Demanding Dignity: Women Confronting Economic Reforms in Africa

THE GENDER AND ECONOMIC REFORMS IN AFRICA PROGRAM

Who informs, and who controls Africa's economic future?

African women's voices were not heard when economic reforms and structural adjustment programs were designed and implemented in Africa. African women did not participate in the debates that led to privatization, trade liberalization, and export processing zones. By building the capacity of African women's groups to challenge the assumptions of the international financial institutions, and by bringing respected African researchers, community leaders, and advocates together, the Gender and Economic Reforms in Africa (GERA) Program launched new voices into the policy debate.



Photo courtesy of CEDEP, Kumasi, Ghana

GERA: Combining research, training, and advocacy

GERA initiated a new approach to gender equality and economic justice in Africa by combining qualitative and quantitative research on the economic reforms and advocacy to improve the lives of African women. GERA's first phase objectives have been achieved primarily through financial and peer support for action-research teams in 10 African countries. However, in a region where every opportunity to build alliances and to share experiences is precious, the value of GERA communication activities cannot be overestimated. The GERA meetings themselves and their extension, the newsletter *GERAlinks,* are a regular opportunity to continue sharing knowledge, experience, and analysis. In the four years since its founding, GERA has made important contributions to the creation of gender-aware economic policies in Africa. In fact, the authors of an independent mid-term review concluded that GERA "is one of all too few initiatives in Africa which are striving to give African women a voice and the capacity necessary to transform economic policies."[1]

1 D. Bucher and P. Maramba, 1999. "Gender and Economic Reforms in Africa (GERA) Mid Term Review," submitted to the North-South Institute, Ottawa, mimeo.

Demanding Dignity: Women Confronting Economic Reforms in Africa, recently published by the North-South Institute *(see p. 9)*, tells the story of 13 remarkable projects conducted in 10 countries across sub-Saharan Africa. Teams of researchers and advocates spent more than two years conducting and analyzing new research on the primary economic forces and programs shaping Africa's future. The teams then used this information to influence local and national governments and financial institutions.

Our concern is that African women themselves are heard.

GERA is as much a team or a network as it is a program, with a mandate that includes research, training, and advocacy as its primary activities. The findings documented in the final report, *Demanding Dignity,* have already been put to use in the field and women's capacity to influence policy has increased. Now, with the publication of the report, economists, advocates, and researchers in international and African organizations have access to new information on gender equality and how to influence economic policy.



Photo courtesy of CEDEP, Kumasi, Ghana

African women transforming African economic policies

GERA started in Accra, Ghana in October 1996, at a remarkable meeting of African gender researchers and advocates from across sub-Saharan Africa. The founders were determined to build a better base of knowledge and to strategize on how to influence economic policies to support gender equality. Despite the diversity of political, economic, and cultural experience one would expect from a continent-wide program, they found parallel interests and common experiences and needs.

GERA was launched by Canada's North-South Institute and is now hosted by the Third World Network-Africa in Accra, Ghana. The original working group, and the current participants, have only become more determined to give African women a stronger voice and to carry gender issues into the heart of the debate on African economic reforms.

GERA's objectives:

- Increase the number and capacity of African women to analyze and influence economic policies from a gender perspective.
- Promote and strengthen strategic linkages among African researchers, trainers, advocates, and policymakers.
- Build upon the existing research base on gender and economic reforms in Africa.
- Promote alternatives to programs and address the distinct needs of women across Africa.

The Cameroon study demonstrates that, because of the weakness of both the formal and semi-formal financial sectors, women rely on informal groups as their primary source of capital and location for savings and loans. However, informal groups can only provide tiny sums of capital as part of a woman's coping strategy and are insufficient to lead women and their families out of poverty.

GERA: An action-research program toward gender-sensitive economic policies

GERA's objectives have been achieved primarily through financial and peer support to the action-research teams. Projects were selected from more than 180 submitted proposals. Over a two-year period, multi-disciplinary teams have undertaken projects on a wide range of issues.

Key findings

Highlights of the projects' findings and their innovative approaches to improving women's participation in decisionmaking on economic policy follow. The links between research and advocacy are extremely important to GERA's success; understanding the dynamics between them is a complex task. GERA takes advantage of the following challenge: without documenting the implications of economic reforms, women's demands for policy change are easy to dismiss. Similarly, without effective advocacy, the negative effects of reforms will never be addressed.

Financial sector reforms

Reforming the financial sector has been a central component of the economic liberalization measures undertaken in Africa. Deregulation and privatization of the financial sector were implemented to raise interest rates, promote efficiency in financial markets, and stimulate growth. GERA research on the reforms is focused on their impact on the living standards of African women and men.

