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EDUCATED, BUT WILL SHE WORK?

Social and Economic Transformations Are Further Integrating Arab Women into the Workforce. Yet Aspects of the Economy and Culture Continue to Hinder their Economic Empowerment

By Ghada Barsoum

Arab countries have the lowest labor force participation rate for women in the world. At just 21 percent, the region lags behind the 48.7 percent globe participation rate. Compare this to a female labor force participation rate of 59 percent in East Asia and Pacific, and 63 percent in Sub-Saharan Africa. This is the fact despite increasing access to education among women in the region. Arab women face very high unemployment rates, particularly among the young and educated. The situation of Arab women's labor force participation is a puzzle that has generated much heated debate.

Women's economic empowerment has both intrinsic and instrumental merits. Their earning power is good for their agency and for everyone in the household. When women have earning power, they are able to make better strategic life decisions such as pursuing education, delaying marriage, postponing and spacing children, walking out of abusive relationships, and investing in children's education and health. Women's work has been globally shown to be good for reducing fertility rates and child mortality, and for increasing children's access to education. Simply put, when women work, everyone around them benefits.

Unfortunately, the Arab region falls behind in creating jobs to match the large size of male and female entrants to the labor markets. Job creation affects both men and women. However, when jobs are scarce, Arab women are more likely than Arab men to be pushed out of work. Compromised job quality in the form of low pay and lack of job security also remain paramount in the region. And although this affects everyone, because of the demands on women's time due to family obligations, bad job quality can render opting out of work the only viable option for them.

◁ A street vendor sells seeds in front of an exchange bureau in Cairo, Dec. 31, 2012.
*Asmaa Waguib/
Reuters*

Understanding Women's Employment

The puzzle of Arab women's low employment rate is further compounded by the fact that the region has witnessed significant strides in women's access to education. Data on average years of schooling for young women aged 15–19 doubled from a low average of 3.5 years in 1980 to an average of 8.1 years in 2010. More importantly, the tertiary or postsecondary education stage shows the highest rate of reverse gender gap in the world. The ratio of young women to young men in tertiary education tripled between 1975 and 2010 to reach 112 percent. More women are educated in the Arab World but still very few of them are working. This has propelled some researchers to call women's low participation rates in the region "the gender paradox of the Middle East."

Further adding to this puzzle is that labor force participation rates also include the unemployed. By definition, as long as an individual is searching for a job, s/he is part of the labor market. So these low figures of participation also include a large proportion of women who are not working but are actively searching for jobs. These are mostly young educated women. If we look at data on youth unemployment in Egypt, we find that unemployed women constitute more than two-thirds of unemployed youth. Similar figures are shown in other countries in the region. In that sense, we can safely say that the face of unemployment in the region is that of the young woman. These statistics touch on the lives of many young women, with economic exclusion augmenting other forms of social exclusion and leading to their marginalization. Women's limited access to work curbs their role in public life and renders them invisible in many fields. This is a loss to everyone.

Should We Blame It on Culture?

A large body of research has sought to explain women's limited labor force participation. A most common approach has been to blame it on culture. It has been repeatedly argued that cultural norms, both at the labor supply and the demand sides, curb the potential for Arab women's employment. Proponents of this argument bring to the fore issues of gender propriety and restrictions on women's mobility on the labor supply side. Some also note that employers internalize these values and discriminate against women in their hiring practices, hence lowering the demand for women's employment.

Yet, sociologist Homa Hoodfar has long taken issue with this argument. She notes that the focus on gender ideology reflects an unrealistic vision of Middle Easterners as living in the realm of ideology while the rest of the world lives within economic structures. While we cannot ignore the power of culture in impacting individual decisions and the structure of opportunities around them, it is important to remember that

culture is malleable and is often negotiated across contexts and over time. Culture is never fixed and this is what makes studying it both challenging and refreshing.

Cultural constructs can be utilized in legitimating decisions for women to work or to stay at home. These constructs can be useful tools in validating the removal of women from labor markets when jobs are scarce. The best example of this would be American women being told to “go back to the kitchen” post-World War II. However, the lesson we also learn from history is that cultural constructs are not immune to the tide of change.

