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Approaches to Employment and Income Generation  
for Women in Indonesia:  
A Review of the USAID Portfolio

by

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## Executive Summary

In June of 1981, Margaret Lycette, staff economist, and Jane Jaquette, consultant, of the International Center for Research on Women, spent two weeks in Indonesia at the request of the A.I.D. Mission in Jakarta to do a portfolio review of the Mission's strategy and projects with the intent of enhancing employment and income-generating prospects for women. During this period they interviewed project leaders and other USAID personnel in Jakarta; talked with representatives of the GOI, the Ford and Asia Foundations, the World Bank, and the Agricultural University at Bogor; and made site visits to a PDP small-scale credit project in Central Java and the rural electrification project near Kloten.

The report submitted discusses the role of women in the economy and derives specific recommendations to maximize women's income-earning capacity in the context of Indonesia's economy and income/employment-generation prospects. The USAID portfolio of programs and projects is evaluated in light of these recommendations and specific suggestions for a more explicit inclusion of women into AID's employment strategy are made. The underlying premise of the overall analysis is that the incorporation of women into development schemes is required on the grounds of efficiency and economic growth.

The following summarize the major findings and recommendations:

Women in the Economy. Difficulties in discerning the precise role of women in the Indonesia economy due to the prevalence of self-employment, household enterprises, family labor, and the informal labor market are delineated. Women tend to be employed in the agricultural, agro-related, and small-scale enterprise sectors. Agricultural workers usually weed, plant, terrace and harvest, working their own plots, working as unpaid family laborers, or working as wage laborers on large farms or plantations. They are extensively involved in the processing and marketing of crops and fish, and while they do not usually catch fish, women make nets and are responsible for feeding fish in brackish and freshwater ponds.

Indonesian women also operate small-scale enterprises and engage in trade, either as primary earners in a household, or as co-contributors to total household income. They tend to have little or no collateral against which to borrow and, due to cultural constraints and familial obligations, tend to operate locally. Additionally, cultural constraints restrict women's production or sale to areas traditionally considered appropriate for women.

The reported labor force statistics--considered to be underestimates of the actual number of working women--indicate that in the total economically active population of 1976 women constituted 36.8 percent, with rural women showing higher participation rates than urban women. However, women's position in the labor force is at a disadvantage relative to men: women predominate in the low-paying, low-productivity jobs, with earnings

which are generally considerably lower than those of men. Insofar as low incomes indicate low productivity jobs and thereby underemployment, Indonesian women are severely underemployed. Such underemployment is, nevertheless, offset by intense activity on the part of women. Indonesian women are in fact found to work longer hours than men.

Women and AID's Programmatic Emphases: AID's present strategy reflects limited concern for the employment of urban women. This is somewhat justified by the magnitude of employment problems in Indonesia, particularly in Java, where urban/rural distinctions tend to blur.

Within the framework of AID's current and envisaged project thrust, the report delineates the prospects for maximizing women's employment/income-generation opportunities in agriculture, agro-related activities, small-scale enterprises and trade and training. AID's stated intent is to assist in developing and perhaps demonstrating innovative approaches to grass roots participation in productive non-farm jobs and income-creating activities through close collaboration with government officials and private organizations. In this connection the considerable opportunity that AID has to affect the economic prospects of a large number of women because of its close relationship with Indonesian officials in the various projects is underscored.

Four ongoing AID projects are singled out for particular analysis because they have the potential to positively affect income and employment prospects for women--in the short run, through appropriate design and implementation of subprojects; in the long run, through development of local government awareness of women's needs. The four projects identified are:

1. The Provincial Area Development Program (PDP) which seeks through a series of subprojects to improve local government capability for planning, project identification, implementation, management, and evaluation. A review of some subprojects in the Bengkulu Area Development Program reveals specific instances where the inclusion/exclusion of women comes to be dependent upon the particular orientation of field consultants or project managers towards project design and implementation. Particular reference is made to the Multiple Cropping and the Credit for Small-Scale Industries subprojects.

2. The Small-Scale Fisheries Development Project. This project can affect women's economic opportunities in two ways: (1) Since women often process and market fish, USAID could consider extending the goals of the project to include not only increased fish production, but also technical assistance to improve processing and marketing. The effect of increased production in improving economic welfare will be limited unless that increased production can be adequately marketed. (2) Since women are often responsible for the care of fish in brackish fish ponds, USAID could seek to ensure that technical assistance through extension services

is directed toward women.

3. The LUWU, Citanduy II, and Sederhana Irrigation and Land Development projects, all of which involve the provision of technical assistance to improve agricultural production. These projects can be geared towards including women in extension services, incorporating women into envisaged agro-processing enterprises and off-farm employment planning, and initiating/expanding women's access to credit/technical assistance to improve productivity.

4. The Project Proposal for a Village-Based Income-Generating Scheme (under the East Java Nutrition and Family Planning Project) provides an example of how a focus on women's income-generation opportunities can be integrated with other types of development priorities. The built-in reliance on the structure of BKKBN to provide credit services for women can ensure the success of this endeavor given AID's extensive experience with the BKKBN in earlier nutrition and population projects.

