

Economic Power: Opportunities in Africa

The African Center for Gender (ACG) introduces the AGDI Policy Brief Series with an aim to take stock of gender equality in opportunities across Africa and highlight challenges lying ahead and where available offer prioritized policy recommendations to accelerate progress toward gender equality and women's empowerment, particularly in economic sphere. The AGDI is based on two components. First, a quantitative snapshot of 44 indicators that capture gender disparities in social, economic and political arenas is captured by the Gender Status Index (GSI). Second, a qualitative self-evaluation of governments' performance in their implementation of more than 30 treaties, declarations, and resolutions affecting women's rights and women's empowerment in social, economic and political arenas is represented by the African Women's Progress Scoreboard (AWPS). This Policy Brief focuses on Economic Power which covers almost half of the indicators in GSI and a quarter of the indicators in AWPS. All data¹ are provided by stakeholders in respective member States, including various Ministries and Civil Society Organizations. This Brief draws on the results from the AGDI Country Reports for the Phase 2 of the AGDI².

Key Messages

- Women work longer hours, receive lower wages and constitute the bulk of vulnerably employed and poor people across the continent. Several policy tools are available both in short- and long-term for economic empowerment of women in urban and rural areas but political commitment at the highest level is necessary for successful implementation.
- Two constraints stand out as key challenges facing women's economic empowerment: asset ownership and time poverty. Women's economic empowerment requires productivity growth in women's economic activities. In the agriculture sector, this requires access to good quality land as well as freedom to allocate inputs for efficient production. From early ages onwards, women face severe time constraints due to domestic activities that limit their human capital formation and career opportunities.

¹ All Country Reports are received by the ACG throughout 2012. While the ACG has made all the efforts to update various indicators using international databases, e.g. DHS and IPU, the majority of the indicators are nationally sourced and from 2012 or before.

² Countries that were part of AGDI 2 are Botswana, Cabo Verde, Republic of Congo, Côte d'Ivoire, Djibouti, Democratic Republic of Congo, the Gambia, Kenya, Malawi, Mali, Senegal, and Togo. Burundi is also included in this Brief as data submission date was similar to Round 2 countries.

Figure 1. AGDI Snapshot for Economic Power

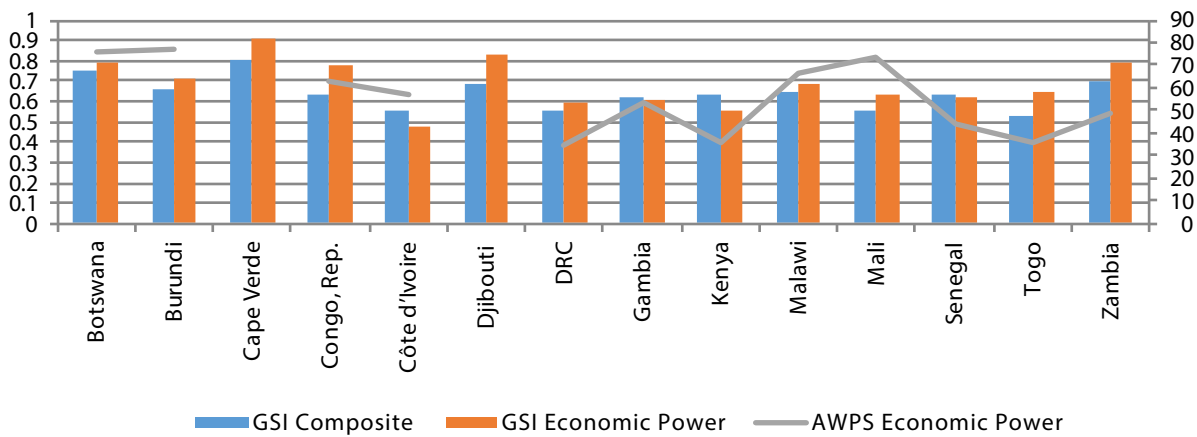


Figure 1 above offers two key insights. First, more than two-thirds of the countries have achieved higher GSI scores in Economic Power relative to the composite index. This can be highlighted as positive news for women’s economic empowerment since losses incurred from gender disparities in Political Power would not have been otherwise compensated. However, an important qualification has to be made regarding data availability. Specifically, four times more data are missing in this component than in the Social Power component, which records the lowest amount of missing data. It is crucial that member States receive funding, technical support and capacity development to collect data on time use, wages and income sources, particularly in rural areas, and data on access to credit as well as membership in professional syndicates. Tracking progress in women’s economic empowerment is otherwise doomed to fail.

