For Japanese Political Economy

Gendered labour markets and capitalist accumulation

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Abstract

Gender relations affect economic processes, especially macroeconomic patterns and accumulation trajectories, so capitalism relies on gender construction of societies to further its expansion. For example, changes in women’s involvement in paid and unpaid work impacts the extent to which the unpaid care economy subsidises the formal economy. Failure to recognise this leads to misleading estimates of aggregate labour productivity and its change over time. Similarly, ignoring the gender distribution of cross-border migration can lead to wrong expectations about the patterns of remittance flows during business cycles in the receiving country.

Keywords

Gender, development, women’s work, migration

Article

Economics as a discipline has been remarkably resistant to incorporating gender perspectives. This has been most evidently so in mainstream economic analysis, in which consumers and producers are treated as homogenous or identical entities with preferences and behavioural tendencies that fit into the identikit standard of the utility maximising individual. But it has also permeated many heterodox approaches, which operate on the basis of classification into groups like classes but still ignore the effects of gender differentiation within these classes or groups and their economic impacts. This has affected the understanding of macroeconomic processes, which are generally seen to operate at a “supra-gender” level. This is unfortunate because gender has been a crucial element in determining how many economic processes play out in particular capitalist contexts, and in creating the basis for particular trajectories of accumulation.

In this article I will consider two ways in which different social constructions of gender relations affect macro-economic processes in particular: the nature of labour supply and changing work force participation; and the implications of gendered migration patterns.

Women as workers

One of the enduring myths about capitalism that continues to be perpetuated in mainstream economic textbooks and other economic pedagogy is that labour supply is somehow exogenous to the economic system. The supply of labour is typically assumed (especially in standard growth theories) to be determined by the rate of population growth, which in turn is also seen as “outside” the economic system rather than in interaction with it.1 The reality is of course very different: the supply of paid labour has

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1 Contributions such as those of James Heintz in this issue provide a welcome counterpoint to this, emphasising the endogenous nature of fertility and its links with economic processes and social policies.
been very much a result of economic processes, not something extraneous to it. Throughout its history, capitalism has proved adept at causing patterns of labour supply to change in accordance with demand. Migration – whether of slaves, indentured labour or free workers – has been instrumental in this regard. The use of child labour similarly has been sanctioned and encouraged or disapproved and suppressed in varying economic conditions. But nowhere has this particular capacity of capitalism to generate its own labour been more evident than in the case of female labour.

Women have been part of the working class since the beginning of capitalism, even when they have not been widely acknowledged as workers in their own right. Even when they are not paid workers, their often unacknowledged and unpaid contribution to social reproduction as well as to many economic activities has always been absolutely essential for the functioning of the system. All women are usually workers, whether or not they are defined or recognised as such. In all societies, and particularly in developing countries, there remain essential but usually unpaid activities (such as cooking, cleaning and other housework, provisioning of basic household needs, child care, care of the sick and the elderly, as well as community-based activities), which are largely seen as the responsibility of the women. This pattern of unpaid work tends to exist even when women are engaged in outside work for an income, whether as wage workers or self-employed workers. These processes are also integral to capitalism: the production of both use values and exchange values by women is essential for the accumulation process. In contemporary capitalism, this integration of women’s work in both paid and unpaid form has also become an essential means of stabilising economic systems through downturns, when the costs of recessions and/or austerity policies are passed onto to unpaid labour within families. If anything, this reliance has become even more marked in recent years.

This in turn means that it is impossible to understand women’s work without situating it in the specific trajectory of capitalism in that society, and that issues relating to women’s work and employment are qualitatively different from those of men workers. Just increasing paid employment does not always mean an improvement in the conditions of women workers. Women from poor families who are also engaged in outside work usually cannot afford to hire others to perform these tasks, so most often these are passed on to young girls and elderly women within the household or become a “double burden” of work for such women (Elson 1995). These outcomes are critically affected by social relationships as well as economic policies and processes, which determine whether or not increased labour market activity by women is associated with genuine improvements in their economic circumstances. The recognised work participation rates of women as described by official statistics may not really be reliable indicators of the productive contributions of women, which are not just unpaid but also socially unrecognised. This is true of not just social reproduction, but other economic activity where women’s work is rendered invisible by social perceptions.

