

## 2010 USAID Summer Seminar Series

### **July 22: Neglected Opportunities: Investment climate, rights to assets, and women's untapped economic potential**

**Panelists:** Mark Blackden, Independent Consultant and co-author of Gender Dimensions of Investment Climate Reform: a Guide for Policy-makers And Practitioners (IFC, March 2010); Sandra Joireman, Professor and researcher; women, property rights, and customary law, Wheaton College

**Moderator:** Wade Channell, Senior Trade Advisor, Office of Economic Growth, Bureau of Economic Growth, Agriculture, and Trade, USAID

**Introductory Remarks:** Kathy Blakeslee, Director, Office of Women in Development, USAID

Colette Cowley, Senior Advisor, Office of Women in Development, USAID

**Materials:** Sandra Joireman presentation appended

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### Introductory Remarks

**COLETTE COWEY:** I am Colette Cowey. I am from the Office of Women in Development (WID). We are sponsoring this seminar jointly with the Office of Economic Growth. My colleague, Wade Channell, is beside me right here. And it is a great pleasure because our offices have worked together fairly intensively over the past year to help USAID understand how gender roles affect women's opportunities for participating in and benefiting from economic growth. You are all aware of the advances that women have been able to make through microcredit programs. But I am sure you all know that it is important to get beyond that into broader opportunities in the economic sectors. And that is what this seminar is all about. I will let Wade introduce the speakers and the topic. But just for a second, our director of the Office of Women in Development, Kathy Blakeslee, would like to say a couple words. Thank you so much and thank you for being here.

**KATHY BLAKESLEE:** Thank you very much, I am very pleased to be at this seminar and to see it happening. The women in development office is the technical leadership point in USAID and also technical leadership externally. But we can't do it all ourselves. And so the way in which we work is through and with other parts of USAID. We are a very small office and we have a catalytic and collaborative role and mandate within the agency. So this particular seminar is a perfect example of the way in which we work with other offices because gender is relevant to absolutely everything that AID does. I don't think there is anything that AID does that could be called gender-neutral. So we work across the entire agency in all sectors. And economic growth is a very important one. So we are very happy at this and we have a couple of very distinguished speakers. So I turn it over to Wade now who is representing Economic Growth.

**WADE CHANNELL:** It is a pleasure to be here. I want to tell you two things. One, I want to introduce our speakers, give you a little bit about their background, but also why we wanted to do this. Why should Economic Growth and WID get together to do something of this sort? And the answer is actually pretty simple, which is some of us increasingly want to change the default paradigm by which we think about development. We want a fundamental shift in our thinking.

And the thinking today in general is that many of the high-level synergistic, systemic problems that we work on – I work in business-enabling environment – we see those as gender-neutral. If you improve those, everybody benefits. Everybody is better off. A rising tide raises all boats. I still don't see what is so great about having your little sinking boat at the same level as the big ocean liner going by. But anyway, rising tide, all boats and all of that kind of thing. There is enough research being done by people like our speakers to suggest that that neutrality paradigm should be abandoned in place of a "this is not gender-neutral until proven otherwise" paradigm. We want to shift it and we want to shift the way we think. I can say I have been part of the problem until recently – I probably still am part of the problem.

But I had my eyes opened by a good friend in Pakistan who saw that I did not understand gender issues. So I finally woke up and saw them everywhere only because I started looking. And once you start looking, you see the lack of neutrality that we have defended because you know, it is a lot harder to parse things out carefully. It is a lot simpler to believe that if we just keep doing what we're doing it will have a neutral impact. No need for new thinking, let's just get it done. But change is not neutral. That's the point that in general we want to make. And by understanding that, we can program better. We can have better positive impact. We can have better overall impact. And we can have less negative impact and unwanted consequences of disenfranchisement.

David Landes in “The Wealth and Poverty of Nations” back in the mid-’90s made the comment in his vast economic overview of the world, looking at one group of nations, he suggested that you shouldn’t expect too much in economic growth when you’ve disenfranchised 50 percent of your population. That seems to capture it pretty well. But what I’d like to do is turn to the actual experts on this and let them tell us some.

Mark Blackden, many of you may know of, he has done a run at the World Bank, but he is actually an independent consultant for 25 – well, not the whole 25 years, I guess, now. But he’s been in this business for 25 years, working primarily in sub-Saharan Africa and working steadily on gender issues. He is one of the coauthors of this World Bank IFC publication. We have the short version out there. Many of you already have it. There is a thicker one that is available in various places including at the World Bank info center bookstore, where, by the way, if you show your USAID ID, you can get a 10-percent discount. So do keep that in mind. It is still expensive. I spend about \$200 every time I go in there. He has written extensively. I will not go into all of his writings. But he has written extensively and researched extensively on the issues of gender and gender issues within the development context.

Sandra Fullerton Joireman is with the department of politics and international relations at Wheaton College in Illinois, where she was the first female member of that department. So she has gotten to do some groundbreaking work up in Wheaton, as well as working, living, researching and teaching in Addis Ababa and elsewhere in Africa, primarily in Eastern Africa. She’s got a couple of books out already but the one I am really looking forward to is “Where There Is No Government: Enforcing Property Rights in Common Law Africa,” which will be coming out early next year. I will allow them to speak and join us in switching that paradigm towards one that might have a greater impact.

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## Panelists' Remarks

**MARK BLACKDEN:** Good morning, everyone. Thank you for being here. If you think there’s a gender bias in my getting up and speaking first – – don’t worry too much. Sandra gets the last word. This is a huge subject. I mean, how does one deal with neglected opportunities, investment climate, women’s potential, rights to assets all in the space of a 90-minute seminar? So bear with us. We may not get everything done here. But we are going to try to give you an overview of various interlocking issues that come together when we deal with this issue. We are going to start with Sandra setting the stage to talk just about property rights, which is a leitmotif essentially for this whole presentation. I will then speak to the broader question of economic growth. And, indeed, the takeover of the economic growth office – that’s a good one. I think we can come back to that. And also, a few words about the investment climate since that’s part of the title of this seminar. And then Sandra will conclude with an exposé about the women’s legal status and rights to assets in sub-Saharan Africa. We are going to start with the property rights. Sandra?

**SANDRA JOIREMAN:** Good morning. Thank you all for coming. I wanted to begin by talking briefly about why we should care about property rights. You hear about property rights a lot more in recent years than we did previously. And that’s because we understand that they are a critical microfoundation of growth. I would say there are two dominant themes regarding the importance of property rights, one economic and one political. As a political scientist, I feel the need to note the political piece. But we are going to be predominantly talking about the economic piece, which is that property rights contribute to economic growth.

Now, we’ve known this for a while. And in the academic literature, we are trying to discover the exact mechanisms that link property rights to growth? But we know that property rights matter to people and they matter economically for the simple reason that people will care for and invest in things that they know that they own. If you think about it, we have a simple example in renters versus homeowners in our own cities. You know that if you rent a house, you don’t take as good care of it as you do if you own it. Therein is a simple example of a way in which property rights, or our relationship to the control of assets, matters.

So we know that property rights contribute to economic growth. The political scientist in me wants to also note the fact that unresolved property disputes lead to incidences of violence. That is not what we are going to be talking about today. But it is something that does pertain to property rights and gives us another reason to look at them very carefully. We are going to be talking specifically about women’s property rights. Women are half the world’s population. They are at least a third of the world’s official labor force, probably more. They earn one-tenth of the world’s income and own about 1 percent of the world’s property. It is not really clear how the measurement of 1 percent of the world’s property was made. That is a tough measurement to try and make.

But I would suggest to you that even if this is off by an order of magnitude – even if it is not 1 percent, if it is 10 percent or even 20 percent – this is still a shocking inequality in women’s control over resources. And it is this shocking inequality that has led to a focus on women’s property rights as a human rights issue. And you see groups, Human Rights Watch, Amnesty International, groups who are concerned about women’s property rights as a human rights issue. And they are a human rights issue. However, in this presentation, we want to say that they are also a fundamental economic issue, that we need to be concerned about them from a human rights perspective, but also because of their importance to economic growth. And the rest of our presentation will be convincing you that that’s the case.

**BLACKDEN:** So here is the big question: Does gender inequality limit growth? Now, don't get your hopes up because I'm really not going to be able to give you a good answer to this. I'm going to give you sort of a historical perspective on where this debate has gone. But a good answer is probably still not yet to be had. And the difficulty is even if you have a good answer, no one is going to believe it. Why would we care about gender and growth? Why would we care about whether not so much the WID office should take over the growth office, but that there should be a synergy between these two offices.

First of all, just look descriptively at where men and women are in country economies. Now, since we're talking here about the business investment climate, the chart here is essentially a summary of enterprises: Where are men's and women's enterprises in the world? And you can see there are some quite significant regional differences. And if you get into the details, there are quite significant differences among sizes and typologies of enterprises in different sectors. If you look within Africa, which was the one that was circled in the previous slide, you actually find there is quite a lot of variability. Some countries have very, very small numbers of female-owned enterprises and some, in fact, have quite large numbers. Where they are in the economy starts to matter. You could substitute other data for this. You could look at agricultural data especially. We don't have that here. We are not really discussing agriculture. You could have labor force participation data. The underlying point is that women and men are present in country economies in ways that most economic analysis tends not to appreciate. All right, so in fact, contrary to what my dear friends at the World Bank used to say for many years where gender is a social issue when we are talking about girls' education and reproductive health, you have to come back and say actually, it is also an economic issue.

Ten years ago in the World Development Report on poverty, the second of the two sort of major World Development Reports that the World Bank did on poverty, there was in a slightly different form this chart. It purported to say that gender inequality does, in fact, limit economic growth. And they did cross-country regression analyses. There was a young economist we commissioned named Stephen Claassen – some of you may have heard of him – who did some cross-country regressions in which he essentially looked at women's years of schooling and formal labor force participation and ran some regressions that essentially then established these kinds of connections. In other words, if women had, had the same levels of schooling and the same levels of formal sector employment, as was the case in East Asia, growth in sub-Saharan Africa over the 30 years from the 1960s to the 1990s would have been twice as high as it had been before. This was perceived as something really terrific at the time. It was empirical. It was analytical. It wasn't just emotional and advocacy. It tried to use the tools of economics to make a case about the connection between gender inequality and economic growth.

This, in turn, led very quickly to the World Bank among others doing this so-called policy research report on engendering development in which it was very, very clear gender inequality is a problem for development. And if you want to go back – it is a slightly dated source now; it comes from almost 10 years ago – this is as good an articulation of the business case for looking at gender as a development issue and as an economic issue that I think one has seen anywhere.

Interestingly, in 2006, the World Bank took this half a step further and came up with a slogan that I would love to have taken credit for: gender equality as smart economics. Just don't tell the economic office this, but that is really the thing that came out. The irony is that at about the same time as the gender-equality smart-economics piece came out, guess what happened? The whole methodological approach of using cross-country regressions to prove your point was called into question. Not from a gender standpoint but because people were abusively using cross-country regressions and the kinds of variables you put on the right-hand side of the equation to side whatever you liked. And if I may misquote one of my ex-colleagues, the David Dollar sort of "growth is good for the poor" argument comes out of that; you can run regressions to say virtually what you like.

But the end of the day, the methodology that we had used to say very confidently that gender inequality does limit GDP growth. We had put this into various IFC publications. We said in Uganda two percentage points of GDP a year. We said in Kenya one of 3.5 percentage points of GDP could be different if the women had the same levels of education and the same levels of employment, as was the case in East Asia at the time. So the problem was that we had made this empirical case and we had talked about gender equality as smart economics, but then the foundations for that have been – the methodological foundations for that have eroded.