Second, exactly three-quarters of the 12 countries with the relevant data report higher scores on the GSI than the AWPS, which suggests progress in policy outcomes despite lack of policy implementation at an equivalent scale. Burundi, Botswana and Mali are close to the three-quarters achievement threshold on the way to satisfactory implementation, while Malawi and Congo closely follow suit, being currently located around the two-thirds mark. The average for the rest is significantly below 50 per cent. Kenya, Togo and DRC need to almost double their current policy

implementation performance to pass beyond the halfway benchmark and catch up with Malawi and Congo. In terms of indicators within the Economic AWPS, there is weaker policy implementation performance regarding ILO Convention No. 183 on maternity protection *vis-à-vis* ILO Convention No. 100 on equal remuneration and ILO Convention No. 111 on discrimination in employment and occupation. Maternity leave provisions are necessary not only to attract qualified women into the labour force but also to boost demand for female workers by firms. In the absence of maternity leave or in the presence of implicit discrimination in its application, women’s labour force participation rates as well as occupational segregation in the formal sector are unlikely to improve.

By far the best performing AWPS indicator in this component is Engendering National Poverty Reduction Strategies, followed by Access to Agricultural Services. However, AGDI Country Reports repeatedly argue that agricultural services are largely not reaching women. Strong political will and vision are required to boost policy implementation performance in land ownership as well as in access to technology. At the current rate, gender disparities in land ownership will not dissipate, but may worsen, and the need for technological upgrading as well as extension services for women farmers in value chains will grow immeasurably. Figures 2-6 below take stock of 20 indicators that span 5 sub-themes within the Economic Power component.

Figure 2. Gender Gaps in Wages

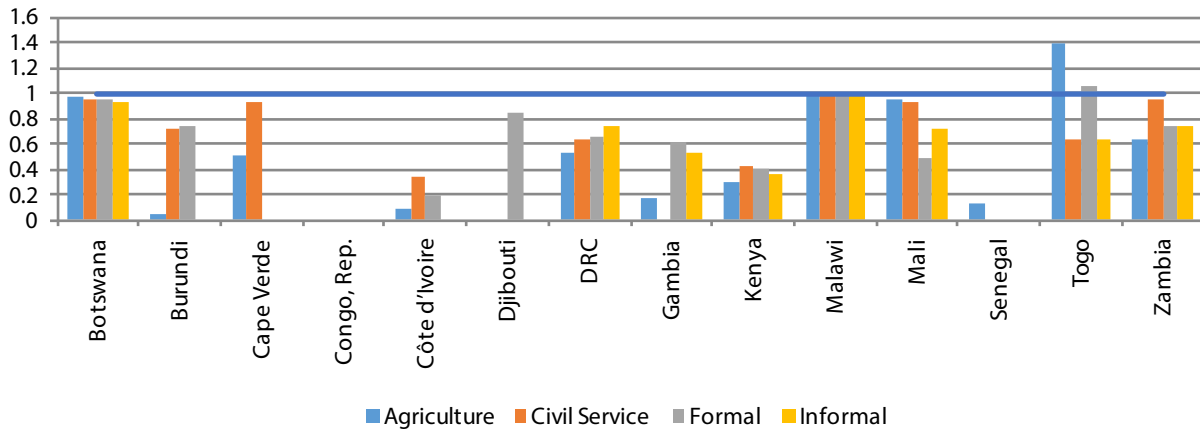
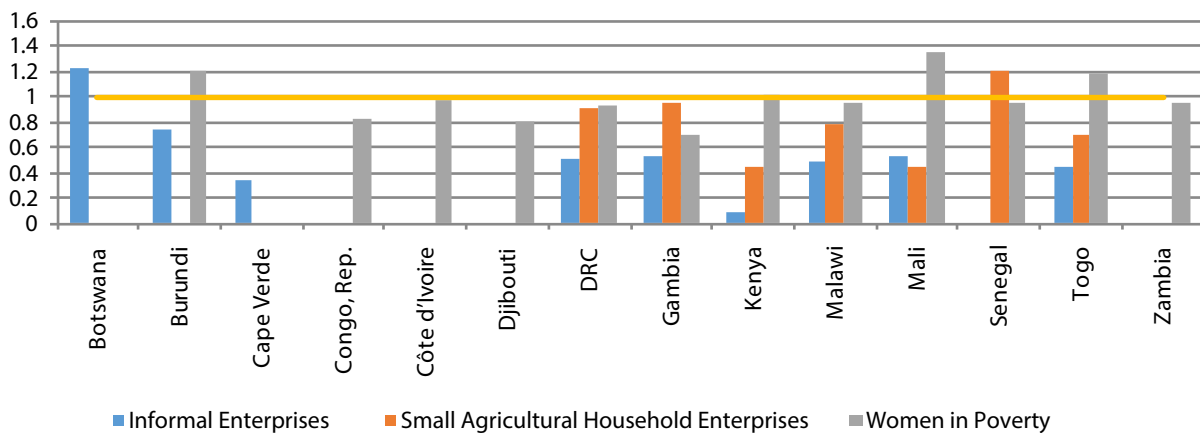