Economic reforms and structural adjustment in Africa

Put in place in the early 1980s, economic reforms and structural adjustment were imposed on almost every African country. They combine monetary and fiscal restructuring designed to reduce inflation, budget deficits, and balance-of-payment problems. These outcomes have been pursued using measures such as the privatization of health care and education. Other policies have targeted production and resource mobilization through the promotion of commodity exports, public sector reform, market liberalization, and institutional reform. Essentially, economic reform has sought to limit the role of government in the economy, promote private sector development, remove restrictions in the economy, and ensure market-determined prices.

Debate over the reforms has been intense. For the most part, however, it has been economists, researchers, and policymakers from the World Bank, agencies of the United Nations, and non-governmental organizations (NGOs) who have prescribed, advised, and implemented programs with profound effects on the lives of African women and men. African leaders at the state and grassroots levels have made great strides forward in taking control of their own economic agenda, but the policies of the World Bank have dominated the debate.

Women's access to the formal sector

Funding agencies like the World Bank and the European Investment Bank imposed stringent accreditation criteria on the formal financial institutions, which have then had to increase the conditions of bank loans for their borrowers. According to one GERA project in Uganda, banks have therefore been unable to allocate funds efficiently due to lack of adequate information on the borrowers; high transaction costs in screening; and an inadequate legal infrastructure to support contract enforcement.

What has this meant for women and men? The Uganda study suggests that these trends benefit the banks at the expense of their clients:

- Ugandan banks require academic qualifications and have high collateral and equity requirements;
- Average loan sizes in Uganda have increased from 100 million shillings to over 600 million shillings; and
- Agricultural sector lending in Uganda declined from 34 percent in 1991 to 17 percent in 1998.

In Cameroon, the minimum requirements for a bank account have risen from 300 million CFA francs to 1 billion CFA francs.

GERA researchers in Uganda suggest that these trends in banking practices have been geared toward protecting the needs of the policymaking bodies and implementing institutions rather than their intended beneficiaries.

Stricter conditions screen out smaller, rural landholders, small business operators, and those without collateral, capital, or education. While many low-income men do not qualify, women form the majority of those without access to formal financial services.

Banks and women are far apart in their mutual assessment: while the banks themselves say explicitly that women are "risky borrowers," many women also see banks as unattractive service providers with a history of collapse and high transaction costs in both time and money.

Turning to micro-finance: Women and small business

In response, women and men have turned to micro-finance or semi-formal institutions:

- In Cameroon, only 2.6 percent of respondents used the formal sector.
- In Uganda, banks reported that women represented between 5 percent to 20 percent of their total portfolio.
- In Cameroon, 95 percent of female respondents used semi-formal or informal financial services.

The Bank of Uganda has recognized that most of the success in reaching small or medium-size businesses, where women's economic activities predominate, has been achieved though micro-finance institutions. In Cameroon a co-operative law was passed in 1992 that recognizes locally registered indigenous savings and credit institution. Its aim is encouraging micro-finance institutions.

However, the needs of many micro-entrepreneurs—where women predominate—are not being met by semi-formal institutions: they are limited in their outreach; interest rates are high and increasing by as much as 80 percent per year and, in Cameroon, many women cannot register without the permission of their husbands. All these factors suggest, as the Ugandan study states, that "the government's confidence in this sector meeting credit needs may not, therefore, be realized."



Association of Women Scientists of Burkina Faso, Ouagadougou

Many women have had to increase their working hours to compensate for price hikes of agricultural inputs. In Mali, women chose to hull rice—a laborious task men reject as too hard on their backs—for an increase in revenue of only 5 percent.

Need for institutional change to respect differing gender needs

The Ugandan project authors recommended the development and implementation of an explicit financing policy that would increase the availability of capital to the small and medium enterprise sectors where women predominate. Micro-finance groups are encouraged to provide more training in business skills for women and to organize them into credit groups. However, micro-finance delivery must be delivered based on a strategy that recognizes gender-specific concerns: a component for women that is just added onto a program imbued with gender biases will never manage to create systemic improvements for women.

Micro-credit: Poverty's magic bullet?

It should be stressed that micro-credit does not necessarily improve the lives of the poor. While it has been heralded by the international community as poverty's magic bullet, the GERA studies corroborate literature suggesting that access to credit is not the most important factor in alleviating poverty. Participatory research in Ghana found that many women would choose improving health services over improved access to credit—a perfect example of the gap between perceived need, and the needs identified in on-the-ground, gender-focused research. Time constraints caused by increased working hours and household responsibilities, a lack of land and labour to work the land, poor health, and other gender-specific barriers need to be understood and addressed if women are to be truly emancipated.

