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LOW INCOME WOMEN IN PERU:  
ISSUES AND OPTIONS  
FOR USAID/LIMA

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## LOW INCOME WOMEN IN PERU: OPTIONS PAPER FOR USAID/LIMA

### I. Introduction

This Options Paper aims to provide USAID/Lima staff with a perspective on key problems facing low income women in major areas of AID project activity, and with recommendations for initiating or modifying specific projects to better reach these women. The "Strategic Balance," coordinated by the Instituto Andino de Estudio en Poblacion y Desarrollo (INANDEP), served as the primary basis for identifying these problem areas and priority, project-related activity. A preliminary analysis of the statistical information available helped to determine how and where women fit into the Peruvian social system and economy and to identify and target key groups of low-income women. Also, the balance was specifically conceived to assess, in a preliminary fashion, key development programs directed at women in priority areas of AID, that is, urban development--in both housing and small enterprise development, education and training, and, rural development, health and nutrition.

Neither the Strategic Balance and the Options Paper were directed specifically toward redressing or reinforcing the tactical error of implementing programs only for women. The

aim was to avoid "ghettoizing" women, while enhancing their ability to participate actively in the economy. The trend in many AID Missions is to target resources only for small, women-specific projects, which is perceived as the only approach to implementing the women-in-development policy paper.

While the activities of these projects may be very worthwhile, they do not address constraints that may exist in reaching women in larger, ongoing projects. Instead, in terms of resources, the best use of funds may be to alter or modify slightly major AID projects or project ideas to better integrate women.

Obviously, neither the Strategic Balance nor the Options Paper pretend to be a comprehensive analysis of the needs of low income women and the alternatives for USAID/Lima. The deadline for the CDSS preparation placed a serious time constraint on the contractors. Nonetheless, both represent a serious effort to initiate a dialogue with project managers as to how to best implement a policy which aims at integrating women into the development process.

## II. Low Income Women and Urban Development - A Statistical Overview

Understanding low income women's participation in the urban economy is crucial to assessing how projects designed to generate employment, improve incomes, or access housing can truly benefit women and their families, including men. Women in urban areas have, in fact, become over 27 per cent of the "economically active population" (PEA) - an increase of 10.2 per cent between 1972 and 1981. Both economic necessity and higher educational levels have most likely contributed to a greater participation in the PEA. One fifth of the female population is considered economically active by the census data.

However, the statistics obscure and underestimate the real nature of women's participation in the labor force. First, a breakdown of the PEA reveals that the underemployed, as opposed to the adequately employed, constitutes the majority - over 51 percent of the economically active population. (Instituto Nacional de Planificacion, 1980). Moreover, a household survey in Lima found that 9.3 per cent of the unemployed, 48 per cent of the underemployed, and 42.7 per cent of the adequately employed were women. On the other hand, 4.8 per cent of the unemployed, 22.8 per cent of the underemployed and 72.4 per cent of the adequately employed were men. In other words,

women have the greatest presence among the underemployed in the PEA. Second, the census data does not recognize as economically active, those women who consider themselves housewives but who dedicate the bulk of their time to secondary occupations in or outside the home. Secondary occupations are not included in the census data. To see where this mass of urban, mostly underemployed, women actually works, the female population can be broken down by economic sectors and occupational categories. Leaving aside increased participation in agriculture, women have become most active in commerce, restaurants, and hotels, (e.g. retail selling, cooking, domestic work, laundry), while withdrawing substantially from employment in the manufacturing sector (e.g. garment production). Women constitute well over a third of the PEA in the services category (e.g. as domestics, preparers of food, and providers of housing) even though their participation in this category has declined. In short, women are active increasingly in small commerce and food service, but no less important is their small, but growing, participation in trades, such as the electric, water and gas, construction, and financial service sectors.

An important finding of the breakdown by occupational category is that women constitute more than 54 per cent of the people categorized as unremunerated workers in family business-

es in 1981--a 72 per cent increase over 1972. In the same time period, the number of "housewives" declined. Apparently, women have entered the labor force--largely in small scale commerce and as unpaid family workers--over this past decade. Moreover, women's income levels have also remained significantly inferior to men's, particularly in commerce, manufacturing, and the service sector.

### III. Low-Income Women and Housing: Issues and Options

A specific focus on low-income women's access and relationship to housing is a useful means of highlighting important and often unexplored problem areas, as well as potential opportunities. Analyzing women's situations in terms of housing, independent of the family unit, could be interpreted as an arbitrary, forced exercise. Rather, what is intended is to use this selective focus to get a perspective on how women's participation in terms of housing might better contribute to their family's welfare.

One problem area particularly critical to women heads of households is the limited access that low-income women have to publically supported housing. The rise in women's economic participation in the formal sector (PEA) over the last decade has given women access to housing loans and titles often for the first time. In several programs analyzed (Programa Torres de San Borja, Programa Pachacamac, Programa del Banco de Materiales), low-income women constituted between six to seventeen percent of the total number assuming mortgages in this category. Despite this advance, those programs probably reach only a small proportion of the households headed by women.

The Banco de Materiales, which has lower income and more flexible guarantee requirements than other housing programs, has provided the greatest access to women. Of the 17 per cent of female beneficiaries of credit in kind from the Banco de Materiales, the majority--64 per cent--are de facto heads of households. It is important to recognize that access for all low-income applicants is limited primarily to those with steady employment in the formal sector. In the Banco de Materiales program, 86 per cent of the successful applicants secured the loan through salary deductions by the applicant's employer. As a result, the large proportion of women seasonally employed in the tertiary sector and underemployed in the "informal" sector are denied access.

Women's integration into the formal sector of the economy does provide a vehicle to gain access to housing. A comparison of the low and middle-income applicant population in these housing projects also reveals that as women's income increases, their access to public housing increases more than proportionally. On one hand, female applicants for low-income housing constituted between 16 and 19 per cent of the total. On the other hand, female applicants for middle-income housing constituted 36 per cent of the total. In other words, increasing women's economic participation in the formal sector and raising their incomes are crucial factors in improving low-income women's access to housing.

Another issue, which a focus on low-income women and housing highlights, is the active administrative role played by women in the construction or improvement of their homes in the Pueblos Jovenes. The Banco de Materiales program has enabled women to borrow construction materials. Of the women borrowers, 41 per cent are starting to build their own homes, while 29 per cent want to improve or expand their homes. Nearly two-thirds of these women intend to undertake construction themselves, while the rest intend to rely on contracting work outside the family.

Observation of such self-help housing reveals that women are not only participating in the actual construction, but also actively participating in the administration of the work. Women are assuming this responsibility independent of whether they or their partners are the actual borrowers. Similarly, when construction is contracted out, the partner or man of the house may sign the contract, but the woman actually decides who will work, how much they will be paid, how the project will be supervised, as well as handling the coordination with the lending institution.

An important issue to recognize is that low-income women in the Pueblos Jovenes have assumed primary and active responsibility for their family's housing needs, including the actual construction of their homes. Economic realities, such as the

necessity to provide for their families independently or to take on a responsibility which a partner is unable to assume, have pushed women into actively providing for their family's housing needs.

Women's participation in this "process" of establishing a permanent home in the Pueblos Jovenes is not limited to construction of the housing unit. Women, primarily those not economically active and those relying on the home as base of economic activity, are among the most dynamic forces in locally-based organizations dedicated to securing services such as water, sewage and electricity. The lack of these services has motivated women in the community who are the most conscious of the importance of securing access to utilities, especially water, for their home. The lack of access to water in Pueblos Jovenes often means that the woman has to buy and carry to her home, water necessary for the household. The issue relevant to low-income women is that women in these communities are an important and often untapped resource for resolving local infrastructural housing problems.

Low Income Women and Housing Options for USAID/Lima:

In sum, low income women face three substantive problems: one, limited access to credit for housing, given income constraints; two, responsibility for managing the construction

of the house in addition to current family and economic burdens; and three, the necessity of pressing for access to basic services through community organizations. Obviously, the obstacles are even more severe for the women who are heads of households, responsible solely for providing for the family's economic necessities and their housing needs.

To respond to the obstacles facing low-income women, USAID/Lima has several options:

- A. Expand and strengthen their housing programs with the capacity to reach low-income women.
  1. Initiate discussions with the Banco de la Vivienda del Peru (BVP) to re-evaluate income and guarantee requirements for home improvement loans with particular attention to the applicability of the Banco de Materiales requirements.
  2. Reassess application forms of the Banco de Materiales and BVP to ensure inclusion of economic activities of all workers in a household in assessment of income levels.
  3. Expand program within Banco de Materiales to increase access to women who are heads of households.
- B. Strengthen technical assistance and training for beneficiaries of credit in construction materials, with direct services primarily to women who are the primary, home-based managers of the construction.
  1. Design and implement technical assistance program within the Banco de Materiales for the beneficiaries of credit-in-kind, particularly women heads of households, to assure (a) optimum use of materials, and (b) supervision in the basic technical elements of construction.

2. A follow-up component of this program would be technical assistance in the training of women who would benefit from learning specific skills such as, basic bricklaying, gasfitting, electrical work, housepainting, etc. The outcome would be skilled workers, able to sell their time to others in the community in addition to having new skills available to use at home.
- C. Upgrade organizational effectiveness of local community groups and organizations, utilizing efforts of low-income women to secure services, e.g., water, sewage, and electricity for the community.
1. Expand and reinforce the community outreach capacity of the Banco de la Vivienda del Peru's program to provide water, sewage, and electricity to community groups. The BVP or Accion Comunitaria, the BVP's link to the communities in the Pueblos Jovenes, could use the labor of organized groups, such as those in the Food for Work program, to work on community services projects identified as priority areas by the locality (e.g. water, sewage, electricity).
- D. Strengthen low-income women's participation in the formal sector of production to increase access to housing projects.
1. Strengthen vocational skills training programs to improve participation of low-income women in the formal sector.
  2. Increase access of women entrepreneurs to loans from the Industrial Bank of Peru (Small Urban Enterprises Project).
  3. Identify and implement a micro and small enterprise project to increase capacity of women to generate additional income.

IV. Low Income Women and Small Enterprise Development:  
Issues and Options

An important reason for looking at how small enterprise development can benefit low income women is that urban women in Peru are already fending for themselves as self-employed vendors, or as unpaid partners or workers in semi-clandestine family enterprises. The decline of the manufacturing sector and growing urbanization, together with the current economic crisis, have given rise to the emergence of a large and growing "informal sector."

The informal sector, which would include vendors and family enterprises, often refers to economic activities which (a) are non-permanent and casual; (b) lack company and/or government regulations, and (c) take place in small-scale and less capitalized establishments, relying on household labor. The growing presence of women in Peru's informal sector is apparent in a survey of the urban female labor force by the Ministry of Labor. In 1974, nearly 54 per cent of the female labor force were based in the informal sector, while in 1978, female participation in this sector rose to over 73 per cent.<sup>1</sup> In turn, select small enterprise development programs may have the

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1. Women's representation in the formal sector, both private and public, declined during this same period.

potential to upgrade women's job security and income generating capabilities in this heterogeneous sector.

First, women's access to small enterprise credit programs is limited. Peruvian banking law requires that a man co-sign loan documents drawn up for a woman. The most important constraint, however, is not legal but economic. For example, the growing number of women active in petty commerce--selling everything from prepared food on the street to clothes and hardware in the market--tend to have insufficient collateral and cash available to meet the loan requirements of small enterprise credit programs, such as the project underway at the Industrial Bank of Peru (BIP). The BIP's small urban enterprise program requires real guarantees (e.g. assets such as property or machinery); cash upfront, often 10 percent of the total loan; and third party as a co-signer to further guarantee the loan.