Figure 2 above presents gender wage gaps across four sectors. In general, Malawi and Botswana have achieved gender parity in wages across these sectors. With the exception of Togo, the largest disparities on average are in the agriculture sector, where women’s weaker bargaining power for input use along with limited access to good quality land, credit, agricultural extension services as well as labour-saving technologies drive a large wedge

between men and women. The Civil Service has the highest GSI score, indicating the smallest gender gaps but the average score is only three-quarters of the way to gender parity. On average, gender gaps are equivalent in the formal and informal sectors, with the latter sector offering no social protection to women who dominate the sector and constitute the majority of people in vulnerable employment.

Figure 3. Gender Gaps in Income



A similar picture arises with income streams. Gender gaps here are as wide as in wages in the agriculture sector, with Botswana being the only country with women earning more than men in informal enterprises. Gender gaps are much lower in small agricultural household enterprises. In fact, the average gap is the lowest in this category, surpassing the progress achieved in the Civil Service. Supporting rural women’s agricultural investments through access to land and labour-saving technology should narrow this gap further towards parity. An important policy issue

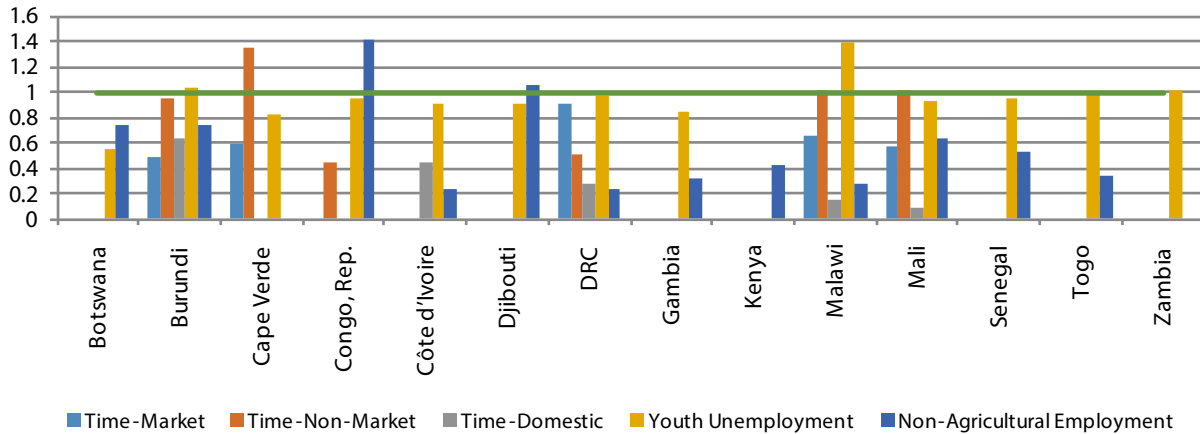
here is the low level of literacy, particularly for adult women. Providing extension services, agricultural credit or technology can yield increasingly positive outcomes the more women are enabled, through basic literacy, to participate fully and exploit all opportunities offered.