#### Priorities for the Mission

The recommendations submitted for the improvement of women's income and employment prospects in Indonesia are not based on substantial amounts of new resources nor on the design of women-specific projects only. The following suggestions are ordered by priority according to the ease of implementation.

1. Keep the WID officer better informed of the project design and implementation process. Project proposals and PIDs should automatically go to the WID officer for comment and timely input; the WID officer should be encouraged to make short-term site visits to become familiar with projects in all sectors.

2. Ensure that consultants chosen to provide technical assistance are aware of the important role that Indonesian women play in contributing to the economic welfare of the household. This can be accomplished by discussing the issue with potential contractors.

3. Insist that baseline socioeconomic surveys collect data disaggregated by sex. Ideally, they should yield information about the economic role of women and time use data. Much sex-disaggregated data which is not adequately utilized is already available at the kecamatan and village levels. Additionally, a survey designed to determine the economic position of households and the economic activities of members within those households, could produce useful information about women by requiring only one additional response to each question rather than limiting responses to information about the household head alone.

4. Similarly, evaluations should also provide sex-disaggregated data to ensure that differential impact is noted, to make it feasible for infor-

mation of project success and failure in this dimension to be utilized in project design and, where flexibility exists, implementation.

5. Within the Mission, foster greater exchange of information/expertise on reaching women through development projects. This may mean something as informal as setting up an occasional seminar on the subject or as formal as setting up project review committees to ensure that expertise from various sectors is coordinated. This will require better utilization of the WID officer.

6. Provide Program funds for the use of the WID officer in obtaining technical assistance sensitive to the incorporation of women into projects. As more consultants acquire expertise in addressing women's needs in the course of bringing to bear their various technical expertise, special funding for women will become less important.

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In an economy like that of Indonesia where the prevalence of self-employment, household enterprises (farm and non-farm), family labor and unorganized or "informal" labor markets is widespread, fundamental difficulties surround the use of aggregate statistics on sectoral growth, employment and labor force in formulating and evaluating income and employment generation strategies. However, such data are helpful in providing an overview of income/employment generation prospects which can be interpreted in conjunction with micro-study data and/or field observations in order to yield an appropriate strategy. Therefore, this report begins with a brief description of the Indonesian economy and income/employment generation prospects; the role of women in the economy is then discussed and recommendations for income/employment generation for women are derived. The USAID portfolio of programs and projects is then evaluated in light of these recommendations, and specific suggestions for improving AID's employment strategy for women are made.

INDONESIA: Economic Overview  
and Income/Employment Generation Prospects

In recent years, several aggregate successes have been achieved in the development of the Indonesian economy - these include diminished hyperinflation, increased national production and improved education and health services. Growth in the economy was somewhat sluggish in 1979, as a result of the 1978 devaluation, but accelerated in 1980 and is expected to continue to do so in the next few years. The prices of most of Indonesia's major exports, especially oil, have risen recently, resulting in favorable terms of trade and rapidly growing foreign reserves. In 1979-80 Indonesia achieved a record balance of payments surplus, which should continue during the first half of the 1980s. Production increases are expected to result in a 7-8% per annum growth rate of the Gross Domestic Product, during the period of 1981-1984.

Agriculture

Agriculture has maintained its primary position in the economy as a major source of both food and, through exports, foreign exchange. However, its relative importance has decreased. In 1973 agricultural activities accounted for 40% of the country's GDP, but by 1979 this figure had dropped to 32%.

The rice crop dominates the Indonesian agricultural sector. Between 1968 and 1978 crop production grew at an average annual rate of 4.2%, and in 1980 the crop, representing a tremendous increase over previous years, reached approximately 19.6 million tons. However, because rice consumption has grown at an average annual rate of 4.3%, Indonesia has consistently imported large quantities of rice. Imports of rice grew from 63 million tons in 1968 to 1.95 million in 1979. The 1980 bumper rice crop enabled the government to store 1.6 million tons of rice, thus, imports are expected to decline over the next few years.

In addition to rice, several other food crops are grown in Indonesia. These include corn, cassava, sweet potatoes, soybeans, and peanuts. Indonesian farmers also produce several important cash crops, such as rubber, copra, coffee, tea, etc. The major agricultural exports include rubber, coffee and palm oil. Rubber production, valued at \$317 million in 1960 and \$595 million in 1977, is projected to grow as much as 3-3.5% for smallholders and 8-9% for estates. Palm oil exports are growing at an average annual rate of 8% p.a. They rose in value from \$27 million in 1965 to \$193 million in 1977. Exports of tea and coffee are expected to stagnate in the next few years because of lack of investment and institutional support.

About two-thirds of rural households rely on agricultural activities for their primary source of income. Because of rapid population growth, land is scarce, so fewer families can rely on farming either for subsistence or income generation. Wage labor in agriculture, because of the introduction of less labor intensive harvesting techniques, is available to a relatively small number of workers. Many workers can rely on agriculture for their source of income only during the cropping season. In 1971, the agricultural labor force decreased by 25% at the end of the cropping season. In 1976, the decrease was 17%, and women accounted for 68.1% of this change. About 30% of those who work in agricultural activities in the off-season are unpaid family workers.