The BIP itself recognized, in a proposal submitted to USAID/Lima, "the urgency of creating mechanisms which resolve or contribute in large part to the solution of limited access to pobladores, especially women, who do not have the collateral or capital sufficient to be able to turn to and secure support from the financial sector." (Proyecto Fondo Rotativo Para Prestamos Destinados a Capital, en Unidades Empresariales de Pueblos Jovenes, p. 4). The BIP's Rural Enterprises credit

program, in fact, was less able than anticipated to extend loans to small businesses run by women. Sixteen per cent of the total loan portfolio was disbursed to women.

Another program, which appears to have a greater capacity to reach the microempresa, is Progreso, initiated recently by the private voluntary organization ACCION - AITEC. One component is specifically directed to small vendors, either with or without fixed stalls, or with carts or tricycles who have previously received credit. An important strength of the program is its "solidarity-group" system of guarantee, in which five people voluntarily join together to assume joint responsibility for the loan, even though each receives the credit individually.

The program requires that at least three members of the group be women because (a) women are considered the most responsible; (b) the income derived from the loan will benefit the family more directly; and (c) it is a means to provide a complementary income (which may be the most important in the family). In this sub-program, approximately 75 per cent of the credit recipients are women.

In sum, the collateral and "cash upfront" requirements of small enterprise credit programs, such as the BIP's, have to be made more flexible to reach the smaller, less capitalized enter-

prises, in which women have greater participation. Also, smaller private organizations may be better able to lend to smaller enterprises in the informal sector as, they can make use of alternative forms of guarantees even when lending at commercial rates of interest. A final lesson in this area of credit is that in Accion's programs in other countries, women have proved to have had one of the best payback records for working capital loans (e.g., Dominican Republic).

Another serious constraint facing women in developing small enterprises is their low educational level and concomitant lack of business training. While women's educational levels improved substantially in the last decade, the preparation--usually a primary school education--is not adequate to start a business, except on a very small scale.

A detailed study of women working in the informal garment sector found a high incidence of interruption or abandonment of studies. Advancing age and large numbers of children were cited by the women as the primary restrictions. Nonetheless, the majority had strong aspirations to continue studying. (La Fosse, 1982) Similarly, the Industrial Bank of Peru, through its Small Urban Enterprises Program, has found that the majority of women applicants required additional training, but that their interest in such training was very strong.

In short, enabling women to expand their micro or small family-based businesses requires supplementary technical training. In order to make such training practicable, programs might need to be targeted to young women with less responsibilities for child care and the household.

A third issue particularly relevant to effective small business programs for low income women is the lack of income and job security for women workers in these semi-clandestine family enterprises. This large group of women working as unremunerated workers in family enterprises has no assurance of continuous employment, social security, nor other benefits. The study of women workers in the informal garment trade found that half of the women had children under six years of age and that 47 percent were concerned with child care. The greatest demand for child care came from the .28 percent who headed their own households, as they lacked a husband. Obviously, in addition to child care, a major problem for these women is overcoming their reliance on the middlemen who manage the marketing and distribution of the assembled garments.

The other side of the coin in these family businesses is that women often enter the labor force or engage in income generating activities in response to the opportunities for male workers. In other words, there is a certain "dovetailing"

between men's and women's economic roles. For example, when times are slow for the man, the woman takes up the slack by engaging in economic activities. (C. Moser, 1982) In turn, this factor needs to be accounted for in small-enterprise development for low-income women.

### Options

USAID/Lima has several options to consider in attempting to increase low-income women's access to small enterprise development programs:

A. Modify the Small Urban Enterprises Project with the Banco Industrial del Peru (BIP) to strengthen its capacity to reach low-income women.

1. Assist the BIP in its efforts to promote women's access to the project by enhancing the training of credit extension agents.

Develop with the BIP a monitoring and credit assessment component to develop a socio-economic profile of the program's credit users. The aim is to monitor the effectiveness of the credit extension efforts in reaching the target population and to develop a data base for evaluation of the program.

A two-person team of the International Center for Research on Women has secured the agreement of the BIP and USAID/Lima to provide two weeks of technical assistance in October 1983. This team will (a) offer lectures to credit extension agents as part of the BIP's training program, and (b) develop the monitoring and evaluation design with the BIP.

2. If warranted given USAID/Lima's analysis of the BIP's proposal and ICRW's preliminary assessment of the loan portfolio, USAID/Lima should seriously consider amending the loan agreement with the BIP to earmark \$78,000,000 of the loan funds as a revolving credit fund, as proposed in the document, "Proyecto Fondo Rotatorio Para

Prestatarios Destinados a Capital, en Unidades Empresariales de Pueblos Jovenes."

The BIP's approach attempts to overcome an important constraint in the existing credit program--the requirement for cash upfront in order to borrow from the program.

The BIP proposes to lend at subsidized terms the capital required up front to enable the potential borrower to tap into the actual loan fund. The interest on the loan would be based on the salary of the borrower, and the borrower of the capital loan would be free of amortization and interest payments for the first year.

An advantage of this approach is that the BIP is attempting to increase the flexibility of an existing AID credit program for small enterprises to reach the many capital-deficient enterprises in the Pueblos Jovenes, a number of which are women-operated small businesses. However, in order to make such a sub-project effective and to ensure proper credit management by these select enterprises, technical assistance by a community-based PVO with experience in small enterprise development would need to be an integral component of such a sub-project. The BIP does not have the community-based technical expertise nor the staff time to devote to monitoring the progress of this experimental program.

B. Extend a grant (OPG) to a PVO with community-based experience in small enterprise development (such as ACCION-AITEC, IFESA, INPET or another PVO) to provide technical assistance to those small enterprises in the revolving loan fund program. Target a portion of the assistance to women small entrepreneurs.

A program which has the capacity to reach a greater number of women, particularly those self-employed managing microempresas, with credit is PROGRESO of ACCION-AITEC. The credit sub-program directed to small vendors has had the greatest success to date in extending credit (working capital) to women. Approximately 75 percent of the recipients are women.

An option for USAID/Lima is to sustain funding for this important innovative credit program for small vendors and to strengthen the capacity of the small enterprise program of PROGRESO to incorporate a greater number of women entrepreneurs into the program.

C. The low educational level and the concomitant lack of business training has been identified by the Industrial Bank of Peru, the small enterprise sub-project of PROGRESO, INPET, and studies of the garment industry as a major obstacle to increasing access to women in their programs.

An important medium term option for USAID/Lima is support for an appropriate technical assistance and/or training institution to provide appropriate, community-based technical advice and training to women-run small and micro-enterprises. Without such assistance, women may not be able to make the important step away from petty commerce and tiny semi-clandestine family enterprises to other more stable, secure forms of small enterprise. Such initiatives need also to be responsive to the tendency towards "dovetailing among economically active women.

D. A last, but no less important, option is for USAID/Lima to contract a person to accumulate data on those areas of economic activity in the informal sector, in which women have the greatest presence. Staff of the Industrial Bank of Peru expressed in meetings strong interest in specific studies on those sectors of production, services, etc. in which women were particularly active. The paucity of studies on this subject demands that additional attention be given to this area.

An option for USAID/Lima would be to request that the major study of the informal sector, under the management of Hernando de Soto, specifically examine the nature of women's economic participation in the sectoral areas of the study. The most appropriate area is probably garments and commerce. It would be unfortunate to lose this opportunity when such valuable primary information is being gathered, which have such important implications for women in the informal sector.

V. LOW INCOME WOMEN, EDUCATION AND OCCUPATIONAL SKILLS TRAINING: ISSUES AND OPTIONS

Education is well recognized as a crucial basis for participation in the labor force. However, in Peru, one major area of discrimination against women, particularly low income women, is access to education. In turn, lower educational levels of women have seriously affected their opportunities for employment, increased income and personal development. For low income women, the lack of appropriate occupational skills is a major factor inhibiting the scope of their participation in the economy. The continuing high levels of female under- and unemployment reflect these trends. Nonetheless, educational levels overall have improved significantly in Peru over the last decade, and a small group of Peruvian women have benefitted.

A. Statistical Overview <sup>1.</sup>

An important indication of women's lack of access to formal education is that two of every three illiterates in Peru were women in 1972 and still in 1981. Of these illiterate women, the majority are middle aged and older women in rural areas, and, to a lesser extent older, women in urban areas. Even though the rate of illiteracy declined from 30.5 to 17 percent

1. The source of this section is "La Mujer y la Educacion" in the Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer, Julio 1983.

between 1972 and 1981, women still have limited access to formal education. Half of all Peruvian women still have not been able to benefit from a primary education, though the difference between men and women's access is much less significant than was the case with those who are illiterate.

Women continue to have little opportunity to study at secondary schools and universities. Only one-fifth of Peruvian women have a secondary school education and only 3.3 percent have university schooling. Moreover, men still have greater access to superior education than do women. Nonetheless, despite this inequity, the access of women, in Lima particularly, to secondary and university education has grown at a faster pace than men's over the last decade. As a result, there is a small, but rapidly growing group of women in Peru, who reflect the expansion of the female labor force in the last decade.

In short, the statistics collected by INANDEP confirm that educational levels in Peru, and of women in particular (especially urban, educated and higher income females), have improved significantly. At the same time, the differential access of men and women to education has been maintained, especially in rural areas where one of every two women is illiterate. The large majority of women in Peru--72 percent in 1981--still lack a primary education or any schooling at all.

However, it is important to remember that over 20 percent of Peruvian women are secondary school graduates. Given the need for employment of this educated group and the high rate of women's under- and unemployment, developing this important resource through skills training may be important in addressing Peru's under- and unemployment problem.

B. Critical Issues in Select Vocational Training Programs  
Traditional Vocational Skills Training for Women --  
Is is demand derived?

A fundamental issue which immediately emerges in a quick review of a number of vocational training programs is whether the skills provided are demanded in the labor market. For women, this issue is of critical importance since courses which are traditionally female in orientation and largely female in attendance tend to be those with limited employment and income potential in the current economic circumstances--e.g., sewing and garment making; cooking, weaving, ceramics, cosmetology. Managers of vocational training programs in the Pueblos Jovenes who were interviewed acknowledged the limited nature of the Lima market for items such as garments, for example. In part, the problem is that is what the women request. And in part, the schools lack the personnel and/or the vision to encourage attendance in alternative courses.

One post secondary school public sector vocational training program, the Centros Nacionales de Capacitacion Profesional (CENECAPE)<sup>2</sup>, offer short term courses in garment production,

2. Carmen Masias de Salinas reviewed the course breakdown of the programs in CENECAPE:EMAUS; CENTRO de Capacitacion Productiva Extraordinaria; CENECAPE VILLA EL SALVADOR; and CENECAPE de Villa MARIA del Triunfo.

cosmetology, cooking, which are attended solely by women. The CENECAPEs also offer courses in electricity, technical drawing and english, which were attended by a very small proportion of women. However, women did not participate in CENECAPE courses in upholstery, watch repair, carpentry, metal working, or auto mechanics. This breakdown of course attendance by sex demonstrates the limited scope and traditional bias of vocational training courses directed to women in particular. While the responsiveness of most CENECAPE courses to the labor market is known to be limited,<sup>3</sup> those courses oriented to women appear even less responsive to the labor market than the other courses. As in other programs, women could be encouraged to participate more in the more non-traditional courses, such as electricity, technical drawing, english, upholstery, watch repair, which would appear to have more employment and income potential.