So what can you say now? If you look at the global monitoring reports from the last couple of years and some of the more recent analyses of the gender growth link – and there is some very good work on this. And there is a fabulous IMF literature review by Janet Stotsky that you could come back and look at that's very, very thoughtful. Well, guess what? Now the only thing that the macro boys and the few girls are prepared to say about the connection between gender and growth is economic growth appears to be positively correlated with gender equality. That is as far as these guys are ready to go. Now, I once had a conversation with Francois Bourguignon, the one-time chief economist of the World Bank, who said, instinctively, we know that this is the case, but empirically, it's still become very difficult to prove. So this is sort of pending work. I think nowadays the work that is being done on this is much more sectoral and much more micro than it is trying to make a strictly macroeconomic case for gender equality.

A couple of words about the investment climate. You were talking about working in the business-enabling environment. Why do we care about gender in a business environment? If a country comes to the FIAS, the Foreign Investment Advisory Service, IFC, World Bank, all these people and if at GTZ, and USAID, the BizCLIR folks who do this work, why would you care about gender? If a country comes to you and says we want to improve the environment for the investment climate – so both domestic and foreign investors do more investment in our country. Well, one of the things that we have found is if you actually disaggregate, you will find some quite subtle, but sometimes quite significant differences between men's and women's enterprises in both the obstacles they face and the way they perceive those obstacles. We know from data in Uganda that women are much more harassed than

men are by government officials. One of the great things – I mean, you're familiar with the Doing Business. One of the great things about the Doing Business simplification of business regulatory procedures is that it diminishes the opportunity for these kinds of paybacks – I mean, corruption sort of payments.

And I have a great story from the Democratic Republic of the Congo where an illiterate woman was approached by this very sort of smart-looking man in a soldier's uniform saying, you know, I am the tax man. He showed her a piece a paper and said, you owe me this much in taxes. This woman had the good sense to go to her neighbor who was literate. Well, you know what it was? It was an expired travel order and had nothing whatever to do with the investment climate, per se. Similarly, you know that women perceive these business obstacles differently. Sometimes they have a different effect on them. So one needs to take that into account in looking at the way the investment climate is done. Interestingly enough, if you look at the Doing Business – I am sure you are all familiar with the Doing Business reports. A couple of years ago in the 2008 Doing Business report, these two charts appeared, which was essentially a way of saying if you have – this is the aggregate ease of doing business rank. The easier it is to do business overall by the countries as they are weighted, the more likely – the more women entrepreneurs you are going to have and the less female unemployment you are going to have. In other words, improving the business climate can, in fact, have a disproportionately beneficial effect on the opportunities afforded to women to undertake business activity. And, of course, this then ties in with what Sandra will get to on the investment climate on the assets.

Now, just a brief plug. There is this little publication summary of our Gender Dimensions of Investment Climate Reform. I have no intention of going through all of this other than to say that this has been an approach that we have developed over the last couple of years that is now being put in place where you have a three-part process. You do a diagnostic of the problem. You then develop in collaboration with country counterparts your solutions for that problem and you look at the ways in which you implement and monitor the activity undertaken. Let me just say two things about this. I have no intention of going through all of the individual pieces of this. This comes from what we call the core module. We basically argue that whatever you are doing in investment climate, whether it be registration, whether it be taxation, whether it be trade across borders, whether it be contract enforcement, there is an underlying set of things you need to get to to pick out and understand the gender dimensions of this.

Two things are important. The first is: understand gender roles in the economy. Well, we have kind of just been doing that. Knowing where the men and women are in the business sector and how the regulatory environment will affect them matters.

The other thing it says is analyze the legal status of men and women. Well, I am going to leave that now to Sandra to continue with because that is the next part of what we do. If you want to improve the investment climate, you have to understand the ways in which legal rights and property rights affect women's capacity to engage in business. Sandra?

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**JOIREMAN:** So I am going to be talking about impediments to investment, customary law and control over assets. I am primarily going to be discussing this in sub-Saharan Africa, but I am going to be making some comparisons to other regions, so that you can get some sense of the fairly significant amount of differentiation that we see. Let me begin by reiterating some things that Mark has already noted about where women are in African economies. We know that they are engaged in the formal and informal economies. We know that they are increasingly engaged in those economies because ILO statistics show increased women's participation rates. Now, I am not sure if this is because we have better measurement techniques or if this is really people flooding into these businesses. Either way, we know that they are there. And we also know that women, at least in sub-Saharan Africa, are more likely to be self-employed.

The role that women play in agriculture in sub-Saharan Africa has been apparent for years. And, you know, I pulled an old statistic and a newer statistic here to simply show that women have a vital role in food production in sub-Saharan Africa, producing up to 80 percent of the food crops. Now, I have a truly abysmal graph here. I know you can't really read it well. I couldn't read it well. But with respect to the people at ILO who put this together, I don't know that I could have crammed quite as much information into a chart either. So let me walk you through this and let you know that there are two things that I want you to take away. I want you to notice the differences between the regional economies in terms of how people are employed. And I want you to notice the differences between men's and women's employment within particular regions. So if you start looking at the top red circle here, this is sub-Saharan Africa. And the first dark area is wage and salaried workers. Women are a very small percentage of wage and salaried workers. Their participation is half that of men's.

They are almost not represented in employers. But there are large chunks of them who are own-account workers. They are self-employed. And then also almost 40 percent of them who are contributing family workers. These would be people who are working in agriculture. And again, there are many more women engaged in agriculture as compared to men. Compare that to Latin America, which is the second red circle, where men's and women's engagement in the economy looks similar. It looks similar and it is, by and large, in the area of waged employment. And then it looks similar as you get into these other categories as well.

So the differences between how men and women are employed in Latin America are not large. You can contrast that to Africa and also to the case immediately under this red circle, that of South Asia, where again we see these significant discrepancies between the roles that men and women are playing in the economies with women being largely in the agricultural sector and having, again, a tiny role as employers and salaried workers. I show you this chart to illustrate the fact that when we are talking about women's

employment, when we are talking about women's engagement in economies, it is very different across the world. Even when we are talking about developing areas, it is very different. So we need to keep that in mind.

That said, I want to draw attention to how those differences play out in terms of women's property rights by comparing Latin America and Africa and then I will go on to speak about Africa. When we talk about property rights, law really matters. And in Latin America, the basis of law is Iberian law, the law coming from the Spanish colonization of Latin America. Spain colonized Latin America earlier than sub-Saharan Africa was colonized. And they left earlier as well. And when they left, they left a body of law that has been embraced in most Latin American countries. And that law recognizes that women can own property. It recognizes co-ownership of marital property and the family unit as being a critical piece of the society. It recognizes women as legal persons and recognizes the right of children to inherit equally both male and female children.

And so although we might see, social discrimination in Latin America, legally, women have equal rights – legally. The discrimination that occurs, occurs for other reasons, for social and cultural reasons. We can contrast that with sub-Saharan Africa where customary law continues to exist as a competing and alternate forum for rules and regulations that control people's lives alongside statute law. And customary law is discriminatory in some key ways toward women. Under customary law, women cannot own customary land. And in sub-Saharan Africa, 75 percent of the land is customary land. And you will remember, I told you earlier, 80 percent of the food crops are produced by women. Yet women can't own the land.

This is not to say they don't have any rights to it, but they have use rights. And use rights are not the same as, autonomous access to land. Those use rights come through their husbands: they marry into a family, that family has land, a woman's husband will have a particular plot of land and she gets to farm that land. Secondly, co-ownership of marital property is not always recognized. It is the lineage in customary law that is more important than the family that we see in Iberian law. And the women are not seen as part of lineages. Women come in, but they are not seen as part of the lineage. And so marital property rights are not recognized or the co-ownership of marital property. What do I mean by that? I mean, the house that is owned by a married couple is really owned by the husband. The land that they farm is really owned by the husband. And this becomes an important issue upon the death of the husband or divorce. A man dies and the woman may lose her house, her land and her car, her personal possessions because they become the property of the lineage because that is what customary law says. Now, there are some variations on this and if you want to ask me about that in the Q&A, I would be happy to digress.

Similarly, women are not always recognized as legal persons under customary law. This is still the case in Swaziland that women are recognized as minors. They aren't viewed as able to sort of fully participate in economic life because of this legal minority status that they have. Until 1991, in Rwanda, if you wanted to buy a house and you were a woman, you had to form a corporation in order to do it because you didn't have legal majority status. And lastly under customary law, girl children do not necessarily inherit land. Sometimes they do, but often they don't. And I will talk about some differences.

A point that I want to make about customary law, is that this is not something that only applies to poor, rural women. It affects women in urban areas. It affects educated women. It affects wealthy women. And I want to use the Zimbabwean regional information minister – as an example. She is obviously a very powerful woman in her society. Her husband died. And when her husband died, she tried to get the letters of administration for the estate. Her husband's family fought her in court and said no, your marital property is not yours; it is ours; we are the lineage. They fought her in court and it was bitter and acrimonious. This is a wealthy, educated, powerful woman. And she ended up just dropping the case because she didn't think she was going to win and it just got to be too stressful. By the way, one of the reasons she didn't think she was going to win was because of case law that exists in Zimbabwe, the Magaya case, where a man who died intestate left his estate – verbally said, I want to leave my estate to my eldest daughter. His eldest daughter took administration of the estate at which point a younger brother took her to court and said no, I am male, you are female; this estate is my estate.

The court – despite standards of equality in the Zimbabwean constitution - upheld the idea that no woman should ever inherit a customary estate if a male heir is still alive. So there is case law that came into play in terms of the incorporation of these customary rules. I am going to come back to this issue. But I want to talk about specifically how does this affect women economically. How does this affect the control over assets? And I am going to do this in two parts. I am going to talk about the control over rural assets and then I will talk about businesses and how they work. Certainly, when we are talking about rural assets, the first key component is access to land. And I have already discussed that to some extent where women have access to land through their husbands. They have secondary rights to land and they can access land through their husbands, maybe through their fathers, but typically through their husbands. Customary law, though, also impacts their crop management. Choices about crops are often made not autonomously, but either by the head of household or by the extended family and post-harvest management as well.

I will give you an example of that. Social norms for post-harvest management affect women's control over profits. I think you will understand what I mean through an example. In rural Eastern Uganda in an area called Tororo, under customary law, women are the farmers – you farm food for your family and then you sell your excess. But typically, men are expected to take the crops to market. So women harvest the crops then give them to their husband. The husband takes them to market. Well, women have started to do something fairly interesting in rural Uganda, which is to set up farm stands. They set up a little sort of booth by the side of the road where their farm is and they sell as much as they possibly can from that farm stand because then they control the profits. However, they may not necessarily be getting the same profit margin that they would if they sold those crops at market. But that profit difference doesn't matter to them because the money they get is actually under their control. They are making a cost-

benefit calculation influenced by customary law. An economist just coming in and observing that situation might wonder what in the world is going on here because of the seemingly strange choice? So customary law does affect the way that women engage in agriculture in fairly significant ways.

Similarly, customary law affects women in business. When we think about the impact of customary law on business, access to capital is a big issue. If women are not inheriting property or capital, from their parents, then they have less ability to start businesses on their own. To the extent to that you buy the Hernando De Soto argument, about control over land giving you access to capital through mortgaging, then we have a second impediment to capital access for women. Once you start a business, controlling the capital for the business, either cash, trucks, whatever it might be, is sometimes a problem for women and additionally control over the profits. Let me again give you an example that I think will help you to understand this. I am very familiar with a case in Jos, Nigeria of a family with two parents and an older daughter living at home. The older daughter had a baking business. She made very good cakes, very popular in the area. And she made them out behind the house in a clay oven that she had.

It is hard work, hard to regulate the temperature of a clay oven. But she was very good at doing this and developed a good reputation for her cakes. Her mother earned some money and bought her a gas stove, so that she could, make cakes more predictably, more efficiently. About four months after that happened, the mother came home one day and the stove was gone. She said, where is the stove? And her daughter said, Dad sold the stove. The mother confronted her husband. She said, why did you sell the stove? And he said, everything that is yours is mine. I needed money and I sold the stove. It is not your stove. It is my stove. No matter what you make, it is mine. Everything you have is mine, he said, and everyone will support that.