Displacement from agriculture has resulted in an increased dependence on non-agricultural sources of income to supplement total incomes. Such activities in rural areas accounted for about half of the total increase in employment between 1971 and 1976. Much non-agricultural employment, especially in the small-scale enterprise/trade and manufacturing sectors, is agro-related, as in food processing and marketing of fruits and vegetables.

Real wages in agriculture and in non-agriculture activities appear to have remained fairly constant in recent years, despite declining demand for agricultural labor. However, data on wages in rural areas has limited usefulness because so many workers rely on informal sources of income (80% of home industries are located in rural areas). It seems clear, however, that rather than being "pulled" out of agriculture by higher returns to non-agriculture employment, labor is being "pushed" out of agriculture by declining employment opportunities into relatively lower-paying, marginal employment.

#### Fish

The fishing sector is growing rapidly in Indonesia. Because annual production, approximately 1 million tons, is only 20% of the possible sustainable yield, output could be expanded tremendously. The value of seafood exports rose from \$2.5 million to \$165 million in 1977/8.

Fishermen concentrate most of their efforts on the higher priced fish, such as shrimp, which account for 60% of the seafood that is exported.

However, many seafood products are gathered and processed by foreign ships, limiting the amount of local employment in this sector. Those involved in small-scale fishing remain among the lowest income groups in Indonesia.

### Timber

Indonesia's abundance of forests has allowed timber production to grow rapidly in past years. The percentage of GDP generated from forestry grew at an average annual rate of 25.1% between 1967 and 1971. However, there was a sharp decline in production in 1975 due to the global recession, and, although output has increased since then, it has not fully recovered. Current annual production is only 55% of the possible maximum sustainable output.

Timber products account for a substantial share of Indonesia's exports. The value of timber exports rose from \$2 million in 1960 to \$961 million in 1977. In 1980 timber accounted for 32% of all exports, but its share is expected to drop for the next several years. Export growth of downstream products is limited by several problems which include: high conversion cost, uneven quality, a shortage of skilled labor, inefficient production operations, low capacity utilization, and marketing and shipping problems.

### Industry

The industrial sector in Indonesia has grown at a relatively rapid rate in recent years. The average annual rate of growth was 11% between 1967 and 1977, which was a growth rate higher than that of the economy as a whole. Nevertheless, manufacturing industry still has a relatively minor role in the economy, and industry in general accounts for a smaller share of GDP in Indonesia than in other East Asian countries.

Industrial production accounted for 9.6% of the GDP in 1973 and 12.6% in 1979. However, the sector performed poorly in 1979 following the 1978 devaluation, which limited the availability of credit and increased the price of raw materials and intermediate inputs. Output prices did not rise sufficiently to compensate for those higher overhead costs. Furthermore, growth has been slowed by over-regulation.

A large portion of industrial products are consumer goods produced for the domestic market. Techniques of production are usually capital-intensive in the formal sector which limits employment-generating possibilities. The incentive framework appears to be biased against labor-intensive, export-oriented industries. Rather, the government supports import substituting industries which tend to be capital intensive. As of October, 1976, industry employed only 8.4% of the labor force.

The output of small establishments, employing one to nine workers,

grew between 1.5 and 5% annually between 1971 and 1977, while employment in small firms grew by 12% annually between 1971 and 1976. The output per worker in the small firms, which usually produce traditional goods, has been decreasing at about 8-10% per annum. On the other hand, large firms, which are usually in the modern sector, have increased their employment by less than 2% annually while their output per worker has grown by about 17% between 1971 and 1977 due to capital-intensive production techniques.

Industrial exports have grown dramatically in recent years. Non-oil merchandise exports which accounted for 35% of total export earnings in 1979-80 grew to 55% in that year, primarily due to higher world prices. The largest increase in earnings was in manufactured goods, such as garments, textiles, and electronic parts, which grew by 140% to \$1 billion. Although the world market will be less favorable to manufactured exports in the 1980s because of increased protectionism, Indonesia's small share of the market should not be affected significantly.

#### Transport

The Indonesian transport sector should expand considerably in the next few years because of overall growth in income and the geographical distribution of this growth. In 1979 transportation and communication accounted for 5.6% of the total GDP. Demand for transport is expected to increase at an average annual rate of 14% during the 1980s. This increase would add to the tremendous growth achieved during the 1970s when the number of road vehicles increased by 23% per annum, the number of commercial vehicles increased by about 15% per annum, and the number of cars increased by 23% per annum.

#### Construction

Since construction accounts for about 55% of public development expenditures (including project aid), future expenditures on irrigation, housing, roads, land settlement and maintenance can be expected to result in increases in the demand for construction services. Demand pressure has already been revealed in price increases; in 1979 the increase in the price deflator for construction was 40%, compared with only 33% for the GDP price deflator.