Another vocational skills training program, which is managed by several government ministries, is the SENATI program, which provides training through apprenticeships and employee upgrading in the manufacturing sector. Even though women in Peru have made major advances in their access to secondary education over the last decade, they do not appear to have made great strides in gaining access to this large scale, established vocational training program. As is the case in similar programs in most

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3. See the project description of TECSUP in the P/IOT (pg. 7) for brief assessment of CENECAPEs.

Latin American countries,<sup>4</sup> the proportion of men enrolled in SENATI's vocational training program clearly exceeds that of women. In 1974, the number of women in vocational training courses in the industrial sector was less than one percent. Women's access to training in commerce and services was significantly higher -- over 27 percent. Nonetheless, women constituted only 3.6 percent of all SENATI students in 1974. By 1976, the last date of statistics available, the number of women trained had increased to nearly 21 percent.<sup>5</sup> In short, women have had significantly less access than men to training programs identified by the government as priority areas.

A private vocational training program, which has made a special effort to encourage equal access to men and women, is the workshop training program in Fe y Alegria schools, which continue to receive grant (OPG) funds from AID. From 1978 on, these schools which reach secondary school students in the Pueblos Jovenes provided workshop training in carpentry, sewing, typing and electricity. In 1981, they expanded their curriculum to include on a pilot basis: metalworking, weaving, ceramics, agriculture, and home economics/nutrition. Unlike many vocational training programs, women and men have had equal access to these training workshops and are, in fact, encouraged to

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4. For details, see pp 137-8, Tables V-9 and V-10, in Economic and Social Progress in Latin America, 1980-81 Report, Inter-American Development Bank.

5. Ibid.

acquire basic training in a variety of both traditionally male and female skills before specializing.<sup>6</sup> No figures are available on the breakdown on participants by sex from the AID evaluations to date. Therefore, it is not possible to assess the effectiveness of the Fe y Alegria programs in encouraging a better distribution of men and women in the vocational skills program.

The most critical issue raised by the Fe y Alegria program, however, is relative effectiveness of courses in specific subject areas in providing skills which lead to employment for either men or women. Unfortunately, as originally designed, the Fe y Alegria program lacked any formal means of following up on the progress of students obtaining jobs. To overcome this deficiency, the amended grant agreement with Fe y Alegria established a Job Opportunities Office, which would keep records on the graduates of the vocational training programs and would conduct follow up surveys of the graduates to determine if they are using their skills and if they have obtained better employment as a result. Also, based on additional surveys, the office would recommend what skills should be emphasized so as to channel students' training into skill areas for which there are adequate prospects for employment. Complementary to this effort, the Job Opportunities Office aimed to establish contacts with

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6. See analysis pp 267-8 in the Balance Estrategico.

industrial and commercial enterprises to assist Fe y Alegria students in finding jobs following training and to provide information on establishing their own small businesses.

While the results are not yet in, this documentation, coupled with a breakdown of courses by sex, would assist in making such a program more responsive to the demands of the labor market and could encourage greater female participation in these areas. Nonetheless, the staff time of one manager and one assistant in this newly created office may not be sufficient to make such ambitious assessments and to revamp the program.

"What the Women Want" as a Criteria for Training Programs for Women

One of the constantly cited justifications for traditionally female-oriented skills training programs or training components for women is that it is "what the women want." Frequently, vocational training in such programs is an add-on to an on-going program with a different focus, such as a food for work, nutrition, or mother/child health care program. While the motive for including such skills training is laudable, the financial resources of the project are usually not sufficient to run a proper skills training component. Moreover, the staff running the Food for Work or multi-purpose community development projects often do not have enough time or expertise to carry out an effective program. Frequently, the services of low level educators from the Ministry of Education are offered. However, insufficient time and attention is given to the purpose and value

to the students of the vocational training, particularly in the early stages of the project development. Moreover, the priority at evaluation time, is often the nutritional or health impact, rather than the educational impact.

One program which has found it difficult to provide appropriate vocational orientation is the educational program, "Orientatacion y Bienestar del Educado" (OBE). The OBE approach attempts to provide vocational orientation, medical service, nutritional attention, psychological services, advice in family problem solving, as well as other services, primarily to women. One research study on OBE, conducted in 1981 by INIDE ("Investigacion Evaluativa sobre el Educado Peruano"), found that 50 percent of a sample of those attended in the OBE programs found the vocational services to be inadequate. Moreover, psychological services were sorely lacking. The study concludes that OBE lacks the personnel trained in providing vocational advice to women. Given only some 28 percent of the Peruvian women make it beyond primary school, there is a large number of women who are compelled to enter the labor force after completing the ninth grade. Therefore, effective occupational skills training, at least for the women-headed households, need to be considered for inclusion in the OBE programs.

Another program directed primarily to women, which has attempted to combine a Food for Work program with a diversity of health, nutrition and vocational training programs is the

SAWS/OFASSA grant (Seventh Day Adventist World Service/Obra Filantropica y Asistencia Social Adventista). Significantly, it is the only non-profit organization which incorporates a training component into a Food for Work program. Again, this is a program in which the large majority, if not the totality, of the beneficiaries are women. Also, it is a program which AID has provided substantial grant assistance to previously and which will continue to receive AID support for at least the next ten years.

An important issue raised by this project is whether the vocational training component will actually assist SAWS/OFASSA in achieving the purpose of the project, which is to encourage basic community development, in both infrastructure and human resource terms, by carrying out development-oriented activities and providing nutritional supplements and training. While specific information of the impact of the vocational classes was not available, the content of the courses and the staffing anticipated suggest that little attention is being paid to what kind of training is most appropriate and why.

In the past, hundreds of OFASSA participants received instruction in knitting, sewing, cooking and weaving, and the current grant specifically mentions training in handicrafts, literacy and carpentry. While such vocational training may in fact be what the women ask for, is the objective to reduce household expenditures, (e.g., making family clothing) or is it to increase economic self-sufficiency? Keeping the women occupied

with useless tasks to engage them in group activities is not a sufficient objective. A major problem is that the grant expects that SAWS/OFASSA will provide "technological assistance in vocational/technical education classes." However, SAWS/OFASSA staff has expertise in administration, nutrition, nursing, and medical services, but they lack expertise in vocational training for women. Interviews conducted with managers of these programs revealed that even though they might like to expand the training to more non-traditional areas, they say "they lack the human team which can offer non-traditional courses for the women."<sup>7</sup>.

Though limited information is available, several factors are known to influence low income women's participation in educational and skills training programs. A major study of seamstresses sponsored by UNICEF,<sup>8</sup> concluded that women interrupted their studies primarily for personal or family reasons or due to a lack of financial resources. Women tended to abandon their studies largely due to a lack of financial resources and to a much larger extent due to family obligations. In short, women's access to education is influenced by control over financial resources and family obligations.

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7. See analysis pp. 253-4 in the Balance Estrategico

8. See Sara-LaFosse "Valor del Trabajo de la mumer en la produccion domiciliar para la industria de confecciones" in Participacion Economica y Social de la Mjwer Peruana, UNICEF. (pp. 111-116).

Another conclusion of this study was that the majority of the women--70 percent--expressed a desire to continue their studies. However, the older the woman and the more children the woman had, the less interested the woman was in pursuing further studies. But the younger the woman, the greater the aspirations for a diversity of educational opportunities. Older women with children were significantly less interested in anything but specific skills training in the primary area of expertise--sewing. In other words, age and the number of children exerts a major influence on a woman's interests in further education.

C. Education and Occupational Skills Training for Women - Options for AID

Young women without children appear to be in the best position to benefit from AID-supported programs in occupational skills and vocational training. The best use of scarce resources would be to redirect and expand existing training programs rather than to establish new skills training programs specifically directed to reaching women.

The TECSUP Technical Vocational Training Institute

Women require stable jobs in the formal sector just as much if not more than men, given their economic responsibilities and

high rates of under- and unemployment. Nonetheless, a fundamental weakness of several traditional vocational training programs reaching women was identified to be their probable lack of responsiveness to the requirements of the labor market. In fact, AID itself recognized the generalized need for a vocational training institute in Peru which would be responsive to the perceived requirements of the private sector, in assisting the establishment of a technical institute. This training institute was formed by the Promotion Association for Advanced Technological Institute, TECSUP, which was organized by a group of Peruvian businessmen. This Institute specifically aims to develop a curriculum in conjunction with participating business/employers to assure relevancy to business needs, and to provide training to upgrade technical skills of existing employees and to reach the post-secondary unemployed. However, it remains unclear from the project description the extent that secondary school graduates who are women will have effective access to this program which seriously attempts to link skills with specific job requirements.

One indication that the TECSUP training institute may provide limited access to women is that almost all of the organizers of the institute are men. The sole exceptions are Sra. Violetta Correa de Belaunde and Sra. Eugenia Isola Petitjean. This institution will probably be unintentionally male-biased and

unconscious of the need for female role models to encourage women's participation. The result tends to be that intended beneficiaries, specifically unemployed secondary school graduates who are women, are not encouraged to apply, since it is commonly perceived as training for men's work. Obviously, Peruvian women are not likely to be culturally or physically prepared to become skilled in "heavy equipment maintenance," one of the identified skills areas. Nonetheless, women need special attention to ensure effective access to the courses such as industrial electronics, industrial electricity and information technician.

It is important to mention that the information technician area is separated out as a special subject area in the project description, but it is not separated out as a specific subject area in the report on the TECSUP project by D. C. Fahrlander. Rather the information technician training is integrated into each of the other technical areas. It would be important to ensure that this remains a separate area, since women might be denied greater access otherwise. The banking industry, in particular, which is heavily represented among the businesses interested in the project, would be in a good position to benefit from information specialists.

The guidance of women professionals in the representative institutions, including Sra Eugenia Isola Petitjean and

Sra. Violetta Correa de Belaunde, with AID support, could stimulate discussion within the Institute as to its policy regarding equal access, and more specifically mechanisms to encourage significant participation by women in the program . Both the offer of technical assistance and financial resources could serve as additional incentives to assist in the strengthening of the TECSUP training program.

#### Fe y Alegria Workshop Vocational Training

An existing vocational skill training program, which would be valuable to reassess in terms of its impact on women, is the Fe y Alegria vocational workshops. Specifically, an assessment of the effectiveness of individual skills training courses in providing actual employment or income-generating capacity would help determine which course areas to retain and which to discard. A request by AID to disaggregate the participants in specific courses by sex would assist the Fe y Alegria schools, with AID guidance, to recognize that women may not be in those skills areas in demand in the labor market. Short term technical assistance provided by AID could encourage the Fe y Algeria schools to devise methods to encourage female participation in specific skills areas.

The OBE Program and the SAWS/OFASSA Program

The issue that needs to be addressed in both these programs is whether the vocational training component should be upgraded as a priority area or revised in content, or whether occupational skills training should be conceived as a separate follow-on program for women who have graduated from the OBE or the SAWS/OFASSA program. Given the large amount of resources that the Title II foods program provides and given AID's commitment to the OBE program, AID has a responsibility to improve the capacity of these very low income women to provide for themselves. Once these women are no longer beneficiaries, they will be compelled to be more economically self-sufficient. Incorporating more men into these programs will not fundamentally alter the limitations of the existing vocational training component.

