

**THE IMPACT ON ECONOMIC DEVELOPMENT OF GENDER ORGANIZATION
IN FAMILIES**

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Gender is an important basis of social organization in every known human family system. All family systems are characterized by a culturally-prescribed internal division of labor in which males and females enact distinct roles and have distinct rights and responsibilities. Invariably, this gender-based division of labor goes along with gender inequality in power and resources. The rigidity with which the roles of the sexes are differentiated, the precise nature of male versus female responsibilities, and the extent to which men enjoy greater power and resources than women are, however, subject to variation. In this paper, we sketch how this variation affects the proximate determinants of economic development. To summarize our main conclusion: Although gender organization in families has a complex relationship to economic development, the negative effects of gender inequality in families appear likely to outweigh the positive effects. Thus, there may be economic as well as moral reasons for encouraging greater gender equality in families in developing countries.

We start by assuming that economic development (or sustained real growth in per capita income) depends most critically on improving the average output per worker. We

therefore emphasize the factors likely to affect this quantum.¹ These include improved human capital, which is most immediately determined by the population's health and educational levels; the price and supply of labor; physical capital per worker; and technology. The remainder of our discussion is organized around these factors.

Gender Effects on Health and Education of Workers.

There appear to be two general effects of the family's internal gender organization on human capital factors: first, an effect that operates via the relative treatment of males and females within the family; and second, an effect on all family members. With regard to the first, there is considerable evidence that the patriarchal, patrilineal family systems historically predominant in the northern half of South Asia and most of East Asia lead parents to invest more heavily in son's health, survival and schooling than in daughters'.² In this type of family system, not only are the most important productive roles assumed by males, with females specializing in

¹Purely demographic factors, such as age structure, can also influence per capita income by affecting the ratio of workers to nonworkers in the population, but such compositional changes represent no improvement in lifetime welfare, which requires a change in output per worker.

²The indirect evidence includes suspiciously high sex ratios beginning at age one or even earlier in much of North India, parts of China, and in some other populations with similar family systems, suggesting the practice of female infanticide or extreme neglect of female children. More direct evidence comes from Matlab in Bangladesh, where nutritional and medical discrimination against daughters has been directly observed or inferred via growth monitoring.

housework, child care, and subsidiary productive tasks, but intergenerational loyalties are defined entirely in terms of the male family line. Daughters "marry out" and become workers in their husbands' families. Sons are therefore critical to parents' welfare in adulthood and old age, because only sons have a life-time obligation to support their parents, and it is only through sons that much-needed female workers are brought into the family.

The interests this family system promotes among parents of both sexes therefore leads to discrimination against daughters in the intra-household allocation of food and medical care, and in investments in children's schooling. The result is unnaturally high mortality rates among female children between the ages of one and five, higher morbidity rates and lower rates of growth and development in females than in males at many or all ages, and higher rates of illiteracy or lower levels of education among women than among men. The South/East Asian family system thus produces a greater disinvestment in female human capital than do the more egalitarian family systems found in southern South Asia and in Southeast Asia.

One might suppose that this discrimination against daughters acts against economic development by lowering the aggregate quality of the labor force. Before one can conclude this, however, two mitigating possibilities must be examined. One is whether the increased productivity of males caused by

parental choices to favor sons over daughters compensates for the lowered productivity of females. In the case of education, this seems unlikely to be the case, because productivity returns to education usually diminish at higher levels. Thus, when both males and females receive approximately equal, even if modest, amounts of education, net productivity is likely to be higher than when males receive much education, but females little or none. We are less familiar with the evidence about returns to nutrition, but it seems plausible that these returns, too, would diminish at higher levels.³ Thus, nutritional and educational discrimination against daughters seem likely to result in a lower aggregate level of productivity in the population than would a more even-handed treatment of the sexes.

The second mitigating possibility that must be taken into account is whether the lowered productivity of the population actually impedes economic development. It may not if female labor is unimportant for economic output levels. For example, where strongly-enforced rules of female seclusion exist (e.g., Bangladesh), women may have few opportunities to engage in productive activities, especially in the industrial or commercial sector of the economy. Their lowered productivity may therefore have few implications for economic development.