#### Income and Employment Generation

It appears that programs to foster income and employment generation for low-income groups in Indonesia must not only emphasize increased agricultural productivity but must also provide aid in the form of technical assistance and credit to small agro-processing and trade enterprises -- especially if possible, to those that are export-oriented. In coastal areas, and areas suitable for brackish fish ponds, credit and fishing gear upgrading in conjunction with technical assistance in pro-

cessing and marketing could significantly improve incomes. Development of the transport sector, with an emphasis on appropriate levels of technology, could be critical to an income/employment generation strategy for Indonesia. Efficient, low-cost transportation is important to the viability of small enterprises. The development of extremely flexible systems of transport or the organization of farmers, traders, etc., into groups large enough to purchase and/or rent necessary vehicles could ensure access to markets and higher net incomes for those who require transport services; at the same time, development of such systems could provide a great deal of employment for those involved in providing such services.

### Women In The Economy

Because of particular constraints that women may face in attempting to generate income, employment/income generation strategies must be carefully implemented in order to assure that they are effective in meeting women's needs.

Indonesian women participate actively in the economy. However, given the prevalence of self-employment, household enterprises, family labor, and informal labor markets -- female employment patterns are difficult to discern. Nevertheless, macro-data does indicate that women are active in the economy and that their involvement has increased in recent years. In 1971 women comprised 33.6% of the economically active population. By 1976 that proportion had grown to 36.8%. While more young women now enter the labor force than in the past, an increase in female participation rates from 1961 to 1976 is evident at all age levels. For instance, in 1961, 29.56% of the female population between 25-44 was in the labor force, but the rate for this age cohort climbed to 55.2% in 1976. Participation rates are substantially higher for rural than for urban women, particularly during the agricultural harvest season. Moreover, the female participation rate, which is high relative to that of many other countries, is undoubtedly an underestimate given the existence of an extensive informal sector in Indonesia and the problems of determining income-earning household production activities.

Women are often found in the low-paying, low-productivity positions and their earnings are generally considerably lower than those of men. Almost 70% of the female labor force in 1976 earned less than Rp. 5000 per month, compared to only 21% of the male labor force. It is not clear whether this is due to differences in educational attainment, but it is important to note that in 1971 more than half the women in Indonesia were illiterate compared to 30% of men. In addition, while primary education enrollment levels are now similar for both males and females, enrollment ratios for males are still substantially higher than those for females at secondary and higher levels of education. To the extent that ultimate earning power is linked to education, this sex differential may perpetuate the income differentials noted above.

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Women in Indonesia clearly must contribute economic support to their households. A recent survey in Java, referred to in the CDSS (FY83), reports that almost 30% of male respondents claimed they did not earn enough to support themselves, though fully employed, and an additional third of this survey group claimed they could not support their families.

Female-headed households are officially reported to be 16% of all households, although this is probably an underestimate due to the definition of "head" as the eldest male present, whether a mere child or a man too old to work. Here the situation is equally grim. A 1971 survey of widowed and divorced women workers showed that approximately 30% earned enough to support themselves but not enough to support a family, and the majority of these workers did not even earn enough to support themselves.

Reported open unemployment rates are quite low in Indonesia, and tend to be somewhat lower for women than for men. In 1976, 1.6% of the female labor force was unemployed versus 2.7% of the labor force. However, in so far as low incomes indicate low-productivity jobs and thereby underemployment, women are severely underemployed.

However, this does not mean that women are idle. There is an increasing amount of micro-level data which indicate that, in fact, women work long and hard hours. A year long time-use survey carried out in Central Java indicates that in the average household, women worked more than 11 hours per day compared to the 8.7 hours for men.

The study further shows there is no seasonal idleness. Instead, there are changes in the allocation of time between agricultural and non-agricultural work. A comparison between the five markedly busy and the seven markedly slack agricultural months in Kali Loro found that agricultural work declined from 48 to 29 percent for men and from 36 to 11 percent for women, but there was no significant change in the total amount of time worked.

Women tend to be employed in the agricultural, agro-related, and small-scale enterprise sectors. Female agricultural workers usually weed, plant, terrace, and harvest. They may work their own plots, work as unpaid family laborers, or work as wage laborers on large farms or plantations. Moreover, women are extensively involved in the processing and marketing of crops and fish, and while they do not usually catch fish, women make nets and are responsible for feeding fish in brackish and freshwater ponds.

Women in Indonesia frequently operate small-scale enterprises and engage in trade, either as primary earners in a household or co-contributors to total household income. They tend to have little or no collateral against which to borrow and, due to cultural constraints and familial obligations, tend to operate locally. Thus, while male traders may cover large territories, spending several days at a time away from their village, women traders generally must return home each night. In addition, women's activities in business and trade are often restricted to production or

sale in those areas traditionally considered appropriate for females-- e.g., women may be restricted to production of handicrafts which are made with "soft" materials such as bamboo and fiber for use in mat projection and weaving of cloth, instead of production which involves "hard" materials like wood, leather and tin which are considered suitable only for men.