Figure 4 below focuses on employment in general and time endowment. Consistent with other developing regions, women in AGDI Round II countries spend at least twice as much time as men on domestic chores. This ratio increases in

rural areas, especially for younger girls. Mali has the best quality data on time use which show that girls in rural areas spend on average 24 times more of their time endowment on domes-

tic chores than boys do in 6-14 age group. Were such disaggregation possible, other countries would likely have a similar pattern.

Figure 4. Gender Gaps in Time Use and Employment



Clearly, prospects for girls' enrolment beyond primary education and opportunities for women to obtain decent jobs in the formal sector will remain bleak as long as the level of time poverty women face is not reduced. Women spend considerably less time in market activities, while they are involved in similar loads of non-market activities with men. Lack of early childhood education in rural areas for both boys and girls is a big drawback, given the potential benefits that can accrue in human capital formation and for alleviating mothers' severe time constraints.

of men. There are more young women in the category of "not in employment, education or training", implying labour market conditions and prospects that discourage women from entering the labour force. Similarly, women's presence in non-agricultural employment is extremely low. On average, across AGDI Round II countries, men are twice as likely as women to participate in non-agricultural employment. Women who manage to be a part of this economy can do so only at the margins, as own-account workers in the informal sector. They are often stuck in income-generating activities that require low skills, flexible time and offer low growth potential. Even if women miraculously get access to credit, what they can do with it is highly limited.

On the unemployment front, there is parity to a large extent in youth unemployment. However, it is important to bear in mind that young women's labour force participation is still weaker than that

Figure 5. Gender Gaps in Asset Ownership

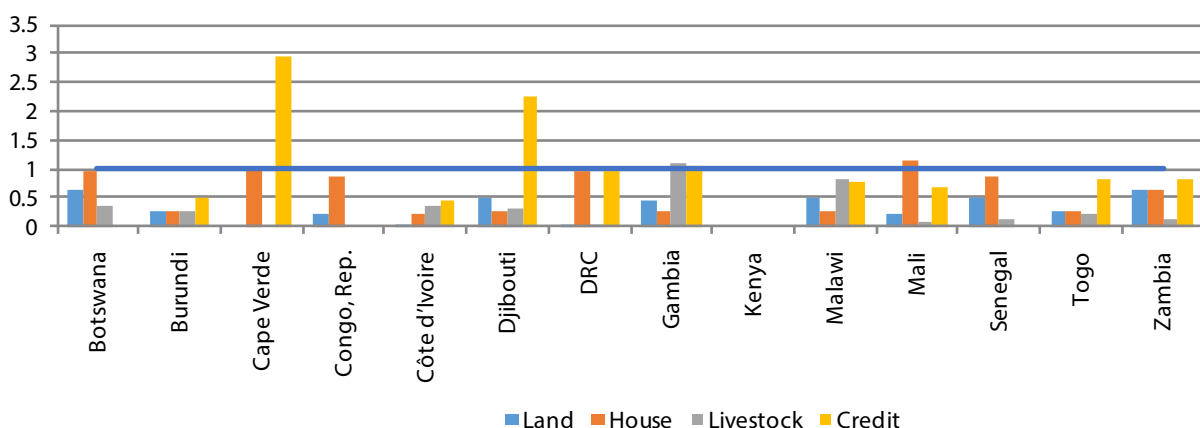


Figure 5 above presents gender disparities in assets such as land, house, livestock ownership and access to credit. As mentioned earlier, women dominate two sectors in Africa, namely the agriculture sector in rural areas and the informal sector in urban areas. Assets play a crucial role in providing security and growth potential to women farmers and entrepreneurs. Unfortunately, large gender gaps exist, particularly in land ownership. Either countries lack equitable inheritance laws or weak governance combined with lack of awareness contribute to women's inability to access assets from their natal families or matrimonial portfolio.

New sectors and value-chains are emerging in agriculture but women cannot benefit from these opportunities due to lack of land and livestock. In the presence of commercialization, there is even risk that women may lose the little they have got.

For AGDI Round II countries, the range is virtually zero to 20 per cent of arable land belonging to women. Furthermore, not all of this land is of acceptable quality or connected to irrigation. In Cape Verde, only 23 per cent of land owned by women has irrigation access, for instance.

