Edited by
Amarjit Kaur

# Women Workers in Industrialising Asia

## Costed, Not Valued

*Studies in the Economies of East and Southeast Asia*
*General Editors: Peter Nolan and Malcolm Falkus*

*Studies in the Economies of East and Southeast Asia*

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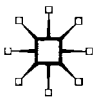



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# List of Abbreviations

| | |
|---|---|
| AAFLI | Asia-American Free Labor Institute |
| BIGU | Bangladesh Independent Garment-Workers' Union |
| EOI | Export-oriented industrialisation |
| EPZ | Export Processing Zone |
| EU | European Union |
| FDI | Foreign direct investment |
| FEER | *Far Eastern Economic Review* |
| FTZ | Free Trade Zone |
| GATT | General Agreement on Tariffs and Trade |
| GDI | Gender-related Development Index |
| GEM | Gender Empowerment Measure |
| GDP | Gross Domestic Product |
| GNP | Gross National Product |
| GSP | Generalised system of preferences |
| HDI | Human Development Index |
| HPI | Human Poverty Index |
| IBRD | International Bank for Reconstruction and Development |
| ICTFU | International Confederation of Free Trade Unions |
| ILO | International Labour Organisation |
| IMF | International Monetary Fund |
| ISI | Import-substitution industrialisation |
| MNC or MNE | Multinational, corporation or enterprise |
| MOU | Memorandum of Understanding |
| NEP | New Economic Policy (Malaysia) |
| NGO | Non-governmental organisation |
| NIC | Newly Industrialising Country |
| NIDL | New International Division of Labour |
| NWC | National Wages Council (Singapore) |
| OECD | Organisation for Economic Cooperation and Development |
| RMG | Readymade garment |
| SEWA | Self-employed Women's Association |
| SKOP | Sramik Karmachari Oikya Parishad (United Front of Workers and Employees) |

| | |
|---|---|
| SMAM | Singulate Mean Age at Marriage |
| UNCTAD | UN Conference on Trade and Development |
| UNDP | UN Development Programme |
| WEIGO | Women in Informal Employment: Globalising and Organising |
| WTO | World Trade Organisation |

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# Preface

*Women Workers in Industrialising Asia: Costed, Not Valued* resulted from many years of focused research on the topic as well as two decades of fieldwork on labour issues in Asia. As a first step we convened a Conference on Women Workers in Asia at Armidale, NSW, Australia in 1998 where participants from more than 12 countries in Asia, Australia and Europe presented papers on case studies of women's employment in Asia. Most of these studies were published as special issue of the *Asian Studies Review* (Vol. 24, No. 2, June 2000); in *South Asia* (2001 and 2002); and UNEAC Papers (UNE Asia Centre's Electronic Journal).

While these studies highlighted a range of empirical and analytical perspectives, a larger comparative study was necessary to fully understand the following: economic globalisation; the relationship between trade liberalisation, labour-intensive export manufactures and new work arrangements; their impact on women workers; and labour–state relations. The book seeks to fill this gap on this subject. We approach the subject from the following perspectives: first, the international dimensions of trade liberalisation and bilateral/multilateral trade agreements; and second the relationship between economic development, labour markets and women workers. The participation of women workers in the labour-intensive export sector has become a central element in globalisation and economic development in developing countries. Careful analysis of its impact on women workers is needed, especially during periods of economic downturn and downsizing.

We hope that this comparative study, through its documentation and analysis of key aspects of the lives of women workers in Asia will add to an understanding of women workers' contribution to economic growth in Asia.

# Acknowledgements

Many people and institutions made this book possible. We are most grateful to the Wellcome Trust (UK), which financed the project (grant #055706) and enabled us to undertake the comparative study. We also wish to thank the Australian Research Council; the International Institute for Social History (IISH) under its Changing Labour Relations in Asia Programme (CLARA); and the UNE Asia Centre for financial and other help.

We owe a debt of thanks especially to scholars from the various countries covered. They include, from Malaysia, Associate Professor Kiranjit Kaur, Dr Manjit Kaur, Dr Loh Lee Lee, Professor Jamilah Ariffin; from Singapore, Dr Lim Ah Eng; from Thailand, Dr Myat Mon and Tee May Thein; from Indonesia, Dr Nadra Hosen and Dr Indrasari Tjandraningsih; from India, Madhu Kishwar; from Bangladesh, Dr Pratima Paul-Majumder, Professor Debapriya Bhattacharya and Dr Sharmin Absar; from Japan, Professor Kunio Hisano and Professor Yuji Endo.

We received valuable comments in conferences and seminars given at UNE, and other Australian centres and the Asian Studies Women in Asia Conference from Ben Tipton, Tessa-Morris-Suzuki, Kevin Hewison, Andrew Brown, Kyoko Sheridan and Alfons van der Kraan. Thanks also go to Susan Nano for typing assistance and Andrew Messner for editorial assistance.

Last, but certainly not least, we wish to thank our families for putting up with us during our fieldwork and writing-up stage. Of course, neither our families, nor any of the people who assisted with the project, are in any way responsible for any shortcomings in the book.

*Amarjit Kaur*

# Notes on Contributors

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**Malcolm Falkus** is Emeritus Professor at the University of New England. He has worked on Russian, English and Southeast Asian Economic History and Business History. He has published widely on child labour and women workers in Asia. He also works on labour law and recently completed a project on Cambodia.

**Amarjit Kaur** is Professor of Economic History at the University of New England. She has written extensively on economic change and changing labour relations in Southeast Asia and Asia. She is President of the Malaysia Society of Australia and New Zealand and sits on the regional Council of the Asian Studies Association of Australia. Her most recent book is *Historical Dictionary of Malaysia* (New Jersey, 2001) and her book on *Wage Labour in Southeast Asia Since 1840* is to be published shortly by Palgrave Macmillan.

**Ian Metcalfe** is Professor in the Research and International Division, and Deputy Director of the Asia Centre at the University of New England. He is an earth scientist who specialises in the geological evolution and natural resources of Asia. He has written extensively on the geology and geological evolution of Southeast Asia and China, and on the palaeobiogeography and palaeogeography of East and Southeast Asia in a global context. His most recent book is *Faunal and Floral Migrations and Evolution in SE Asia–Australasia* (2001). He is also interested in wider social and economic aspects of Asia, including gender, sustainable development and environmental issues.

**Vivian Lin** is the Chair of Public Health and Head of the School of Public Health at La Trobe University. She was previously the Executive Officer

for the National Public Health Partnership. She has held senior positions within the NSW Health Department, the National Occupational Health and Safety Commission, and the Victorian Health Department (and its successors). Over the years, she has had responsibility for policy planning and programme development across a wide range of health issues. She consults for the World Bank, AusAID and the World Health Organisation and serves on two statutory boards in Victoria – Dairy Food Safety and Chinese Medicine Registration. Her most recent books include *Health, Women's Work and Industrialisation: Semiconductor Workers in Singapore and Malaysia*, and a co-authored book *Health Planning* (with P. Garrett and K. Eagar).

**Samita Sen** is Reader at the Department of History, Calcutta University, India. She has written extensively on gender and labour, women's movements and education in colonial India, and has also researched on recent trends in women's work. She has been a member of Sachetana, a voluntary women's group based in Calcutta, since 1982. Her recent publications include an edited book with Arjan de Haan, *Women and Labour in Late Colonial India* (1999) and *A Case for Labour History* (1999).

**Elise K. Tipton** teaches Japanese history in the School of European, Asian and Middle Eastern Languages and Studies at the University of Sydney, Australia. She is the author of *The Japanese Police State: The Tokkô in Interwar Japan* (University of Hawaii and Allen and Unwin, 1991) and *Modern Japan: A Social and Political History* (2002). She has also edited *Society and the State in Interwar Japan* (1997) and co-edited *Being Modern in Japan: Culture and Society from the 1910s to the 1930s* (2000).

**Denis Wright** is Senior Lecturer in History at the University of New England. He teaches units on Asian and Islamic history and culture, and his research interests include Bangladeshi history, identity, society and politics, South Asian international relations, child labour in Asia, Asian women and their work as wage earners and in the informal sector, and contemporary Islam in Asia. He has written a number of books and articles on these research interests.

# Introduction

*Amarjit Kaur*

This book attempts to break new ground by focusing on issues that have been little documented in studies of women workers in Asia, and provides new information and insights on labour systems associated with labour-intensive export manufactures, and state-labour relations in a comparative context. First, the study examines women's employment in the manufacturing sector within the context of economic globalisation, state industrialisation policies and labour systems associated with the new international division of labour. Second, it considers women's increased participation in the paid workforce within the rapid social and economic development that took and is taking place in Asia. Third, the book approaches the changing participation of women in the labour force from an institutional and structural (non-economic) as well as an economic perspective by focusing on the following: changing economic structures and employment opportunities; demographic change and patterns of marriage and fertility; and changing attitudes toward female education and employment. Fourth, its focus on a wide range of countries at different stages of development and of differential size allows us to use cross-sectional data to illuminate common issues and think systematically about women's employment in industrialising Asia. Fifth, the focus on women in the manufacturing sector provides an operational milieu to undertake an analysis of their wages, and working conditions and health and safety issues affecting them. Sixth, the book aims to contribute to key theoretical debates about labour standards and provide cross-national data and information on labour rights and trade union organisation among women workers.

Each one of the chapters in the book overlaps with at least some of the others in terms of the more general issues discussed, and a certain community of approach unites them. The thematic unity of the book

is thus preserved while differences of analytical emphasis provide a starting point for developing the collaborative focus between the various disciplines.

## The book: content and organisation

The book is organised into ten chapters covering important aspects of women's employment in the manufacturing labour force in seven countries – Bangladesh, India, Indonesia, Japan, Malaysia, Singapore and Thailand. Japan is also treated in a separate chapter, given its advanced stage of development and its key role in foreign investment in the other countries. Although it belongs to a different club – the Organisation for Economic Cooperation and Development (OECD), its inclusion enriches the economic and historical analysis. All the chapters state the general nature of an issue impacting on women's employment in the manufacturing sector and how it is manifested empirically in the various countries. Taken as a whole, the chapters stress the interrelationship between globalisation, industrialisation strategies and women's employment.

The book is framed in Chapter 1 by Ian Metcalfe who provides an overview of the status of women in Asia in the context of socio-economic and developmental indicators. He analyses trends and patterns within indicators such as poverty, inequality, demographic change, educational status and the human development index. The chapter also provides a comparative analysis of economic development patterns in the seven countries of focus as a platform to underpin discussions in following chapters.

In Chapter 2 Amarjit Kaur aims to contribute to theoretical debates about trade liberalisation, labour-intensive export manufactures and the changing contexts of women's employment in industrialising Asia. The chapter is divided into three sections. The first section outlines Asia's past and present interactions with globalisation in the context of the international division of labour. The second reviews the performance of the Asian economies in a period of extraordinary growth in world trade. The third section examines the changing economic role of women in industrialising Asia in the context of the global restructuring of manufacturing, industrialisation and trade liberalisation policies, demographic change, state educational policies and changing attitudes to women's employment.

Malcolm Falkus provides an historical and international perspective on women's participation in industrialisation in Chapter 3. His approach,

which recognises the necessity of treating the issue in both developed and developing contexts, stresses changing economic structures to understand the economic opportunities available to women.

The range of women's experience of industrialisation in Asia and the significance of the linkages between household and work in creating (or influencing) such variation is the subject of Samita Sen's chapter. She makes an attempt to discern general trends and identify variations and diversities and address regional diversities in historical contexts. The chapter also focuses on some key aspects of the complex and mutli-faceted questions about household and work debated in the Asian context. The first section examines briefly the historical constitution of female wage labour in different parts of Asia in relation to industrialisation. The second section, which concentrates on home-based production, argues that industrialisation does not necessarily reduce but indeed sometimes enhances the significance of the household/family as the locus of women's productive and wage-earning activity. The third section explores the multifarious impact of a woman's work on her role and status in the family.

In Chapter 5 Amarjit Kaur examines the making of the global factory and the expansion of cross-border production networks in Asia. She then analyses the role of women workers in the industrial sector of a country, and within an international, global context. Specifically, women's employment in two main sectors, electronics and readymade garment production, are examined in detail. These are indicators of the degree to which the countries are integrated within the global economy.

Denis Wright in his chapter examines the role of women workers in Asia employed under sub-contracting and small-batch production networks and home-based work. He also outlines women's attempts to create national and international associations in order to negotiate better wages and working conditions for themselves. Most of these associations include an increasing range of participants apart from the representatives of the women themselves, and provide valuable information on how women workers in Asia and across the globe are being affected by sub-contracting arrangements, small-batch production networks, and home-based work.

In Chapter 7 Elise Tipton shows how Japanese women entered the workplace mostly out of financial need. However, as education levels rose, and ideas of women's liberation spread, women also entered the workforce for personal development and satisfaction. Political and economic elites' attitudes and policies limited their options for work and led to discrimination in wages and promotion. Nevertheless, the picture has

not been entirely that of exploitation and victimisation. In some cases, women workers did engage in activism and organised protests. In other cases, the state's promotion of the good wife, wise mother ideal succeeded, as many women internalised that ideal and were proud of their work in the home. For most of the past 130-odd years elites have seen women's work both in the home and in the workforce as complementary contributions to the larger society, economy and the nation-state. From this point of view women's work has been both costed and valued.

Vivian Lin takes up a question that is of considerable importance in working conditions in Chapter 8. What are the hazards faced by women workers, especially those relating to occupational health in the semiconductor industry? Taking Malaysia and Singapore as case studies, she provides important insights into how these issues, while not particularly women's problems, are most severely felt by them because of their concentration in certain industries.

Amarjit Kaur in Chapter 9 outlines state–labour relations in Asia by examining the following issues: labour legislation and the role of the state in structuring labour use; industrial relations; and trade union organisation and non-trade union activity. She argues that although individual country experiences differed in some areas, on the whole the low wages policy meant that improvements in labour conditions and labour rights lagged considerably behind real wage growth.

Howard Brasted in Chapter 10 examines core international labour standards as they affect women industrial workers in Asia. In particular, he looks at the standards concerning women workers that have been adopted by the International Labour Organisation (ILO) and other agencies, and discusses their ratification and implementation in Asian countries. But he emphasises the point that general standards, which affect all workers, will also affect women workers. The chapter also examines labour organisation among women workers in Asia.

All these chapters taken together raise fundamental questions: What is the central objective of development? How can developing countries ensure that their women workers are protected from exploitation? And how can developing centres achieve their social and economic objectives without reducing their competitive and comparative advantages?

# 1

# Framing Women Workers in Asia: Gender-Related Socio-Demographic and Developmental Indicators

*Ian Metcalfe*

## Introduction

Any discussion of gender-related issues for industrialising Asia must be placed in the context of recent and current economic, social and demographic trends and changes. Increased female literacy and higher educational attainment have led to easier entry for women into the paid workforce, and with this, increased social security and related benefits. However, gender relations are often disparate, even in the most developed countries, and this inequality is manifested in the household, the economy and the polity. In some Asian countries, women's full participation in economic development and public life is precluded by both legal and customary barriers. In Asian countries where women's employment has contributed significantly to industrial development, the gender gap in wages remains wide. The need for women to balance productive and reproductive responsibilities is often neglected and labour laws and social policies are often gender-blind.

The seven countries that form the focus of this book, Bangladesh, India, Indonesia, Japan, Malaysia, Singapore and Thailand span a wide range of development levels. Based on their economic structure and level of development, India, Bangladesh and Indonesia can be classified as large agricultural countries or low to middle-income developing countries; Malaysia and Thailand as newly industrialising countries or middle income developing countries; Singapore as a newly industrialised or high income country and Japan as an Industrialised Organisation for Economic Cooperation and Development (OECD) country. These countries have both marked similarities and differences in their development profiles and show a wide variation in gender relations. This chapter provides a comparative analysis of changes in socio-demographic, economic and

social development patterns in the seven countries of focus as a platform to underpin discussions in following chapters. Information is presented both in tabular form and graphically to best illustrate the processes of change.

The period covered in this chapter is 1960–95 or latest available year where data is available. Data is somewhat patchy for the earlier years and certain data are not available for some countries. In addition, temporally consistent data sets are lacking for many indicators. The range of specific indicators used to measure gender-related development is vast, running into the hundreds. It is impossible to cover this vast range of indicators in this summary chapter and only those indicators considered especially significant are included here. In addition to specific indicators, there are a number of composite indices that have been developed to indicate levels of development and levels of gender equality and empowerment. These indicators include the Human Poverty Index (HPI), Human Development Index (HDI), the Gender-related Development Index (GDI), and the Gender Empowerment Measure (GEM). These are discussed specifically below.

I have drawn heavily on data available in various World Bank publications (in particular the *World Development Report 2000/01* and *World Development Indicators 2000*), and in United Nations publications (in particular the *Women's Indicators and Statistics* database, the *Demographic Yearbook Historical Supplement 1948–1997*, and the *UNDP Human Development Report 2001*). This data has been supplemented with other data from a variety of published sources.

## Population and population growth

### Population and development

Population is viewed as much more than a demographic concept and is part of many countries' development agendas (see, for example, the section below on Malaysia's population policy). Women's reproductive health and gender equality are at the heart of action plans adopted at the 1994 International Conference on Population and Development for sustainable population growth. The relationship between population growth and demographics, and economic and social development provides insights into the changing role of women in the countries under study, and in particular their changing role in the urban vs rural environments. Total population and population by sex and residence and annual rate of population increase (per cent) are shown in Table 1.1. Japan, apart

*Table 1.1* Total population and population by sex and residence in selected Asian countries, 1960–91

| | | *Total* | *Male* | *Female* | *RI %* | *Urban* | *% Urban* | *Rural* | *% Rural* |
|---|---|---|---|---|---|---|---|---|---|
| Bangladesh | 1961 | 50,853,721 | | | 1.9 | | | | |
| | 1974 | 71,479,071 | 37,071,740 | 34,407,331 | 2.6 | 6,273,603 | 8.8 | 65,205,468 | 91.2 |
| | 1981 | 87,119,965 | 44,919,191 | 42,200,774 | 2.8 | 13,227,625 | 15.2 | 73,892,340 | 84.8 |
| | 1991 | 111,455,185 | 57,313,929 | 54,141,256 | 2.5 | * | * | * | * |
| India | 1961 | 439,234,771 | 226,293,201 | 212,941,570 | 2.0 | * | * | * | * |
| | 1971 | 548,159,652 | 284,049,276 | 264,110,376 | 2.2 | 109,113,977 | 19.9 | 439,045,675 | 80.1 |
| | 1981 | 685,184,692 | 354,397,884 | 330,786,808 | 2.2 | 159,727,357 | 23.3 | 525,457,335 | 76.7 |
| | 1991 | 846,302,688 | 439,230,458 | 407,072,230 | 2.1 | 217,611,012 | 25.7 | 628,691,676 | 74.3 |
| Indonesia | 1961 | 96,318,829 | 47,493,854 | 48,824,975 | | 14,358,372 | 14.9 | 81,960,457 | 85.1 |
| | 1971 | 119,140,504 | 58,733,725 | 60,406,779 | 2.1 | 20,465,377 | 17.2 | 98,675,127 | 82.8 |
| | 1981 | 147,490,298 | * | * | 2.4 | * | * | * | * |
| | 1991 | 179,378,946 | 89,463,545 | 89,915,401 | 2.0 | 55,502,063 | 30.9 | 123,876,883 | 69.1 |
| Japan | 1960 | 93,418,428 | 45,877,563 | 47,540,865 | 0.9 | 59,333,330 | 63.5 | 34,085,098 | 36.5 |
| | 1970 | 104,665,171 | 51,369,177 | 53,295,994 | 1.3 | 75,428,660 | 72.1 | 29,236,511 | 27.9 |
| | 1980 | 117,060,396 | 57,593,769 | 59,466,627 | 0.9 | 89,187,409 | 76.2 | 27,872,987 | 23.8 |
| | 1990 | 123,611,167 | 60,696,724 | 62,914,443 | 0.4 | 95,643,521 | 77.4 | 27,967,646 | 22.6 |
| Malaysia | 1970 | 10,319,324 | * | * | * | * | * | * | * |
| | 1980 | 13,136,109 | 6,588,756 | 6,547,353 | 2.4 | * | * | * | * |
| | 1991 | 17,563,420 | 8,876,829 | 8,686,591 | 2.6 | 8,898,581 | 50.7 | 8,664,839 | 49.3 |
| Singapore | 1957 | 1,445,929 | 762,760 | 683,169 | * | * | * | * | * |
| | 1970 | 2,074,507 | 1,062,127 | 1,012,380 | 2.8 | * | * | * | * |
| | 1980 | 2,413,945 | 1,231,760 | 1,182,185 | 1.5 | * | * | * | * |
| | 1990 | 2,705,115 | 1,370,059 | 1,335,056 | 1.1 | * | * | * | * |
| Thailand | 1960 | 26,257,916 | 13,154,149 | 13,103,767 | 6.7 | 4,778 648 | 18.2 | 21,479,268 | 81.8 |
| | 1970 | 34,397,374 | 17,123,862 | 17,273,512 | 2.7 | 4,553,100 | 13.2 | 29,844,274 | 86.8 |
| | 1980 | 44,824,540 | 22,328,607 | 22,495,933 | 2.6 | 7,632,916 | 17.0 | 37,191,624 | 83.0 |
| | 1990 | 54,532,300 | 27,031,200 | 27,501,100 | 2.0 | 10,206,900 | 18.7 | 44,325,400 | 81.3 |

*Note*: RI% = Annual Rate of Increase of Total Population, % * Data unavailable.

*Source*: *Demographic Yearbook Historical Supplement, 1948–97* (UN, 2000).

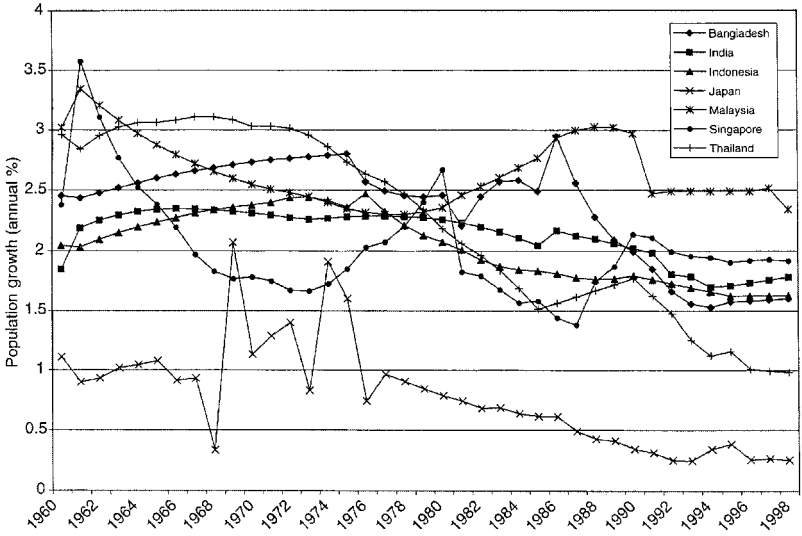


*Figure 1.1* Annual rate of increase of total population in selected Asian countries, 1960–98 (%)

*Source*: Compiled from *World Development Indicators 2000* (World Bank, 2000).

from an erratic period in the 1970s, has a low (less than 1 per cent) and steadily declining rate of population growth which seems to have levelled off somewhat at about 0.25 per cent per year in the 1990s as shown in Figure 1.1.

This level of growth is markedly less than that seen in the other countries of focus where population growth rates generally range between 2 per cent and 3 per cent per year, as shown in Figure 1.1. Thailand, Bangladesh, India and Indonesia showed accelerating rates of population growth during the 1960s and 1970s due to rapid declines in mortality and rises in fertility which began in the late 1940s. By the 1960s rapid rates of population growth led to most countries in the region adopting policies in the 1970s to reduce fertility rates. Resulting reductions in fertility (see section on fertility below), which declined faster than ongoing declining death rates, led to the declines in population growth seen in the 1980s and 1990s as shown in Figure 1.1. Trends in the rates of population growth in both Malaysia and Singapore appear contrary to the general trends seen in other countries in the region. Malaysian growth rates showed a steady decline in the 1960s and 1970s. The rise in population growth rates seen in Malaysia in the 1980s is without doubt due

to the Mahathir government's policy push for a 70 million population in Malaysia by 2020. The rate of population growth in Malaysia continues to be the highest amongst the seven countries under study at about 2.5 per cent per annum. Interestingly, population growth rates for different ethnic groups in Malaysia diverged markedly since the late 1970s with Malay fertility levels reaching approximately twice those of Chinese and Indians (Leete, 1996; Jones, 1999). This situation has resulted in an increase in the ethnic Malay proportion of the population and this will continue to rise.

### Urban versus rural population distribution

Migration from rural to urban areas is ubiquitous for the countries of focus, although Thailand did show a reverse trend between 1960 and 1970 as shown in Table 1.2 and Figure 1.2. Bangladesh, India and

*Table 1.2* Population by sex and urban/rural residence in selected Asian countries, 1960–91

| | *Urban total* | *Urban male* | *Urban female* | *Rural total* | *Rural male* | *Rural female* |
|---|---|---|---|---|---|---|
| Bangladesh | | | | | | |
| 1974 | 6,273,312 | 3,538,531 | 2,734,781 | 65,204,320 | 33,532,092 | 31,672,228 |
| 1981 | 13,227,625 | 7,369,852 | 5,857,773 | 73,892,340 | 37,549,339 | 36,343,001 |
| 1988 | 15,081,913 | 8,163,604 | 6,918,309 | 89,640,975 | 45,677,770 | 43,963,205 |
| India | | | | | | |
| 1961 | 78,929,755 | 42,785,198 | 36,144,557 | 359,844,974 | 183,275,710 | 176,569,264 |
| 1971 | 109,094,300 | 58,717,600 | 50,376,700 | 438,855,500 | 225,219,000 | 213,636,500 |
| 1981 | 157,680,171 | 83,876,403 | 73,803,768 | 507,607,678 | 260,054,020 | 247,553,658 |
| 1991 | 215,771,612 | 113,936,953 | 101,834,659 | 622,796,324 | 321,271,205 | 301,525,119 |
| Indonesia | | | | | | |
| 1961 | 14,358,372 | 7,182,609 | 7,175,763 | 81,960,457 | 40,311,245 | 4,1649,212 |
| 1971 | 20,465,377 | 10,201,415 | 10,263,962 | 97,902,473 | 48,137,229 | 4,9765,244 |
| 1980 | 32,845,769 | 16,441,891 | 16,403,878 | 113,930,704 | 56,509,779 | 57,420,925 |
| 1990 | 55,433,790 | 27,683,319 | 27,750,471 | 123,813,993 | 61,692,358 | 62,121,635 |
| Japan | | | | | | |
| 1960 | 59,333,330 | 29,297,054 | 30,036,276 | 34,085,098 | 16,580,509 | 17,504,589 |
| 1970 | 75,428,660 | 37,250,398 | 38,178,262 | 29,236,511 | 1,4118,779 | 15,117,732 |
| 1980 | 89,187,409 | 44,026,960 | 45,160,449 | 27,872,987 | 13,566,809 | 14,306,178 |
| 1990 | 95,643,521 | 47,124,420 | 48,519,101 | 27,967,646 | 13,572,304 | 14,395,342 |
| Malaysia | | | | | | |
| 1991 | 8,848,016 | 4,435,344 | 4,412,672 | 8,650,075 | 4,393,236 | 4,256,839 |
| Thailand | | | | | | |
| 1970 | 4,553,100 | 2,257,068 | 2,296,032 | 29,844,274 | 1,4866,794 | 14,977,480 |
| 1980 | 7,632,916 | 3,744,425 | 3,888,491 | 37,191,624 | 18,584,182 | 18,607,442 |
| 1990 | 10,206,900 | 4,941,000 | 5,265,900 | 44,325,400 | 22,090,200 | 22,235,200 |

*Note*: Data for Singapore not available.

*Source*: *Demographic Yearbook Historical Supplement 1948–97* (UN, 2000). Census, complete tabulation: data are estimated to be virtually complete (at least 90 per cent).

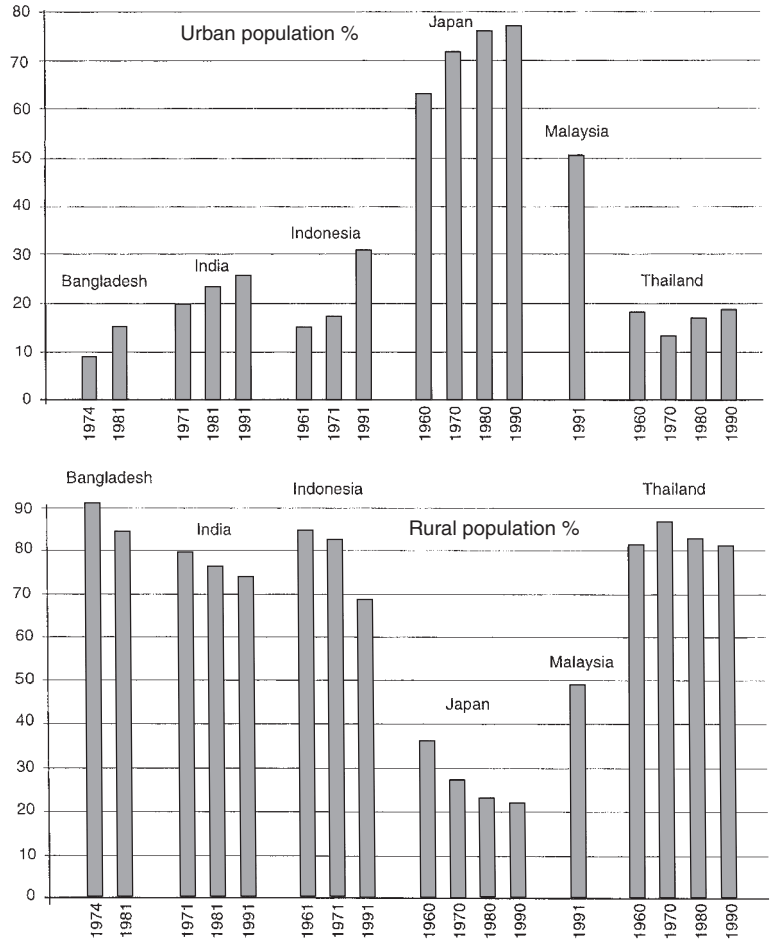


*Figure 1.2* Distribution of urban and rural population in selected Asian countries, 1971–91 (%)

*Source*: Based on data in Table 1.2.

Indonesia, mainly agricultural countries have as expected, large rural populations averaging 70–80 per cent of the total population. Thailand, regarded as a newly industrialising country, also has a very high rural population in excess of 80 per cent of the total population. This may reflect the rural location of many of the new industrial activities of the country (factories being located in rural locations, cottage industries, etc.). This is also seen to some extent in Malaysia with a 50/50 per cent

split of rural/urban population. Japan's urban population has steadily climbed from around 60 per cent in 1960 to almost 80 per cent in 1990, reflecting the continuing trend towards urbanisation.

## Fertility

Fertility rate is one of the best indicators of women's status and the level of socio-economic development in a country. A high fertility rate suggests an essentially reproductive role for women in the country and possibly limited formal economic and political roles. High fertility rates (above replacement level) also contribute to the growth of a young population, which may lead to problems of unemployment. Low fertility rates (below replacement level), together with increased life expectancy, contribute to a growing aged population and changes in population age structure which have serious economic consequences.

Total fertility rate has in overall terms declined for the countries of focus. Malaysia, Bangladesh and India continue to have fertility rates above replacement level, while Thailand, Japan and Singapore have fertility rates below replacement level. Japan's continued low fertility rate (since the 1970s) has led to the country having a population age structure skewed to the elderly with consequent stresses on the state's health system and other resources required for the aged. Malaysia's fertility rate, following a sharp decline in the 1970s, rose again in the 1980s, probably due to the Malaysian government's population policy which resulted in dramatically increased fertility rates among the Malays compared to the Chinese and Indian ethnic groups. These policies encouraged ethnic Malays to increase their percentage of the total population. Contraceptive use, related to women's education and increased participation in the paid workforce, is inversely related to fertility. Increased contraceptive use in the 1990s and into the new millennium will reduce fertility rates in the future, especially in Bangladesh, India and Indonesia. Moreover, an increased singulate mean age at marriage (SMAM) arising from women's increased educational attainment and participation in the paid workforce, leads to lower fertility rates. Statistics show that women are now marrying later in Indonesia, Thailand and Japan. In addition, the proportion of never-married women has also been increasing in the region and is particularly evident in Indonesia and Thailand (now at 48 per cent for females in the 20–24 age group), resulting in lower fertility rates (United Nations: *The World's Women 1995, Trends and Statistics*). Lower fertility rates in some countries are due to aggressive government policies and legislation on reproductive levels (for example, the one child policy in

China). In Bangladesh and India, the situation for many women is less promising with the SMAM for women aged between 18 and 19 and with 35–56 per cent of females aged 15–19 married, and only 0.4–0.7 per cent women aged 45-plus never married (United Nations: *The World's Women 1995, Trends and Statistics*, Table 1.3). These fertility rates are shown in Table 1.3 and Figure 1.3.

*Table 1.3* Estimated and projected total fertility rate in selected Asian countries, 1970–95

| | *1970–75* | *1975–80* | *1980–85* | *1985–90* | *1990–95* |
|---|---|---|---|---|---|
| Bangladesh | 7.02 | 6.66 | 6.44 | 5.17 | 3.40 |
| India | 5.43 | 4.83 | 4.47 | 4.07 | 3.56 |
| Indonesia | 5.10 | 4.68 | 4.06 | 3.31 | 2.90 |
| Japan | 2.07 | 1.81 | 1.76 | 1.66 | 1.49 |
| Malaysia | 5.15 | 4.16 | 4.24 | 4.00 | 3.62 |
| Singapore | 2.62 | 1.87 | 1.69 | 1.71 | 1.75 |
| Thailand | 4.99 | 4.25 | 2.96 | 2.57 | 1.94 |

*Source*: *United Nations Women's Indicators and Statistics (Wistat) Database, Version 4*, CD-ROM (Geneva, New York: UN Publication, 1999).

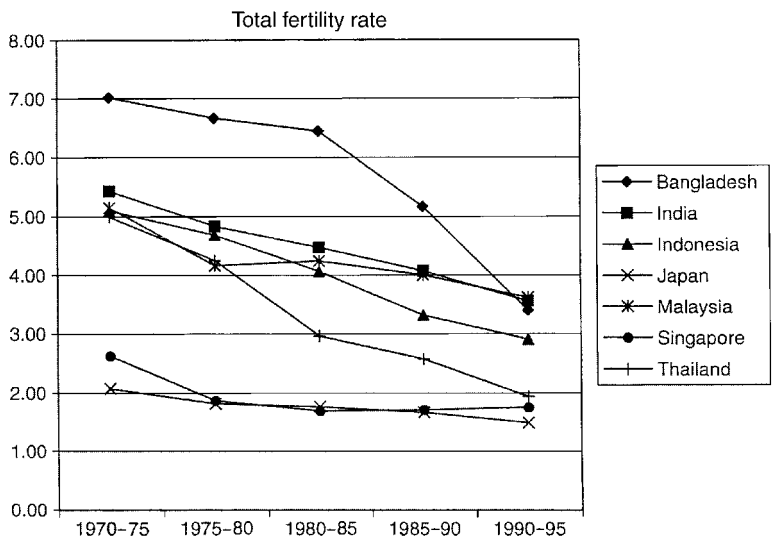


*Figure 1.3* Trends in total fertility rates in selected Asian countries, 1970–95

*Source*: Based on Table 1.3.

## Life expectancy

An important measure of a country's level of development is life expectancy at birth, and this index forms an important component of composite indices (see below). The average life expectancy in 1998 for the seven countries of focus was 70 years overall, and 72 years for women and 68 years for men. However, life expectancy in the different countries varies considerably with Japan having the highest and Bangladesh the lowest. In 1960 the difference in life expectancy between Japan (68 years) and Bangladesh (40 years) was 28 years. In 1998, the difference was 24 years. The relative life expectancies for the seven countries of focus have in fact not changed significantly and the relative positions of these countries in the life expectancy table have remained the same, as shown in Table 1.4 and Figure 1.4. So despite an overall similar rate of increase in life expectancy in all countries, the relative disparity continues as captured in Figure 1.4. In developed countries, life expectancy for women is generally 5–10 years higher than for men. This 'normal' disparity is evident for Japan, Singapore, Malaysia and Thailand and, to a lesser extent, for Indonesia. The relative disparity in life expectancy by gender in Bangladesh and India still falls well below the desirable norm. In the 1960s, 1970s and 1980s, life expectancy for women in Bangladesh and India was marginally lower than that for men and this only turned around in the 1990s. This clearly indicates that females continue to be severely disadvantaged in these two countries, particularly among the poor, as shown in Table 1.4 and Figure 1.4.

*Table 1.4* Life expectancy at birth in selected Asian countries, 1960–98

| *Country* | *1960* | | | *1970* | | | *1980* | | | *1990* | | | *1998* | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *Total* | *M* | *F* | *Total* | *M* | *F* | *Total* | *M* | *F* | *Total* | *M* | *F* | *Total* | *M* | *F* |
| *Life expectancy at birth, total (years)* | | | | | | | | | | | | | | | |
| Bangladesh | 40 | 41 | 39 | 44 | 45 | 43 | 48 | 49 | 48 | 55 | 55 | 55 | 59 | 58 | 59 |
| India | 44 | 45 | 44 | 49 | 50 | 49 | 54 | 55 | 54 | 60 | 59 | 60 | 63 | 62 | 64 |
| Indonesia | 41 | 41 | 42 | 48 | 47 | 49 | 55 | 53 | 56 | 62 | 60 | 64 | 65 | 64 | 67 |
| Japan | 68 | 65 | 70 | 72 | 69 | 75 | 76 | 73 | 79 | 79 | 76 | 82 | 81 | 77 | 84 |
| Malaysia | 54 | 53 | 56 | 62 | 60 | 63 | 67 | 65 | 69 | 71 | 68 | 73 | 72 | 70 | 75 |
| Singapore | 64 | 62 | 66 | 68 | 65 | 70 | 71 | 69 | 74 | 74 | 72 | 77 | 77 | 75 | 79 |
| Thailand | 53 | 51 | 55 | 58 | 56 | 61 | 64 | 61 | 66 | 69 | 66 | 71 | 72 | 70 | 75 |

*Source*: *World Development Indicators 2000* (World Bank, 2000).

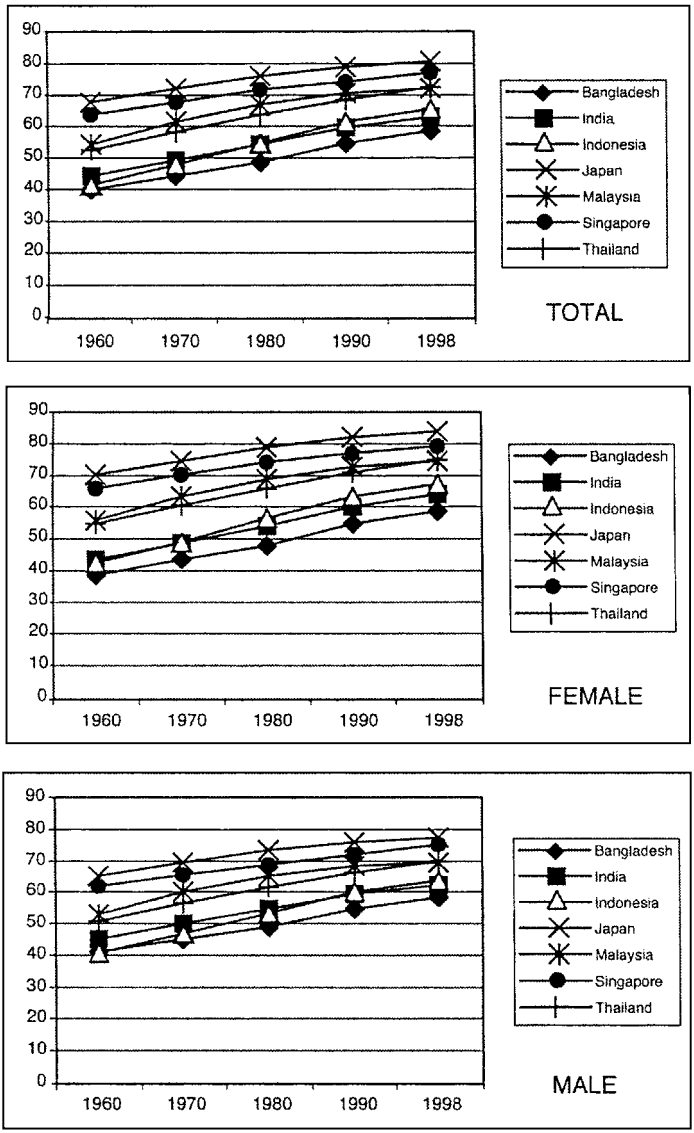


*Figure 1.4* Trends in life expectancy at birth (years) in selected Asian countries, 1960–98

*Source*: *World Development Indicators 2000* (World Bank, 2000).

## Infant and maternal mortality

Levels of infant and maternal mortality provide useful health indices for development. These indices have not however been used in the common composite indices although a proposed alternative to the Human Development Index, the Fraser Institute's Index of Human Progress, does use infant mortality (see below). In general, infant mortality rates have been more than halved for all the countries studied between 1970 and 1998, as shown in Table 1.5 and Figure 1.5. However, as we saw for life expectancy, the relative position of the seven countries has been maintained and Bangladesh and India still have unacceptably high levels of infant mortality (see Figure 1.5).

*Table 1.5* Infant mortality rate (deaths per 1,000 live births) in selected Asian countries, 1970–98

| | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 140.0 | 131.6 | 90.6 | 72.8 |
| India | 137.2 | 114.8 | 80.0 | 69.8 |
| Indonesia | 118.0 | 90.0 | 60.0 | 43.0 |
| Japan | 13.1 | 7.5 | 4.6 | 3.7 |
| Malaysia | 45.2 | 30.4 | 15.8 | 8.3 |
| Singapore | 19.7 | 11.7 | 6.7 | 3.8 |
| Thailand | 72.6 | 48.8 | 37.0 | 28.6 |

*Source*: *World Development Indicators 2000* (World Bank, 2000).

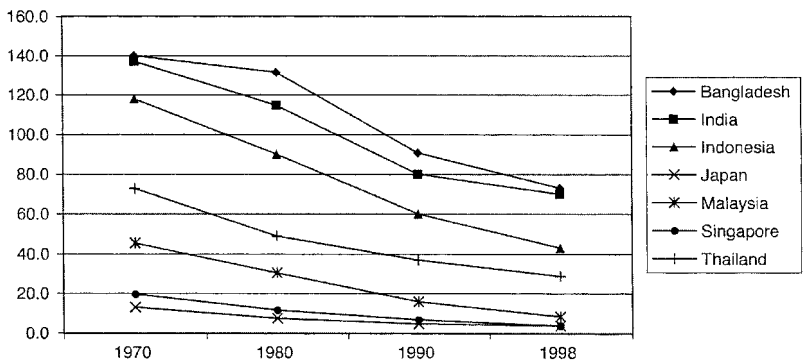


*Figure 1.5* Trends in infant mortality rate (deaths per 1,000 live births) in selected Asian countries, 1970–98

*Source*: *World Development Indicators 2000* (World Bank, 2000).

The relatively much higher (by a factor of ten or more) maternal mortality rates in Bangladesh, India and Indonesia, compared to Thailand, Malaysia, Japan and Singapore, as shown in Table 1.6, indicate serious deficiencies in the national health delivery systems of these three large agricultural economies. The highest maternal mortality rate, seen in Indonesia, a middle-income country, perhaps reflects that country's low level of spending on health (1.2 per cent GDP). High levels of maternal mortality in Bangladesh and India are despite higher GDP percentage levels of spending on health as shown in Table 1.7, and reflect the low income levels of these countries.

## Poverty and human development

There are various measures used to indicate poverty levels in countries. These include calculations of percentages of population that fall below national and international poverty lines as shown in Table 1.8, and

*Table 1.6* Maternal mortality rate (maternal deaths per 100,000 live births) in selected Asian countries, 1990–98

| | *1990–98* |
|---|---|
| Bangladesh | 440 |
| India | 410 |
| Indonesia | 450 |
| Japan | 8 |
| Malaysia | 39 |
| Singapore | 6 |
| Thailand | 44 |

*Source*: *World Development Indicators 2000* (World Bank, 2000).

*Table 1.7* Public expenditure on health (per cent GDP) in selected Asian countries, 1990–98

| *Country* | *1990* | *1991* | *1992* | *1993* | *1994* | *1995* | *1996* | *1997* | *1998* |
|---|---|---|---|---|---|---|---|---|---|
| Bangladesh | 2.8 | 2.8 | 2.9 | 3.1 | 3.3 | 3.3 | 3.5 | 3.9 | 3.5 |
| India | 5.5 | 5.2 | – | – | – | – | – | – | – |
| Indonesia | 1.2 | 1.2 | 1.3 | 1.2 | 1.3 | 1.2 | 1.3 | 1.2 | 1.3 |
| Japan | 6.1 | 6.1 | 6.3 | 6.6 | 6.9 | 7.2 | 7.1 | 7.1 | – |
| Malaysia | 2.5 | 2.6 | 2.6 | 2.4 | 2.3 | 2.2 | 2.3 | 2.3 | 2.4 |
| Singapore | 3.3 | 3.6 | 3.6 | 3.3 | 3.1 | 3.3 | 3.3 | 3.2 | 3.2 |
| Thailand | 5.4 | 5.2 | 5.3 | 5.2 | 5.2 | 5.0 | 5.1 | 6.1 | 6.2 |

*Source*: *World Development Indicators 2000* (World Bank, 2000).

*Table 1.8* Population below national and international poverty lines in selected Asian countries, 1990–98 (%)

| | *National poverty line* | | | | *International poverty line* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | *Survey year* | *Rural (%)* | *Urban (%)* | *National (%)* | *Survey year* | *Population below $1 a day (%)* | *Poverty gap at $1 a day (%)* | *Population below $2 a day (%)* | *Poverty gap at $2 a day (%)* |
| Bangladesh | 1991–92 | 46.0 | 23.3 | 42.7 | 1996 | 29.1 | 5.9 | 77.8 | 31.8 |
| | 1995–96 | 39.8 | 14.3 | 35.6 | | | | | |
| India | 1992 | 43.5 | 33.7 | 40.9 | 1997 | 44.2 | 12.0 | 86.2 | 41.4 |
| | 1994 | 36.7 | 30.5 | 35.0 | | | | | |
| Indonesia | 1996 | 12.3 | 9.7 | 11.3 | 1999 | 15.2 | 2.5 | 66.1 | 22.6 |
| | 1998 | 22.0 | 17.8 | 20.3 | | | | | |
| Malaysia | 1989 | – | – | 15.5 | – | – | – | – | – |
| Thailand | 1990 | – | – | 18.0 | 1998 | <2 | <0.5 | 28.2 | 7.1 |
| | 1992 | 15.5 | 10.2 | 13.1 | | | | | |

*Source*: *World Development Indicators 2000* (World Bank, 2000).

the composite HPI (see below). Poverty can be understood in absolute or relative terms. Absolute poverty is usually understood to mean a lack of capacity to meet minimum needs such as minimum caloric requirements and minimum income criteria. Criteria used to determine national poverty lines vary considerably between countries and therefore it is difficult to compare poverty situations in different countries based on national poverty lines. International poverty lines attempt to overcome this problem by using international prices adjusted for purchasing power parity using rates from Penn World Tables. These measures do not, however, inherently distinguish or provide information on the gender dimension of poverty. Clearly, poverty levels in India and Bangladesh are far higher than for the other countries of focus. An interesting observation is that India, whilst being classified as a Middle Human Development country by the Human Development Index, has a much higher percentage of population below the US$1/day international poverty line than Bangladesh, classified as a Low Human Development country.