Rather SAWS/OFASSA and OBE need to be guided, as is Fe y Alegria by its Job Opportunity Office, to determine what kind of skills, be they literacy or upholstery repair, are the most appropriate for these very low income women. Moreover, AID can benefit from the experience of local institutions, such as Fe y Alegria and others, in determining the best kind of skills training is most appropriate for these women.

VI. AGRICULTURE, RURAL DEVELOPMENT AND LOW INCOME WOMEN  
IN PERU: ISSUES AND OPTIONS

Low-income women have traditionally been active but "invisible" agricultural producers in Peru. Given women's multiple roles as mothers, housewives, and agricultural laborers, statistics on female economic participation underestimate and consequently ignore women's productive activities. Significantly, census figures do not include secondary occupations. Nonetheless, between 1972 and 1981, female participation in economic activities in rural areas, particularly agriculture and commerce, has increased by nearly 50 percent, while the number of housewives has declined significantly in the same time period. The needs of the rural population--women particularly--cannot be understood without documenting the division of labor within the household.<sup>1</sup>

A major study on the value of women's work in agriculture in six regions of Peru has begun the process of making women's diverse economic roles more visible.<sup>2</sup> More than half of the women

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<sup>1</sup> "La participacion laboral de la mujer," pp. 38-77 in Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer, INANDEP.

<sup>2</sup> Sara-LaFosse, V., Chira, C., and Fort, A., "Valor del trabajo de la mujer en el agro y en la produccion domiciliaria para la industria de confecciones," in Participacion Economica y Social de la Mujer Peruana (UNICEF).

in the highlands (Cuzco, Arequipa, and the Mantaro valley) are dedicated to agricultural production. On the coast (Canete and Lambayeque), one third of the women are dedicated to agriculture, while in the jungle area (Chanchamayo valley), 17 percent of the women are economically active in agriculture. Preliminary statistics are available by region on these women's educational levels, their families, the nature and extent of their participation in the labor force, their work with specific crops and livestock, the level of remuneration, their access to training, and other factors.

One of the most significant findings of this study is the overwhelming presence and influence of highland-based Sierra women in agriculture. In the samples in this region, more than half of the women make the primary decisions about the farm family's investments and expenses. Another distinctive feature of the highlands is that 75 percent of the women combine work in agricultural and livestock production with other occupations, such as handicrafts, commerce, and prepared food selling. Also, more than half of the highland women raise large livestock. In the Mantaro valley especially, women have prominent leadership roles in agricultural cooperatives, associations, and other organizations. Moreover, in the highlands, young women are brought into the fields as farm laborers earlier than in the jungle or the coast regions. In short, women's roles in

agriculture and livestock, particularly in the highland areas, warrant special attention.

Rural women's lack of access to appropriate technical assistance and training is another important finding raised by Dr. Sara-LaFosse in her UNICEF study. Of the interviewed samples in six zones, a large proportion of the women--42 percent--are illiterate. Only 52 percent of the sample has finished primary school. The higher educational levels of these women's spouses suggests that parents are more concerned with keeping their daughters in the field, while keeping their sons in school. Despite this limitation, the large majority of the women interviewed in the samples--54 percent--still desire to study in the current circumstances.

Similarly, the overwhelming majority of the sample--88 percent--has never been offered any agricultural extension services or technical advice. Even though women dedicate a large portion of their productive lives to agriculture or livestock, most learn the basics from their parents. A study of those women offered training reveals that only 7 of the 12 percent offered technical training actually attended the training sessions. The reasons cited for non-attendance are overwork in 50 percent of the cases and deficient implementation in 37 percent of the cases--specifically the sex-segregated courses, and lack of child

care facilities. The women continually said, "The men come first in these programs...We are not taken into account." Nonetheless, satisfaction is high among those receiving the technical training--71 percent said it improved their livestock and farm production.

Of those women who never received training, the large majority--67 percent--express a strong interest in technical agricultural and livestock training. Those with a parcel of land within a cooperative and those with relatively more education expressed the most interest. It is important to mention that nearly half of the women want general technical training, and that 39 percent want technical training in animal raising, including breeding and disease control methods. Given women's heavy responsibility for livestock and small animals, especially in the highlands, this interest in animal-related training is significant.

Finally, the type of training most available to women is in non-agricultural skills, including reading, writing, sewing, knitting, household skills, and handicrafts (a very small percentage). However, only 5 percent of the women trained said it increased their income, while over a fourth found the training useless. Significant impediments to attendance in both cases are financial constraints, the women's heavy workload, and

concomitant need for child care. In short, training programs have not to date responded appropriately to women's needs as agricultural producers and as commercially active individuals.

An extensive overview of programs serving rural women in the areas of rural development, health, and nutrition<sup>3</sup> confirms an institutional bias towards underestimating and undervaluing women's participation in the rural economy. Part of the problem is the heterogeneity of objectives of most programs for women in rural areas. These programs frequently combine health and nutrition objectives with organizational or leadership training goals and, to a lesser extent, with income-generation objectives. For example, the distribution of food in Food for Work programs is used as a means to promote health and rural development for low-income women. In other words, one activity is often used as a method of drawing beneficiaries to a parallel program. The net result is that programs reaching rural women, particularly government programs, tend to have a decidedly welfare orientation.

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<sup>3</sup> This section relies heavily on "Participacion de las mujeres en los programas de desarrollo rural, nutricion, y salud en el Peru," in Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer.

Government programs reaching women give the greatest priority to health and nutrition objectives, as in the PAMI program, and little to no support to those with income-generating objectives. While health and nutrition programs reaching women provide important social services, the women's requirements as agricultural producers and raisers of livestock are not effectively integrated into national or regional development policy and planning. Women's productive roles are not considered to be sufficiently strategic to be explicitly incorporated into national development plans and budgets. As a result, government programs for rural women are often the first to have their financing and the continuity of existence threatened in times of fiscal austerity. For example, the CIPAS mothers' clubs are now inactive, given the fiscal austerity program.

Unlike governmental programs, non-governmental project activities are more active in supporting income-generation programs for rural women. However, the greatest limitations on the capacity of these programs to effectively serve rural women have been the lack of appropriately trained personnel and the lack of secure financing. For example, a non-profit organization previously funded by AID, ACOMUC (Association for Cooperation with Rural Women), was organized to provide training and extension visits to rural women. An AID

evaluation of ACOMUC concluded that (a) volunteers without previous field experience could carry out a training program for rural women; (b) the criteria for participation in the program were not assessed prior to specialized training; (c) the logistical support for the training was lacking given the lack of government commitment to the program; and (d) the organization did not have adequate management, supervisory, and accounting personnel to implement the project. Given that ACOMUC was supposed to work in conjunction with AID's Agricultural Research, Extension and Education Project, it is crucial that such organizations have the capability to carry out its objectives.

Like ACOMUC, most of the few non-profit programs for rural women lack appropriate, technically qualified staff. The tendency is for such organizations to hire those trained in non-technical subjects, such as sociology, anthropology, education, and social work. Given the interest of these organizations in income-generation programs, this lack of technical training may be a serious limitation to effective small enterprise development. Also, as is often the case, such private voluntary organizations lack a stable source of funding and, therefore, it is not possible to maintain an wide-ranging rural network.

Low Income Women and Rural Development: Options for AID

A fundamental prerequisite to programmatic activity to better reach rural women by USAID/Lima is a detailed statistical analysis of women's diverse productive roles by region. Rural household surveys are often not sufficient to understand the intra-household division of labor. The preliminary study on the value of women's work in agriculture by Dr. Sara-LaFosse is an important starting point. USAID/Lima, with the assistance of the Office of Women in Development, supported an eight-month follow-on study by Dr. Sara-LaFosse to further analyse women's roles in agricultural production and to increase the Mission's capacity to identify priority groups and appropriate project interventions to reach women most active in agriculture and livestock production.<sup>4</sup> However, the information gathered in these studies needs to be incorporated into AID project activities in several areas.

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<sup>4</sup> Purchase Order to Dra. Violetta Sara-LaFosse for the preparation of a report entitled, "The Work of Women in Agricultural Production--A Study of Six Agricultural Zones and the Policy Implications for USAID/Lima," September 1983.

Agriculture, Research, Extension, and Education

A major limitation of existing programs for women in rural areas is the lack of attention to women's economic roles both on and off the farm. The health and nutrition bias of existing programs for rural women and women's minimal access to on-going agricultural extension efforts do not represent adequate responses to women's substantive roles in agriculture, livestock and off-farm employment. The Agriculture, Research, Extension and Education Project constitutes a major effort to rebuild the country's extension system. Even though the project has been and will continue to be slow to get underway, it is important to build into the research, training, and technological packages--at least on a pilot basis--recognition of women's requirements for agricultural extension and technologies.

Specific recommendations as to how the Agricultural Research, Extension and Education Project might address these issues are the following:

1) Research

Develop local capability to incorporate statistics developed by Dr. Sara-LaFosse and to collect similar statistics through the Regional Research Centers.

2) Extension

Develop through the National Production Program (NPP) a pilot extension package specifically aimed at an area where women are especially active in agriculturally related production. The NPP in Huancayo would be an ideal center to start a family farming systems approach.

Agricultural Policy Planning Project

One of the objectives of the Agricultural Policy Planning Project is to assist the Peruvian Government to develop an information base of agricultural production data required to develop short- and long-term development priorities for the agricultural sector. Such an information base could disaggregate production statistics by gender, which would have significant implications for planning for future agricultural research and extension activities.

Specifically, AID should present the statistical work of Dr. Sara-LaFosse to appropriate counterparts in the Ministry of Agriculture. This major study would form the basis for discussion as to how the Ministry could begin to incorporate similar statistics into its information base. Also, the Peruvian government, specifically the Ministry of Agriculture, would have sufficient statistical information to incorporate

women's economic requirements in agriculture and livestock production into the national planning process.

### Integrated Regional Development

An important strength of the Integrated Regional Development Project is the priority given to investment sub-projects which develop income and employment opportunities in both urban and rural areas. This emphasis on rural/urban linkages is particularly relevant to those individuals active in agriculture and commerce in Huancayo and Cajamarca.

In these areas of intermediate development, Cajamarca and Huancayo, women's participation in agriculture and commerce has grown very significantly in the last decade. Between 1972 and 1981 in Cajamarca, women's participation in agriculture increased 86 percent. In the Huancayo region, 56 percent of rural women work off the farm in commerce or artisanry. Also, in the Huancayo area, most rural women--68 percent of one sample--market their own produce, street foods, or some intermediary food.

One investment sub-project proposal under consideration is for the establishment or upgrading of a regional market. Prior to such an investment project, or any other project in the

areas of commerce or rural enterprise development, the regional authorities, the Proderins, require a better understanding of the composition of those currently active in commerce, especially given the predominance of women in this area of economic activity.

Specifically, AID should provide technical assistance to the Proderins in Huancayo and/or Cajamarca, especially if a regional market upgrading is in the planning stages. A socio-economic profile of urban-based small and micro-enterprises--disaggregated by gender--would assist in identifying the requirements of the proposed beneficiaries. Such a profile is important especially given that the subproject feasibility study will most likely reveal that the new market will have a different effect on different groups. The aim of the profile is to ensure that women active in commerce are able to benefit in this scheme or to ensure the development of appropriate project activity to serve the productive requirements of these economically active women in this sector.

