

GLOBALIZATION AND FEMALE LABOR IN THE MIDDLE EAST AND NORTH AFRICA

Valentine M. Moghadam
Illinois State University

How will globalization and the changing political economy of the Middle East and North Africa (MENA) affect women's labor-force participation and patterns of employment? Will economic liberalization in MENA countries increase demand for women workers and job opportunities for women across different sectors? What kinds of jobs are likely to be available to women? Will the education and training of women receive more attention?

The Current Situation

The MENA region has long exhibited a pattern of relatively low female labor-force participation; employment opportunities are largely enjoyed by men. Moreover, not only are the mean years of schooling relatively low, especially for age groups over 25, but gender gaps in educational attainment are very wide. Table 1 gives some indication of the cross-regional differences in women's occupational activity and the under-representation of MENA women in nearly all occupation groups. Table 2 illustrates the problems in the area of educational attainment, compared with other countries that are at similar stages of economic development or are competitors in the global economy.

The post-oil boom era already has had some striking effects on households and on labor-force participation. The male breadwinner role is no longer guaranteed, unemployment has grown, wages have deteriorated, inflation has soared, and poverty has worsened. Male wage workers have taken on second jobs in all but the richest sheikhdoms. Meanwhile, more and more women in both female-headed and male-headed households are seeking jobs out of economic need. The female share of the labor force has been growing, and there is much anecdotal evidence of an increase in female informal-sector economic activity. At the same time, the unemployment rates of women

have soared. These unemployment rates indicate both an increase in the supply of job-seeking women and the existence of barriers to their gainful employment.

Research on women's labor-force participation has identified a number of constraints to women's employment: (1) household inequalities and the traditional sexual division of labor, whereby men may allocate labor time and control the distribution of resources and rewards, (2) the overall gender ideology of the society, which favors men in the household, labor market, and polity, and relegates women to a subordinate or secondary role, (3) the legal system and regulatory framework as defined by the state, which could reinforce the above and hamper women's full participation through labor laws, family laws, and civil codes, and (4) the social and physical infrastructure, including the state of roads, public transportation, the quality and proximity of schools, and the availability of childcare facilities.

MENA governments are faced with the problem of how to restructure from oil to competitiveness, how to attract domestic and foreign investment, how to generate jobs and absorb new entrants to the labor force, and how to achieve growth and reduce poverty. What they must also consider is how to remove or alleviate the legal and customary obstacles to women's employment in order to increase the supply of female labor for those occupations and professions that could expand as a result of globalization.

The Feminization of Employment

Throughout the world — and in the current global environment of open economies, new trade regimes, and competitive export industries — globalization relies heavily on female labor, both waged and unwaged, in formal sectors and in the home, in manufacturing and in public and private services. Around the world, women's share of total industrial labor rarely exceeds 30-40 percent, but the percentage of women workers in export-processing zones producing textiles, garments, and electronics components can be as high as 90 percent. In public services, women's share throughout the world has grown to 30-50 percent — at a time when public-sector wages, like industrial wages, have been declining. As world trade in services has increased, so has the involvement of women in various occupations and professions of the services sector. Women have made impressive inroads into professional services such as law, banking, accounting, computing, and architecture; in tourism-related occupations; and in the information services, including offshore airline booking, mail order, credit cards, word-processing for publishers, telephone operators, and so on.

This phenomenon has been termed the "feminization of labor" by Guy Standing of the International Labour Office, who has hypothesized that the increasing globalization of production and the pursuit of flexible forms of labor to retain or increase competitiveness, as well as changing job structures in industrial enterprises, favor the "feminization of employment" in the dual sense of an increase in the numbers of women in the labor force and a deterioration of work conditions (labor standards, income, and employment status). Women's growing share of many kinds of jobs, however, has not

been accompanied by a redistribution of domestic, household, and childcare responsibilities. Moreover, women are still disadvantaged in the new labor markets, in terms of wages, training, and occupational segregation; and they are also disproportionately involved in the non-regular forms of employment that are increasing: temporary, part-time, casual, or home-based work.

The relatively low wages of women are certainly a factor in the growing demand for women workers in the developing world. On average women earn 75% of men's wages (1995 UNDP figures), with Sweden, Sri Lanka, and Viet Nam at the upper and more egalitarian end (89-91%), and Bangladesh, Chile, China, Cyprus, South Korea, the Philippines, and Syria at the lower and more unequal end (42-61%). The lower wages that women earn are mainly from within the private sector, whereas the public sector tends to reward women more equitably. In Egypt, women's wages in the private sector are about half those of comparable males, whereas in the government sector women are paid the same as men (1995 World Bank figures). In Turkey, female public employees receive pay equal to their male counterparts, but the largest gender-based earnings gap occurs for agricultural workers and for production workers, whereby female earnings are only half of the male earnings, according to two Turkish economists. Some of the difference in the incomes gap is certainly based on the lower "human capital" formation and lack of continuous employment of some women workers. Yet gender bias accounts for much of the difference in earnings. In some countries women earn less than men despite higher qualifications, a problem that is especially acute in the private sector. For example, in Ecuador, Jamaica, and the Philippines, "women actually have more education and experience, on average, than men, but get paid between 20 and 30 percent less," according to the World Bank.