³Consistent with this, John Caldwell has argued that the enhanced survival chances of boys produced by nutritional discrimination against girls in poor South Asian families does not make up for the lower survival rates among girls.

This argument strikes us as implausible, given the evidence that female education is positively related to their children's survival, health, and education. Thus, even if secluded women are unable to contribute directly to economic productivity by enacting work roles outside of the home, their work as mothers has important effects on the productivity of the next generation.⁴ Discrimination against daughters in highly gender differentiated family systems thus seems likely to lower the productivity of labor.

With regard to the general effect of the family's gender division of labor on human capital, Marxist feminists have long argued that the gender organization of families lowers the price of labor to capitalists by producing a fed, clean, and clothed work force that employers consequently do not have to worry about producing.⁵ The gendered family is thus argued to facilitate capitalist expansion by producing human capital. Were there no wives at home to cook, clean, and do

⁴Moreover, it should be noted that rules of seclusion are often redefined to accommodate new economic pressures. For example, Shireen Jejeebhoy has observed that, among road workers in Gujarat who have been compelled to take up construction work by economic pressures on the family, purdah has been redefined from meaning that a woman stays secluded within the family compound or wears a full head scarf covering most of her face when approached by strangers, to meaning that she wears a small kerchief on top of her head.

⁵They also argue that the family's gender organization produces a "reserve army of labor" that can be hired by employers during periods of economic expansion and fired during periods of contraction. We discuss this idea below as one factor affecting the supply or quantity of labor.

laundry, the work force on which employers depend would not be available or would only be available at a much higher price.

Regardless of whether the production of a clean, fed work force by a non-economic institution facilitates economic expansion, the extent to which this production of the work force necessarily rests on a gender-based division of labor within families is unclear. The gist of the argument, in other words, is that families, rather than employers, provide the day-to-day physical maintenance of workers, something that they could in principle achieve (and sometimes do) by utilizing the domestic labor of paid servants, adolescent sons and daughters, elderly parents, or neighbors. Thus, whether the nature or extent of the family's gendered division of labor has a particular impact on economic development through this mechanism is unclear. The conclusion that gender inequality in families is inversely related to economic development because it degrades human capital formation thus remains highly plausible.

Gender and Labor Docility. Although difficult to establish empirically, family systems in which males strongly dominate and control females are thought to produce inexpensive and docile female labor. There are at least three reasons for this. One is the low investment in daughters' education noted above that at least some types of strongly male dominant family systems produce. Second is the social training of females from birth to a subordinate role in the

family, something that tends to produce a general timidity vis-à-vis authority.

A third factor, especially important when there are employment opportunities in the industrial or commercial sector of the economy, is a tendency for women in strongly gender differentiated family systems to define wage employment as temporary -- an activity suitable for women only before marriage or childbirth -- or as subsidiary to their domestic roles. The labor force is, in other words, viewed as a place that women "visit" rather than as their primary social arena. To the extent this is true, women workers will have little motivation to engage in long-term strategies to raise their wages or earnings.⁶ They will thus cost less than male workers.

If highly gender differentiated family systems produce a cheaper, more docile female labor force than less gender-differentiated systems produce, the next question is whether this encourages economic development. There are arguments both for and against this idea. In favor of it is the obvious point that a productive, but low cost labor force provides an

⁶The notion that Third World female workers are always docile has been discounted by a recent empirical study of women factory workers in Thailand who, it turned out, were more militant and active in labor organizing than were their male coworkers. In line with the argument being made here, however, it is important to note that Thailand has a relatively gender egalitarian family system, and that Thai women have very high rates of labor force participation and do not regard gainful employment as a temporary activity of late adolescence.

important competitive edge to export oriented firms that been instrumental to the recent economic success of the dynamic economies located in East and Southeast Asia. A low wage bill also contributes to greater profits that in turn can be reinvested as capital to develop greater capacity and output. A docile labor force may also be less inclined to engage in rent seeking behavior, thereby reducing, for example, the extent to which resources are consumed by conflict between labor and management. Thus the availability of a docile and inexpensive labor force produced by a highly gender differentiated family system may contribute substantially to the industrial development of the economy.⁷