LOW INCOME WOMEN IN PERU:  
ISSUES AND OPTIONS  
FOR USAID/LIMA

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LOW INCOME WOMEN IN PERU: OPTIONS PAPER FOR USAID/LIMA

I. Introduction

This Options Paper aims to provide USAID/Lima staff with a perspective on key problems facing low income women in major areas of AID project activity, and with recommendations for initiating or modifying specific projects to better reach these women. The "Strategic Balance," coordinated by the Instituto Andino de Estudio en Poblacion y Desarrollo (INANDEP), served as the primary basis for identifying these problem areas and priority, project-related activity. A preliminary analysis of the statistical information available helped to determine how and where women fit into the Peruvian social system and economy and to identify and target key groups of low-income women. Also, the balance was specifically conceived to assess, in a preliminary fashion, key development programs directed at women in priority areas of AID, that is, urban development--in both housing and small enterprise development, education and training, and, rural development, health and nutrition.

Neither the Strategic Balance and the Options Paper were directed specifically toward redressing or reinforcing the tactical error of implementing programs only for women. The

aim was to avoid "ghettoizing" women, while enhancing their ability to participate actively in the economy. The trend in many AID Missions is to target resources only for small, women-specific projects, which is perceived as the only approach to implementing the women-in-development policy paper.

While the activities of these projects may be very worthwhile, they do not address constraints that may exist in reaching women in larger, ongoing projects. Instead, in terms of resources, the best use of funds may be to alter or modify slightly major AID projects or project ideas to better integrate women.

Obviously, neither the Strategic Balance nor the Options Paper pretend to be a comprehensive analysis of the needs of low income women and the alternatives for USAID/Lima. The deadline for the CDSS preparation placed a serious time constraint on the contractors. Nonetheless, both represent a serious effort to initiate a dialogue with project managers as to how to best implement a policy which aims at integrating women into the development process.

· II. Low Income Women and Urban Development - A Statistical Overview

Understanding low income women's participation in the urban economy is crucial to assessing how projects designed to generate employment, improve incomes, or access housing can truly benefit women and their families, including men. Women in urban areas have, in fact, become over 27 per cent of the "economically active population" (PEA) - an increase of 10.2 per cent between 1972 and 1981. Both economic necessity and higher educational levels have most likely contributed to a greater participation in the PEA. One fifth of the female population is considered economically active by the census data.

However, the statistics obscure and underestimate the real nature of women's participation in the labor force. First, a breakdown of the PEA reveals that the underemployed, as opposed to the adequately employed, constitutes the majority - over 51 percent of the economically active population. (Instituto Nacional de Planificacion, 1980). Moreover, a household survey in Lima found that 9.3 per cent of the unemployed, 48 per cent of the underemployed, and 42.7 per cent of the adequately employed were women. On the other hand, 4.8 per cent of the unemployed, 22.8 per cent of the underemployed and 72.4 per cent of the adequately employed were men. In other words,

women have the greatest presence among the underemployed in the PEA. Second, the census data does not recognize as economically active, those women who consider themselves housewives but who dedicate the bulk of their time to secondary occupations in or outside the home. Secondary occupations are not included in the census data. To see where this mass of urban, mostly underemployed, women actually works, the female population can be broken down by economic sectors and occupational categories. Leaving aside increased participation in agriculture, women have become most active in commerce, restaurants, and hotels, (e.g. retail selling, cooking, domestic work, laundry), while withdrawing substantially from employment in the manufacturing sector (e.g. garment production). Women constitute well over a third of the PEA in the services category (e.g. as domestics, preparers of food, and providers of housing) even though their participation in this category has declined. In short, women are active increasingly in small commerce and food service, but no less important is their small, but growing, participation in trades, such as the electric, water and gas, construction, and financial service sectors.

An important finding of the breakdown by occupational category is that women constitute more than 54 per cent of the people categorized as unremunerated workers in family business-

es in 1981--a 72 per cent increase over 1972. In the same time period, the number of "housewives" declined. Apparently, women have entered the labor force--largely in small scale commerce and as unpaid family workers--over this past decade. Moreover, women's income levels have also remained significantly inferior to men's, particularly in commerce, manufacturing, and the service sector.

### III. Low-Income Women and Housing: Issues and Options

A specific focus on low-income women's access and relationship to housing is a useful means of highlighting important and often unexplored problem areas, as well as potential opportunities. Analyzing women's situations in terms of housing, independent of the family unit, could be interpreted as an arbitrary, forced exercise. Rather, what is intended is to use this selective focus to get a perspective on how women's participation in terms of housing might better contribute to their family's welfare.

One problem area particularly critical to women heads of households is the limited access that low-income women have to publically supported housing. The rise in women's economic participation in the formal sector (PEA) over the last decade has given women access to housing loans and titles often for the first time. In several programs analyzed (Programa Torres de San Borja, Programa Pachacamac, Programa del Banco de Materiales), low-income women constituted between six to seventeen percent of the total number assuming mortgages in this category. Despite this advance, those programs probably reach only a small proportion of the households headed by women.

The Banco de Materiales, which has lower income and more flexible guarantee requirements than other housing programs, has provided the greatest access to women. Of the 17 per cent of female beneficiaries of credit in kind from the Banco de Materiales, the majority--64 per cent--are de facto heads of households. It is important to recognize that access for all low-income applicants is limited primarily to those with steady employment in the formal sector. In the Banco de Materiales program, 86 per cent of the successful applicants secured the loan through salary deductions by the applicant's employer. As a result, the large proportion of women seasonally employed in the tertiary sector and underemployed in the "informal" sector are denied access.

Women's integration into the formal sector of the economy does provide a vehicle to gain access to housing. A comparison of the low and middle-income applicant population in these housing projects also reveals that as women's income increases, their access to public housing increases more than proportionally. On one hand, female applicants for low-income housing constituted between 16 and 19 per cent of the total. On the other hand, female applicants for middle-income housing constituted 36 per cent of the total. In other words, increasing women's economic participation in the formal sector and raising their incomes are crucial factors in improving low-income women's access to housing.

Another issue, which a focus on low-income women and housing highlights, is the active administrative role played by women in the construction or improvement of their homes in the Pueblos Jovenes. The Banco de Materiales program has enabled women to borrow construction materials. Of the women borrowers, 41 per cent are starting to build their own homes, while 29 per cent want to improve or expand their homes. Nearly two-thirds of these women intend to undertake construction themselves, while the rest intend to rely on contracting work outside the family.

Observation of such self-help housing reveals that women are not only participating in the actual construction, but also actively participating in the administration of the work. Women are assuming this responsibility independent of whether they or their partners are the actual borrowers. Similarly, when construction is contracted out, the partner or man of the house may sign the contract, but the woman actually decides who will work, how much they will be paid, how the project will be supervised, as well as handling the coordination with the lending institution.

An important issue to recognize is that low-income women in the Pueblos Jovenes have assumed primary and active responsibility for their family's housing needs, including the actual construction of their homes. Economic realities, such as the

necessity to provide for their families independently or to take on a responsibility which a partner is unable to assume, have pushed women into actively providing for their family's housing needs.

Women's participation in this "process" of establishing a permanent home in the Pueblos Jovenes is not limited to construction of the housing unit. Women, primarily those not economically active and those relying on the home as base of economic activity, are among the most dynamic forces in locally-based organizations dedicated to securing services such as water, sewage and electricity. The lack of these services has motivated women in the community who are the most conscious of the importance of securing access to utilities, especially water, for their home. The lack of access to water in Pueblos Jovenes often means that the woman has to buy and carry to her home, water necessary for the household. The issue relevant to low-income women is that women in these communities are an important and often untapped resource for resolving local infrastructural housing problems.

Low Income Women and Housing Options for USAID/Lima:

In sum, low income women face three substantive problems: one, limited access to credit for housing, given income constraints; two, responsibility for managing the construction

of the house in addition to current family and economic burdens; and three, the necessity of pressing for access to basic services through community organizations. Obviously, the obstacles are even more severe for the women who are heads of households, responsible solely for providing for the family's economic necessities and their housing needs.

To respond to the obstacles facing low-income women, USAID/Lima has several options:

- A. Expand and strengthen their housing programs with the capacity to reach low-income women.
  1. Initiate discussions with the Banco de la Vivienda del Peru (BVP) to re-evaluate income and guarantee requirements for home improvement loans with particular attention to the applicability of the Banco de Materiales requirements.
  2. Reassess application forms of the Banco de Materiales and BVP to ensure inclusion of economic activities of all workers in a household in assessment of income levels.
  3. Expand program within Banco de Materiales to increase access to women who are heads of households.
- B. Strengthen technical assistance and training for beneficiaries of credit in construction materials, with direct services primarily to women who are the primary, home-based managers of the construction.
  1. Design and implement technical assistance program within the Banco de Materiales for the beneficiaries of credit-in-kind, particularly women heads of households, to assure (a) optimum use of materials, and (b) supervision in the basic technical elements of construction.

2. A follow-up component of this program would be technical assistance in the training of women who would benefit from learning specific skills such as, basic bricklaying, gasfitting, electrical work, housepainting, etc. The outcome would be skilled workers, able to sell their time to others in the community in addition to having new skills available to use at home.
- C. Upgrade organizational effectiveness of local community groups and organizations, utilizing efforts of low-income women to secure services, e.g., water, sewage, and electricity for the community.
1. Expand and reinforce the community outreach capacity of the Banco de la Vivienda del Peru's program to provide water, sewage, and electricity to community groups. The BVP or Accion Comunitaria, the BVP's link to the communities in the Pueblos Jovenes, could use the labor of organized groups, such as those in the Food for Work program, to work on community services projects identified as priority areas by the locality (e.g. water, sewage, electricity).
- D. Strengthen low-income women's participation in the formal sector of production to increase access to housing projects.
1. Strengthen vocational skills training programs to improve participation of low-income women in the formal sector.
  2. Increase access of women entrepreneurs to loans from the Industrial Bank of Peru (Small Urban Enterprises Project).
  3. Identify and implement a micro and small enterprise project to increase capacity of women to generate additional income.

IV. Low Income Women and Small Enterprise Development:  
Issues and Options

An important reason for looking at how small enterprise development can benefit low income women is that urban women in Peru are already fending for themselves as self-employed vendors, or as unpaid partners or workers in semi-clandestine family enterprises. The decline of the manufacturing sector and growing urbanization, together with the current economic crisis, have given rise to the emergence of a large and growing "informal sector."

The informal sector, which would include vendors and family enterprises, often refers to economic activities which (a) are non-permanent and casual; (b) lack company and/or government regulations, and (c) take place in small-scale and less capitalized establishments, relying on household labor. The growing presence of women in Peru's informal sector is apparent in a survey of the urban female labor force by the Ministry of Labor. In 1974, nearly 54 per cent of the female labor force were based in the informal sector, while in 1978, female participation in this sector rose to over 73 per cent.<sup>1</sup> In turn, select small enterprise development programs may have the

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1. Women's representation in the formal sector, both private and public, declined during this same period.

potential to upgrade women's job security and income generating capabilities in this heterogeneous sector.

First, women's access to small enterprise credit programs is limited. Peruvian banking law requires that a man co-sign loan documents drawn up for a woman. The most important constraint, however, is not legal but economic. For example, the growing number of women active in petty commerce--selling everything from prepared food on the street to clothes and hardware in the market--tend to have insufficient collateral and cash available to meet the loan requirements of small enterprise credit programs, such as the project underway at the Industrial Bank of Peru (BIP). The BIP's small urban enterprise program requires real guarantees (e.g. assets such as property or machinery); cash upfront, often 10 percent of the total loan; and third party as a co-signer to further guarantee the loan.