Monetary policies: Currency devaluation and rural women's food security

Three GERA studies—in Mali, Togo, and Burkina Faso—analyzed the effects of the 1995 devaluation of the CFA franc by 50 percent. This policy was part of a broader economic reform strategy to realign an overvalued currency that had made exports prohibitively expensive and caused local industries to suffer. The agricultural sector was also liberalized: subsidies were removed and the state withdrew from activities such as marketing and the distribution of fertilizers.
The GERA studies identified both positive and negative outcomes of these policies. In Mali, for example, the devaluation contributed to new export opportunities for cash crops such as rice, and in Burkina Faso, profits doubled for some women and men. On the other hand, communities also experienced increased costs, reduced access to health

care, longer working hours, and rising production costs as well as decreased availability of land for domestic food production.

Gender-based analysis reveals how the policies negatively affected standards of living and how the potential for increased agricultural output is undermined. Consider the following interrelated findings on the effects of the reforms in Mali and Togo:

- Men find more paid work in agricultural jobs (an average of 20 days per month for men and 12 days per month for women).
- Men's income is distributed over more than one family in a polygamous society, decreasing cash contributions to individual households.
- Market-oriented agricultural production produces more food for export; domestic food production is provided by unpaid women on lower quality land.
- Women assume the greater responsibility for increased education, health care, and social costs—and do so with lower incomes and unpaid work.

By studying the role gender plays in land ownership, access to capital, and paid and unpaid labour, a rather startling conclusion emerges: the devaluation of the CFA franc is not the major determinant of poverty. Instead, control over productive resources is of greater importance and is, in turn, determined primarily by gender. By ignoring the socially determined constraints that prevent women from benefiting from economic reforms, the goals of long-term growth and poverty eradication are jeopardized, and gender inequality is reinforced.



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Educating policymakers and organizing women

These projects make two major recommendations for improving gender equality and the well-being of farmers:

- Educate and influence policymakers to design gender-aware economic and agricultural policies.
- Rural women themselves need to get organized.

Backed by better analysis of the costs and benefits of the reforms, women in the GERA projects are able to advocate for change, to engage on a new level with state officials, and to create educational and public relations materials for print, radio, and TV. Women in Mali, Togo, and across Africa are entering the debate better prepared, but the task—convincing parliamentarians that gender must become a central component of policymaking—is not easy and depends upon national and international support to the groups.

Implications of the reforms for the formal and informal sectors

The informal sector, a large and critical mainstay of many African economies, has been cast by some studies as a haven for many urban-based women because of the ease and flexibility of entry. The importance of the informal sector for women is supported by the GERA research. For example, in Uganda, women

Most rural women's organizations are weak and chronically under-resourced. National and international donor support, therefore, should prioritize investing in creating and strengthening women's organizations to amplify their voices and build their skills in demanding more access and control over land, labour, time, information, and other human rights.

account for 45.5 percent of micro- and small-scale enterprises and in Zimbabwe, 90 percent of women employed in export processing zones are casual or temporary labour. GERA projects document the polarization of the informal workforce between those holding jobs with higher salaries, secure positions, and benefits (dominated by men) and those with insecure employment, no benefits, and extremely low wages (primarily occupied by women).

Strained social safety nets and women's coping mechanisms

Detailed findings document the survival strategies used by women in response to the reforms. Job insecurity, entrenched patterns of job segregation, and sexual harassment combine with the offloading of responsibility for health, education, and food to women and create lower living standards. Survival strategies employed by women included limiting meals, avoiding public transit, and forming liaisons with employers as a form of job security. Overall, women are assuming a greater share of household costs, and domestic tension is increased in many households. In short, women have indeed participated in large numbers in the informal sector, but the results are lower living standards and obstacles to improving access to cash and to jobs.

Entering the debate: Research, advocacy, and women's groups

Several GERA projects were specifically designed to assess and to improve women's ability to analyze and influence economic policy. Projects in Chad, Kenya, and Ghana revealed the obstacles to entering the debate over economic policy, but they also identified and used tactics to build women's capacity to influence the debate:

- Conducting internal workshops that analyzed and recorded the impact of policy on women's lives;
- Interviewing policymakers and business leaders to raise women's profile in the community;
- Gathering new data and insight, and lobbying for membership on decisionmaking bodies;
- Identifying links between business, policy, and active donor organizations; and
- Developing arguments from research that demonstrate women's contribution to the economy.

The Uganda project on private sector development is a practical example of participatory research and advocacy. The team started by analyzing the composition of the private sector (using executive interviews and quantitative analysis) and found that while women represent 45.5 percent of small enterprises, they were excluded from all of the small enterprise organizations which guided policies for the sector.