Beyond culture, many researchers decided to focus on other potential barriers to women’s employment in the region. Particularly, there has been a focus on the impact of macro-economic policies on women’s employment. The “social contract” in Arab countries, it has been argued, has dampened the need for women’s participation in the workforce and hence augmented the role of a male breadwinner. This social contract has been historically enacted with the state providing subsidies for food and fuel, and a relatively generous remuneration structure in the public sector. Other researchers are focused on the impact of oil production on women’s employment, arguing that oil revenues in producing countries, and the remittances from male migrant workers into non-producing countries, both raised what economists describe as the “reservation wage,” or the minimum acceptable wage, of female workers and again augmented the image of a male breadwinner.

Alternatively, it was argued that oil revenues increased jobs in male-dominated, non-tradable, capital-intensive sectors such as construction and extractive industries. These sectors are inhospitable to women in general due to their difficult working conditions. Neoliberal policies further complicated the employment potential for women with the retrenchment of jobs in the public sector, which has been the key sector of employment among educated women.

Are We at a Tipping Point?

Most of the arguments explaining women’s limited participation, however, have been time-bound and sector-specific. With the erosion of subsidies and the slowing of public-sector hiring in most countries in the region, the social contract hypothesis can no more explain women’s limited labor force participation. Similarly, most countries in the region are particularly keen on diversifying their economies and encouraging the role of the private sector in job creation, albeit to varied degrees of success. The male migrant effect argument is also weakening with the gradual nationalization of jobs in oil-producing countries.

If some of the factors that explain women’s limited labor force participation are waning, can we fathom a gradual change in the patterns of women’s employment? My

answer is a cautious yes. Other researchers have argued that it is an outright yes. A good example is researcher Saadia Zahidi's recent book where she highlights the rising presence of women in labor markets across the Islamic world, with particular focus on South Asian countries. She quotes me as one of those arguing for a cautious yes. My reasons for the tentative "yes" stem from the fact that while some of the structural barriers have been waning, the region still needs better and more plentiful jobs. The Arab region is particularly lagging in creating jobs to match the large size of male and female entrants to the labor markets. The anemic growth of the private sector has curbed its potential to create these needed jobs. Job creation affects both men and women; however when jobs are scarce, women are pushed out of work. Job quality, low pay, and lack of job security are also a problem. Because of the bad quality of jobs and pressing family obligations, women have often opted out of work.

As we come closer to a tipping point, a lot still needs to be done to address women's employment issues in the Arab region with job creation and job quality as key targets. But there is also need for gender-specific policies.

The earlier discussion of the high unemployment rates among women is a good starting point. There is serious need for women-focused active labor market policies. These are policies that encourage job seekers by engaging them in skill building activities, job search support, and business startups. I have looked at some of these programs in the region. While some are spearheaded by the state in a number of countries, such as those in the Maghreb, others are primarily offered by civil society organizations such as in Egypt and countries in the Levant. In most cases, these programs have focused on educated young men in the region. The political volatility of this group has earned them this special attention. However, this myopic policy focus ignores the fact that women constitute the majority of unemployed youth in the whole region.

It is also the right time to discuss gender-sensitive employment policies in the region. These have been discussed at length in other contexts, particularly in countries in the North, and increasingly in countries in the South. For example, policies to make childcare accessible and affordable, paid maternity leaves, and flexible work arrangements have been shown to have a very positive impact on the decision of women with children to participate in the labor force.

Similarly, women's employment has been shown to respond to improvement in access to social services. Globally, improved access to good services such as transportation in cities or access to electricity and water in the countryside is associated with increased female labor force participation. Discussions of these issues need to be further studied in the Arab World.

The New “Gig” and Continued Job Precariousness

The “gig” economy is increasingly recognized as a potential venue for increased women’s employment. With rising access to technology and education in high- and middle-income Arab countries, the Arab World is quite active in the “gig” economy. Middle-class Egyptians are now familiar with women offering to drive children to school via social media networks, and other working women offering to deliver ready-made meals from restaurants. Anecdotally, we also know that work-on-demand applications and platforms, such as Uber, are also starting to attract women drivers in Egypt. Recently, there was news about car-hailing services planning on hiring women as drivers in Gulf countries. As researchers, we have little knowledge about the size of this burgeoning economy due to under-reporting.