AID/Indonesia: Employment/Income Generation Strategy

The AID CDSS (FY82) seems to reflect the following:

- a recognition of the implications of a capital intensive economy for employment and equitable growth
- a focus on the population issue--one of the areas in which AID has been most successful
- a concern for the lack of technically trained personnel to manage development programs combined with a strategy of "institution building" and leadership training.
- awareness of the rural base of the Indonesian economy and a policy of investing in this sector, with a bias against capital projects and in favor of local projects linked to local needs,-- e.g., reducing dependency on rice, aiding transmigration efforts, agricultural research.
- a recognition of the opportunities offered by Indonesia's position as an oil-exporting country, combined with a concern for the temporary nature of this surplus and the need to develop a national energy strategy.

According to the CDSS, the Mission's priorities are to focus our attention and resources on only a small number of key development problems to assure effective operations and significant development impact. As viewed by the Indonesian government and us, these key problems are low agricultural/rural productivity, high unemployment, excessive population growth, and inadequate trained manpower and institutional capability to plan and implement development activities.

Further, the CDSS states AID's intent to assist in developing and perhaps demonstrating innovative approaches to grass roots participation in productive non-farm job and income creating activities working through both central and local level government and private organizations. Projects in provincial government development, rural electrification and rural works will be particularly important in this regard.

Concern for the creation of non-farm job opportunities will favorably affect employment/income generation prospects for women since women are frequently involved in informal sector small-scale enterprises. However,

AID's strategy may be deficient in that it reflects limited concern for the employment of urban women; in addition, references to the issue of women's employment or women in development in the CDSS are limited to a discussion of the lower wages which women receive, and recognition of the GOI commitment to the issue through public statements by the President and the appointment of a junior minister.

AID's emphasis on rural areas may be most reasonable given the magnitude of employment problems in Indonesia, particularly on Java where urban/rural distinctions tend to blur. The lack of a specific plan to meet the employment needs of women, however, is serious given the difficulties often encountered in reaching women through development programs. A more explicit acknowledgment of these difficulties, and the need to overcome them, could go far in ensuring that the employment needs of women will be addressed.

The AID project thrust seems to be focused on four important areas -- agricultural production, agro-related activities, small scale enterprises and trade and training -- where the prospects for women's employment/income generation are great.

#### 1. Agricultural Production

Women are extensively involved in agricultural production, particularly in weeding, planting, terracing, and harvesting. Thus the introduction of new technology and/or provision of extension services should include women. Project officers should make every effort to ensure that consultants chosen to provide technical assistance to the government's extension services or to set up new extension systems are aware of the importance of the role that women play in agricultural production. Demonstrations of new terracing or planting techniques and explanation of new harvesting equipment should take place at times and locations which are convenient not only for men but also for women who, in addition to their agricultural work, take care of the home and children. Initial socio-economic surveys should be disaggregated by sex to determine the particular role of women in agriculture in a given project area. In addition, the existence of female-headed households should be documented so that project design can accommodate the needs of these often "invisible" households.

The approach to including women in the benefits of a project, must, of course, vary according to the particular project and the project area. In labor surplus areas it might be necessary to attempt to expand the role of women in the more lucrative phases of production. In labor deficit areas it will be necessary to pay close attention to incorporating women into project design in such a way as to avoid increasing the already heavy burden of work which they bear.

Thus, in the Citanduy Basin Development project, the project officer's

concern that women attend agricultural extension meetings along with men may be an effective way to better ensure the success of the project without overburdening women. In the Luwu Agricultural Development project, however, developing the role that women play in agro-business without introduction of complementary time-saving techniques or technology for use in agricultural production or home production may simply mean that women will work even longer and harder hours.

## 2. Agro-Related Activities

Women are extensively involved in the processing and marketing of crops and fish. The ultimate goal of a project designed to increase crop production or develop small scale fisheries is to increase income and welfare. Efficient processing and good marketing is the key to making the most productive use of any increased production. Thus the role of women in these activities must be recognized and technical assistance in these areas must be geared toward women. The Small-Scale Fisheries project, for example, assumes that all those who fish, men and women, will increase their productivity and therefore their incomes.

Women, however, do not usually catch fish. Rather they make nets, feed fish in brackish and freshwater ponds, and dry and market fish. If their productivity is not increased, technical success in increasing fish catch may be achieved, but the ultimate benefits of the project in terms of increased income may be sharply limited. That is, the bottleneck which may diminish project benefits will often lie in the stages where women play an important role. A similar situation often exists in crop production projects. Thus, it may be important for project officers to add complementary technical assistance components, for processing and marketing, to agricultural and fisheries production projects.

## 3. Small-Scale Enterprises and Trade

Women involved in small-scale, informal sector enterprises require assistance through very flexible credit systems geared to extremely small-scale operations, in addition to the development of local markets. Moreover, they may be denied the benefits of programs of technical assistance and credit which are geared to those areas of production considered to lie in the male domain.