He was right. Under customary law, everything that she did, gave, contributed to the family was his or his lineage's. This is a graphic example of ways in which customary law can affect women's business.

I am going to end with questions to consider with regard to policy implementation. I think many of you may be engaged in policy formation and implementation, and I am hopeful that we are going to have a good conversation about this. I think that there are certain questions that you need to ask when trying to engage women, particularly in sub-Saharan Africa, in business endeavors and in agricultural improvement: Are there any formal restrictions on their economic activity? Are they legally allowed to make contracts on their own? Can they hold assets exclusively? Can they control their own labor and represent themselves in court?

Sometimes those formal restrictions are obvious and sometimes they are deeply embedded in case law as with the Zimbabwean foreign regional minister. It was case law and the precedent-based system that really led her drop her attempt to control resources. Are there formal or informal restrictions on women's control of assets? Can they bequeath? Can they give things away? Can they inherit? Can they invest and sell without the permission of others? Or can their decisions be subverted? And lastly, even if they legally have all of these rights, do they face social exclusion if they exercise those rights? So if a woman can go out and buy a building and establish a business in that building, will that be viewed as sabotaging her marriage, her family relationships, lead to gossip and sanctions against her? These things are also very serious impediments to consider. Let me stop there. Thank you all for your attention. And we will take your questions.

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## Question and Answer Period

**CHANNELL:** Actually, I will stand up to say this, but we are just going to sit here and take questions. I will help moderate. I might have to stand to see folks over on this side a little because this is blocking. Thank you.

First of all, I will thank you both for setting out the problems, the issues and some of the findings that we are getting. What questions do you have? We have a good bit of time. We've got two up front. Thanks.

**Question 1:** One of the things that I would question about this is if this is –if all of this is the case and if it –let's just focus on Africa for simplicity's sake. What sequencing of steps then is necessary to actually implement change because you are talking about two very different things: political and economic change and social change. And social change can take far more than generations.

**JOIREMAN:** Can we take it one at a time?

**CHANNELL:** Yeah, let's take it one at a time. I find that they get confused when you group them in three to five questions.

**BLACKDEN:** But that way you can ignore some of them.

**CHANNELL:** That is true. The hard ones you just brush by.

**JOIREMAN:** Actually I think that is a great question and that is something, think that there are some sort of basic legal changes that we would hope for. So I think one basic legal change that would be good to see everywhere would be the co-ownership of marital property. And that is already happening.

**Question 2:** Inheritance rights.

**JOIREMAN:** Yes, that would be another change as well. These would be first steps. And countries recognize this. You see a number of countries who are trying to develop new laws. But, developing new laws is only half the battle.

There is also the struggle for social change. That takes a lot of energy and sometimes – depending on your civil society support, it goes well. I think about the case of Uganda where, you've got women lawyer's associations who were just waiting for legal changes to go through. They gave a tremendous amount of energy into raising people's knowledge about new legal rights for women. There are also cases where it has been very difficult to implement them. I think it has been more difficult in Namibia where they have a new law, but it hasn't been implemented as well.

That said, you can also have social change without having legal change. And there are some examples of work without customary leaders in South Africa and in Kenya, to try and bring about more equality of women's property rights, in particular, more control over assets without legal change. Some of those efforts have been successful.

**BLACKDEN:** I mean, it is a very good question. It does seem to me that these are changes that have to come from within. There is no way outside agencies can impose this kind of thing. My sense of what an outside agency does is you sort of – you help people understand both the business and development effectiveness case for why some of these things are beneficial. And they are beneficial to the men. So at some point, you know, there is a mutuality of benefit that can come out of unleashing this productive potential that is otherwise not recognized.

**CHANNELL:** I will throw in one example of social change that was effectively done through a project. And this is a tough area to get into, questioning society from a foreign standpoint. But for those of you who have read "Half the Sky" by Nicholas Kristof and Sheryl WuDunn, they talk about what Pam White funded through USAID in Tanzania with the problem of infection rates for young women who had sugar daddies, who were the highest infection rates for HIV/AIDS. And they realized that there was a social issue there. So they went to actors, social, cultural icons and local folks to put together a new story that slowly made fun of these Fatakis, I believe they were called – these sugar daddies – to make it not acceptable socially for young women to hang out with these guys; to make them look like, basically, what we try to characterize as sleazy old men in a bar, and they are not like that, per se.

They have had a tremendous effect in actually changing them. But that was changed from within Tanzanian culture by people who understood it, but also understood the problem. It is something I think we need to think more about programmatically and how we can involve ourselves culturally to assist those who wish to make those changes. We are not going to make them, but they may.

There was a second question here.

**Question 3:** I was thinking about Debbie's question. She took the words out of my mouth. So I will focus on the social part. Working with local organizations to make some of these changes, I think, are key because as you said, as outsiders, as foreigners, we can't make those – (inaudible) – obviously. But to make it important for the husbands, the fathers to see the growth in their children – and I am saying this as the daughter of a father who has four daughters – and he had to at some point realize that the idea that he wanted his children to inherit means he wants his daughters to inherit. And they cannot grow and be an icon for success for him unless he gives them that inheritance and provides for their sustenance. So I am sure some of the local organizations you have worked with have talked about that and I want to find out some of the things you have been able to do to make those changes. Thank you.

**JOIREMAN:** One example of a case where a local NGO, an indigenous NGO, is working very hard on fighting the issue of bride price is the Mifumi Project in rural Uganda. They feel like the payment of bride price or bride wealth – this is the tradition in which men's families pay women's families a certain amount of money upon marriage. The tradition is meant to compensate the women's family for the loss of her labor and is common in many parts of sub-Saharan Africa. The Mifumi Project feels like bride price contributes to domestic violence. And what they have done is they have run a number of educational workshops where they have shown how bride price is injurious to women and to men.

So for example, they discuss a case in which a young man's family contracted a marriage for him. The woman's family set the bride price. The first payment was made and that payment was going to continue over a period of five years while this young couple lived together and had children.

But it wouldn't formally – the marriage would not be formally contracted until the last segment of bride price was paid. And then the family went to the young man and said, now you have a wife; now, we owe this family a lot of money and now you need to quit

school and go to work. Drawing attention to stories like this about how brideprice harms women and men is what they viewed to be the key – the foundation of their educational campaign. And they are getting a lot of traction with it.

**CHANNELL:** Others?

**Question 4:** Mark, have you had any experience in the field where local groups.

**BLACKDEN:** Well, I think there is a lot of things if you look at community development projects, if you look – even, for example, you have just cited the AIDS issue –at the recent AIDS conference. You saw the stories about the gel.

There's a similar story about using conditional cash transfers as a mechanism through which you promote – I mean, this is more of a policy thing than it is a directly local thing. And, in fact, there is a brand-new study just come out that shows if you have cash-transfer-type operations for schooling, it will have a positive impact on reducing AIDS infection rates. So there are things that are done. The work that we have been doing is more on the policy level. It is more like taking women's business associations and then working with them to say how do you – how are you enabled to lobby for change in the business environment that is positive for women?

And in fact, there is also a Uganda example of this coalition. There's a gender coalition that was established to look at occupational safety, to look at labor laws, to really sort of figure out how they could change the business environment in ways that were constructive for women. There is a potential downside to that, which is that they actually achieved a 60-day maternity leave provision, which sounded great, and then none of the women were being employed. So, you know, you have to sort of be careful what you wish for because sometimes there are things that don't quite go the way you want them to go. But I will admit, from our standpoint, we have tended to look more at the policy environment rather than directly how that plays out at the local level. But if you use local, I mean, the women's lawyers associations and the business associations are really very powerful in terms of – and also, it seems to me it gives something tangible to the question of women's empowerment.

It is very easy to talk about women's empowerment. It is very easy to talk about countries that have signed up to MDG 3. But if you ask them well, what are you doing to actually bring about something that is empowering, there often isn't a very tangible answer to that. And the kind of work that I think we are talking about here is a means of making that tangible.

**CHANNELL:** We have got an interesting project in Rwanda, where – Rwanda has actually very good laws on women's inheritance, on equal inheritance rights. Those are laws. Those aren't the reality.

In reality, you know, a woman wouldn't ask for that. That goes to her brother, right? Well, women are asking, but they are not getting it. Why not? Because nobody wants to enforce it. So we are actually funding a project there with International Justice Mission essentially every day suing someone on behalf of a woman – (laughter) –to get –

**BLACKDEN:** Leave it to the lawyers, right?

**CHANNELL:** We are good for something. There is another question here. And I am going – wait a second.& Well, we will go here, but then there is one over on this side. We want some equity here. It can't be all central.

**Question 5:** I am an economic growth officer at USAID. You mentioned the informal sector. I wondered if either of you could comment on state programs to formalize the informal sector and how that will impact gender and women's ability to form small enterprises or enterprises in general since they are mostly employed in the informal sector.

**BLACKDEN:** That is a really nice question. You know what is interesting about – if you look at Doing Business, the starting point is business registration. If a business is not registered, everything else that Doing Business claims in terms of what you get really doesn't apply. Where there have been informal – so part of that is if you simplify the procedures required for formalization, first of all, and then if you get the information out, including to women businesses as to how to do it, you will get an improvement in that sense in formalization or in business registration. The difficulty is that very often – we did some informality surveys in various countries including Papua New Guinea and elsewhere that essentially established that everybody was happy the way they were. Those that were formal were happy to be formal and those that were informal were very happy to be informal.

So I think there is an underlying problem in terms of the business-enabling environment, which is, for women, very often, partly through these household dynamics, they want to remain informal. Their husbands don't know. Their tax people don't know. They are not hit with all of these constraints. Now, this is completely contrary in my mind to what Doing Business claims is all about the business environment. Why? Because supposedly there are all these benefits that come with being formal: legal protections, contract enforcement, all sorts of things that are the underpinnings of the way we do business. And I think from a gender standpoint, essentially what Sandra is illustrating is that these benefits are not the same for men and for women. So unless you have those benefits, the incentive to formalize isn't going to be there. So it is much, much more than just improving the procedures, although that is a necessary step.

**CHANNELL:** To the far side –there we go.

**Question 6:** I actually worked with an organization in India in which they supported community-based women's groups. And these women's groups would actually – they were part of the community, strong women who were leaders in that community. And they were teaching local women about laws pertaining to women's rights. And their method of enforcement was kind of to rally around like, you know, if any women, for instance – this is more pertaining to domestic violence. So if, you know, a woman had a complaint about domestic violence, and so, of course, they would kind of rally around and talk to the spouse and find out like, you know, what the problem was and kind of give them a warning and teach them because they taught the men also as well about the laws that, you know, they had to abide by.

And if they didn't abide by it again and if the offense was repeated, they would go back and kind of not beat the guy, but pretty much socially ostracize him in that sense – or maybe sometimes beat him also. But I just wanted to know like have you seen something similar in your, you know, cases that you have seen like, you know, that would – or would this be possible to kind of translate into this property law field?

**JOIREMAN:** Yes, I think that trying to resolve domestic issues without invoking the court system is quite common. In fact, there are, indigenous NGOs and FIDA who do this all over. They use alternative dispute resolution, where you tell people what the law is. If you know somebody is violating it, you know, you call in the victim and the offender and you explain to them what the law is and then you say, would you like to continue to violate the law? There is a possible threat that maybe, we will take you to court. But often what they find is that it is enough to have a meeting with somebody and inform them about the content of the law, particularly on domestic violence issues, child maintenance, even alimony or sustenance after divorce, because many of the violations that you have are because people are familiar with customary law, not at all with statute law.

When people are informed of the statute law, they often comply. There is a certain implicit threat to a person who may be a poor peasant, a farmer maybe slightly illiterate and you get a formal letter of invitation to this meeting. You are meeting with a lawyer or you are meeting with somebody who is quite educated. They are just informing you of the law. But it is often quite effective in enforcing it. So I think that there is a lot of that, that goes on both, in community groups and in groups like FIDA, women's lawyer association and even just legal aid programs that exist across the continent. So it's very effective.