In urban areas, women face barriers against entrepreneurship in high-growth sectors. Initial fixed costs are indeed the major barrier and without credit, women are unlikely to break out of low productivity sectors. While some Round II countries report relatively high access to credit, this often relates to having bank accounts and not necessarily having access to loans of decent size. Cape Verde and Djibouti are certainly on the right path with the latter country experiencing the emergence of a female entrepreneurial class in urban centres.

Figure 6. Gender Gaps in Occupations

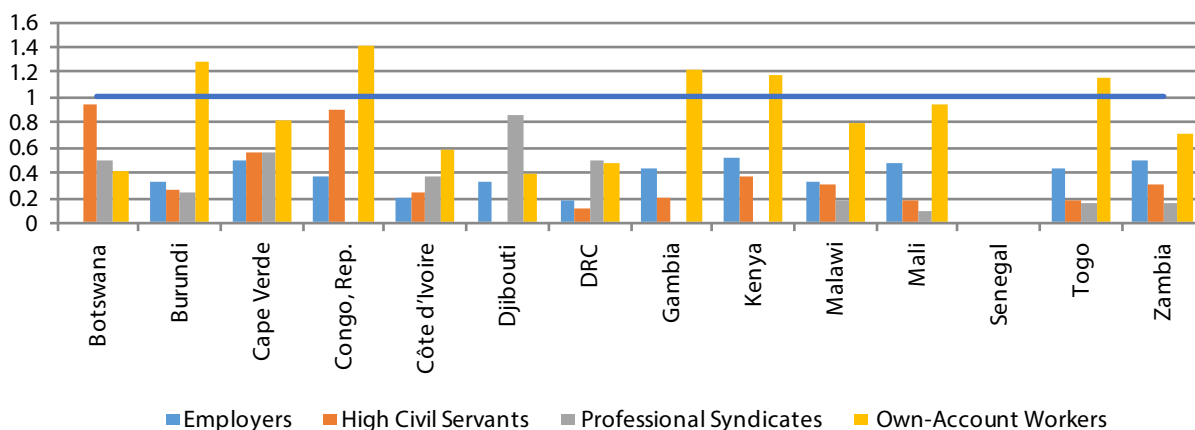


Figure 6 indicates the level of vulnerable employment for women along with the occupational segregation in the labour market. On average, the GSI score for the first three categories barely passes the one-third threshold, suggesting that women are three times less likely to be employers, high civil servants and members of professional syndicates. The minority of women who find themselves in one of these categories faces occupational segregation. For instance, women are well represented among accountants or even lawyers in some countries, but they are barely present in associations for engineers and architects in

any AGDI Round II country. Women in urban areas are predominantly in the informal sector and work on their own account. In almost half of the countries, women are overrepresented in this category. While transforming own-account workers into employers is a stated goal, it is highly unlikely that women can expand their businesses and hire employees due to the numerous country-specific constraints they face as well as the low productivity sectors they are engaged in.

Policy Recommendations

- Most countries already have the legal instruments and commitments to support women's participation in the non-agricultural economy, particularly in formal wage employment. However, weak enforcement of workplace protection rights leads to severe discrimination against women of reproductive age in the formal labour market. Governments need to strengthen enforcement of their international and regional commitments on equal remuneration and non-discrimination in the workplace.
- The majority of women are in the agriculture sector in Africa. However, they lack secure access to land. Even though most countries have non-discriminatory inheritance laws as well as matrimonial property regimes, in practice women mostly do not benefit from these rights. Some countries continue to practice separation of property in matrimonial assets and lack strong inheritance rights and land codes to support women's claims. The inconsistencies must be resolved between customary laws and modern law as well as the international legal commitments governments have made.
- Active labour market policies are gaining traction around the world. Many policy tools are available for women of different backgrounds. Entrepreneurship promotion programmes that combine business skills training with grants have yielded positive results for rural and marginalized women while skills training programmes combined with job search assistance have done the same for educated urban women. More experimentation with such policies is likely to find the optimal women-specific bundle.
- Lack of data on wages, income and time use impedes an accurate representation of women's economic empowerment in Africa. Governments need funding and technical assistance to make progress with disaggregated statistics.

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