Effective project design can overcome the difficulties of assisting these very small-scale activities of women however, at no additional administrative cost. The PDP credit sub-project (BKK) in Central Java is an excellent example of the viability of such projects. With its only intention to assist small-scale traders, the project appears to have reached a large number of very low income women. It

is estimated that 80% of the project recipients are women. This sort of inclusion of women in the benefits of development projects can consistently be accomplished if a minimal amount of information on the role of women in a project area is obtained. The Central Java Enterprise Development Project, building on the success of the PDP credit sub-project, will offer an excellent opportunity to further extend assistance to small-scale enterprises and, thereby, to women.

The proposed Village-Based Income Generation program, to be part of the East Java Village Family Planning/Mother Child Health Project, is also a good example of how women's income generation and employment opportunities can be enhanced given awareness of the economic and cultural situation of women. The project proposes to work through the extensive BKKBN village and sub-village units, taking advantage of opportunities to know exactly what activities women are involved in and how they can be made more productive.

#### 4. Training

There is a general recognition that women in Indonesia have family responsibilities that limit their options for training. This is undoubtedly the case. However, women in Indonesia, as elsewhere, are expected to perform dual roles. They are responsible for managing the household and contributing to the economic support of the family.

It is precisely because of this situation that every effort should be made to include women in training programs. A possible solution in line with GOI's increasing interest in supporting in-country training programs, would be greater reliance on relatively short-term training. This, in and of itself, however, will not ensure the participation of women. Some advocacy of women as training participants must be undertaken in addition. At local and provincial levels, this may require only that project officers and consultants point out to government officials any pattern of selection which is biased toward male participants. At central government levels, where training abroad is more frequently undertaken, more substantial structural changes may be required. Thus, it might be made clear to AID/Washington that the lack of provision for dependency allowances is an obstacle to recruiting good participants, in general, and to recruiting women in particular since Indonesian women are less likely than men to leave their families for extended periods of time.

Project Implementation. Projects which are designed to include women must be implemented accordingly, and projects which are not designed initially with women in mind can still be positively affected at the implementation stage. The following mechanisms may be useful in ensuring the incorporation of women.

-- Choice of appropriate consultants. The presence of a consultant who is sensitive to women's needs makes a significant difference in the way projects are carried out. Not all consultants have to be specially oriented toward these concerns, and a "women in development" specialist is not required. Nor does the consultant necessarily have to be a woman, although the ability to communicate with women in the beneficiary group is essential and male/female communication, particularly when the male is an outsider, may be difficult in some regions. AID does have some input into who is hired by consulting firms for particular projects, and it can begin requesting expertise on "women's roles" or in "women and development" as a desirable skill for consultants to have in addition to their specialities. Demand is the only way to create a supply of any skill.

-- Use of women's organizations in the local area. Depending on their effectiveness in the particular village, the PKK and perhaps other women's organizations should be considered when the intent is the effective involvement of women. The fact that the village lurah will only rarely suggest women as appropriate recipients of project assistance, unless it is for a "women's project", reinforces the need to be in touch with women's organizations to achieve integrated results.

-- Flexibility in project implementation. Project monitoring which has the capability of tracking different impacts on men and women can improve project success. This is true particularly where women are inadvertently excluded by some aspect of the project design or in cases where women turn out to be the primary beneficiaries of projects which were not planned for them. In the latter case, minor adjustments in the delivery mechanisms (e.g., more convenient scheduling of training sessions) might make a major difference to the women themselves.

-- Opportunities may also exist to link up complementary activities which are of high priority to women such as nutrition, intermediate technology, child care, etc.

-- Use of sex-disaggregated data. As monitoring and evaluation occurs, efforts should be made not only to ensure that sex-disaggregated data is collected but that information on project impact, successes and failures is shared with other projects and fed back into new project design.

Review of Selected Projects. The following review is intended to demonstrate how women's employment and income-generation activities can be enhanced through many different types of projects:

The Provincial Area Development Program (PDP) is a program which seeks to improve local government capability for planning, project identification, implementation, management and evaluation. Because the program consists of a series of sub-projects on which USAID and local government officials work closely together, it has the potential to significantly affect income and employment prospects for women -- in the short run, through appropriate design and implementation of sub-projects; and in the long run, through development of local government awareness of women's needs and the importance of addressing those needs in all projects. This program can afford USAID a unique opportunity to influence approaches to development projects in such a way as to have a major impact on employment/income opportunities for a large number of women in the coming years.

A review of sub-projects in the Bengkulu Area Development Program reveals many projects in which women may or may not be included, depending on the field consultant's or project managers' approach to design and/or implementation. Thus, the Multiple Cropping Project, which is intended to demonstrate methods of secondary crops production through a pilot project, could improve women's agricultural productivity if project designers and implementors are aware of women's time use and merely schedule demonstration sessions at times and in places which will not conflict with women's home and child care responsibilities. In addition, male farmers could easily be requested to bring their wives and other female household members who assist with agricultural activities to training sessions and meetings whenever possible. As a result, women will no longer be relegated to performing low-productivity tasks due to lack of knowledge about improved farming techniques or the use of modern equipment.