**CHANNELL:** One over here first and then we will come back over here.

**Question 7:** I was thinking about this statement that, you know, what is the role of the development agencies; is not a role to make them do things, but just help them understand why changes are beneficial from an economic point of view. And I was thinking of a case in Nicaragua where our local counterpart, the MCA unit, understood very clear that the donor agency had a mandate of agenda policy and a mandate of certain participation benefits for women. They were having –part of the role the government had, you know, cooperatives come and apply as cooperatives or associations for certain packages, you know, financial packages and technical assistance and whatnot.

A plantain organization came and they looked at the membership. And there was like one or two women. And they are like oh, sorry, we cannot help you because we have certain mandate of a minimum 30 percent participation of women as owners and farmers and beneficiaries. So they were like but our business, there is no women. Plantains, there are more men. And they were like sorry, go and find women. And so eventually about 45 days later, they came with a list with like 28 percent women. And they were like is this good enough? And they looked at it and they are like yes, we think we can do better. And eventually I think they got to 32 percent participation of women who actually owned the land and owned the business.

Talking to this association when you go back to the field, they are actually glad that they were able to do that because the women have really risen to the top and take a lot of leadership and are running these, you know, cooperative business very successfully. So I think there is a role for the donor agency if you have a goal and you actually, you know, show it with actual benefits that there is change if you simply explain – you know, you cannot get it until we have a certain participation of women. So, I mean, I don't know if you have any comments on that.

**BLACKDEN:** That is another terrific question having spent as long as I did at the World Bank, which is very often the bad guy in this respect, where words like conditionality come off the tongue very easily. I mean, I do think a certain level of proactivity is absolutely essential. I think it took us a long time, but conditionality doesn't work. If this is not homegrown, if you don't support internal processes of change – you know, you can impose it from the outside, but, you know, I mean, I think you have to be careful how you do it. Obviously, this is something that worked out quite well.

I have seen, for example, the investment climate arena in Eastern Europe, all these folks doing investment climate reform. And all of a sudden, somebody comes out and says well, Canadian CIDA is supporting this and they have this gender thing. What are we going to do to put gender into this thing? Now, some of that is a good thing, some of it just being aware of the fact that maybe the women aren't even in the room. I mean, we were doing a little count. How many men are in this room? Well, more than we might have thought, which is good. But, you know, just being aware of who is there is already a good starting point, I think.

But then what you have to do, it seems to me, is you support the processes of change that are homegrown. And in a sense, I mean the World Bank, the outsiders are imposing all this stuff on these countries. Not so. These countries or virtually all of them signed up to MDG 3. They have signed up to CIDA. They have signed up to all these things that say –and, I mean, there is not – as we discovered in recent work, there is not a single African constitution that doesn't specifically state we do not like discrimination on the basis of sex. So in effect, you are helping countries do the things they are saying they are going to do anyway. And part of that is triggering ways in which they can do that without it being seen as something that the outside world has demanded.

**CHANNELL:** You have another point in that. This is not demanding that anyone do anything. This is a privilege. It is not a right by nature of being Nicaraguan or a campesino. If you qualify, if you have these various aspects to your application, we will consider you. And by putting that aspect in, you are not – yes, you are pushing an agenda, but you are also not condemning anyone. You are not saying oh, you are bad, you don't have enough women. No, sorry, this is not open for those folks. And I think programmatically, those kinds of nonjudgmental and yet very effective at making people rethink programs are something that we should keep in the forefront of our thinking as we design.

**Question 8:** I am wondering if you have any examples of measures taken at the outset of a project where you are trying to ensure that there is a higher control of the assets, whether it is property or profits from a woman who is benefiting in a business to ensure that as family dynamics shift in the household that gender violence doesn't go up because certainly in some cultures, you know, as the woman gains more power, that is dangerous for her.

**BLACKDEN:** I mean, this is a very context-specific problem. I cannot give you a specific example of how that has been done. I think you do need to look at what is the impact. We know of cases in countries where, you know, women all of a sudden have access to microcredit of some form or another. I mean, the microfinance issue is actually very significant here because there is a whole debate about does it or does it not empower women. And the answer is it depends. And a lot of that depends on well, do the guys in those families see this as a positive-sum game or do they not? So I don't think there is a simple answer to that.

My only other comment to that would be that we have a tendency to assume or to sort of state that if you put resources in the hands of women, it is ipso facto a good thing for everybody. That is not necessarily or always the case. And it also stereotypes the women back into their traditional roles and the men are free to do what they like. So you do have to sort of look at the whole dynamic. And it is not a straightforward thing. I can't give you a specific example of how you deal with it. I think you need an awareness of the fact that you can have unintended impacts by simply throwing resources at women assisting for men.

There needs to be this kind of partnership approach that actually gets everybody engaged. From a business standpoint, what is interesting here is that if you look again at the African numbers, most businesses are family businesses. And even the notion of ownership is actually quite difficult to define. But if you are dealing with family businesses, never mind the Stove Project, if you actually get everybody on the same page, you have got a much better chance of actually having some success. And it is not about an oppositional relationship between the men and the women.

**Question 9:** I just wonder specifically in the project that you were saying you were monitoring whether people were getting their rights to the land. And then you, you know, let them know that they weren't adhering to the laws. Were there any repercussions or were there measures taken to ensure that there weren't repercussions from enforcing their rights?

**BLACKDEN:** Sorry, which project are you –

**Question 10:** Well, you were talking about a project where you were trying to make sure that the women's land rights were being enforced.

**CHANNELL:** That may have been the Rwanda. The simple answer as a lawyer would be, I don't know. But we don't do that as lawyers. I will respond anyway. There are a couple of issues here. One, going back first to the violence issue, we do know that in some places, we do have some studies that are showing as women make more, they are beaten less, that it has had a positive impact on a reduction in female – in violence against women. Pakistan was the first I heard of where 95 percent of married women report having been beaten at least once by their husband. This is not a happy statistic. But some economic empowerment is changing some of that. In terms of what protections can be made, the fact is in a lot of things. Let's go to Pakistan, where you have inheritance issues. And the law says you inherit, but, you know, no self-respecting "good" woman would dare take that away from her brother because she is going to get it from her husband who is going to get it from his family by denying it to his sisters and so on.

On many of the things where women will want to claim their rights, they have a choice of where they are going to live after that claim because they may never get married or their children may never get married in that village. The social context takes time to change. And the fact is you can't send in storm troopers to protect everyone on this. We do want to watch against violence. I think we should be much more aware. I also think going back to are we preparing the soil well enough. Have any of you ever read "Uncle Tom's Cabin?" Seriously. A number of you have read "Uncle Tom's Cabin." I read "Uncle Tom's Cabin" in high school and did the usual kind of sophomoric review of, this wasn't a really very interesting book; these are unrealistic scenes. I don't know

why it was so darn popular. You know why it was so popular? Because for the first time in white America, there was a fictional character who was black and represented as a human with feelings that we understood as whites.

And suddenly whites that hadn't paid attention before started seeing the horrors of slavery from a human perspective. And I think, you know, as weak as that book was as a literary force, the social impact came from opening the eyes of people who don't get it. A lot of men don't get it. A lot of women are supporting the biases against them because they have been raised to – well, I am a woman, I shouldn't do that. You know, as we begin to challenge more creatively and help those within the culture, you know, a lot of these areas, the stakeholders are roughly 50 percent of the population that would like to see change and maybe more, not always. Kathy?

**BLAKESLEE:** Well, I just wanted to respond to that a little bit. One of the things we found in any of these kinds of change projects is involving men somehow. And there was an interesting example that we heard from an Afghan woman from Nuristan, which was a quite conservative area. And they wanted to train the women in some income-generating activities. But there is no place to train them there, so they had to take them to another province. But they couldn't go by themselves, so their husbands and children had to go with them. There was a two-week training. And the impact of that was that the husbands began to understand and appreciate what this was. And so by the time the training was finished, the husbands were all onboard. They didn't take them to get them onboard. They took them because they had to take them in order to get the women. But the effect was positive. And in other cases, I think we can purposefully involve men and that that is probably an important thing to do not just in the economics, but in many areas.

**JOIREMAN:** I wanted to comment on that, too. I think that we need to be careful not to shortchange the role that education can play. It is not just economic incentives that will get men to change their ideas. That is part of the story. But traditional leaders and men, understanding that their communities will get better, that things might be better for the children have in certain cases been willing to sort of change and shift. So the role of education and consciousness-raising is important.

**CHANNELL:** Question here.

**Question 11:** Well, this is weighing in, responding to the violence issue. What comes to mind to me is this case I saw in a documentary about a state in India that had on the one hand, a women's literacy movement, and on the other hand, a campaign – a women's campaign against alcohol because women were being beaten and one had been beaten to death.

And what the literacy campaign did was it used the cases from the movement and put that into the literacy materials in saying here is what women did in that village and publicized the campaign. It led to having a law – I don't know how long it lasted – to ban alcohol in the state.

So that is one case. And another case in Africa is with Tostan that they have –female genital mutilation. They just do work frontally with the consciousness raising, bringing the villages along and whatever the process is, having thousands of villages to sign the pact that they will end this practice.

**CHANNELL:** Go ahead. I don't see another hand. I don't give second bites until I see, you know, no other bites.

**Question 12:** I would like to change the discussion a little bit to talk about something that I have noticed being an issue. And that is the role in some countries of dual systems of law because of religious issues. And that I have found can be quite constraining. In particular, of course, there are issues of the application of Shariah that impacts in a lot of economic areas and in terms of access on a lot of things. Can you all comment on that?

**JOIREMAN:** Yes, I would be happy to. You know, in terms of women's property rights and women's control over assets, Shariah is actually better than customary law. However, in its application, in many parts of West Africa, where you have the Maliki School of Islam, when Shariah came into conflict with customary law, there was a principle called *urf*, which argued that since it is the custom of these people not to give anything to their daughters, it shouldn't be interfered with. They can continue not to give anything to their daughters. So in some areas where frankly Shariah would be a step up for women, it has actually been undermined. There are other places where you do see the application of Shariah. And women do get control over assets through inheritance and they can maintain control over their assets, although those are in smaller percentages than their brothers. However, it is not everywhere that Shariah has really trumped customary law. In fact, it works the opposite way in some places.

**BLACKDEN:** I mean, this is, of course, the existence of multiple legal systems, whether religious or otherwise. Is itself an issue because it makes space for discriminatory practices that you might not otherwise be able to deal with. And from a business standpoint, I mean, in a sense, this is where it all sort of comes to roost. I mean, you look at the Doing Business paradigm. There is nothing about any of these things because it focuses on business regulatory questions. If you dig into well, how do family laws and, you know, all these things that we are looking at, that is exactly where these intersections appear and where the multiple – the existence of these multiple systems creates space for discrimination to be, in effect, sanctioned.

**CHANNELL:** I think in dealing with it, we have to start from the recognition that every country has these multiple systems. The United States has them. One of my favorite examples, Hebrew National frankfurters advertisement. They show how they answer to a higher power. They do much better than the U.S. regulations. This is a very positive way. But they are saying we live under a different legal authority and we are much better than what you are asking us to be. But the negative discriminations are the ones that we are worried about. And they are everywhere. I think one of the things we have to be very careful about in dealing with Shariah and other things is, again, the non-judgmental approach.

**JOIREMAN:** Debbie, I don't know the context for your question. Are you thinking about it in the Kenyan case because it has really become an issue in Kenya recently?

**Question 13:** Kenya is one aspect. But also, god, 13 years ago, I was actually one of the first single female economists invited to the Kingdom of Saudi Arabia and had a chance to look at how their women's economy had been developing and the impact on things that even His Majesty, King Fahd at the time, was unaware of. The fact that at that time, 73 percent of all assets on deposit in Saudi banks was owned and controlled by Saudi women. I don't know if that number is still accurate. But because in Saudi society it was considered very nasty for a man to actually use his wife's inheritance, that money was actually largely passed down to the daughters and accumulated over generations. So there were some interesting dimensions to that that I had been unaware of. But Kenya and other cases in Western Africa primarily, I think are quite disturbing. And then there are issues that I am also familiar with in Egypt, where like you were talking, Mark, with the serious problems with different status laws for different employees and stuff like that. What does that do to your larger economic competitiveness and your business operations there?