As a result, it could be argued that the women’s work participation rate can be taken as one of the proxy indicators of women’s overall status in society and of gender
empowerment: in addition to the income that derives from paid employment, the engagement of women in such work adds to their social status. The productive contribution of women is typically less recognised in societies where women are engaged mostly in unpaid work and thereby undervalued in general. The significance of the unpaid-paid continuum in women’s work is also evident in segmented labour markets and working conditions. Simply put, where there is a large amount of unpaid work that is performed in a society, and where the bulk of that is performed by women, the participation of women even in paid activities tends to be much more disadvantaged. Since the unpaid labour performed by women is not remunerated – and often not even socially recognised – it is easier for society to undervalue such work in general, and particularly the types of care work and related activities that are typically performed within families. And this in turn leads to lower wages and worse working conditions, especially when many of the paid workers involved in such activities are also women. The very existence of the continuum therefore affects not only the bargaining power of women workers, but also social attitudes to them and to their work, and indeed their own reservation wages and self-perception.

The gender division of work is not usually fixed over time in any particular society but tends to be flexible, changing according to the need to preserve not just male power over women but also to ensure the greater economic exploitation of women to suit the needs of capital as required by particular accumulation trajectories. Segmented labour markets have major effects of depressing women’s wages and allowing for even greater extraction of surplus value from their work. There are many strategies for increasing working hours and reducing wages of women, which contribute to increases in both absolute and relative surplus value. Piece rate work is a significant instrument for this, particularly because it also combines other advantages such as reducing the need for supervision. But also the very possibility of extracting significant amounts of unpaid work from women enables the subsidisation of “formal” economic activities. This use of patriarchal social relations then becomes fundamental to the accumulation process itself, which actually requires the continuing impoverishment of certain sections for its very success.

It has generally been accepted that capitalist industrialisation and economic development tend to be associated with rising paid work participation of women. The literature of the mid 20th century tended to suggest a U-shaped curve of work participation of women as per capita incomes increase, with high work participation of women in subsistence activities at lower levels of development, followed by a decline in early phases of industrialisation as factory jobs went primarily to men and the “male breadwinner model” got further entrenched, followed by renewed increases in women’s employment rates at higher levels of per capita income because of increased shares of service activities, accompanied by demographic changes like falling fertility rates and rising education levels. The increasing paid work participation of women not only involved an increase in “labour supply” for the market economy, but also contributed to demand for that economy, specifically in the form of processed goods and paid services that were earlier delivered in unpaid form within homes. The significant increase in
service activities in most post-industrial economies is clearly related to this trend. It is still often the case that even in mature capitalist economies, women’s labour force participation continued to increase through the latter part of the 20th century, as indicated in Figure 1A by the examples of US and Canada, though it has tapered off more recently.

However, this “standard” pattern is now recognised as being far too simplistic, as women’s work participation varies greatly across economies even at the same levels of development, being substantially affected by social and cultural norms as well as demographic conditions and public policies determining access to child care and other provisions for redistributing otherwise unpaid work within homes. In addition, this stylised pattern underplays the specific role and impact of particular forms of accumulation that may actually rely on gender-segmented labour markets as well as other implications of the gender division of labour.

