within the family makes them flexible and disposable members of the workforce. They are expected to return to the world of their own, the family, when discarded from production (Beechey, 1987). They are expected to be supported by their husbands who are paid a family wage. Because of these factors and other institutionalized forces including patriarchy, women are unable to enter or stay in paid employment outside the homeland retreat back to the home-based production.

The participants in home-based production especially home-based subcontracting, are mostly married women. Home-based subcontractors take work-in-progress from parent companies to process at home. They enter it because they are spatially confined to the home and its vicinity due to restrictive social cultural forces (Bhatt, 1987; Rao and Husain, 1987; Erwan, 1998). These women engage in productive work while concurrently carrying out their reproductive responsibilities of caring for young children or caring for the aged (Singh and Kelles-Viitanen, 1987; Berma and Shahadan;1991, Loh-Ludher, 1994).

According to Andrea Menefee Singh and Anita Kelles-Viitanen

'Home-based labour has certain common features; among them are very low wages, long and erratic working hours, fragmentation and atomization of the work force, and the absence of any form of workers' organization because a large portion of these workers are women, and their work, being carried out in the home along with their unpaid domestic tasks, tends to be undervalued and classified as 'subsidiary activities', even dismissed as having no value at all (i.e., it is seen as a 'hobby'). In most cases, the same work, if performed outside the home, would be recognized and compensated at much higher rates... It is also important to note, however, that the women involved also tend to attach values other than purely economic ones to their home-based work'

(Singh and Kelles-Viitanen, 1987:14)

Studies on home-workers note these central issues of invisibility, vulnerability to exploitation including willingness to be exploited by the garment manufacturer due to marginalization. The fear and avoidance of authority and the cost of formality keep the home-based workers at the periphery and in the informal sector. (Bhatt, 1987; Rao and Husain, 1987; Erwan, 1998; Loh-Ludher, 1994; Samuel, 1996). Home-based production, especially in developing countries, is thus associated with poverty and exploitation. Basic problems of the home-based workers are primarily related to the low piece rate, instability of jobs and income, long work hours, substandard

working conditions, lack of organization and on existent or little welfare and social protection such as paid sick or maternity leave.

The poor working conditions and lack of protection for home-based workers is a cause for concern. In October 1990, International Labour Organization organized a conference for Social Protection of Home-based Workers in Geneva, recognizing the need for social protection for home-based workers. The International Labour Organization (ILO) also sponsored a number of studies on home-based workers and implemented projects on home-based work especially in India, Pakistan, Indonesia, Philippines and Thailand with organizations such as Self-Employed Women's Association (SEWA) of India, Home-based Workers Network (HOMENET) of Thailand and Katipunan ng Bagong Pilipina (KaPaPa) of Philippines. These projects focused on promoting the welfare of these home-based workers.

While these situations of home-based workers are prevalent in most parts of the world, there are increasing evidences of the development of another group of home-based workers. With the advent of technology, homework is on the increase, not only in the developing countries but also in developed countries (Baran, 1988; Hakim, 1988; Loh-Ludher and Chong, 1993). Home business is listed as one of the megatrends for women. The number of self-employed American women working at home tripled between 1985 and 1991, from 378,000 to 1.1 million and further increased by 7% in 1992 (Aburdene and Naisbitt, 1993). Because knowledge-based work involving information

technology as well as professionalism is being spatially disaggregated and decentralized and the labour process itself decentralized, decollectivized and rendered asynchronous, home-based work in this area is on the rise (Baran, 1988). Catherine Hakim in studying homeworking in Britain states that

'the typical British homeworker is usually regarded as a woman tied down by the needs of her family, exploited by her employer and working for low wages on tedious repetitive tasks' (Hakim, 1988:609).

Thus, despite the difference in development, affluence and technological advancement, both Hakim and Baran's studies show that home-based work is used to substitute expensive male labour with cheaper flexible female labour. The women are willing to trade higher wages for flexible, shorter hours in order to allow the convergence of their roles as wife, mother and homemaker with their productive role as worker and meet the demands of domestic responsibilities.

2.7 Sub-contracting

Sub-contracting is more essential to some industries than others. The garment and automobile industries are two such examples where sub-contracting has been an integral part of the industries.

Sub-contracting can be defined as a situation in which a production unit (parent firm), instead of doing the work itself, requests another independent unit (subcontractor) to undertake partially or wholly an order it has received while assuming full responsibility for the work in relation to the client. (Watanabe, 1971; Baud, 1983,). It is particularly suited to the manufacturing process where a manufacturer (parent firm) can separate processes and put out the manufacturing of a component or part of the manufacturing process to another firm or individual (subcontractor), later to be completed as an end product to the specifications of the customer.

The nature of the garment industry allows its production process for vertical as well as horizontal putting out. Vertical putting out can occur at many points. Normally the designing, cutting of the material, finishing and packing are done in the factory, but even these can be subcontracted. The stitching and value-added work of embroidery, cut-out, buttoning, patch-work and other forms of style enhancement can then be farmed out to other production units, whether to individual home-based workers or to small or micro enterprises. The different parts of the garment e.g. collar, sleeves and zipper can also be subcontracted out for stitching. Horizontal sub-contracting occurs when a type of work is put out to several production units and home-based workers.