**CHANNELL:** There is another hand – I'm not neglecting you, am I? Are we good over here?

**Question 14:** I had a question. You both have mentioned the data is not helpful to say definitively that empowering women and increasing gender equality actually helps economic growth. What data are you looking for or what data do we need to look for or what series of data points do we need to improve this correlation because I think practitioners certainly believe that it is there?

**BLACKDEN:** I mean, this is a very – it is a complicated point because as I said, 10 years ago, you did some cross-country regressions and the world asserted with great confidence there is a direct connection that can be – causal connection that can be established between gender inequality and economic growth. The fact that, that has been undermined doesn't invalidate its truthfulness. It merely means that it is difficult to substantiate empirically. What would one be looking for? I mean, again, there is a – I mean, as those who have been in this field know, there is at least 30 or 40 years now of microdata and case study evidence of differences in – if you look at agriculture especially, differences in productivity, differences in incentives and differences in access to the productive resources that are needed to produce growth that are gender-based and that have impacts on yields and outputs and results in that sense. So there is a tremendous amount of micro-level data on that one.

It is more difficult to do that on a business. If you try to say, you know, are women's businesses more productive than men's businesses? – partly because of the ownership problem, you really cannot say that. And, in fact, when we did this study three years ago with the World Economic Forum for the Africa region, insofar as we were able to run some numbers on it, we in effect said no. There is no difference in productive potential between men's and women's businesses. And then you had a bunch of people get up and say, well, why are we worrying about this? And, in fact, it is good news. It is good to be able to say that actually, you know, you are not losing something by promoting women in business. You are not doing some sort of social welfarist thing here. You are actually contributing to economic potential.

I don't know, in a sense – I mean, this is sort of one of the ironies, I think, and especially for those of us in the gender field, what is it that actually informs policy because even if you have hard data, it doesn't necessarily mean that that informs policy. So it does seem to me you have to push on the envelope of this. You have to use a lot of microdata. You have to get into productivity, labor performance productivity issues. Maybe one can come back and look at this at a macro level, but I am not entirely sure, you know, that this will be easy to do. But it does seem to me even just documenting where the men and women are. And then sort of correlating this with differences in education and performance, whatever, does at least allow one to say, you know, these are important economic actors. Neglecting them will have economic costs.

I mean, it comes back to, you know, there are positive gains to be had from making sure that this 50 percent of the population isn't completely sidelined in terms of economic activity. And then you can make that more sort of connected with where you can get data, but nobody really has it, which is access to finance. I mean, if you look at most banks, they will not tell you a sort of sex disaggregation of where their loans go, all right? But if you can start getting that kind of thing, you will have a better sense of, you know, what the opportunities are. But it is extremely difficult. This is not a straightforward question at all.

**Question 15:** Well, are we looking maybe at the wrong point? Should we talk about – not economic development perhaps, but community development, decreases in poverty, decreases in malnutrition? Would those be better proxies?

**BLACKDEN:** Sorry?

Question 15 b: Would those be indicators?

**BLACKDEN:** Well, you have all of those things. Okay, I mean, let me backtrack a second. My starting point here has been to look at this as an economic issue. Now, if you look at this as a broader poverty question, yeah, you can get into survey data, you can get into poverty lines, you can get into distinctions between male- and female-headed households –

**JOIREMAN:** And the nutrition data and we have some of that.

**BLACKDEN:** And get into all the human welfare indicators, of course. Right, I mean, there is no question that all of that plays out in terms of –this is why in the study we are doing on women in entrepreneurship in Africa, we are trying to look at well, you know, are the economic variables more important than simply having more educated women – right –or having healthier women that can actually, you know, spend their time doing this kind of work, which is something we haven't talked about here.

I mean, often one talks about the violences. You have all this unpaid care work that nobody pays attention to at all that directly affects the ability of women to engage in economic activity. This is why the stove example is important on various levels, not least of which this is a business run out of the home because the idea that you go somewhere else to a workplace is something that is actually much more difficult for women who have for all sorts of reasons, not always good ones, are tied to the homestead in which they operate. Yeah, there are many ways you could capture this, I think.

**CHANNELL:** Other questions? One over here. The center is dominating.

**BLACKDEN:** Yeah, come on. Wake up over there.

**JOIREMAN:** That is because they are the good students.

**Question 16:** IFC just recently put out a solicitation to looking at over 30 countries, women-owned SMEs and how – and then their access to credit. You just said that banks don't give that information. Is it because they don't have the information or is it because – do they – like what kind of proxies would you –if you had access to their MIS systems, which whoever wins this will get, what kind of proxies would you look at to be able to see which businesses or which SMEs have –are women owned?

**BLACKDEN:** Well, I think the question there would be generally speaking, when a business takes a loan – again, I mean, if it is a corporate business, I mean, if it is IBM or somebody else, you know, the gender of the ownership isn't per se a factor. But if you are dealing with small businesses or family businesses, you might then – you know, the question will be to capture that. I mean, instead of just listing the name of the business and how much money it borrowed to actually tease out and include in the information that is captured the nature of the ownership, but also the nature of the management because there may be quite a difference between who owns the business and who runs it.

So, I mean, part of that is simply using the forms and all the information systems that you have to capture things that are otherwise simply not captured. You list the name of the business and you move on. Right? I mean, again, if you look at the World Bank Enterprise Surveys, this is one of the bigger problems that they face because how you capture ownership is –again, it is not easily done partly because of differences between ownership and management and partly because if you look at those surveys, even the charts that I presented, the definition of ownership is that there are women present among the owners, right?

That is as simple as it gets. It is not majority. It is not this. It is not that. It doesn't say really anything very precise about who is making the decisions and who has the principal stake in that business. You would have to do the whole way of –I mean, merely saying it matters. If sex differences matter in ownership that you capture them in the information systems that you have. Now, I haven't seen the IFC solicitation. But, I mean, there would be ways of capturing the extent to which different SMEs do or do not have access to finance. And then you go to the individual bank and you would have to tease it out. You wouldn't necessarily – I expect the information is there, but it is not something that is –you know, that is captured in terms of the way they aggregate it.

**Question 17:** Are women's names in there?

**BLACKDEN:** Yeah, exactly. I mean, it is a bit like the land titling. If you only had one name on your land title, you are not going to capture very much. If you can do joint titling and have more than one stakeholder listed as a potential owner of that land, you have a whole different way of looking at the problem.

**CHANNELL:** I think we are – no, there is one more question and then we are at the end.

**Question 18:** Hi, this is actually just a piggyback of what you said. I actually was in the financial and loaning industry for years. You do collect all that data. You have to have it to get it through. So on the – I am just – I can't speak internationally. But for here since we do have the legal protections, it is a privacy issue.

So it is not that that isn't documented. It isn't that the numbers aren't there. It isn't that – there are a number of pieces that go into lending, whether it is small business, corporate, whatever level it is. The bank has it. The charters are there. The legal

representation is there. But as far as going to get it as an outside source, you can't provide that. So I don't know if that is similar in the international sphere. It is not that it is not there. It is that you can't get it. That is all.

**CHANNELL:** Most of the people in this room are either USAID or USAID contractors. And we have within our manageable interests capacity to collect gender disaggregated data in our projects. We have a congressional mandate to do that kind of thing. And most people, I think, just see it as, oh, one of those things we have to do to check a box instead of understanding that this is important, the idea of flipping the base assumption that it matters is where we need to be. And we can help to control the collection of that not for this IFC project, but as a general rule for ourselves. If we are in projects and we are not collecting gender-disaggregated data, then we haven't flipped. We still think it doesn't matter.

And two, we are not helping to collect the data that will allow us to determine whether, in fact, it does matter or show how it does matter. So Kathy, on your behalf, I will point out that we have had this discussion of how little well-disaggregated gender data we have. That is our job. That is something we can do. And as we get the bigger picture, I think it gets a whole lot easier. It is actually more fun when you realize that this matters. It becomes a fun exercise to really capture it and be able to show it.

**CHANNELL:** And thank you to Sandra and Mark very much for being here. Thank you for coming.

# Neglected Opportunities: Investment Climate, Rights to Assets, and Women's Untapped Potential

**USAID Summer Seminar Series 2010  
Advancing Development Experience  
July 22, 2010**

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# OUTLINE

- Neglected Opportunities
  - Why should we care about property rights?
- Missed Economic Potential
  - Does gender inequality limit growth?
- Improving the Investment Climate
  - What are the key gender issues?
- Women, Customary Law, and Control over Assets in Sub-Saharan Africa
  - Does gender affect control of assets?
- Q & A

Why should we care about  
property rights?

# Why are Property Rights important?

## Property rights contribute to economic growth

- Davis and North 1971; De Soto 2000; Norton 2000; North and Thomas 1973; Evans and Rauch 1999; Fukuyama 2004; Acemoglu et al. 2004

## Unresolved property disputes result in violence

- Barasa and Kusimba 2007; Mugwang'a 2007; Gyezaho et al. 2007; Wily 2004

# Why should we care about **women's** property rights?

Women are  $\frac{1}{2}$  the world's population



$\frac{1}{3}$  of the official labor force



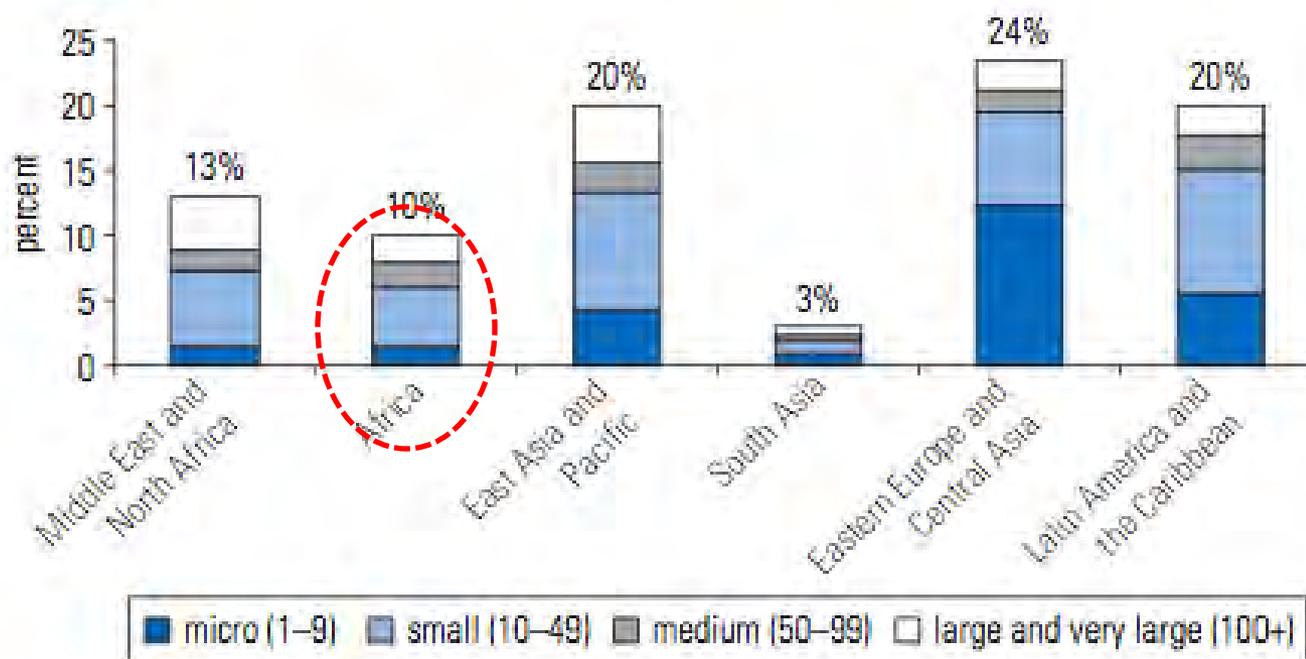
earn  $\frac{1}{10}$  of the world's income

