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Women’s work has been persistently underestimated in statistics and national income reporting. Accordingly, the contribution of women to the economic life of households, communities, countries, and indeed, the global economy as a whole has neither been appreciated nor adequately considered in economic decision-making. This article reviews the theoretical constructs and methodologies involved in data collection and analysis and reports on the progress made over the past twenty years.

CAUSE AND CONSEQUENCES OF UNDERESTIMATION

Historically, statistics for national income accounting, economic analysis, and planning have been geared toward market activities and trends. In capitalist economies the market is the core of economic activity and the dominant framework for understanding it. According to the 1954 International Conference of Labor Force Statisticians, labor force participation and production are related to work “for pay or profit.” However, there is a growing realization that market transactions do not capture all economic realities and are particularly inadequate for understanding much of the economically relevant work that women do.

Four areas have been identified where productive work occurs but is largely unaccounted for: subsistence production, informal paid production, domestic work, and volunteer work. Both conceptual issues and measurement methods have diverted attention from these sectors. The first two suffer from measurement problems, while the latter two expose more conceptual difficulties in recognizing that women do, in fact, engage in economic activity.

Subsistence production was recognized as a critical component of national income accounting by statisticians who developed these systems in the late 1940s. The omission of subsistence production meant that less-developed countries appeared poorer than they actually were and that growth rates were artificially elevated when this activity moved into the formal market. In an effort to change this, the UN and several countries began to develop new estimation methods. In 1966, labor force statisticians adopted a new definition of the labor force as “all persons of either sex who furnish the supply of economic goods and services,” whether they are engaged in market transactions or not.¹ Measurement problems still existed. Women’s contributions were often not separated from family labor totals. Variations in measurement criteria across countries and lack of clear specification of what constitutes subsistence production particularly affect the

understanding of women's work because women are so highly involved with work in the home and the line between subsistence production and household production is difficult to draw.

Informal paid work is recognized as economic activity by virtue of being remunerated, but is by definition hidden from or beyond the scope of available data collection methods. The informal economy is unstable, precarious, and unregulated; part of it is underground. The high level of participation by women means that underestimation undermines efforts to understand women's economic contribution and the conditions of women's work. So far efforts to collect data have been on an *ad hoc* basis, however, the UN has developed guidelines and carried out several pilot projects combining microeconomic surveys with macroeconomic data.

Domestic work is not considered a substitute for market activity, yet there is a joke among economists that GNP goes down when a man marries his housekeeper --since she no longer transacts with him for a wage. Domestic work often blends into subsistence production, particularly in developing economies (processing food, hauling wood or water, making clothes or pots). In higher-income countries domestic work incorporates self-help projects like construction or repairs which could otherwise be purchased through the market. Domestic work is difficult to measure and to compare with market work. However, and despite skepticism among some analysts, these difficulties are not unsurmountable.

Volunteer work also involves women disproportionately. In the mid-1980s, women in New Zealand pointed out that money contributed to charity, mostly by men, is tax deductible, while contributions of time, mostly by women, are not. Volunteer work is generally directed outside the family, but lines can blur when family members benefit from community volunteer efforts. Some women in countries with austerity programs imposed by structural adjustment packages have set up collective kitchens that blend volunteer, domestic and subsistence activities.

Recognition of the economic value of unpaid and unrecorded work presents a more accurate picture of reality, acknowledges the contributions of women more fully, and provides a more comprehensive measure of welfare. These are subjects of quantitatively large significance; estimates of the value of unrecorded activities have ranged from one-third to one-half of GNP as now measured. To be effective, human resource and output planning and policy must consider all relevant economic activity. A full understanding of household dynamics, savings, consumption, and labor force patterns is not possible without information about the paid and unpaid work of women.

PROGRESS REPORT

Progress has been made along several lines of inquiry in the conceptualization, specification, and measurement of unpaid and unrecorded work and the elaboration of theoretical frameworks for analyzing the household and relating household production to market production. In 1982, labor force statisticians aligned the definition of the economically active population with the UN definition that incorporates subsistence production. Next came efforts to standardize and clarify the specification of tasks. Some analysts proposed multiple specifications for different purposes. This discussion is ongoing and systematic within the UN and among academicians and women's organizations. It has resulted in further revision of the definition of economic activity and

changes in the Standard Classification of Occupations. Although recent formulations are broad enough to encompass previously unconsidered economic activity, in practice the focus is still on the market rather than on its contribution to welfare.

Neoclassical, feminist, and Marxian authors have devoted attention to household dynamics by taking up topics like the sexual division of labor, the social construction of gender discrimination, or the importance of household labor for the reproduction of the labor force. A different theoretical discussion asks whether household and market production can be aggregated for accounting purposes even though home-based labor is not subject to the same competitive pressures or productivity standards as market-based work. (Some researchers counter that inefficient households would fail to achieve their purpose, i.e., to survive and subsist.)

Progress has been made on two methodological fronts. One is more accurate collection of country level data, marked by revisions to regular census and survey vehicles and targeted surveys in several countries. The other is the development of a variety of estimation approaches and tools. The main approaches revolve around input (valuation of labor time spent in household production) or output (imputation of market prices to goods and services produced in the home).

Input valuation generally uses one of three estimation methods: 1) *global substitute* – measuring the cost of a hired domestic worker; 2) *specialized substitute* – measuring the cost of specialized workers for each domestic task; and 3) *opportunity cost* – measuring the wage a household member would command if he or she worked in the market. Output valuation requires detailed information about the price each household good or service would have on the market and the costs of inputs. Each method offers insights and drawbacks. For instance, if a woman must walk farther to fetch the same amount of water, an output method would reflect the constant amount of water, while an input method would reveal the woman's increased effort.

STATISTICAL INFORMATION: OBJECTIVES, PROBLEMS, AND PURPOSES

Many obstacles remain before reliable and relevant data can be collected on a consistent basis. These challenges generally stem from a lack of awareness, resistance to change, technical problems, or costs. Solutions begin with an analysis of existing methods, a review of definitions for substance and clarity, greater attention paid to technical issues in survey research, sensitivity to cultural issues, and proper training and supervision of data collection workers.

How would accurate and relevant data on women's economic activity be used? Several applications have been mentioned above, but there are also other uses: to enhance indicators of the condition of women; to improve research and analysis of women's activity; to shed new light on the historical record of women's activities in the home (which often provide unacknowledged economic benefits); or to better understand the relative weight of domestic work in relation to GNP. These issues will gain importance as sentiment builds among researchers to shift national accounting "away from the goal of measuring goods and services exchanged through the market toward providing more sophisticated indicators of social welfare and human development." [1558]

Notes

1. International Labor Office, *International Recommendations on Labor Statistics* (Geneva: ILO, 1976); cited by the author, 1548.