The BIP itself recognized, in a proposal submitted to USAID/Lima, "the urgency of creating mechanisms which resolve or contribute in large part to the solution of limited access to pobladores, especially women, who do not have the collateral or capital sufficient to be able to turn to and secure support from the financial sector." (Proyecto Fondo Rotativo Para Prestamos Destinados a Capital, en Unidades Empresariales de Pueblos Jovenes, p. 4). The BIP's Rural Enterprises credit

program, in fact, was less able than anticipated to extend loans to small businesses run by women. Sixteen per cent of the total loan portfolio was disbursed to women.

Another program, which appears to have a greater capacity to reach the microempresa, is Progreso, initiated recently by the private voluntary organization ACCION - AITEC. One component is specifically directed to small vendors, either with or without fixed stalls, or with carts or tricycles who have previously received credit. An important strength of the program is its "solidarity-group" system of guarantee, in which five people voluntarily join together to assume joint responsibility for the loan, even though each receives the credit individually.

The program requires that at least three members of the group be women because (a) women are considered the most responsible; (b) the income derived from the loan will benefit the family more directly; and (c) it is a means to provide a complementary income (which may be the most important in the family). In this sub-program, approximately 75 per cent of the credit recipients are women.

In sum, the collateral and "cash upfront" requirements of small enterprise credit programs, such as the BIP's, have to be made more flexible to reach the smaller, less capitalized enter-

prises, in which women have greater participation. Also, smaller private organizations may be better able to lend to smaller enterprises in the informal sector as, they can make use of alternative forms of guarantees even when lending at commercial rates of interest. A final lesson in this area of credit is that in Accion's programs in other countries, women have proved to have had one of the best payback records for working capital loans (e.g., Dominican Republic).

Another serious constraint facing women in developing small enterprises is their low educational level and concomitant lack of business training. While women's educational levels improved substantially in the last decade, the preparation--usually a primary school education--is not adequate to start a business, except on a very small scale.

A detailed study of women working in the informal garment sector found a high incidence of interruption or abandonment of studies. Advancing age and large numbers of children were cited by the women as the primary restrictions. Nonetheless, the majority had strong aspirations to continue studying. (La Fosse, 1982) Similarly, the Industrial Bank of Peru, through its Small Urban Enterprises Program, has found that the majority of women applicants required additional training, but that their interest in such training was very strong.

In short, enabling women to expand their micro or small family-based businesses requires supplementary technical training. In order to make such training practicable, programs might need to be targeted to young women with less responsibilities for child care and the household.

A third issue particularly relevant to effective small business programs for low income women is the lack of income and job security for women workers in these semi-clandestine family enterprises. This large group of women working as unremunerated workers in family enterprises has no assurance of continuous employment, social security, nor other benefits. The study of women workers in the informal garment trade found that half of the women had children under six years of age and that 47 percent were concerned with child care. The greatest demand for child care came from the 28 percent who headed their own households, as they lacked a husband. Obviously, in addition to child care, a major problem for these women is overcoming their reliance on the middlemen who manage the marketing and distribution of the assembled garments.

The other side of the coin in these family businesses is that women often enter the labor force or engage in income generating activities in response to the opportunities for male workers. In other words, there is a certain "dovetailing"

between men's and women's economic roles. For example, when times are slow for the man, the woman takes up the slack by engaging in economic activities. (C. Moser, 1982) In turn, this factor needs to be accounted for in small-enterprise development for low-income women.

### Options

USAID/Lima has several options to consider in attempting to increase low-income women's access to small enterprise development programs:

A. Modify the Small Urban Enterprises Project with the Banco Industrial del Peru (BIP) to strengthen its capacity to reach low-income women.

1. Assist the BIP in its efforts to promote women's access to the project by enhancing the training of credit extension agents.

Develop with the BIP a monitoring and credit assessment component to develop a socio-economic profile of the program's credit users. The aim is to monitor the effectiveness of the credit extension efforts in reaching the target population and to develop a data base for evaluation of the program.

A two-person team of the International Center for Research on Women has secured the agreement of the BIP and USAID/Lima to provide two weeks of technical assistance in October 1983. This team will (a) offer lectures to credit extension agents as part of the BIP's training program, and (b) develop the monitoring and evaluation design with the BIP.

2. If warranted given USAID/Lima's analysis of the BIP's proposal and ICRW's preliminary assessment of the loan portfolio, USAID/Lima should seriously consider amending the loan agreement with the BIP to earmark \$78,000,000 of the loan funds as a revolving credit fund, as proposed in the document, "Proyecto Fondo Rotatorio Para

Prestatarios Destinados a Capital, en Unidades Empresariales de Pueblos Jovenes."

The BIP's approach attempts to overcome an important constraint in the existing credit program--the requirement for cash upfront in order to borrow from the program.

The BIP proposes to lend at subsidized terms the capital required up front to enable the potential borrower to tap into the actual loan fund. The interest on the loan would be based on the salary of the borrower, and the borrower of the capital loan would be free of amortization and interest payments for the first year.

An advantage of this approach is that the BIP is attempting to increase the flexibility of an existing AID credit program for small enterprises to reach the many capital-deficient enterprises in the Pueblos Jovenes, a number of which are women-operated small businesses. However, in order to make such a sub-project effective and to ensure proper credit management by these select enterprises, technical assistance by a community-based PVO with experience in small enterprise development would need to be an integral component of such a sub-project. The BIP does not have the community-based technical expertise nor the staff time to devote to monitoring the progress of this experimental program.

B. Extend a grant (OPG) to a PVO with community-based experience in small enterprise development (such as ACCION-AITEC, IFESA, INPET or another PVO) to provide technical assistance to those small enterprises in the revolving loan fund program. Target a portion of the assistance to women small entrepreneurs.

A program which has the capacity to reach a greater number of women, particularly those self-employed managing microempresas, with credit is PROGRESO of ACCION-AITEC. The credit sub-program directed to small vendors has had the greatest success to date in extending credit (working capital) to women. Approximately 75 percent of the recipients are women.

An option for USAID/Lima is to sustain funding for this important innovative credit program for small vendors and to strengthen the capacity of the small enterprise program of PROGRESO to incorporate a greater number of women entrepreneurs into the program.

C. The low educational level and the concomitant lack of business training has been identified by the Industrial Bank of Peru, the small enterprise sub-project of PROGRESO, INPET, and studies of the garment industry as a major obstacle to increasing access to women in their programs.

An important medium term option for USAID/Lima is support for an appropriate technical assistance and/or training institution to provide appropriate, community-based technical advice and training to women-run small and micro-enterprises. Without such assistance, women may not be able to make the important step away from petty commerce and tiny semi-clandestine family enterprises to other more stable, secure forms of small enterprise. Such initiatives need also to be responsive to the tendency towards "dovetailing among economically active women.

D. A last, but no less important, option is for USAID/Lima to contract a person to accumulate data on those areas of economic activity in the informal sector, in which women have the greatest presence. Staff of the Industrial Bank of Peru expressed in meetings strong interest in specific studies on those sectors of production, services, etc. in which women were particularly active. The paucity of studies on this subject demands that additional attention be given to this area.

An option for USAID/Lima would be to request that the major study of the informal sector, under the management of Hernando de Soto, specifically examine the nature of women's economic participation in the sectoral areas of the study. The most appropriate area is probably garments and commerce. It would be unfortunate to lose this opportunity when such valuable primary information is being gathered, which have such important implications for women in the informal sector.

V. LOW INCOME WOMEN, EDUCATION AND OCCUPATIONAL SKILLS TRAINING: ISSUES AND OPTIONS

Education is well recognized as a crucial basis for participation in the labor force. However, in Peru, one major area of discrimination against women, particularly low income women, is access to education. In turn, lower educational levels of women have seriously affected their opportunities for employment, increased income and personal development. For low income women, the lack of appropriate occupational skills is a major factor inhibiting the scope of their participation in the economy. The continuing high levels of female under- and unemployment reflect these trends. Nonetheless, educational levels overall have improved significantly in Peru over the last decade, and a small group of Peruvian women have benefitted.

A. Statistical Overview <sup>1.</sup>

An important indication of women's lack of access to formal education is that two of every three illiterates in Peru were women in 1972 and still in 1981. Of these illiterate women, the majority are middle aged and older women in rural areas, and, to a lesser extent older, women in urban areas. Even though the rate of illiteracy declined from 30.5 to 17 percent

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1. The source of this section is "La Mujer y la Educacion" in the Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer, Julio 1983.

between 1972 and 1981, women still have limited access to formal education. Half of all Peruvian women still have not been able to benefit from a primary education, though the difference between men and women's access is much less significant than was the case with those who are illiterate.

Women continue to have little opportunity to study at secondary schools and universities. Only one-fifth of Peruvian women have a secondary school education and only 3.3 percent have university schooling. Moreover, men still have greater access to superior education than do women. Nonetheless, despite this inequity, the access of women, in Lima particularly, to secondary and university education has grown at a faster pace than men's over the last decade. As a result, there is a small, but rapidly growing group of women in Peru, who reflect the expansion of the female labor force in the last decade.

In short, the statistics collected by INANDEP confirm that educational levels in Peru, and of women in particular (especially urban, educated and higher income females), have improved significantly. At the same time, the differential access of men and women to education has been maintained, especially in rural areas where one of every two women is illiterate. The large majority of women in Peru--72 percent in 1981--still lack a primary education or any schooling at all.

However, it is important to remember that over 20 percent of Peruvian women are secondary school graduates. Given the need for employment of this educated group and the high rate of women's under- and unemployment, developing this important resource through skills training may be important in addressing Peru's under- and unemployment problem.

B. Critical Issues in Select Vocational Training Programs  
Traditional Vocational Skills Training for Women --  
Is demand derived?

A fundamental issue which immediately emerges in a quick review of a number of vocational training programs is whether the skills provided are demanded in the labor market. For women, this issue is of critical importance since courses which are traditionally female in orientation and largely female in attendance tend to be those with limited employment and income potential in the current economic circumstances--e.g., sewing and garment making; cooking, weaving, ceramics, cosmetology. Managers of vocational training programs in the Pueblos Jovenes who were interviewed acknowledged the limited nature of the Lima market for items such as garments, for example. In part, the problem is that is what the women request. And in part, the schools lack the personnel and/or the vision to encourage attendance in alternative courses.

One post secondary school public sector vocational training program, the Centros Nacionales de Capacitacion Profesional (CENECAPE)<sup>2</sup>, offer short term courses in garment production,

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2. Carmen Masias de Salinas reviewed the course breakdown of the programs in CENECAPE:EMAUS; CENTRO de Capacitacion Productiva Extraordinaria; CENECAPE VILLA EL SALVADOR; and CENECAPE de Villa MARIA del Triunfo.

cosmetology, cooking, which are attended solely by women. The CENECAPEs also offer courses in electricity, technical drawing and english, which were attended by a very small proportion of women. However, women did not participate in CENECAPE courses in upholstery, watch repair, carpentry, metal working, or auto mechanics. This breakdown of course attendance by sex demonstrates the limited scope and traditional bias of vocational training courses directed to women in particular. While the responsiveness of most CENECAPE courses to the labor market is known to be limited,<sup>3</sup> those courses oriented to women appear even less responsive to the labor market than the other courses. As in other programs, women could be encouraged to participate more in the more non-traditional courses, such as electricity, technical drawing, english, upholstery, watch repair, which would appear to have more employment and income potential.