## Human poverty index (HPI)

The HPI is a composite index measuring deprivations in the three basic dimensions captured in the human development index – longevity, knowledge and standard of living. Table 1.9 captures this dimension for the countries under study. Japan is excluded from the table since there is no data on poverty for the country. For the other six countries, Singapore falls into the high human development category while Bangladesh falls into the low human development category.

## The concept of development and the HDI

Development was defined in the 1950s and 1960s as an essentially economic process, where wealth would trickle down, resulting in an improvement in human welfare. This concept has now given way to a much broader definition of development. The United Nations Development Programme (UNDP) issues a series of Human Development Reports exploring critical issues such as gender inequality, growth, poverty and consumption patterns (UNDP, 1998 and previous years). The Human Development Index (HDI), published annually by the UN, ranks nations according to their citizens' quality of life rather than strictly by a nation's traditional economic figures. The HDI ranks 173 countries and areas (industrial and developing) on a scale ranging from 0.000 to 1.000 based

*Table 1.9* HPI (rank and value) including data for selected Asian countries, 1993

| *HDI rank* | *HPI rank* | *HPI value (%)* | *Probability at birth of not surviving to age 40 (% of cohort) 1995–2000* | *Adult illiteracy rate (% age 15 and above) 1999* | *Population not using improved water sources (%) 1999* | *Underweight children under age five (%) 1995–2000* | *Population below income poverty line* | | *(HPI−1) rank minus income poverty rank* |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | *(%) $1 a day(1993 PPP US$) 1983–99* | *National poverty line 1984–99* | |
| High human development | | | | | | | | | |
| 26 Singapore | – | – | 2.3 | 7.9 | 0 | – | – | – | – |
| Medium human development | | | | | | | | | |
| 56 Malaysia | 13 | 10.9 | 5 | 13.0 | 5 | 18 | – | 15.5 | – |
| 66 Thailand | 21 | 14.0 | 9 | 4.7 | 20 | 19 | <2.0 | 13.1 | 14 |
| 102 Indonesia | 38 | 21.3 | 12.8 | 13.7 | 24 | 34 | 7.7 | 27.1 | 11 |
| 115 India | 55 | 34.3 | 16.7 | 43.5 | 12 | 53 | 44.2 | 35 | −14 |
| Low human development | | | | | | | | | |
| 132 Bangladesh | 73 | 43.3 | 21.4 | 59.2 | 3 | 56 | 29.1 | 35.6 | 9 |

*Source*: *Human Development Report 2001* (UNDP, 2001).

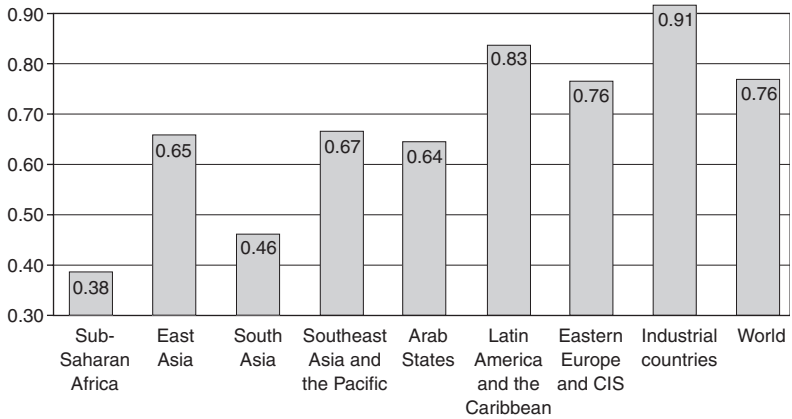


*Figure 1.6* HDI values for various regions of the world, 1994

*Source*: http://www.unep.org/geo2000/english/0029.htm#img15b; *Global Environment Outlook* (Nairobi: UNEP, 1999).

*Table 1.10* HDI values for selected Asian countries, 1975–99

| *Country* | *1975* | *1980* | *1985* | *1990* | *1995* | *1999* |
|---|---|---|---|---|---|---|
| Bangladesh | 0.332 | 0.350 | 0.383 | 0.414 | 0.443 | 0.470 |
| India | 0.406 | 0.433 | 0.472 | 0.510 | 0.544 | 0.571 |
| Indonesia | 0.467 | 0.529 | 0.581 | 0.622 | 0.622 | 0.677 |
| Japan | 0.851 | 0.876 | 0.891 | 0.907 | 0.920 | 0.928 |
| Malaysia | 0.614 | 0.657 | 0.691 | 0.720 | 0.758 | 0.774 |
| Singapore | 0.719 | 0.753 | 0.779 | 0.816 | 0.855 | 0.876 |
| Thailand | 0.603 | 0.645 | 0.675 | 0.713 | 0.749 | 0.757 |

*Source*: *Human Development Report 2001* (UNDP, 2001).

on life expectancy, adult literacy, school enrolment and GDP per capita. A comparison of the HDI values for various regions of the world are given in Figure 1.6. It is evident from the above that Sub-Saharan Africa and South Asia are lagging well behind the rest of the world in terms of human development.

Human Development Index values (1975–99) for the seven countries discussed in this volume are given in Table 1.10. HDI trends for each of these countries are shown in Figure 1.7. Since the introduction in 1990 of the United Nations' HDI it has been pointed out that the arbitrary adjustment of GDP in the HDI distorts differences among countries, especially for countries with high incomes. An alternative index of development,

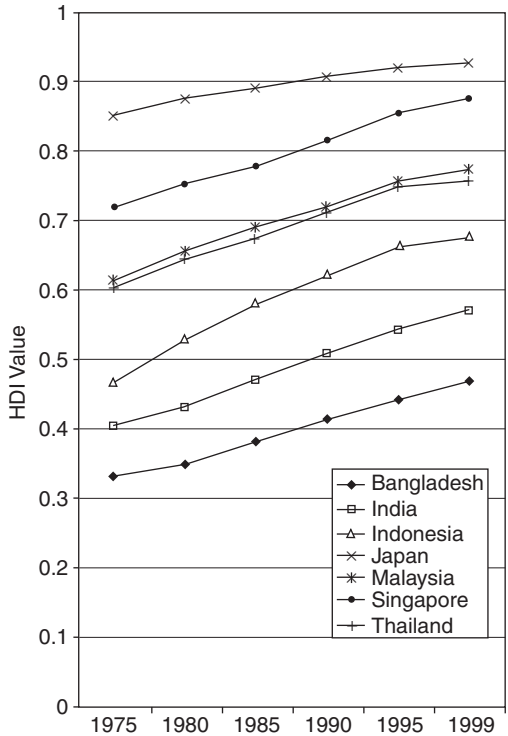


*Figure 1.7* HDI trends for selected Asian countries, 1975–99

*Source*: UNDP *Human Development Report 2001* (New York: Oxford University Press, 2001).

the Fraser Institute's *Index of Human Progress*, has been developed which uses a wider range on indicators than the HDI, including technology indicators as given below:

1. *Health*

    1.1 life expectancy
    1.2 infant mortality (per 1,000 live births)
    1.3 mortality of children under five years of age (per 1,000 live births)
    1.4 adult mortality rate (number of adults, per 1,000 adults, not expected to survive to age 60

2. *Literacy rate*

    2.1 combined enrolment rate (combined primary, secondary and tertiary)

3. *Technology*

   3.1 number of televisions (per 1,000 persons)
   3.2 number of radios (per 1,000 persons)
   3.3 telephone service (per 1,000 persons)

4. *GDP* (unadjusted GDP per capita in 1995 US$)

## Gender development and empowerment indices

The Gender-related Development Index (GDI) shown in Table 1.11 measures achievement in the same basic way as the HDI, but takes account of inequality in achievement between women and men. The methodology used imposes a penalty for inequality, such that the GDI falls when the achievement levels of women relative to men in a country goes down or when the disparity between their achievements increases. The greater the gender disparity in basic capabilities, the lower a country's GDI compared with its HDI. The GDI is therefore essentially the HDI discounted, or adjusted downwards, for gender inequality.

Of note here is the significantly lower GDI rank (13) compared to HDI rank (8) for Japan, indicating the continuing development gender disparity in the country. The contrary appears to be true for Thailand, which has a significantly higher GDI rank (40) compared to HDI rank (59).

The Gender Empowerment Measure (GEM) shown in Table 1.12 examines whether women are able to actively participate in economic and political life and take part in decision-making. While the GDI focuses on expansion of capabilities, the GEM is concerned with the use of those capabilities to take advantage of opportunities in the economic and political spheres. As shown in Table 1.12, Singapore and Malaysia have higher percentages of women as senior officials and professional and technical workers. Thailand is not far behind.

## Education

Women's participation level in developing economies is to a large extent dependent upon educational outcomes, which are underpinned by levels of education input, participation and efficiency. A fundamental measure of educational outcomes is the level of illiteracy. Widespread universal primary education, and a general increase in basic literacy rates worldwide have led to literacy rates for women aged 15 and over increasing to levels of at least 75 per cent in East and Southeast Asia. This is clearly

*Table 1.11* GDI for selected Asian countries, 1995

| | *Gender-related development index (GDI) rank* | *Life expectancy at birth (years) 1995* | | *Adult literacy rate (%) 1995* | | *Combined first-, secondary- and third-level gross enrolment ratio (%) 1995* | | *Share of earned income (%) 1995* | | *GDI value (1995)* | *HDI rank minus GDI rank* |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | *female* | *male* | *female* | *male* | *female* | *male* | *female* | *male* | | |
| High human development | – | 76.79 | 70.27 | 95.23 | 96.16 | 79.03 | 75.51 | 34.41 | 65.59 | 0.8604 | – |
| 8 Japan | 13 | 82.83 | 76.71 | 99 | 99 | 77 | 79 | 34.053 | 65.947 | 0.902 | –5 |
| 28 Singapore | 29 | 79.34 | 74.95 | 86.28 | 95.85 | 66.59 | 57.61 | 31.919 | 68.081 | 0.848 | –1 |
| 59 Thailand | 40 | 72.31 | 66.86 | 91.59 | 96.04 | 55.52 | 49.42 | 36.729 | 63.271 | 0.812 | 12 |
| 60 Malaysia | 45 | 73.71 | 69.27 | 78.06 | 89.05 | 62 | 60 | 30.364 | 69.636 | 0.785 | 8 |
| Medium human development | – | 69.68 | 65.35 | 76.93 | 89.53 | 63.67 | 64.93 | 36.38 | 63.62 | 0.6559 | – |
| 96 Indonesia | 88 | 65.75 | 62.19 | 78 | 89.64 | 59.1 | 61.34 | 32.98 | 67.02 | 0.651 | 0 |
| Low human development | – | 57.46 | 55.9 | 38.34 | 62.96 | 39.51 | 52.22 | 28.64 | 71.36 | 0.388 | – |
| 139 India | 128 | 61.76 | 61.41 | 37.69 | 65.5 | 46.46 | 60.08 | 25.366 | 74.634 | 0.424 | 1 |
| 147 Bangladesh | 140 | 57.01 | 56.85 | 26.14 | 49.37 | 30.9 | 39.64 | 23.081 | 76.919 | 0.342 | –3 |
| All developing countries | – | 63.67 | 60.78 | 61.82 | 78.86 | 53.06 | 58.9 | 32.42 | 67.58 | 0.564 | – |
| Least developed countries | – | 52.3 | 50.03 | 39.3 | 59.19 | 30.85 | 40.32 | 34.29 | 65.71 | 0.3324 | – |
| Industrial countries | – | 77.9 | 70.36 | 98.5 | 98.76 | 83.98 | 81.57 | 38.02 | 61.98 | 0.8879 | – |
| World | – | 65.37 | 61.92 | 71.48 | 83.71 | 58.07 | 62.51 | 33.71 | 66.29 | 0.7365 | – |

*Source*: *UNDP Human Development Report 2001* (New York: Oxford University Press, 2001).

*Table 1.12* Gender empowerment measure (GEM) in selected Asian countries, 1995

| | *Bangladesh* | *India* | *Indonesia* | *Japan* | *Malaysia* | *Singapore* | *Thailand* |
|---|---|---|---|---|---|---|---|
| Female legislators, senior officials and managers (as % of total) | 55 | – | – | 9 | 21 | 21 | 22 |
| Seats in parliament held by women (as % of total) | 9.1 | – | 8 | 10.8 | 14.5 | 6.5 | – |
| Gender empowerment measure (GEM) value | 0.309 | – | – | 0.52 | 0.503 | 0.509 | – |
| Gender empowerment measure (GEM) rank | 62 | – | – | 31 | 38 | 35 | – |
| Ratio of estimated female to male earned income | 0.58 | – | – | 0.43 | 0.46 | 0.49 | – |
| Female professional and technical workers (as % of total) | 35.5 | – | – | 44 | 44 | 42 | 55 |

*Source*: *UNDP Human Development Report, 2001* (New York: Oxford University Press, 2001).

the case for those East and Southeast Asian countries included in the present study as shown in Table 1.13. However, high illiteracy rates among women still prevail in South Asia, exemplified by the figures for Bangladesh and India. The differences in illiteracy between males and females is also much greater with significantly higher illiteracy among women. Women in rural areas are particularly disadvantaged due to family preferences to educate sons, and to keep females out of school to undertake household or agricultural labouring work. An additional measure of higher level educational attainment are secondary school enrolments in comparison to primary school enrolments as shown in Table 1.14. Primary–secondary enrolment ratios are considered perhaps the best measure of educational progress at the intermediate level of

*Table 1.13* Illiteracy rates in selected Asian countries, 1970–98

| *Illiteracy rate, adult total (% of people aged 15 and above)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 75.9 | 70.8 | 65 | 59.9 |
| India | 66.9 | 59 | 50.7 | 44.3 |
| Indonesia | 43.7 | 30.7 | 20.3 | 14.3 |
| Japan | – | – | – | – |
| Malaysia | 41.7 | 28.6 | 19.1 | 13.6 |
| Singapore | 26.9 | 17.2 | 11.1 | 8.2 |
| Thailand | 19.7 | 12.4 | 7.6 | 5 |

| *Illiteracy rate, young adult total (% of people aged 15–24)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 69.1 | 62.7 | 56.4 | 50.4 |
| India | 54.7 | 44.7 | 35.7 | 29.1 |
| Indonesia | 20.2 | 10.8 | 4.9 | 2.7 |
| Japan | – | – | – | – |
| Malaysia | 18.1 | 9.8 | 5.3 | 2.9 |
| Singapore | 7.3 | 2.9 | 1 | 0.3 |
| Thailand | 5.8 | 3.4 | 1.9 | 1.2 |

| *Illiteracy rate, adult female (% of females aged 15 and above)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 88.5 | 83.1 | 76.9 | 71.4 |
| India | 81.5 | 73.5 | 64.1 | 56.5 |
| Indonesia | 56 | 40.4 | 27.3 | 19.5 |
| Japan | – | – | – | – |
| Malaysia | 53.9 | 37.3 | 25.4 | 18 |
| Singapore | 40.3 | 26.1 | 16.7 | 12.4 |
| Thailand | 27.2 | 17.3 | 10.5 | 6.8 |

| *Illiteracy rate, young adult female (% of females aged 15–24)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 81.9 | 74.2 | 67.7 | 61.3 |
| India | 70.4 | 58 | 45.8 | 37.3 |
| Indonesia | 27.9 | 14.7 | 6.5 | 3.5 |
| Japan | – | – | – | – |
| Malaysia | 24.9 | 12.3 | 5.8 | 2.8 |
| Singapore | 11 | 3.4 | 0.8 | 0.2 |
| Thailand | 7.6 | 4.3 | 2.4 | 1.7 |

| *Illiteracy rate, adult male (% of males aged 15 and above)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 64.6 | 59.1 | 53.8 | 48.9 |
| India | 53.2 | 45.4 | 38.1 | 32.9 |
| Indonesia | 31.1 | 20.8 | 13.2 | 8.9 |
| Japan | – | – | – | – |
| Malaysia | 29.7 | 19.7 | 13 | 9.3 |
| Singapore | 14 | 8.6 | 5.5 | 4 |
| Thailand | 12 | 7.5 | 4.6 | 3.1 |

| *Illiteracy rate, young adult male (% of males aged 15–24)* | *1970* | *1980* | *1990* | *1998* |
|---|---|---|---|---|
| Bangladesh | 56.6 | 52.1 | 45.3 | 40 |
| India | 40.2 | 32.5 | 26.6 | 21.5 |
| Indonesia | 12.4 | 6.9 | 3.4 | 2 |
| Japan | – | – | – | – |
| Malaysia | 11.3 | 7.3 | 4.9 | 3.1 |
| Singapore | 3.8 | 2.3 | 1.2 | 0.5 |
| Thailand | 4 | 2.5 | 1.4 | 0.7 |

*Note*: No data available.

*Source*: *World Development Indicators, 2000* (World Bank, 2000).

development. The level of persistence to Grade 5 at secondary school (see Table 1.15) has also been used as an indicator of the position of women in the development of countries but the figures for the countries of focus in this study, whilst echoing the relative differences between countries, do not display highly significant differences between males and females.

*Table 1.14* Primary and secondary school enrolments in selected Asian countries, 1965–95 total and by sex (% gross)

| *Primary (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 49.0 | 54.3 | 61.1 | 71.6 | – |
| India | 74.0 | 77.8 | 83.3 | 97.2 | 100.2 |
| Indonesia | 72.0 | 80.0 | 107.2 | 115.2 | 113.4 |
| Japan | 100.0 | 99.5 | 101.1 | 99.7 | 102.5 |
| Malaysia | 90.0 | 88.7 | 92.6 | 93.7 | 103.4 |
| Singapore | 105.0 | 105.5 | 107.7 | 103.7 | 95.2 |
| Thailand | 78.0 | 81.4 | 98.9 | 99.1 | 86.5 |

| *Secondary (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 13.0 | – | 17.5 | 19.0 | – |
| India | 27.0 | 24.2 | 29.9 | 44.4 | 48.8 |
| Indonesia | 12.0 | 16.1 | 29.0 | 44.0 | 51.5 |
| Japan | 82.0 | 86.6 | 93.2 | 97.1 | 103.4 |
| Malaysia | 28.0 | 34.2 | 47.7 | 56.3 | 58.7 |
| Singapore | 45.0 | 46.0 | 59.9 | 68.1 | 73.4 |
| Thailand | 14.0 | 17.4 | 28.8 | 30.1 | 54.1 |

| *Primary, male (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 67 | 72.5 | 75.1 | 76.5 | – |
| India | 89 | 93.7 | 98.2 | 109.9 | 109.9 |
| Indonesia | 79 | 87.4 | 114.6 | 116.7 | 115.7 |
| Japan | 100 | 99.6 | 101.0 | 99.6 | 102.4 |
| Malaysia | 96 | 93.9 | 93.3 | 93.8 | 102.7 |
| Singapore | 110 | 109.6 | 109.2 | 105.1 | 96.3 |
| Thailand | 82 | 85.3 | 100.3 | 100.0 | – |

| *Secondary, male (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 23.0 | – | 26 | 25.1 | – |
| India | 41.0 | 33.4 | 39.1 | 55.0 | 58.8 |
| Indonesia | 18.0 | 21.4 | 34.7 | 48.2 | 55.3 |
| Japan | 82.0 | 86.9 | 92.2 | 96.3 | 102.7 |
| Malaysia | 34.0 | 40.7 | 49.7 | 54.5 | 55 |
| Singapore | 49.0 | 46.9 | 59.5 | 70.5 | – |
| Thailand | 16.0 | 20.5 | 29.6 | 30.6 | – |

| *Primary, female (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 31.0 | 35.4 | 46.3 | 66.3 | – |
| India | 57.0 | 60.5 | 67.1 | 83.5 | 89.7 |
| Indonesia | 65.0 | 72.7 | 99.7 | 113.6 | 111.1 |
| Japan | 100.0 | 99.5 | 101.2 | 99.9 | 102.6 |
| Malaysia | 84.0 | 83.4 | 92.0 | 93.6 | 104.2 |
| Singapore | 100.0 | 101.2 | 106.1 | 102.3 | 94.0 |
| Thailand | 74.0 | 77.3 | 97.4 | 98.0 | – |

| *Secondary, female (% gross)* | *1965* | *1970* | *1980* | *1990* | *1995* |
|---|---|---|---|---|---|
| Bangladesh | 3.0 | – | 8.6 | 12.7 | – |
| India | 13.0 | 14.1 | 19.8 | 32.9 | 38.0 |
| Indonesia | 7.0 | 10.9 | 23.3 | 39.7 | 47.6 |
| Japan | 81.0 | 86.3 | 94.3 | 98.0 | 104.2 |
| Malaysia | 22.0 | 27.9 | 45.7 | 58.2 | 62.6 |
| Singapore | 41.0 | 45.1 | 60.3 | 65.6 | – |
| Thailand | 11.0 | 14.4 | 27.9 | 29.6 | – |

*Note*: No data available.

*Source*: *World Development Indicators, 2000* (World Bank, 2000).

At the tertiary level, the more industrialised countries have significantly higher enrolments for women as shown in Table 1.16. Japan, Singapore and Thailand are the leaders in this field.

## Labour force participation

The labour force structure for the seven countries of focus in comparison to world averages and low, middle and high income country averages is provided in Table 1.17. Annual average labour force growth rates for Bangladesh and India remain fairly steady at just over 2 per cent whereas there is significant decline in labour force growth rates for the other countries. Japan now has a negative labour force growth

*Table 1.15* Persistence to grade 5 schooling in selected Asian countries, 1975–93 (% cohort)

| | *1975* | *1980* | *1990* | *1993* |
|---|---|---|---|---|
| *Persistence to grade 5, total (% of cohort)* | | | | |
| Bangladesh | * | 20.5 | * | * |
| India | * | * | * | 58.6 |
| Indonesia | 60.0 | 75.5 | 83.6 | 89.4 |
| Japan | 100.0 | 99.9 | 100.0 | 100.0 |
| Malaysia | * | 96.8 | 98.2 | 98.8 |
| Singapore | 97.0 | 97.2 | * | * |
| Thailand | 49.0 | * | * | * |
| *Persistence to grade 5, female (% of cohort)* | | | | |
| Bangladesh | * | 26.1 | * | * |
| India | * | * | * | 55.0 |
| Indonesia | * | * | * | 80.9 |
| Japan | 100.0 | 99.9 | 100.0 | 100.0 |
| Malaysia | * | 96.9 | 98.3 | 99.6 |
| Singapore | 97.0 | * | * | * |
| Thailand | 47.0 | * | * | * |
| *Persistence to grade 5, male (% of cohort)* | | | | |
| Bangladesh | * | 17.8 | * | * |
| India | * | * | * | 61.5 |
| Indonesia | * | * | * | 95.9 |
| Japan | 100.0 | 99.8 | 100.0 | 100.0 |
| Malaysia | * | 96.7 | 98.0 | 98.1 |
| Singapore | 96.0 | * | * | * |
| Thailand | 51.0 | * | * | * |

*Note*: No data available.

*Source*: *World Development Indicators, 2000* (World Bank, 2000).

rate, resulting from very low fertility rates and an increasing aged population. Singapore is also in danger of reaching negative labour force growth rate in the not too distant future. Female labour participation rates are high in Bangladesh (66 per cent) and Thailand (73 per cent), but have shown slight reduction since the 1970s and 80s as shown in Table 1.17, Table 1.18 and Figure 1.8. Indonesia, Malaysia and Singapore also showed significant increase in female work participation rate during the 1970s and 1980s but this increase slowed markedly in the 1990s as shown in Figure 1.8. Japan and India have had more steady participation rates of around 50 and 40 per cent respectively since the 1970s.

Female work age-participation profiles can reveal interesting patterns that throw light on the nature of female participation in the workforce

*Table 1.16* School enrolment at tertiary level in selected Asian countries, 1965–96 (% gross)

| | *1965* | *1970* | *1975* | *1980* | *1985* | *1990* | *1996* |
|---|---|---|---|---|---|---|---|
| Bangladesh | 1 | – | – | 2.8 | 4.8 | 4.4 | 6.2 |
| India | 5 | 5 | 5 | 5.2 | 6 | 6 | 6.9 |
| Indonesia | 1 | 3 | 2 | 3.6 | 7.1 | 9.2 | 11.3 |
| Japan | 13 | 18 | 26 | 30.5 | 27.8 | 29.6 | 42.7 |
| Malaysia | 2 | – | – | 4.1 | 5.9 | 7.2 | 11.4 |
| Singapore | 10 | 6 | 8 | 7.8 | 13.6 | 18.6 | 38.5 |
| Thailand | 2 | 3 | 3 | 14.7 | 19 | 16.6 | 20.9 |

*Source*: *World Development Indicators, 2000* (World Bank, 2000).

during their lifetime and how this participation pattern changes with industrialisation (Horton, 1996). Profiles for all countries in this study over the last thirty years, show a reduction in the levels of child labour which are seen as significant declines in the work participation of females aged 10–14 and, to a lesser extent, in the 15–19 age group as shown in Figures 1.9, 1.10, 1.11 and 1.12. Horton (1996) recognises three principal female work age-participation patterns: the Double Peaked, where women participate prior to marriage and child-bearing and then return to the labour force when children are older; the Single Peaked pattern, with early participation without return to the workforce; and the Plateau pattern (typical of rural areas) where women continue their participation in the labour force regardless of marriage and child-bearing. The Plateau pattern has been further refined by Lim (1993) into High Plateau with higher participation rate but less age-selective female employment in agriculture, service and cottage industries; and the Low Plateau pattern, with lower participation rate attributed to cultural sanctions against women participating in the workforce.

Data for the countries under study is presented in Figures 1.9, 1.10 and 1.11. The data for Bangladesh show High Plateau profiles with high participation rates in the 20–59 age ranges, probably reflecting the agricultural nature of female workforce participation. As a matter of interest, the profiles for Bangladesh have not changed significantly during the last 30 years indicating that little has really changed in the way that females engage in the workforce. India's age-participation profiles fit the Low Plateau pattern, perhaps reflecting cultural sanctions. The profiles for Indonesia have changed steadily from a Low Plateau pattern in 1970 towards a High Plateau profile in 1990–2000 with female participation rates increasing within the 20–59 age groups from about 30–40 per cent

*Table 1.17* The labour force structure in selected Asian countries, 1980–98

| | *Population aged 15–64 (m)* | | *Labour force* | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | *Total (m)* | | | *Average annual growth rate* | | *Female (% of labour force)* | | *Children 10–14 (% of age group)* | |
| | *1980* | *1998* | *1980* | *1998* | *2010* | *1980–98* | *1998–2010* | *1980* | *1998* | *1980* | *1998* |
| Bangladesh | 44 | 71 | 41 | 64 | 83 | 2.5 | 2.2 | 42.3 | 42.3 | 35 | 29 |
| India | 394 | 595 | 302 | 431 | 546 | 2.0 | 2.0 | 33.7 | 32.1 | 21 | 13 |
| Indonesia | 83 | 130 | 58 | 98 | 124 | 2.9 | 2.0 | 35.2 | 40.4 | 13 | 9 |
| Japan | 79 | 87 | 57 | 68 | 66 | 1.0 | –0.3 | 37.9 | 41.2 | 0 | 0 |
| Malaysia | 8 | 14 | 5 | 9 | 13 | 3.1 | 2.7 | 33.7 | 37.5 | 8 | 3 |
| Singapore | 2 | 2 | 1 | 2 | 2 | 2.3 | 0.7 | 34.6 | 39.0 | 2 | 0 |
| Thailand | 26 | 42 | 24 | 37 | 42 | 2.3 | 1.2 | 47.4 | 46.3 | 25 | 14 |
| World | 2,595 | 3,701 | 2,035 | 2,846 | 3,384 | 1.9 | 1.4 | 39.1 | 40.5 | 20 | 12 |
| Low income | 1,433 | 2,172 | 1,214 | 1,771 | 2,156 | 2.1 | 1.6 | 40.0 | 40.6 | 27 | 17 |
| Excl. China & India | 442 | 723 | 364 | 584 | 775 | 2.6 | 2.4 | 40.2 | 41.2 | 29 | 24 |
| Middle income | 657 | 936 | 464 | 646 | 780 | 1.8 | 1.6 | 37.5 | 38.6 | 10 | 5 |
| Lower middle income | 403 | 558 | 291 | 386 | 465 | 1.6 | 1.6 | 40.2 | 40.1 | 9 | 4 |
| Upper middle income | 254 | 378 | 173 | 260 | 315 | 2.3 | 1.6 | 32.9 | 36.3 | 11 | 7 |
| Low & middle income | 2,090 | 3,107 | 1,679 | 2,416 | 2,936 | 2.0 | 1.6 | 39.3 | 40.1 | 23 | 13 |
| East Asia & Pacific | 820 | 1,206 | 719 | 1,026 | 1,172 | 2.0 | 1.1 | 42.6 | 44.5 | 26 | 9 |
| Europe & Central Asia | 274 | 315 | 214 | 236 | 251 | 0.5 | 0.5 | 46.7 | 46.1 | 3 | 1 |
| Latin America & Carib. | 201 | 313 | 130 | 212 | 269 | 2.7 | 2.0 | 27.8 | 34.4 | 13 | 9 |
| Middle East & N. Africa | 91 | 166 | 54 | 94 | 135 | 3.1 | 3.0 | 23.8 | 26.9 | 14 | 5 |
| South Asia | 508 | 777 | 392 | 573 | 740 | 2.1 | 2.1 | 33.8 | 33.1 | 23 | 16 |
| Sub-Saharan Africa | 195 | 330 | 170 | 275 | 369 | 2.7 | 2.5 | 42.3 | 42.2 | 35 | 30 |
| High income | 505 | 594 | 357 | 430 | 447 | 1.0 | 0.3 | 38.4 | 42.9 | 0 | 0 |
| Europe EMU | 178 | 197 | 119 | 135 | 134 | 0.7 | 0.0 | 36.7 | 41.1 | 1 | 0 |

*Source*: *World Development Indicators, 2000* (World Bank, 2000).

*Table 1.18* Female work participation rates in selected Asian countries, 1970–2000 (% ages 15+)

| | *1970* | *1980* | *1990* | *2000** |
|---|---|---|---|---|
| Bangladesh | 68.9 | 67.8 | 65.9 | 65.8 |
| India | 47.3 | 45.6 | 41.3 | 42.1 |
| Indonesia | 36.3 | 44.3 | 52.8 | 55.5 |
| Japan | 50.8 | 47.3 | 50.6 | 51.2 |
| Malaysia | 36.9 | 41.2 | 46.8 | 48.0 |
| Singapore | 29.5 | 44.4 | 50.9 | 50.1 |
| Thailand | 77.7 | 76.0 | 73.5 | 72.8 |

*Note*: * Estimated and projected figures.

*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

in 1970 to 55–65 per cent in 2000. Another interesting feature of the Indonesian profiles is the initial skew towards higher participation in the 45–59 age group seen in the 1970 and 1980 profiles, to more symmetrical profiles in 1990 and 2000, with relatively higher participation rates in the 20–24 and 25–44 age ranges. Female workforce participation profiles for Japan are quite different, and show classic Double Peaked profiles where females take time out of the workforce for marriage and child bearing/rearing. A flattening of the trough in more recent times may however indicate that more Japanese women are now staying on in the workforce following marriage.

Profiles for Malaysia show a significant increase in female work participation over the last thirty years and rapid transition from a Low Plateau pattern in 1970 to Single Peaked patterns (peaking in the 20–24 age group) in 1980, 1990 and 2000. Females in Malaysia enter the workforce early. Many of them obtain factory employment in the expanding industrial sector, but once they leave the workforce to marry and raise a family, few return. In Singapore the profiles are all classic Single Peaked patterns. Overall, female participation rates have increased dramatically in the country. A shift from a lower age-range skew to a higher age-range skew in the profiles reflects dramatic reductions in participation of the 10–19 age ranges and an increase in females staying on in employment through child bearing/rearing ages. The profiles for Thailand are typical High Plateau profiles that have not changed significantly apart from a reduction in participation of the younger child aged groups. These profiles probably reflect less age-selective female employment in service and home-based industries, such as the garment sector.

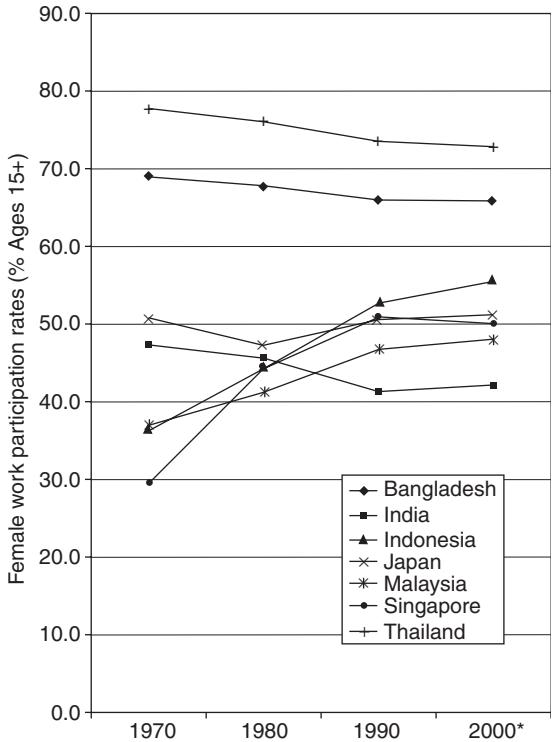


*Figure 1.8* Trends in female work participation rates in selected Asian countries, 1970–2000 (% ages 15+)

*Note*: * Projected estimates.

*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

## Some concluding remarks

How have the developmental experiences of Asia in the last three decades of the twentieth century impacted on women generally? It is clear that the transition to industrialisation has played a key role in the changing economic status of women. The adoption of export-oriented industrialisation strategies consistent with free trade policies and the production of labour-intensive export manufactures have coincided with women's increased labour force participation in the paid workforce. This has impacted on their status in society as income earners. Moreover, their continued participation remains a central issue in countries like Japan, Malaysia, Singapore and Thailand, which face labour shortages in some

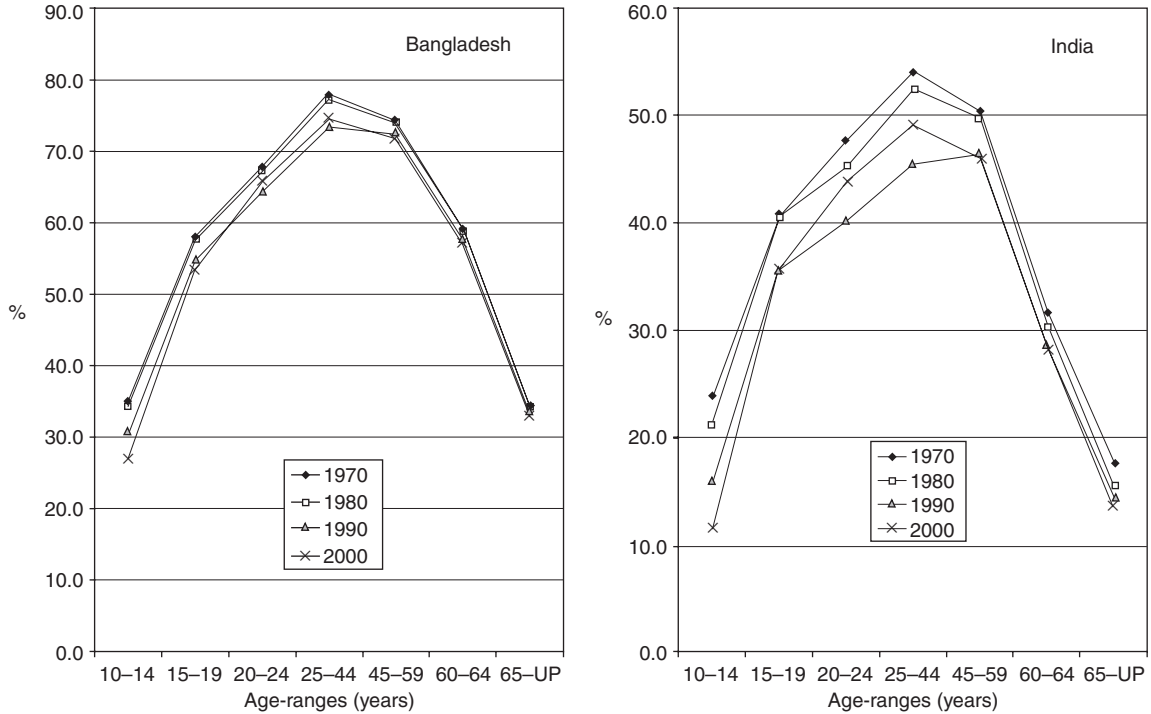


*Figure 1.9* Female labour force participation rates in Bangladesh and India, 1970–2000

*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

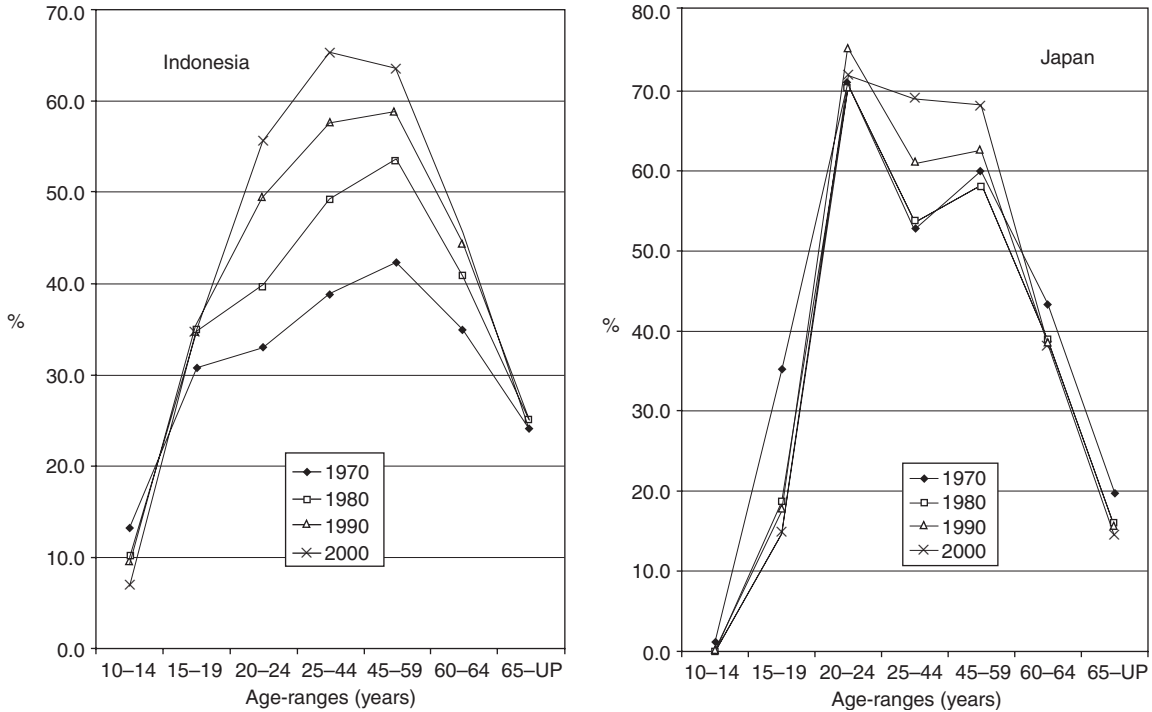


*Figure 1.10* Female labour force participation rates, Indonesia and Japan, 1970–2000

*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

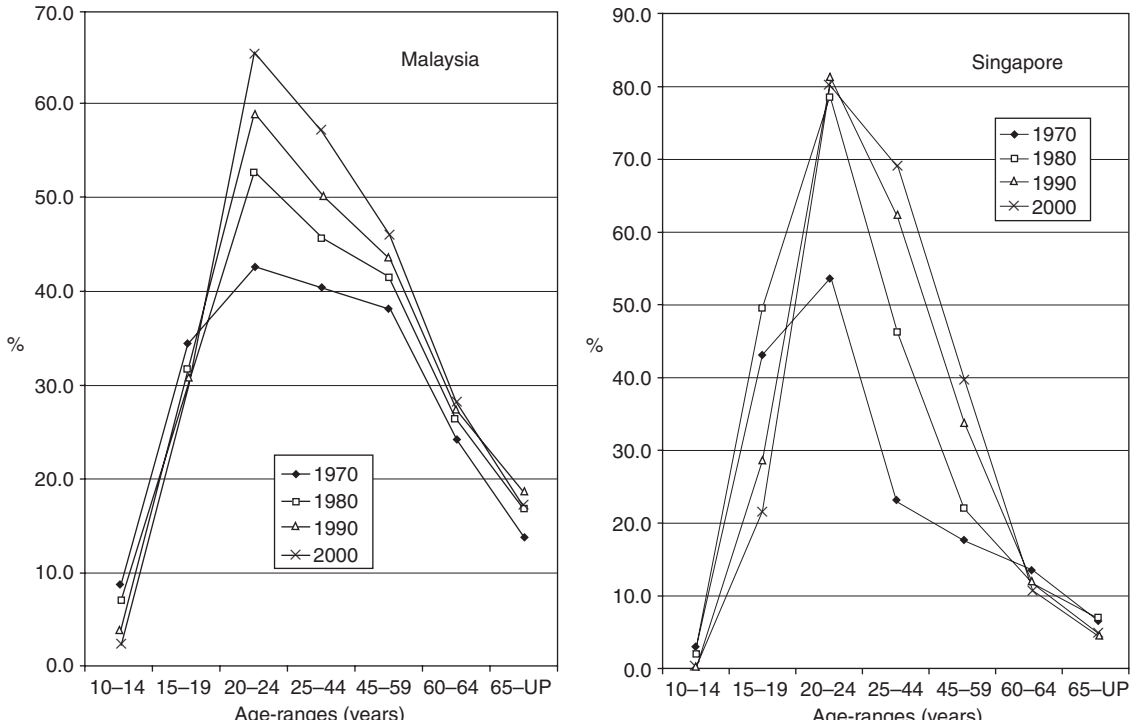


*Figure 1.11* Female labour force participation rates, Malaysia and Singapore, 1970–2000

*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

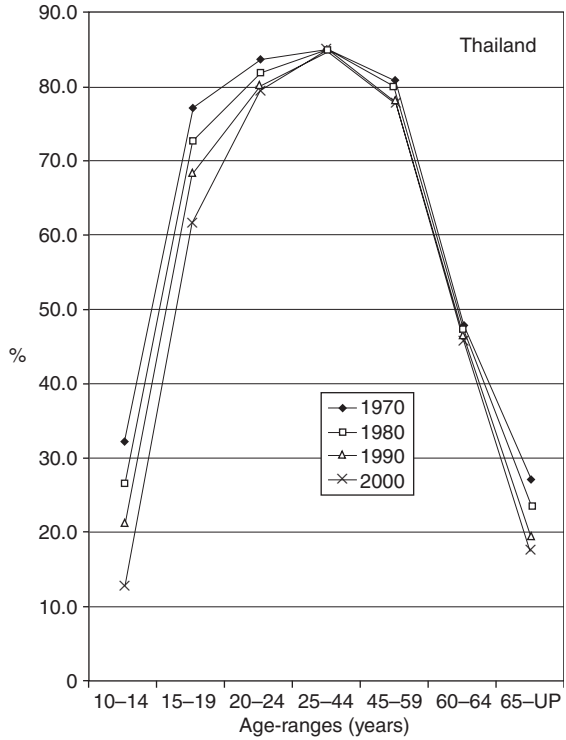


*Figure 1.12* Female labour force participation in Thailand, 1970–2000
*Source*: *Women's Indicators and Statistics Database*, version 4 (UN, 1999).

sectors. Women's entry into the paid workforce has also been portrayed as progress by most governments in the region. In the preceding sections it has been shown that women have made great strides in Japan, Singapore, Malaysia and Thailand, and to a lesser extent in Indonesia, India and Bangladesh. This progress has largely been facilitated by the integration of gender issues into development programmes, and the United Nations' efforts to protect women's rights through protocols and continued monitoring. Nevertheless, in Asia as elsewhere, it is clear that employment patterns and the working conditions of women have been differentiated by gender. This differentiation appears to be accepted by society generally, mostly for ideological, socio-cultural and religious reasons. Women thus earn lower wages than men and the nature and conditions of their employment ensure that they have less bargaining power in the labour market. This chapter has laid the ground for a discussion of the

interrelationships between gender, economic growth and women's status in society.

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# 2

# Economic Globalisation, Trade Liberalisation and Labour-Intensive Export Manufactures: An Asian Perspective

*Amarjit Kaur*

## Introduction

The term globalisation is employed across a wide spectrum to describe the on-going processes of integration of countries into the global economy. Globalisation is not new. According to Peter Lindert and Jeffrey Williamson, '[g]lobalisation has evolved in fits and starts since Columbus and de Gama sailed from Europe more than 500 years ago' (Lindert and Williamson, 2001: 1). It has also assumed different forms, depending on the interactions between states, and the economic imperatives of colonial powers. In its most recent form after World War II, and especially since the 1970s, globalisation is consistent with the establishment of an international institutional structure; the restructuring of manufacturing and role of multinationals in industrialisation in developing countries; and trade liberalisation. Moreover, the extent or level of a country's integration into the international economy is being measured in terms of economic growth; and the economic performance of different states is assessed in relation to one another. This has raised concerns that growth is being emphasised at the expense of development, and these concerns have been manifested in protest campaigns against globalisation around the world, from Seattle to Sydney.

More significantly, in the current phase of globalisation, the developed countries are contributing capital and technology while the developing countries are contributing labour. The labour market is therefore one of the main channels through which globalisation has impacted on the Asian economies, and stories of worker exploitation and poor working

conditions abound. Women workers in particular, because of their mass deployment in labour-intensive export manufactures, have borne the brunt of the trade cycles associated with world trade.

Under what conditions have women been incorporated into the paid workforce? Are they exploited in the creation of competitive advantage? Has industrialisation and job creation in the manufacturing sector been a mixed blessing for women workers? Some have argued that sustained economic growth leads to an improvement in women's absolute economic conditions and a decline in their inferior status relative to men. Yet, even from the perspective of a developed country like Japan, it is evident that economic growth alone is not the only determinant of women's economic condition. Women in Japan are both socially and economically disadvantaged compared to men. Thus from one point of view, while the main emphasis of development policy should be the promotion of high, sustained economic growth, far more important is the emphasis on the *type* of growth, and that development should encompass corresponding changes in ideas, attitudes and institutions, and the mainstreaming of gender in the development process.

This chapter aims to contribute to theoretical debates about trade liberalisation, labour-intensive export manufactures and the changing contexts of women's employment in industrialising Asia. It also aims to provide cross-national data on women workers in seven countries – Bangladesh, India, Indonesia, Japan, Malaysia, Singapore and Thailand. The chapter is divided into three sections. The first section outlines Asia's past and present interactions with globalisation in the context of the international division of labour. The second reviews the performance of the Asian economies in a period of extraordinary growth in world trade. The third section examines the changing economic role of women in industrialising Asia in the context of the global restructuring of manufacturing, industrialisation and trade liberalisation policies, demographic change, state educational policies and changing attitudes to women's employment.

## Economic globalisation, past and present: everything changes and nothing changes

As noted earlier, the core processes of internationalisation (trade, capital flows and migration) have been taking place since the sixteenth century. By the second half of the nineteenth century, trade, investment, finance and migration were promoted under certain types of policies and strategies, coinciding with the dismantling of trade barriers

and the introduction of modern technologies, particularly in transport and communications. This era of globalisation, which involved the reorganisation of primary production, industry and exchange, and the monetisation of the world economy, led to the political and economic domination of Asia and Africa by Western European powers (and later the United States). This domination was either in the form of colonisation or the signing of unequal treaties.