Figure 1: Women’s labour force participation rates (15+) per cent

A. US and Canada

B. Indonesia and South Korea

C. India
The “classic” U-shaped process does not conform to the recent experience of many rapidly growing developing countries, especially those in East and Southeast Asia, where export-oriented industrialisation was associated with dramatic increases in the work participation of women (Pearson, Razavi and Danloy 2004). Rather than the expansion of factory work leading to lower paid employment for women, the opposite was the case, as more and more women were drawn into export-oriented manufacturing employment. This led to dramatic increases – in some cases doubling – of women’s work force participation rates in just a generation, as is evident from the examples of South Korea and Indonesia shown in Figure 1B. Women workers were preferred by employers in these situations because of their lower reservation wages, which once again reflected the gender construction of society and the unpaid-paid continuum of women’s work. They were also seen as more docile and easier to discipline (a factor that was also cited in the significant use of young women workers in the cotton textile industry in Japan in the late 19th and early 20th centuries). They could be hired on temporary contracts that allowed employers to add or reduce workers based on external demand, which could be volatile. This was reinforced by the ability to use points of the female life cycle (particularly marriage and childbirth) as means of disposing of workers and hiring new ones, especially in assembly activities in electronics and intense work in garment industries associated with high burnout (Ghosh 2004). The reliance on young women workers was therefore absolutely critical to the export industrialisation success of many of these East Asian economies (Seguino 2000) because it allowed for cheaper and more “flexible” labour. Notably, once technological changes reduced the need for such advantages in a globally competitive setting, and countries have moved up the per capita income and diversification ladder, women workers have once more been “rationed out” of manufacturing jobs, and have crowded into poor quality low paying jobs (Seguino and Braunstein 2017).

By contrast, the recent experience of the Indian economy displays a very different pattern of women’s paid work engagement. Despite a period of around three decades of very rapid GDP growth, women’s recognised work participation has been low and actually declined. Figure 1C describes the aggregate labour force participation of women
in India, which conceals the even sharper decline in work force participation as open unemployment rates have increased sharply in the recent past, especially for young women.

Recognised work participation rates of women in India have historically been significantly lower than for men, and are among the lowest rates in the developing world. One of the more striking features of Indian development is that, over three decades of relatively rapid GDP growth, these rates did not increase, but rather declined from their already very low levels. Between 1977-78 and 2011-12, work participation rates for women above the age of 15 years fell from 33.1 per cent to 24.8 per cent in rural areas, and from 15.6 per cent to 14.8 per cent in urban areas (Ghosh 2014). This has been sought to be explained in all sorts of ways: the increasing involvement of younger women in education (which can only partly explain some of the decline); growing mechanisation of agriculture, which has reduced demand for women’s work; changes in ecological conditions that have led to declines in many rural activities earlier performed mainly by women, such as the collection of minor forest produce; and most of all, rising real wages rates especially in rural areas (in recent years linked to the employment guarantee scheme the MNREGA) that have reduced the need for women in the household to work at below subsistence wages to add to family income.

What has been less recognised in much of this discussion is the role of women’s time that has to be allocated to unpaid labour – in the form of not just various economic but unrecognised activities like provisioning essential items for household consumption but also the care economy generally. This is likely to be an important reason for the withdrawal of women from the labour force (Mukherjee 2012). So, while the decline in women’s work force participation rates in India has been much discussed, the more significant shift is rarely noted: that from paid or recognised employment (even if in the form of unpaid contributing family work on the family farm or in the family enterprise) to unpaid work of direct and indirect care activities for the household. Recognition of such trends dramatically changes the interpretation of recent labour market trends in India.

Most women, especially those classified as “non-workers”, are engaged in these activities, which are clearly economic activities even when they are not socially recognised as such. It is also clear from the NSS surveys that the greater proportion of women who engage in these tasks do so because “there is no one else to do this for the household”, which suggests that the requirement to engage in such unpaid domestic labour can constrain the possibility of women engaging in outside work for remuneration. Of course, even women who are engaged in recognised employment (whether in wage work or self-employment) typically have to perform at least some of these unpaid tasks as well, adding to the “double burden” that interrogates standard notions of quality in women’s work (Elson 1995).

In rural areas, this has implied that the share of women above the age of 15 years engaged in such unpaid work has increased from 54 per cent in 1999-2000 to 60 per cent in 2011-12 (Chakraborty 2018). Essentially, greater requirements of unpaid work within the household – whether because of lack of amenities forcing women to spend hours
collecting water or fuelwood for household use, or because of lack of access to health care and child care facilities forcing women to spend more time looking after the children, elderly and sick within families – has been associated with declining participation in recognised employment (that is, work for pay of profit), especially in rural areas. In rural areas, according to the survey data, most of the increase in unpaid work has been in among those who not only engaged in domestic duties, but also were involved in the “free collection of goods (vegetables, roots, firewood, cattle feed, etc.)” for household consumption. For urban Indian women, even while the proportion of women primarily involved in such unpaid work has not increased recently, it still accounts for 64 per cent of women of 15 years or more, compared to only around 15 per cent engaged in paid employment of all kinds. Effectively, such unpaid and unrecognised work is the primary activity of 80 per cent of all women workers.