Demonstrating this with sound research allowed the team to alert NGOs, generate interest in economic policy issues, and advocate for change.

GERA studies found dramatic increases in the informal sector, and also discovered that women are turning in increasing numbers to short-term coping strategies. These strategies mask the impact of the reforms, but they cannot sustain lives.

The significance of the Kenya project is that it tests the idea that women are fully aware of their priorities and needs but do not have the opportunity or means to influence economic decisionmaking processes.

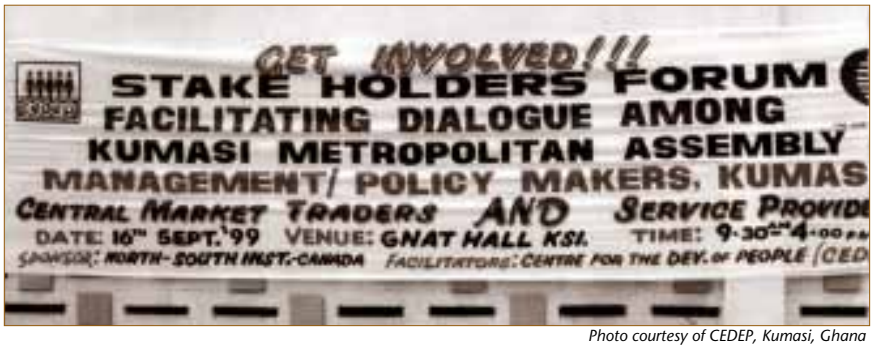


Photo courtesy of CEDEP, Kumasi, Ghana

In Ghana, GERA participants studied problems encountered by market women in one of the largest marketplaces in Africa, using participatory learning action techniques (such as focus groups, institutional analysis, and interviews with institutions). Advocacy initiatives enabled women to present alternative solutions and implement improvements, such as taking control over toll collection. Future progress will be helped by sensitizing officials to women and gender equality.

There is an inherent assumption within the economic reforms that women's unpaid labour and time are available on an unlimited basis. Within this model, women are a resource to be tapped to promote the efficiency of free market policies and to counter the shortfall in access to social services.

The project showed market women different ways to address their concerns and demonstrated that their participation in the policy process is their right, and that lobbying and partnership with all stakeholders can solve problems.

The obstacles encountered by the GERA projects provide lessons for GERA and similar future programs. They included institutional problems (the predominance of men in business and policymaking bodies); systemic issues (high illiteracy rates and low leadership skills); and logistical barriers (as in Chad, where war and daily electricity outages limited some project activities).

Incremental achievements and long-term change

GERA's findings certainly do not constitute the last word on gender equality and economic reform. They have produced exciting information about the nature of policymaking in Africa, and have yielded valuable lessons on how research and advocacy can be combined to help African women take an active role in economic policymaking. While the GERA projects were able to successfully move from research to action, the achievements must be put in context: women's participation is extremely low and the litany of problems is incredibly long. Providing resources (time, money, and peer support) results in immediate benefits that should be celebrated. However, the research reveals the fundamental assumptions that must change in economic policymaking. Long-term solutions require support if we are to be successful in promoting gender equality and African solutions to African problems.

Demanding Dignity: Women Confronting Economic Reforms in Africa

Edited by Dzodzi Tsikata and Joanna Kerr with Cathy Blacklock and Jocelyne Laforce

The final report of Phase I of the GERA Program includes an in-depth analysis of findings; a review of the literature on gender equality and economic reform; reports by each project team; and a postscript on the program's achievements and lessons learned.

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The North-South Institute and Third World Network-Africa

As the GERA Program embarks on its second phase, it moves from the North-South Institute in Ottawa to its new secretariat, hosted by Third World Network-Africa in Accra, Ghana.

For more than 20 years, the **North-South Institute (NSI)** has built a reputation for sound research and analysis of Canadian foreign policy, offered an independent voice on the urgent importance of world development issues, and brought those issues before the Canadian public and decisionmakers. Established in 1976, it is the only independent, non-governmental research institute in Canada focused on international development.

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Third World Network-Africa is a policy advocacy organization. It was established in 1994 under Ghanaian law as a non-profit company limited by guarantee. It is part of Third World Network (TWN), an independent, non-profit coalition of organizations and individuals engaged in advocacy on issues related to development, the environment, and North-South affairs.

Founded in 1984, TWN seeks a greater articulation of the needs and rights of the peoples of the South, especially marginalized social groups, a fair distribution of the world's resources, and forms of development which are ecologically sustainable and fulfill human needs.

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