own only  $\frac{1}{100}$  of the world's property

# Missed Potential: Gender and Economic Growth

# Women-Owned Businesses

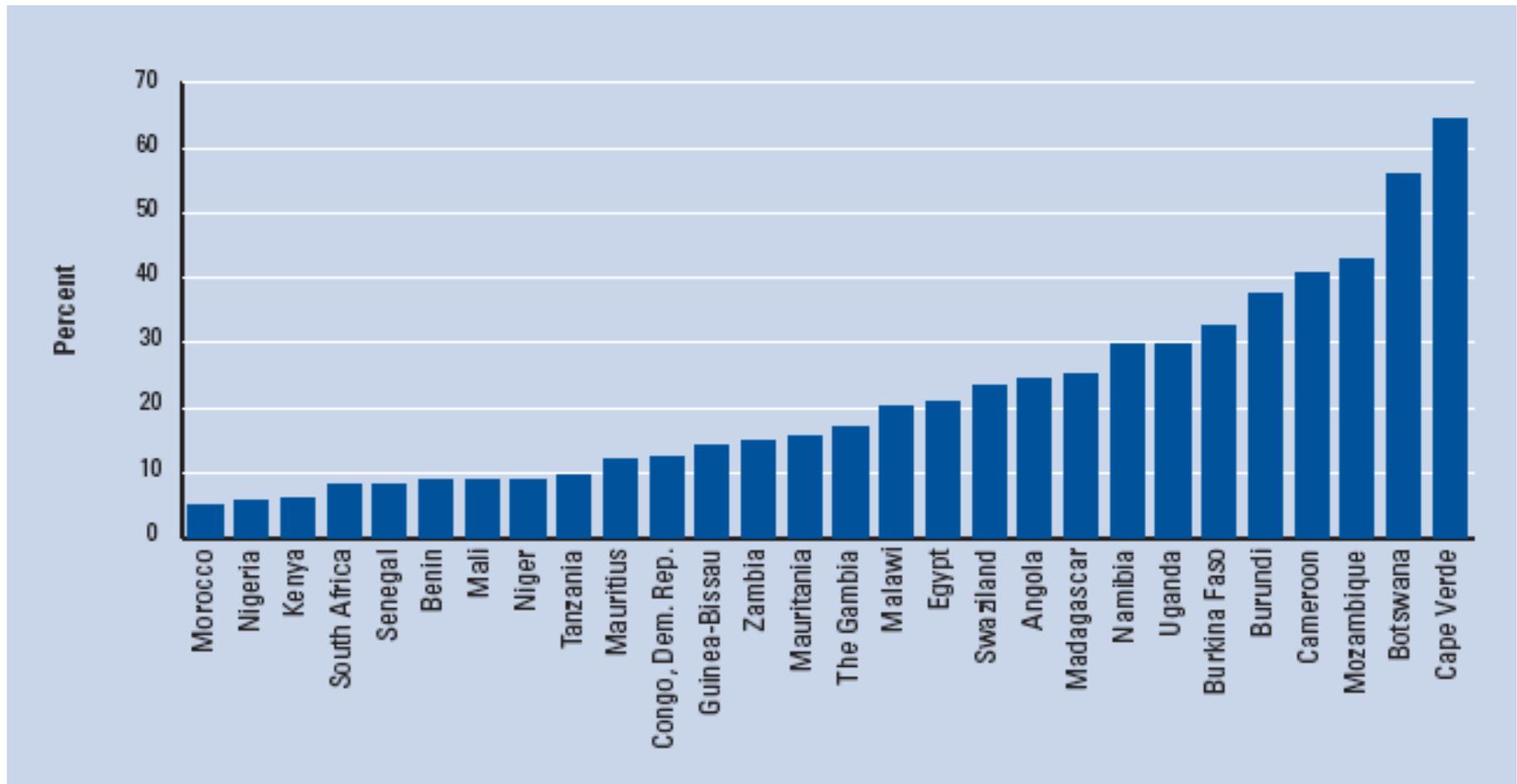
**Figure I.1** Female-Owned Firms across Regions



Source: World Bank Enterprise Surveys.

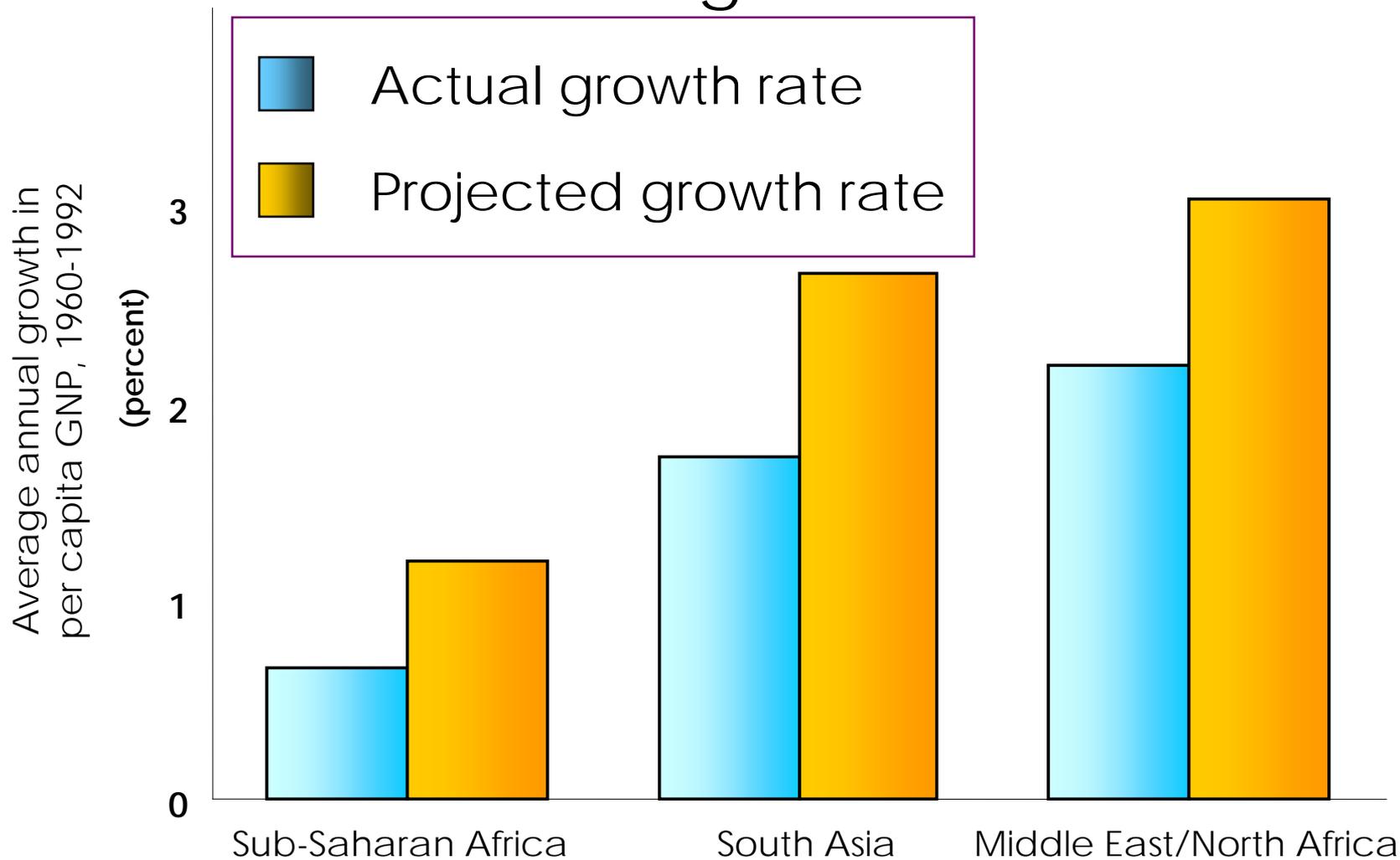
Note: Data aggregated for Regions from country-specific Enterprise Surveys carried out between 2003 and 2009.

# Female-Owned Enterprises in Selected African Countries (%)



Source: *Africa Competitiveness Report 2007*, World Economic Forum, African Development Bank, World Bank. Chart shows only Individual and Family Enterprises.

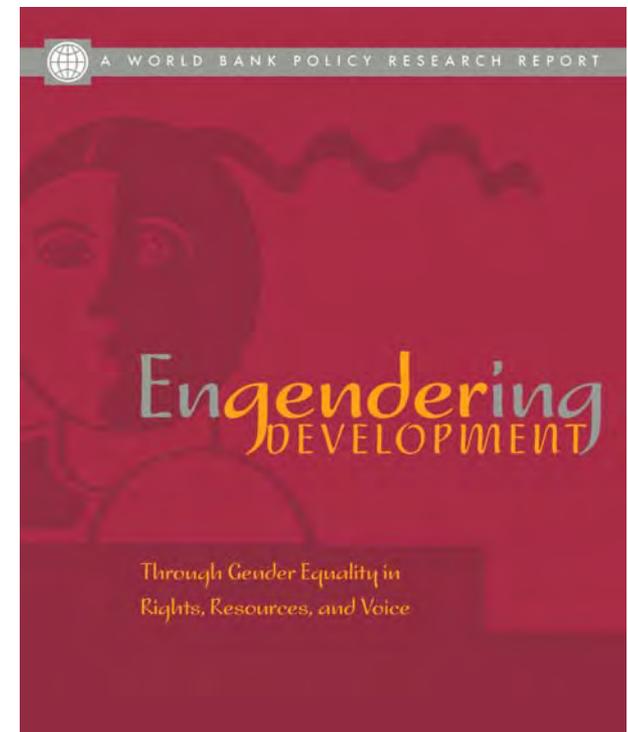
# Closing the gender gap in schooling boosts economic growth



Source: "Engendering Development" Policy Research Report) 2001, also reported in World Development Report 2000/01, "Attacking Poverty," World Bank, Washington, D.C.