So the decline in women’s recognised employment rates really reflects a shift from paid to unpaid work. This is a very different picture from the conventional one that sees most women in India as “not working”. Why was there such a shift? Disaggregation shows that the increase was mainly in women who attended to domestic duties and also engaged in free collection of goods like vegetables, roots, firewood, cattle feed, etc., water collection, sewing, tailoring, weaving, etc. for household use. There were increases by in this category by nearly 8 percentage points for rural women and 2 percentage points for urban women between 1993-94 and 2011-12. This was most marked for poor women: in the bottom 40 per cent of households according to consumption expenditure, the increase was by 12 percentage points in rural areas and around 5 percentage points in urban areas. A significant share of such unpaid women workers (40 per cent in rural areas and 22 per cent in urban areas in 2011-12) were dominantly involved in fetching water for household consumption, an activity that also required more time than earlier. More than half of the poorest women had to do this, as well as to collect biofuels for cooking as they did not have access to or could not afford other fuel. (Chakraborty 2018).

This suggests that absence of basic amenities was an important factor driving the increase in unpaid work. Micro surveys have noted the urgent need for water and fuelwood collection in particular, and the longer hours spent on such collection, as a major source of increase in such work. Another NSS survey in 2012 found that in rural areas, the average trip to the water source took 20 minutes, with an additional waiting time of 15 minutes at the water source, and that several trips were required in order to meet the water needs for household consumption. In urban areas the average time for travel to the source was 15 minutes and the time spent waiting per trip was 16 minutes. Similarly, significant time was spent by women on collecting fuelwood and fodder for animals. What is more, nearly two-thirds of these unpaid women workers reported that they had to perform these necessary tasks because there was no one else in the household to do them. Nevertheless, a significant majority said they would be willing to accept paid work, pointing to the overall inadequacy of productive employment generation in the economy.
So does the decline in women’s work participation in India reflect the U-shaped curve mentioned earlier, in that women withdraw from paid work at higher levels of household income? To a limited extent and in some cases this may be true, in that the very arduous and extremely low paid nature of much of the work makes it very hard to combine with the additional burden on unpaid domestic work. However, this may be due more to the poor conditions of such work and the lack of availability of better quality employment. The strong involvement of women in public employment works as part of the Mahatma Gandhi National Rural Employment Guarantee Act\(^2\) (under which there is near parity in wages across gender) suggests that women will still be willing to bear the double burden of paid and unpaid work if the wages and working conditions improve. Further, this analysis has pointed to a significant role of activities like the collection of fuelwood and water, which must be performed for household survival, and which many women are forced to engage in thereby reducing the possibility of their seeking paid employment because of the time involved in such activities.

This lack of recognition of a significant part of the work dominantly provided by women has several important economic and social implications. The unpaid-paid continuum of women’s work serves to devalue both women and the work they do. Thus, when women do enter labour markets, their wages tend to be lower than those of men – not only because they are willing to work for lower wages but because so much of their work is available for free. India has one of the largest gender gaps in wages to be found anywhere in the world, with women’s wages on average only around two-thirds that of men’s wages. Related to this, the occupations in which women dominate tend to be lower paid – and the wage penalty extends even to men doing similar work, such as in the low paid care sector. This is certainly true of private employers. But in India, even the government has used these gender-segmented labour markets to provide public services on the cheap, by employing workers and helpers in creches and those in the public health programme as “volunteers” who are paid only a fraction of the official minimum wages. Similarly, women are disproportionately employed by state governments as para-teachers and auxiliary nurses and midwives and paid far less than regular employees.