The opening up of new areas provided the expanding economies of Europe with cheap raw materials and export markets, while the 'unification' of the Asian countries facilitated labour flows across national boundaries. Essentially, a pattern of trade was established whereby the Asian economies produced primary commodities in exchange for manufactured goods from the industrialised centres. This interchange or simple vertical division of labour has since been known as the International Division of Labour, now labelled the 'Old' International Division of Labour. Cross-border labour migration was either regulated or unregulated, depending on the country of origin of the migrant. It comprised primarily Chinese and Indian workers and differed from earlier migration patterns in the region. It involved mass migrations; long-distance movements; organisation of travel arrangements and employment opportunities in the receiving countries; and an 'empire-wide' sourcing of labour. It also involved two other groups in the migration process apart from the migrants. These were the private labour brokers and other intermediaries who organised travel arrangements and employment, and state officials.

The majority of migrants from both countries were impoverished, and pushed into migration by factors such as agrarian overpopulation; natural calamities; landlord exploitation; and in China, disruption arising from major rebellions in the nineteenth century. Pull factors in Southeast Asia included the growing economic opportunities in the region; the opening up of hinterlands; and the expansion of export production. Migrant workers were predominantly absorbed into two labour systems – mining and plantation – and provided the cheap labour necessary for the extraction of minerals and agricultural crop production. They also worked in the urban and port areas, building and maintaining the transportation lines and port systems that facilitated the productive capacity of the colonies.

International economic relations were disrupted during World War I, followed by the imposition of trade restricting policies during the interwar decades. Although labour migration continued, transport subsidies for migrant workers evaporated. The impact of the anti-trade backlash of the 1920s and 1930s, consistent with international commodity

restriction schemes, saw a further reaction against immigration, the repatriation of large numbers of foreign workers to their own countries, and a greater involvement of local labour from the 1930s. The imposition of new policy barriers thus restricted labour migration from China and India into the Southeast Asian region (Kaur, in press).

The processes of globalisation resumed after World War II. A key feature of this period was the establishment of an international institutional structure, notably in the form of the International Monetary Fund (IMF) and the World Bank, and institutionalised multilateral or bilateral cooperation in commercial policy through the General Agreement on Tariffs and Trade (GATT). These institutions and trade agreements assisted in the restabilisation of the post-war economy on liberal market-oriented principles, and led to dramatic increases in world trade and increased integration of the world economy.

In the 1960s and 1970s too, as globalisation accelerated, the mantra of the developing Asian countries was industrialisation, which was identified with modernisation. The modern state was an industrial state where governments were able to incorporate and transform peasant sectors and contain uneven development. Economic integration via export-led growth, it was believed, would create a global economy without the need for large transfers of wealth between developed and developing countries. Concurrently, a new form of the International Division of Labour (NIDL) brought opportunities for export-oriented industrialisation (EOI). The Asian countries' comparative advantage lay in lower labour costs, informal welfare nets and fewer regulations against pollution. They were also expected to benefit from relations with multinational corporations (MNCs) and other sources of foreign direct investment (FDI); gain experience and know-how; acquire technology and make the transition to newly industrialising economies. Trade policies were viewed as the mechanism for redistributing income, reducing inequality and promoting economic growth.

As the developing countries' proportion of world population grew, and their membership of the United Nations Assembly increased, they succeeded in getting their concerns about international trade and investment placed on a permanent agenda. This permanent agenda, managed by the United Nations Conference on Trade and Development (UNCTAD), was later formalised into the North–South dialogue and centres on multilateral trade deliberations and the implementation of preferential trade arrangements. The latter have become a source of competition among developing countries that seek to grow on the basis of labour-intensive export manufactures and trade preferences.

For the Asian developing countries, the Generalised System of Preferences (GSP), an agreement under the auspices of GATT (now the World Trade Organisation [WTO]), resulted in many products from developing countries being provided duty-free access to most developed nations. For example, the United States, which is the most important market for the Asian countries, gave GSP access to 124 developing countries in 2000. Generally, GSP imports into the United States from these countries consist of a specified list of goods that are permitted duty-free entry up to a specified maximum for each country. Bangladesh, India, Indonesia and Thailand are included in this list, while Malaysia and Singapore have 'graduated' from developing country status. Additionally, 38 countries on the GSP list were designated 'least developed' countries and given additional benefits in 2000. GSP-eligible products from these countries, which include only Bangladesh from the countries of focus, have no ceiling on the quantities permitted duty-free entry (US International Trade Commission, 2000). The United States currently takes 55 per cent of garments made in Bangladesh (Grossman, 2002). Nevertheless, it must be noted that the list of eligible goods is rather restrictive. Textiles and clothing are ineligible for GSP (see below). These multilateral trade agreements, together with the new production, communication and transport technologies, have resulted in a shift of some consumer industries to Asia and other developing countries and facilitated their transition to newly industrialising status.

The market-led globalisation after World War II also resulted in changing labour relations in the region. From the 1870s especially, the sourcing of labour from China and India for the mining, plantation and service sectors in Southeast Asia had linked East, South and Southeast Asia through imperial connections. A century later, colonies had become independent, and in the sovereign nation state, labour had to be sourced from within individual states. As far as labour is concerned, the fundamental difference between the pre-World War I and post-World War II globalisation periods lies in the source, direction and character (including gender) of the labour flows, and in the interchange between developed and developing countries. The new labour flows were principally from the traditional sector to the modern sector. Other sources of labour supply came from population growth, the increased participation of women in the paid workforce, and in the case of Singapore and Malaysia, migrant labour. Women were mobilised from the reserve army of labour located in the rural regions and migrated to the new factories to produce labour-intensive manufactures for the global market. However, unlike the earlier, mainly foreign male migrants, these women had some

education because the nature of the work tasks required them to be educated. Moreover, since this phase of globalisation involved cross-border production networks and the integration of activities between developing and developed countries, this interchange coincided with a more complex NIDL that was part horizontal and part vertical. And it is here, in the new production niches that emerged in the industrialising Asian countries, that the changing contexts of women's employment are best understood.

## Trade liberalisation as development strategy and economic growth in Asia

One of the most significant changes in the Asian region has been the trends in growth rates measured in average annual growth per capita. If we look at the long-term growth performance of some of the leading economies in the region over the period 1970–95, it is evident that these countries have done well. Japan set the example, followed by the East Asian newly industrialising countries (NICs) – Hong Kong, Singapore, South Korea and Taiwan. During the period 1981–90, growth rates in the three second-tier Southeast Asian NICs included in this study – Malaysia, Thailand and Indonesia – were as much as two to four times greater than the Organisation of Economic Cooperation and Development Countries' (OECD) average. Growth in Malaysia averaged around 5.5 per cent per annum during the decade, while in Indonesia it averaged 5.5–6 per cent per annum, and in Thailand it averaged 8 per cent per annum. Throughout this period the OECD average for growth was less than 2 per cent per annum (*The Economist*, 16 November 1991: 4).

Much of the literature on East Asia's (and later Southeast Asia's) successful integration into the global world, as exemplified in the World Bank's publication, *The East Asian Miracle* (1993), has assigned importance to 'rudiments' such as a high savings rate, the creation of human capital, and market reforms consistent with trade liberalisation. Other important ingredients cited include an interventionist state, cultural and institutional factors, and the emergence of labour-intensive export manufactures. But these countries were beneficiaries too of the growth in world trade and the openness of developed countries from the 1960s, consistent with the enthusiasm for open trade policies.

The timing of the East Asian, and later, Southeast Asian, labour-intensive manufacturing export-led entry into the globalising world economy was equally significant since it occurred at a time when other Asian developing countries (India, China, Bangladesh) were

still following protectionist policies. Subsequently, the successful transformation of the first- and second-tier newly industrialising countries provided a model for other developing countries to seek growth through EOI and labour-intensive export manufactures on a similar basis. In the latter part of the 1970s Bangladesh moved away from a highly protected public sector-oriented economy to one in which the private sector was given priority. By the early 1980s the shift accelerated as the government, in return for financial aid, adopted a range of liberalisation policies as defined by the structural adjustment guidelines of the IMF, the World Bank and other donor agencies. In the manufacturing sector, readymade garments, the prime example of the new export-oriented industry, replaced jute, the cornerstone of the country's industrial base, as the dominant industry and the main export earner. By the 1990s, it had become the country's leading export (Islam, 2001: 1).

India's leaders, on the other hand, had already focused on the promotion of industrialisation as a means of alleviating poverty. But emphasis on heavy industry and self-reliance not only fostered protectionism, and what has been termed the 'license raj', but it also meant that India failed to develop export markets. In 1991 the government yielded to external pressure for reform and embarked on a structural adjustment programme including privatisation, the lifting of some price controls, and lowering of taxes and tariffs. Nevertheless, tariffs on imported products continue to be one of the highest in the world and the reluctance to embrace greater liberalisation has contributed to India's relatively sluggish economic growth compared to the other countries under study.

The long-term performance of the countries of focus (excluding Japan) is compared below, using the three measures often used as a summary index of the relative economic well being of people in each country. If we compare the Gross National Product (GNP) – the most commonly used measure of the overall level of economic activity – as shown in Figure 2.1, it is evident that the longer-term growth performance of the Southeast Asian states over the period 1970–94 is better than that of the South Asian countries.

High growth from around 1970 to the mid-1990s resulted in rapid job expansion in the four Southeast Asian countries, coinciding with trade liberalisation and EOI. However, all four were hit (with Indonesia the hardest) by the 1997/98 financial and economic crisis. Interestingly, looking at performance in recent years (1995–99) India and Bangladesh have done well, and this growth is associated with the introduction of key economic reforms in the early 1990s. Moreover, both have large

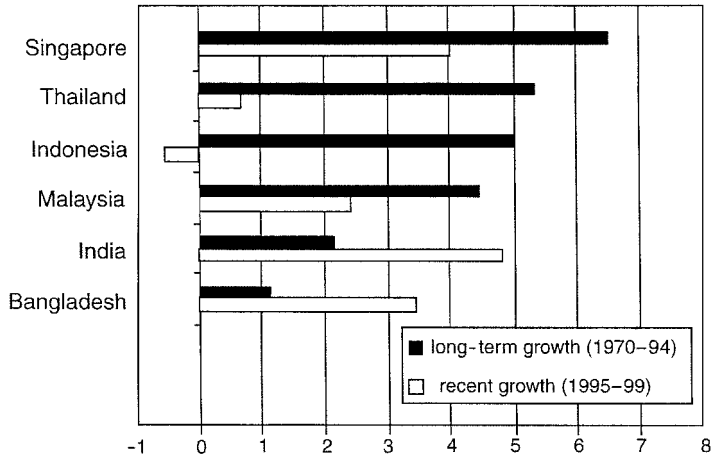


*Figure 2.1* Average annual GNP per capita growth rate in selected Asian countries, 1970–99 (%)

*Source*: *World Development Indicators 2000/2001: Attacking Poverty* (World Bank, 2000).

populations that have contributed to greater income inequality and continuing poverty.

The comparative performance of all seven countries in their Gross Domestic Product (GDP), which measures the change in the total volume of a country's product, and the 'real' incomes of persons in the country as per capita GDP, is shown in Table 2.1.

From Table 2.1, it is evident that Japan and Singapore recorded the best performance and that Bangladesh is the 'worst' performer. GDP per capita, while providing a more 'realistic' statistic of the economic growth and well being of people in a country, may nevertheless hide significant disparities in wealth and standard of living between different classes, groups and between men and women, because of the average figures quoted.

Trends in GDP average annual percentage growth rates in the countries of focus are shown in Table 2.2 and Figure 2.2.

Against the background of the long-term growth performance, three features stand out. The first is the high rate of structural change coinciding with the gradual shift away from agriculture to non-agricultural activities; and, more recently, away from industry to service. The second is a shift in the occupational status of the labour force away from agricultural and related non-agricultural activities toward manufacturing and service industries. This movement has also been associated with a spatial shift – from rural- to urban-based activities. The third is the changing

*Table 2.1* Total and per capita GDP in selected Asian countries, 1970–97 (US$)

| *Country* | *GDP (US$ m)* | | | | |
|---|---|---|---|---|---|
| | *1970* | *1980* | *1990* | *1995* | *1997* |
| Bangladesh | 4,223 | 14,976 | 24,137 | 32,315 | 35,107 |
| India | 57,551 | 172,981 | 305,949 | 345,071 | 388,649 |
| Indonesia | 8,924 | 72,483 | 114,426 | 202,131 | 214,593 |
| Japan | 203,736 | 1,059,257 | 2,970,094 | 5,134,276 | 4,192,669 |
| Malaysia | 3,459 | 24,488 | 42,775 | 87,315 | 97,884 |
| Singapore | 1,896 | 11,718 | 37,450 | 85,161 | 96,319 |
| Thailand | 7,129 | 32,354 | 85,344 | 168,129 | 153,909 |
| *Country* | *Per capita GDP (US$)* | | | | |
| | *1970* | *1980* | *1990* | *1995* | *1997* |
| Bangladesh | 63 | 170 | 221 | 272 | 286 |
| India | 104 | 251 | 360 | 370 | 402 |
| Indonesia | 74 | 480 | 626 | 1,024 | 1,055 |
| Japan | 1,953 | 9,068 | 24,042 | 40,920 | 33,265 |
| Malaysia | 319 | 1,779 | 2,397 | 4,342 | 4,665 |
| Singapore | 914 | 4,853 | 12,415 | 25,645 | 28,107 |
| Thailand | 199 | 693 | 1,535 | 2,869 | 2,576 |

*Source*: World Bank, *World Development Indicators 2000, CD ROM* (World Bank, 2000).

*Table 2.2* Trends in GDP growth in selected Asian countries, 1961–97 (average annual % growth)

| | *1961–70* | *1970–80* | *1980–90* | *1990–97* | *1970–97* |
|---|---|---|---|---|---|
| Bangladesh | 4.0 | 3.1 | 3.8 | 4.9 | 3.9 |
| India | 4.1 | 3.0 | 5.9 | 5.5 | 4.7 |
| Indonesia | 4.2 | 7.8 | 5.9 | 7.4 | 7.0 |
| Japan | 10.5 | 4.5 | 4.0 | 1.7 | 3.6 |
| Malaysia | 6.5 | 9.5 | 5.9 | 8.5 | 7.9 |
| Singapore | 10.0 | 9.0 | 7.3 | 8.2 | 8.2 |
| Thailand | 8.2 | 6.8 | 7.8 | 6.8 | 7.2 |

*Source*: World Bank, *World Development Indicators 2000, CD ROM* (World Bank, 2000).

economic role of women in the economy, mirroring the shift from the traditional sector to the modern sector. These three features are interrelated and are consistent with economic globalisation and the increased integration of these countries into the international economy.

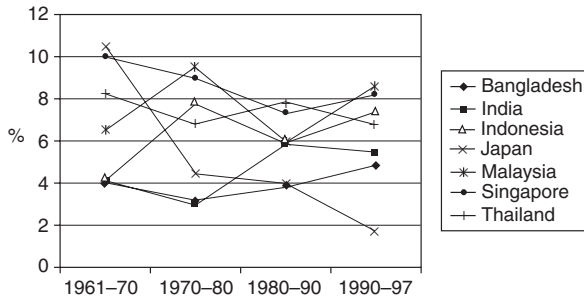


*Figure 2.2* Trends in GDP growth rates in selected Asian countries, 1961–97
*Source*: Based on Table 2.2.

Shifts in the value added for different components of the total GDP provide insights into changes of the contributions to GDP between the agricultural, industrial, and service sectors. Percentage growth rates of GDP and the value added in these sectors for the seven countries are given in Table 2.3 and longer-term economic trends are given in Table 2.4.

The discussion above suggests that economic globalisation can be measured according to a range of variables that relate to growth, and the level to which markets, both national and international, are integrated. In the context of the performance of these countries in relation to one another, Bangladesh is last on all lists and falls into the category of least developed countries.

## Conceptualising the new globalisation

As noted in the first section, the globalisation process is not new. Imperial-led globalisation in the second half of the nineteenth century led to the establishment of colonies that provided the metropolitan countries with cheap raw materials and export markets for the West's manufacturing industries (Kaur, in press). A century later, market-led globalisation, coinciding with the global restructuring of manufacturing and the NIDL, has led to accelerated international economic outreach by developed countries. What is new in the international economic relations between developed and developing regions is the rise in power and influence of the giant multinational corporations.

These conduits of capital, technology and managerial skills, with their diverse productive relations, operate in the new manufacturing export enclaves – the export-processing zones. Like the plantation and mining companies of the colonial era, the MNCs pay very low rents for the

*Table 2.3* Structure of output for selected Asian countries, by comparison to world averages and average figures for low, middle and high-income countries, 1980–98 (% GDP)

| | *GDP ($ m)* | | *Agriculture value added (% GDP)* | | *Industry value added (% GDP)* | | *Manufacturing value added (% GDP)* | | *Services value added (% GDP)* | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *1980* | *1998* | *1980* | *1998* | *1980* | *1998* | *1980* | *1998* | *1980* | *1998* |
| Bangladesh | 17,430 | 42,702 | 38 | 22 | 24 | 28 | 18 | 18 | 38 | 50 |
| India | 186,392 | 430,024 | 38 | 29 | 24 | 25 | 16 | 16 | 38 | 46 |
| Indonesia | 78,013 | 94,156 | 24 | 20 | 42 | 45 | 13 | 25 | 34 | 35 |
| Japan | 1,059,254 | 3,782,964 | 4 | 2 | 42 | 37 | 29 | 24 | 54 | 61 |
| Malaysia | 24,488 | 72,489 | 22 | 13 | 38 | 44 | 21 | 29 | 40 | 43 |
| Singapore | 11,718 | 84,379 | 1 | 0 | 38 | 35 | 29 | 23 | 61 | 65 |
| Thailand | 32,354 | 111,327 | 23 | 11 | 29 | 41 | 22 | 32 | 48 | 48 |
| World | 10,960,147 | 28,736,978 | 7 | 4 | 38 | 32 | 25 | 21 | 55 | 62 |
| Low income | 811,234 | 1,880,673 | 31 | 23 | 38 | 39 | 27 | 27 | 30 | 38 |
| Excl. China & India | 451,833 | 463,829 | 29 | 26 | 32 | 33 | 13 | 19 | 39 | 41 |
| Middle income | 2,322,822 | 4,312,567 | 12 | 9 | 42 | 33 | 24 | 22 | 46 | 58 |
| Lower middle income | – | 1,477,327 | 15 | 11 | 41 | 34 | – | 22 | 44 | 54 |
| Upper middle income | 1,164,279 | 2,838,231 | 11 | 8 | 42 | 32 | 26 | 22 | 47 | 60 |
| Low & middle income | 3,137,067 | 6,193,861 | 18 | 13 | 41 | 35 | 25 | 23 | 42 | 52 |
| East Asia & Pacific | 503,584 | 1,693,340 | 24 | 15 | 42 | 45 | 30 | 32 | 33 | 41 |
| Europe & Central Asia | – | 1,003,000 | – | 12 | – | 33 | – | – | – | 55 |
| Latin America & Carib. | 787,863 | 2,028,359 | 10 | 8 | 40 | 29 | 28 | 21 | 50 | 64 |
| Middle East & N. Africa | 409,860 | 583,374 | 10 | 14 | 53 | 43 | 9 | 14 | 37 | 43 |
| South Asia | 237,289 | 565,131 | 37 | 28 | 24 | 25 | 16 | 16 | 39 | 47 |
| Sub-Saharan Africa | 271,814 | 333,865 | 18 | 17 | 38 | 29 | 16 | 15 | 44 | 54 |
| High income | 7,936,135 | 22,543,577 | 3 | 2 | 37 | 30 | 25 | 21 | 59 | 65 |
| Europe EMU | – | 6,457,663 | – | 2 | – | – | – | 21 | – | 58 |

*Source*: *World Development Indicators 2000/01: Attacking Poverty* (World Bank, 2000).

*Table 2.4* Trends in long-term economic development for selected Asian countries, by comparison to world averages and average figures for low, middle and high-income countries, 1965–98 (% GDP)

| | *GNP average annual % growth* | | *Population average annual % growth* | | *Value added average annual % growth* | | | *Private consumption average annual % growth* | *Gross domestic fixed investment average annual % growth* | *Export of goods and services average annual % growth* |
|---|---|---|---|---|---|---|---|---|---|---|
| | *Per capita* | | *Total* | *Labor force* | *Agriculture* | *Industry* | *Services* | | | |
| | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* | *1965–98* |
| Bangladesh | 3.9 | 1.4 | 2.3 | 2.3 | 2.1 | 4.1 | 4.7 | 3.7 | 3.7 | 7.6 |
| India | 4.9 | 2.7 | 2.1 | 2.0 | 2.9 | 5.5 | 5.8 | 4.4 | 5.5 | 7.1 |
| Indonesia | 6.8 | 4.7 | 2.0 | 2.7 | 3.8 | 8.9 | 7.7 | 7.2 | 8.5 | 5.7 |
| Japan | 4.3 | 3.5 | 0.7 | 1.0 | −0.2 | 4.4 | 4.7 | 4.1 | 4.7 | 7.6 |
| Malaysia | 6.8 | 4.1 | 2.6 | 3.1 | 3.5 | 8.5 | 7.0 | 6.0 | 9.8 | 9.8 |
| Singapore | 8.4 | 6.4 | 1.9 | 3.1 | −1.4 | 8.5 | 8.5 | 6.6 | 9.6 | – |
| Thailand | 7.3 | 5.0 | 2.1 | 2.6 | 4.0 | 9.5 | 7.3 | 6.1 | 9.0 | 11.3 |
| World | 3.2 | 1.4 | 1.7 | 2.0 | 2.3 | – | – | 3.4 | 3.2 | 5.7 |
| Low income | 5.9 | 3.7 | 2.1 | 2.2 | 3.3 | 7.8 | 6.5 | 5.3 | 7.0 | 7.0 |
| Excl. China & India | 4.3 | 1.7 | 2.5 | 2.5 | 2.8 | 5.7 | 5.1 | 4.2 | 4.0 | 4.3 |
| Middle income | 3.7 | 1.9 | 1.7 | 1.9 | 2.3 | 2.9 | 3.9 | – | 2.6 | 6.1 |
| Lower middle income | – | – | 1.6 | 1.7 | – | – | – | – | – | – |
| Upper middle income | 4.2 | 2.2 | 1.9 | 2.3 | 2.4 | 3.6 | 4.2 | – | 3.6 | 8.4 |
| Low & middle income | 4.2 | 2.2 | 2.0 | 2.1 | 2.9 | 4.3 | 4.6 | 4.1 | 3.7 | 5.6 |
| East Asia & Pacific | 7.5 | 5.7 | 1.8 | 2.2 | 3.6 | 9.9 | 7.9 | 6.7 | 9.8 | 10.5 |
| Europe & Central Asia | – | – | 0.8 | 0.9 | – | – | – | – | – | – |
| Latin America & Carib. | 3.5 | 1.3 | 2.1 | 2.8 | 2.6 | 3.2 | 3.9 | 3.5 | 1.8 | 5.9 |
| Middle East & N. Africa | 3.1 | 0.2 | 2.8 | 2.8 | 4.2 | 1.3 | 4.1 | – | – | – |
| South Asia | 4.9 | 2.7 | 2.2 | 2.1 | 2.9 | 5.5 | 5.7 | 4.5 | 5.2 | 7.2 |
| Sub-Saharan Africa | 2.6 | −0.3 | 2.7 | 2.5 | 1.9 | 2.5 | 3.1 | 2.7 | 0.0 | 2.5 |
| High income | 3.0 | 2.3 | 0.7 | 1.1 | – | – | – | 3.2 | 3.0 | 5.7 |
| Europe EMU | – | – | 0.4 | 0.7 | – | – | – | – | – | 5.4 |

*Source*: *World Development Indicators 2000/01: Attacking Poverty* (World Bank, 2000).

right to use land, bring in their foreign capital and technology and hire unskilled labour at low wages. They generate significant export revenues consistent with the successful burst into labour-intensive manufacturing. The principal exports include electronic and electrical products, garments, textiles, toys and footwear.

The long-term competitiveness of these countries in specific products depends on a range of factors including good infrastructure; efficient import–export procedures; worker skills; and quotas set by the Multi-Fibre Arrangement (which is due to expire at the end of 2004). Singapore and Malaysia, for example, were able to attract investment in electronics because they possessed good infrastructure, efficient import–export procedures and a relatively better-educated workforce. Thailand, Indonesia and Bangladesh attracted investment in garments, textiles and footwear, products in which they had a competitive advantage. Malaysia too attracted significant investment in textiles and apparel, while Thailand in the 1990s also began to attract investment in electronics.

The nature of the exports (manufactured goods) and the destination of these exports is also different and these countries have become extremely vulnerable to market trends. The vulnerability of electronics exports for the Southeast Asian countries to market whims, which mirrors the vulnerability of primary commodities in the pre-World War II period, is captured in Table 2.5. As shown in Table 2.5, the economies of Singapore,

*Table 2.5* Export structure and year-on-year (y-o-y) change in exports of selected Asian countries, 2000 (%)

| | *Exports as % of GDP*[a] | *Electronics as % of exports* | *y-o-y change in exports*[b] |
|---|---|---|---|
| South Korea | 42.0 | 38.2 | −20.0 |
| Taiwan | 54.0 | 47.3 | −28.4 |
| China | 22.0 | 24.9 | 6.6 |
| Thailand | 57.0 | 33.3 | −8.0 |
| Malaysia | 122.0 | 58.8 | −13.5 |
| Singapore | 180.0 | 64.2 | −24.0 |
| Philippines | 51.0 | 59.2 | −25.0 |
| Indonesia | 35.0 | 14.6 | −0.2 |

*Notes*

[a] 1999 data.

[b] July 2000 data, except Malaysia and Philippines (June), Thailand and Indonesia (May).

*Source*: World Bank, Asiaweek research, cited in Roger Mitton, 'Asia looks to itself', *Asiaweek*, 31 August 2001, p. 27.

*Table 2.6* Destination of exports of selected Asian countries, 2001 (%)

| *Country* | *Destination* | | |
|---|---|---|---|
| | *US* | *Japan* | *China* |
| South Korea | 21.8 | 10.60 | 9.66 |
| Taiwan | 25.4 | 9.78 | 21.39 |
| China | 26.9 | 14.53 | – |
| Thailand | 23.7 | 13.76 | 3.24 |
| Malaysia | 23.0 | 11.42 | 2.73 |
| Singapore | 19.2 | 7.42 | 3.41 |
| Philippines | 35.3 | 14.27 | n/a |
| Indonesia | 16.5 | 19.74 | 4.26 |

*Source*: Asian Development Bank, Asiaweek research, cited in Roger Mitton, 'Asia looks to itself', *Asiaweek*, 31 August 2001, p. 27.

Malaysia and the Philippines are highly vulnerable to changes in the consumer-driven electronics market, compared to the other Southeast Asian countries. The destination of the above countries' exports is shown in Table 2.6.

The United States is the principal destination for six of the seven countries, while Japan is the second main destination. Both these countries are in position where they can hold the exporting countries 'hostage' in trade agreements.

In the past, developing countries' response to falling prices/demand for primary commodities was to either lower prices, or to seek new commodities and/or markets, or to climb the technological ladder. In a consumption-led growth market, where the competitive advantage lies primarily in lower costs rather than natural resource advantage, the answer to slowing exports is sought in labour-market flexibility.

## Changing contexts of women's employment

Any explanation for the rapid growth of women workers in the paid workforce must take into account both supply and demand factors. On the supply side, key factors were an increase in labour supply associated with a movement of workers from the traditional sector to the modern sector; population growth; employment opportunities for women arising from rapid economic growth; cultural values; and state educational policies. On the demand side were the production sites presented by these countries offering low-cost workers and labour market flexibility.

**Labour supply**

Four key aspects in the growth of the labour supply in the manufacturing sector include: first, a redistribution of the existing workforce between the various sectors of the economy; second, entry into the labour force of previously unused sections of the population; third, national population growth; and fourth, immigration. Undoubtedly, there was rapid demographic change in parallel with economic growth up to 1970. In all the Southeast Asian countries there was rapid population growth in excess of 2 per cent, sometimes 3 per cent in the period after 1945. This growth was a consequence of the decline in mortality, improved access to modern medicine and major public health initiatives such as the eradication of malaria through the use of pesticides like DDT. Increased life expectancy was thus a natural outcome in these countries.

Foreign labour migration into the Southeast Asian region, a characteristic feature of the pre-World War II period, had effectively ended by the late 1930s and was no longer an option in the immediate post-independence period. By the 1970s off-farm activities in Indonesia and Malaysia had absorbed an increasing share of the growing population. At the same time, the four Southeast Asian countries experienced fertility reduction in the decade 1970–80, and there was a substantial difference in the fertility trends during the period prior to 1970. Singapore cut its fertility rate by 50 per cent in the period mid-1960s to mid-1970s while Thailand's total fertility rate dropped by more than 50 per cent during the period 1965–70 to 1985–90. Indonesia and Malaysia also experienced a steady fertility decline consistent with the expansion of family-planning services in these countries (Ogawa and Tsuya, 1993: 31–2). In Malaysia the pace of decline accelerated in the 1970s and 1980s, particularly among the Chinese and Indian communities. In 1982 the then prime minister, Dr Mahathir Mohamad, announced a population goal of 70 million. This represented almost a five-fold increase in population. However, this policy later became a long-term goal, requiring 'a slackening in the earlier rate of decline in population growth rates, not a rise in these rates' (Jones, 1999: 19, 27). Singapore also reversed its population policy in the 1990s, encouraging women to have more children.

Population size, growth rates and population density in Southeast Asia for the period 1975–95, are shown in Table 2.7. As noted in Table 2.7, these countries experienced first acceleration, then a decline in rates of population growth. Overall, in the four Southeast Asian countries (and in Bangladesh) women were the major beneficiaries of the substantial job creation in the export-oriented manufacturing sector.

*Table 2.7* Southeast Asia: population size, growth rates and population density, 1975–95

| | *Population (m)* | | | *Population growth rates (average annual)* | | *Population density (persons per sq. km)* |
|---|---|---|---|---|---|---|
| | *1975* | *1985* | *1995* | *1975–85* | *1985–95* | *1995* |
| Brunei | 0.2 | 0.2 | 0.3 | 3.7 | 4.1 | 51 |
| Cambodia | 7.1 | 7.4 | 10.0 | 0.4 | 3.1 | 55 |
| Indonesia | 135.7 | 166.5 | 198.3 | 2.1 | 1.8 | 104 |
| Laos | 3.0 | 3.6 | 4.9 | 1.8 | 3.1 | 21 |
| Malaysia | 12.3 | 15.4 | 20.1 | 2.3 | 2.7 | 61 |
| Myanmar | 30.4 | 37.5 | 45.1 | 2.1 | 1.9 | 67 |
| Philippines | 42.6 | 55.1 | 67.8 | 2.6 | 2.1 | 226 |
| Singapore | 2.3 | 2.6 | 3.3 | 1.2 | 2.4 | 5,384 |
| Thailand | 41.4 | 51.6 | 58.2 | 2.2 | 1.2 | 114 |
| Vietnam | 48.0 | 59.9 | 73.8 | 2.2 | 2.1 | 222 |

*Source*: Gavin Jones, *The Population of South-East Asia*, Working Papers in Demography No. 81 (Canberra: ANU, 1999), p. 26.

## Economic growth and new employment opportunities for women

Women's increased participation in the paid workforce is consistent with the conventional hypothesis that the labour force participation of women increases during the course of economic development. As a great range of jobs became available in the manufacturing and tertiary sectors, more opportunities were also available for women who represented a reserve labour force. A related demographic trend relevant to social change was the increasing urbanisation in these countries. Developments in transport and communications helped break down the isolation of rural areas, made urban areas more accessible and the radio and television provided access to general news, employment opportunities and fostered growing consumerism within these countries. The growth of employment opportunities in absolute and relative terms in the urban manufacturing sector subsequently induced a change in migrational patterns, with women migrating independently of their families and impacting on household structures and income.

## Cultural values

Cultural values also played a central role in relation to the dynamics of Asian families where there is an attachment to the family as an institution and a general expectation that offspring, whether male or

female, provide for their parents. This commitment to the well being and prosperity of the family includes maintaining the family unit, and acted as an important factor in influencing women's migration to urban areas to seek employment. To take the case of Thailand, the growing population put pressure on existing forms of subsistence, resulting in migration to seek urban jobs rather than seek new land (Falkus, 2000: 177). Not surprisingly, various studies have shown that women's labour force participation in the manufacturing sector was higher in East Asia and the four Southeast Asian countries compared to other countries (excepting planned economies in Eastern Europe).

**State educational policies**

State educational policies also impacted on women's entry into the paid workforce. Educational reforms and the provision of increased educational facilities in East and Southeast Asia meant that education became readily available in these countries. Moreover, the state provided both boys and girls with equal access to education, resulting in a rising level of educational attainment among girls in particular. The bulk of the education budget was also allocated mainly to primary and secondary education. The long-term investment in basic education resulted in relatively higher levels of literacy. This is especially true of Japan (see Chapter 7), and the successful NICs – Hong Kong, Singapore, Taiwan, and South Korea – all of which placed strong emphasis on education. These countries also emphasised technical education. Briefly, therefore, the pattern of education was well suited to the sequential pattern of industrial development in East and Southeast Asia. At the lower end of the scale, countries like Thailand, Indonesia and Bangladesh were able to industrialise rapidly by relying on low-cost unskilled or semi-skilled workers who were adaptable to working with simple technology such as assembly-line work or garment manufacture. In East Asia, the higher levels of investment in education meant that these countries could move up the technological ladder much more rapidly.

Education also brought greater access to modern forms of birth control: a greater number of women were willing or were persuaded to practice birth control and this facilitated the entry of women into the workforce. Governments in all countries were supportive of family planning programmes, but there is ample evidence that improvements in health and education levels and a greater degree of urbanisation also acted to reduce family size. The correlation between an effective family planning programme and the provision of education for girls beyond the primary

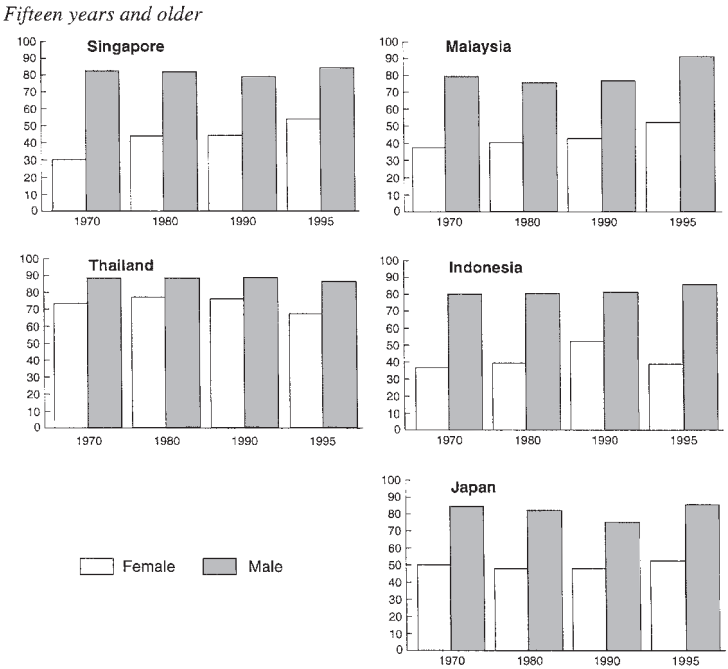


*Figure 2.3* Labour force participation rates by gender in Japan and Southeast Asia, 1970–95

*Source*: International Labour Organisation (various years); 1995 data – World Bank. *Towards Gender Equality: The Role of Public Policy* (Washington, DC: World Bank, 1995), p. 3.

level in influencing family size, whether in Indonesia or in Bangladesh, has been documented in population surveys, including the *World Population Profile*. This is also backed by findings from other surveys which have shown that women with some education themselves delayed marriage and had fewer children in response to economic opportunities provided in the expanding economies.

The increased participation of women in the formal sector of the economy in Japan and Southeast Asia is shown in Figure 2.3.

## Production niches, labour-intensive manufactures and women workers

Cross-border production networks in the context of globalisation increased the demand for labour, thus expanding employment

opportunities in the countries of focus. Labour-intensive growth was seen as central to poverty alleviation and the switch to export-led industrialisation, which coincided with more open trade regimes, saw two important changes, as discussed previously. The first was the composition of their exports – manufactures – which required access to inputs, capital and technology from developed countries. The second was the change in the destination of exports. Both were tied in with the establishment of export-processing zones, located predominantly in urban areas and near ports to facilitate production and export of manufactures destined for export-markets. The most visible aspect of the export-processing zones was the MNCs that rapidly established a foothold in these countries. The MNCs and their global operations, in effect, created global factories for semi-conductor manufacturing, electrical component production, plastics, footwear, textiles and garments (see Chapter 5).

Textiles and apparel production are a key subsector of manufacturing in the region. Long associated with cottage industry and small-scale production, these industries were transformed in the 1970s and 1980s, following the emergence of chemical fibre and textile production and the gradual relocation of large-scale natural fibre textile production, first to Southeast Asia (mainly Thailand, Indonesia and Malaysia), and then to China and Bangladesh. This transformation of the sector may largely be attributed to Japanese, South Korean and Taiwanese textile and clothing producers transferring production to these countries in pursuit of lower-cost labour and production sites. Subsequently, there was a shift to full textile and apparel production. This shift also coincided with Japanese and East Asian producers' strategy of exploiting loopholes in the global production quotas set up by the Multi-Fibre Arrangement. Thus these producers maintained their production levels by transferring part of their production to Southeast Asia and later, Bangladesh. In Bangladesh, for example, from modest beginnings in the late 1970s, the readymade garment industry became the dominant industry and the country's main export-earner. In 1982/83, there were only 21 registered garment factories; the figure rose to 780 in 1990/91; 1630 in 1993/94; and 2200 in 1995. The number of workers employed in this sector in 1995 totalled one million, of whom about 80–90 per cent were women (Rock, 2001: 215).

The entry of East Asian capital is particularly associated with local Chinese business networks and the expansion of small and medium enterprises (many of them family-owned and operated) and subcontracting and small-batch production. These small firms, which are

characterised by extreme flexibility in rapidly filling even small orders, make extensive use of sub-contracting to overcome any disadvantages arising from undercapitalisation and the inability to handle large orders. Sub-contracting and small batch production took off in the textile, readymade garments and shoe industries and has also moved into low-technology electronics assembly.

The readymade garment industry especially is a mix of factory (medium- and small-scale) and home-based production that derives from the fact that the industry is demand-driven, subject to the whims of fashion and taste and is extremely competitive. For its continuing survival, it is reliant on the creation of demand as well as the satisfaction of that demand. Not surprisingly, women's employment in the manufacturing sector was increasingly characterised by the emergence of a dual labour market: a 'permanent' skilled/semi-skilled workforce in the electronics, electrical, shoe manufacturing, plastics and textile industry and a flexible, impermanent workforce working for piece-rates in the largely home-based sector in garment, leather and jewellery work (Falkus, 2000; Kaur, 2000).

Thailand, for example, recorded the highest percentage of women in the paid, formal workforce in the period 1970–95. Meanwhile in Indonesia there was a decline in women's participation in the paid workforce during the period 1990–95. This decline may largely be attributed to the changing organisation of the garment sector where women have traditionally predominated. Fluctuating consumer demand has resulted in smaller factories changing their operations from factory work to home-based work. Home-based work was also more profitable for the local entrepreneurs because it allowed them to reduce their costs and circumvent labour regulations (Susilastuti, 1996: 130–2).

In summary, therefore, women's increased entry into the paid workforce coincided with trade liberalisation and labour-intensive export manufactures. In the pre-industrial period, men, women and children participated in socially recognised and rewarded labour. Although women's work had use-value, overall, society did not place as high a value on women as it did on men. With the transition to industrialisation and the adoption of the import-substitution industrialisation strategy, urban-based men were the first to gain employment in factory work. The gendered division of labour reinforced the earlier logic of men's work as being separate from that of women's. However, the move into labour-intensive export manufactures, associated with the export-oriented industrialisation strategy, necessitated a low-wage labour supply and flexible work arrangements.

Although most of the tasks were not gender-stereotyped, women were employed in preference to men. This was a consequence of the production niches that the developing countries were channelled into, consistent with the global restructuring of manufacturing. The work involved in these production niches: electronics, textiles and garments, typically required high levels of accuracy and manual dexterity, consistent with repetitive work, and embodied the kinds of tasks traditionally carried out by women. Women's presumed psychological make-up, passivity, docility, and a capacity for hard work were contributory factors. The manufacturing niche itself also played a pivotal role in women's employment. Since it is based on low-wage costs, the preferred labour force is likely to be women since they can legally be paid lower wages than men can. Additionally, because productivity is dependent upon the labour of the workers rather than technology, women are deemed more efficient and reliable since they have been socialised into similar tasks in household production (Kaur, 2000). Moreover, since women are regarded as secondary earners, they are considered eminently suitable under the 'new' labour-market flexibility arrangements demanded by MNCs. Consequently, women's employment is characterised by the following: a (largely) non-permanent workforce; a movement from a permanent to non-permanent workforce depending on consumer demand; changes in payment (usually downward) coinciding with the profitability of the firm/industry; and restrictions on workers' rights to organise. In the New International Division of Labour, therefore, workers' fortunes have not changed for the better – everything changes and nothing changes.

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# 3
# Female Wage Labour in Perspective

*Malcolm Falkus*

## Introduction

It is a commonplace that rapid industrialisation in Asia and in other parts of the developing world during the latter decades of the twentieth century owed much to the cheap labour provided by women, and often children. Such labour has been, all still is, dominant in a number of manufacturing occupations, and is particularly evident in the labour intensive industries which characterise the early stages of industrialisation. Garments, textiles, leather goods, electronic assembly, simple plastics and such like are all occupations where female labour often predominates.

Rapid export growth has been a key feature of the development of many Asian countries since the 1960s, and female labour has often been a vital factor in the growth of export industries. In some cases the employers are foreign firms, established in developing countries to take advantage of cheap labour. In some industries, and especially in garments and sports shoes, international companies contract directly with local firms. As technologies have developed, a range of industries have relocated the simpler, labour-intensive, branches of production in developing countries, and reserved the final processing and highly skilled branches of production for the home country. Such an 'international division of labour' has been a principal mechanism whereby women in developing countries have been brought within the orbit of the wage economy.

From the perspective of the developing countries, industrialisation driven in this way has a number of significant consequences. New industries are established, new skills created, and an industrial labour force mobilised. An export sector develops, often with foreign capital and

entrepreneurship, and a base may be laid for further industrialisation using increasingly more advanced technology and labour skills. On the other hand, rural-urban migration can bring social disruption, while conditions in the factories can bring exploitation such as long hours, unhealthy working conditions, low wages, and child labour. Moreover there is no guarantee that diversification into higher value-added products will result: developing countries may be locked into the position of supplying cheap labour and low technology products. Indeed, the very term 'international division of labour' suggests some such process.

As developing countries industrialise, the workforce is often drawn from the reserves of underemployed female labour in the countryside. Thus rural–urban migration is a key element in the process. The phrase 'cheap labour' needs to be put in perspective. The need of export industries is often for very rapid growth (domestic markets usually have far more limited growth potential), and if wage costs are not to rise, a large source of underemployed labour is necessary. Female labour, especially young women and girls, often supplies such a source. Also, the very fact that production is for export markets, with labour a significant component of total costs, means that for any individual country the price of labour must be comparable with that in other developing countries – otherwise the industries might relocate to the cheaper countries. Finally, whatever the wage paid to young women and girls it is usually far lower than that paid to an adult male, and there is usually no assumption that the wage will be sufficient to sustain a family. In this way the cheap labour provided by women and children is usually characterised by discrimination, and employment is often characterised by job insecurity, as jobs might be relocated or export orders dry up.

Industrialisation based on the international division of labour is, of course, only a part of the development experience of Asian countries. Everywhere traditional occupations for women in agriculture and domestic service outweigh new occupations, while in urban centres service-sector jobs usually expand more quickly than manufacturing jobs. Even in the garment and shoe industries it is not always female labour which predominates (for example, in India such work is mostly done by men). But the very general experience of working women in developing countries as industries develop is striking: labour-intensive, female-dominated, export-oriented industries bringing wage discrimination, job insecurity, and the breakdown of traditional family structures.

If such a pattern describes with more or less validity the experience of working women in many developing countries, it is evident that a not dissimilar pattern may be found in the early industrial

history of present-day advanced countries. In many such countries, the earliest factory-based manufacturing industries used cheap female labour, adopted labour-intensive technologies, and often produced for export markets. An obvious example is provided by the British cotton textile industry, which developed rapidly from the 1790s with the adaptation of steam-power to spinning. Such factories made considerable use of the labour of young women and children, and the spread of factory industry in Europe and the United States as the nineteenth century progressed brought similar consequences. Wage labour for women, relatively low wages, and the disruption of the traditional family economy were all characteristics of the industrial revolution.

It seems appropriate to ask, therefore, whether the growth of female wage employment in recent Asian experience – the theme of this volume – is essentially part of a longer process which has absorbed the cheap labour of women since the industrial revolution. In the next section we will turn to some of the characteristics of the earlier development of female wage labour.

## The industrial revolution and women's employment in historical perspective

The factory system and the industrial revolution brought decisive changes to the lives of working women, but the changes must be seen in perspective. The direct impact of the factories on employment was gradual and partial, even in those areas, like northern England, where the new types of production took firmest root. Generally, influences on working life spread with industrial change, having their earliest impact in Britain's textile centres, and other industrial towns, and passing to Belgium, northern France, the coal regions of Germany, the industrial cities of New England, and so on. But much depended on time, place, opportunities, and social attitudes.

Nor was wage labour for women, or the employment of women in manufacturing centres, new in the eighteenth century. The family economy was firmly rooted throughout Europe in pre-industrial times, with an established gendered division of labour and division of tasks according to the demands of the agricultural season. The essence of the family economy was that women, and those children old enough to do so, worked to supplement the family income within the environment of the home. Industrial tasks would be undertaken in addition to, and subordinate to, the main agricultural employment. The main industrial activity was yarn spinning and cloth making, and under the putting-out system yarn was

normally spun by women while weaving was man's work. At the same time there would often be seasonal agricultural work where the entire family might earn income, again with tasks gendered. Such work could be found in the wine producing regions of Burgundy, for example, where women picked the grapes at harvest time.

Women everywhere seem to have been involved in marketing and trading, bringing produce to market and undertaking buying and selling. Descriptions of markets and fairs in medieval Europe frequently comment on the women traders, while a Chinese traveller in Angkor, Cambodia, gives an early description of what seems to have been a well nigh universal occupation for women. 'In this country it is the women who are engaged with commerce. ... Every day, a market takes place which begins at six in the morning and ends at noon. There is no market made up of shops where people live. Instead, people use a piece of matting, which they spread out on to the earth. Each of them has her own location, and I believe that fees are charged for these locations' (Chandler, 1983: 73).

While women entered the commercial and productive economy in various ways in pre-industrial Europe, the direct employment of female labour by capitalists was also no sudden creation of the industrial revolution. Sheila Lewenhak draws attention to two developments in the pre-industrial era. To take advantage of growing demand in certain luxury trades, employers sometimes gathered rural women in industrial establishments. An example was found in the eighteenth century of silk manufacture in Lyon, where manufacturers recruited country girls and women from the mountain areas of Savoy, and signed workers on an annual bond, similar to seasonal agricultural labourers. Also, several nascent 'factories' made their appearance, where large numbers of workers were put to work in a central location. Such factories were an alternative to the putting-out system where work was done in the home, but the techniques of production remained traditional. Large workshops were, of course, common and often associated with skilled crafts and apprenticeship. But a famous cloth factory appeared in England in the early sixteenth century. Here John Winchcombe, 'Jack of Newbury', employed both male and female labourers. Thomas Deloney, perhaps with poetic exaggeration, recorded in verse in 1597:

> A hundred women merily
> Were carding hard with joyful cheere
> Who signing sate with voyces cleere,
> And in a chamber close beside

> Two hundred maidens did abide . . .
> These pretty maids did never lin
> But in that place all day did spin . . .