Another vocational skills training program, which is managed by several government ministries, is the SENATI program, which provides training through apprenticeships and employee upgrading in the manufacturing sector. Even though women in Peru have made major advances in their access to secondary education over the last decade, they do not appear to have made great strides in gaining access to this large scale, established vocational training program. As is the case in similar programs in most

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3. See the project description of TECSUP in the P/IOT (pg. 7) for brief assessment of CENECAPEs.

Latin American countries,<sup>4</sup> the proportion of men enrolled in SENATI's vocational training program clearly exceeds that of women. In 1974, the number of women in vocational training courses in the industrial sector was less than one percent. Women's access to training in commerce and services was significantly higher -- over 27 percent. Nonetheless, women constituted only 3.6 percent of all SENATI students in 1974. By 1976, the last date of statistics available, the number of women trained had increased to nearly 21 percent.<sup>5</sup> In short, women have had significantly less access than men to training programs identified by the government as priority areas.

A private vocational training program, which has made a special effort to encourage equal access to men and women, is the workshop training program in Fe y Alegria schools, which continue to receive grant (OPG) funds from AID. From 1978 on, these schools which reach secondary school students in the Pueblos Jovenes provided workshop training in carpentry, sewing, typing and electricity. In 1981, they expanded their curriculum to include on a pilot basis: metalworking, weaving, ceramics, agriculture, and home economics/nutrition. Unlike many vocational training programs, women and men have had equal access to these training workshops and are, in fact, encouraged to

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4. For details, see pp 137-8, Tables V-9 and V-10, in Economic and Social Progress in Latin America, 1980-81 Report, Inter-American Development Bank.

5. Ibid.

acquire basic training in a variety of both traditionally male and female skills before specializing.<sup>6</sup> No figures are available on the breakdown on participants by sex from the AID evaluations to date. Therefore, it is not possible to assess the effectiveness of the Fe y Alegria programs in encouraging a better distribution of men and women in the vocational skills program.

The most critical issue raised by the Fe y Alegria program, however, is relative effectiveness of courses in specific subject areas in providing skills which lead to employment for either men or women. Unfortunately, as originally designed, the Fe y Alegria program lacked any formal means of following up on the progress of students obtaining jobs. To overcome this deficiency, the amended grant agreement with Fe y Alegria established a Job Opportunities Office, which would keep records on the graduates of the vocational training programs and would conduct follow up surveys of the graduates to determine if they are using their skills and if they have obtained better employment as a result. Also, based on additional surveys, the office would recommend what skills should be emphasized so as to channel students' training into skill areas for which there are adequate prospects for employment. Complementary to this effort, the Job Opportunities Office aimed to establish contacts with

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6. See analysis pp 267-8 in the Balance Estrategico.

industrial and commercial enterprises to assist Fe y Alegria students in finding jobs following training and to provide information on establishing their own small businesses.

While the results are not yet in, this documentation, coupled with a breakdown of courses by sex, would assist in making such a program more responsive to the demands of the labor market and could encourage greater female participation in these areas. Nonetheless, the staff time of one manager and one assistant in this newly created office may not be sufficient to make such ambitious assessments and to revamp the program.

"What the Women Want" as a Criteria for Training Programs for Women

One of the constantly cited justifications for traditionally female-oriented skills training programs or training components for women is that it is "what the women want." Frequently, vocational training in such programs is an add-on to an on-going program with a different focus, such as a food for work, nutrition, or mother/child health care program. While the motive for including such skills training is laudable, the financial resources of the project are usually not sufficient to run a proper skills training component. Moreover, the staff running the Food for Work or multi-purpose community development projects often do not have enough time or expertise to carry out an effective program. Frequently, the services of low level educators from the Ministry of Education are offered. However, insufficient time and attention is given to the purpose and value

to the students of the vocational training, particularly in the early stages of the project development. Moreover, the priority at evaluation time, is often the nutritional or health impact, rather than the educational impact.

One program which has found it difficult to provide appropriate vocational orientation is the educational program, "Orientatacion y Bienestar del Educado" (OBE). The OBE approach attempts to provide vocational orientation, medical service, nutritional attention, psychological services, advice in family problem solving, as well as other services, primarily to women. One research study on OBE, conducted in 1981 by INIDE ("Investigacion Evaluativa sobre el Educado Peruano"), found that 50 percent of a sample of those attended in the OBE programs found the vocational services to be inadequate. Moreover, psychological services were sorely lacking. The study concludes that OBE lacks the personnel trained in providing vocational advice to women. Given only some 28 percent of the Peruvian women make it beyond primary school, there is a large number of women who are compelled to enter the labor force after completing the ninth grade. Therefore, effective occupational skills training, at least for the women-headed households, need to be considered for inclusion in the OBE programs.

Another program directed primarily to women, which has attempted to combine a Food for Work program with a diversity of health, nutrition and vocational training programs is the

SAWS/OFASSA grant (Seventh Day Adventist World Service/Obra Filantropica y Asistencia Social Adventista). Significantly, it is the only non-profit organization which incorporates a training component into a Food for Work program. Again, this is a program in which the large majority, if not the totality, of the beneficiaries are women. Also, it is a program which AID has provided substantial grant assistance to previously and which will continue to receive AID support for at least the next ten years.

An important issue raised by this project is whether the vocational training component will actually assist SAWS/OFASSA in achieving the purpose of the project, which is to encourage basic community development, in both infrastructure and human resource terms, by carrying out development-oriented activities and providing nutritional supplements and training. While specific information of the impact of the vocational classes was not available, the content of the courses and the staffing anticipated suggest that little attention is being paid to what kind of training is most appropriate and why.

In the past, hundreds of OFASSA participants received instruction in knitting, sewing, cooking and weaving, and the current grant specifically mentions training in handicrafts, literacy and carpentry. While such vocational training may in fact be what the women ask for, is the objective to reduce household expenditures, (e.g., making family clothing) or is it to increase economic self-sufficiency? Keeping the women occupied

with useless tasks to engage them in group activities is not a sufficient objective. A major problem is that the grant expects that SAWS/OFASSA will provide "technological assistance in vocational/technical education classes." However, SAWS/OFASSA staff has expertise in administration, nutrition, nursing, and medical services, but they lack expertise in vocational training for women. Interviews conducted with managers of these programs revealed that even though they might like to expand the training to more non-traditional areas, they say "they lack the human team which can offer non-traditional courses for the women."<sup>7</sup>.

Though limited information is available, several factors are known to influence low income women's participation in educational and skills training programs. A major study of seamstresses sponsored by UNICEF,<sup>8</sup> concluded that women interrupted their studies primarily for personal or family reasons or due to a lack of financial resources. Women tended to abandon their studies largely due to a lack of financial resources and to a much larger extent due to family obligations. In short, women's access to education is influenced by control over financial resources and family obligations.

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7. See analysis pp. 253-4 in the Balance Estrategico

8. See Sara-LaFosse "Valor del Trabajo de la mumer en la produccion domiciliar para la industria de confecciones" in Participacion Economica y Social de la Mjuer Peruana, UNICEF. (pp. 111-116).

Another conclusion of this study was that the majority of the women--70 percent--expressed a desire to continue their studies. However, the older the woman and the more children the woman had, the less interested the woman was in pursuing further studies. But the younger the woman, the greater the aspirations for a diversity of educational opportunities. Older women with children were significantly less interested in anything but specific skills training in the primary area of expertise--sewing. In other words, age and the number of children exerts a major influence on a woman's interests in further education.

C. Education and Occupational Skills Training for Women - Options for AID

Young women without children appear to be in the best position to benefit from AID-supported programs in occupational skills and vocational training. The best use of scarce resources would be to redirect and expand existing training programs rather than to establish new skills training programs specifically directed to reaching women.

The TECSUP Technical Vocational Training Institute

Women require stable jobs in the formal sector just as much if not more than men, given their economic responsibilities and

high rates of under- and unemployment. Nonetheless, a fundamental weakness of several traditional vocational training programs reaching women was identified to be their probable lack of responsiveness to the requirements of the labor market. In fact, AID itself recognized the generalized need for a vocational training institute in Peru which would be responsive to the perceived requirements of the private sector, in assisting the establishment of a technical institute. This training institute was formed by the Promotion Association for Advanced Technological Institute, TECSUP, which was organized by a group of Peruvian businessmen. This Institute specifically aims to develop a curriculum in conjunction with participating business/employers to assure relevancy to business needs, and to provide training to upgrade technical skills of existing employees and to reach the post-secondary unemployed. However, it remains unclear from the project description the extent that secondary school graduates who are women will have effective access to this program which seriously attempts to link skills with specific job requirements.

One indication that the TECSUP training institute may provide limited access to women is that almost all of the organizers of the institute are men. The sole exceptions are Sra. Violetta Correa de Belaunde and Sra. Eugenia Isola Petitjean. This institution will probably be unintentionally male-biased and

unconscious of the need for female role models to encourage women's participation. The result tends to be that intended beneficiaries, specifically unemployed secondary school graduates who are women, are not encouraged to apply, since it is commonly perceived as training for men's work. Obviously, Peruvian women are not likely to be culturally or physically prepared to become skilled in "heavy equipment maintenance," one of the identified skills areas. Nonetheless, women need special attention to ensure effective access to the courses such as industrial electronics, industrial electricity and information technician.

It is important to mention that the information technician area is separated out as a special subject area in the project description, but it is not separated out as a specific subject area in the report on the TECSUP project by D. C. Fahrlander. Rather the information technician training is integrated into each of the other technical areas. It would be important to ensure that this remains a separate area, since women might be denied greater access otherwise. The banking industry, in particular, which is heavily represented among the businesses interested in the project, would be in a good position to benefit from information specialists.

The guidance of women professionals in the representative institutions, including Sra Eugenia Isola Petitjean and

Sra. Violetta Correa de Belaunde, with AID support, could stimulate discussion within the Institute as to its policy regarding equal access, and more specifically mechanisms to encourage significant participation by women in the program . Both the offer of technical assistance and financial resources could serve as additional incentives to assist in the strengthening of the TECSUP training program.

#### Fe y Alegria Workshop Vocational Training

An existing vocational skill training program, which would be valuable to reassess in terms of its impact on women, is the Fe y Alegria vocational workshops. Specifically, an assessment of the effectiveness of individual skills training courses in providing actual employment or income-generating capacity would help determine which course areas to retain and which to discard. A request by AID to disaggregate the participants in specific courses by sex would assist the Fe y Alegria schools, with AID guidance, to recognize that women may not be in those skills areas in demand in the labor market. Short term technical assistance provided by AID could encourage the Fe y Algeria schools to devise methods to encourage female participation in specific skills areas.

The OBE Program and the SAWS/OFASSA Program

The issue that needs to be addressed in both these programs is whether the vocational training component should be upgraded as a priority area or revised in content, or whether occupational skills training should be conceived as a separate follow-on program for women who have graduated from the OBE or the SAWS/OFASSA program. Given the large amount of resources that the Title II foods program provides and given AID's commitment to the OBE program, AID has a responsibility to improve the capacity of these very low income women to provide for themselves. Once these women are no longer beneficiaries, they will be compelled to be more economically self-sufficient. Incorporating more men into these programs will not fundamentally alter the limitations of the existing vocational training component.