USAID project officers might also consider encouraging the local government to add a technical assistance component oriented toward improved processing and marketing of crops. Women are mainly responsible for these activities; improving women's productivity in processing or expertise in marketing will improve the benefits of an agricultural production project which, ultimately, derive from the sale of the increased crop production.

The sub-project designed to provide Credit for Small-Scale Industries in Bengkulu could also have a major impact on women's income-generation and thus the welfare of households in general. Women in Indonesia are extensively involved in the operation of small-scale enterprises. Their needs for credit and technical assistance are great, yet their ability to provide collateral for loans or to manage complex application processes, which often require substantial amounts of time, is limited. It is possible to meet their needs through programs of credit which involve very

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small loan sizes and little or no collateral requirements. The BKK Credit sub-project in Central Java provides a prime example of how such programs can be designed and implemented. The project is cost-effective and has allowed participants, in many instances, to more than double the level of capitalization of their enterprises. Since the program involves an automatic savings mechanism it has the potential to become self-sustaining. Although not specifically directed toward women the project has had a substantial impact on them -- approximately 80% of the participants are women. This is a classic example of good project design which, as a matter of course, results in the inclusion of women as project participants.

Because women in Indonesia are so involved in all areas of economic activities, the majority of PDP sub-projects will involve components to which women's activities are pertinent. USAID should make every effort to ensure that local government officials and project consultants take account of women's needs and the importance of women's participation in projects and programs at every stage of project development.

The Small-Scale Fisheries Development project is designed to introduce new technology to increase fish production. The project is a joint USAID/GOI applied research effort and includes six sub-projects through which technical assistance will be provided. This project can afford USAID the opportunity to affect women's economic opportunities in two ways: (1) Since women often process and market fish, USAID could consider extending the goals of the project to include not only increased fish production, but also technical assistance to improve processing and marketing. The effect of increased production in improving economic welfare will be limited unless that increased production can be adequately marketed. (2) Since women are often responsible for the care of fish in brackish fish ponds, USAID could seek to ensure that technical assistance through extension services is directed toward women. Again, this means that project consultants and managers must be aware of the many responsibilities of women and their time commitments so that demonstrations and meetings may be scheduled appropriately.

Although the addition of a component to provide technical assistance in marketing would involve the allocation of additional funds, it would undoubtedly improve ultimate project benefits substantially. Extension services could easily be directed toward women at no additional cost.

The LUWU, Citanduy II, and Sederhana Irrigation and Land Development projects all involve the provision of technical assistance to improve agricultural production. Since women actively participate in the agricultural sector, extension services should be arranged to include them. As noted previously, this merely requires an awareness of demands on women's time. When agricultural projects expand and begin to focus on agro-processing or the creation of off-farm employment opportunities, this will be particularly important. To the extent that women currently participate in such activities, every attempt should be made to improve their productivity

through technical assistance and credit; however, in labor-deficit areas where women will be working virtually full-time in agriculture and household tasks, it will be important to avoid over-burdening women. The introduction of time and labor-saving household technology could be undertaken to prevent this from occurring.

The Project Proposal for a Village-Based Income-Generating Scheme (under the East Java Nutrition and Family Planning Project) provides an example of how a focus on women's income generation opportunities can be integrated with other types of development priorities. The project is designed specifically for women and is intended to rely on the village-based structure of the BKKBN in East Java to provide credit services for women's small-scale enterprises. The use of the BKKBN may be a powerful tool in reaching those women in need of such services and will allow USAID to draw on its extensive experience with BKKBN in previous nutrition and population projects. In order to ensure the success of the project, however, it may be important to provide technical assistance so that the organization will be as effective in promoting income generation as it has been in promoting nutrition/family planning programs.

Finally, a note on Rural Electrification: Programs of rural electrification are typically the focus of some controversy in developing countries and it is unclear whether such programs result in productive uses of energy or household consumption. For women, the introduction of electricity can have both positive and negative effects. If women have access to electrical connections, in addition to credit for conversion of equipment used in their enterprises, their income-generation prospects may be enhanced; without complementary credit programs, women may be unable to take advantage of the electrification program, and the competitive position of their enterprises may deteriorate. An additional consideration is the tendency for electrification programs to result in women working even longer hours in household tasks, thereby increasing the demands on their time and perhaps, ultimately, diminishing their productivity in income-generating activities. Again, the introduction of appropriate home technology may help to avert this outcome.

Mission procedures which make the integration of women into project design and implementation less likely should be revised:

-- Relative lack of communication about projects in their early design phase since individuals are responsible for project papers and since there is little attempt to formalize input from other parts of the Mission.

-- Opportunities to collect sex-specific data in project feasibility studies, project monitoring or project evaluation--all of which would give the Mission a clearer idea of regionally specific roles of women and of differential project impact--are underutilized. Data which is available is not well used.

-- There is no institutional way of ensuring that women's needs are addressed in project design and implementation--through the use of the resources of the WID officer, for example, or through the use of the abundant local expertise on the situation and role of women in Indonesia.