Third, all this unpaid work provides a huge subsidy to the recognised economy and to the “formal sector”, which rely both directly and indirectly on the goods and services produced by these unsung and unrewarded workers. Because this contribution is not recognised, it enables perceptions of rising aggregate labour productivity in the economy, which may be quite misplaced. And it means that public policy can ignore the need to reduce and redistribute such unpaid labour, and can persist in the mistaken belief that GDP growth will simply generate enough “good jobs” for everyone.

\textit{Migration and global value chains in care activities}

\footnote{Women have consistently accounted for more than half of the total days of employment provided under MNREGA and this has continued into the recent period (http://mnregaweb4.nic.in/netnrega/all_lvl_details_dashboard_new.aspx).}
Gendered analyses of the process of migration, whether within or between countries, are relatively recent, but this does not mean that migration by women is new. Women currently make up around half of the world’s migrant population, without taking into consideration short-term and seasonal movements, many of which are unrecorded. While female migration is now more recognised, there are still some common stereotypes about its nature: that it mostly consists of women and girls accompanying their male heads of household; or of young, unmarried women, mostly for marriage and in some cases for defined work enabled by contractors. Yet the migration of women for reasons other than marriage is both more widespread and more complex than is often suspected. Indeed, there is a remarkable diversity of migration patterns among women, and such diversity has increased along with recent economic and social changes in both sending and receiving locations. Women migrate for long and short periods, over short and long distances. They move for many reasons, of which marriage is only one and among which paid work is becoming increasingly significant. Young women dominate in migration, but older women migrate as well. They move with or without their families. Both single and married women migrate. Indeed, there is growing evidence of women who have borne children moving for work, leaving the care of their children with family members who remain at home.

Migration patterns are highly gendered, in terms of the causes and consequences of movement. International migration for work shows clear demarcations and separate niches for men and women workers. Male migrant workers tend to be concentrated in the production and construction sectors, and to a much lesser extent in service activities. Female migrant workers, by contrast, are dominantly found to be working in specific service activities – in the domestic work and care sectors, as well as in entertainment work. Demand for such workers is less dependent upon the economic cycle and more dependent upon longer run demographic and social tendencies in the receiving countries. Ageing societies require more care providers. Societies in which women are more active in paid work participation, especially in higher-income activities, need more paid domestic workers.

However, male and female migration patterns are not completely unconnected: it has been found that a wave of male migration often leads indirectly to a subsequent wave of female in-migration, not necessarily through marriage but because of changing labour markets. Thus, a male-centred culture of entertainment tends to create a demand for female entertainment workers, and this demand grows with the greater presence of male migrants in the destination area. It has been pointed out (CEDAW 2008) that this may be associated with the significant increase in the number of women migrating alone as wage workers.

However, a dominant part of the cross-border economic migration of women has been for employment in care activities. The globalization of care work has many aspects, and its gendered nature has generated much analysis, including in terms of how it has corresponded to the dynamics of capitalist accumulation in both sending and receiving
countries. Yeates (2009) has shown how the cross-border migration of nurses maps on to institutional formations so closely that it is possible to speak of a global “nursing labour migration-industrial complex”, forming a global nursing care chain similar to the value chains that operate in manufacturing. For the sending countries, the benefits in terms of remittances received may be outweighed by the loss of such skilled workers within their own economies, as the (mostly developed) recipient countries effectively export their nursing-care crises to the poorer countries of origin of migrant nurses.

Similarly, the migration of women workers can lead to an international transfer of the job of providing care even in domestic contexts, as is illustrated by the example of migrant women workers from the Philippines. Many such women perform domestic tasks – the labour involved in social reproduction – that are still seen as the dominant responsibility of women in the more developed industrial societies in Europe or North America, or the more dynamic and rapidly growing developing parts of Asia such as Hong Kong, Singapore and South Korea, or the oil-exporting countries of West Asia and the Gulf. Migrant women domestic workers free locally resident women’s labour for more active participation in the paid labour market and thereby contribute to the economic growth of the receiving country. Kremer and Watt (2006) also argue that this type of migration increases the wages of low-skilled natives and provides a fiscal benefit by correcting tax incentives towards home-based production.