The reference to 'pretty maids' may indicate the young age of the workforce, a feature as true of factories of the industrial revolution as of present-day Asia. The Newbury 'factory' employed 'seven score and ten . . . the children of poore silly men', who 'sate picking wool' and who earned one penny a day (Power, 1924: 163–4; Lewenhak, 1980: 150).

Centralised workplaces remained the exception rather than the rule before the nineteenth century, and women everywhere continued to find more work in traditional sectors operating under traditional systems of work than they did in the new. Certainly in England, though, there was a growth both of wage employment for women and a growth of centralised workshops in industrial districts as the eighteenth century progressed. Daniel Defoe in the 1720s described how many branches of the flourishing lace industry in Honiton, in Devon, were dominated by women, and women also worked extensively in hat-making in Luton and shoe-making in Northampton. A petition of iron manufacturers in 1737 referred to 'Artificers, Women and Children, who were formerly employed in that Manufactory, in making Nails and Scythes etc. for Exportation', while in 1741 William Hutton noted on his journey from Walsall to Birmingham a 'prodigious number of blacksmiths' shops upon the road', some of which employed as nailers 'one or more females, stripped of their upper garments, and not overcharged with their lower, wielding the hammer with all the grace of the sex' (quoted in Pinchbeck, 1930: 278).

## The factory system and changing contexts of women's employment

If, therefore, female traditional and domestic work long survived the industrial factories during the nineteenth century, and if various types of wage labour were common in pre-industrial revolution times, in what ways did the industrial revolution mark a decisive era in the history of female wage labour?

Of critical importance was the separation of place of work and place of living. In the 'family economy' most tasks were home based, and provided a by-employment to seasonal agricultural labour. Working life was village-based and rural-based. The factory, though, disrupted the family economy in terms of economy and location. In place of seasonal

home work, geared to supplement earnings from agriculture, the factory demanded regular attendance and regular hours. In place of family earnings the family member now worked as an individual. Location was determined largely by the availability of power. At first, water-power necessitated factory location in rural, often sparsely-populated regions and a labour force gathered as such conditions demanded. But the adoption of steampower soon allowed factories to cluster in rapidly growing industrial towns, and industry became urban, rather than rural based.

Another element was the wage. True, money earnings were nothing new. But the factory, and a host of other occupations which arrived with industrialisation, brought earning-power to women and girls on a wholly new scale. At the same time, they brought lower wages for women and children than for men. Across Europe generally, throughout the nineteenth century, and depending on place and occupation, women earned only one-half to two-thirds of the male wage for comparable occupations. The industrial revolution institutionalised discrimination.

The regularity of employment necessary for factory work was often incompatible with the child-rearing and other domestic responsibilities of married women. In pre-industrial times under the putting-out system such responsibilities could be combined with irregular and seasonal home-based work, but the factory and other centralised establishments which required long and regular hours of work introduced a new element. Thus employers often preferred younger, unmarried women, and took on married women only when labour shortages occurred. Essentially, the factory tended to employ young unmarried women while older women might seek part-time work such as cleaning, taking-in laundry, or home-based work. Factory employment was typically the preserve of the young, as far as women were concerned.

One element in the new factory regime is often overlooked. Prior to the industrial revolution much wage-work was performed for piece-rates or some variety of a day-rate plus a bonus for work produced. This was the case in a wide variety of occupations, such as seasonal agricultural work (for example fruit picking) and throughout the domestic system where the capitalist paid the home-worker for the work delivered. Under this form of payment the concept of 'cheap female labour' had little meaning, since payment depended upon the amount produced and the rate per piece agreed.

Factory machines introduced a new element. Here piece-rates were usually inappropriate since the machine governed the rate at which work could be performed and the individual operative did not produce a simple defined product. Rather, output was the product of machines and

the work of a large number of operatives. This was an essential difference between the factory and 'sweated trades' such as garment making, where payment was always by the piece. Factories tended to employ operatives at a daily or weekly rate (normally weekly) and pay this rate for a fixed number of hours.

The significance of regular wages and fixed hours needs emphasis. Under the domestic system where piece-rates prevailed the capitalist controlled costs and profits principally by the amount paid for work produced. If little was produced, little was paid for. Under this system, the individual worker had considerable flexibility, and to an extent could decide upon hours of work and intensity of work. For women this was of particular importance as home manufacturing activity could be dovetailed with other tasks.

The factory system brought significant changes. Decisions on hours of work, and intensity of work now passed from the worker to the factory owner. The substitution of the time-rate for the piece-rate made supervision of work necessary and led to a shop-floor hierarchy where the supervisors were normally men and the most menial and unskilled jobs were performed by women and children. More than that, the time-rate encouraged the search for cheap labour in order to keep weekly payments at a minimum (this was particularly the case for labour-intensive processes). The factory thus institutionalised discrimination – the lower wage paid to women (and child) workers.

The chronology of the arrival of the factory system in industrial Britain and its spread elsewhere is too well-known to need repetition. As far as female labour is concerned, the key invention was the spinning 'mule' invented by Samuel Crompton in 1776. When this was adapted to steam power in the following decade, the way was opened to urban factory production; the first spinning factory in Manchester was established in 1792 and by 1815 over two hundred factories were operating in that city alone. While cotton spinning was concentrated in Manchester and other towns in South Lancashire, factory-based wool spinning developed in the West Riding of Yorkshire, in towns such as Leeds and Halifax. Power-driven weaving factories appeared on the scene later, developing rapidly during the 1820s and 1830s.

The 'mule' was considered too heavy and cumbersome to be operated by women and since, especially in the early days, the mules needed frequent attention and repair which was always considered the prerogative of the male, the main mule-spinning jobs were done by adult males. The spinning factories, though, provided a great many jobs for women and children – perhaps over two-thirds of those employed in the early

factories. Such jobs included preparation, cleaning, mending broken threads and other ancillary tasks. From the beginning, therefore, the factories had a gendered division of labour which was in fact a hierarchy of labour, with higher paid adult males having the most responsible jobs and large numbers of women and children undertaking other jobs.

The rapid growth of the cotton textile industry, and to a lesser extent woollen textiles, at the opening of the nineteenth century in Britain brought a brief period of great prosperity for handloom weavers as greater and greater quantities of yarn were produced from spinning factories. But the growth of power-driven weaving factories in the 1820s and 1830s quickly brought the end of handloom weaving for all but a few specialised sorts of cloth. In weaving factories the power looms were operated mostly by women, and the total workforce of weaving factories always had a preponderance of women and children.

In this way, the traditional spinning and weaving roles of males and females in pre-industrial times was reversed. Under the domestic system spinning had been the woman's job, while the adult male had worked the loom. In the factory the mule, which remained the main spinning technology in Britain down to the First World War, was operated by men with large numbers of females undertaking ancillary jobs. In weaving, women operatives predominated, and took over the traditional weaving jobs from the male. It should be emphasised, though, that in weaving factories as well as in spinning, the most highly paid jobs and supervisory jobs were always taken by males, and throughout all branches of the textile industries women provided a source of cheap labour and were paid at a rate far lower than the male. In power-loom weaving 'women were put on a lower paid, lower graded work, weaving narrower materials' (Lewenhak, 1980: 153).

Table 3.1 gives some figures of the structure of employment in Britain's textile factories during the nineteenth century.

The table shows statistics of the labour force compiled from the records of factory inspections. Several points can be drawn from the data. The table records a sharp drop in the numbers of children working, following the effective enforcement of the 1833 Factory Act. The absolute numbers fell from 55,000 to 33,000, and even if employers concealed the numbers of children employed there can be little doubt that a significantly smaller proportion of children worked in Britain's textile factories after the 1830s.

But apart from the years immediately following the 1833 Factory Act, the table shows a rather surprising constancy in the proportions of men, women and children employed in the textile industry. The higher proportions of child labour in the 1870s probably reflect the inclusion of

*Table 3.1* Structure of employment in textile factories (%)

| | *Children (8–12)* | *Women and girls (13+)* | *Men and boys (13+)* |
|---|---|---|---|
| 1835 | 15.9 | 47.3 | 37.7 |
| 1838 | 7.9 | 54.0 | 38.1 |
| 1847 | 7.9 | 54.9 | 37.2 |
| 1850 | 6.8 | 55.3 | 37.7 |
| 1856 | 7.7 | 56.2 | 36.1 |
| 1861 | 9.0 | 55.8 | 35.2 |
| 1867 | 10.0 | 56.1 | 33.8 |
| 1871 | 8.9 | 56.0 | 35.1 |
| 1874 | 12.5 | 54.4 | 33.1 |
| 1878 | 11.3 | 55.6 | 33.1 |
| 1885 | 8.9 | 56.2 | 35.0 |
| 1890 | 7.8 | 56.3 | 35.8 |

*Source*: Nardinelli (1990), p. 106.

additional branches of the textile industries within the scope of factory inspection where child labour was common, for example, in silk manufacture. But that apart, the broad pattern of employment remained constant throughout the century, despite rapidly growing total numbers.

Clearly women and girls predominated in textiles, Britain's leading manufacturing sector before 1914. They formed more than half the workforce, while the proportion of males over the age of 13 varied between 33 per cent and 38 per cent. If we separate boys and girls between the ages of 13 and 18, and include them as 'children', the picture is even more stark. Adult males were only about one-quarter of the textile workforce in the nineteenth century, a low of 22.8 per cent in 1838 and a high of 27.6 per cent in 1890.

It is interesting to look in detail at one of Manchester's largest spinning factories, M'Connel & Kennedy, who were employing over 1,500 workers during the 1830s. C.H. Lee's history of this firm includes information on the composition of the labour force, and the figures in Table 3.2 are drawn from his work (Lee, 1972). The table shows a number of points of interest. Females outnumbered males in the total workforce, but only in the older, not the younger age groups. The picture was even starker in statistics from the same firm in 1838, when 50 per cent of the male workforce were under 16, whereas only 4.4 per cent of the females employed were under 16 (Lee, 1972: 173). Moreover, as Table 3.2 shows, women's work was concentrated in light and ancillary tasks, in reeling, doubling, picking and carding, while spinning was undertaken largely by men and boys.

*Table 3.2* Workforce at M'Connel & Kennedy factory, March 1836

| *Job* | *Under 13* | | *13–14* | | *14–15* | | *15–18* | | *18+* | | *Total* | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *M* | *F* | *M* | *F* | *M* | *F* | *M* | *F* | *M* | *F* | *M* | *F* |
| Picking | | | | 2 | | 1 | | 5 | 4 | 136 | 4 | 144 |
| Carding and | 2 | 1 | 1 | 9 | 3 | 15 | 14 | 43 | 58 | 118 | 78 | 186 |
| Roving | | | | | | | | | | | | |
| Spinning | 129 | 74 | 110 | 49 | 49 | 26 | 58 | 34 | 243 | 53 | 589 | 236 |
| Doubling | | 1 | | 3 | | 6 | | 1 | 4 | 60 | 4 | 71 |
| Reeling | | | | | | 2 | | 6 | | 218 | | 226 |
| Mechanics and Clerks | 3 | 2 | | | | | 1 | | 44 | 2 | 48 | 4 |
| Totals | 134 | 78 | 111 | 63 | 52 | 50 | 73 | 89 | 353 | 587 | 723 | 867 |

*Source*: Lee (1972), p. 173.

*Table 3.3* M'Connel & Kennedy, average weekly wages, c. 1836

| *Age* | *Male* | | *Female* | |
|---|---|---|---|---|
| | *Wage* | *(No.)* | *Wage* | *(No.)* |
| 10–12 | 3/2 | (114) | 3/0½ | (48) |
| 12–14 | 3/11 | (110) | 4/1½ | (94) |
| 14–16 | 5/3½ | (54) | 5/6½ | (71) |
| 16–18 | 7/4 | (31) | 6/10 | (64) |
| 18–21 | 9/0¾ | (78) | 9/11¼ | (124) |
| 21+ | 27/9 | (276) | 11/1 | (442) |

*Source*: Lee (1972), p. 174.

Table 3.3 shows some of the fragmentary wage data for M'Connel and Kennedy which has survived from the mid-1830s. The near equality of average wages between males and females for the younger age groups is striking. Indeed, girls between 12 and 16 earned rather more than boys. Even in the 18–21 age group females surprisingly earned more than males. But the big difference comes with adult labour, where female average wages were just under 40 per cent of those earned by men. The reason for the differentials must lie in the types of work performed, though why there should be such disparities between the age groups is puzzling.

The reasons why women and children were such a high proportion of the workforce in Britain's textile factories are not hard to find, and several have been mentioned already. For certain tasks small fingers,

small bodies, and manual dexterity were preferred. But at root was the need to find a ready supply of cheap labour for a labour-intensive industry.

Where did the early factories recruit their labour? The earliest factories at the end of the eighteenth century used water power, and were often located in remote rural areas. Such factories often recruited pauper children as apprentices from orphanages in large cities such as London and Birmingham. But with steam power came the urban factory. In cities like Manchester and Leeds the recruitment of labour seems to have caused few difficulties for employers. Most of the labour force was recruited locally, or from very short-distance migrants. It should be recalled that in England, and throughout much of Europe, the century after 1750 saw quite unprecedented population growth rates, and England's population doubled in the half century after 1801. Certainly there is no evidence that factory owners undertook widespread recruiting in rural villages, and no evidence of factory agents scouring the countryside for rural girls. It may be true that, in Sheila Lewenhak's words, 'cartloads of miserable girls and women arrived in factory areas' (Lewenhak, 1980: 170), but they would not have travelled far, and would have made up only a small proportion of the factory workforce, at least after the 1820s. As far as M'Connel & Kennedy were concerned, according to Lee, 'Although M'Connel & Kennedy were such heavy employers of labour they do not appear to have had any difficulty in finding workers'. The firm found free labour 'both plentiful and preferable' to taking on apprentices from orphanages, and, more generally, 'Manchester was never short of labour' (Lee, 1972: 114–15).

The availability of cheap female labour must be seen in the perspective of rapid population growth, abundant work opportunities outside the factories which attracted a stream of migrant families to the towns, and the breakdown of apprenticeship and guild regulations which opened new opportunities for women workers. It should be added that the first upsurge of steam-powered factories in Britain between the 1790s and 1815 occurred at a time when Britain was almost constantly at war with France and when there were general labour shortages and rising wages. Employers would naturally seek sources of cheaper female and child labour at a time when male labour was short.

We have emphasised that the factory institutionalised a low wage for women and their inferior status in the workplace. Deborah Simonton makes the important point that this process was associated with a redefining of tasks in the factory so that a sexual division of labour became a 'hierarchy of labour' (Simonton, 1998: 142). In a whole range

of industries, factory and non-factory, and throughout Europe, women workers were assigned the lowest jobs, the least responsibilities, and the lowest wages. Key elements here were the supervisory roles of the male, and the association of the male with technical skill and know-how. Physical strength also played its part, since the greater physical strength of male workers allowed them to perform certain tasks denied to women.

Since only rarely did men and women undertake exactly comparable jobs, it is not easy to quantify the discrimination against women. Certainly, though, most of the higher and more skilled jobs throughout a wide range of industries were denied to women. In the silk industries of Spitalfields, for example, women usually produced plain and narrow pieces, while men worked on broad looms producing large silk pieces and also did the more intricate work, and they earned double the rate of the women. In Amiens, male factory spinners earned roughly twice as much as female spinners in the mid-nineteenth century, while one source claims that for all trades in Paris in 1870 women earned only half the rates paid to men.

## Impact of the factory system on the family economy

What was the impact of the factory system on the family economy? Smelser argued in 1959 that the early spinning factories did not immediately disrupt the family economy since the male mule spinner would usually take his family to work with him in the new factories and would pay the family himself from his earnings (Smelser, 1959). Only with the widespread adoption of power weaving in the 1820s, Smelser argued, was there a decisive breakdown of the family economy. Smelser's arguments have found little acceptance, although they are a useful reminder of the way in which tradition continued to linger with change as the factory system took root.

More surprising, perhaps, is the finding that female participation in the productive economy probably fell, not rose, with the industrial revolution. According to Richards, after about 1820 'it is very likely that the female participation rate declined' in England, and, 'even with textiles (wool, linen and cotton), if the gains are balanced against the losses of work for women in all branches ... the net consequence may have been a reduced female participation' (Richards 1974: 345–6). The losses, of course, included spinning and other home-based work which was undertaken in factories, and we may repeat again that relatively few females were employed in the factories despite their predominance in particular branches. The essence of the industrial revolution, of course,

is that it allowed machines to do work hitherto undertaken by humans, and to do it on a vastly increased scale. As late as 1841 there were only 9,000 female factory operatives recorded in Manchester, while in England and Prussia in mid-century the female factory workforce was less than 10 per cent of the total.

A reason for declining participation rates may have been a rise in the birth rate and falling age of marriage, which occurred in many parts of Europe during the century after 1750. This would have increased the child-rearing responsibilities of women at a time when the types of home work which could be combined with domestic duties were declining. The ideas that 'a woman's place is in the home', that her work should be confined to raising a family and looking after the home, and that the male should be the sole breadwinner were very much a product of Victorian times. But they came at a time when economic circumstances were pushing in the same direction. There was a breakdown of the family economy, a growing gendered division of work, and a pattern of work which made it increasingly difficult for married women to find paid work in factory or workshop. Ironically the industrial revolution produced more jobs for women in traditional sectors than in the factory. A case in point is domestic service, which always employed more women than any other sector outside agriculture during the nineteenth and early twentieth centuries. This traditional occupation was strengthened as growing wealth brought increasing numbers of middle classes with middle-class incomes and middle-class aspirations. Domestic service was also a preferred occupation for many rural girls, perhaps, it is claimed, because such work retained the traditional values of family, home, and personal contact.

In manufacturing, and outside the factory, the nineteenth century saw a host of small workshop occupations which would employ women. It should be remembered that everywhere the factory town was the exception: in England neither London nor Birmingham had significant factory industries, nor did Paris or Brussels. But all large towns had garment making and other sweated trades; needle, pin, and bonnet making; and a wide variety of service occupations where women would be employed. The significance of the industrial revolution to women was thus not so much the machine but the new work opportunities afforded and the centralisation of production, and the counterbalancing loss of traditional occupations and declining opportunities for married women. Deborah Simonton emphasises the point, arguing that 'centralisation of the workforce and a division of labour which entailed specialisation and "deskilling" were the most significant changes to working practices ...

mechanisation was an important concomitant development, as were increasingly efficient sources of power, but was not, in itself, the key change' (Simonton, 1998: 135).

## Technological change and female wage employment

The second half of the nineteenth century marked a new phase in female wage employment. A number of significant inventions occurred, many of them emanating from the United States. The sewing machine went into commercial production after 1847, and the ubiquitous 'Singer' spread throughout the world from the 1850s. The typewriter in the 1860s and the telephone and cash register in the 1880s all portended new types of jobs which could be undertaken by women in the clerical and service sectors, at a time when rising wealth, changing technologies, and growing education opportunities were in any case widening and deepening the range of work open to both men and women.

While such changes were often positive for women, they strengthened further the distinction between the working, unmarried woman, and the married woman who was expected to spend her life on domestic tasks in the home. The boost to all types of female employment given by the First World War was only temporary, giving way, as it did, to long periods of unemployment and economic depression. Only since the Second World War have fundamental changes occurred in advanced countries in areas such as equal opportunity and a reduction in discrimination. And in the developing world women nearly everywhere work under conditions of inequality reminiscent of those apparent during the industrial revolution.

The above summary echoes Theresa McBride's analysis of women's work since the industrial revolution (McBride, 1992). In a perceptive paper, she sees women's experience as falling into three broad phases. First, with the new factories, increasing job opportunities were available for women. Such work came in the new factories, but expanded even more in traditional sectors such as domestic service and a range of home-based work. Married women as well as unmarried women found more work at this time.

The second phase, running roughly from the 1880s until the Second World War, saw reduced work opportunities for married women. Many traditional occupations declined, including in agriculture, in domestic service, and in many home-based industries. The new opportunities which came with the typewriter and the telephone, and opened a new range of clerical jobs for women, were opportunities essentially for

unmarried women. At the same time the newer phase of industrialisation ushered in heavy, rather than light, industry, providing jobs mainly for men. Such industries included coal mining, metallurgy, shipbuilding, and railway construction. The Victorian ideal of the male breadwinner and wife confined to the home coincided with the economic reality of declining home-based occupations and regular factory and office employment which could not be flitted easily alongside domestic responsibilities.

Thus, in the second phase, opportunities for women generally declined, and married women retreated from the workforce: 'the most significant change in women's work to emerge from industrialisation was the notion that women should retire from work when they married' (McBride, 1992: 66). The third phase, which Theresa McBride places from around the 1940s, has seen growing opportunities once more for married women. Significant factors here include the long period of full employment and labour shortages which followed the Second World War, and changed social attitudes on issues such as equality of pay, equality of opportunity, and married women in the workforce.

In the context of this chapter, the key period is that of phase one where new factories and centralised workplaces co-existed with traditional occupations. In detail we might wish to add caveats to McBride's heroic generalisations. For example in Britain the traditional cotton textile industry added more to its workforce in the decade before 1914 than in any previous decade, while the numbers of female domestic servants did not show a significant decline until the 1930s. But McBride's distinctions between the experiences of married and unmarried women, between the modern and traditional sector both growing in the early stages of industrialisation, and between the ultimately declining traditional sectors and new opportunities which were growing for only a small sector of the female labour force are important.

## Continuity and change: industrialisation and women workers

We may now return to the theme discussed in the opening section of this chapter. Is the experience of female wage labour in present-day developing Asia part of the same process which began with the industrial revolution? Let us focus on four elements which mark the European experience: the use of women as a source of cheap labour; the development of discriminatory labour practices; the breakdown of the family economy and reduction in work for married women.

As far as Asia is concerned, there has clearly been a widespread use of rural women as a source of cheap labour. In Indonesia, Cambodia, the Philippines, Thailand, and elsewhere, the garment trades have overwhelmingly sought their labour force from among young women and girls, and the same picture holds true for all sorts of other occupations, such as those in electronics and plastics which require assembly operations. Unlike in England, and in some parts of Europe, many of these women come from remote rural districts, often recruited by agents, and often finding employment in the service or entertainment sectors. And, again unlike Europe, many if not most of the women and girls retain links with their rural families, sending money to their parents and making periodic visits home. In other words, the rural–urban division seems more marked in early industrial Europe than in industrialising Asia.

Another contrast lies in the type of work, especially if we compare the two most significant and obvious examples, cotton textiles in Europe and garment making in Asia. Textile production was concentrated in large factories because of the needs of power-driven machinery; work was paid by time, and a clear gendered division, and hierarchy, of labour appeared. But in the garment trades the technology is usually the sewing machine, with much work sub-contracted and sometimes performed in the home. Moreover in most branches of the garment industries piece-rates prevail. Since women usually form an overwhelming proportion of the workforce in Asian garment industries (in Cambodia the figure is around 95 per cent) a gendered division and hierarchy of labour is not so obvious, except for supervisory tasks. Of course, in other industries such as electronics, time rates are usually paid and the more complex and varied work processes have led to a significant gendered division of labour.

Industrialisation seems to have coincided with a rising participation of females in the workforce in Asia, and a falling rate in Europe. This may reflect two elements. First, the greater proto-industrialisation capacity of pre-industrial revolution Europe meant that factory production, when it came, had a greater impact on existing female occupations. Second, the growing female workforce in industrialising Asia has generally coincided with falling birth rates and a higher age of marriage for women, in contrast to nineteenth-century Europe.

Finally, we may ask whether there is any evidence in industrialising Asia of Theresa McBride's 'second phase', where greater job opportunities for single women in the wake of technological advances co-exist with a decline in work opportunities for married women. Here again there seems to be a contrast between current Asian and past European experience. As far as can be judged, and certainly in Thailand and the

Philippines, the participation rates of older, married women in the labour force has actually increased at a greater pace in recent years than for women in the younger, under 25, age groups. A prime reason for this is certainly the expansion of educational opportunities for girls and young women, while social attitudes in some (though not all) industrialising Asian countries view positively the presence of married women in the workforce.

Moreover, if McBride is correct to pinpoint the rise of 'man's work' in the second phase of industrialisation, as traditional sectors declined and new heavy industries grew, there is little sign of this in the industrial experience of most developing Asian economies. On the contrary, the 'second phase' has often meant higher-skilled assembly and component manufacture associated with imports of foreign capital and expanding export markets, and such sectors often employ women on a scale comparable to that of the first 'garment stage'.

A constant remains. The lower wage paid to women, and institutionalised in the British industrial revolution, has continued. The nineteenth-century situation where women generally received one-half to two-thirds the pay of men has been repeated with remarkable consistency in industrialising Asia. This, together with the large numbers of women in the workforce in certain key export sectors, is the principal link between the present and the past in female wage employment.

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# 4

# Women, Work and Household in Industrialising Asia

*Samita Sen*

## Introduction

The journey from the field to the factory has always been seen as more arduous and more transformative for women. Industrialisation, it is believed, causes a sharp, sudden, dysjuncture in the pattern of women's work. In the old family-household system women (and children) were part of family labour, included in the household's economic activity. The factory-workshop system requires women to travel to a site of production physically separated from the home and as individual wage-workers. The implications of the factory-workshop system are manifold but two have acquired prominence in the last century and a half. First, 'going out to work' means the neglect of women's primary mothering and wifely roles of maintenance and reproduction. Second, the 'freeing' of women's labour from the fold of the family undermines the authority and control – familial, of course, but also societal – over women's labour and sexuality. It is now recognised that the manner and extent of these changes, however, vary widely across cultural and historical contexts (Shorter, 1976; Hufton, 1983).

Some of the basic assumptions about industrialisation have been strongly challenged. Industrialisation is no longer presumed to be a singular or unilinear process. Industry is not synonymous with sooty stacks and factory barracks in smoggy cities. The villager's cottage, at the other end of the spectrum, is an equally hospitable site of industrial capitalism. Nor can one assume a threat or challenge to the family (and women's role and position within it) from the process of industrialisation. Even as patterns of industrialisation vary, so do women's experiences and the family's responses. Women may experience industrialisation positively or negatively, through inclusion or exclusion,

from within the home or in having to leave it (Seccombe, 1993; Safa, 1995).

In the case of Europe, women's inclusion and then, at a later stage, exclusion from industrial wage-work has provoked much debate. Do women benefit from participation in industrial wage labour? Did women lose out from the movement for a family wage by organised trade unions and the categorisation of women as housewives and secondary wage-earners? Whether or not women gain greater autonomy by incorporation in capitalist wage labour, a debate initiated by Engels, has been a key question with regard to women's industrial work in Western historiography, and has also influenced scholarship in Asia (Engels, 1978). In Southeast Asia the rapid induction of large numbers of young unmarried girls into industrial labour prompted a closer look at the terms on which industrial wage labour was undertaken. Could this highly exploitative wage labour be in any sense emancipatory? According to Safa and Nash, exploitative labour-intensive employment is merely a 'comparative advantage of their [women's] disadvantage' (Safa and Nash, 1986). Other scholars have argued that even such intensive wage labour can be a potential source of liberation and autonomy (Lim, 1980, 1990). These are not mutually exclusive positions, argues Wright, since the 'comparative advantage of their disadvantage' may be *potentially* liberating for women (Wright, 2000). In the South Asian case, the persistent exclusion of women from factory work has prompted other kinds of questions. Is participation in wage labour at all a relevant criterion for autonomy? Do we have to look at the family as the primary site of women's dependence? All these questions are cast, implicitly, *vis-à-vis* women's inferior and subordinate status within the family.

Even though scholarship in recent years has emphasised the diversity of experience, there seems little disagreement that the family influences some of the process of industrialisation, and especially women's role in it. In most Asian countries, the family and domestic relations have played a crucial role in shaping recruitment patterns, labour processes and producing gendered forms of labour control. The relationship between family and wage work appears, in many of these contexts, not as dichotomous but as complementary, mutually reinforcing the extraction of women's labour. In India, family networks have been institutionalised in recruitment processes, even in the formal sector. In Taiwan, household and kinship networks aided industrialisation and, therefore, rapid economic growth (Gallin, 1984). In Korea and Hong Kong, workplace relations are cast in family terms and metaphors, helping to 'naturalise' hierarchies and ensure labour control (Kim, 1997).

Families also offer – in real or metaphoric terms – grounds for forging solidarities. The reproduction of familial language or relationships in the workplace may facilitate solidaristic activities (Lee, 1998; Saptari, 2000).

The variety of women's experience of industrialisation in Asia and the significance of the linkages between household and work in creating (or influencing) such variation is the subject of this chapter. The approach is necessarily comparative and an attempt has also been made to discern general trends and identify variations and diversities. While addressing regional diversities, some attempt has been made to place these in historical contexts. The chapter also focuses on some key aspects of the complex and multi-faceted questions about household and work debated in the Asian context. The first section examines briefly the historical constitution of female wage labour in different parts of Asia in relation to industrialisation. The second section, which concentrates on home-based production, argues that industrialisation does not necessarily reduce but indeed sometimes enhances the significance of the household/family as the locus of women's productive and wage-earning activity. The third section explores the multifarious impact of a woman's work on her role and status in the family.

## Gender divisions and patterns of industrialisation: regional diversities

Nowhere is the diversity of women's experience of industrialisation more evident than in Asia. First, patterns of industrialisation vary enormously across the different regions of Asia. Second, women's experience of industrialisation or any kind of economic development is influenced by existing gender systems. Disparate gender systems evolved prior to the onset of industrialisation. The gender systems in these regions are part of larger socio-cultural formations and follow, roughly, the conventional regionalisation of Asia. In the West, East and South Asian regions, women are deemed inferior and subordinated within the family. By comparison, Southeast Asia allows women greater control and decision-making within the family. In the West and South Asian regions, there are greater constraints on women's public visibility and, therefore, their participation in labour processes requiring public appearances and/or non-kin interaction is more limited. This follows from a stricter regime of sex/gender segregation. In East and Southeast Asia, women's productive and wage-earning roles are far more easily accepted, in some cases even expected. These cultural/regional differences in women's relationships

within the family and with work greatly influence the gendering of industrialisation.

Two qualifications should be made before we proceed further. First, the geographical, political and cultural distinctions have a rough but not full equivalence. North-east India, for example, displays a closer kinship with Southeast Asia while Pakistan may be more akin to the West Asian pattern. Religion may account for some of these differences, but seems actually to be less relevant than usually argued. Even though predominantly Muslim countries, Malaysia and Indonesia seem quite akin to the general Southeast Asian pattern. Pakistan and Bangladesh, on two flanks of the South Asian sub-continent, have wide differences in patterns of women's work despite a shared religion. Indonesia has a high proportion of economically active women (50 per cent) while Pakistan (6 per cent in 1981) registers very low on the scale. Moreover, Bangladesh, in part due to the high-profile feminised garment industry, has seen an increase in women's workforce participation from about 4 per cent in 1974 to 28 per cent in 1984 (Heyzer, 1988: 12–15).

Second, the public/private dichotomy does not overlap a home/workplace division as much as a spatial separation between the home and the streets or bazaars (marketplaces) and an ideological separation between the family and the community's collective activities. The sanctions against women's public roles, therefore, apply often narrowly to their appearance and visibility in public spaces and community decision-making rather than to wage labour. Rather, the norms of sex/gender segregation encourage women to accept exploitative home-based work in lieu of more lucrative factory/workshop employment.

## The beginnings: 1900–45

Let us return briefly to the question of diverse patterns of industrialisation. The South and Southeast Asian countries were under colonial rule when they embarked upon industrialisation. The Southeast Asian countries found themselves limited to processing raw materials, while South Asia experienced developments in textile, extractive and plantation industries alongside some heavy and basic industries like iron and steel and engineering. On the whole, these countries were locked into the production of low value consumer goods, mainly agro-based, and with high labour and low technology intensity. Amarjit Kaur, in her excellent study of women's work in colonial Malaya, has shown how the ethnic and gendered division of labour went hand in hand with the transformation of the economy. The Malays remained in the subsistence

and rice cultivation sector while the capitalist export-oriented sector employed primarily migrant workers. In the modern plantation and mining sectors exclusive female tasks were defined by low status and wage rates, so much so that 'work became the bearer of gender' (Kaur, 1999).

Both in South and Southeast Asia, colonial authorities formulated economic policies on the basis of their own western cultural notions of the male breadwinner and dependent women. Land regulations and tenure, legislative and judicial measures helped to enhance patriarchal control over women, especially at the level of the household. Men received the opportunities and benefitted from modernisation programmes and were encouraged to assume full control over resources. As a result, women were excluded from the mainstream of economic modernisation and capitalist development. In countries such as Malaysia, processes of commercialisation, as well as revenue policies were predicated upon a class of small-holding peasantry dependent on both family and wage labour. This group survived by redistributing their commercial production, subsistence production and wage labour at the level of the household through a sharpening gender division. Women (and children) took over household production and reproduction, subsistence activities like foraging and gathering, while men moved into commercial production and wage labour, sometimes involving long-distance migration. Thus emerged an anomalous household impossible to categorise in conventional terms: in the same household the men were engaged in commodity production, sometimes in modern capitalist sectors like factories, mines and plantations while women remained in domestic agriculture, food cultivation, petty commodity or retail trade service. Not only did men's and women's labour diverge sharply, but men received increasingly higher returns from their labour in the modern sector while women's earnings dwindled as pressures on the traditional economy increased. The result was a devaluation of women's labour and a loss of status as earners and providers within the family/household (Sen, 1999; Kaur, 2000).

In East Asia and some other parts of Southeast Asia, we find traces of the classic pattern associated with Western Europe and the United States. Women, marginal to the total industrial workforce, were employed in large numbers in textile and other light industries in Japan and parts of China in the early twentieth century. This female factory work force was, almost exclusively, young, single and migrant. After World War I, with the expansion into heavy industry, women's industrial employment decreased. A discernible masculinisation of the industrial workforce

pushed women either out of paid employment or into the service sectors, chiefly into domestic service. These trends were reinforced by a powerful ideology of motherhood in Japan in the interwar period, especially among the urban middle class (Tamanoi, 1991). In Thailand and Burma, women always predominated in textile and garment manufacturing, but these were insignificant even in the 1950s. The manufacturing sector as a whole had twice as many men as women (Broadbent and Morris-Suzuki, 2000).

## Parting of ways: feminisation of labour in Southeast Asia in the 1970s

In the post World War II period the Asian countries experienced processes of decolonisation and the aftermath of war and revolutions. In many of these countries, especially in East and Southeast Asia, women remained pivotal in the traditional economy, their role enhanced during World War II. In Japan, however, the leading industrial economy of Asia, the participation of women in urban and industrial activities declined steeply. Retrenchment of women from industries was justified by the ideology of *ryosai kenbo* (good wives, wise mothers). Rapid urbanisation and the need to commute to the workplace underlined the distance between home and workplace, and separated unpaid household labour and paid employment. The household emerged more clearly as a site of consumption and of women's reproductive activity. From the 1970s women's factory work declined further with the demise of light industries. Women who worked at all were forced into part-time work or into the service sector (Broadbent and Morris-Suzuki, 2000).

This pattern held true in India as well. Women began to lose their share of industrial and mining jobs from the 1930s, coinciding with new legislation formulated to 'protect' women workers. In the 1960s even textile industries, which elsewhere largely employed women, reduced their already meagre proportion of women workers on the plea that protective legislation like prohibition on night-work, maternity benefits and crèche provisions made the employment of women uneconomical. India's trade union movement, which grew rapidly in strength, became complicit in women's retrenchment, emphasising family wage and upholding male workers' aspirations towards the single male breadwinner family model (Kumar, 1983; De Haan, 1994; Janssens, 1997). The problem was that the factory and unionised workers were a small proportion and the bulk of the women were forced into informal and casual employment where conditions were worse and rewards poorer (Sen, 1999).

In the 1970s the 'capitalist' Southeast Asian countries witnessed a huge proliferation of consumer industries, consistent with the New International Division of Labour. As these countries embarked on labour-intensive export manufactures, a feminisation of labour occurred, especially in the industrial sector (Kaur, 2001). In Thailand women far outnumbered men in the manufacturing workforce by the 1990s. A dual market emerged in the female labour force: first, an impermanent, highly casual and flexible workforce as in garment and leather manufacture supplied by cheap migrant labour and second, a permanent, semi-skilled/skilled workforce as in electronics and plastics assembly (Falkus, 2000).

In Malaysia the government's programme of industrialisation shifted from import-substitution to the establishment of export-led industries in the 1970s. Women's share of industrial employment rose almost 20 per cent from the 1950s to the 1970s. This was, argues Kaur, the result of a huge increase in employment opportunities in the 1970s, rendering Malaysia a labour-deficit country and encouraging women's employment. So pronounced was this process that women undertook migration independent of family from rural areas into urban manufacturing employment, securing almost 95 per cent of the new jobs created in Free Trade Zones (Kaur, 2000).

The South Asian exceptions in this regard are Bangladesh and Sri Lanka. In the Bangladesh garment industry, some 1800 factories employ up to 1.2 million women (80–90 per cent of the workforce), mostly young, both locals and internal migrants. This workforce draws attention because it is high profile, a major foreign exchange earner and highly concentrated. But its overall impact is limited. In general terms, Bangladesh shares the sub-continental sanctions against women's paid work. Unlike in India, however, tailoring is not associated with a male caste skill and women's domestic sewing skills have made them attractive to the garment industry. Bangladesh is an Islamic country but with strong Hindu-Buddhist influences. The *burqua* is not as prevalent as in West Asia or Pakistan though the general acceptance of women working together in proximate circumstances testifies to the importance of the garment industry and the income women are able to earn from it rather than to Bangladesh's syncretic traditions (Wright, 2000). In Sri Lanka, the share of female wage-workers in the manufacturing sector went up from around 20 per cent in 1950s to more than 80 per cent in early 1970s. The women were mostly young, about 75 per cent being between 16 and 25 years and 98 per cent of them were single, mostly unmarried (Goonatilake and Goonesekere, 1988).

The Southeast Asian (principally Singapore, Malaysia, Thailand and Indonesia) case is without doubt exceptional in the larger Asian context. The feminisation of labour – large numbers of women entering regular factory employment as well as the casual labour market – was the result of a strong move towards export-led industrialisation directed largely by multinational corporations. The only other comparable case is perhaps that of China where women were drawn in through programmes of rural industrialisation. No other Asian region has experienced a mass induction of women into the industrial sector. It is, however, important to note that Southeast Asia had established traditions of high workforce participation of women, even in the Muslim countries, in strong contrast, say, to West Asia where a religious sanction against women's employment outside the home predominates.

## 'Outside departments of factories': women and home-based work

Homeworking, said Karl Marx, was the 'invisible threads' of capitalism, the 'outside departments' of factories. While outworking has been a parallel strategy of factory-owners since the very onset of the First Industrial Revolution, there has been, in recent years, a concerted move towards the dispersal of production through homeworking. A large segment of Asian women and children are participating in industrial capitalism from the 'outside departments', encouraged by custom and religion to desist from public appearance and to contribute to household earnings by working from home. Women are encouraged to choose the flexibility of homeworking in order to retain full responsibility for domestic and reproductive work, which suits conventional norms and practices of the family. Such cultural decisions have gone hand in hand with neo-liberal policies of the 1980s, which were based on the assumption that households would absorb the costs of structural adjustments. While in some countries of South and Southeast Asia, declining household income necessitated women's entry into factory employment resulting in the feminisation of the labour force; in many other countries, women were forced into informal survival strategies. The advantage of flexibility lay on both sides: to women who could combine work with domestic duties and to employers who faced increasingly volatile and crisis-ridden global markets.

Increasingly, however, from the 1980s there have been employer-led moves towards fragmentation, dispersal and sub-contracting involving home-based work even in countries which had witnessed a feminisation

of factory labour in the 1970s. This process is accompanied by a deepening and dynamic relationship between the global economy and the home-based female worker. Home-based work can no longer be conceived in pre-or non-capitalist terms. It has become a necessary and integral process of global capitalism. In fact, the new industrial homework is closely intertwined with the factory sector, part of the factory's operations being transferred to home-based workers. There is a steady growth of mixed production systems – a combination of factory, small workshop and home-based piecework – pushing production down to the home-based female worker (Prasad and Prasad, 1990).

Traditional household industry was based on homeworking and (usually) unpaid family labour. From the 1980s, we see the proliferation of this new kind of homeworking involving small firms and chains of middlemen. The garment industry has, historically, been most prone to outworking even in the advanced western economies. In India, for instance, the number of workers in household industries (crafts production and light consumer industries) is declining steadily while home-based workers are being drawn into a system of industrial production (Prasad and Prasad, 1996). In less developed economies, unpaid family labour is the most heavily feminised. This sector usually declines during the course of development but the decline in the Indian case has been in favour of homeworking and less advantaged casual employment. India now has the lowest share of unpaid family labour (Horton, 1996) but the small decline in 'self-employment' is usually a cloak for the reconstitution of wage-workers. The story of the *bidi* (leaf-rolled cigarettes) industry is by no means an uncommon one. From the early 1980s, *bidi* merchants of Ahmedabad no longer provided raw materials to homeworkers. Workers had to buy their own raw material and sell the finished product to the merchants. The relationship changed from one grounded in wage to a commercial one. The work remained exactly the same, but the workers lost all their rights guaranteed under the Indian Bidi and Cigar Workers Act (Jhabvala, 1985).

Thailand, says Susan Horton, has the largest proportion of unpaid family labour of women and (along with Indonesia and Malaysia) has witnessed a heavy incursion of homeworking in rural areas (Horton, 1996). 'The choices households make in allocating their labour power reflect long-established gender ideologies', says Elisabeth Prugl (1996a: 48). While the 'housewifised' homeworker prevails in many parts of the globe, in rural Thailand homework rides piggyback on the housewife ideology. In Thailand, as in Indonesia and Malaysia, patterns of traditional homeworking were integrated with farming and other

craft occupations. In the nineteenth century, home-based manufacture was the chief secondary occupation of women in rural households. The new industrial homeworking (gem-cutting, flower-making and garments) demands full-time attention and has stronger association with the image of the housewife (Prugl, 1996a). In Malaysia, small batch and subcontracted home-based work draws married women who wish to balance earning with housework and childcare responsibilities (Kaur, 2000). This complements the preponderance of young and single women in the factory/workshop sector. All these countries are experiencing increasing information and outsourcing through casualisation. In Central Java in Indonesia, even the relatively traditional and woefully paid garment sector homeworking is now the primary occupation of many rural households (Susilastuti, 1996).

The invisibility of homeworkers is pronounced in Pakistan, where women's seclusion is practised more strictly than in other parts of South and Southeast Asia. Homeworking is often the only option for poor women torn between cultural norms and economic necessity. And this is not just the result of seclusion and limits on physical mobility and public visibility. 'It is not only a question of a woman leaving her *kucha* [home] . . . but the larger issue of a woman earning an income . . . and feeding the men in the family . . . ' (Weiss, 1996: 89). The solution is to hide or obscure productive work and earnings from it. This is particularly ironical because the same work is also undertaken by men, the difference being that women do it at home for lower returns while the men do it in workshops, streets and bazaars. Thus women not only have to work for poorer rewards but also render the work invisible. The invisibility is further sustained by confinement to garment production and items of household necessity rather than, say, craft items for tourist markets for higher returns. Homeworking in Pakistan is both the cause and the result of a social imperative to render women's work invisible (Weiss, 1996).

The spread of homework pre-empts any challenge to traditional reproductive work patterns, sexual division of labour and/or family authority. Moreover, homeworking is predicated on traditional patriarchal structures, which cheapen women's labour by curtailing their options. The employers benefit on many counts: women workers have no control over the delivery of their output to the market, and their dispersal in private homes prevents the discovery of solidarities and initiatives for collective action. The most successful attempt to circumvent this pattern of exploitation has been initiated in Ahmedabad (India) where the Self-Employed Women's Association (SEWA) offers an

internationally recognised model for re-organising women's homework through networks of collective co-operation (Prugl, 1996b).

## Changing the family: marriage and home management

Available case studies conducted in different Asian countries all point in one direction – the family is the critical site for the construction of female dependence. Even where women's economic dependence is not common, legal, religious and cultural norms have emphasised values of docility and obedience. In all Asian countries, we see patterns of (more or less) gender-asymmetrical marriage, domicile and inheritance, ideologies of domesticity and gender-typed reproductive responsibilities (apart from a few notable exceptions). Access to employment may challenge some, but rarely all of these. More importantly, the terms on which access to employment is gained, and the ability to continue to work is very often determined by these structures themselves. Thus, the class of women who work and the kind of work they do are contingent on male decision-making in the family, euphemised as family decision-making or household strategy. In this section, three issues have been chosen to discuss the question of women's work *vis-à-vis* the constitution, structures and ideology of the family: marriage, fertility, and decision-making regarding employment; reproductive work; and earnings and expenditure within the household.

### Marriage and fertility

In most of Asia, households remain based on the family and families are constituted by marriage and by inter-generational reproduction. Asian culture (if one can talk about such a thing) is replete with ideologies of consanguinity, kinship and family. Religion is of course a crucial determinant of family customs and practices and remains very important in legitimising patriarchal family ideology. Historical traditions and regional cultures seem, however, to prevail over religious homogeneity. The broad regional pattern meshes with the diversity, noted earlier, in women's work patterns.

The sub-continental pattern is universal and young/child marriage and early child-bearing delay women's entry into labour market and reduce their access to education and training. In India, Pakistan and Bangladesh, Hindus and Muslims share these norms. Though Islam is liberal about divorce, the sub-continent shows very low rates of divorce reflecting assumptions of enduring marriage, which encourages

women to make a long-term investment in household and family. As a result, if sub-continental women are faced with divorce and desertion (increasingly the case), they are unprepared for the labour market and traumatised by the necessity of self-provision. Concomitantly, remarriage rates are very low and thus the proportion of single women (widows, deserted and divorced wives) remarkably high. This paradox of female (in)dependence remains a strong feature of sub-continental societies.

Indonesia, the largest Muslim country in the world, offers the greatest contrast. According to Diane Wolf, Javanese women enjoy a remarkable degree of autonomy, even within the family, and are able to go against the wishes of their parents in employment decisions (Wolf, 1997). Javanese society in particular is marked by both high rates of divorce and remarriage. In this society, women's work does not signal loss of status and is usually unaffected by marriage. The older and single (widowed and deserted) women have greater participation in the workforce. Both men and women can initiate divorce, although there are specific conditions in Islam whereby women can initiate divorce. Are women able to divorce because they have more economic opportunities and/or independence? Or is the reverse the case? Are women impelled to work because of the fear of or the desire to retain the option of divorce? The high rate of remarriage indicates a preference for the married state. It seems more likely that the possibility of divorce and a sense of insecurity prompt women to work whenever possible (Papanek and Schwede, 1988).

As in Muslim Indonesia, so in Buddhist Burma there seems to be no social sanction against married women's employment. Customary practice, rather than legal prescriptions, has allowed women a high social status and considerable economic autonomy. In both these countries, women with young children are more likely to work in outside jobs. Such decisions may be determined by a couple's position in the life-cycle. Younger couples with young children may need more money, a double income. In these cultures, having children and earning for them is a *complementary* rather than alternative choice (Papanek and Schwede, 1988: 87; Mon, 2000).

Susan Horton has explored the complex relationship between marriage and the pattern of women's workforce participation rates (Horton, 1996: Introduction). At various stages, many societies (including western Europe and the United States) have extended a marriage bar for women workers, either institutionalised in hiring practices, informally enforced by individual employers, or as a choice exercised by women workers. In contemporary advanced western societies, women's employment shows

a double peak; in East and some Southeast Asian countries the single peak prevails and other countries have a plateau pattern, some at a high level and some at a low level. Most Southeast-Asian countries (and especially the Philippines, Malaysia, Thailand and Indonesia) show a high plateau where extended families and traditions of women's work have precluded the need for interrupting careers and employment upon marriage and/or child-bearing. The double peak implies a temporary interruption in women's employment, usually for care of young children. The single peak pattern in East Asia denotes the ability of young unmarried women to enter the labour market but their inability to continue after marriage and child-bearing, due possibly to the decline of extended families and the absence of state-operated childcare facilities. The low plateau pattern holds in the South Asian sub-continent where rural economies and strong family ties have held women back from the labour market. Poor women, who *have to* work, continue to do so regardless (Horton, 1996; see also Chapter 1). But the low age of marriage and early childbirth have resulted in a rather late peaking in women's workforce participation in these countries. Women start working when they are already wives and mothers and usually only because of a decline (or cessation) of male earnings (Banerjee, 1991).