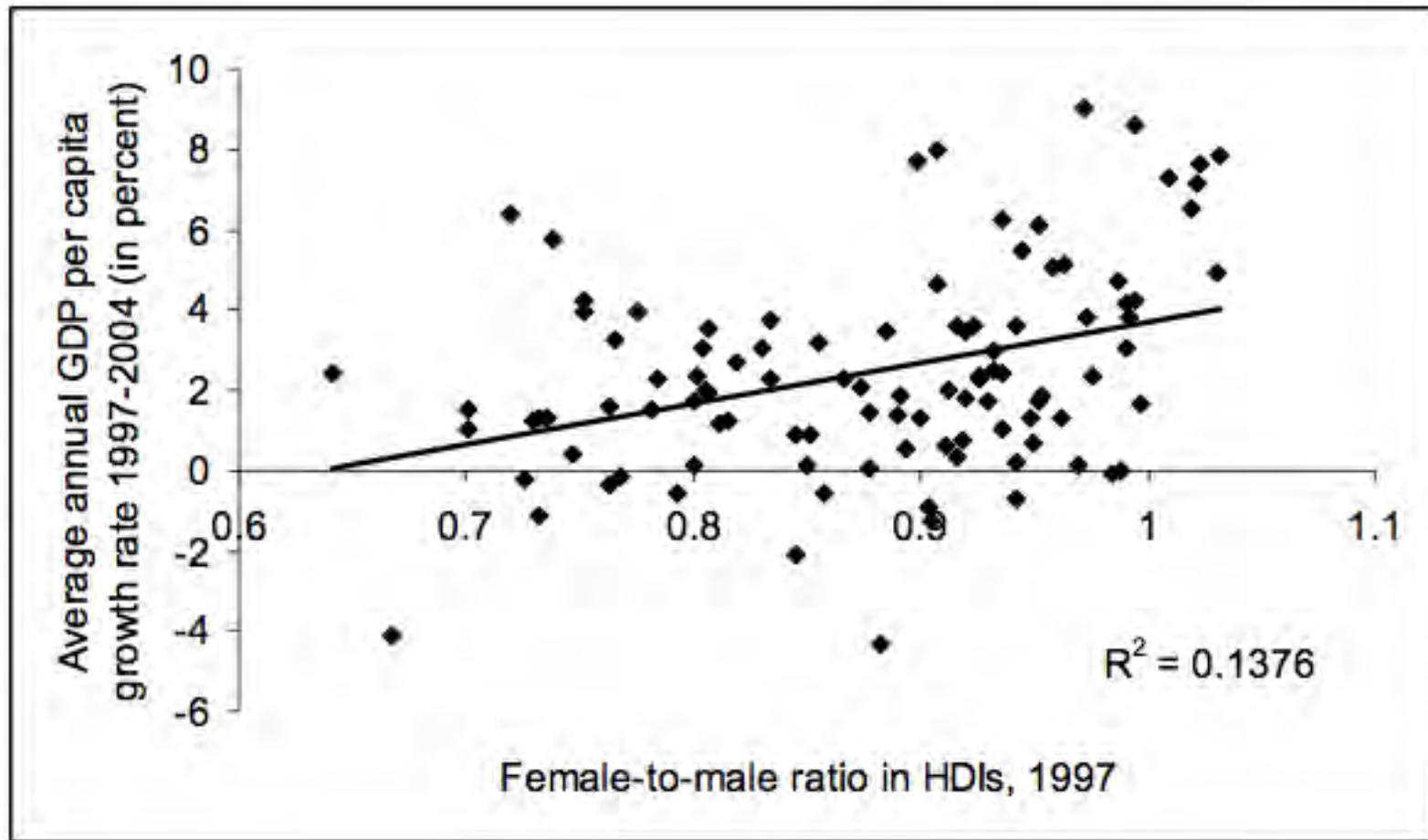
# “Engendering Development”

- World Bank Policy Research Report (2001)
- **Key Message:** Gender inequality is pervasive and imposes significant development costs.
- Societies that discriminate on the basis of gender pay a significant price:
  - Higher poverty, lower quality of life
  - Slower growth
  - Weaker governance
- Strengthening the business case: **Gender Equality As Smart Economics** (2006)



# Gender & Growth?

Economic growth appears to be positively correlated with gender equality.

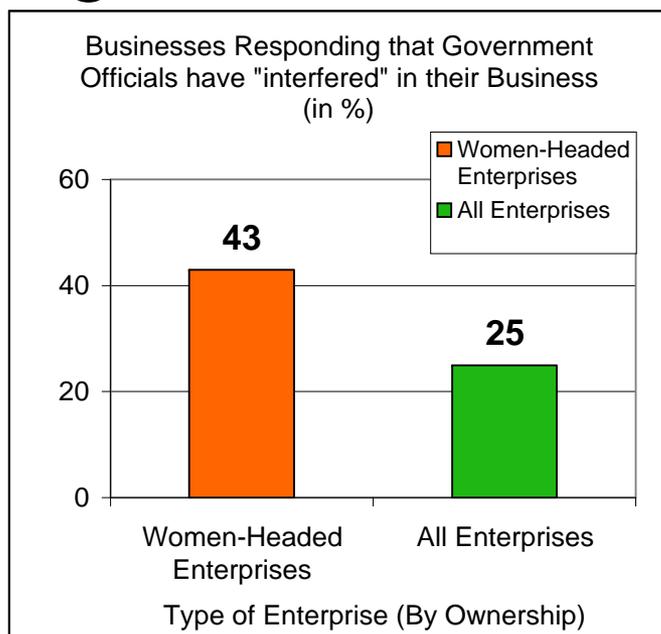


Source: Morrison, Andrew, Dhushyanth Raju, and Nistha Sinha, 2007. *Gender Equality, Poverty, and Economic Growth*, World Bank Policy Research Working Paper No. 4349, World Bank, Washington, D.C.

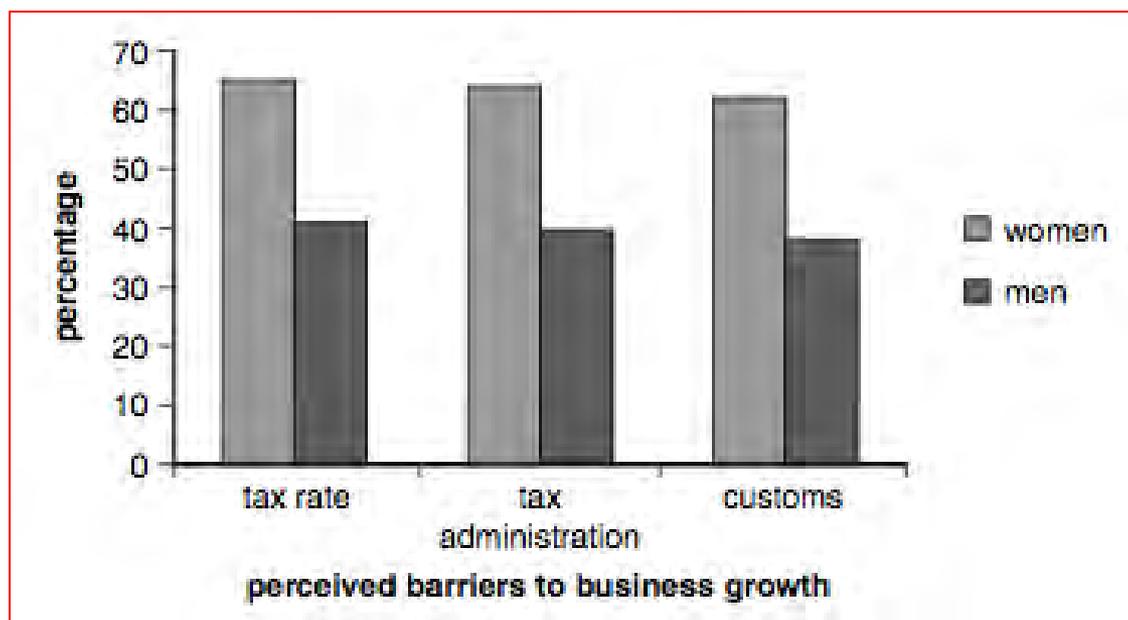
# Improving the Investment Climate for Women

# Investment Climate Barriers: Gender Differences

## Uganda



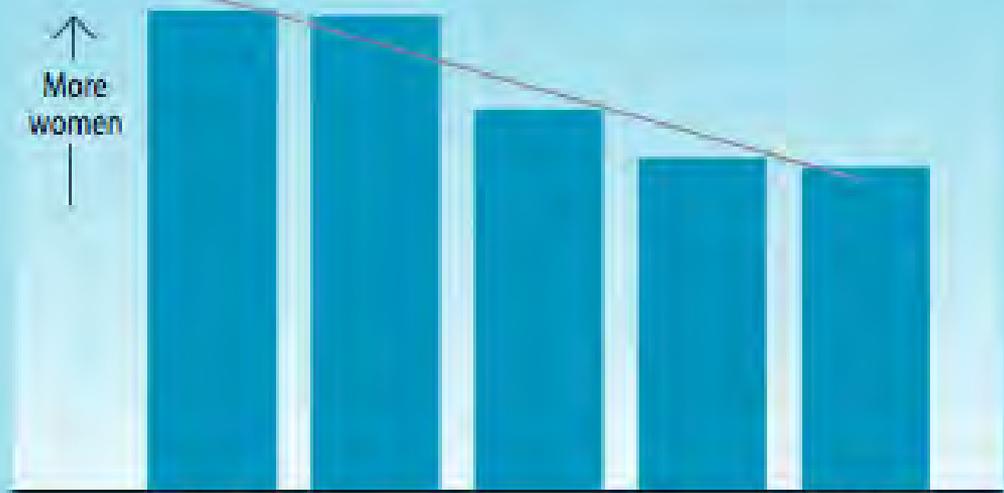
## Kenya



Sources: Amanda Ellis et al. *Gender and Economic Growth in Uganda: Unleashing the Power of Women*, World Bank, Directions in Development, 2006; Amanda Ellis et al. *Gender and Economic Growth in Kenya: Unleashing the Power of Women*, World Bank, Directions in Development, 2007.

## Female entrepreneurship (% of entrepreneurs who are women)

↑  
More  
women  
↓



Least difficult

Most difficult

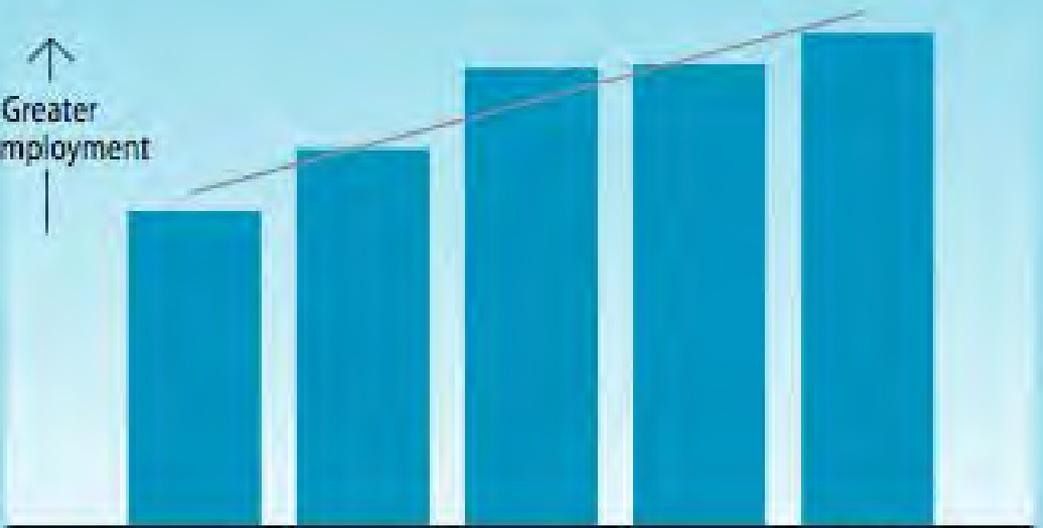
Countries ranked by ease of doing business, quintiles

Ease of Doing Business =

< Female Unemployment

> Women Entrepreneurs

↑  
Greater  
unemployment  
↓



Least difficult

Most difficult

Countries ranked by ease of doing business, quintiles

Source: World Bank 2007. *Doing Business 2008: Comparing Regulation in 178 Countries*, Washington, D.C.

# Improving the Investment Climate for Women

## Diagnostic

## Solution Design

## Implementation and M&E

**Understand** gender roles in the economy

**View** reform within broader social & cultural context

**Analyze** legal status of men & women

**Identify** laws, regulations, procedures & business obstacles perceived differently by men & women

**Test** political / cultural acceptability and **create** a conducive environment for reform

**Involve** women as well as men in developing appropriate solutions

**Link** with existing reform strategies for Government

**Draw on** in-country resources and experience

**Establish** baselines

**Integrate** gender-focused indicators into reform program M&E system

## Gender Dimensions of Investment Climate Reform

A GUIDE FOR POLICY MAKERS AND PRACTITIONERS

SEVI SIMAVI  
CLARE MANUEL  
MARK BLACKDEN

Impediments to Investment:  
customary law and control over  
assets in SSA

# Women are a Vital Part of African Economies

## Formal and Informal Economies

Recent large increases in women's employment participation rates in Sub-Saharan Africa (Women in Labour Markets, ILO 2010).

