Modelling Gender Impacts of Economic Reforms in Pakistan

by Rizwana Siddiqui

The paper unveils various dimensions of gender biases against women in household and market economies such as females hidden work not accounted in GDP—market and non market, that lead to increase in female participation rate and wage share in total wage bill to about fifty percent and 21 percent, respectively. Household resources are prioritized for men and boys and finally, in the work-leisure hour’s distribution, women are found to be over burden by work relative to men (see Figure 1). All these differences are intense in relatively poor group of households [illiterate, employees, self-employed] and in most cases not evident in rich households or affect men adversely.

The simulation results also reveal that both trade liberalization and a cut in public spending are pro rich. Within poor households, women—the most vulnerable group of population – are more adversely affected, whereas it is men that are most penalized among rich households. Division of labour remains unequal irrespective of skill level and in some cases despite increase in women’s leisure time. However, with increase education of the head of the household and increase in income of household, inequalities become less intense or takes reverse position. It can also be observed that despite decline in poverty, gender composition of the poor changes in the majority of households. Under trade liberalization, the poverty of women relative to men increases in relatively poor households and falls in rich households leading to increase in relative poverty among women in Pakistan. However, female relative poverty remains constant in the case of reduced public spending [Table 1].

In both experiments, time poverty of women relative to men increases in rural areas and falls in urban area, leading to an overall increase in relative time poverty among women in Pakistan. Capability poverty increases among men and women in Pakistan [see Table 1]. Women are the most adversely affected as measured by the literacy rate. Public spending cuts also increase capability poverty more among women than men in both urban and rural areas, as well as in Pakistan as a whole. With fixed resources, an improvement in the bargaining power of women improves their condition, but at the expense of the welfare of men.

These results of the study call our attention to a gender aware policy framework which can play pivotal role to promote women status in Pakistan. The following conclusion and recommendations emanates from this research:

A policy which enforces men to participate more in household work by reducing their leisure time. This will reduce work load on women.

The single most important variable which reduces gender biases in time allocation as well as consumption is education. Government should direct more resources towards education sector.

The policies to counter negative effect on women especially in relatively poor households are necessary. For instance taxing the commodities that are consumed by rich and lowering taxes on basic need items.

Income generating activities should be expedited.

Female headed households bear the least negative effect as they receive a larger proportion of their income from remittances. Thus migration can be an effective way to reduce gender biases. An easy migration policy will help poor.

Empower women through education or/and increasing earning opportunities.

There is a need of further improvement in data collection techniques. Data should be collected market and households activities for both, women and men.

Last, for larger benefits, we must instil in the minds of every individual that men and women should be treated equally. The more efficiently way this to be done is through media. This will help to reduce biases not only in poor households but also among the rich one, where biases are due to tradition and norms.

In the end the research raises a number of burning research questions that needs rigorous inquiry. Government should allocate resources to explore more effective gender sensitive policy frame-work.

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