At the same time that women have been entering the formal labor force in record numbers, much of the increase in female labor-force participation has occurred in informal sectors, especially in developing countries. The extent of this sector and women's involvement in it are matters of dispute, as they are not always captured in the official statistics. What is clear, though, is that many formal jobs have become "informalized" as employers seek to increase "flexibility" and to lower labor and production costs through subcontracting. Drawing on existing gender ideologies, subcontracting arrangements encourage the persistence of home-based work. Many women accept this kind of work—with its insecurity, low wages, and absence of benefits—as a convenient form of income-generation that allows them to carry out domestic responsibilities and care for children; some deny that it is "work", preferring to call it a hobby or a form of amusement, in order not to counter cultural codes or gender ideologies that idealize housewifery. The growth of informalization is observed also in developed.

It should come as no surprise that unemployment rates of women are very high. This is partly a function of the nature of economic restructuring itself, which has entailed massive retrenchment of labor in the non-NIC developing countries, in the former socialist countries now undergoing marketization, and in the developed countries. Un-

employment rates are very high by international standards in Algeria, Jamaica, Jordan, Egypt, Morocco, Nicaragua, Poland, the Slovak Republic, and Turkey (1995 World Bank figures). In the MENA region, high population growth compared with the low work-creation capacity of the economy has resulted in growing unemployment. Yet although unemployment is high for men, it is often higher for women. In many developing countries unemployed women are new entrants to the urban labor force, who are seeking but not finding jobs (as in Egypt, Iran, Turkey, and Chile, where female unemployment rates can be as high as 30%, compared with 10% for men). In certain countries where restructuring has occurred in enterprises employing large numbers of women, or in export sectors that have lost markets, the female unemployment rates may also reflect job losses by previously-employed women (as in Malaysia in the mid-1980s, Viet Nam in the late 1980s, and Morocco, Tunisia and Turkey more recently). Data on unemployment by educational attainment in the MENA region suggest that the most vulnerable persons in the new labor markets are women with partial education, although in Jordan educated women, and especially graduates of community colleges, can also expect high levels of unemployment.

Although some have claimed that there is no discernible pattern to unemployment in the MENA region, I agree that the common trend in the pattern of unemployment is differentiation by gender. In Bahrain, Egypt, Iran, Iraq, Jordan, Morocco, Oman, Syria, Tunisia, Turkey and the UAE, women's unemployment rates are not only considerably higher than men's but they are disproportionately high, given women's far smaller share of the labor force. In Algeria, a country with exceedingly high unemployment rates for both genders, women's 20% unemployment rate may be lower than men's (24%), but it is disproportionately high given the fact that women are a mere 10% of the labor force. Data on Kuwait and Sudan are over 10 years old; in Kuwait in particular one can expect to find high unemployment rates among women in the 1990s. In Saudi Arabia, too, more women are likely to be seeking jobs, given the economic difficulties there, but probably encountering barriers. Men's higher rate of unemployment in Yemen probably reflects the problems encountered by returning labor migrants, while the high unemployment of men in Gaza and the West Bank is related to the punitive closing off of Israeli labor markets to Palestinian men. The fact remains that in the MENA region, although employment has been traditionally masculinized, unemployment has become feminized.

Contrasting Scenarios

The gender-and-development literature has been very critical, and rightly so, of structural adjustment and various forms of restructuring. But globalization offers opportunities as well as risks for women, especially in regions or countries where men have monopolized the means of production and where laws and customs keep knowledge, wealth, and power concentrated among men. Could economic liberalization benefit women in the MENA region? If structural adjustment is intended to increase or

bring about the efficient mobilization and inter-sectoral mobility of a country's human and non-human resources, then the under-utilization of a female population and extreme forms of gender segregation would be deemed a misallocation of human resources requiring new policies. Economic liberalization and especially the export-oriented manufacturing strategies that tend to be prescribed could favor women's employment in the MENA region because:

- These policies raise the demand for women in the labor-intensive, traditionally female-intensive branches that are geared for export;
- In the current era of globalization, countries are forced to make their industries — and their labor forces — more competitive, partly by raising skill levels. This could favor increased attention to more education, vocational training, skills-upgrading, and entrepreneurship for women;
- Structural reforms often call for fiscal changes and the mobilization of domestic resources, through such measures as expanding the tax base and making taxation more efficient. Governments may reason that in order to increase the income-tax-paying population, policies would be needed to increase the size of the female labor force;
- Women's numbers could rise in such expanding occupations as banking, insurance, accounting, computing, and so on, which are indeed becoming feminized internationally;
- The expansion of tourism can break down cultural proscriptions against women's employment in sales and services occupations.
- As governments relinquish control over economic enterprises to focus on expanding and upgrading health, education, and social services, this could enhance the participation of women in the social sectors;
- The emphasis on private-sector development could encourage women-owned or managed businesses.