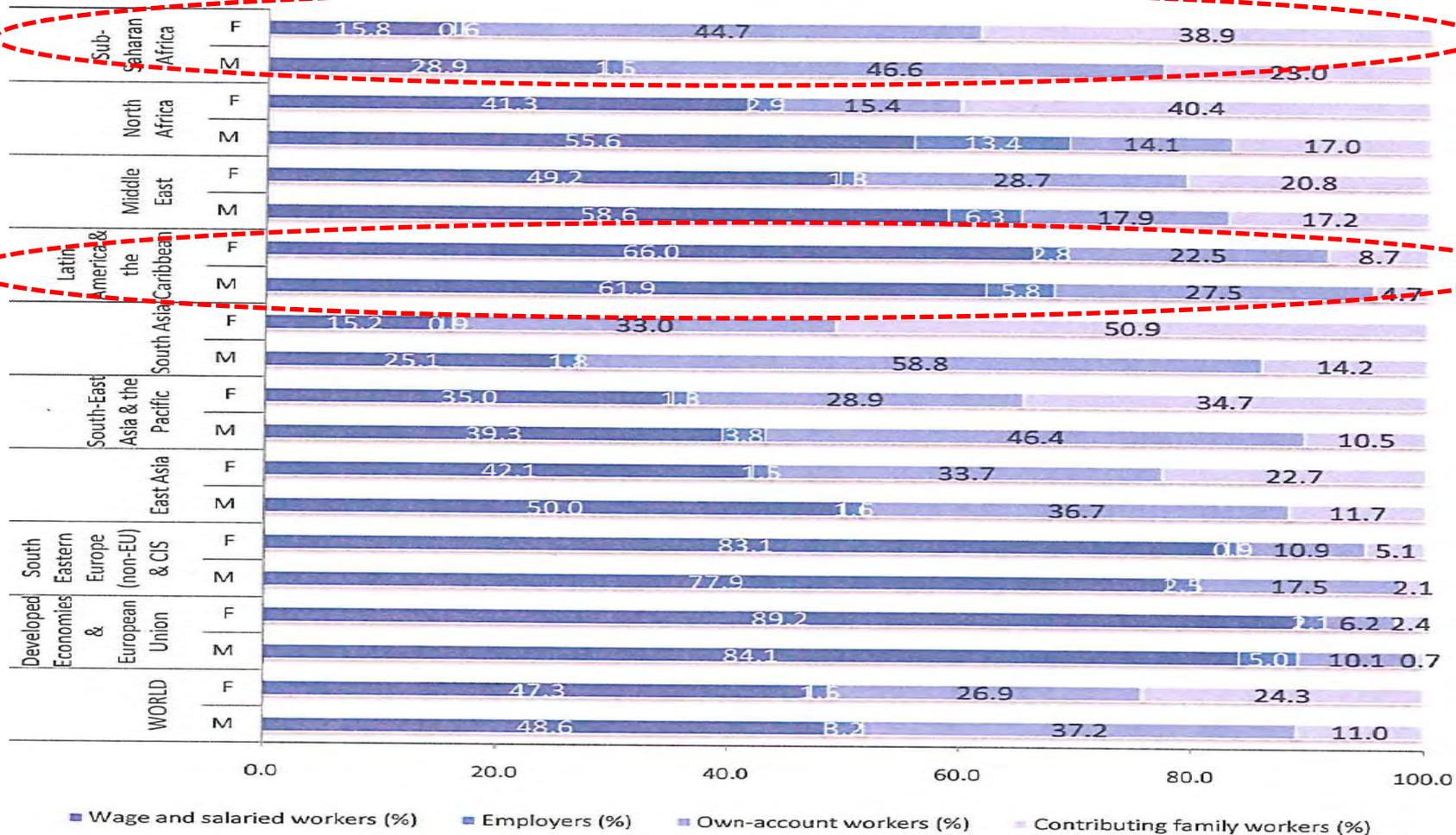
In SSA more likely to be self-employed (own account workers)

## Agriculture

Women produce up to 80 percent of the food crops in Africa (FAO, 2002: 11).

Women's labor is crucial to both subsistence food production and the farming of cash crops (Goody & Buckley, 1973).

Global and regional distribution of total employment by status, by sex, 2009<sup>35</sup>



e: ILO, Trends Econometric Models, November 2009.

# Differences between women's property rights in Latin America and Africa

## Latin America

### *Iberian Law*

Women can own property

Co-ownership of marital property

Women recognized as legal persons

Children inherit equally

## Africa

### *Customary Law*

Women cannot own customary land

Co-ownership of marital property not always recognized

Women not always recognized as legal persons

Girl children do not necessarily inherit

# Customary Law impacts women's access to assets

Impacts elites as well as the poor

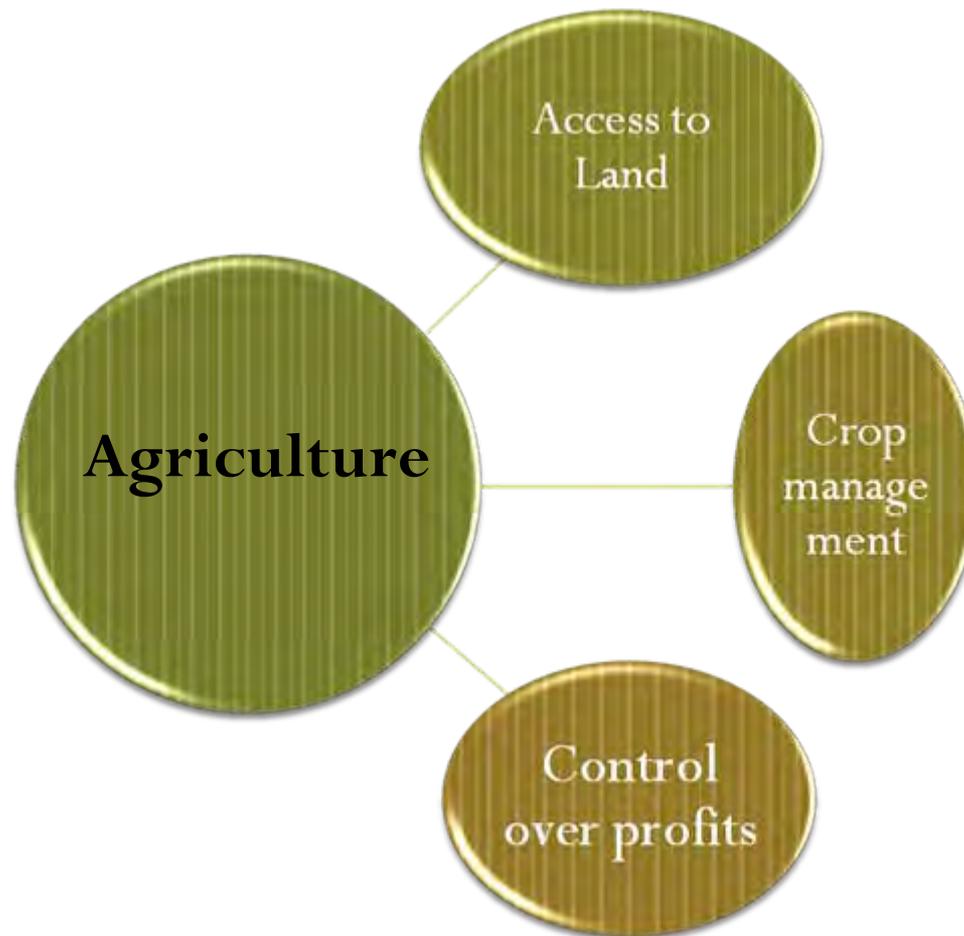
- Co-ownership of marital property
- Inheritance rights for girls

Urban as well as rural



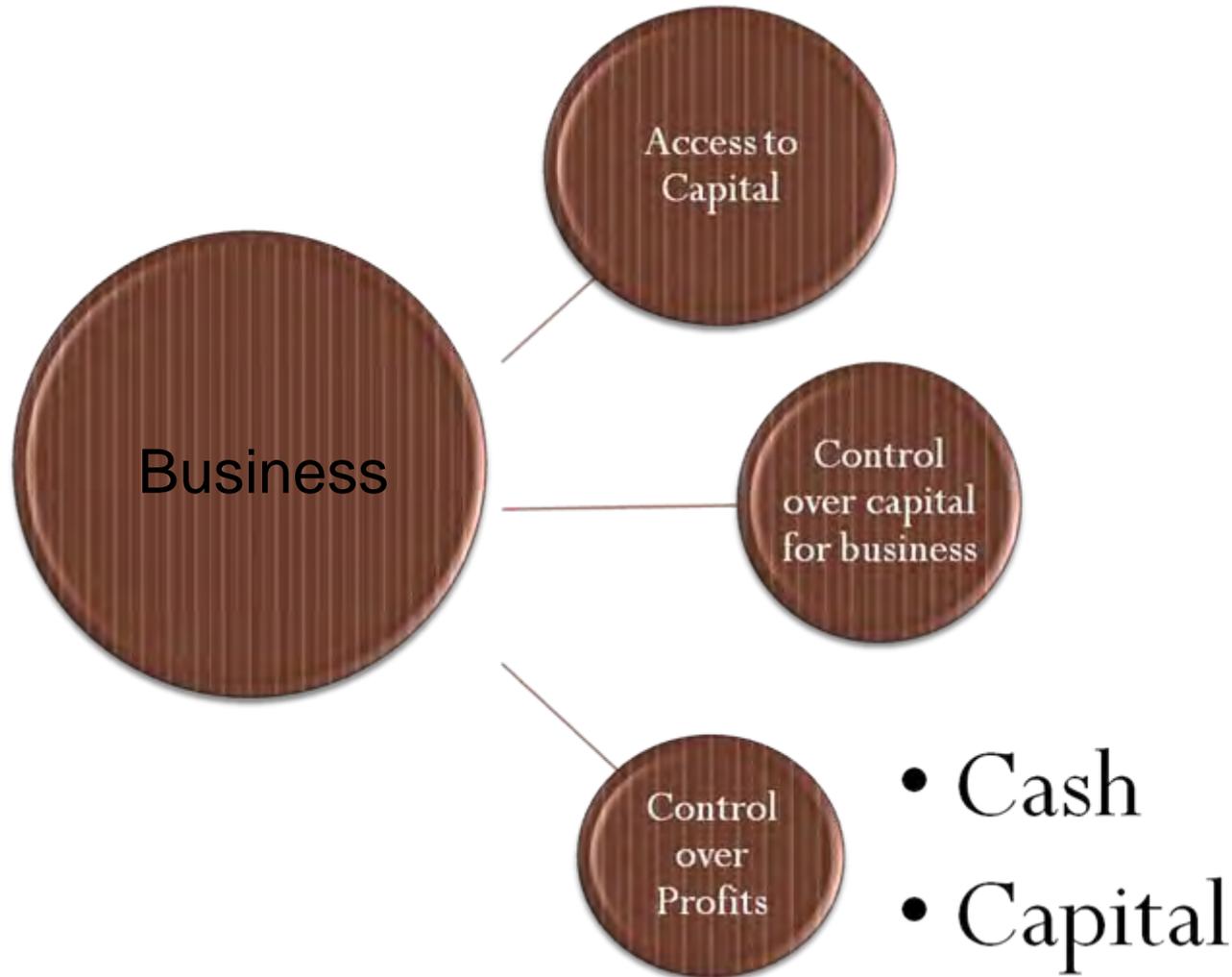
**Zimbabwean Regional Integration Minister Priscilla Misihairambwi-Mushonga**

# impact of customary law on rural assets



- Choices about crops
- Post-harvest management

# Impact of customary law on business assets



# Questions to consider with regard to policy implementation

Are there any formal restrictions on women's economic activity?

- Are women legally allowed to make contracts in their own names, hold assets exclusively, control their own labor inputs and represent themselves in court

Are there formal or informal restrictions on women's control of assets?

- Can they bequeath, inherit, invest and sell without the permission of others
- Do they face social exclusion if they exercise control over assets

Thank you for your attention!

Questions and comments.