Rather SAWS/OFASSA and OBE need to be guided, as is Fe y Alegria by its Job Opportunity Office, to determine what kind of skills, be they literacy or upholstery repair, are the most appropriate for these very low income women. Moreover, AID can benefit from the experience of local institutions, such as Fe y Alegria and others, in determining the best kind of skills training is most appropriate for these women.

VI. AGRICULTURE, RURAL DEVELOPMENT AND LOW INCOME WOMEN  
IN PERU: ISSUES AND OPTIONS

Low-income women have traditionally been active but "invisible" agricultural producers in Peru. Given women's multiple roles as mothers, housewives, and agricultural laborers, statistics on female economic participation underestimate and consequently ignore women's productive activities. Significantly, census figures do not include secondary occupations. Nonetheless, between 1972 and 1981, female participation in economic activities in rural areas, particularly agriculture and commerce, has increased by nearly 50 percent, while the number of housewives has declined significantly in the same time period. The needs of the rural population--women particularly--cannot be understood without documenting the division of labor within the household.<sup>1</sup>

A major study on the value of women's work in agriculture in six regions of Peru has begun the process of making women's diverse economic roles more visible.<sup>2</sup> More than half of the women

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<sup>1</sup> "La participacion laboral de la mujer," pp. 38-77 in Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer, INANDEF.

<sup>2</sup> Sara-LaFosse, V., Chira, C., and Fort, A., "Valor del trabajo de la mujer en el agro y en la produccion domiciliaria para la industria de confecciones," in Participacion Economica y Social de la Mujer Peruana (UNICEF).

in the highlands (Cuzco, Arequipa, and the Mantaro valley) are dedicated to agricultural production. On the coast (Canete and Lambayeque), one third of the women are dedicated to agriculture, while in the jungle area (Chanchamayo valley), 17 percent of the women are economically active in agriculture. Preliminary statistics are available by region on these women's educational levels, their families, the nature and extent of their participation in the labor force, their work with specific crops and livestock, the level of remuneration, their access to training, and other factors.

One of the most significant findings of this study is the overwhelming presence and influence of highland-based Sierra women in agriculture. In the samples in this region, more than half of the women make the primary decisions about the farm family's investments and expenses. Another distinctive feature of the highlands is that 75 percent of the women combine work in agricultural and livestock production with other occupations, such as handicrafts, commerce, and prepared food selling. Also, more than half of the highland women raise large livestock. In the Mantaro valley especially, women have prominent leadership roles in agricultural cooperatives, associations, and other organizations. Moreover, in the highlands, young women are brought into the fields as farm laborers earlier than in the jungle or the coast regions. In short, women's roles in

agriculture and livestock, particularly in the highland areas, warrant special attention.

Rural women's lack of access to appropriate technical assistance and training is another important finding raised by Dr. Sara-LaFosse in her UNICEF study. Of the interviewed samples in six zones, a large proportion of the women--42 percent--are illiterate. Only 52 percent of the sample has finished primary school. The higher educational levels of these women's spouses suggests that parents are more concerned with keeping their daughters in the field, while keeping their sons in school. Despite this limitation, the large majority of the women interviewed in the samples--54 percent--still desire to study in the current circumstances.

Similarly, the overwhelming majority of the sample--88 percent--has never been offered any agricultural extension services or technical advice. Even though women dedicate a large portion of their productive lives to agriculture or livestock, most learn the basics from their parents. A study of those women offered training reveals that only 7 of the 12 percent offered technical training actually attended the training sessions. The reasons cited for non-attendance are overwork in 50 percent of the cases and deficient implementation in 37 percent of the cases--specifically the sex-segregated courses, and lack of child

care facilities. The women continually said, "The men come first in these programs...We are not taken into account." Nonetheless, satisfaction is high among those receiving the technical training--71 percent said it improved their livestock and farm production.

Of those women who never received training, the large majority--67 percent--express a strong interest in technical agricultural and livestock training. Those with a parcel of land within a cooperative and those with relatively more education expressed the most interest. It is important to mention that nearly half of the women want general technical training, and that 39 percent want technical training in animal raising, including breeding and disease control methods. Given women's heavy responsibility for livestock and small animals, especially in the highlands, this interest in animal-related training is significant.

Finally, the type of training most available to women is in non-agricultural skills, including reading, writing, sewing, knitting, household skills, and handicrafts (a very small percentage). However, only 5 percent of the women trained said it increased their income, while over a fourth found the training useless. Significant impediments to attendance in both cases are financial constraints, the women's heavy workload, and

concomitant need for child care. In short, training programs have not to date responded appropriately to women's needs as agricultural producers and as commercially active individuals.

An extensive overview of programs serving rural women in the areas of rural development, health, and nutrition<sup>3</sup> confirms an institutional bias towards underestimating and undervaluing women's participation in the rural economy. Part of the problem is the heterogeneity of objectives of most programs for women in rural areas. These programs frequently combine health and nutrition objectives with organizational or leadership training goals and, to a lesser extent, with income-generation objectives. For example, the distribution of food in Food for Work programs is used as a means to promote health and rural development for low-income women. In other words, one activity is often used as a method of drawing beneficiaries to a parallel program. The net result is that programs reaching rural women, particularly government programs, tend to have a decidedly welfare orientation.

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<sup>3</sup> This section relies heavily on "Participacion de las mujeres en los programas de desarrollo rural, nutricion, y salud en el Peru," in Balance Estrategico para el Desarrollo de una Politica de USAID/Peru Hacia la Mujer.

Government programs reaching women give the greatest priority to health and nutrition objectives, as in the PAMI program, and little to no support to those with income-generating objectives. While health and nutrition programs reaching women provide important social services, the women's requirements as agricultural producers and raisers of livestock are not effectively integrated into national or regional development policy and planning. Women's productive roles are not considered to be sufficiently strategic to be explicitly incorporated into national development plans and budgets. As a result, government programs for rural women are often the first to have their financing and the continuity of existence threatened in times of fiscal austerity. For example, the CIPAS mothers' clubs are now inactive, given the fiscal austerity program.

Unlike governmental programs, non-governmental project activities are more active in supporting income-generation programs for rural women. However, the greatest limitations on the capacity of these programs to effectively serve rural women have been the lack of appropriately trained personnel and the lack of secure financing. For example, a non-profit organization previously funded by AID, ACOMUC (Association for Cooperation with Rural Women), was organized to provide training and extension visits to rural women. An AID

evaluation of ACOMUC concluded that (a) volunteers without previous field experience could carry out a training program for rural women; (b) the criteria for participation in the program were not assessed prior to specialized training; (c) the logistical support for the training was lacking given the lack of government commitment to the program; and (d) the organization did not have adequate management, supervisory, and accounting personnel to implement the project. Given that ACOMUC was supposed to work in conjunction with AID's Agricultural Research, Extension and Education Project, it is crucial that such organizations have the capability to carry out its objectives.

Like ACOMUC, most of the few non-profit programs for rural women lack appropriate, technically qualified staff. The tendency is for such organizations to hire those trained in non-technical subjects, such as sociology, anthropology, education, and social work. Given the interest of these organizations in income-generation programs, this lack of technical training may be a serious limitation to effective small enterprise development. Also, as is often the case, such private voluntary organizations lack a stable source of funding and, therefore, it is not possible to maintain an wide-ranging rural network.

Low Income Women and Rural Development: Options for AID

A fundamental prerequisite to programmatic activity to better reach rural women by USAID/Lima is a detailed statistical analysis of women's diverse productive roles by region. Rural household surveys are often not sufficient to understand the intra-household division of labor. The preliminary study on the value of women's work in agriculture by Dr. Sara-LaFosse is an important starting point. USAID/Lima, with the assistance of the Office of Women in Development, supported an eight-month follow-on study by Dr. Sara-LaFosse to further analyse women's roles in agricultural production and to increase the Mission's capacity to identify priority groups and appropriate project interventions to reach women most active in agriculture and livestock production.<sup>4</sup> However, the information gathered in these studies needs to be incorporated into AID project activities in several areas.

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<sup>4</sup> Purchase Order to Dra. Violetta Sara-LaFosse for the preparation of a report entitled, "The Work of Women in Agricultural Production--A Study of Six Agricultural Zones and the Policy Implications for USAID/Lima," September 1983.

Agriculture, Research, Extension, and Education

A major limitation of existing programs for women in rural areas is the lack of attention to women's economic roles both on and off the farm. The health and nutrition bias of existing programs for rural women and women's minimal access to on-going agricultural extension efforts do not represent adequate responses to women's substantive roles in agriculture, livestock and off-farm employment. The Agriculture, Research, Extension and Education Project constitutes a major effort to rebuild the country's extension system. Even though the project has been and will continue to be slow to get underway, it is important to build into the research, training, and technological packages--at least on a pilot basis--recognition of women's requirements for agricultural extension and technologies.

Specific recommendations as to how the Agricultural Research, Extension and Education Project might address these issues are the following:

1) Research

Develop local capability to incorporate statistics developed by Dr. Sara-LaFosse and to collect similar statistics through the Regional Research Centers.

2) Extension

Develop through the National Production Program (NPP) a pilot extension package specifically aimed at an area where women are especially active in agriculturally related production. The NPP in Huancayo would be an ideal center to start a family farming systems approach.

Agricultural Policy Planning Project

One of the objectives of the Agricultural Policy Planning Project is to assist the Peruvian Government to develop an information base of agricultural production data required to develop short- and long-term development priorities for the agricultural sector. Such an information base could disaggregate production statistics by gender, which would have significant implications for planning for future agricultural research and extension activities.

Specifically, AID should present the statistical work of Dr. Sara-LaFosse to appropriate counterparts in the Ministry of Agriculture. This major study would form the basis for discussion as to how the Ministry could begin to incorporate similar statistics into its information base. Also, the Peruvian government, specifically the Ministry of Agriculture, would have sufficient statistical information to incorporate

women's economic requirements in agriculture and livestock production into the national planning process.

### Integrated Regional Development

An important strength of the Integrated Regional Development Project is the priority given to investment sub-projects which develop income and employment opportunities in both urban and rural areas. This emphasis on rural/urban linkages is particularly relevant to those individuals active in agriculture and commerce in Huancayo and Cajamarca.

In these areas of intermediate development, Cajamarca and Huancayo, women's participation in agriculture and commerce has grown very significantly in the last decade. Between 1972 and 1981 in Cajamarca, women's participation in agriculture increased 86 percent. In the Huancayo region, 56 percent of rural women work off the farm in commerce or artisanry. Also, in the Huancayo area, most rural women--68 percent of one sample--market their own produce, street foods, or some intermediary food.

One investment sub-project proposal under consideration is for the establishment or upgrading of a regional market. Prior to such an investment project, or any other project in the

areas of commerce or rural enterprise development, the regional authorities, the Proderins, require a better understanding of the composition of those currently active in commerce, especially given the predominance of women in this area of economic activity.

Specifically, AID should provide technical assistance to the Proderins in Huancayo and/or Cajamarca, especially if a regional market upgrading is in the planning stages. A socio-economic profile of urban-based small and micro-enterprises--disaggregated by gender--would assist in identifying the requirements of the proposed beneficiaries. Such a profile is important especially given that the subproject feasibility study will most likely reveal that the new market will have a different effect on different groups. The aim of the profile is to ensure that women active in commerce are able to benefit in this scheme or to ensure the development of appropriate project activity to serve the productive requirements of these economically active women in this sector.