Arguing against this idea, however, is the possibility that the same factors that contribute to a docile labor force may also lead women to under-invest in productivity enhancing activities: going to school, changing jobs, or moving to a new job market, for example. An additional point has been made in relation to the availability of inexpensive immigrant labor in the southwestern part of the United States, namely, that cheap labor discourages the development of technologies that would improve labor productivity. Thus, even though the short-term effect of an inexpensive female labor force is to

⁷This may have been an especially important factor in the economic growth of Taiwan, where development has involved small-scale, family-owned enterprises far more than in the other NICs or NIEs of Asia. In all countries that have undergone industrialization, however, including in the West, early industries in textiles and clothing manufacture relied heavily on inexpensive female labor.

facilitate economic growth, the long term effect, according to this argument, is to undermine it by reducing the incentive for technological innovations that improve worker productivity.

This argument is plausible, but the strength of the supposedly negative long-term effect on output per worker seems likely to depend on the type of industry under consideration and the overall level of development of the economy. In the initial phases of industrial development, inexpensive labor may be far more important for facilitating economic growth than is labor-substituting technology. Moreover, as the case of off-shore sourcing by multinational firms suggests, there may be industries in which inexpensive labor remains more important for profitability and long-term growth than is the development of new technologies, perhaps because the manufacturing processes involved are likely to remain labor intensive regardless of technological developments. However, it seems likely that docility can easily become too much of a good thing if female workers are insufficiently motivated to increase their productivity.

In sum, then, although gender inequality in families may aid economic development through the production of a relatively inexpensive, docile female labor force, it may also detract from development by discouraging women from improving their human capital or discouraging employers from developing or investing in labor-saving technology.

Gender Effects on the Supply of Labor. The key issue here is whether the gender-based division of labor leads to a decline in labor productivity because women, or men, misallocate their time between home and the work place. Tradition-based barriers to labor force participation may be erected within the family, by firms who engage in hiring, or by governments. For example, Japanese tax laws penalize families whose wives earn above a relatively low ceiling. Depending on the effectiveness of these barriers, women may fail to participate in the labor force even though their productivity at home is less than their productivity outside the home.

The impact on national output, broadly defined to include home production, is impossible to assess because there is no way to determine the value of home production. The lost wages due to a family gender organization that promotes the physical seclusion of post-menarcheal females, for example, represents an upward bound estimate of the economic costs. The lower bound is zero. The actual, somewhere between, no doubt varies considerably depending on the social, cultural, and economic circumstances.

Gender Inequality and High Fertility. Insofar as women's domestic subordination helps to maintain high fertility levels (as many argue they do, although without as much evidence as one would like) and rapid population growth, economic development may be impaired via mechanisms that operate both inside

and outside the family. A detailed discussion of the economic consequences of rapid population growth is clearly beyond the scope of this paper. It should be noted, however, that to the extent that women cannot exercise reproductive control, many of the costs of childbearing and childrearing (those that affect women most directly) may not be incorporated into the fertility decision-making process. The resulting excess fertility generates a loss in real welfare which, although different from the labor productivity concept stressed above, can represent a real and important aspect of economic development. Thus, gender inequality may reduce welfare by helping to maintain high fertility and population growth rates.

Effects on Technology. Although economic development frequently relies on imported technologies, at higher levels of development there are often advantages to those economies that are able to produce their own technological innovations. Thus, insofar as highly gender differentiated family systems inhibit the development of scientific and technical talent in the female population by denying to women the opportunity to obtain more than a few years of schooling, these family systems are likely to impede the growth of technology and hence, in the long run, improvements in productivity per worker.

Summary. There are a number of plausible effects of gender differentiation in families on the factors affecting economic growth and development. Although the net impact of these effects is unclear, gender inequality in families seems

likely to have adverse effects on human capital and the productivity of the labor force. Discrimination against daughters in the intra-familial allocation of resources, and training them to a subordinate position in the family's power structure, may temporarily aid economic development by producing a docile and relatively inexpensive female labor force, but low-level investment in female human capital is not only likely to adversely affect the productivity of the labor force, but also the quality of care that women give to their children. Thus, low investments in female human capital resulting from gender differentiation in the family not only reduces the productivity of the current generation, but also the productivity of the next generation.