At the same time, the migrant women’s own household responsibilities back home must be fulfilled by other women, since the gender division of labour at both ends of the migratory spectrum still leaves women primarily responsible for doing the domestic work. This housework back home is often performed by women relatives, such as mothers, sisters and daughters. But the very large wage differentials across sending and receiving countries can allow such migrant workers in turn to outsource their own domestic work through paid employment, by hiring poorer local women to care for their own children and perform necessary household tasks. In turn, such women may be migrants from rural areas of the sending country who have come into cities and towns in search of income.

It is clear that the gender division of labour permeates and even drives the migration process, creating demand in the receiving society and enabling migration from the sending society. Sociologically, it leads to the social phenomenon of “diverted mothering”, which has been defined as the process in which the “time and energy available for mothering are diverted from those who, by kinship or communal ties, are their more rightful recipients.” Sau-ling Wong (1994: 69) Historically, this was observed among Black women domestic workers in the United States, who had to leave their children behind, saw them infrequently, and instead lavished their time, attention and love on other more privileged children whom they were paid to care for. But this description can now be just as easily valid for women from developing countries who perform paid domestic work and child care functions in rich industrial countries. And, in turn, their own children back home could then be the recipients of diverted mothering.
from even lower paid domestic workers. This reflects the fact that in both regions, women have not been able to negotiate a more equal division of labour within the household, so that social reproduction remains their responsibility.

In addition, this three-tiered involvement of women in the international transfer of domestic labour becomes an important, even if often unnoticed, feature of the accumulation process in the host society. It becomes an important factor driving economic booms, even if its role is not as explicitly evident as the feminisation of export-oriented manufacturing, for example. It also contributes to the growth of the sending economy through the mechanism of remittances. The gender distribution of migrant workers has a macroeconomic impact on sending countries through the level and the volatility of remittance inflows. This is not only because women migrating for work have been known to send a greater proportion of their earnings back as remittances and to send more regularly than men. It is also because typically, the nature of the work differs.

As noted above, men migrant workers are mostly to be found in manufacturing and construction activities in the host countries, and to a much lesser extent in services, while women migrant workers are overwhelmingly in service work, particularly in care activities, and to a much small degree in hospitality and entertainment sectors. This has direct implications for earnings and therefore for the ability (apart from the willingness) to send remittances back to migrants’ homes. Male migrant workers are much more immediately affected by business cycles in the host economies, tending to lose jobs or experience reduced incomes, which thereby affects the remittances they can send. Women working in services activities, by contrast, especially those in care services such as nurses or domestic workers, are less likely to be immediately affected by the business cycle as these activities are not the first to be curtailed. Therefore, their incomes and ability to send remittances are less affected. This means that countries that send more women migrant workers out are likely to show a more stable pattern of remittance inflow than countries with dominantly male out-migrants.

The experience of remittances during and just after the Global Financial Crisis confirms the significance of gendered patterns of migration. Total remittance flows to developing countries were nearly $300 billion in 2009, significantly more than all forms of capital flows put together. Several observers were surprised that remittance inflows did not decline in many countries despite the onset and fallout of the global recession, contrary to the projections of the World Bank and others of substantial declines in remittances. To some extent this could be because even if the crisis leads to large-scale retrenchment of migrant workers who are forced to come home, they would obviously return with their accumulated savings. In such a case, there could even be a (temporary) spike in remittances rather than a continuous or sharp decline because of the crisis. Eventually, as the adverse conditions for overseas employment further aggravate, this would then lead to decline in remittance inflows.
But in fact, for several sending countries, remittance inflows continued to increase, and one important factor behind this was the gender dimension. Job losses in the North during the crisis were concentrated in construction, financial services and manufacturing, all dominated by male workers. By contrast female migrant workers in care activities had incomes that were more stable over the business cycle and did not rise or fall to the same extent (Ghosh 2010) essentially because the care activities dominantly performed by women workers are more affected by other variables such a demographic tendencies, institutional arrangements, and the extent to which women work outside the home in the host country. So source countries that had a disproportionately higher share of women out-migrants tended to experience less adverse impact on remittance inflows.