However, just as USAID/Indonesia has found itself in a unique position to develop administrative capability in Indonesia and to be effective below the central government level, the Mission also has an unusual opportunity to provide effective assistance to incorporate Indonesian women into the development process. To that end, the appropriate role of the WID officer and the kinds of resources needed to support that role must be determined at the program level.

The WID Officer. Development projects in all sectors have the potential to integrate women into the development process. Thus, it is appropriate that the WID Officer has been moved to the Mission's Program Office, where an administrative, programmatic approach to raising the issue of women in development can be achieved. A Program Officer, however, cannot be expected to actually provide technical assistance with project design and implementation in order to ensure that project beneficiaries include women.

Ideally, the WID Officer should be able to offer project officers assistance with project identification, socio-economic survey techniques designed to determine the role of women in a project area, project design and implementation, and monitoring, by allocating consultant resources funded by the Program Office, to various projects.

In addition, the WID Officer's role should be that of a resource person who can direct project officers to appropriate sources of information about women which will be relevant to their project design. With or without access to special funds, the WID Officer should be made aware

of projects in the proposal stage and should be consulted in the selection of project consultants. This will allow the WID Officer to suggest ways in which women might better be reached in a given project at a stage where there is still considerable flexibility; input into choice and briefing of consultants could help to ensure that consultants are aware of the need to integrate women into development projects. Thus, project proposals and PIDs should be sent to the WID Officer for review and comment.

Resources. There are many accessible resources on which the Mission could draw in order to be more effective in addressing women's income/employment-generation needs:

-- Evidence from projects indicates that there is successful experience with integrating women into larger projects at the local level which should be shared and built upon. Among those we are aware of:

AKM (Assistensi Keluarga Miskin) small-scale credit program for families in Central Java (PDP sub-project).

BKK (Badan Kredit Kecamatan) small-scale credit in Central Java (PDP sub-project)

Training of extension workers in Aceh (PDP sub-project)

Communications Technology participant training (Educational Communications Development)

-- The Agricultural Development Program (ADC) at Bogor demonstrates how an active recruitment effort can locate and involve a significant number of high quality female students in agricultural and agricultural-related research which could be used for participant training and university development projects.

-- Universities, government agency and foundation-supported scholars, upon whose research AID programming relies, are producing a growing number of studies on women's roles. Ways should be found to tap into those activities and locate local consultants.

-- As an increasing number of women achieve university educations, it should be expected that women will fill both technical and policy roles in the government. AID is in a position to assist in and benefit from this trend.

-- Indonesia is unusual in terms of the potential that women's organizations have to mobilize women for development goals. However, these organizations lack training in management skills. The Mission has seen the need for management training for government officials in order

to plan and implement development programs. It might be useful to consider management training for women's groups as part of the overall effort to build effective institutions. Given GOI support for the PKK, which parallels the male government hierarchy through officials' wives, this kind of approach should fit with GOI priorities.

### Priorities for the Mission

Implementation of the suggestions discussed in this report would require neither the use of substantial amounts of new resources, nor the design of projects for women only. Rather, women's income and employment-generation prospects, and thus the overall benefits derived from AID projects and programs, can rather easily be improved. The first step toward that improvement must lie in recognition of the fact that the incorporation of women into development schemes is required on the grounds of efficiency and economic growth.

It is difficult to discuss the order of priority which should be given to the various ways in which women's income and employment prospects can be increased. Therefore, recommendations are here ordered according to ease of implementation although few if any of these recommendations would be difficult to implement:

1. Keep the WID officer better informed of the project design and implementation process. Project proposals and PIDs should automatically go to the WID officer for comment and timely input; the WID officer should be encouraged to make short-term site visits to become familiar with projects in all sectors.
2. Ensure that consultants chosen to provide technical assistance are aware of the important role that Indonesian women play in contributing to the economic welfare of the household. This can be accomplished by discussing the issue with potential contractors.
3. Insist that baseline socioeconomic surveys collect data disaggregated by sex. Ideally they should yield information about the economic role of women and time use data. Much sex-disaggregated data which is not adequately utilized is already available at the kecamatan and village levels. In addition, in a survey designed to determine the economic position of households and the economic activities of members within those households, useful information about women can easily be obtained by requiring only one additional response to each question rather than limiting responses to information about the household head alone.
4. Similarly, evaluations should also provide sex-disaggregated data to ensure that differential impact are noted, to make it feasible for information of project success and failure in this dimension to be utilized in project design and, where flexibility exists, implementation.

5. Within the Mission, foster greater exchange of information/expertise on reaching women through development projects. This may mean something as informal as setting up an occasional seminar on the subject or as formal as setting up project review committees to ensure that expertise from various sectors is coordinated. This will require better utilization of the WID officer.

6. Provide Program funds for the use of the WID Officer in offering consultant resources to assist in incorporating women into projects and/or expand the WID Officer's input into the selection and briefing of project-funded consultants. As more consultants acquire expertise in addressing women's needs in the course of bringing to bear their various technical expertise, special funding will become less important.