Does a rise in employment opportunity impact on marriage and fertility decisions? The countries which have experienced a feminisation of labour do seem to indicate this. In Thailand, Falkus argues, women are postponing marriage and child-bearing to take advantage of the employment opportunities that emerged in the 1970s and 1980s (Falkus, 2000). Malaysia too has experienced a fertility decline, especially among the Chinese and Indian communities, though there are other reasons for this as well such as state provision of basic education for both boys and girls and increased access to modern forms of birth control. Women are able to delay marriage and childbearing in response to expanding employment opportunities (Kaur, 2001). The impact of factory work on the women garment workers of Bangladesh is all the more distinctive because it isolates them from wider social trends. Researchers have found an increasing age of marriage and a reduction in dowry demands leading to significant improvement in conjugal lives and matrimonial relationship leading, in turn, to decreased fertility (Majumdar, 1998).

Even as economic opportunities may induce a delay in marriage, economic constraints may have the same effect. In Burma, for example in recent years sluggish economic growth and economic pressures are further delaying or preventing marriage, leading to an increase in the proportion of single men and women. The result is a fertility decline.

The relationship between fertility rate and women's work is weak in Burma, states Mon. Among the poor, the desire to have more children may rise with the level of income, or may not affect fertility decisions at all (Mon, 2000). In Korea, neither marriage nor childbirth can keep women from the labour market. Even when a marriage bar forces women out of the factory sector, they shift to the less lucrative casual sector because they *have to* work for family survival (Heyzer, 1996). In some of these countries, women's status and self-worth may be tied up in motherhood, as in the case of India, where the importance of bearing sons often dictate high fertility but may not affect work decisions. Also, in countries where some form of extended family remains, the opportunity cost of children remains low – extended families make child-minding cheap and easy (Mon, 2000). Fertility and women's work cannot, of course, be fully addressed without examining the market in child labour, which is beyond the scope of this study.

In most of Asia – excepting China, of course – fertility, reproduction and marriage are seen as private by the state except in the area of family planning. There are some exceptions in this regard. Malaysia and Singapore initiated aggressive pro-natal policies in 1984 and faced strong resistance from some women's groups. In Malaysia the government set up a five-child family target in consonance with then Prime Minister Mahathir Mohamad's 70 million population policy. An economic crisis and rising male unemployment around the same time led to a call by some male leaders for women to 'go back to the home'. In Singapore, falling fertility among educated women led the government to revise its original policy and devise schemes to encourage graduate women to marry and produce children (Heyzer, 1996: 19–22). In Indonesia during the Suharto period women were also 'persuaded' to have fewer children and the use of contraceptives was widely promoted. None of these policies (nor any others by other governments) have addressed, in any sensitive and meaningful way, women's production-reproduction dilemma even though it is clear that large numbers of women in East, South and Southeast Asia have to and want to work.

### Working and spending: decision-making in the family

Even when women are critical earners in the household, they tacitly accept that wage-earning is a crucial source of identity and of public recognition for men. Women see themselves defined by their familial roles both publicly and privately. This may be less true of the assembly-line jobs of the 1970s and 1980s which have led women – in Malaysia,

Thailand and some other Southeast Asian countries – to postpone marriage and childbearing. Women in insecure and heavy work in the informal sector usually share the primacy of familial identities, but they often have no choice but to submerge these in the face of the demands of employers at great cost to their family lives, health and leisure. The double shift looms very large in women workers' day-to-day experience of work. They recognise and accept the non-negotiability of domestic work and its responsibilities either because they have no choice or it is the primary defining feature of their feminine identity. They are, therefore, more ambiguous about their role as workers and commitment to the workplace, lacking an 'occupational community' (Kung, 1983). Moreover, industrialisation changes not only productive labour by taking it out of the household but also the nature of domestic work through mechanisation and commercialisation (Hardt and Negri, 1994).

**Housework-sharing**

Horton's schema offers us some understanding of the distribution of unpaid reproductive work within the family. Clearly, the 'peak' countries, whether single or double, expect women to take over full responsibility of home and children on marriage and childbirth, even at the cost of the loss of their earnings for the household. However, even in most of the 'plateau' countries, where women continue to work after marriage or childbirth, there is little redistribution of reproductive/household chores. Take a 'low plateau' country like India. Even while women have jobs they are expected to take full responsibility of reproduction and care. It is ironical that even when women are encouraged to work (and their work is necessary) for the economy, and for the family either to survive or to aspire to comfortable living, rigid sex-role responsibilities are demanded. There is, moreover, little public or institutionalised support or change in sex-roles within the family. In Indonesia, a 'high plateau' country, where a large proportion of women are employed and with wide societal acceptance of women's work, women nevertheless bear the full burden of housework. In fact, the bearing of full reproductive responsibility by women is virtually a condition of employment exacted by the family (usually the husband). For most Indonesian women the family role remains primary in self-definition (Papanek and Scwede, 1988). The only exception seems to be, once again, in China where rural industrialisation has resulted in housework-sharing, considerable independence for married women and encouragement to work by family. The state has

contributed to the process by providing institutional facilities. It helps that women's income from rural industry is often higher than men's from farming.

*Women work for pocket money*

In most countries, women's wages are lower than men's and they earn less. The disparity perpetuates the notion of women as secondary or even supplementary earners. This has held in countries which have seen a mass mobilisation of women for industrial wage work and in situations where women's work is crucial for household survival. It is widely believed, even by women themselves, that women work for extra pocket money. This belief expresses itself in the way male and female labour is sold and rewarded and helps, in turn, to divide the industrial sector into feminised and masculine enclaves. The former remains characterised by low skill and low wages and the second effectively excludes women.

*The breadwinning role*

In some of the South and Southeast Asian countries, breadwinning roles have departed from the Asian norm. Thailand and Burma, which have had the tradition of high female work force participation rates (especially in agriculture and retail trade), there is a general expectation that daughters and sons help equally in providing for the family, and often from a young age. This obligation includes long-distance migration, equally expected of daughters (Falkus, 2000; Mon, 2000). In Malaysia, as in Thailand, there is a strong cultural emphasis on the primacy of family relationships. The parents expect that children – male or female – will provide for parents, and help maintain the family unit. This has facilitated women's participation in the paid workforce (Kaur, 2000). In Sri Lanka too, daughters take responsibility for providing for the family. There is a high rate of education among women and though they cannot find preferred white-collar jobs, they work in factories and manufacturing in order to be able to contribute to the parental household. This is seen as a return or gratitude for the educational expenses undertaken by the parents. These young women workers delay marriage and childbearing and, with personal expenses kept to a minimum, they attempt to save as far as possible for the parents or for their siblings' education (Goonatilake and Goonaskere, 1988). The women workers of Philippines and Malaysia conform more closely to the factory girl described by Joan Scott who embodied the capitalist value of instrumentality by spending her earnings on clothes and cosmetics (Scott and Tilly, 1975).

**Managing household expenditure**

The contrast between South and Southeast Asia is quite strong in this regard. Women in Indonesian, Malaysian and Thai households have primary roles in money management, though that does not translate into any special power or privilege. A degree of control within the household, however, results in family and gender roles being relatively less hierarchical. Women in these societies are able to exert control over and take decisions about some of the diurnal aspects of their lives. Women have a strong bargaining position within the household and the control and use of skills and resources. Clearly, though, even in these cultures, the nuclear family offers more freedom than extended families, which carry stronger expectations of women's social roles.

In these societies, while women may have a strong degree of control and decision-making within the family, they are required to exhibit public deference to their fathers and husbands. Moreover, their decision-making does not extend outside the family. In the community, in village society and public matters, they are effectively ignored. They are largely excluded from the political process and formal political structures and their active work force participation is restricted to the lower levels of the market. The higher positions of control and power are monopolised by men (Papanek and Schwede, 1988). The ideal of femininity is obedience and subservience though this does not resemble the Confucian doctrine in which the wife is a servant of the husband and his family. In Muslim societies, the dependence of men on women underwrites public deference. The Islamic view of marriage as a contract (rather than sacrament) and the relative ease of divorce and remarriage contributes towards less hierarchical conjugal and family relations. Thus women are the prime decision-makers in some areas even in the families where they do not earn themselves. They have substantial control in matters of health, daily expenses and distribution of family resources, including children's education. Nevertheless, men remain legal guardians of children.

South Asia offers an interesting contrast. Women from upper castes/classes have, over the years, breached the highest echelons of political and economic institutions (though in small numbers). All these countries have had female heads of state and women in ministerial and bureaucratic posts. By and large, however, the tendency remains to restrict women's decision-making and their control over family finances. Women have important roles in matters like marriage and the education of children, but they are not permitted to take these important decisions without consultation and approval by the male head of the household. The family structure remains strongly patrilocal, patrilineal and

patriarchal. There is a greater tendency towards nuclear families, among both middle classes and the poor in urban areas, but the three-generation joint family remains ideologically endorsed in most communities. Under Hindu and Islamic law in these countries, the father is the natural guardian of children and has both rights and obligations in this regard. In India, two years ago, the Supreme Court has given more rights of guardianship to the mother, but in most governmental and institutional practices, the father is effectively the guardian. Moreover, women, especially, never leave male guardianship. By practice (not by law) adult and married women are under the guardianship of fathers/husbands.

In Bangladesh, working women face the tyranny of traditional male attitudes to paid women's work and this is especially true in rural areas. When women work, men try to assume control of as much of the income as they can (Wilson-Moore, 1989). Women sometimes seek to keep from their husbands information about their salaries because the men want to spend on what they need or want and reduce their contribution to the household. Women usually seek to save for future projects or emergencies for the family whereas men spend on items which generate neither income nor security for the family. Men see women's income as 'family money' rather than women's own earnings (Wright, 2000). Women's paid work is seen as an extension of their family roles, especially in cases where their earnings are either the primary or an essential contribution to the household's income. In India too, women tend to curtail personal expenses in favour of the household's need while husbands and fathers often dissipate their earnings in alcohol, gambling or consumption items (Sen, 2000).

## Concluding remarks

This chapter has tried to draw out some of the similarities and differences in the way work and the family-household impact on Asian women's experience from a variety of country-based studies. Perhaps the most important issue arising out of the existing body of literature on the subject is the way in which researchers have forced a rethink of definitions of labour. It is now recognised that the definition of labour cannot be given or fixed, but rather is historically and socially determined. In fact, the definition may itself constitute a mobile site of contestation, as in case of homework.

Though this is not a new insight, it needs to be reiterated that the patriarchal construction of female dependence is not uniform. Religion, regional cultures, tradition and historical trajectories produce

different constructions of femininity. Women themselves respond in varied and contradictory ways to competing claims on their productive and reproductive labour. Clearly, poor women are less able to stretch the given norms of femininity than urban middle-class women. They also find themselves trapped between their understanding of discrimination and their aspirations for a higher socio-economic status. There are significant differences among Southeast, East and South Asia with regard to construction and maintenance of female inferiority and/or subservience, especially in the field of the family. In most Southeast Asian countries, women are allowed more power within the family but are constrained in the possibility of public activity. In South and East Asia, the family is the primary site for constructions of female inferiority. All these cultures, however, to a greater or lesser degree, emphasise feminine ideals of docility and obedience.

The ideology of domestic femininity has a special attraction for poor women in South Asia but not so in Southeast Asia. But in both cases, women suffer discrimination in the labour market. Paid work is usually monotonous, always physically demanding and carries the danger of sexual harassment. The experience of female garment workers in Bangladesh is exceptional in South Asia. In this industry, as in industries in many Southeast Asian countries, despite lack of security, considerable gender discrimination in wages, long hours and deplorable work conditions, women report a positive attitude to wage employment. They have benefited, not only in areas like autonomy, self-confidence, improved conjugal lives, matrimonial relationships but also in decreased fertility and an increased age of marriage. Even where wider societal attitudes remain negative towards these women, they retain a positive self-image. Thus in some cases wage employment has led women towards some forms of 'autonomy', self-confidence, assertiveness and new values of self-worth.

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# 5

# The Global Factory: Cross-Border Production Networks and Women Workers in Asia

*Amarjit Kaur*

## Introduction

The international economy has undergone two major changes. The first is the global restructuring of manufacturing, coinciding with the shift of labour-intensive manufacturing production from the United States, Japan and Western Europe to developing countries in Asia and elsewhere. The second is the shift from manufacturing to services in the developed nations, consistent with technological change and the blurring of the distinction between manufacturing and services. Both these changes have had tremendous implications for the Asian developing nations. First, the partitisation of industry, where the various stages of manufacturing have become separate and dispersed, has meant that simple tasks can be transported elsewhere by the multinational enterprises, the drivers of this changing manufacturing structure. Second, skilled tasks are performed by workers in developed countries while simpler tasks are carried out by predominantly unskilled workers in countries that are located at the other end of the global supply chain.

For the Asian developing countries in particular, these changes have meant that they have been able to shift their comparative advantage away from largely resource-intensive primary production to labour-intensive manufactures in the global factory. This process has been facilitated by rising consumerism and the mass customisation of manufactures at mass-production low prices. Concurrently, trade liberalisation policies have resulted in a change in the pattern of trade, signalling a shift from the traditional north-south model of the international economy in which developing countries export primary commodities in return for imports of manufactures.

This chapter examines the making of the global factory and the expansion of cross-border production networks in Asia. It then analyses the role of women workers in the industrial sector of a country, and within an international, global context. Specifically, women's employment in two main sectors, electronics and readymade garment production, are examined in detail. These are indicative of the degree to which the countries are integrated within the global economy. The countries covered include four Southeast Asian globalisers: Singapore, Malaysia, Thailand and Indonesia. In South Asia, Bangladesh and India, which were incorporated in a range of ways into the global economy, particularly from the 1980s and 1990s, enrich the comparative analysis. Although Japan is included in the larger comparative study, it is treated in a separate chapter (Chapter 7), given its OECD status compared to the other six countries.

## Setting the scene

After World War II the formal colonial structure in Asia was effectively dismantled, consistent with decolonisation and changing international circumstances. Formal control of territories was no longer regarded essential in the context of a global institutional structure. A major political shift occurred in the international economy, with former colonial powers like Britain losing their key positions in world trade, finance and production to the United States. The interests of international capital became increasingly identified with the US, coinciding with American and European initiatives in the establishment of global institutions such as the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), commonly known as the World Bank. The major trading countries also agreed on provisional rules for reducing tariffs concomitant with the General Agreement on Tariffs and Trade (GATT), now the World Trade Organisation (WTO).

In the 1950s and 1960s industrialisation became the mantra of the developing Asian nations. Industrialisation was identified with modernisation, and the objective of the modern state was to achieve the transition from a largely primary producing economy to one with a substantial industrial sector within the space of two to three decades. Subsequently, since the early 1970s, a New International Division of Labour replaced the old International Division of Labour. The basis of global trade moved away from an exchange of primary products, largely from the developing countries for manufactured goods from the developed countries, towards a much more complex multilateral network.

Developing countries developed industrialisation strategies, initially based on import-substitution (ISI), to protect their import competing industries. Subsequently, they began to look for export opportunities through export-oriented industrialisation (EOI) to exploit their comparative advantage in labour-intensive manufacturing exports. Globalisation thus facilitated the mobility of industrial capital seeking out locations where resources such as land, services and labour were relatively cheap; where there was political stability; and where governments offered free-trade conditions and a liberal regulatory environment. The industries that were established specialised predominantly in electronics and electrical components, textiles and apparel, and footwear. These industries had a low technology threshold, were labour-intensive and produced consumer goods. They were also extremely vulnerable to consumer demand and market forces. Consequently, a new labour intensive form of manufacturing emerged in Asia, where young, largely single women with some education were hired for repetitive, low-skilled jobs. The labour system in these niche production sectors had many characteristics in common with the earlier labour systems in the mining and plantation sectors in the region.

## Trade strategies for development

Following the various problems of decolonisation and postwar readjustment in the region in the late 1940s and 1950s there had emerged by the 1970s two broad groups of countries. There were those which, under Communist, Socialist or non-aligned governments, withdrew from the international economy to a large extent, either through protectionist policies, or whose trading relations were concentrated on eastern-bloc countries (such as Bangladesh and India). This group of countries experienced economic stagnation and continued to have per capita incomes among the lowest in the world. In Southeast Asia, Thailand, Malaysia, Singapore, Indonesia (and the Philippines) maintained open economies under various regimes. These experienced significant, though uneven, economic development.

By the 1980s most developing countries in Asia had embraced trade liberalisation, turned towards policies that involved more open trade regimes, and gave export trade and foreign investment a central place in their development strategy. Associated with this was the *making* of comparative advantage through specific trade policy initiatives. These policies were not dependent on natural resource endowment, but rather on the *creation* of low-cost manufacturing advantage, coinciding with

the establishment of manufacturing enclaves for global production in the form of free trade zones. These global production enclaves facilitated cross-country relocation of manufacturing, assisted by technological advances in transportation (container ships, cargo aircraft) and communications.

Why did changes in the patterns of trade and economic structures result in the Asian countries specialising in niche production markets? Why did these changes facilitate the rapid entry of women in the paid workforce? What is the contribution of women workers to the industrialisation process in these countries?

A number of general points need to be made on the international environment during this period. First, following World War II, the United States, Britain, and other Western European countries saw the need to remove restrictions on international trade that had been set up, particularly in the 1930s; to manage the monetary system through the IMF; and to revive international spending through the IBRD. There were two pressing concerns: the first was to aid the war-ravaged countries; and the second was to assist the economic development of the many less-developed countries. Both these aims were viewed as complementary. To achieve them and to foster greater economic integration, trade and tariff agreements were negotiated under GATT with the objective of reducing tariffs, and creating an international environment conducive to trade expansion. Under the Generalised System of Preferences (GSP), products from developing countries that were not given preferential treatment under other agreements were provided duty-free access to most developed nations. This arrangement was favourable to late industrialisers.

Nevertheless, it must be stated at the outset that the gains from postwar trade liberalisation benefited the industrialised countries – the Organisation for Economic Cooperation and Development – most. The United States led the way, consistent with the interests of international capital becoming increasingly identified with that country. Moreover, while GATT explicitly excused developing countries from the need to dismantle their trade barriers, exports of textiles and clothing from developing countries were put under a system of quotas that discriminated by country. Originating from the short-term Cotton Textile Arrangement in 1961, the Multi-Fibre Arrangement (MFA) of 1974 incorporated several separate agreements restricting world trade in textiles and clothing. Consequently, developing countries had to make trade concessions of their own at successive multilateral trade negotiations.

Second, from around 1950 most developed economies commenced a period of sustained economic growth that continued until the first oil

shock of 1973. With the growth of domestic economies and dismantling of protectionist barriers the international economy also expanded. Between 1948 and 1960, the value of exports by non-communist countries grew by 6 per cent a year, accelerating to 8 per cent between 1960 and 1973. International lending also expanded rapidly. After 1964, for example, the United States was lending more than $3 billion a year. An increasing proportion of this was private investment in both industrial and resource-related projects.

Third, as trade volumes expanded, very high rates of real growth were achieved, particularly in western Europe. In the public sector institutional arrangements facilitated government-negotiated financial and commercial arrangements and the activities of international functional agencies. In the private sector, national business spawned international business through the operations of multinational corporations. As the world economy expanded, it gave a further impetus to global capital markets. This was achieved through the globalisation process, and was characterised by high mobility of industrial capital seeking out locations where physical and human capital were relatively cheap and where governments offered reasonable political stability along with attractive inducements. The leaders in this globalisation process were the multinational corporations (MNCs) which had their headquarters in the developed countries but had worldwide operations. These MNCs became in effect global factories searching for investment and manufacturing opportunities anywhere in the world.

Fourth, Japan's ascendency to industrial superpower status and the rise of the East Asian newly industrialising countries (NICs) – Taiwan, South Korea, Hong Kong and Singapore – also resulted in manufacturing and trade becoming regionalised. This change was driven by substantial increases in foreign direct investment (FDI) from Japan and the NICs to the second-tier NICs in Southeast Asia and, subsequently, to Bangladesh (and China).

What was the impact of these transformations on the Asian region? The rest of this section examines trade strategies and economic growth in the two regions of focus.

### *Southeast Asia*

The four Southeast Asian countries – Singapore, Malaysia, Thailand and Indonesia – recorded strong economic growth during the last four decades of the twentieth century up to 1997, consistent with trade liberalisation and labour-intensive manufacturing export markets.

The factors that contributed to this growth were labour, physical capital, human capital, and the efficiency with which labour and physical and human capital were combined. In all these countries the state was seen as necessary for promoting agricultural transformation; bringing together the resources necessary for industrialisation; providing protection for infant industries; and investing in mass education as a prerequisite to the creation of human capital. For the most part the first moves into industrialisation in Southeast Asia were the result of government initiatives rather than arising out of the dynamics within the small existing manufacturing base in the domestic economies. Until around 1970 (with the exception of Singapore) government strategies for development usually centred on import-substitution as a way of promoting industrialisation. This was achieved by various measures, such as tariffs, quota restrictions to cut down on imports, and other measures to encourage indigenous enterprise.

Three major factors led to changes in government policies, so that in the 1970s export-led growth became an alternative, and more successful, policy. First, the import-substitution phase of development did not achieve the results expected. This was partly because most Southeast Asian countries did not have sufficiently large domestic markets to sustain the industries (either small populations or very poor populations). Hence government subsidies, deficits, and inflation tended to occur. In Indonesia, for example, there was rampant inflation in the 1960s, while industries remained small and uncompetitive. Also, as elsewhere, some of the benefits of protection passed to domestic subsidiaries of foreign companies. Second, for economic and social reasons, it was realised that agriculture as well as manufacturing could provide a spur to development, if agriculture could grow on the basis of appropriate technologies. Third, there was the very obvious example of Japan, and other East Asian countries, growing rapidly through exports. Thus by 1970 the Southeast Asian economies sought export opportunities and became more concerned with gaining access to the markets of the major industrial countries. Pressure for accelerated growth through the development of export markets also came from international agencies.

The new industrialisation strategy, to manufacture for export rather than for domestic consumption, was first adopted by Singapore in the mid-1960s. In 1965 Singapore was expelled from the Malaysian Federation and the size of its internal market was enormously reduced. The foundations of the government's export-driven industrial expansion rested upon free trade policies, a reliance on direct foreign investment, the creation of a tightly disciplined and skilled labour force and strong

government intervention and direction. Apart from heavy industry – the construction of drilling rigs and ancillary vessels for off-shore petroleum extraction and tanker construction and repair – other industries included the production of textiles and apparel, electrical and electronic goods, notably semi-conductors, integrated circuits and later, disk drives. Value added in manufacturing rose from S$348.4 million in 1965 to S$8,521.9 million in 1980. Employment in the manufacturing sector rose from 47,334 in 1965 to 285,250, while the value of manufactured exports rose from S$933.3 million in 1965 to S$12,368 million in 1979 (in 1985 market prices). Consequently, Singapore's GDP grew, in real terms, at an average annual rate of 13.6 per cent between 1966 and 1969, and at 8.3 per cent between 1970 and 1979 (Dixon, 1991, ch. 5; Hill, 1993).

As a first-tier NIC, Singapore's export-oriented industrialisation strategy provided a model for the second-tier Southeast Asian countries and Bangladesh. In seeking to grow and industrialise on a similar basis, these countries were also dependent on international economic conditions and policies, and domestic policies and power (Hamilton, 1982). More specifically, timing mattered. The change in policy coincided with the declining international competitiveness of Japan and the first-tier NICs as their currencies appreciated and wage and production costs rose. This industrial relocation or the regionalisation of industry was also driven by both home and host country developments and industrial policies. In Malaysia and Thailand EOI was adopted towards the end of the 1960s and the early 1970s. Indonesia adopted EOI much later. The oil boom enabled the state to 'shape the pattern of industrial development' by investing directly in priority areas and undertaking large-scale, capital-intensive industrial projects, that in turn generated rapid growth in the domestic economy and an increase in employment in construction and in services. The oil boom thus led to ISI. The 1986 petroleum price collapse coincided with foreign investor interest, the introduction of reform packages, and the switch to EOI (Hill, 1994: 68–9).

*South Asia*

Bangladesh's industrial experience was shaped by its changing historical status. Under colonial rule, there were four main industries in the state centred on Calcutta. These included jute, tea, coal and textiles. In 1931, women workers formed 12 per cent of the jute labour force, 39.5 per cent of the tea labour force and 27.3 per cent of the coal-mining workforce (Hossain *et al.*, 1988: 110). With independence, Calcutta (and West Bengal) became part of India and East Bengal part of Pakistan. Some

factories, focusing on jute, textile and pharmaceutical manufacture, were set up in Dhaka and two other towns. But Bangladesh remained predominantly agricultural. Following independence from Pakistan in 1971, problems of war, economic crisis and famine engulfed the country and the economy deteriorated rapidly.

The newly constituted government initially nationalised key industries and imposed strict controls over foreign trade as a means of generating growth and alleviating poverty. In the latter part of the 1970s, however, the state moved away from a highly protected, public-oriented economy and gradually gave priority to investment in the private sector. This shift accelerated in the early 1980s as Bangladesh, in return for financial aid, followed the structural adjustment guidelines of the IMF, the World Bank and other international donor organisations. Initially, the reforms were confined mainly to adjustments required to attain macroeconomic stability. In the 1990s, the government made significant progress in adopting a range of liberalisation policies and reducing its international trade barriers (Hossain and Rashid, 1996: 123–4).

India after independence followed the socialist pathway and, like Bangladesh, opted for protectionist policies in its efforts to promote 'balanced development'. Planning was also regarded as central to the development process since it could promote both rapid industrialisation and improvement in social conditions. Unlike East and Southeast Asia, agricultural reform also came much later (industry was targeted while agriculture was ignored), and although overall agricultural performance improved, there were undesirable social impacts, namely the marginalisation of poor and landless peasants. The government targeted heavy industry under its import-substitution policy and the share of the public sector in the total investment was continuously raised (Clark and Roy, 1997: 48–51). More significantly, a quantitative-restriction regime based on industrial licensing and trade and exchange controls (popularly known as the 'License Raj' regime) was implemented. Little incentive was provided to the export sector and the domestic market was protected from competition.

In the early 1980s the decline in commodity prices and the increase in petroleum prices resulted in India experiencing a series of economic problems. Subsequently, under IMF and World Bank directives, India initiated a substantial shift in economic policy, resulting in a relaxation of industrial regulations and trade liberalisation policies. In 1991 further reforms were implemented, resulting in a substantial dismantling of industrial trade and exchange controls (Clark and Roy, 1997: 54). Bangladesh adopted a policy based on deregulation and liberalisation in

*Table 5.1* Structure of industrial exports in selected South Asian and East Asian countries, 1993 (%)

| | *Manufactures exports* | *Machinery exports* | *Textile exports* |
|---|---|---|---|
| Japan | 97 | 68 | 2 |
| Singapore | 80 | 55 | 4 |
| South Korea | 94 | 43 | 19 |
| Taiwan | 96 | 35 | 16 |
| Hong Kong | 93 | 26 | 39* |
| Bangladesh | 81 | 0 | 78 |
| India | 75 | 7 | 30 |

*Note*: * 1989.

*Source*: C. Clark and K.C. Roy, *Comparing Development Patterns in Asia*. (Boulder: Lynne Rienner, 1997), p. 32.

the mid 1980s, which saw a rise in GDP from 23 per cent to 34 per cent between 1987 and 1998 (Bhattacharya, 1998: 1).

In the 1980s therefore, the two South Asian countries established themselves on the first rung of the development ladder, consistent with product-cycle explanations of industrial relocation. In India, the domestic electronics industry also underwent a major process of restructuring in response to the liberalisation of the economy. Both were much more successful in textiles, but Bangladesh especially, given that it had huge supplies of unemployed and underemployed workers, and its textile industry was built on the adaptability of handicraft skills and unskilled low-wage female labour to the operation of machinery and limited capital requirements. By virtue of its designation as both a 'developing' and 'least developed country' under the United States' GSP classification, Bangladesh attracted substantial foreign investment from South Korea and, more recently, from Malaysia and Singapore.

The South Asian export structure compared to the East Asian export structure is shown in Table 5.1. As shown above, Bangladesh had a very narrow export base centred on textile and readymade garment production compared to the other countries.

## Framing the global factory

Why did the manufacturing of labour-intensive consumer goods pass into the hands of developing countries in Asia and elsewhere? The broad answer is that the creation of global markets, which led to increased

global competition, resulted in industry in the United States, Europe and Japan 'reassembling' itself to reduce costs while improving profits to remain competitive. This trend coincided with the outsourcing of non-core activity, mass customisation, and the blurring of the distinction between manufacturing and services. It also made sense to source lower-priced components from foreign countries and to expand worldwide operations. In turn, as the developing countries moved up the development ladder, they were also able to move forward on the production and process continuum, from high-labour content products to more complex, lower-labour content manufactures.

A global restructuring for manufacturing, whatever the industry, had been happening in the developed countries for quite some time, gathering momentum following the expansion of world trade. The establishment of an international regulatory system gave a further impetus to global capital markets. Foreign direct investment represented more than simply international capital seeking out the highest returns. Firms went multi- or transnational when they wished to locate activities in more than one country. It also made sense to conduct these activities within the firm rather than through the market place. Moreover, overseas production by workers who accepted lower wages made it possible to reduce operating costs. The substantial set-up costs in producing abroad were no longer a problem since production could be decomposed; the new transport and communications technologies led to a further reduction in transport costs; and the establishment of manufacturing enclaves in the form of export-processing zones facilitated the relocation of industry.

The period from the 1950s onward had witnessed postwar reconstruction and a long economic boom in Western Europe. The boom conditions of the 1950s and 1960s saw rising wage levels and improved working conditions for labour in the OECD countries. Concurrently, favourable conditions were created for trade unions and the rise of social democratic political parties. The former successfully achieved improved working conditions for their membership while the latter extended welfare legislation, both of which drove up the cost of labour. European integration also led to wage convergence, and unskilled labour at the bottom of the distribution chain became scarce and expensive. Some have argued that large corporations in the OECD countries reacted to the rising wage levels by relocating production facilities, especially to East Asia (Fröbel *et al.*, 1978). The targeted consumer industries were those requiring a large, essentially unskilled work force, such as the textile and electronics industries.

This relocation was a consequence of three main factors. The first was the development of a worldwide reservoir of potential labour arising from population growth and surplus labour from the traditional sector in developing countries. The bulk of the 'new' work force therefore was derived from the latent over-population in rural areas that had emerged as a consequence of improvements and mechanisation in agriculture, including the Green Revolution. These workers, who were forced to migrate to urban areas, thus constituted an almost inexhaustible supply of available labour, their labour cost (including social overhead costs) a mere 20 to 30 per cent of that paid to workers in the older industrial countries (Fröbel *et al*., 1978). Apart from population growth and surplus labour, there was also increased participation in the labour force by women. As noted in Chapter 2, the Southeast Asian countries especially experienced a demographic transition coinciding with economic growth that was manifested first in an initial increase, and then a decline in population growth. Concurrently, changes in educational policy, which meant that there was provision for educational opportunities for girls as well as boys, impacted on population growth. As levels of schooling among girls rose, population growth tended to decline as people opted for smaller families. Thus the hitherto inactive group of women workers was a potential source of labour force supply in these countries.

A related factor was the low wage costs in developing countries. For the Asian countries in particular, where the stimulus for export-market expansion came from foreign demand, and where opportunities lay in labour-intensive export manufactures, low wages represented their main attraction. Market forces thus pushed the lowest value-added part of the supply chain to areas where wages were lowest. A comparison of labour costs in the textile industry in Asian and other countries in 1990 is captured in Figure 5.1. As shown in Figure 5.1, Indonesia had the lowest hourly wage cost in Southeast Asia in 1990. A comparison of hourly wage costs in selected Asian countries in the garment sector ten years later shows that Bangladesh has earned the honour of having the lowest hourly wage cost, as shown in Table 5.2. It is interesting to note that despite the continuing economic unrest in Indonesia, the hourly wage rate is still lower in Bangladesh.

Under the new International Division of Labour, therefore, the importance of labour costs as a determinant of the international location of production is best exemplified by Japan's investment push into Southeast Asia during this period. The first generation of Japanese foreign direct investment (FDI) in Southeast Asia took place during the 1960s.

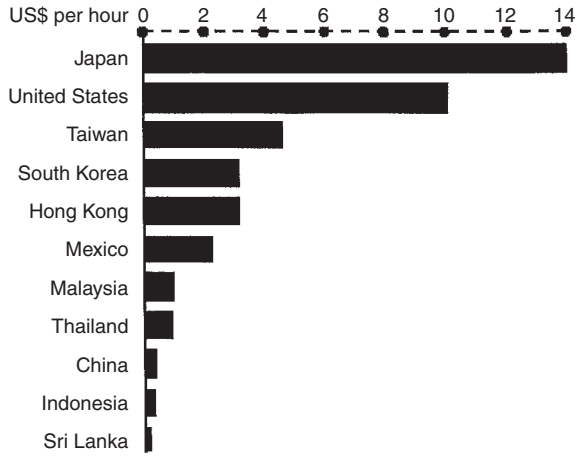


*Figure 5.1* Hourly labour costs in the textile industry in selected countries, 1990
*Source*: World Bank, *World Development Report, 1990* (Washington, DC: 1990).

*Table 5.2* Hourly wage costs in the garment sector in selected Asian countries

| *Country* | *Hourly wage cost ($US)* |
|---|---|
| Malaysia | 0.77 |
| Thailand | 0.71 |
| Philippines | 0.53 |
| Sri Lanka | 0.35 |
| Indonesia | 0.28 |
| India | 0.27 |
| Pakistan | 0.27 |
| Vietnam | 0.26 |
| China | 0.25 |
| Bangladesh | 0.16 |

*Source*: Cited in Syeda Sharmin Absar 'Preferred Occupations of Garment Workers Post MFA Period: A Cross-District Comparative Study of Local Impact on Bangladesh due to Globalisation', paper presented at the workshop on 'Globalisation, Trade Liberalisation and Economic Growth in Asia', Armidale, Australia, October 2002.

It was mainly based around utilising either local raw materials for export production (timber, rubber products) or for import-substitution production in view of the high tariffs levied on imported durable consumer goods. Multinational enterprises including Sony and Matsushita set up

joint-venture subsidiaries during the period with only medium-scale capacity to produce electronic goods and components for local markets. In the 1970s, these and other MNCs also set up parts and component companies. Additionally, there was an expansion into export-oriented integrated circuit assembly, especially in Malaysia and Singapore. This first generation of FDI involved assembly-line low value-added production (Edgington, 1991, 1993).

Following the rise in value of the yen in 1985 and the currency alignments that followed, a new wave of relocation of manufacturing took place, principally involving television and video-cassette recorder production in Singapore and Malaysia. Thus the decline in international competitiveness, coupled with the increasing use of voluntary export restraints, was consistent with Japanese firms moving labour-intensive production to cheaper offshore sites in the region. Between 1985 and 1990 Japanese direct foreign investment totalling US$15 billion flowed into the region (Bello, 1998: 10). The growth in Japanese investment in Southeast Asia for the period 1973–92 is shown in Table 5.3.

As shown in Table 5.3, investment flows generally increased during the 1980s and early 1990s. This investment was aimed at creating a Japanese production base within Asia to produce manufactured exports for Japan's markets in North America, Europe and the Asian region.

The first-tier NICs also faced a decline in their international competitiveness when they were coerced by the United States to allow their currencies to float upwards against the US dollar. Thus first Japan lost

*Table 5.3* Japanese FDI in selected countries in the Asia Pacific, 1973–92 (US$ m)

| *Period* | *Singapore* | *Thailand* | *Malaysia* | *Indonesia* | *Philippines* |
|---|---|---|---|---|---|
| 1973–76 | 146 | 71 | 156 | 550 | 78 |
| 1977–80 | 467 | 120 | 251 | 843 | 143 |
| 1981–82 | 323 | 99 | 77 | 476 | 55 |
| 1983–84 | 342 | 118 | 227 | 268 | 20 |
| 1985–86 | 198 | 112 | 97 | 93 | 57 |
| 1987 | 268 | 210 | 148 | 295 | n.a. |
| 1988 | 179 | 625 | 346 | 298 | n.a. |
| 1989 | 678 | 784 | 471 | 167 | n.a. |
| 1990 | 270 | 714 | 592 | 536 | n.a. |
| 1991 | 240 | 807 | 880 | 576 | 100 |
| 1992 | 210 | 657 | 704 | 610 | 60 |

*Source*: Japanese Ministry of Finance (1992).

competitiveness to South Korea and Taiwan, and then South Korea and Taiwan lost competitiveness to the second-tier NICs. The growth in investment from Taiwan and South Korea in the second-tier newly industrialising countries of Malaysia, Indonesia and Thailand was impressive, at times surpassing the volume of Japanese investment and reflecting the former countries' appreciating currencies and rapidly rising labour costs. (In South Korea this was largely caused by the growing militancy of the workforce, while in Taiwan a labour shortage loomed.) Electronics was the single largest sector experiencing rising labour costs. Increased pressure for industrial pollution controls in Japan, South Korea and Taiwan was also crucial in the relocation of polluting industries from these countries to the second-tier NICs.

Another related factor was the role of the United Nations Conference on Trade and Development (UNCTAD) in pushing for the liberalisation of economies to eradicate poverty in return for trade privileges. Countries were advised to free their exchange and interest rates, cut regulations on prices and markets for goods and generally dismantle trade barriers. Subsequently, developing countries won a major victory when developed countries agreed to introduce GSP privileges (see above) for developing countries, whereby the latter permitted duty-free entry of a select list of manufactured imports produced in 'designated' developing countries. These privileges were not permanent, and as South Korea and Taiwan 'graduated' to bilateral trade surpluses with the United States, they lost their access to the United States's GSP in 1988. The export-led growth of the second-tier Southeast Asian NICs, followed by China, India and Bangladesh, was thus based on the same strategy of growing and industrialising on a similar basis.

Turning now to textile, apparel and footwear production, textile and footwear enterprises are mainly large and medium-sized firms. Ready-made garment factories, on the other hand, can range from large to medium and small sized firms. Garment factories also rely heavily on sub-contracting and small-batch production networks and home-based work (see Chapter 6). All these enterprises are reliant on large numbers of semi-skilled and unskilled workers. The industry therefore migrated from high wage (US, European and, later, Japan) to low wage countries in East, South and Southeast Asia.

As noted previously, a comprehensive scheme covering all textiles, the Multi-Fibre Arrangement (MFA), was implemented in 1974 to regulate the expansion of trade in textile production in developing countries. The MFA in fact served as an umbrella under which importing countries negotiated bilateral agreements with exporting countries to limit trade in

textiles and apparel on a country-by-country, product-by-product basis. Developing countries were granted quotas based on their status either as developing or least developed countries and their textile and apparel industries have grown on the basis of the global textile and apparel supply chains. Hong Kong plays a key role in the global textile and apparel industry. Firms in Hong Kong relocated their factories to developing countries to 'disguise' their origins, and set up an international network of textile and apparel manufacture. The central functions of product development and marketing are based in Hong Kong while the actual production is carried out in various countries. This sort of distributed manufacturing is replicated in the footwear and other industries, though footwear is not protected by quotas set by the MFA.

**The global manufacturing enclaves**

Any discussion of the global factory system must take into account the role of the manufacturing enclaves – the export processing zones (EPZs) or free trade zones – in the global manufacturing structure. The EPZs, which are often defined as fenced-in industrial estates specialising in export-manufactures, offer free-trade conditions and a liberal regulatory environment in host countries. Moreover, there are advantages in clustering since economies of scale are achieved. The export-processing zone promoted by the United Nations Industrial Development Organisation (UNIDO) fits this description. In the Asian region, it was pioneered in South Korea and Taiwan and contributed to the inflow of foreign direct investment and expansion of the manufacturing sector.

The EPZs were aimed principally at attracting foreign investors with a package of incentives that included duty-free imports of raw materials and capital equipment, tax concessions and simplified customs procedures. The main condition governing the operation of the enterprises in the EPZ was that they should export (again free of duty) at least 80 per cent of output. This definition however is too restrictive. In some countries, firms are not geographically constrained in industrial estates. In others they are allowed to sell more than 20 per cent of their output in the domestic market. In theory, EPZs represent a sub-optimal mechanism to integrate a country with world markets. In Malaysia, for example, the model was adapted to include single enterprises to operate as Licensed Manufacturing Warehouses or Bonded Factories (or Zones) located outside the designated EPZ, and these have greater flexibility since they can be located on sites that are strategically and geographically more advantageous. They also have different equity and

*Table 5.4* Export Processing Zones (EPZ) in Southeast Asia, 1990

| *Country* | *No. of zones* |
|---|---|
| Indonesia | 1 EPZ; 5 bonded zones |
| Malaysia | 15 EPZs; 3 commercial zones; 9 free industrial estates |
| Philippines | 5 EPZs |
| Singapore | 6 free trade zones: 5 at Port, 1 Changi Airport |
| Thailand | 5 industrial estates, 4 with EPZs; 2 Privately Owned Estates |

*Source*: Donella Caspersz, 'The Implications of Export-Processing Zones of Labour in Malaysia: Some Analytical Considerations', paper presented at the ASAA Conference, La Trobe, Australia, 1996, p. 14.

minimum capital investment requirements depending on their export percentage.

In Malaysia and Singapore, the EPZs were established by the State while the Indonesian and Thai governments also allowed the development of privately established EPZs that offered the same or a similar package of incentives. The zone enterprises are allowed to re-import between 20 per cent (Malaysia) to 25 per cent (Indonesia) of their products into the host country. The number of EPZ and EPZ-style zones in the four Southeast countries in 1990 are shown in Table 5.4.

The EPZ/free trade zones are a key feature in Malaysia and Singapore, where political stability and greater labour productivity saw a succession of semiconductor firms being established there in the 1980s.

Apart from the EPZs, the Southeast Asian countries also developed industrial parks outside of the main city/town areas and in the hinterland, to reduce rural/urban disparities and to provide employment in rural areas. Numbers of EPZ or its varieties have thus grown since 1990. In Thailand, for example, the Industrial Estate Authority reported in 1998 that there were 21 industrial estates in the country, with six more under construction (Theobold, 2002: 134). Bangladesh established EPZs in 1980 in the two main urban concentrations of Dhaka and Chittagong. However, Paul-Majumder states that the EPZs 'have yet to develop to the extent they have in other Asian countries'. The EPZ labour market is relatively small and only about seven per cent of all garment factories are located in the two EPZs (Paul-Majumder, 2002: 32). When one considers that the readymade garment (RMG) industry represents the core of Bangladesh's manufacturing export sector this may sound surprising. Nevertheless, few textile and garment factories are located in the EPZ in the other countries too, depending as they do on sub-contracting

networks. This also has a bearing for the flexible work arrangements in the RMG sectors. In India too, the EPZ has not played a significant role as in other Asian countries (Chhachhi, 1999).

Irrespective of their theoretical merits, export processing zones have been a powerful engine of employment generation in the Southeast Asian countries. With the exception of Japan and India (to some extent) the stimulus for labour-intensive industrial expansion came from foreign demand and operated also as the main mechanism through which the capitalist sector expanded in these countries. The EPZs and industrial parks served as prerequisites to attract investment to particular sectors – electronics and electrical components companies, textiles and garments, footwear, plastics, foodstuffs and rubber goods enterprises. The production system in these enterprises is based on a low-technology, labour-intensive niche in the global manufacturing system. It is consistent with the employment of cheap, unskilled women workers in a patriarchial labour regime. More significantly, the EPZ also enable the host countries, whether in South or Southeast Asia, to practice and justify specific labour management practices on the basis that the EPZ and EPZ-style enterprises are not part of the mainstream economy.

## Women factory workers: cogs on the global assembly-line

At the heart of any discussion about international competitiveness is the cost of production. If the prices of the inputs to the production process (that is, factors of production – land, capital and labour) increase in price, this has a direct bearing on output prices, and in the competitiveness of firms and the economy as a whole. Of these factors of production, it is the price of labour that attracts the most attention. The cost of labour is also central to any discussion of women's increased labour force participation in the manufacturing sector. For the labour surplus economies of Asia, trade liberalisation brought greater opportunities for industrial expansion through the production of labour-intensive export manufactures. The combination of technology, low wages, and a highly elastic labour supply produces a high rate of profit for foreign firms. These firms, which had their headquarters in the United States, Europe, or Japan, also had access to channels and outlets for their goods – access which was assured through trade preferences given to developing countries by developed countries. Thus in the New International Division of Labour, the importance of labour costs as a key factor in determining location

and expanding industrial production widened women's opportunities for employment in the industrial sector (see Krugman, 1995).

In the import-substitution manufacturing phase in developing countries men were the preferred labour force. However, women were targeted as the work force in the export-oriented industrialisation phase because the very nature of the production niches – assembly-line factory work, sub-contracted and small-batch production and home-based work – relied on female labour. From this perspective, it is clear why the labour market is one of the main channels through which globalisation has impacted on women workers in developing countries.

In the export-oriented industrialisation sector the labour-intensive goods or components to be produced require relatively high proportions of direct labour in their production or processing. These goods or components are limited in number and are largely confined to two narrow ranges forming part of international commodity chains. In the first range, garments, textiles and footwear predominate. These goods can be produced with minimal technology and investment according to specifications and designs originating in developed countries and outsourced through middlemen-brokers in Hong Kong to the lower-wage developing countries (*Asiaweek*, 12 October 2001: 42–4). The second range predominantly comprises electronic components and consumer electronic goods for the product lines that were developed on the basis of the microchip, and electrical goods. Here, only the labour-intensive part of the production process, that is assembly of the components, is relocated to the lower-wage regions. The dispersal or fragmentation of the manufacturing process renders a stable workforce unnecessary. Rather, because these industries are consumption- or demand-driven, they are not only highly competitive but also fluid. On another score, labour-market flexibility also underpins the decision to outsource manufacturing to cheaper climes. Where women workers are concerned, it appears that 'flexibility' applies particularly to labour laws (in export-processing zones, for example) and working conditions. The current global average for outsourcing production by electronics companies is between 15 and 20 per cent (*Fortune*, 2 September 2002: 40). It is thus not surprising to see why the semiconductor industry shifted production to Asia in the 1980s. The competitive labour costs in the semiconductor industry in Asia are captured in Table 5.5.

If we look at Table 5.5, Indonesia represents one of the cheapest locations for global capital. But labour cost is not the only factor determining location of labour-intensive export manufactures. Other important considerations include political stability, good infrastructure

*Table 5.5* Hourly wage rates in the Semiconductor Industry in Asia, 1982 (US$)

| | *Wage* | *Wage and fringe benefits* |
|---|---|---|
| Hong Kong | 1.15 | 1.20 |
| Singapore | 0.79 | 1.25 |
| South Korea | 0.63 | 2.00 |
| Taiwan | 0.53 | 0.80 |
| Malaysia | 0.48 | 0.60 |
| Philippines | 0.48 | 0.50 |
| Indonesia | 0.19 | 0.35 |

*Source*: *Semiconductor International*, February 1982, cited in Annette Fuentes and Barbara Ehrenreich, *Women in the Global Factory* (New York: Institute for New Communications and South End Press, 1983), p. 9.

and import–export procedures, labour productivity and discipline, security of property guaranteed by law, and other labour issues, such as the absence of labour unrest. Singapore and Malaysia, for instance, attracted investment in electronics in the 1970s and 1980s because they 'met' the above conditions. In the 1990s, Thailand too began to get a larger share of investment in electronics. At the other end of the scale, Indonesia attracted investment in garments and toys, which employ less capital, and fewer trained workers. Footwear, another industry not overly dependent on good infrastructure and highly-efficient import–export procedures, moved to Indonesia in the 1980s.