Figure 2

Source: World Bank World Development Indicators online, accessed on 13 January 2019

Figure 2 comparing remittances to Mexico and the Philippines between 2000 and 2018 confirms this tendency. Women migrant workers have dominated out-migration from the Philippines, accounting for 60 per cent of such migrants between 1980 and 2013. Their share peaked in 2004 at around three-fourths of the outflow of workers abroad, and most of them were employed as domestic workers in the destination countries. Remittance inflows into the Philippines did not decline after the global crisis, but continued to increase at a moderate pace. By contrast, recorded out-migration for work from Mexico has been dominated by men, who are much more susceptible to economic cycles in destination countries like the US, and remittance inflows into Mexico correspondingly showed substantial declines during and after the global crisis, only recovering several years thereafter.

Asia has become one of the most significant regions in the world both for the cross-border movement of capital and goods, and for the movement of people. While the picture of women’s migration in Asia today is complex, reflecting the apparent advantages to
women of higher incomes and recognition of work as well as the dangers and difficulties of migrating to new and unknown situations with the potential for various kinds of exploitation, it is clearly associated with the globalisation of the care economy. Women from poorer parts of Asia have been migrating to other (richer) locations where the per capita incomes of households and demographic patterns combine to increase the outsourcing of home-based care work that was previously the unpaid work of women members of those households (Ghosh 2010).

Figure 3 suggests that women have been significant in cross-border migration in several Asian countries – although these data (from the International Organisation on Migration) refer only to the stock of permanent recorded migrants and do not capture short term movements for work. Sri Lanka, the Philippines and India showed high ratios of female migrants, followed by Pakistan and Vietnam – but by contrast Bangladesh showed a very low ratio. In all these countries, remittances formed a significant proportion of GDP.

**Figure 3**

![Women migrants and remittances in Asia](image)

**Sources:**
For remittance flows: World Bank World Development Indicators online, accessed on 13 January 2019
For share of women migrants: UN Migration database, accessed on 13 January 2019

An interesting contrast in remittance inflows to Asian countries is between Sri Lanka and Bangladesh (Figure 4). From the late 1980s until the mid 2000s, women accounted for most of the labour migration from Sri Lanka, dominantly as domestic workers. In the mid 1990s they accounted for 75 per cent of the migrant outflow, which declined thereafter to less than half by the late 2000s. The remittance inflows correspondingly show a pattern of smooth increase, tapering off after 2010. By contrast, Bangladesh has had very strict laws on women’s external mobility (which require the permission of the male head of household) and has restricted women’s migration. Remittance inflows have been grown more rapidly, reflecting men’s ability to command higher wages than women, but they have also been much more volatile and have even
fallen in several years, as the predominantly male migrant workers have been affected by fluctuating economic conditions in the major host countries (the Middle East and US).

Figure 4

![Graph showing remittances to Bangladesh and Sri Lanka](image)

Source: World Bank World Development Indicators online, accessed on 13 January 2019

**Conclusion**

While a gender perspective in economics is increasingly recognised to be of importance, too often it is confined to an assessment of the different impact of particular economic policies on men and women. The important takeaway from this discussion is that it is not just economic processes that affect women’s conditions: the way gender relations are constituted can affect economic processes quite significantly as well. The two examples considered above provide insights into only some of the ways in which the social construction of gender in different societies can affect macroeconomic patterns and accumulation trajectories. Failure to recognise these mechanisms has led to inadequate understanding of macroeconomic processes. Thus, underestimating the extent to which the unpaid care economy (that relies heavily on women’s work) subsidises the formal economy leads to misleading estimates of aggregate labour productivity and its change over time, to consider only one unfortunate outcome. Similarly, ignoring the gender distribution of cross-border migration can lead to wrong expectations about the patterns of remittance flows during business cycles in the receiving country.

There are obvious limitations of public policies that do not recognise such linkages between gender relations and economic forces. Therefore, a more systematic and explicit recognition of the ways in which gender relations affect both microeconomic behaviour and macroeconomic outcomes is also crucial for effective public policy.

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