This is particularly the case because many of the participants in this nascent sector do not consider themselves employed in the traditional sense of the word.

Before we start celebrating the gig economy as a panacea for all that ails working women, it is important to remember that not all employment is empowering. Clearly, much of the gig economy revolves around short-term gigs that are mostly service related (Uber driving, Otlob telephone operators, etc.). While some service industry jobs can be empowering, oftentimes these types of jobs are low paying and do not provide workers—male or female—with good wages leading to upwardly mobile lifestyles.

If we are at a tipping point of more Arab women working, this should not be an end unto itself. With the discussion on a prospective growing presence of women in Arab labor markets, other challenges come to the fore. The key issues Arab women will face are those of employment informality and job uncertainty, for both self-employed and wage workers.

Job informality refers to undocumented employment relations for wage workers and to a lack of registration for the self-employed. In both cases, lack of access to social protection in the form of pension schemes is the most problematic aspect of job informality. As wage workers, working women pushed by poverty often land in low-compensation and low-productivity sectors. Economic activities of this nature do not allow for access to protection measures such as old-age social pensions unemployment or disability benefits. Consequently, job precariousness perpetuates cycles of poverty.

Job informality is a serious challenge in the Arab region, with less than one-third of workers contributing to social pension schemes, according to the International Labour Organization. For many working women, the choice to join the labor market, either as a wage or self-employed worker, can be a choice made with little options available. When women are pushed by poverty to join the labor market, they land in precarious forms of employment.

While informal employment has been historically associated with low education, more educated workers are also faced with informality, particularly in middle-income countries in the Arab World. As self-employed workers, skill level is key to the success of a business. This is the case for male and female workers. However, the key challenge is that globally women's self-employment is in low-income activities that aim at economic survival and that do not make the transition to formality and growth.

Back to Culture

While I started this article by noting that we cannot simply state that culture is the reason for women's lower participation rates in the Arab World, I come back now to culture. When we look at Arab culture, we must discuss regulatory frameworks that have augmented traditional values and curbed women's labor force participation in the region.

While all Arab countries have now ratified the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)—which requires states to enshrine gender equality in legislation and repeal any discriminatory provisions identified in laws—all ratifying Arab countries have had reservations on some key articles of the CEDAW and continue to harbor certain discriminatory practices. These discriminatory practices vary across the region. Some countries limit women's personal autonomy including freedom of mobility. Others require women to obtain the approval of a male guardian while applying for a passport, for traveling outside the country, or for work outside the home.

If women are bound to increasingly join the labor market, state policies need to catch up with the global change in gender norms for women. It is key to address discriminatory regulatory practices that limit women's mobility. Similarly, limiting female access to skill building and other active labor market policies in the region cannot be justified. Placing laws that would regulate informal employment should be high on the policy agenda for both working men and women. The social protection deficit among wage workers and the self-employed in the region needs to be addressed by innovative measures of flexible social insurance mechanisms. There has been a growing body of research on the viability of micro-insurance programs, with research showing that they provide value by helping low-income populations cope with losses and enhancing their long-term wellbeing. Recently, Egypt has introduced a program of micro-insurance to informal workers. More studies are needed to test the effectiveness of this approach and its relevance to the context.

Women's employment is good for the economy, increasing productivity and the total labor force participation rates. When more women work, this alters perceptions about the value of work for women and changes cultural norms. Women's employment

is also central to a policy agenda addressing overpopulation. Global evidence suggests that women working outside the home have lower fertility rates. As such women's economic empowerment is good news for everyone, men and women.

Women's employment is not simply a "women's issue." Just recently, G20 leaders committed to a "25 by 25" plan, which aims to reduce the gap in labor market participation rates between men and women by 25 percent by 2025. Many have argued that if achieved, this objective would raise global Gross Domestic Product in 2025 by 3.9 percent. One report by the International Labour Organization showed that the Arab World stands to benefit the most if this goal is achieved. A policy focus on women's economic empowerment in the region is not only timely, but also urgent.