Sub-contracting presents garment makers several advantages, resulting in sub-contracting to be a common feature and in some cases, an integral part of the industry. The often cited benefits are related to capacity flexibility, access to

specialized skills and equipment with heavy outlay; externalization of costs and risks (Watanabe, 1971; Mitra et.al, 1980; Singh and Kelles-Viitanen , 1987; De Groot, 1993).

With sub-contracting, a garment maker is able to better respond to changing demands due to changes in fashion and seasonal preferences. In sub-contracting it is able to casualize labour by adjusting the number of employed with availability of subcontractors. This gives it numerical and capacity flexibility. Thus the garment maker can transform labour from a fixed cost to a variable one. It is also able to obtain specialized skills without employing them full time, and assess equipment without investing in them by buying time-use when needed from a specialized subcontractor. Correspondingly, the labour cost payable becomes adjustable. In this way too, the garment maker need not assume responsibility to maintain or protect labour in periods of slackened market demand. Unfortunately, the subcontractor, in this arrangement, has to accommodate work instability and income insecurity, accepting work according to the need of the garment makers. Thus, the garment maker benefits as he is able to externalize the cost/ risk on to the subcontractor. Furthermore, because home-based subcontractors prefer avoidance of legal compliance, it leads to further reduction of costs for the manufacturers with less cost of formality (Watanabe, 1971; Mitra et.al, 1980; Singh and Kelles-Viitanen , 1987;)

All these benefits make sub-contracting ideal for the garment industry. The competitive and seasonal nature of the garment industry necessitates the

garment maker to be highly cost-sensitive. This pursuit of cheap labour has led to the internationalization of the industry. Garment factories mushroom in countries where labour costs are low, only to relocate as soon as costs rise. Cheap labour is often found in increasing employment of women and immigrant workers (Rao, 1983). Wages are deliberately, rather than naturally kept low because of implicit government support in their desire to attract foreign direct investment (Rao,1983).

Unlike the automobile industry, parent companies in garment industry subcontract to small or micro enterprises, often informal, or to home-based entities in the underground sector. The most vulnerable of these micro-sized enterprises are the home-based subcontractors, mostly women who work in or around their homes, individually or in small groups, unorganized and atomized. Often, these women, homemakers, are confined to their homes due to family responsibilities and traditional norms as well as a lack of basic skills. These women sub-contractors are often unresisting and disorganized labour (Mitra et al., 1980; Pineda-Ofrenao , 1982). Since there are many low skilled subcontractors depending on a few large enterprises for jobs, these subcontractors have low bargaining power for higher rates of payment for work done. They also receive limited benefits in terms of training, credit access, technology transfer and in other areas. The benefits to the poor are scarce in the extreme. (De Groot , 1993). As a result sub-contracting has often been looked

upon as exploitative and extractive; with the manufacturers exploiting the subcontractors particularly the home-based sub-contractors.

2.8 Conclusion

In this chapter, it was noted that women's work encompasses both productive and reproductive work. After the Second World War, changing economic and social conditions facilitated the entry of married women into the labour force. Rapid industrialization and greater opportunities for education offered women more job opportunities than before. Ease of transportation and communication also led to international movement of capital and production from developed countries to developing countries. Industry and multinationals moved from high cost regions to places where governments offered investment incentives including cheap labour. This created a primary labour market of technically skilled, a knowledgeable and intelligent labour force, and a secondary market of cheap and unskilled workers. Women and other marginalized groups constitute the secondary workers. Women are seen as the industrial reserve army of labour, which can be activated to supply the needed cheap and disposable workers. However, this cheap and unskilled labour is not readily available. They are cultivated to meet the needs of the multinational

companies. Social, political and economic forces in conspiracy 'green' women labour into low cost and disposable secondary workers.

While the women are pulled into the labour market, some of the institutionalized political and social forces may limit women's participation. The gender division of labour giving women primary domestic responsibility spatially and ideologically restricts women's participation in the labour force. Incompatible role demands of family and work cause inter-role conflicts and its related stress and strain. Women face the feminine dilemma. Some women devise strategies to reduce this production- reproduction dilemma. One strategy is the withdrawal from the formal labour force to join the informal sector.

The informal sector, though large in most developing countries, yet its existence is ignored and its contributions not recognized. Though the government is aware of the existence of the informal sector and the vital role it provides to industry, public authorities tend to close their eyes to the exploitation and lack of protection of the labour force within the informal sector. This is because informal sector exists within the formal sector and provides casual, flexible and disposable labour to help the formal sector to create surplus and achieve profitability. The home-based subcontractor is one such group of informal labour.

Within the informal sector, home-based production apparently offers women who are restricted spatially within the domestic sphere the opportunity to dispense with the either-or choice between participation in the labour force

and domestic responsibility. Because of the invisibility of homework, it is undervalued and not costed. The women homeworkers exchange higher pay for flexibility in order to meet the domestic responsibility.