The importance of these manufactures in Indonesia is shown in Table 5.6. In 1980 these labour-intensive industries formed 57 per cent of all manufactures. Twelve years later the percentage had risen to 62. In 1996 Indonesia made 38 per cent of all Nike shoes. The country's share shrunk to 30 per cent in 2002 while China's share rose to 38 per cent in 2002 compared to 34 per cent in 1996 (*FEER*, 12 September 2002: 47). China, Vietnam, Bangladesh and India have now become the main 'beneficiaries' of outsourcing in garments, toys and footwear because they are considered lower-cost producers, provide greater political security and there are fewer labour issues.

Explanations of the impact of economic globalisation on women's employment are varied, but a comprehensive picture is missing. It has been oft-repeated that women were the preferred labour force because of the work involved in the manufacturing processes described above: that is, repetitive work requiring high levels of accuracy, manual dexterity, and a light touch, embodying the kinds of tasks traditionally carried out by women. Women's psychological make-up, passivity,

*Table 5.6* Indonesia: major manufactured exports, 1980–92 (US$m or %)

| | *1980* | *1982* | *1984* | *1986* | *1988* | *1990* | *1992* |
|---|---|---|---|---|---|---|---|
| *Labour-intensive* | | | | | | | |
| Total | 287 | 323 | 826 | 1,054 | 2,061 | 4,634 | 9,963 |
| Percentage of all manufactures | 57 | 40 | 45 | 40 | 38 | 51 | 62 |
| Major items | | | | | | | |
| Clothing (84) | 98 | 116 | 296 | 522 | 797 | 1,646 | 3,164 |
| Woven fabrics (652–9) | 43 | 43 | 183 | 287 | 571 | 1,132 | 2,494 |
| Footwear (85) | 1 | 3 | 5 | 8 | 82 | 570 | 1,324 |
| Electronics (76–7) | 94 | 117 | 214 | 29 | 41 | 204 | 935 |
| Furniture (82) | 3 | 2 | 5 | 9 | 70 | 286 | 491 |
| Yarn (651) | 3 | 1 | 17 | 20 | 109 | 109 | 344 |
| Toys and sporting goods (894) | n | n | n | n | n | 57 | 218 |
| Glass and glassware (664–5) | 3 | 3 | 10 | 13 | 75 | 80 | 101 |
| *Resource-intensive* | | | | | | | |
| Total | 119 | 354 | 832 | 1,209 | 27,575 | 3,324 | 4,131 |
| Percentage of all manufactures | 24 | 44 | 45 | 46 | 47 | 37 | 26 |
| Major items | | | | | | | |
| Plywood (634) | 68 | 316 | 791 | 1,127 | 2,368 | 2,791 | 3,501 |
| Cement (661) | 26 | 8 | 13 | 41 | 80 | 100 | 114 |
| Leather (611) | 6 | 7 | 7 | 15 | 68 | 64 | 61 |
| *Capital-intensive* | | | | | | | |
| Total | 97 | 131 | 181 | 377 | 839 | 1,083 | 2,023 |
| Percentage of all manufactures | 19 | 16 | 10 | 14 | 15 | 12 | 13 |
| Major items | | | | | | | |
| Paper products (64) | 5 | 2 | 20 | 33 | 128 | 154 | 341 |
| Steel products (672–9) | 8 | 8 | 7 | 58 | 269 | 188 | 230 |
| Fertiliser (562) | 35 | 10 | 37 | 127 | 134 | 193 | 184 |
| Rubber tyres (625) | n | n | 2 | 11 | 45 | 66 | 96 |
| Total, all manufactures | 501 | 809 | 1,839 | 2,639 | 5,476 | 9,041 | 16,061 |
| Three largest as % of total | 52 | 68 | 71 | 73 | 68 | 61 | 57 |
| Manufactures as % of total exports | 2 | 4 | 8 | 18 | 28 | 35 | 48 |

*Notes*

1. The following definitions are used: Resource-intensive-SITC items 61, 63, 66 (excluding 664–6), 671, labour-intensive-SITC items 54, 55, 65, 664–6, 695–7, 749, 76–7, 793, 81–5, 89, capital-intensive-SITC items 5 (excluding 54 and 55), 62, 64, 67 (excluding 671), 69 (excluding 695–7), 7 (excluding 76–8), 86–8. This classification was developed by Krause (1982), and subsequently modified by Ariff and Hill (1985) for ASEAN, and by the author for Indonesia.
2. SITC codes for the major exports are in parentheses.
3. 'n' indicates less than $1 million. Numbers do not always add, owing to rounding.

*Source*: Hal Hill, *The Indonesian Economy Since 1966* (Cambridge: Cambridge University Press, 1996), Table 8.3, p. 163.

docility, controlability and a capacity for hard work have also been cited as contributory factors (Kaur, 2001). It is argued here that the export-manufacturing labour system itself plays a pivotal role in determining women's employment in this sector. The production niche is a low technology, labour-intensive one, involving the standardised (mass) production of consumer garments, footwear and appliances. It is based on low wage costs. The predominant reason for employing women is therefore an economic one. Since women's wage levels are lower than those of men employed in comparable occupations, the preferred labour force is likely to be women since they represent the lowest cost in the production process.

Generally, women's earnings varied between 50 and 66 per cent of men's in most Southeast Asian countries in the decade 1980–90 (World Bank, 1996: 21). While the wage gap may be explained by differences in educational attainment and the work experience between men and women, there is also differential access to jobs, interruptions in women's careers due to child rearing and household responsibilities, and the seniority system.

The ratio of female to male earnings in textiles and electronics in selected countries for the period 1993/94 is shown in Table 5.7.

As shown in the table, women were paid lower wages than men, even in the narrowly defined categories of work that have traditionally been regarded as women's occupations. Moreover, productivity in these production niches is dependent on the labour of the workers, rather

*Table 5.7* Ratio of female to male earnings in textile and electronics manufacturing in selected Asian countries, 1993–94

| | *Electronic equipment assembler* | *Spinning, weaving and finishing textiles labourer* |
|---|---|---|
| China | 46.1 | 75.5 |
| Hong Kong | 70.2 | 85.3 |
| South Korea | 69.0 | 68.4 |
| Malaysia | 73.6 | 84.1 |
| Singapore | – | 87.7 |

*Note*: Ratios are either of wage rates or reported earnings.

*Source*: International Labour Office, *Statistics on Occupational Wages and Hours of Work and on Food Prices, October Inquiry Results, 1993 and 1994* (Geneva, 1995), cited in F.B. Tipton, *The Rise of Asia* (Basingstoke: Macmillan – now Palgrave Macmillan, 1998), p. 385.

than the efficiency and capacity of the technology involved. The types of tasks involved included sewing in zip fasteners, button holes, etching electronic circuits, tasks in which women are more efficient and reliable because they have been socialised into similar tasks in the household production unit. Additionally, women also had skills in textile production and assembly work from their cottage industry experience and were used to repetitive work from their traditional role in agricultural production, mainly in planting and harvesting tasks.

On another score, in developing countries industrialisation meant not only the introduction of new technologies but also of new forms of work and organisation, quite different from the work conditions in the traditional sector. Adjustment to factory discipline was important to the success of the enterprise. Owing to the specific ways in which gender relations are constructed through socio-cultural and religious processes, women are considered more likely to submit to directive discipline and to a patriarchal labour regime since they are regarded as non-political and less prone to union participation compared to men, all of which are regarded desirable traits in factory assembly-line production.

Given that my main concern in this chapter is the changing role of women workers that is central to the labour transformations that are currently taking place, emphasis is placed on two sectors that most clearly illustrate the process. These are the electronics sector in Southeast Asia and the readymade garment sector in Bangladesh.

**Women workers and working conditions in electronics factories**

Women dominate in electronics production in the Southeast Asian countries of Singapore, Malaysia and Thailand. The majority of these women are single, young, and mainly from rural areas. In Malaysia, Malay women now dominate in the factories, but there are Chinese and Indian women workers as well. Most Malay factory workers expect to stop working after marriage. They also aspire to better-paid or white-collar jobs, partly because factory work is not highly regarded in Malaysia. By comparison, women workers in Thailand, Indonesia and the Philippines appear to be more committed to their jobs because factory work is highly regarded in these countries and there are fewer alternatives. Moreover, high unemployment and low wages for men make continued female employment after marriage an economic necessity. In Malaysia, where reportedly approximately a quarter of the labour force at the time of writing is comprised of migrant labour owing to labour shortages in the country, there are more employment opportunities for working-class males.

*Working conditions*

In the global electronics factory, working conditions vary according to the location of the factory and market or business demand. The working week is six days while the workers typically work 12-hour shifts, with two or three breaks. Overtime is prevalent in times of high demand, but the industry is also subject to wide fluctuation in demand. Shift work is the norm, following the introduction of automated equipment. In some countries, such as Malaysia and Singapore, existing legislation against night work for women was waived to allow electronics companies to introduce rotating shift work and permanent night shifts. In fact, in some factories an average worker has to switch between night shift and day shift every week or every fortnight. These long working periods and the rotating shifts take their toll on workers' health (see Chapter 8). The work processes are also fairly regimented, punctuality is emphasised, and toilet trips are monitored. Most factories also have a system of diligence pay to promote maximum attendance, and a bonus system to increase output and maximise competition between workers. The latter has had a detrimental role in fostering class solidarity among factory workers.

Factory work is characterised by its flexibility and the hierarchical system in place is central to maintaining work discipline. The workforce is divided into two main groups: those workers integral to the system (accountants, managers); and the flexible group (the production operators). The strict hierarchy of positions is reinforced through both covert and overt means in the factory. Occupational differentials are also based on lines of ethnicity, gender and age. With more migrant workers recruited for factory work, nationality also plays a role in the power relations structures. The migrant women are positioned at the bottom of the hierarchical system which is shaped by foreign industrial relations systems. The wages of women workers vary across the region, with Thai women paid lower wages than their Singaporean and Malaysian counterparts.

What are some of the consequences of gender, labour-market flexibility and factory work? First, women are concentrated in the manufacturing and service sectors of the economy as shown in Table 5.8. In Malaysia women formed about 80 per cent of the manufacturing labour force in the 1980s and 1990s. Second, factory work and organisation replicate the patriarchal structure of society. Male managers supervise women, enforce discipline, and the male control of women is but a redefinition of gender roles accompanying the transformation of capitalist relations of production. Three, factory work is also characterised by short contracts and insecurity of tenure (the women work either on fixed contracts or on a

*Table 5.8* Female share of employment and new job creation in manufacturing, services, and trade, restaurants and hotels in selected Southeast Asian countries, 1980–86/87

| | *Female share of employment* | | *Female share of new job creation* |
|---|---|---|---|
| *Country* | *1980* | *1986/87* | *1980–86/7* |
| | | *Manufacturing* | |
| Singapore | 46.0 | 47.2 | 106.3 |
| Malaysia | 38.3 | 45.1 | 95.1 |
| Thailand | 42.1 | 45.2 | 56.1 |
| Indonesia | 45.4 | 44.8 | 41.7 |
| | | *Services* | |
| Singapore | 34.0 | 42.9 | 101.2 |
| Malaysia | 39.1 | 38.1 | 33.5 |
| Thailand | 46.1 | 49.3 | 56.8 |
| Indonesia | 31.0 | 26.3 | 14.4 |
| | | *Trade, Restaurants and Hotels* | |
| Singapore | 35.2 | 38.4 | 60.8 |
| Malaysia | 27.9 | 37.3 | 56.5 |
| Thailand | 54.0 | 53.6 | 52.7 |
| Indonesia | 48.0 | 51.7 | 60.0 |

*Source*: Computed from International Labour Office, *Yearbook of Labour Statistics*, Table 3B (various years), cited in Lim Lin Lean, 'The Feminisation of Labour in the Asia-Pacific Rim Countries: From Contributing to Economic Dynamism to Bearing the Brunt of Structural Adjustments' in *Human Resources in Development Along the Asia-Pacific Rim*, ed. Naohiro Ogawa, G.W. Jones and J.G. Williamson (Singapore: Oxford University Press, 1993), Table 6.9, p. 189.

sub-contractual basis). In the factory structures, they are often dismissed to avoid payment of seniority wages when they reach a certain age.

By virtue of their concentration in these industries women workers are also the most vulnerable to dismissal/unemployment during an economic downturn as, for example, between 1983 and 1985 when more than 50 per cent were laid off in the electronics and textile industries in Malaya (Lim, 1993: 184; Jamilah *et al.*, 1996: 207–43). Consider the history of Seagate Technology's involvement in Malaysia and Singapore in recent decades. The company, the largest disk-drive manufacturer in the world, moved to Southeast Asia in the early 1980s, to increase its share of the microchip industry. This shift (and the shifting of other disk-drive companies) to the region resulted in labour's share of the cost dropping from 25 per cent to less than 5 per cent. In 1986/87, Seagate employed 24,000 workers in Malaysia, of whom about 85 per cent were

women. The number of workers was reduced to 5,500 in 2002. In Singapore, Seagate's workforce declined from 20,000 in 1998 to 9,000 in 2002 and the 'relentless cost-cutting ... is unlikely to abate, spelling darker days for its ... workforce' (*FEER*, 2 May 2002: 39). Women workers thus lack stability and economic security because the production niches in which they are employed are more vulnerable to falling consumer demand and increased supply competition on a world-, rather than merely national-scale.

Moreover, alongside the lack of job tenure, women workers have little access to training programmes to improve their skills and many have been denied access to promotion. Most multinational corporations do not allocate funds for the training of their permanently casual workforce. Training is normally provided on the job and learning curves are relatively short. Since the skills learned from one job cannot be easily transferred to a position with another company within that industry, the job marketability/mobility of women workers is further reduced (Kaur, 2000).

The manufacturing production system therefore has brought both benefits and costs to women workers. On the one hand, women have obtained material benefits through their immediate earned income which has given them some independence from the family compared to existing conditions. Additionally, there has been some improvement in their working conditions and absolute wages over time. On the other hand, they have encountered occupational segregation and lacked access to advancement. Their wages are lower than those of their male counterparts, and they have fewer opportunities to upgrade their skills. They thus remain a peripheral workforce in consumer-driven industries and continue to be the first to bear the brunt of cost-cutting strategies by management.

### The readymade garment (RMG) industry in Bangladesh

Since adopting a trade liberalisation strategy in the early 1980s, Bangladesh has attracted substantial foreign investment, particularly in the RMG sector. RMG export earnings have grown from about US$3 million in the 1980/81 fiscal year to US$1,556 million in 1993/94 (Huq, 1996: 59) and about US$4.75 billion in 2000. Moreover, RMG exports in 2000 comprised more than 76 per cent of the total foreign exchange earned by Bangladesh (Paul-Majumder, 2002: 8). The major apparel items are shirts, trousers, jackets, T-shirts, shorts, coats, sportswear, sweaters and underwear. The United States, which accounts for about 55 per cent

of Bangladesh's RMG exports, is the principal market, followed by the European Union and Canada (Grossman, 2002).

The expansion of this industry has seen an unprecedented growth in women's labour force participation in the formal economy. This growth has occurred in both the export-processing zones as well as in the export-oriented enterprises situated in the domestic tariff areas. As noted earlier in the chapter, this growth may be explained by two factors. The first is Bangladesh's preferential access to export markets under the MFA and the GSP. Indeed, in the case of the United States, Bangladesh qualifies for GSP privileges under two categories: 'developing' countries and 'least developed' countries. The second is Bangladesh's low-cost producer status in the supply chain, with workers earning even lower wages compared to workers in the transition economies of Vietnam and China (see Table 5.2).

Women's employment in Bangladesh's manufacturing sector is also 'highly skewed'. Women form about 90 per cent of employees in the garment sector alone and this represents about 12.9 per cent of total manufacturing employment in the country (Bhattacharya, 1998: 6). They are classified as regular production workers ('operatives') and 'hired' casual workers. These women are mainly single and their ages range from 15 to 25 (Grossman, 2002). Most of the women workers are migrants from rural areas and anecdotal evidence suggests that household labour shortages in rural areas have serious implications for their younger female siblings' educational opportunities. These girls have now taken over their older siblings' household chores in addition to assisting with farm chores.

*Working conditions*

Surveys conducted by researchers from the Bangladesh Institute of Development Studies (BIDS) show that on average women workers in the RMG sector have to work 12 hours a day with a lunch break of only 45 minutes. Women are also required to work overtime to meet production schedules. Although legislation (the *Factory Act 1965*) provides for a six-day working week or a day off after working for 10 consecutive days, this is 'widely violated', according to a 1997 survey by the BIDS. Paid medical or casual leave is also minimal and garment workers continue to work even when they are ill, thus adding to their health problems. Maternity leave provision too were also seldom observed by management. Long working hours have also increased the risk of sexual harassment by male co-workers. Occupational hazards are also common and include dust hazard, toxic

hazards and safety and security hazards. Moreover, the rapid opening up of the sector has also meant that garment enterprises are located in rented premises without any safety features (Paul-Majumder, 2002: 17–19).

Another feature peculiar to Bangladesh is the lack of transportation facilities for women factory workers. There is no legislation preventing women from riding buses but patriarchial tradition 'virtually prohibits' it. The existing public transport is severely limited and men have claimed it for themselves. Women who dare to flout tradition face ridicule and sexual harassment. Consequently, many prefer to walk from their temporary accommodation (in itself inadequate) to their workplace, taking up to two hours each way (Paul-Majumder, 2001: 18–19). NGOs like Phulki and Nari Uddug Kendra (NUK), which are funded by the Global Fund for Women, are working to improve women workers' housing conditions by providing dormitories for them, or by providing transport (Grossman, 2002; personal communication with Mashuda Khatun Shefali, executive director of NUK).

Turning now to wages, the average female–male wage ratio in Bangladesh's manufacturing sector in 1991/92 was 0.52 for all employees and 0.57 for 'operatives' (Bhattacharya, 1998: 7). A BIDS survey in 1993, on the other hand, shows that women earn less than half of what men earn in the manufacturing sector, as shown in Table 5.9. This data

*Table 5.9* Monthly wage/pay by type of industry in Bangladesh, 1993

| *Type of industry* | *Monthly wage/page (in Tk)* | | |
|---|---|---|---|
| | *Male* | *Female* | *Women's share in men's wage (female/male wage × 100)* |
| Food processing industry | 2,080 | 1,021 | 0.49 |
| Jute/textile/leather | 2,408 | 1,116 | 0.46 |
| Garments | 3,183 | 1,389 | 0.44 |
| Wood/furniture | 3,200 | 1,143 | 0.36 |
| Paper/printing/publication | 2,286 | 1,631 | 0.71 |
| Chemical/petroleum | 2,107 | 1,253 | 0.59 |
| Fabricated metal | 1,930 | 1,675 | 0.87 |
| Others | 2,118 | 1,007 | 0.48 |
| All industries | 2,438 | 1,192 | 0.49 |

*Source*: Pratima Paul-Majumder, 'Impact of Working Conditions and Terms of Employment on the Women's Labour Force Participation and Their Labour Productivity', paper presented at the Sixth Women in Asia Conference, Canberra, Australia, September 2001.

confirms that even in the garment industry, women earn less than their male co-workers.

Just as in the electronics industry, women workers are presumed 'loose' because they engage in work outside the home. Moreover, in the strict Bangladeshi Muslim society, women are also sharing rooms and renting accommodation with other women workers (known as 'messing'), thus going against tradition which decrees that a woman must reside with a male guardian (Paul-Majumder, 2002: 11).

To conclude, the RMG sector faces an uncertain future in Bangladesh due to several factors. The first is the imminent termination of the MFA in December 2004. The withdrawal of quantitative restrictions may result in factory closures and the displacement of the women workers. Second, Bangladesh has already experienced a slide in its market share because it cannot justify 'special circumstances' in the international context. In contrast, India and Pakistan have been given concessions because of their co-operation with the United States in the war on terrorism. Third, following China's admittance to the WTO, it now dominates the RMG market in Asia. Consequently, like women workers in electronics factories in Asia, Bangladeshi women's flirtation with the formal sector continues to be peripheral and even short-lived because they are concentrated in consumer-driven niche contract industries in the global factory.

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# 6

# Sub-Contracting, Small-Batch Production and Home-Based Women Workers

*Denis Wright*

## Introduction

The practice of sub-contracting in industry has grown markedly as a tool of production in global commodity chains over the past 30 years. The reasons include: the portability of multinational corporations' operations, consistent with economic globalisation; cross-border production networks associated with cost-cutting benefits for manufacturers and entrepreneurs; and the demand for flexibility in production output. Sub-contracting arrangements are also associated with avoidance of national and international regulations, particularly as they relate to labour standards.

Watanabe (1983) defines sub-contracting as a business practice between at least two parties, the principal and the sub-contractor, in which the latter produces the whole or part of a product to be sold by the principal. Based on this premise, Tjandraningsih and Chotim (1999: 2) identify two main types of sub-contracting in the global economy – industrial and commercial. Another, more formal definition of the term describes it as 'a situation where the firm offering the sub-contract requests another independent enterprise to undertake the production or carry out the processing of a material, component, part or sub-assembly for it according to specifications or plans provided by the firm offering the sub-contract' (Holmes, 1986: 84).

Sub-contracting's status and role in economic systems has gone through a number of phases since Watanabe promoted its virtues in the 1970s. Sub-contracting flourishes in the formal as well as the informal economy, as indicated by the popularity of outsourcing in both developed and developing countries. This provides an extra complication in determining the level of women's participation in the manufacturing

sector, as it coincides with the increased casualisation of the workforce, and the creation of new vulnerabilities for non-wage workers (Unni, 1999: 1).

Notwithstanding the above, sub-contracting has become a major source of employment, and that the majority of sub-contracting workers in global commodity chains are women. This is embedded in history: most Asian countries fall into the category of developing countries which are in the process of becoming newly industrialised economies and have a legacy of colonial and post-colonial ideologies and institutions. Given these circumstances, local or indigenous knowledge tends to be defined as peripheral to the mainstream industrial economy-related knowledge (Doane, 1998). Consequently, from the point of view of gender relations, men have been integrated more speedily and successfully into the industrialising economy compared to women, who have usually been relegated to the informal sector, and have been targeted for the sub-contracting and home-based activities that have expanded increasingly in Asia. Most women are engaged at piece-work rates for the production of commodities such as garments, while undertaking full responsibility for family-related tasks as well. The transition to sub-contracting from factory production has been compounded by the speed with which changing technologies and product obsolescence, which shorten product life-cycles and induce enterprises to operate under flexible production systems, have been introduced. As a result, small-batch production has increased in popularity as a tool for competitiveness in international and domestic markets.

This chapter examines the role of women workers in Asia employed under sub-contracting and small-batch production networks and home-based work. It also outlines their attempts to create national and international associations in order to negotiate better wages and working conditions for themselves. Most of these associations include an increasing range of participants apart from the representatives of the women themselves, and provide valuable information on how women workers in Asia and across the globe are being affected by sub-contracting arrangements, small-batch production networks, and home-based work.

## Trade liberalisation and cross-border production networks

Economic globalisation and trade liberalisation have resulted in widespread changes in patterns of production. Markets formerly protected by tariffs, quotas or local investment rules have been opened to a wide range of multinational corporations which can relocate their

operations swiftly to countries where wages are lower or the tax regime is more favourable. For the workers in the host countries, this drive for cheaper labour, increased flexibility and intensity of work has consequences for both men and women, since it detaches the workforce from hard-won protective legislation and wage awards. Women in particular face exploitative, harmful and enduring consequences. The demand for a dispensable workforce translates directly into an ostensible preference for women's labour, but many of the women concerned have little awareness of the debates about social clauses and labour standards raised on their account. In fact, the international forums where these issues are introduced are only gradually including more women in their deliberations, and even when matters directly affecting the interests of women are discussed, the workforce is often referred to without reference to gender. This blurs the margins surrounding the issues which, because of cultural factors in Asian societies, are by default the province of women. Following on from the work of Jeanne Hahn (Hahn, 1996: 224–31), the effects on gender of this aspect of the globalisation debate have been explored most recently by Carla Freeman in her study of the subject (2001). Another writer, Ypeij (1998) argues that sub-contracting is not gender neutral:

> 'Feminine' production tasks are frequently sub-contracted to the small-scale producers because i) female workers are paid lower wages, ii) 'feminine' tasks are labor-intensive, and iii) women already possess knowledge that can be transferred into skills for labor-intensive, 'feminine' tasks.

Though some of these premises were contested as early as 1983 (see, for example, Elson, 1984: 5), Taymaz (2000: 7) observes, using Ypeij's interpretation: 'As a result, we expect women in large-scale enterprises to lose their jobs . . .'.

In a globalising world, sub-contracting arrangements have arisen not merely as a matter of chance or an absence of opportunities for alternative employment. Employers prefer a system that obviates existing conditions protecting workers' rights both in the domestic and global arenas. Global manufacturers and retailers are responsible primarily to their shareholders, and the maximisation of profits is their highest priority. Working conditions which minimise opportunities for exploitation of labour are inimical to their interests, and sub-contracting is often seen by such employers as the easiest and most effective way to sidestep the problems caused by organised labour. This does not mean that the

entire process is sub-contracted; on the contrary, it may well be in the employer's interests to maintain a formal workplace for a portion of their production while sub-contracting out those segments where maximum advantage is obtained by doing so. Nor does it mean that only individuals and small groups are engaged on this basis, since other established businesses may bid successfully for production contracts in a sub-contracting arrangement. Nevertheless, the mix of modes provides opportunities for employers to change their production arrangements very quickly in keeping with consumer demand.

In South and Southeast Asia, few firms hire outworkers directly. Most producers go through a maze of intermediary or contractors' firms or middlemen (Charmes, 2000: 4), thus lengthening the chain of responsibility for workers' pay and conditions between the producers and their product. Casual and contract workers receive lower wages and benefits compared to regular full-time workers. The majority of them are also women. They often work long hours on a temporary basis or at short notice, and must be prepared or are required to do this under dangerous and unhealthy conditions. Rarely do they have job security; nor do they have access to training or any hope of career advancement. Getting work under these conditions often depends upon personal relationships, networks and informal understandings, and where there is pressure to reduce costs, these arrangements can be terminated quickly. The advantage is generally with the employer or agent handling the sub-contracting arrangements, leaving the worker vulnerable to exploitation and abuse. These conditions also exert downward pressure on the wages and employment conditions of regular workers in the same country or region. Injected into the global workplace, such sub-contracting arrangements also force down the wages and working conditions of workers engaged in international competitive production, in both the formal and informal sectors where sub-contracting and small-batch production are widespread. Moreover, because Asian women as workers usually subordinate their personal interests and welfare to that of their husbands and families, they suffer most from the competition among women for paid work at the production end of the commodity chains.

Consumer activist groups and workers' rights campaigners often unwittingly provide opportunities for manufacturers to increase the size and scope of their sub-contracting operations. This arises when adverse publicity is given to a particular country's production methods, leading to international condemnation of employment conditions, though similar conditions exist elsewhere. Bangladesh is a case in point. In the

1990s, its garment factories were scrupulously examined by international observers at the behest of the American garment workers' unions for violation of working conditions and labour standards expected by western consumers. This insistence on improvements in the workplace and working conditions for factory employees increase the unit cost of production, and manufacturers in places such as Bangladesh consequently can lose the competitive edge to rivals in other parts of the world, especially where the labour force has not come under such scrutiny. The usual reaction by employers is to scale down production where the costs are highest, and employ people under informal sub-contracting arrangements which, ironically, result in employees being much worse off than those in the factories. Moreover, because women constitute the majority of workers employed in many of these industries, they are most affected by the changing fashions for which this form of production is notorious. Complaints about pay or delivery deadlines are out of the question, since workers will simply lose orders if they do not comply with manufacturers' demands. Furthermore, taking production out of the factory means that issues relating to retrenchment circumscribe trade union intervention, and redundancy payments are avoided through the use of sub-contracted labour. Labour legislation protecting employees does not apply under sub-contracting mechanisms, and the whole process is effectively depoliticised. This acts as an additional brake on the rights of women workers to fair wages for their services.

**Flexible production systems**

It is not necessarily the case that all producers are anxious to switch production from factory to sub-contracting arrangements if this can be avoided: it may depend upon what is being produced and the methods of production used. For more sophisticated items of manufacture such as electronic component assembly, quality control tends to be higher on the shop floor than in the home-based product, and regulation of output can be managed more easily in factories than by sub-contractors. Nevertheless, the imperative is to produce an item which is competitive in terms of both quality and cost, so factory managers are engaged in continual compromises between different modes of production to achieve the optimal result.

Flexibility in production has thus emerged as one of the most contentious issues relating to sub-contracting and small-batch production. It has been used to support the view that flexible modes are the only real solution to providing appropriate market response in the mass market.

As noted by one analyst (Dyer, 1998: 103):

> Mass production structures have been criticised as being too rigid to respond to increased global competition and to increasingly sophisticated consumers demanding differentiated products. Additionally, the job designs associated with mass production have been criticised for deskilling workers leading to high worker dissatisfaction; the inability of workers to make decisions about how they perform their jobs; and for creating a work force that is not able to respond to the requirements associated with the demands of new work practices. Thus calls for increased flexibility at the organisation level have been made by employer and employee groups. Flexibility promises to provide organisations with production systems and work organisation that will provide the competitive edge needed in an increasingly global market; and employees with increased participation, more interesting jobs, stable employment, and better wages and work conditions. However, there still appears to be many unresolved issues relating to the flexibility debate.

In her analysis, Dyer refers to the work of Mathews (1994) on the advantages derived from implementing what are referred to as lean production systems (Dyer, 1998: 108). These systems have resulted from functional flexibility in production allowing for 'quick response to customer needs; getting things right the first time thus decreasing wastage; increased worker skill and participation allowing quick and effective on the job decisions; and the ability to change rapidly to market demand due to adaptable technology and small batch production' (Dyer, 1998: 108). She notes further the view that 'lean production will supplant both mass production and the remaining outposts of craft production in all areas of industrial endeavour to become the standard global production system of the twenty-first century' (Dyer, 1998: 108).

Clearly, the move towards more flexible production systems involves a substantial change in the way work is organised in the production unit. It is claimed by the ILO that under such systems, responsibility and decision-making are increasingly placed in the hands of employees: 'Flat corporate hierarchies, interdepartmental collaboration, teamwork and rewards for innovation are the code words for rapid response to changes in market demand' (ILO, 1998b). It is further claimed that in these sectors, the removal of bottlenecks and improvements in efficiency can be made possible by tapping new technologies to improve productivity while offering scope for employment generation (ILO, 1998b).

This optimistic picture has to be put into perspective, especially in view of Dyer's cautionary note that many unresolved issues remain in the flexibility debate, and she draws out a number of these in relation to the Japanese automotive industry (Dyer, 1998: 108–9). Her analysis is supported by research on the experiences of home-based information technology workers in North America. This research indicates that many of those working in 'telework' suffer from stress brought on by working long hours, interfering with family life and housework (Gurstein, 1998). If optimism about the benefits of small-batch production and services in hi-tech industries such as these is misplaced, how much more so it is in the case of sub-contracting in parts of Asia where labour is much cheaper. Claims that the use of casual, temporary and contract labour increases productivity can be true only if that increase is gained by depressing wage levels, injecting high levels of stress in workers through job insecurity, overwork, and workers ignoring health and safety issues for fear of losing their jobs or contracts. These dubious productivity improvements really only translate into short-term profit maximisation without consideration for broader developmental strategies or issues. Competition on a global scale results in risks for labour, as enterprises try to reduce costs by corporate restructuring, downsizing, outsourcing, and part-time and temporary work. Women are most likely to be affected in terms of security and employment by these changes, especially if they are unskilled or semi-skilled and thus in danger of losing their jobs through skill obsolescence. This is characteristic of highly developed economies such as those of Japan as well as in the developing economies of South and Southeast Asia (Horton, 2001: 432).

Various studies have shown that sub-contracting chains are the normal mode of production for small-scale industries in places like Indonesia, where up to four levels of sub-contracts have been identified in many operations (Tjandraningsih and Chotim, 1999: 2). In addition, they categorise three sub-contracting types: international, national and local (1999: 3). Given that the use of sub-contracting and small-batch production is expanding, and that women predominate in this sector, it is clear that women are its most obvious victims on a global scale. In the clothing industry, for example, the formal sector is often bypassed in favour of sub-contracted production, even, as suggested by Unni (1999: 11), in countries such as Bangladesh where factory production is the norm. Women undertake piece work at home or in sweatshops, for sub-contractors, usually at exploitative rates of pay. Consequently, their contribution to the economy is concealed, as is the work of women who help with the family unit in domestic chores. In India, women usually

pre-process yarn for spinning and weaving, but the men are the ones who are regarded as weavers. In pottery manufacture, women do many of the ancillary tasks such as fetching the water and clay (sometimes from very considerable distances), but the actual potting and painting are done by the men. The women's work is thus invisible and their contribution does not play its due part in the calculations of productive output. This may be further distorted by cultural factors. In the case of Bangladesh, women are traditionally regarded as dependent upon their husbands. Consequently, their work is often secreted because the male's role as breadwinner has to appear unblemished. Such circumstances add to the difficulty of gauging the extent of women's work in the informal sector as a whole. Referring to unpublished research by S.V. Sethuraman (1998), Unni notes that women piece-workers under sub-contracting arrangements in Ahmedabad, India, earned even less than self-employed women, who also earned less because of their gender, compared to men performing the same tasks (1999: 24).

There is some irony that the notion of flexibility is considered mainly from the point of view of the manufacturer and not the women workers concerned. It is true that under sub-contracting and small-batch production arrangements, women who have other responsibilities in the home may be able to adjust better than otherwise to the multiple demands on their time when they are home-based. Nevertheless, the pressure is on the woman worker to meet the quota demanded by the manufacturers or their agents, and the result is that demands on her physical and mental health may extend far beyond what is reasonable or acceptable. While women's share of the total workforce has increased significantly all over the world in the past 30 years, mainly because of the flexibility inherent in sub-contracting arrangements, the negative side of this phenomenon is that the new employment opportunities for women are of the type traditionally associated with women and therefore valued less. They have little or no security, their work patterns are irregular, and for the most part, they are poorly paid.

### *The garment industry*

The garment industry is the barometer of globalisation in relation to women's work. Success in the market place depends upon producing high quality goods at the cheapest possible price. Historically, this has produced a very complex production chain, where, for example, cotton grown in India, or even in places like Australia, may be spun and woven in China, the fabric patterned and cut in Hong Kong, shipped back to

mainland China for sewing the main pieces together, and returned to Hong Kong for the finishing touches and export. In other parts of Asia, a range of sub-contractors farm out various parts of the production process across international borders, competing strongly with the East Asian products. Thus the industry is quite volatile and fickle, demanding a great deal of flexibility and toughness from its entire production team. Some of the biggest and most profitable companies own no factories at all, but switch production to the lowest bidder who can produce quality goods.

The United States imports 90 per cent of its fashion goods, and half of that production, worth some 38 billion US dollars, comes from Asia (Oster, 2001: 43). When quota restrictions limiting textile imports from developing countries are eliminated at the end of 2004, the effects will inevitably send shockwaves throughout the global textile and garment industry, especially on top of the roller-coaster ride for the industry which was precipitated by the events of 11 September 2001. While it may well put most pressure on the middlemen and small-batch sub-contractors who find that established marketing chains have suddenly vanished, it means enormous uncertainty for the millions of women across Asia who are at the beginning of the production chain. Bangladesh, which has established itself as a successful player in the readymade garments sector, now faces uncertainty and the threat of economic dislocation as large retail buyers play off manufacturers and contractors in a more highly competitive market to get the best deal. The Bangladeshi Government is thus reluctant to try to enforce better working conditions and wage rates for its women workers when the country is overly dependent upon the export earnings from this one source.

### *Home-based work*

Within the informal sector, different terms are used to describe workers under sub-contracting arrangements, regardless of their employment conditions. Prügl declares the problem of defining the term to be one of the most intractable (1996: 5). In Asia, the commonly used term is 'home-based worker'. So widespread is home-based work that it is regarded by researchers in academia and organisations such as the ILO as one of the most important to study in order to understand the rapid changes taking place in the global economy. Piece-rate workers in industrialised countries as well as the those in developing economies are also referred to as 'homeworkers'. The term covers those who work at home in the commodity chain for outside employers or persons who themselves are sub-contractors. The ILO also uses the term to include those

dependent upon employers or their agents for work but who have no formal contractual obligations with them. The difficulty of defining, and therefore of quantifying, the work of women in this category is noted by Charmes (2000: 19) who, in a detailed statistical survey, places women workers in the formal or informal sectors according to the characteristics of the enterprise which employs or which sub-contracts them. Given the variety of work and circumstances, several of the terms are interchangeable, but women certainly take part in this form of production much more than men. Home work represents as much as 40 to 50 per cent of labour in certain export sectors in Asia, such as garments and footwear (Global Labour Institute, 2000).

Home-based work has often been regarded, historically, as somewhat pre- or para-industrial in its manifestation, but it is evident that it is becoming the fastest growing mode of production in Asia, with its direct links to the global structure of manufacturing. This refers not only to the more traditional sectors of textile production, and garment manufacture, but also to the newest and most technologically based of industries, such as those in telecommunications and computers, which are being sub-contracted increasingly to workers outside of organised work sites. This blurs the distinction between production in the formal and informal sectors at an accelerating rate in the twenty-first century. It may be part of the formal economic structure or it may be so remotely linked to it that it becomes almost invisible, and this characteristic of invisibility also tends to be one of the most outstanding of the sub-contracting mode of production and especially the work of the women, who are its greatest contributors.

### *Workers' participation rates in the modern economy*

Women's participation rate in the labour force has generally risen in the past 25 years, with that of Asia estimated at 44 per cent. This average conceals wide variations from country to country. The increase has been more dramatic in South Asia in the past decade, as indicated by Table 6.1.

As shown in Table 6.1, participation rates for women are higher in Bangladesh compared to India. In India, local conditions have prevented women from entering the workforce at the rate which Bangladeshi women have, largely due to the way women in Bangladesh have been employed in textile and garment manufacture, particularly in export processing zones.

The distribution of workers by activity status in Bangladesh is shown in Table 6.2. As shown in the table, the percentage of women who fall

*Table 6.1* Percentage of economically active population (10+ years) in Bangladesh and India, 1971–96

| | *Male* | *Female* |
|---|---|---|
| *Bangladesh* | | |
| 1974 (PC) | 80.3 | 39.9 |
| 1981 (PC) | 74.1 | 4.3 |
| 1985–86 (LFS) | 76.9 | 9.4 |
| 1989–90 (LFS) | 81.0 | 61.6 |
| 1995–96 (LFS) | 78.3 | 50.6 |
| *India* | | |
| 1971 (PC) | 73.9 | 16.9 |
| 1977–78 (LFS) | 76.5 | 42.1 |
| 1981 (PC) | 71.5 | 27.1 |
| 1983 (LFS) | 76.9 | 40.6 |
| 1987–88 (LFS) | 73.5 | 39.7 |
| 1991 (PC) | 52.7 | 23.4 |
| 1993–94 (LFS) | 62.1 | 32.5 |

*Notes*: PC = Population Census; LFS = Labour Force Survey.

*Source*: Adapted from Unni, 2000: 26.

*Table 6.2* Distribution of workers by activity status in Bangladesh (all areas), 1989–96

| *Year* | *Self-employed* | *Unpaid* | *Regular employment* | *Casual labour* |
|---|---|---|---|---|
| *Male* | | | | |
| 1989 | 43.3 | 19.8 | 13.1 | 23.8 |
| 1995–96 | 43.2 | 17.2 | 14.4 | 25.2 |
| *Female* | | | | |
| 1989 | 10.2 | 82.2 | 4.5 | 2.8 |
| 1995–96 | 7.7 | 77.4 | 8.7 | 6.2 |
| *Persons* | | | | |
| 1989 | 29.6 | 45.7 | 9.6 | 15.1 |
| 1995–96 | 29.6 | 40.1 | 12.4 | 17.9 |

*Source*: Bangladesh Bureau of Statistics, Labour Force Surveys, 1989 and 1995–96; adapted from Unni, 2000: 31.

into the category of casual labourer has increased over the period 1989 to 1995/96, reflecting the casualisation of women's work.

## Working conditions of women workers under sub-contracting arrangements

Organisations seeking to assist women working under these conditions have sought to grapple with a number of its unsavoury characteristics: '[T]hey tend to have little or no access to organised markets, to credit institutions, to formal education and training institutions, or to many public services and amenities; they are not recognised, supported or regulated by the government; they are often compelled by circumstances to operate outside the framework of the law, and even when they are registered and respect certain aspects of the law they are almost invariably beyond the pale of social protection, labour legislation and protective measures at the workplace' (COSATU, 2000). In addition, the fact that agents or sub-contractors may be employed by larger manufacturers means that an additional link in the chain is forged in the commodity chain, and the commission earned by the sub-contractor or agent is exacted from the producer at the lower end of the production scale. The result is that if a woman is employed in her home or a sweatshop at piece-work rates, she will be paying, through additional labour, the agent's fee or sub-contractor's commission.

Women also face a number of additional constraints and limitations under sub-contracting arrangements. In the more traditional societies such as those in South and Southeast Asia, women have enormous demands on their time because of the gendered division of labour. Many women work at home in order both to supplement family income and to carry out household and childcare responsibilities. Their lack of education and lower literacy levels make it harder to gain skills that would make them more competitive in finding and holding down jobs with remuneration commensurate with the effort required to complete the jobs.

Perhaps the dark side for Asian women homeworkers is that many work unreasonably long hours and still manage to generate a precarious income that hovers around subsistence level. Nevertheless, this merely emphasises their vital financial contribution to the family income. They produce items which contribute significantly to the country's gross domestic product (GDP) and foreign exchange earnings and which are sold overseas as well as in domestic markets. Apart from the unsafe and unhealthy conditions mentioned previously, the homeworkers may be

cheated by their employers and not enjoy any of the benefits of a worker employed in established businesses. In addition, their children's health may suffer through enforced neglect or accident. Children may also be drawn into the production chain as additional and exploited unpaid labour, taking them away from school and the opportunity to improve their future prospects through education.

Employment contracts, such as they are, tend to be unfavourable to the woman worker, often involving multiple employers and are engineered to exclude the possibility of collective bargaining. More importantly, in attempting to understand the mechanics of the broader informal sector, this growing and often invisible workforce goes largely unrecognised in labour statistics and is unprotected by labour legislation. Ironically, where labour standards designed to protect women workers are mooted, the net result is often dismissal or refusal to employ women who are skilled enough to take on the job. The struggle of women workers in Bangladesh, for example, has shown that even minimal demands, already granted by legislation or ILO conventions, cannot be accommodated because of the terms of trade. In the unlikely event that arrangements for job security through employment contracts in the sub-contracting sector are negotiated, or for benefits such as child care and maternity leave, then the comparative advantage of a country's export in that product is reduced. Such arguments are very powerful in driving wages or other remuneration downwards. Furthermore, protective labour legislation for women, intended to protect them in occupations such as underground mining and some types of factory employment, night-work and shift-work also tend to restrict their employment opportunities. This effectively forces them to accept sub-contract and piece-rate work inside their homes or in sweatshops nearby. Even when industrial norms are violated, local entrepreneurs and foreign buyers are unaccountable. If this applies in many areas of the formal sector, then protection under the law and international conventions for informal workers is an even more remote possibility.

**Organising women homeworkers**

Women are to be found in all kinds of sub-contracting work, but they are grouped at the lower end of the scale and very much under-represented and under-capitalised in entrepreneurial activities. Prügl (1996: 5) has observed that entrepreneurship can be an important strategy in empowering homeworkers, yet women homeworkers are denied such opportunities. As previously noted, most are involved in work

which returns a poor income, which may also be casual or seasonal, and which may additionally be physically exhausting and with no opportunity to develop skills that would promote upward mobility. They have a range of inhibiting factors which stop them from competing effectively in the formal sector against men, with the exception of areas which demand more manual dexterity and concentration. Ironically, these are areas which are not well paid – electronics components assembly and garment manufacture for example. They are treated unequally in the social and education fields and there are few active government policies which assist them to redress the balance. The very definitions of sub-contracting work and workers fly in the face of established relationships between employee and employer, and this relationship is being replaced by others where the lines are blurred and indistinct; where the rules of engagement are still being drawn up but where inevitably they favour the person or entity upon whom the sub-contracting worker depends. In the end, it is a dependent rather than independent location held by the home-based worker. In response, women workers are uniting and mobilising, either in their own unique organisations backed by intellectuals and non-governmental organisations (NGOs), or, increasingly, in conjunction with trade unions. The central organisational and information disseminating role in all this has been assumed by the ILO; certainly it sees itself as a forum for all interested parties in shaping the new evolving order.

This is far from uniform across Asia, and national attributes inevitably interpose themselves between women from various countries and regions. Thailand, for example, has witnessed social dislocation as Thai products have become more expensive in response to rising urban formal sector wages. Relocation by manufacturers to country areas, where sub-contract labour can be better exploited, creates new pressures at the subsistence end of the spectrum, and women are disproportionately its victims. This only serves to illustrate the complexity of the phenomenon: one which demands analyses that take into account patriarchy, stereotyping and gender and the imbalanced consequences of globalisation, and which use gender as the focus rather than a side-issue. As Naila Kabeer's study of the work and economic involvement of Bangladeshi women in Dhaka and London demonstrates, the nexus between past and present relationships is dominated by the exact economic and social relations that operate in the local environment (Kabeer, 2001: 8). This is supported by the work of Kanokporn Deeburee, who shows that in the structure of local industrial production, the status of working women in Thailand is doubly disadvantaged; women who are wage-labourers

in sub-contracting systems have low status as wage-labourers, while in the family sphere, women who are daughters have low status as they are considered as resources of families and not as individuals (Deeburee, 1999). Nor is this effect limited to the economically weaker developing countries. In pointing out that the earnings of most women working in the textile and garment industries are crucial to the family budget, Chapkis and Enloe (1984: 8) note that in Hong Kong, a survey carried out as early as 1970 showed that 40 per cent of young women gave all their income to their families, while 88 per cent gave at least half. By Kabeer's analysis, any attempt to devise acceptable labour standards at the international level which takes no account of the forces of inclusion and exclusion within local labour markets is likely to represent the interests of what she describes as 'powerful losers' in international trade at the expense of 'weak winners' (Kabeer, 2001: 9).

Under the auspices of the ILO, the International Labour Conference has adopted the *Home Work Convention, 1996 (No. 177)* (Global Labour Institute, 2000). This was intended to impel governments to take an interest in issues such as including homeworkers in labour statistics and labour inspection systems. Rather optimistically, the Conference also recommended taking steps towards providing equality of treatment between homeworkers and other wage earners, protection against discrimination, coverage by national safety and health regulations and social security provisions, and access to training (ILO, 2000). The extent to which any of these recommendations and provisions can be carried out is ultimately governed by the extent of transparency of the production system, and the willingness of consumers of affected products and services to pay the additional cost.

Although this does not create a mood for optimism about labour conditions in the sector, certain initiatives have been undertaken to provide support for those women who cannot individually improve their working conditions. The women themselves have taken the first steps to organise, and the growth and strength of the organisations created is impressive. As noted by Prügl, 'What distinguishes the current debate from that in the first half of this century is the voices and participation of homeworkers themselves' (Prügl, 1996: 3–4). National groupings of home-based workers were formed in the early 1990s, in the Indian subcontinent, the Philippines, Indonesia and Thailand. Many of these national bodies of home-based workers then federated into regional associations. The organisers realised that advances were limited without an international co-operative effort. Since markets are globalised, labour also needed to be globalised, and required the support

and coordination by international agencies and donors. On this basis, HomeNet, an international network that helps to develop export markets for women's products, was set up in 1994, with the participation of the Self-Employed Women's Association (SEWA), India. HomeNet is actually a network of unions which represent homeworkers, as well as other associations of homeworkers in India, Bangladesh, the Philippines and Thailand. In 1996, an ILO project established home workers' networks to exchange information, provide mutual support and improve working conditions for women engaged in piecework at home. The project covered Indonesia, the Philippines and Thailand, and was intended to raise public awareness amongst homeworkers, provide education and training and encourage their respective ministries of labour to include them in national labour schemes. Subsequently, an alliance was created in 1998 known as WEIGO (Women in Informal Employment: Globalising and Organising). Academics and grass-roots organisations also took part in the formation of this coalition. WEIGO 'brings together research/statistics and international policy agencies in a forum in which they can listen to the voices and needs of women workers and translate these into policy and programmes, thus helping to strengthen and support women's own responses to globalisation' (Carr, 1998). WEIGO was also set up to provide backing to mediating institutions such as HomeNet and StreetNet. Its existence underlines two main points: that women employed under sub-contracting arrangements are an inextricable part of the phenomenon of globalisation, and that women in support of their demands are committed to organisation from the local right through to the international level (Global Labour Institute, 2000). WEIGO has a strong institutional framework and although it is still establishing itself and its global linkages, it has made an impressive beginning in taking on the role as peak institution for the advancement of the interests of informal sector women at the international and institutional levels.