Several possible outcomes for the Middle East and North Africa suggest themselves. First, if it is true, as studies have indicated, that no country has successfully industrialized or pursued export-led development without relying on a huge expansion of female labor, then we can expect to see increases in women's share of the labor force as demand for female labor rises in the labor-intensive, female-intensive export manufacturing sectors. Indeed, this seems to have been occurring in Tunisia and Morocco, and to a lesser extent in Turkey, Syria, and Egypt. These countries have witnessed large export gains in textiles — and increases in the number of women workers. Second, as the tourism sector expands, we can also expect to see a growing involvement of women in tourism-related sales and services occupations, currently largely filled by men. Already hotel management schools are training young women in a number of countries; women employees are seen in the large hotels of Turkey, Tunisia, and Egypt, and a new

trend in Turkey is the hiring of young women in the trendy cafes of Istanbul and Ankara. In Jordan, young women are now working in the upscale Safeway supermarket in Amman; it may not be long before the Filipinas imported to work as waitresses because this occupation is considered inappropriate for Jordanian women are eventually replaced by nationals.

Third, realization of the objectives of structural change — as well as agitation by women's organizations — could bring pressure to bear on governments to modernize family codes and other laws and regulations that constrain women. Certainly the women's organizations throughout the region are calling for such changes. Fourth, as the government sector stabilizes recruitment and more men gravitate towards higher-paying jobs in the expanding private sector, public-service employment could become "feminized". Indeed, there has been a steady increase in the female share of government employment in almost all MENA countries.

Of course, there could be quite negatives outcomes as well. The contraction of the public sector and the expansion of a private sector that is "unfriendly" to women and that otherwise offers undesirable working conditions could dissuade educated women from entering the labor force and increase "housewife-ization" among middle-class women. For women from working-class and lower middle-class families, economic need and household survival strategies could continue to propel them towards the labor market, but the job opportunities would be mainly in the informal or unregulated sectors, including home-based activity through subcontracting arrangements, and without the security provided by work in the formal sector. If the employment costs to women, including the poor nature of the social and physical infrastructure and of social policies, remained great, this could serve as a disincentive for women to enter the labor force. The reluctance or inability of many private-sector employees to provide women workers with maternity leave benefits or childcare facilities would create a labor-market constraint for women workers with family responsibilities. Finally, the negative scenario includes the possibility that the educational sector could be left to its own devices, without government support to educate more teachers, raise their salaries, improve the quality of schools, and encourage higher enrollment and school completion rates. The higher costs of schooling and lack of job opportunities could serve as a disincentive for parents to invest in the education of their daughters. It is the recognition that this is already occurring (e.g., in Egypt and Morocco) that has prompted women's organizations in MENA countries to call for a re-ordering of governmental priorities towards greater investments in the education of girls.

NOTE: This is an excerpt from Chapter 1 of my forthcoming book, *Women, Work, and Economic Reform in the Middle East and North Africa* (Lynne Rienner Publishers, 1997). References may be found there.

Table 1: Women's Share in Major Occupational Groups, 1990, by Region

	Prof./Tech & related	Admin./ Manag.	Clerical & Services	Sales Workers	Product. Workers
<i>Developed countries</i>					
Western Europe	50	18	63	48	16
Other	44	32	69	41	22
Eastern Europe	56	33	73	66	27
<i>Developing countries</i>					
Sub-Saharan Africa	36	15	37	52	20
Oceania	41	18	52	53	17
Latin America	49	23	59	47	17
Caribbean	52	29	62	59	21
Eastern Asia	43	11	48	42	30
Southeast Asia	48	17	48	53	21
Southern Asia	32	6	20	8	16
Western Asia	37	7	29	12	7
North Africa	29	9	22	10	10

Source: UN, The World's Women 1995: Trends and Statistics, Chart 5.16.

Table 2: Mean Years of Schooling, 25+, early 1990s, by Sex and Country

<u>MENA country</u>			<u>Other developing</u>		
Country	males	females	Country	males	females
Algeria	6.0	4.0	Argentina	8.5	8.9
Egypt	3.9	1.9	Chile	7.8	7.2
Iran	4.6	3.1	China	6.0	3.6
Iraq	5.7	3.9	Colombia	6.9	7.3
Jordan	6.0	4.0	Malaysia	5.6	5.0
Kuwait	6.0	4.7	Mongolia	7.2	6.8
Lebanon	5.3	3.5	Philippines	7.8	7.0
Libya	5.5	1.3	Sri Lanka	7.7	6.1
Morocco	4.1	1.5	Thailand	4.3	3.3
Saudi Arabia	5.9	1.5	Vietnam	5.8	3.4
Tunisia	3.0	1.2	Uruguay	7.4	8.2

Source: Compiled by the author from UNESCO, 1994.