Not surprisingly for an organisation with such diverse membership and interests, it made some tactical errors. The coalition, which included SEWA, HomeNet and the International Confederation of Free Trade Unions (ICTFU) Equality Department, had been very successful in establishing the *Home Work Convention (No. 177)* of 1996 and the very comprehensive Recommendation 184 (ILO, 2001). However, it lost momentum after achieving the objective of having these ideals pushed through the Home Work conference. That part of the process was no more than the very beginning of the struggle for informal sector worker rights. Without further lobbying, only Finland and Ireland ratified the

Convention and Recommendation, which meant that the coalition failed to provide enough impetus to get the attention of most governments and the international bodies needed to give these organisations international credibility.

It is just as well that women from across the entire spectrum banded together to create such institutions to serve their needs, because the trade unions themselves sent out contradictory messages about their relationship to these organisations. Trade unions have a patriarchal tradition, and the sub-contracting sector is so amorphous that union officials do not appear to have displayed much confidence in the efficacy of attempting to organise home workers. They have also tended to look upon such workers as competitors to the trade unions in the formal workplace, taking jobs away from that sector. Nevertheless, the fact is that on a global scale, trade unions have lost quite a lot of their power in the globalised workforce, for reasons that cannot be explored here. Moreover, a realisation has developed, following the success and vigour of groups such as WEIGO and SEWA, that the future of the unions may well lie with the vast pool of those employed under sub-contracting arrangements. As WEIGO themselves point out, 'Organising the informal sector serves the interests of the majority of workers worldwide' (Global Labour Institute, 2000). In other words, the trade unions should focus, not on the employment relationship as such, but directly on the worker. Trade unions at this stage do yet not have representatives from amongst those engaged in sub-contracting at anything but a token level, if at all. Certainly no national trade union federations make provision for representatives without formal sector status within their over-arching structures.

## Some concluding remarks

It is rapidly becoming more accurate, especially in Asia and the rest of the developing world, to describe the formal sector as 'atypical' and the sub-contracting sector as the place where a whole new set of relationships, all vital to the globalised economy, is being developed. As such, the vast scale and growth-rate of the sector presents dilemmas and challenges for all its participants, including national governments and international organisations. The playing field is uneven and the old rules are being cast aside while new ones are negotiated. Those entrepreneurs at every level of the production chain who are most flexible, innovative and adaptable will survive and possibly flourish, while those who are locked into outmoded technologies and methods will fail. But regardless of the outcome for those higher up the production chain, the implications for women

working under sub-contracting arrangements are profound; as noted by one commentator: 'Whether informal labour or "flexible" workforces in the free-trade zones of the South, the footsoldiers in the global economy are female' (Rowling, 2001: 23).

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# 7

# Japanese Women and the 'Cult of Productivity'

*Elise K. Tipton*

## Introduction

Women workers in Japan – costed, not valued. It would be quite easy to paint this picture of Japanese women workers since the late nineteenth century. Until the late 1970s women's enormous contribution to Japan's industrialisation was not recognised by historians. In Japan, it was a book by Yamamoto Shigemi (Yamamoto, 1977) written for a popular audience, and later made into a film, that exposed the deplorable conditions of women workers in the early textile mills. Then in the early 1980s Mikiso Hane conveyed the picture to Western audiences to reveal the 'underside' of Japan's economic success story (Hane, 1982). Meanwhile, the wave of women's liberation movements in the early 1970s had stimulated the emergence of a feminist women's history that also depicted the exploitation of women industrial workers. But while all these pioneering studies were obviously sympathetic to women, they tended, like earlier labour histories, to portray the women workers as passive victims, uninterested or incapable of protest.

Another common image of Japanese women as 'good wives, wise mothers' or 'professional housewives' could also complement the assumption that Japanese women workers have been costed, but not valued. Certainly, the 'good wife, wise mother' (*ryôsai kenbo*) became the ideal of the proper role for women promoted by Japanese governments and employers during the twentieth century. It was an ideal that placed women's primary responsibilities in the home and contributed to the sexual division of labour that continues to characterise Japan today. It has indeed led to the view of women's labour in the paid workforce as 'auxiliary' labour, cheap and dispensable, costed, not valued.

Nevertheless, although it has been advantageous to employers and the state in its drive to economic development to have such a pool of cheap labour, it is not entirely the case that women's role in industrialising Japan has only been costed and not valued. As Sharon Nolte and Sally Hastings have demonstrated, the Meiji state (1868–1912) developed a 'cult of productivity' in contrast to the 'cult of domesticity' that characterised Western societies, such as the United States and Britain (Nolte and Hastings, 1991). This meant that the state not only deployed nationalistic rhetoric to encourage poor farm girls to enter the industrial workplace 'for the sake of the country', but also enjoined middle-class good wives and wise mothers to contribute to national goals outside the home through paid work in certain occupations, and through charity and other volunteer work. Moreover, the 'good wife, wise mother' ideal placed a new value on women's wifely role and motherhood. Most pre-Meiji women worked on the family farm or in the family business, and even samurai women were not primarily mothers. The Meiji slogan reflected state officials' belief that the country's strength and prosperity required women to provide proper nurturing and education of children. This attitude continued through the twentieth century, and to this was added an emphasis on women being efficient household managers and, especially, good savers. The state therefore valued women's role in the home as a contribution to the country's economic development in both direct and indirect ways.

Still, prioritisation of women's domestic role led to contradictions in government policies toward women entering the workforce. Ambivalence and contradiction particularly characterised state policies toward middle-class working women and toward married women. The government often desired these groups of women to enter particular occupations, such as teaching and nursing, as extensions of their nurturing role, but did not want such work to interfere with their domestic responsibilities. In addition, the emphasis on women's primary responsibilities in the home and family meant that women's skills were not fully utilised to contribute to economic activities. This was evident during the Second World War and in the postwar decades.

The prioritisation of domestic roles created difficulties for women who wanted or needed to work outside the home. Women entered the workplace mostly out of financial need, but as education levels rose and ideas of women's liberation spread, also for personal development and satisfaction. Political and economic elites' attitudes and policies limited their options for work and led to discrimination in wages and promotion. Nevertheless, the picture has not been entirely that of exploitation and

victimisation. In some cases, women workers did engage in activism and organised protests. In other cases, the state's promotion of the good wife, wise mother ideal succeeded, as many women internalised that ideal and were proud of their work in the home.

The following sections will focus on women's role in the paid non-agricultural labour force, but these observations on the interaction between their real and perceived responsibilities in the home and in the workplace need to be kept in mind. It is only in very recent years that the state's claim on the home as part of the public sphere has weakened. For most of the past 130 odd years elites have seen women's work both in the home and in the workforce as complementary contributions to the larger society, economy and the nation-state. From this point of view women's work has been both costed and valued.

## Meiji women – working 'for the sake of the country'

The Meiji leaders aimed to save Japan from colonisation and achieve equality with the major Western powers by making 'a rich country, strong army' (*fukoku kyôhei*). Industrialisation became essential for these nationalistic goals. While most women (and men) continued to work in agriculture, which had to provide capital for industry, the government called on young women to provide the workforce for the import-substitution industries of silk and cotton. The opening of the country to foreign trade under the so-called unequal treaties had led to a flood of cheap Western cotton goods which undermined the traditional cotton industry, resulting in great hardship for peasant families, and creating a huge drain on Japan's reserves.

The Meiji government's response to the trade imbalance was the establishment of the model silk filatures and cotton mills to demonstrate and spread Western techniques and management. Silk was a traditional handicraft industry which if modernised might contribute to Japan's exports as well as providing employment for both poor ex-samurai and peasants. The time was opportune since a severe blight had struck the French and Italian sericulture industries in the first year of Meiji. 'Modernisation' of the industry mainly involved the use of steam instead of hand power to drive the reel, not the importation of expensive and complex machinery. Moreover, during the second half of the Tokugawa period (1600–1868) many farm families had turned increasingly to sericulture to meet the enormous expansion of demand for silk in urban areas. Women in farm households had been raising silkworms and spinning thread to supplement family incomes for many generations. By the nineteenth century

women in poor samurai families had also taken up silk-thread reeling and weaving. Consequently, Japan already had an experienced workforce for the industry.

The government established its largest model plant in 1872 at Tomioka in the heart of the traditional sericulture region. It employed a French engineer to oversee the plant's construction and a team of 18 French technicians to train the women employees in Western-style silk production. Government recruiters expected that young women from respectable families would eagerly come forth to become privileged trainees in the new techniques 'for the good of the nation'. To their surprise and dismay, no volunteers appeared. Middle-level farm families and samurai families proved unwilling to send their daughters far away to work among strangers. The idea of French instructors also put them off because of rumours that Europeans drank human blood (actually red wine) and cooked with human fat (lard). It was only after the manager of the plant called for his own 13-year-old daughter to come to work in the mill that other families were persuaded that it was a safe place for young women (Tsurumi, 1990: 28). Other mills faced similar recruitment problems.

Wada Ei was one of the first trainees at Tomioka. She recalled that her grandfather praised her for volunteering to go to Tomioka since it was fitting that even a young girl should 'participate in meritorious deeds performed for the Realm' (Tsurumi, 1990: 29). Her father also told her 'not to fail for the honor of the country and the family', but her mother at the same time warned her to guard her body with so many men around (Sievers, 1983: 59). Her mother's warning indicates one of the problems faced by young women in the mills. All supervisors were men, who often tried to take advantage of the women sexually. Even if they did not, they enforced strict discipline on the workers. Even at Tomioka which, as a model plant, provided better working conditions than mills elsewhere or in later times, supervisors required the women to work extremely hard and quickly, sternly reprimanding them for mistakes and penalising those who conversed with each other while working.

The women at Tomioka worked nine to twelve hour shifts with rest periods and Sunday off, considered good by contemporary standards anywhere in the world. However, from the late 1880s onward, most silk and cotton mills were privately owned (including Tomioka, which was sold to the Mitsui firm), and working conditions deteriorated. Longer shifts of 12–15 hours and nightwork became typical with the introduction of artificial lighting, and fines and corporal punishment

often accompanied verbal reprimands for slow or incompetent work. Wages remained very low, and with the introduction of a 'relative wage-classification system', wages were not fixed. Instead, wages in each classification varied according to the average and highest productivity of workers within a given mill, which in turn was based on the quantity, weight, denier and lustre of thread reeled by a worker. A worker's wages fluctuated according to thread quality even though that depended on the quality of cocoons as much as on her skill as a reeler. In addition, the unhealthy factory environment fostered tuberculosis and other diseases. Moisture from the steaming of cocoons in silk mills and moisture for strengthening cotton fibres in cotton mills made the factories hot, smelly and humid. Sickness spread easily in the crowded sleeping rooms and shared bedding of dormitories where mill owners increasingly required their workers to live in order to keep them from escaping and breaking their contracts. Death rates among female textile workers were two or three times that of the general population (Tsurumi, 1990: 170).

From the beginning, the young female textile workers were regarded as temporary workers on contracts of one to three years, making a contribution to the country's development before returning home to marry. The government did not regard factory work as a career for the daughters of middle-class peasants or ex-samurai despite all the prestige and honour that it tried to attach to the training. The privilege of working for the nation must have been less motivating for the poor, young peasant women workers who, also on contracts, came to comprise the vast majority of the labour force from the late 1880s. Company representatives led them in singing:

> We don't cross the Nomugi Pass for nothing;
> We do it for ourselves and for our parents.
> Boys to the army,
> Girls to the factory.
> Reeling thread is for the country too. (Tsurumi, 1990: 92)

But in their own songs, it is clear that most girls worked for the sake of their families. One example includes the first two lines of the company song, but notably excludes the rest:

> Listen folks, because I want
> To be filial to my parents
> I crossed Miyama and came

All this way to suffer in Shinshû.
How bitter, how bitter I think but
When I remember my parents it's not bitter . . .

We don't cross the Nomugi Pass for nothing,
We do it for ourselves and for our parents. (Tsurumi, 1990: 101–2)

Even so, many girls could not stand the conditions. Although there are no statistics, suicides were common enough for workers in silk-reeling mills around Lake Suwa to claim that they affected the lake's water level (Sievers, 1983: 78). Many others ran away, as indicated by high turnover rates and the popular saying, 'the day may come when the cock ceases to crow but never the day when factory girls stop running away' (Tsurumi, 1990: 90). Still others protested, contrary to the traditional view of female worker passivity. Boycotts, walkouts and strikes became frequent during the second half of the 1880s and resulted in some of the workers' demands for better pay and working conditions being met. But while these disputes demonstrated women workers' ability to organise locally, they did not spread throughout the entire industry. Mill owners responded in ways that made organisation more difficult. They recruited workers from more distant areas, such as Okinawa, so that the women would lack village and family support. They formed manufacturers' alliances that reduced competition for workers, and they withheld wages until the end of contracts to make it costly to leave an employer.

When a labour union movement did begin in the late 1890s, organisers (mostly men) largely ignored women workers as 'unorganisable', too attached to family, too young, and uncommitted to permanent work. Even if union organisers had been interested in women's issues, they faced political and social authorities hostile to leftist movements. Heightened nationalism accompanying the Sino-Japanese War of 1894/95 also supported conservatives' efforts to reassert Confucian values of loyalty and filial piety, now entwined with willingness to sacrifice for the nation-state. These applied to women no less than to men. Educational reforms and a revised civil code reinforced and institutionalised these values and a gendered social and economic hierarchy.

It was at this time that state authorities began to propagate the feminine ideal of 'good wife, wise mother' and to construct the 'cult of productivity' for women that was to last throughout the twentieth century. Women were excluded from politics and deprived of any legal status as independent persons, but not because they were regarded as weak or incapable of contributing to society and the nation. In 1909 Dairoku

Kikuchi, a former Minister of Education, explained the contribution that a good wife and wise mother made:

> [The] man goes outside to work to earn his living, to fulfil his duties to the State; it is the wife's part to help him, for the common interests of the house, and as her share of duty to the State, by sympathy and encouragement, by relieving him of anxieties at home, managing household affairs, looking after the household economy, and, above all, tending the old people and bringing up the children in a fit and proper manner. (Quoted in Smith, 1987: 8)

Consequently, school textbooks and the semi-official magazine *Shimin* extolled the virtues of filial piety, hard work, endurance, and frugality. Furthermore, even women of leisure and education were expected to work hard as volunteers in charity activities. During the Russo-Japanese War of 1904/05 women were encouraged to act as paid or unpaid nurses, and the Empress set an example by rolling bandages for the Ladies' Volunteer Nursing Association of the Japan Red Cross (Nolte and Hastings, 1991).

## New women in the workplace during the interwar period

During the early decades of the twentieth century young women from poor peasant households still could not expect to become full-time good wives and wise mothers. The majority of women continued to work hard on the family farm. Others, about 700,000 or 6.6 per cent of all female workers, laboured as domestic workers during the 1930s (Nakamura and Odaka, 1989: 140; Shimizu, 2000). Still others continued to make up the majority of the industrial workforce until the early 1930s since textiles remained the dominant industry. Cotton textiles, for example, made up 26.5 per cent of all Japanese exports and 14.5 per cent of all industrial output even in 1935 (Molony, 1991: 219–20). Cotton-spinning firms employed 54.1 per cent of all industrial workers in 1931, and over 80 per cent of workers in cotton spinning were women (Molony, 1991: 220). Low rice prices and the collapse of demand for silk pushed more rural women into the workforce during the 1920s. Silk and cotton mills still recruited young girls from the countryside, but education and the introduction of new social policies effected some changes in the characteristics of textile workers.

Rising education levels and changes in the Japanese economy also opened up other, new job opportunities for women after the First World

War, so that the 1920s saw a notable (and much noted) increase in the number of middle-class women in the workforce. As in the case of textile workers, the cheaper cost of women workers compared to men encouraged this development. At the same time, however, employers also recruited women for these new jobs and valued them for their womanly qualities. Employers displayed contradictory attitudes toward these middle-class women employees, especially toward those who were married.

Looking first at textile workers, one notable change was the decline in number of very young girls entering the industry. Since the end of the Meiji period school attendance rates for girls as well as boys approached 100 per cent, and as girls stayed in school longer and the limitation of child employment came into force, the average age of workforce entry rose. Moreover, although company recruiters still tried to hire girls from distant places in order to keep them under firm control in dormitories, many new hirings in cotton factories were not only older, but also more skilled workers with experience in several factories. Although a significant minority of farm recruits did return to their villages, the majority of the women remained in the city seeking work in other cotton factories, or in the 1930s in heavy industry, and marrying industrial workers. These women did not live in dormitories and therefore could not be coerced by the company as easily. They also developed home and family responsibilities which led to higher rates of absenteeism (Molony, 1991: 224–8).

The implementation of standards in the Factory Law of 1911 and passage of protective legislation resulted in some improvements in working conditions in textile factories compared to late Meiji times. However, working conditions remained very grim, as exposed by Hosoi Wakizô's 1925 book about cotton textile workers. Factories and dormitories remained unhealthy environments and 12-hour shifts were still long and tiring since there were no chairs to sit down on even during rest periods. Until the prohibition of late nightwork (11.00 p.m. to 5.00 a.m.) for women and children in 1929, 12-hour shifts were common so that two women could use the same sleeping mat in alternating shifts, which contributed to the spread of diseases. Some relief from the work grind was introduced with the granting of usually four days off per month when the women could leave the factory for entertainment, provided, however, that they owed no debt to the company.[1]

These slight improvements were not enough to assuage workers' dissatisfaction. The turnover rate in textile factories remained high, and contrary to the stereotype of docility, women textile workers engaged

in a number of strikes and other organised activism, especially during the late 1920s and early 1930s. During the Tôyô Muslin Factory strike in 1930, for example, the women workers clashed with gangs hired by the factory owners. The struggle reached such an intensity that the strikers brought a halt to trains in the area. Barbara Molony attributes increased activism to rising levels of education, which in turn led to greater physical and intellectual maturity, a greater sense of personal autonomy, and higher expectations when the women entered the workforce than Meiji workers had possessed (Molony, 1991: 235). Moreover, feminist ideas of Westerners such as the playwright Henrik Ibsen and of Japanese leaders, including a founder of the New Women's Society Hiratsuka Raichô and the socialist Yamakawa Kikue, inspired some textile workers as well as women of the middle and upper classes to seek better conditions for women workers. However, striking women workers generally did not demand abstract rights, but rather more concrete improvements in wages, food, and other aspects of their working and living conditions. In one strike during 1927, for example, workers' demands included: higher wages, better treatment, freedom to leave the dormitory, no nightwork for women with children, and establishment of a childcare facility (*Onnatachi no Shôwashi* Henshû Iinkai, 1995: 15). The subordination of women workers' issues in labour unions' policies meant that most of this activism and women workers as a whole remained outside the mainstream of union activity. Only one per cent of women workers belonged to unions, compared to 16 per cent of male workers (Molony, 1994: 234).

While textile factory work remained one of the main options for supplementing the family income for women of the lower classes, it was not an option for women of the new urban middle class. During the 1920s middle-class women entered the workforce in unprecedented numbers. A Tokyo employment agency recorded a fourfold increase in the number of women seeking work between 1923 and 1930. A combination of broad economic and social factors and individual personal motivations accounts for this new phenomenon.

The First World War was relatively beneficial for Japan. Although fighting on the Allied side, this did not involve participation in the European war front. Japan took over German colonies in China and the Pacific with quite a small contingent of troops and resources. Meanwhile, the preoccupation of the European powers with the war expanded markets for Japanese manufactures, especially in China. The resulting economic boom not only increased the number of jobs for male and female industrial workers, but also created new job opportunities for middle-class

women as the service sector expanded. White collar jobs such as typists, receptionists, switchboard operators and clerks became more available in various private and government offices. Other new occupations such as department store sales persons, journalists, bus conductors and petrol pump operators opened up. The best paying and most prestigious occupations for women were teaching and nursing, and these attracted the largest number of middle-class women. In 1930 there were 100,000 women teachers, making up over 30 per cent of primary school teachers, and 140,000 women working in health care (Hunter, 1990: 114; Newell, 1997: 27). Women in these occupations became known as *shokugyô fujin*, literally translated as working women, but distinguished from industrial women workers who were known as *rôdô fujin* (Murakami, 1983).

Although the greater availability of work helps to explain the entry of middle-class women into the workforce, ironically, it can also be explained by the general conditions of economic stagnation during the 1920s that followed the First World War economic boom. The collapse of wartime demand led to a recession in 1920 from which there was little recovery and growth throughout the next decade, and a financial crisis in 1927 was followed by the Great Depression. Although white collar jobs for men did not expand significantly in these conditions, the lifestyle aspirations of the new middle class did. Proliferation of the mass media and advertising disseminated images of the 'modern life', characterised by Western clothing, homes and entertainments. Consumerism emerged as department stores changed their merchandising practices and targeted a wider range of clientele. Wives and daughters of the new urban middle class consequently often went out to work to achieve this modern lifestyle.

Although a financial need to supplement the family's income seems to have been the most important push factor for middle-class women to go out to work (Nagy, 1991), there was also a pull factor as employers recruited women for certain occupations. This pull factor is notable in the case of school teaching, for the Education Ministry deliberately sought educated women to fill a shortage of teachers that began in the 1910s. This aptly illustrates both the costing and valuing of women workers. Teaching had been a male-dominated profession during the Meiji period, often pursued by members of the former samurai class and high in social status. During the 1910s, however, men were attracted to better paying white collar jobs, which created the shortage for women to fill. The lower salaries paid to women provided another incentive for hiring women, but officials also justified their recruitment of women

by saying that women were by nature highly suited to teaching young children. This assumption also supported their willingness to employ married women, in contrast to the United States, Britain and Australia where marriage bars excluded women from teaching (Newell, 1997: 28–30).

However, these same womanly qualities made women unsuitable in the view of education authorities for teaching boys or taking higher paying administrative positions. Women teachers were restricted to teaching the lower grades of primary school and were even considered unsuitable for girls-only classes in grades five and six. It was not until 1931 that a woman was appointed as a primary school principal in Tokyo. Lack of training and qualifications limited such promotions, but the sex-discriminatory structure and curriculum of the educational system prevented them from obtaining the necessary qualifications. Domestic responsibilities, especially for married women, also left women less time to study and train themselves (Newell, 1997: 28–9).

As in the case of married women in other occupations, women teachers often raised the problems they faced in juggling home and work responsibilities in public discussions and expressed dissatisfaction with the lack of childcare facilities, but the Education Ministry took no practical measures to alleviate their difficulties. The government did introduce a national maternity leave law for teachers in 1922 and a more limited provision for factory workers in 1926. The teachers' system entitled a teacher to take leave two weeks before and six weeks following birth. Nevertheless, the majority of eligible teachers did not take their full entitlement if they took it at all because schools did not want to spend money on substitute teachers and women teachers did not want to burden their colleagues with extra work (Newell, 1997: 32).

The case of women teachers thus exemplifies the way in which the attribution of special feminine qualities of mothering and nurturing expanded middle-class women's work options during the interwar years, but simultaneously relegated them to a secondary status. Lack of funding, lack of better job alternatives, and women's own acceptance of their responsibilities as good wives and wise mothers hampered attempts to improve working conditions.

Special feminine qualities and the modernist social trends of the interwar years also combined to open up another new occupation for women, that of café waitressing. But without the high status and respectability of school teaching and other white collar jobs, this is a case of women's work being costed, and not valued. There were over 111,000

café waitresses throughout the country in the mid 1930s and even during the war in 1940 over 91,000 (Tôkyô Hyakunenshi Henshû Iinkai, 1979: 271). Another several hundred thousand women worked in other establishments providing food, drink or lodging, but the occupation of café waitressing represented a modern one for women because of the particular nature of cafés. Japanese cafés were Western-inspired in their menus, architecture and décor, but unlike European cafés, they served Western cocktails more than coffee, and from the late 1920s, their waitresses provided eroticised service (though not prostitution) as much as food and drink service. The waitresses did not receive any wages, but had to rely on tips from customers for their income. Moreover, out of their tips they had to pay for any items consumed by their patrons as well as to contribute to the salaries of the cooks. Their patrons were mainly young salaried employees of the new urban middle class. Some waitresses, especially in cafés near the suburbs where white collar workers lived, were wives or daughters of the salaried middle class. Most, however, came from poor rural or urban families, seeking an alternative to the textile factory or the brothel. Café waitressing did not require much education or training. Pleasing and entertaining men in the café involved an extension of women's nurturing role in the home. But in contrast to the traditional geishas who entertained men, café waitresses were part of the 'modern life' that became an urban ideal during the 1920s (Tipton, 2000, 2002).

## War-time work 'in the service of the state'

The association of café waitresses with modern sexual mores and women's autonomy led to restrictions on cafés and arrests of café waitresses from the mid-1930s onward as the government tried to prepare the nation for war spiritually as well as militarily. Full-scale war from 1937 onward stimulated formulation of a pronatalist policy epitomised by the slogan 'give birth and multiply'. Even more than in the Meiji period, the ideology of 'motherhood-in-the-interest-of-the-state' claimed the family as a public, not private institution, and put the primary role of women firmly back in the home.

However, this emphasis on women as mothers placed the government in the position of not being able to utilise women effectively as workers during the war. Ideological constraints led to the later mobilisation of women for work in Japan compared to the United States and other Allied countries (Havens, 1975). The Japanese government overcame its hesitancy only when the shortage of male labour became so acute

that it had no other choice. It finally introduced compulsory conscription of women for work in the munitions industry in August 1944, but even then the order applied only to widows and single women (Miyake, 1991: 267).

Despite the state's reluctance to mobilise women's labour, the war transformed women's employment patterns greatly. Women began to play a significant role in heavy industry when mechanisation created many unskilled jobs. In addition, they began to enter jobs that previously had been exclusively occupied by men. In the machine industry, for example, female employment rose from 9.8 per cent to 13.6 per cent of the workforce, and women began doing formerly male jobs such as milling and grinding (Miyake, 1991: 284). By early 1944 over 2.6 million women were working in mining, manufacturing and construction, and transportation-communication. This constituted close to 10 per cent of the total civilian labour force (Miyake, 1991: 283). Unlike textile workers, women in heavy industry were recruited mainly from urban rather than rural areas. Most women participated in the industrial workforce to earn supplementary income for their families, but from testimonies it seems that some also responded to the government's patriotic calls (Miyake, 1991: 284).

Employers provided little job training for the hazardous work in heavy industry, and working conditions deteriorated during the war years. A number of improvements made through the efforts of social reformers and trade unions during the 1920s were reversed. The average work day, for example, had been reduced to 10 hours in 1931, but rose to 11 by 1942. The prohibition of nightwork and hazardous work for women and children was lifted in 1943, resulting in women returning to night shifts and to the most dangerous pit work in mines. Lack of adequate training led to many injuries and deaths, and tuberculosis rates in heavy industry exceeded those in the textile industry (Miyake, 1991: 286).

As in the case of textile workers, women workers in heavy industry were regarded as temporary workers. Considering the 'motherhood-in-the-interest-of-the-state' ideology, it is no surprise that the postwar government fired them once the war ended and men returned to Japan. Nevertheless, women's wartime work had helped to undermine Japan's sex-segregated labour market. Although women's wages had remained lower than men's, the sex differential had lessened, so that women's wages were 46.5 per cent of men's in 1945 compared to 30.6 per cent of men's in 1936 (Miyake, 1991: 293). And although women workers lost some protective legislation, they demonstrated their ability to work on a par with men.

## Women workers and the economic miracle

Women workers' war-time contributions and the democratising reforms of the American occupation gave impetus to postwar women's movement attempts to gain equal employment opportunities. The 'good wife, wise mother' ideal became tarnished with the discrediting of the Confucian-based authoritarian ideology of the war-time regime, and the new constitution enshrined women's rights and equality. However, half a century since the Occupation ended women's wages are still only a little over half of men's (low compared to other industrialised countries) and only a small proportion of married women are in full-time employment or in supervisory positions. This situation exists despite the passage of an Equal Employment Opportunity Law in 1985. Being costed and not valued accounts partly for women's subordinate position in the workplace, but so does the continued valuing of women's role in the family and local community. This valuing may be seen as instrumental for the state's or employers' pragmatic purposes, but the rhetoric of an updated 'good wife, wise mother' ideal has permeated Japanese society. Until the 1990s most Japanese women conformed to the expectation of marriage and motherhood taking priority over work and a career.

During the period of the so-called economic miracle, the double-digit growth rates of the 1950s and 1960s, employers sought out young unmarried women to work in their offices and factories. Married women, in contrast, were encouraged to stay at home and see to the care and education of children, freeing their 'salaryman' husbands to devote themselves completely to their companies (Brinton, 1993). Hiring and promotion policies and the lack of daycare facilities gave women little choice but to stop working when they married. This gave rise to the 'professional housewife' (*shufu*) and 'education mama' (*kyôiku mama*), in effect a transmutation of the 'good wife, wise mother' ideal, but a role in which many women took pride.[2] The mass media and advertising industry also promoted images of happy consumer-housewives as '*mai hômu*-ism' (my home-ism) swept the nation.

A growing shortage of workers in the mid-1960s stimulated the government to change its labour policies to promote work for married women as well, but only part-time work which would not interfere with their 'family responsibilities' and especially their childrearing responsibilities. Ambivalence about married women entering the labour force was indicated in a government white paper on child welfare that blamed 'women's increased penetration of the workforce' for a perceived decline

in the level of nurturing (Buckley, 1993: 351). Moreover, government officials even in the early 1960s began to worry about falling birth rates that would aggravate the emerging labour shortage. In 1964 Prime Minister Satô Eisaku appealed to women to bear more children. More recently, long-time birth control advocate Katô Shizue recounted a visit from a representative of the Health and Welfare Ministry who came to ask her how to get women to have more babies, in other words, how to raise the birth rate (Katô, 1996: 179). This agenda lay behind four decades of repeated rejection of proposals to legalise the pill for contraceptive purposes.[3] Even before the economy entered a period of low growth rates in the mid-1970s, the government anticipated the problems to be encountered with the 'ageing' of the society. This is a demographic trend common to all advanced industrialised nations, but has been occurring most rapidly in Japan. The proportion of people 65 years or older was about 13 per cent in 1992, but will reach 20 per cent by 2010, far earlier than in any other country (Sodai, 1995: 213–15).

Ambivalence about married women entering the workforce therefore shaped the emphasis on part-time work for them, which also suited companies' desire for a source of cheap, disposable labour. Tax incentives discouraged women from re-entering the labour force on a full-time basis after their childrearing years by allowing husbands to continue to claim their wives as dependents if they earned less than 900,000 yen. The 1972 Working Women's Welfare Law assumed that women would need help to 'harmonise' their home and work responsibilities (Uno, 1993: 304), and the education system continued to track girls into a future role centred on home and community, for example, by making the home economics course compulsory for girls (but not boys) in 1973 (Kameda, 1995: 109). Company structures and practices provided few other options for women who aspired to roles other than housewife since they did not hire or train women for managerial careers and pressured women formally or informally to resign when they got married. The pattern of women's employment consequently developed into an 'M' curve, with the first peak of employment in the years before marriage and childrearing and the second in middle age after childrearing responsibilities decline. Re-entry into the labour force on a part-time basis, however, means that women workers cannot enjoy the benefits of permanent full-time employees, such as paid vacations, sick leave and retirement pensions. Moreover, most part-time work is available in small and medium-sized companies that are most likely to suffer from slow periods of growth and to cut hours or shed workers accordingly.

## New opportunities versus old constraints

High growth ended with the Nixon 'shocks' and two oil crises during the 1970s, but Japan weathered these crises and slower growth rates to maintain its position as the second largest economic power in the world after the United States. Women benefited from a continuing labour shortage, especially as the service sector expanded, as well as their higher levels of education and changing attitudes favouring their equal access to employment. Women's options for work increased and the proportion of full-time housewives declined from the 1970s, but inequality and discrimination remained pervasive in the workplace at the beginning of the twenty-first century because of persisting assumptions that 'women's place is in the home' and that therefore work outside the home is supplementary to men's.

During the 1980s and 1990s the M-curve pattern of women's employment continued, but with peaks higher and closer together and the tail of the second peak descending longer and more gradually. In other words, more young women worked and for longer as they delayed marriage beyond the conventional age of 25, returned to work earlier in their mid to late 30s as they had fewer children, and continued to work into their 50s and even 60s. As the prominent feminist sociologist Ueno Chizuko observed in the early 1990s, the proportion of women who returned to work after an interruption had 'gone from near invisibility to being an overwhelming majority' (Ueno, 1994: 28). By the late 1990s 39 per cent of all employees were women (Hisano and Endo, 1998: 2).

Such observations and statistics reveal the increasing participation of women of various ages and marital status in the workforce. However, they do not convey the fact that most middle-aged women worked as part-timers. Neither do they convey the mixed motivations of women for working or the feelings of ambivalence and confusion over issues of career, marriage and family that are involved in working outside the home because of the high social value that continues to be placed on women's role in the home and because this high social value continues to maintain barriers to employment opportunities even as new aspirations and options have opened up with the women's liberation movement, women's higher education levels and restructuring of the economy.

The economic miracle brought relatively widespread affluence that enabled families to support their daughters through higher levels of schooling, so that by the early 1990s over 95 per cent of girls as well as boys were completing high school, and a higher percentage of girls than

boys went on to tertiary education. Most girls entered junior colleges rather than the more prestigious and academically rigorous four-year universities, which reflected the persistent expectation on the part of parents as well as the wider society that women's primary role would be centred on marriage and family (Fujimura-Fanselow, 1995: 130). Nevertheless, there was a trend toward a growing, though still small minority of women in four-year universities, and during the late 1980s attitudes toward sex-segregated roles began to show a quite rapid and significant change. Public opinion surveys conducted by the Office of the Prime Minister in 1987 and 1990 asked respondents to agree or disagree with the question, 'How do you feel about the idea that men should work and women should stay at home?' The percentage of women who disagreed rose from 31.9 in 1987 to 43.2 in 1990. While smaller, the percentage of men disagreeing also rose from 20.2 to 34.0 (Fujimura-Fanselow, 1995: 131).

While the higher levels of educational attainment made possible aspirations for work and career, aspirations were also stimulated by a new wave of the women's liberation movement in the 1970s. At a 1970 demonstration a banner asking 'Mother, is marriage really bliss?' heralded the movement's rejection of domesticity as women's fate. The new feminist organisations attacked the cultural values associated with the economic miracle of the 1960s that undervalued women because they were less productive than men due to their reproductive roles. They fought for equality in the workplace as well as for sexual liberation and reproductive rights.

The feminist movement helped to change attitudes, but it is also clear that international pressure, notably United Nations sponsorship of the International Women's Year and inauguration of the UN Decade for Women in 1975, played a key role in forcing the government to initiate policies to end sex discrimination (Tanaka, 1995: 348). An Equal Employment Opportunity Law (EEOL) was finally passed in 1985 as the deadline drew near for ratification of the Convention on the Elimination of All forms of Discrimination against Women, but disagreement among feminist groups over support for protective measures for women workers had resulted in their inability to work together to make the law's enforcement provisions effective (Tanaka, 1995: 350).

Consequently, although the EEOL supposedly ended discrimination against women, its lack of penalties for infringement resulted in the law having little impact on improving women's career opportunities. The law prohibited discrimination in training, fringe benefits, retirement age, resignation and dismissal, for which violators can be brought to court,

but it only exhorted employers to 'endeavour' to avoid discrimination in recruitment, hiring, job assignment and promotion. A revision of the law came into effect in 1999, stiffening these 'endeavour' categories to 'prohibitions', but there still remained many formal as well as informal obstacles to achieving women's equality in the workplace.

In addition to the inherent weakness of the original 1985 law, large companies adopted measures that rendered the EEOL ineffective. Although not new, they further developed a two-track recruitment and promotion system that worked to keep women to a small minority of managerial positions. In this system the managerial track (*sôgôshoku*) leads to top positions in the company, but while theoretically open to both male and female recruits, in practice male recruits automatically enter the managerial track whereas most women enter the dead-end clerical track (*ippanshoku*). Consequently, even 10 years after passage of the EEOL, only 1.2 per cent of women workers were at the level of department head (Watabe-Dawson, 1997: 41), mainly in small and medium-sized companies.

Furthermore, informal discriminatory practices continued, especially during the recession-prone 1990s. All college and university graduates found it more difficult to find jobs, but fewer female applicants obtained job interviews than male applicants and often only after all qualified male applicants were placed. A 1995 Ministry of Labour survey of nearly 6,000 companies with 30 or more employees showed that only 4.7 per cent of the companies actually recruited women for the managerial track. Cited reasons included lack of qualifications, a small pool of applicants, and managers' preference to hire male workers (Watabe-Dawson, 1997: 53). Women who did obtain employment were generally assigned to areas of 'female aptitude', such as general affairs, accounting, personnel, and data processing, rather than research and development or production (Watabe-Dawson, 1997: 51). Like women school teachers earlier in the century, their supposed womanly attributes qualified them for certain jobs, but also restricted them from others. Sex-segregation of work therefore continued. Companies also informally continued to encourage women to resign upon marriage or childbirth. Married women who continued to work often faced harassment and difficulties in gaining promotions (Hisano and Endo, 1998: 2–3).

Other surveys in 1995 found that 70 per cent of 214 managerial track women hired in 1987 had already left their positions because the work load and working hours had proven to be more than they had anticipated (Watabe-Dawson, 1997: 53). This points to conditions of employment that are demanding for men, but even more onerous for

women who would like to combine a career with marriage and children. In addition, a common criterion for a managerial position is willingness to make a commitment to geographical transfer. Although some companies provide 'semi-mobile' or 'non-mobile' options, women who take these options miss out on job training that generally is gained through extensive job rotations and transfers.

Consequently, at the end of the twentieth century only a tiny minority of well-educated women were in managerial positions. Most of these worked in small and medium-sized companies, in foreign-owned companies where sex discrimination is less tolerated, or in their own small or medium-sized companies. Among this 'elite', however, many were not married or did not have children. In the department store industry, for example, which promotes more women to managerial levels than other industries, Millie Creighton (1996) found that most department managers had never been married. Equally telling of the difficulties of combining a managerial career with a family was a Ministry of Labour Report in 1990 stating that 60 per cent of women supervisors were unmarried and 36 per cent of women supervisors who were married, divorced or widowed had no children (Hisano and Endo, 1998: 5).

Although long work hours are particularly hard on supervisors, combining work and family is also difficult for the much larger number of women who work 'part-time'. This has to do with the fact that, despite some variation in definition, 'part-time' refers to a status rather than the number of hours worked. It is differentiated from 'regular' full-time status in its lack of non-financial benefits and job security as well as lower wages and poorer employment conditions. In addition, most part-time work is available in small and medium-sized enterprises where wages, security and other conditions are poorer than in large enterprises (Chalmers, 1989).

Restructuring in the sluggish economic conditions after the bursting of what was known as the 'bubble' in 1991 accentuated companies' reliance on women's part-time labour, although employers often continued to represent part-time work as more appropriate for women because of their domestic responsibilities. There was an explosion of married women re-entering the workplace in order to maintain their families' lifestyle and to meet educational expenses. The vast majority, 70 per cent of all women workers, became part-time workers (Hisano and Endo, 1998: 2). Part-time workers were pressured to work longer hours, so that in 1995 a Ministry of Labour survey found that 76 per cent of part-time workers were working 35 hours per week (Broadbent, 2001: 293). Despite the fact

that many part-time workers perform the same tasks as regular workers and work nearly as many hours, their pay is lower. The disadvantages of the status are starkly illustrated by the remarks of a long-time worker at a large supermarket:

> I do a lot of unpaid overtime, sometimes three hours a night ... I work more overtime than most regular workers. Whereas I would have been paid for this when the economy was doing well, because of the recession I now don't get paid for it. The reason I do this is because I am responsible for an entire section. (Quoted in Broadbent, 2001: 299)

More married women working and for longer hours has marginally reduced their housework but certainly not the perception of their primary responsibility for the home. A 1998 government White Paper reported that husbands of working wives spent 20 minutes a day on housework, up from 12 minutes in an earlier 1993 survey. In some cases, women who began working felt that they had to 'prove' that work would not interfere with their household responsibilities. 'Once I decided to continue working I didn't want to cause my family any inconvenience so I decided not to slacken on housework' (Broadbent and Morris-Suzuki, 1998). For women in their 40s and 50s, care of elderly parents replaced childcare as a domestic responsibility since government social policies placed the burden of aged care on families.

As a result of employers' cost-cutting efforts and the persistent view of women as supplementary labour, the inequalities between men and women actually worsened during the 1990s. Whereas the wage gap between men and women narrowed in other advanced economies, it widened in Japan. During the 10 years after implementation of the EEOL, full-time women workers' average monthly earnings as a percentage of men's increased from 59.6 per cent to 62.8 per cent, but part-time workers' average hourly earnings as a percentage of full-time women workers' average earnings decreased from 72.9 per cent to 57.7 per cent. On the whole, then, women workers' average earnings as a percentage of men's decreased from 51.8 per cent to 51.2 per cent (Hisano and Endo, 1998: 6). Even excluding part-timers and considering many women's interrupted employment pattern due to marriage and child-rearing, the wages of women who worked continuously were lower than men's doing the same or equivalent work. In fact, the gap widened as the number of years of continuous service rose. The EEOL thus did nothing to reduce the earnings gap between men and women.

## Conclusion

Costed, not valued is indeed appropriate in the many cases of women's labour being treated as cheap, disposable labour. Yet this does not describe the entire picture of women workers in industrialising Japan. The cult of productivity developed during the late Meiji period meant that government policies often encouraged married as well as single women to work. In these ways, women's work in the home and the workplace has been both costed and valued, but this created tensions and ambivalence for the state as well as for women themselves. For women it has meant that they have been overburdened with the dual pressures of work and home responsibilities and/or frustrated by the obstacles to their development as individuals.

More than a century after industrialisation began, the situation for women workers in Japan displays substantial change, but at the same time some striking continuities. As the economy went through phases of industrialisation and post-industrialisation, women's options for work in the modern sector no doubt increased. They were no longer limited to factory work when the opening up of jobs in the professions and service sector gave educated women new possibilities for work outside the home. With higher educational attainments and feminist ideas of equality and independence, more women aspired to roles other than that of wife and mother. Especially since the 1960s, the placement of a high social value on women's role as wives, mothers and household managers has meant that women's domestic role has been seen as their contribution to the economic development of the nation.

But while options for work expanded, women have still faced barriers to regular full-time status, promotion and equal treatment due to entrenched corporate practices and government policies based on the enduring assumption that women's primary place is in the home. Moreover, women's choices have remained constrained by other diverse factors, including socialisation and education that perpetuate a sexual division of labour. Consequently, most women themselves have expressed financial motives to supplement the family's income rather than personal development as the primary reason for entering the workforce, and few women have chosen jobs leading to managerial positions. At the same time, the state and employers too have not been able to put women's talents to full use. To do so in the future they will have to put the same value on women's productive role as they do on women's reproductive role.

## Notes

1. On women textile workers and discussions of women's issues during the interwar and early postwar period, see Joseishi Sôgô Kenkyûkai (ed.), *Nihon joseishi*, vol. 5, Gendai (Tokyo: Tôkyô Daigaku Shuppankai, 1982).
2. For a full analysis of this transmutation, see Kathleen Uno, 'The Death of "Good Wife, Wise Mother"? in Andrew Gordon (ed.), *Postwar Japan as History* (Berkeley: University of California Press, 1993), pp. 293–324.
3. On the politics surrounding abortion and birth control policies, see Tiana Norgren, *Abortion Before Birth Control: The Politics of Reproduction in Postwar Japan* (Princeton and Oxford: Princeton University Press, 2001).

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# 8

# Women Workers and Health: Semiconductor Industry in Singapore and Malaysia[1]

*Vivian Lin*

## Introduction

Since 1965, when Taiwan first set up a free trade zone (FTZ), Asian countries have vied successfully for foreign manufacturing investments. A variety of export-oriented, 'world market' factories were set up for the production of such commodities as toys, textiles, garments, electronics, sporting goods and footwear.

The electronics industry is a large, diverse and dynamic industry, constantly experiencing new developments in technology. It has adopted an international assembly line strategy since the 1970s. As the industry has had a substantial presence in Asia both in number of firms and number of employed, it had been considered central to the 'Asian economic miracle'.[2] In its operations in Asia, the electronics industry had brought profound social changes, by bringing large numbers of women into the manufacturing workforce for the first time in history.[3]

Although women's participation in the workforce in Asian countries is not a new phenomenon, their prominence in the world market factories is an unprecedented event. Literature from the 1970s suggested a negative impact of the industry on the lives of women electronics workers. On the job, they were said to be paid low wages for long hours; they worked rotating shifts and much overtime; they have been exposed to a variety of health hazards; their femininity has been the basis of supervisorial control and manipulation; they learned few skills on the job and have little or no prospects for job advancement. Outside the factory, they lived in crowded conditions; could not afford to eat well, had little time for recreation or family visits, have not accepted by the local community, and have had little opportunity to meet men. It has been argued that their backgrounds – young, unmarried, with little education and coming

from rural areas – make them ideal employees from the management's viewpoint.

One of the major charges made against the multinational corporations concerns health and safety conditions at work. Anecdotal reports have suggested that workers can only last for a few years before their health is destroyed and they are pushed out of the labour force.

The backgrounds of the workers have been fairly similar throughout Asia. They have been characterised as: young, female, mainly rural migrants, with low levels of education or skill, unmarried, and coming from the lower socioeconomic strata (Snow, 1978; Arrigo, 1980; Froebel *et al*., 1980; Chia, 1981; Blake and Moonston, 1982; Urban Services Report, 1982; Woon, 1982; Maex, 1983).

In Hong Kong and Singapore, by their very nature, new workers have been drawn from urban areas, although Singapore has had a formal program of foreign labour recruitment (Heyzer, 1980). Elsewhere in Asia, rural–urban migration has been an important phenomenon for a number of reasons: to alleviate rural poverty, to flee from a lack of job opportunities in the agricultural sector, to obtain jobs more suited to education, and to seek fulfilment of occupational aspirations (Jamilah, 1980; Chia, 1981). The need to contribute to family welfare has been important for rural women in Taiwan, while in places like Hong Kong and Singapore, most families require more than one wage earner to maintain a minimum level or slightly more than comfortable standard of living (Kung, 1978; Salaff, 1981). Even if the additional income does not go back to the family, as in Indonesia, a working daughter does mean a reduced economic burden on the family (Wolfe, 1984). The desire to achieve individual freedom and economic independence has also been cited as a reason for migration in most Asian countries (Kung, 1978; Snow, 1978; Jamilah, 1981; Salaff, 1981).

On the job, the workers have been paid low wages even by the poor standard of living in most Asian countries (Grossman, 1978; Lim, 1978; Froebel *et al*., 1980; Lim, 1982; Lim, 1984). Basic expenses (rent, food, transportation) vary from country to country, but they could take up a considerable portion of a worker's monthly pay. Overtime has been prevalent in times of high demand, but the industry is subject to wide fluctuation. During the 1974 recession, an estimated 15,000 electronics workers in Singapore (about half of the industry) were retrenched (Lim, 1978). The volatility of the industry has persisted, with a recent slump in demand for technology products in Europe and the United States leading to significant job losses in the sector. For example, a single technology company has reduced its Thai and Singaporean workforce by more than

50 per cent since 1998, and its Malaysia workforce is now one quarter the size it was in the late 1980s (Chowdhury, 2002). In the Malaysian state of Penang, more than 16,000 jobs in the electronic sector were lost in 2001 (Chowdhury, 2002).

More than the long hours and overtime, workers complained about shiftwork, which had become increasingly prevalent as automated equipment was introduced. In some countries such as Singapore and Malaysia, legislation against night work for women had been waived to allow electronics companies to introduce rotating shiftwork and permanent night shifts. Workers have complained that rotation is disruptive to eating and sleeping, social life, and family responsibilities.

Workers' lives have been dominated by production targets and wages are often tied to these targets. The failure to meet the target can mean insufficient daily pay, no merit increases, dismissal, or being scolded by the supervisor in front of other workers.

Because of the hours, the shifts, the fast pace of work, and the pressure from management, frequent complaints of stress and fatigue have been reported (Grossman, 1978; Lim, 1978; Paglaban, 1978; Woon, 1982), although few systematic studies have been undertaken in this area. Numerous anecdotal reports revealed problems such as eyesight deterioration, respiratory diseases, and even cancer among workers. Only a few descriptive surveys have been conducted, but they do, by and large, substantiate the prevalence of complaints reported in the more sensational accounts. Skin disorders, gastrointestinal problems and musculoskeletal problems have all been documented, as well as complaints of dizziness, insomnia and weakness. These surveys, however, suffered from methodological difficulties of insufficient size and lack of a comparison group.

A variety of causes has been suggested for the workers' health problems. The microscope is the most frequent and most hotly debated (Lim, 1978; Ostherg, 1984). A range of potentially hazardous chemicals are also used in various stages of electronics assembly process, including trichloroethylene (TCE), methyl ethyl ketone (MEK), xylene, acetone, solder flux, sulphuric acid and hydrochloric acid. These have been suggested as responsible for skin and respiratory diseases (NIOSH, 1977; Burge *et al.*, 1979). Shiftwork has been suggested as the cause of sleeping problems and gastrointestinal problems (Testo *et al.*, 1978; Winget *et al.*, 1978; Angersbach *et al.*, 1980).

Mass hysteria is another phenomenon reported in the electronics industry in Singapore, Malaysia and Indonesia (Chew *et al.*, 1976; Lim, 1978; Chan, 1979; Colligan *et al.*, 1979; Ackerman *et al.*, 1980).

Companies tended to attribute its occurrence to culture, although others have explained its outbreak to workers not having any channels to settle grievances and express job dissatisfaction.

Some researchers even reported that health problems are a major cause for labour turnover (Elson and Pearson, 1980; Froebel *et al.*, 1980; Blake and Moonstan, 1982). One author suggested that the eyesight of the workers become so poor that many had to leave the workforce by the age of 25 (Grossman, 1978).

Generally, Asian governments have limited regulations regarding health and safety. They may have labour laws that guarantee holidays, breaks, sick leave and maternity leave, and they may provide a range of health care services, but occupational health laws are still lacking. Where regulations exist, they tend to be structure- or process-oriented, that is they may only stipulate the size, composition and frequency of workplace health and safety committees. Enforcement capacity is weak.

Both in and outside of working hours, workers have been portrayed in the literature as a group of young, helpless women being ruthlessly exploited.

Outside of work, family responsibilities have remained a major burden. Whether single or married, women workers are expected to perform household duties. Few have time for other recreational activities. As far as childcare arrangements go, workers must rely on family members, whenever possible, to save money. For some migrants, the only solution is to send their children back to the village (Lim, 1982).

For migrants generally, housing conditions also present difficulties. Makeshift houses in squatter areas, a lack of plumbing and electricity and crowding have been reported in the Philippines (Paglaban, 1978) and parts of Malaysia (Chia, 1981; Lim, 1982).

For migrant workers, there is an additional stress factor in life outside the factory – men (Blake, 1975; Grossman, 1978; Jamilah, 1980; Lim, 1982; Mather, 1982). Back in the villages, traditional family life protected and controlled young women. Courtship and marriage always involved family advice and consent, if not actual arrangement by the family. After migration, however, a worker is cut off from these interactions. Many young women do not know how to cope with being accosted by strange men. The typical image of the modern city also creates an impression for villagers that factory workers are 'loose', or immoral. Village men often refuse to marry women who have been employed as factory workers. In their new communities, the women are also seen as outsiders. In Thailand and the Philippines, factory workers sometimes drift into the large and well-established prostitution industry, either when they are

retrenched or for additional income, thus further tarnishing the image of women factory workers (Eisold, 1982).

While most of the earlier research had portrayed electronics workers as an oppressed, passive group of victims, there have been some reports that look at the industrial experience from the workers' point of view, considering the manner in which they adapt (Jamilah, 1981). It does appear that, within 10 to 15 years of becoming part of the industrial workforce, women workers' outlook and aspirations have changed; they have evolved their own ways of adapting and coping.

Increasingly, young women with few skills saw jobs in electronics factories as a means to gain economic and social independence, as well as finding new friends who came from different places and different backgrounds. The support they found among fellow workers was important, not only in times of personal crisis but also as a basis of labour actions. Furthermore, the job experience gave many workers the desire for better work opportunities. Increasingly, women have been making their own choices for partners rather than giving in to family pressures. Migrants have started to indicate a preference for settling in urban areas. Families have begun to accept the independent decision of working daughters, be it in marriage or in job choice. Their voices have become respected with regard to family financial decision-making and their advice has been sought on the futures of their siblings (Kung, 1978).

The massive development of the electronics industry in Asia has set various social forces into motion. Women entered the manufacturing workforce in large numbers. Rural women migrated, sometimes on their own, to cities. Women also work under conditions they had not faced before. These changes all have important consequences for workers' health. The health of electronics workers is important not only from the standpoint of it being a central contributing factor to the stability and productivity of the labour force, but also because it illustrates the broader social and industrial forces in operation.

## A framework for understanding health, women's work and development

To understand the relationship between workers' health and the political economic context of their lives involves taking into consideration the different elements that shape their social role and economic position. Specifically, the mediating structures are the labour process and social institutions. The production of material life occurs in the labour process.

As such, work is basic to social life. Thus, work is a social category for analysis and not just an environmental risk.

The way the process of work is organised is dependent on the social and economic organisation of society. Just as a mode of production has evolved over time, the organisation of production has also evolved to reflect changing societal imperatives. In each social formation, different social institutions exist and interact with the labour process to impinge upon workers' health. The health of workers, then, is shaped by the labour process, which reflects not only the technical and social organisation of work but also the social, political, economic and cultural institutions of society. For electronics workers in Asia, mediating between the international system and women's lives (and health) are three key factors: the labour process, the state and the family.

The labour process is composed of two fundamental aspects – the technical and the social. The technical aspect of production refers to the process through which workers use instruments to transform materials into products. The social organisation of production embodies the social relationships within which that technical transformation takes place.

The organisation of the work process also shapes the reproductive process, and vice versa. The labour spent at work is replenished through food, recreation, and health care. The consumption pattern of workers is defined partly by the way their work organises the social and cultural norms of society, the ideological superstructure which is embodied within social institutions. For women workers, the social role of wife and mother can mean a double work day.

The health and illness patterns of workers depend, in part, on their consumption patterns which are partly determined by the labour process and the political economic structure of society. For instance, the provision and utilisation of health services are dependent on wage levels, spare time, the existence of services, the financing of services, and other factors. Health and illness patterns also depend on the subjective responses of the workers, as shaped by the social and cultural institutions of society. In other words, lifestyle choices are made by workers as an adaptive response to work. These choices (about personal purchases, leisure-time activities, and friendship patterns) are shaped by societal factors such as advertising and family expectations. These mediating factors can have both exacerbating and buffering effects on health and illness.

The social, political and economic organisation of society shapes the social reproduction of the labour force in a number of ways – for example, in the manner in which housing, education, medical care, and transportation services are delivered and received. The education system

also contributes to the segmentation of the labour market, and hence to job mobility. In that way, the process of social reproduction reinforces the social and economic organisation of society.

## A social and occupational epidemiological study

A study of the health of women electronics workers was conducted in Singapore and Penang, Malaysia in 1983, based on a survey of 900 semiconductor workers and a 10 per cent subsample interview (Lin, 1991). With clerical workers serving as a comparison group, the study remains one of the most comprehensive to date.

Both Singapore and Penang had pursued export-oriented industralisation (EOI) aggressively and, because of the historical development of urban infrastructure and commercial services, they had been favoured by foreign investors. The electronics industry, particularly semiconductor assembly, played a key role in the economic development of both places.

The study (Lin, 1991) confirmed many of the socio-demographic characteristics of earlier studies, but with some changes as well:

1. The workers were predominantly young women without substantial education, although both age and educational levels were rising. An increasing proportion were staying on in the workforce after marriage and childbirth. Workers in Singapore were slightly older and a larger percentage were married.
2. Most worked out of economic necessity and to provide financial assistance to the family, either through income contribution or alleviation of support burden.
3. The workers earned below-average wages, although a variety of incentives meant income could be substantially higher than the basic wage.
4. The clerical workers differed from the production workers in expenses having slightly higher incomes, although their work expenses were also slightly higher.
5. Most workers had little previous job experience and many had worked only at their present jobs. Compared to Malaysia, workers in Singapore had more work experience, whether in a different industry, the same industry, or the same firm.
6. There were few differences between clerical and production workers in age, educational and marital status. There were, however, disproportionably more Chinese among the clerical workers.
7. There were more migrants in the workforce in Malaysia compared to Singapore. In Malaysia, Malays dominated among the rural–urban

migrants. In Singapore, Chinese from Malaysia made up the bulk of migrant workers. In both countries, migrants were found more frequently among production workers.

8. Chinese workers tended to be slightly older and generally had more work experience than Malay and Indian workers.
9. Most workers came from rural poor or working-class backgrounds, and they joined the electronics industry workforce with little knowledge of the job opportunities open to them, or of the income and working conditions.
10. Apart from migrants, workers lived with their families – often extended families – who provided important household support services.

The labour force profiles drew attention to the youthfulness and femaleness of the industry, as reported by other researchers, in both countries. The labour force statistics also indicated a much higher proportion of married workers than in the earlier studies. In addition to an increase in the number of married women workers, there also appeared to be a rise in workers' educational attainment.

The changes in the workers' socio-demographic profile suggested changes both in their valuation of work, as well as changing structures. Nevertheless, the economic pressure for employment was still a decisive factor and the continued dominance of the export-oriented industrialisation strategy meant that job opportunities for women remained narrow. Furthermore, the more seniority in service a worker had, the more difficult it became to find alternative employment. In Malaysia, the alternatives were even fewer if workers were non-Malay and were not proficient in the Malay language.

An analysis of the relationship between the labour process and the health problems reported by the workers showed that the technical means of production and the social organisation of work both had an influence on workers' health. In general, the main features of the labour process and the problems for workers' health included the following:

1. There were remarkable similarities across companies not only in production processes but also in policies of labour selection and workplace organisation.
2. Workers characterised their work as fast-paced, stressful and closely supervised. Some considered the work monotonous. Most did, however, receive assistance when needed, generally from their fellow workers.

3. For most production workers, meeting the production target was a central feature of work, and some found this difficult to achieve. Another central feature for nearly all production workers and some clerical workers was rotating shiftwork.
4. An awareness of occupational health and safety guidelines was not high among workers, although most were cognisant of at least the brand name of substances to which they were exposed. Those working with microscopes, chemicals and radiation were generally more interested in health and safety issues.
5. Major reasons for the high labour turnover included an inability to adjust to shiftwork and microscope work.
6. Production workers were much more likely to experience injuries and illnesses and took more sick leave compared to clerical workers. They were also more likely to report eye, ear, musculoskeletal, nose and throat and sleep disorders.
7. The end-of-line area was the most hazardous work area, measured in terms of injuries, illnesses and symptomatic complaints of workers. This was related to the use of a variety of chemicals and machinery. The eye complaints were found in the assembly-line area.
8. Safety issues were not prevalent. However, workers who dealt with chemicals were more prone to burns.
9. The physical working environment had a direct influence on the health conditions of workers in specific work areas. Workers also experienced stress-related problems that appeared to stem from work organisation practices.

Workers using microscopes not only complained more of sore eyes but were more likely to experience blurry vision and require eye glasses. Sharing of microscope lenses also led to the spread of conjunctivitis. This had been a major problem since the early days of the industry. However, with the introduction of automation video display units replaced microscopes and as each worker can work several machines simultaneously, the eyesight problem may decrease amongst future assembly workers.

Alcohol, acetone, TCE, MEK, freon and other cleaners and solvents were used in a wide variety of operations and are associated with dryness and itchiness of the skin, as well as rashes. Where moulding and tin-dip operations were still manually done, similar skin problems were also found. There was some evidence, additionally, that exposure to solvents may be related to menstrual irregularities, miscarriages and premature births among workers.

The physical design of work areas and speed of work constituted a third area of occupational hazards. Pain in the hand, wrist and arm, together with back and shoulder aches was more likely to be reported by workers who perform repetitive tasks and work at high speeds. These problems affected both production and clerical workers. The lack of awareness among workers and health providers often resulted in lack of diagnosis of repetitive strain injuries. These problems were likely to be exacerbated by the burdens of household chores. While automation may relieve some of the strain, much preventative work remains to be done.

The organisation of work was also an important factor in shaping health and illness. Conditions of work under time pressure and close supervision, with production quotas and a wage system tied to meeting targets, were related to increased sleeping and psychological complaints. On a day-to-day basis, workers seemed to be most preoccupied with the arbitrary authority of supervisors and with meeting those targets which shaped their incomes and, ultimately, their lives.

Rotating shiftwork appeared to be the major aspect of work organisation that gave rise to social problems and health complaints. Shiftwork disrupted family and social life and hindered educational, and hence advancement, opportunities as well as sleeping schedules and regular meal intake. Sleeping problems, especially insomnia, were related to the fact of rotation more than to the timing of the shift. Gastrointestinal complaints, especially gastric pain, on the other hand, were related more to the hour of the shift. Shiftworkers consulted health providers more often, had more injuries, and were absent more often than non-shiftworkers.

Several factors outside the labour process have impacted on health and wellbeing. One is migration – that economic opportunity may be found at the expense of loss of social support. Another is cultural identity – that ethnicity means different outlooks and expectations. A third is work schedule and job experience. Marital status is a fourth factor. All these influence time management and outlook. What is important to note, however, is that issues of migration, ethnic difference and labour force participation following marriage are closely related to the general state, social and economic policies.

Data analyses showed that both the general policies for social reproduction (for example, housing, transportation, health care) and the specific means workers employed to reproduce their labour power, influenced health outcomes. These are illustrated by the following findings:

1. Workers in Singapore had better housing, health care and transportation.

2. The companies offered a range of health and welfare services. Those necessary for maintenance of the labour force – health care, canteens, etc. – were nearly universally used, while those aimed at morale-boosting – recreational and social activities – were less used.
3. Workers generally lived with their families in crowded conditions, and the family played a major role in lowering the cost of reproduction. Housing conditions were worse for migrant workers.
4. Migrant workers reported more psychological and sleeping complaints. This suggested that a break down in social supports can lead to stress-related problems.
5. Married workers were more likely to visit health care providers and take sick leave. Since their age range was comparable, this suggested that their greater household responsibilities meant less time for recreation and relaxation. This was supported by an analysis of their spare-time activities.
6. Gastrointestinal problems reflected not only occupational stress but also the lifestyles and social support systems of the workers. These complaints were related strongly to caffeine consumption, irregular meal intake and eating out (where food sanitation was questionable). Irregular meal intake was related to rotating shiftwork, and it appeared that lifestyle was shaped by work demands.
7. Shift rotation contributed to ill-health in other respects besides disrupted sleep and meal schedules. Rotating shiftworkers reported spending more time on housework and less time on going out and visiting friends compared to workers with fixed hours. This meant not only less time for relaxation and recreation but also less social contact outside of work and family commitments.
8. The Chinese had fewer health complaints overall. This may be related to several factors. Compared to the Malays and Indians, the Chinese spent less time on household chores and more on recreational activities. While family obligations were strong for all three ethnic groups, in the Chinese family the economic obligation appeared to be more important than the traditional social roles. More specifically, whereas Indian and Malay families initially constrained their daughters' educational and working opportunities and then expected them to carry full family responsibilities while working, in the Chinese family the daughter worked to contribute to the family income and thus became respected in her own right. Hence, Chinese workers expressed a more economic orientation towards their jobs. They also seemed to be more outwardly confident. This

suggests that the cultural orientation towards family and work may be an important mediating factor.

9. Workers who reported a deterioration in some aspects of their lives since working in the industry were more likely to indicate a worsening of their health.
10. The workers were mostly satisfied with their jobs, although the level of satisfaction with their lives overall was higher. More workers indicated an improvement in their lives rather than a deterioration in their lives. Workers, however, would leave their jobs if offered alternative employment with better pay or working conditions.
11. Workers found the most rewarding aspects of the jobs to be money and friends; some also indicated a growing sense of confidence and understanding of the world. An interesting difference, however, was that whereas most workers in Singapore would stay on the workforce regardless of financial need, most workers in Malaysia preferred to leave.
12. Workers in Singapore, despite their slightly older age and longer tenure in the industry, reported fewer illnesses than their Malaysian counterparts. This difference may have been related to a better adaptation to urban and industrial life, as exemplified by the importance they attach to work.

These findings suggested a complex set of inter-relationships between workers' health, their living and working environment, their outlook on life, and social policy. It was evident that work and health were not separate from social institutions, family and culture, and the economic imperatives of industry. An analysis of health and the reproduction process showed that workers' lifestyles were very much shaped by the demands of their work. Their health problems were additionally determined by their socioeconomic position, which were in turn influenced by policies of social reproduction.

Just as elements of work had detrimental effects on workers' health, other aspects of the work experience intervened in positive ways. The friendships formed on the assembly-line became a new social support network. These adaptations mediated the demands of traditional society and the new industrial way of life.

### Electronics work and health: other evidence

There have been other studies that have documented similar social, working, and living conditions for workers in the globalised industries in Asia and elsewhere during this period (Young *et al.*, 1981; Chapkis and

Enloe, 1983; Fernandez-Kelly, 1983; Fuentes and Ehrenreich, 1983; Nash and Fernandez-Kelly, 1983). Many of the issues persist (Committee for Asian Women, 1995). Empirical studies of health workers remain sparse, although the occupational hazards in electronic assembly processes have been recognised (Forastieri, 2000).

The Maquiladora workers – women who work in the assembly plants in a range of industries on the US–Mexico border have been the focus of more intensive epidemiological investigations. In a preliminary investigation of reproductive health outcomes, Eskenazi *et al.* (1993) reported lower birthweight infants amongst electronic and garment workers, although the reasons are unclear. Moure-Eraso *et al.* (1997) reported musculoskeletal disorders related to working conditions and also identified acute health effects compatible with chemical exposure. Guendelman *et al.* (1998), in examining factors that contribute to quitting work amongst electronics maquiladoras, found health conditions and events before and during employment to be a relevant factor in the high turnover rate, but not as significant as shiftwork per se.

The front end of the semiconductor manufacturing process, that is wafer fabrication, has been subjected to closer epidemiological scrutiny (LaDou, 1986). In the USA, occupational illnesses as a percentage of all reported illnesses and injuries are higher in the electronics industry than in manufacturing (20.5 per cent versus 14.3 per cent) and higher yet in the semiconductor industry (30.2 per cent) (LaDou and Rohm, 1998). Workers are exposed to greater concentrations of chemicals in wafer fabrication operations, compared with the assembly line, and elevated rates of spontaneous abortion have been observed for women working in areas of high chemical usage (that is, the cleanroom) (Pastides *et al.*, 1988; Eskenazi *et al.*, 1995). Menstrual cycle changes have been reported for women working in areas with potential exposure to solvents (Gold *et al.*, 1995). Solvent exposure in a videotape manufacturing operation in Singapore has been shown to be associated with poorer visual motor control and recent memory impairment (visual and verbal), possibly due to skin absorption (Chia *et al.*, 1993). The reproductive health findings suggest that other health problems, including cancer and other chronic diseases, require investigation, although no conclusive evidence appear to exist in either direction (Cullen *et al.*, 2001).

## Discussion: life and health in the electronics sector

The health of electronics workers is one of the most controversial and least systematically documented aspects of the electronics industry in

Asia. As a multi-faceted phenomenon, health reflects the various social forces that impinge on people's lives. The framework used in this chapter suggests that there are numerous forces which impinge upon one's health and behaviour. For the electronics workers in Singapore and Malaysia, it would be the technical means of production, the social organisation of working, and the patterns of reproduction that combined to influence workers' health. The family is a pivotal institution in providing for reproduction. The state plays a key, if indirect, role through both social policy and economic development policies. Particular occupational exposures have a specific health impact; the combination of health problems differs depending on the job being done, the nature of factory discipline, and conditions for their reproduction. These various factors, furthermore, influence the workers' outlook, which then shapes the health outcome.

Most of the concerns and controversies have been centred around what is usually considered the realm of occupational health. Eyesight deterioration has been suggested to be the result of microscope work. Other health problems – skin and respiratory complaints – have also been thought to be related to physical exposures at the workplace. The spectre of cancer has been raised with respect to radiation. Mass hysteria is another phenomenon often discussed, one which has been said to be a culturally acceptable way to express work-place grievances and occupational stress. Problems encountered by migrant workers as they leave their traditional support network have been emphasised by social workers. Examination of many aspects of the labour process and workers' lives suggests that lifestyles are closely related to work demands. With the physical exhaustion, workers are inclined to decline social activities with friends from pre-factory days. Thus, the social circle and social life shifts from the community to the workplace and the family.

Shiftwork and gastrointestinal problems provide the best illustration of how lifestyle is tied to work demands. Among the electronics workers, when shiftwork demands a quick meal on the run, workers tend to eat at hawker stalls, which they can manage on their income most comfortably. Food sanitation, however, remains a problem, and gastrointestinal complaints result. Shiftwork is also related to increased caffeine consumption, which is associated with sleeping and gastrointestinal complaints.

The general lifestyle led by the workers is one shaped by the demands of the shift system on the one hand, and by the family system on the other. Most workers spend their spare time at home, on household and family duties. Married workers are more likely to experience general health complaints, perhaps due to the double burden. Indians and Malays, in particular, spend more spare time on household chores and also report

more illnesses. The expectation of women playing a traditional secondary role in the family is also observed readily among workers of Indian and Malay backgrounds. Clerical workers, having a less demanding work schedule, get more rest and recreation time and are healthier, even with marital status and ethnicity taken into account.

Migrant workers experience the most drastic change in lifestyle that results from industrial work. Being separated from their social support networks and not always welcomed by their new urban neighbours, they report more psychological complaints. The problems facing migrants go beyond the question of social networks, however. Coming from predominantly monocultural rural environments, migrant workers face greater conflicts and social adjustment problems relating to multicultural environments and urban lifestyles.

The cycle within which workers seem trapped now begins to emerge. Coming from a background of poverty, the young woman with few skills manages to find a job in a factory. She enters employment with few hopes or expectations, except to provide financial support to her family. The wage, although low, is a real asset to her and her family. With the wage system based on a variety of incentives, she can work hard to increase her income, but that income is limited by her ability to produce. With shiftwork, she has few opportunities to increase her education. Shiftwork dictates her eating, sleeping and socialising hours. On the job, she performs highly routine tasks; she does not acquire sufficient skills to obtain another job. Most likely, she was educated in her own language, which becomes another barrier to job opportunities. She can leave if she is willing to sacrifice her earnings, but there are few jobs other than factory work. She can relax in the job if she is content with low basic wages. Within a short time, not only does her daily life revolve around the shiftwork schedule, but her career is trapped in the factory.

She will find comfort and support in her family, but her family also places substantial demands on her, financially and for household work. In the course of her employment, she may also find she begins to develop hopes for better jobs and other life opportunities. Meeting new friends of different backgrounds, her social circles change and her knowledge of the world broadens. She can be content that work has been the economic means to an end of a more interesting social life. She can also become increasingly frustrated that there are few avenues open to pursue a fuller economic life. In time, she is likely to find that her health is the one aspect of her life that is likely to have deteriorated since working in the electronics industry.

The different health status between Singaporean and Malaysian workers can be explained in part by the different rates of increase in the general

standard of living related to the chronology of development, determined in part by workers' backgrounds, and in part by length of service in the electronics workforce. The differences in workers' attitude may also be a significant mediating factor in health status, but those attitudes are related to work experiences and changes in society.

Singapore generally provides a better standard of urban infrastructure, for example housing, transport and health care than does Penang. In both Singapore and Penang, the extended family plays an important role in keeping the cost of housing low. Singaporeans are assisted in this regard by the widespread availability of public housing. When housing and factories are located next to each other, as Singaporean government policy has encouraged, the cost of transport is also reduced.

A further mediating role, and one that differentiates Singapore and Malaysia, can be attributed to health services and occupational health policies. In both Singapore and Malaysia, the companies provide primary care services as well as occupational health services. The main role of the factory clinic is one of keeping workers well enough to continue productive activities. To this end, the clinic (and its free services) serve an important reproductive function. The degree to which the factory health service is involved in occupational health is varied and is dependent both upon pressures from headquarters and from the government. In this respect, Singapore is again different from Malaysia, with stronger regulation and infrastructure for occupational health and safety.

How workers view their jobs and work in general is another point of differentiation and mediation. In Singapore, more workers appear to have self-confidence, and value work as a learning experience in ways that workers in Malaysia did not. The workers in Singapore have experienced more transfers within one company and job changes than is the case in Malaysia. In fact, workers in Malaysia have refused promotions in order to stay on the assembly-line with their friends. These experiences appear to have been important in effecting changing values and outlooks.

In Malaysia, most workers identified money and friends as what makes the job important; however, they would prefer unemployment if they did not have the financial need to work. In Singapore, while money and friends were important, more workers were inclined to identify a broadening of horizons as an important aspect of their jobs. Indeed, most indicated a desire to continue working regardless of financial need, suggesting that work offers more than the obvious pecuniary value. For example, it may provide the opportunity for social interaction or increase a person's status within a family or community.

In Malaysia, workers worried about job security wished for employment in the government sector. In Singapore, many wished for retrenchment so that they could take another job and receive severance pay upon leaving. Thus it may be suggested that subjective perceptions of personal health are derived not only from different levels of job satisfaction, but also the changing roles undertaken by women in industrial environments.

In so far as health is a reflection of a society's recreative potential, workers' health in Singapore and Malaysia has suffered in their contribution to the total economic development strategy, but is restored in the private confines of the family. The struggle to maintain equilibrium is centred at the workplace.

## Conclusion: health, production and reproduction

The technical means of production is the most important influence on workers' health in so far as specific health problems can be directly traced to specific exposures. The impact of workplace exposures is related to the length of time working in the job, as well as the extent of safe practices employed at the workplace. The social organisation of work also plays an important role, but the main influence is in the interaction with other variables. For instance, the wage incentive system and the production quotas create the situation where workers become 'careless' in their material handling practices. As another example, the demands of the work schedule, in particular the system of shiftwork, shape the patterns of food consumption, sleeping, and relaxation and recreation.

Workplace organisation and management practices are important. The companies employ a dual strategy of multiple financial incentives and corporate paternalism. Corporate paternalism is based in part on traditional family ideology both in the conception of the woman's role and in the conception of the benevolent firm. It takes the form of a wide range of social and welfare programmes. The basic wages are low, by national standards, and in many cases, barely sufficient to meet subsistence needs. The working hours are long and the production demands are continually rising for both quantity and quality. Mechanisation and automation lead to higher production targets, but the targets are no longer tied to personal dexterity; rather they are tied to the machines. While supervisors still remain central authority figures, the machines provide a buffer against management demands to work harder to improve productivity. The supervisors' authority is not totally eroded, however, for they still have to give permission for visits to the clinic, as well as agree to transfers

and promotions. The combination of financial incentives and direct supervisorial authority keeps workers working and eventually translates into ill-health.

As the industry becomes increasingly mechanised and automated, the relative importance of technical and social factors may alter. Engineering controls will increasingly remove workers from direct exposures. As methods for increasing productivity become machine-based, workplace organisation inevitably changes. Indeed, shiftwork is already more important than production quotas in affecting workers' lives, in contrast to the days of purely manual operations.

While the company welfare services – particularly the housing and transportation subsidies, the canteen and the health clinics – are important in maintaining the stability and the productivity of the labour force, the family and the policies of the state also affect reproduction in crucial ways. The family assists in suppressing the cost of reproduction. Its traditional demands on its women members, however, increases the burden they must bear. Public investments in housing and other urban services also help lower the cost of reproduction. Yet educational and economic policies reinforce the marginal position and secondary status of women workers. Indeed, the family and state social policies combine to socialise women into accepting a marginal position and secondary status.

It is the position of women in society and in the economy that ultimately defines the experiences on the factory floor and hence their health and well-being. At one level, women are dual workers – in the family and in the market place – but they receive wages only for the job outside the home. They are paid for their contribution to production but not for their services for reproduction. At a second level, women form a particular segment of the reserve army of unemployed workers. What is generally perceived as women's work is dictated by both the economic need for cheap labour and the broader social evaluation of women's work. In the manufacturing sector, women workers occupy low-paying, low skilled, low mobility jobs and are seen as a high-turnover labour force.

The centrality of the household in labour reproduction reflects the strategy for capital accumulation in the newly industrialising countries of Asia. Other elements in that strategy include near-subsistence wages and company welfare services. Women's secondary status in the labour market allows MNCs to pay low wages while competing for their labour not on the basis of wages but on a wide variety of 'benefits' (Lim, 1983). These 'benefits', however, are provided largely at a level necessary to maintain productivity levels. Hence, conditions for reproduction and production are closely intertwined.

Being unskilled and female, women workers are more concerned initially about the economic rewards of the job, for most work out of necessity. As they become integrated into the workplace, however, their worldview is transformed by their work experience. While they still seek satisfaction in activities outside of work, the interpersonal relationships at the workplace become increasingly important in their lives. Thus, participation in industrial work can change not only the economic standing of workers, but also their ideologies (Saffioti, 1978).

With an initial 'careerless' outlook and with low work mobility, many have developed job aspirations and self-esteem. The social nature of the jobs has contributed significantly to the new outlook. The financial rewards reinforces the status of being socially productive. Out of the new understanding of the working world comes new consciousness, however rudimentary, of being a woman and a worker. Changing outlooks and coping mechanisms become a most important mediating factor for workers' health, for they distinguish those who will not become ill in the face of the industrial assaults from those who do fall ill. These worldviews are what women bring to work from their years of socialisation and what become modified by that work experience. The health of workers is, then, a reflection of the interplay between processes of production and reproduction.

## Notes

1. This is an updated version of an earlier chapter which appeared in Pinches, M. and Lakha, S. (eds) (1987) *Wage Labour and Social Change* (Monash University). The research and editorial assistance of Prue Bagley is gratefully acknowledged.
2. For example, the electronics industry accounts for one-third of Singapore's manufacturing workforce.
3. The electronics workforce is approximately 80–90 per cent female. It is estimated to employ more than a quarter of a million women in Asia.

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# 9

# Labour, Industry and the State in Industrialising Asia: An Overview

*Amarjit Kaur*

## Introduction

Two major dimensions of globalisation in most Asian countries since the 1970s have been first, structural change in their economies associated with industrialisation, and second, labour becoming closely associated with industrial work. The agrarian–rural character of most of these countries, centred on commercial agricultural and mining activities, was transformed by the emergence of large-scale enterprises located in urban areas. This transformation was consistent with two developments: the drift of labour from the country, and the increased participation of women in the manufacturing sector. Export-oriented industrialisation in most of these countries also coincided with the greater concentration and centralisation of capital by multinational corporations (MNCs) and the growth of cross-border production networks. As a result, both governments and workers became dependent on the MNCs for job-creation, especially in the free-trade zones, which functioned as global manufacturing enclaves. New forms of work arrangements also emerged in the labour-intensive manufacturing sector, such as sub-contracting and home-based work, and all of these impacted on employment conditions and the labour movement. How have women workers coped with these changing economic realities? While there is broad agreement that governments introduced labour legislation aimed at securing a modicum of welfare and security for workers, they have used their public commitment to trade liberalisation and growth to increase their arbitrary powers and to retain their countries' competitiveness.

In recent years the demand for a social clause – based upon a set of fair labour standards selected from the ILO conventions – to be introduced in trade agreements has also raised the ire of governments of developing

countries. They accuse developed countries of promoting humanitarian concerns when their real motive is trade protection. The IMF has also argued in support of developing countries. According to the IMF, the economic arguments for harmonising labour standards are weak and attempts to impose them may be detrimental to workers in developing countries, especially if the standards are enforced through trade sanctions. Moreover, most labour standards, such as minimum wages, are not attainable in many poor countries. Thus the key issues are: is the state protecting and promoting the interests of workers through its industrial relations system? What are the prospects for basic trade union rights in the export-oriented industrial sector in Asia? Will the transference of certain components of a state's sovereignty to supranational institutions, non-governmental organisations (NGOs), and citizen-activist groups result in workers making some gains in the domain of labour rights?

This chapter outlines state–labour relations in the countries of focus (excepting Japan) by examining the following issues: labour legislation and the role of the state in structuring labour use; industrial relations; and trade union organisation and non-trade union activity. The labour movement and labour standards issues are examined in Chapter 10.

## The state, labour legislation and industrial relations

A brief summary of the legislative framework is necessary to introduce the industrial relations systems in the countries of focus. The first comprehensive labour laws in Bangladesh, India, Singapore, Indonesia and Malaysia were adapted from colonial laws and remain the basis for the employment relationship in these countries. Four aspects of the legislative framework are critical to an understanding of the industrial relations systems. First, none of the countries had a strong tradition of democratic rights or civil liberties. Second, paternalism and personal patronage, stemming from the status-based relationships in society and traditions of political authoritarianism, sanctioned by socio-cultural and historical practices, have created difficulties for the legitimacy of sectional interest groups such as unions in these societies. Third, the export-oriented industrialisation strategy has tended to take place under repressive state forms, and the state has managed to engineer union compliance, consistent with its development, security, and stability objectives, through a mixture of tripartism and legal control. Four, the consensual outcome has generally been preferable to confrontation, especially when the state has couched this in terms of GSP withdrawal by developed countries

and the resultant unemployment, making for industrial harmony on the whole (Deery and Mitchell, 1993; Manning, 1998b: ch. 8). Consequently, although individual country experiences differed in some areas, on the whole, the low wages policy meant that improvements in labour conditions and labour rights lagged considerably behind real wage growth. Nevertheless, it may be argued that even if real wages did not keep pace with growth, increased employment opportunities and welfare were preferable to the alternatives.

## Southeast Asia

### *Indonesia*

In Indonesia the first comprehensive labour law was passed in 1948. It laid down working conditions, banned the employment of children below the age of 15, restricted night work for women and included maternity leave for women workers and a miscellany of other provisions. More significantly, the legislation emphasised job security, and included procedures to regulate dismissal and separation payments. This legislation was reaffirmed in later labour laws which also guaranteed the right of workers to join unions, conclude labour agreements, and provided for basic labour standards.

When the Suharto government assumed power in Indonesia, the political structure was transformed and new economic policies were introduced that favoured private enterprise. Economic growth and job creation policies assumed priority and determined the particular characteristics of labour systems. Economic stability was also emphasised, further impacting on labour relations and resulting in tighter labour controls. There was a reaffirmation of earlier labour protection legislation, a framework was established for setting minimum wages on a provincial basis, and collective labour agreements were encouraged. The government's objective was to control the trade union movement in order to maintain industrial peace.

During this period the industrial relations process was shaped by new developments. These included the destruction of the Communist Party and the rise of the military; the banning of the leftist union and the removal of its leaders from industrial relations; and the cutting of ties between unions and political parties (with the exception of the GOLKAR party). Government control and military intervention thus ensured that labour rights were reduced. Subsequently, a conciliatory-based system of labour relations (referred to as *panca sila* labour relations) was agreed upon. This broad framework rested on co-operation and common goals

and Indonesia thus pursued the international and Southeast Asian trend towards bipartite and tripartite industrial relations systems. Employer and union co-operation became a key feature of the industrial relations system (Hadiz, 1997: chs 4–5; Manning, 1998a: ch. 8).

*Singapore*

In Singapore, a Trades Union Ordinance consistent with British labour policy elsewhere, and that required trade union registration, was on the books prior to the outbreak of the Second World War. It was amended subsequently in 1948 to regulate trade union constitutions and rules. Between 1959 and 1977 legislation was amended to prevent the growth of multi-unionism; to introduce the strike ballot and to curb unconstitutional industrial action. In 1982 further amendments were made to 'ensure trade union compliance with public policy on strategic human resource management' (Leggett, 1994: 99). Industrial relations were also regulated through the *Industrial Relations Ordinance* (1960) that established Industrial Arbitration Courts, and further amendments to the *Trade Disputes Ordinance* regulated industrial action, emphasising the importance of authoritative industrial arbitration. In 1965 Singapore separated from Malaysia and embarked on an export-oriented industrialisation strategy.

Four developments affected industrial relations processes in the city-state subsequently. These were the legal regulation of industrial relations through legislation; the curtailment of collective bargaining; the establishment of a tripartite National Wages Council (NWC) in 1972; and the introduction of legislation providing for control over foreign workers. The establishment of the NWC marked a growing trend towards a tripartite industrial relations system and union co-operation. Unions were able to participate actively in the formulation of national policies, particularly those impacting on workers' lives. They were represented on bodies such as the NWC, the Central Provident Fund, the Housing and Development Board and other key institutions impacting on economic and social policies. The state also sought both to determine and influence wage increases through annual wage growth targets set by the NWC.

Singapore's labour-absorbing industrialisation programme relied heavily on migrant workers. However, employers excluded these migrant workers, who were employed on short-term contracts, from collective representation and procedures concerning termination of their services. Nevertheless, they were not disallowed from using the Ministry of Labour's non-unionised dispute procedures. Notwithstanding this,

migrant contract workers came under even tighter regulation by government, facing fines, gaol sentences and even corporal punishment if they overstayed in the country (Leggett, 1994: 100). Employment relations was thus controlled by the Government and in 1980 the state effected the merger of the two largest employers in Singapore – the Singapore Employers' Federation and the National Employers' Council to form the Singapore National Employers' Federation (SNEF). Two years later, consensus and productivity improvement became the objectives of trade unions. The trade unions in Singapore thus served 'to legitimise the economic and social imperatives set for Singapore by its ruling elite' (Leggett, 1993: 223).

*Malaysia*

In Malaysia labour unrest in the late 1930s and a shift in colonial labour policy laid the basis for future labour relations and acknowledged a legitimate role for trade unions. In 1940 and 1941 three ordinances were passed – the *Industrial Courts Ordinance*, the *Trade Union Act*, and the *Trade Disputes Ordinance*. When the British returned to Malaya in 1945, following the Japanese Occupation period, a former British trade union official, John Brazier, was sent from London to mediate in relations between wage labour, capital, and the state to alleviate conflict and weaken militant unions. Brazier's legislative package was aimed at regulating trade unions, their constitutions and rules and made registration conditional for the enjoyment of any rights by labour. The package was based on the *British Trade Disputes and Trade Unions Act* (1927) (Gamba, 1957: chs 7 and 8). In 1948 a state of emergency was declared when the Communist Party of Malaya decided on an armed struggle to achieve its political objectives. The British introduced legislation to outlaw omnibus unions and broke the communist hold on the trade union movement. A major change arising from this policy was the passing of the trade union leadership to Indians since the Chinese, who had earlier comprised the majority of the trade unionists in the urban areas and led labour's struggle, refused to co-operate with the British.

In 1957 Malaya achieved independence and the new government introduced fresh legislation to regulate industrial relations and trade unions. The *Trade Unions Act* of 1959 legitimised trade unions, giving them legal protection. The *Industrial Relations Act* of 1967 formalised collective bargaining and also provided arbitration machinery. Both pieces of legislation were amended subsequently in ways that restricted labour's freedoms by weakening trade union power. The 1967 Act also

consolidated several earlier measures that had banned industrial action on the part of government employees (civil servants). Compulsory arbitration was also imposed across a wide range of essential public services.

Following the 13 May 1969 race riots, when violent intercommunal riots rocked Malaysia in the wake of the 1969 general elections, labour's fortunes suffered further reversals. Parliament was suspended and the government undertook a refashioning of political life and economic structures to restore long-term national stability. Where labour was concerned, issues such as transfers, job changes, promotions, hirings and most causes of dismissal became non-negotiable and therefore non-strikeable. These regulations provided for the availability of government conciliation services and binding arbitration by the Industrial Court. The tripartite nature of the Court marked a significant trend towards greater government control over labour and the conduct of industrial relations. The reconvening of Parliament in 1971 coincided with the implementation of the New Economic Policy.

The New Economic Policy (NEP) (1971–90) marked a watershed in Malaysian economic life. It had two principal objectives – the reduction and eventual eradication of poverty, irrespective of race; and the elimination of the identification of race with economic function. The second objective implied reducing the concentration of Malays in subsistence agriculture and increasing their employment in the modern rural and urban sectors of the economy. Subsequently there was a rapid rise in Malay wage labour, especially in the modern manufacturing sector. This policy, which coincided with the adoption of the export-oriented industrialisation strategy, had major implications for labour.

First, the state-authorised ethnic restructuring of employment meant that firms had at least three forms of labour control strategies. These were: divide-and-rule strategies based on race and gender, that were incorporated into the production process and the reward system; recruitment strategies; and corporate paternalism to nurture workers' identification with the firm (Halim, 1983).

Second, companies designated Pioneer Industries – as part of the government's drive to stimulate foreign investment with the overarching aim of achieving NIC status – were granted special union and related exemptions. These export-oriented firms were given the option of rejecting unionism and not concluding collective agreements that improved upon the minimum conditions of employment set out in the *Employment Act* of 1955 (see below). Night work for women workers in the manufacturing sector was also allowed.

Third, in late 1981 the then Prime Minister, Dr Mahathir Mohamad, launched Malaysia's Look East Policy to put Malaysia's economy on the road to rapid industrial growth, following the East Asian NICs. This Look East Policy promoted Japanese- (and Korean-style) work ethics and in-house or enterprise unions which received explicit legislative sanction in 1989. These unions tended to identify strongly with the interests of the company, since they were enterprise-based rather than industrywide. For example, if unions were convinced a high wage increase would hurt the company's competitiveness, they tended not to ask for a pay rise. This policy further increased the state's control over unions.

Turning to the individual employment relationship, as well as conditions of employment, these were covered by the *Employment Act* of 1955. In theory, the Act provided for all employees – both local and foreign, and whether unionised or not, although there was much debate in the local Malaysian press on its lack of coverage of domestic workers. The *Employment Act* set down basic standards regarding terms and conditions of employment. Among the employment conditions covered were the protection of wages; the limitation of the work week to 48 hours and the payment of overtime rates; the taking of rest days and rest periods; paid sick leave and holidays; and maternity leave. Further amendments included the payment of specified minimum termination and redundancy benefits. There was also legislation pertaining to health and safety regulations (Ayadurai, 1993: 65–8). The Act did not stipulate a minimum wage, nor did it protect workers from unfair dismissal without notice on the grounds of misconduct.

*Thailand*

Thailand presents an interesting contrast to the other Southeast Asian countries. First, its post-Second World War labour history may usefully be viewed in terms of changes in the political leadership and its economic strategy. The continued central role of the military in the Thai elite, arising from such factors as the advantages of military organisation, aided the maintenance of strong hierarchical relationships in the country. Political processes were by no means smooth. There were long periods of military dictatorships, frequent military coups and a troubled parliamentary and electoral system that resulted in a weak labour movement. Second, the agricultural sector continued to dominate the economy, and its share in GDP in 1960 amounted to 38 per cent. Even in the 1970s village-based rice production predominated. Beyond agriculture, there were only a small number of manufacturing enterprises in Bangkok and other urban centres. Urban wage-labour was thus a minority.

Third, since there were large reserves of underutilised labour in the countryside, there was a steady flow of migrants to the urban areas during the slack season in search of work in the informal sector or in small-scale production and the service sector. The urban workforce thus comprised a large percentage of semi-peasant/semi-proletariat workers. Moreover, urban labour was deprived of the opportunity to develop organisational strength and bargaining power because of the existence of this reserve, which was constantly augmented by new arrivals.

Employment conditions were, to a very large extent, influenced by the size of the labour market. Over the period 1970–90, the number of wage and salary earners showed a two-fold increase only and the government sector continued to be a major employer. In the late 1980s own-account workers and unpaid family labour still accounted for 70 per cent of total employment (Piriyarangsan and Poonpanich, 1994: Table 5 and p. 218). Moreover, there was no real concentration of wage earners in Thailand since the bulk of workers were employed in small-scale enterprises (1–99 employees). This limited labour organisation and union expansion among wage workers in the manufacturing sector.

Another factor influencing employment relations was the enactment of discriminatory legislation in pursuit of affirmative action policies. In 1949, 1951 and 1952, legislation was passed reserving some eighteen industrial and service occupations for Thai citizens. Subsequently, the 1956 *Job Allocations for Thais Act* specified that any class of business employing ten or more people was required to have Thai nationals making up at least half of its employees. This Act led to a subsequent expansion of joint Sino-Thai enterprises.

The first comprehensive legislation covering both labour protection and labour relations was the *Labour Relations Act 1956*. An allied law was the *Industrial Disputes Settlement Act* 1956 that allowed workers to choose their representatives for collective bargaining purposes. However, these regulations covered workers in paid employment only, who were hired under an employment contract. Employees who were hired on an informal basis, that is without written contracts, were not provided for by this Act. Thereafter, the history of labour relations may be viewed in terms of the political situation, the state's economic strategies and labour legislation and may be divided into six periods, from 1958–92.

During the first period, 1958–73, the military government imposed martial law and extended direct control over workers. The economic strategy adopted was import-substitution industrialisation and the government abolished the 1956 *Labour Relations Act*. All strikes and trade union activities were banned and union leaders arrested. The Interior

Ministry was empowered to issue ministerial decrees regarding labour administration. Labour protection measures were limited, and the length of the working day was prescribed as 10 to 12 hours. The government's wage policy was based 'on the fixing of a low price for rice, [and] permitted a compression of the money wage' (Piriyarangsan and Poonpanich, 1994: 223). Low wages were used as an incentive to attract foreign investment into the country. In 1972 the situation changed with the revocation of the previous decree affecting labour. The *Announcement on Labour Relations 1972* was passed, covering ways of establishing workers' associations, collective bargaining, dispute settlement and strike action. A minimum wage was also established in Thailand and a Workers' Compensation Fund created. These measures paved the way for further legislation to improve workers' rights.

During the second period, 1973 to mid-1975, labour became stronger, following the people's uprising of October 1973. This period was also marked by the *Labour Relations Act* of 1975 (which replaced the 1972 Act), guaranteeing the protection of workers and the right of association. Poverty in both urban and rural areas, arising from greater capitalist penetration in Thailand, also saw a substantial increase in the incidence of strikes (Priyarangsan and Poonpanich, 1994: 223). In 1974 the first major protest by women workers involving tens of thousands of textile workers took place. The textile workers protested against low wages and layoffs. Subsequently, the minimum wage of 16–20 baht established in July 1974 was raised to 25 baht in January 1975. However, many incidents of police brutality against women workers occurred in 1975 and 1976 (Thitiprasert, 2001: 36). Organised labour also took an active role in politics during this time.

As noted above, the *Labour Relations Act* of 1975 replaced the 1972 Act. The 1975 Act resulted in the creation of a legal framework for industrial relations by the state that fostered fragmented unionism. Unions with a registered membership of 10 members were recognised under this Act. Moreover, a group of 15 unions, irrespective of total membership, were allowed to set up a national labour congress. This led to the fragmentation of the workforce. Moderate labour leaders were supported by the state at the expense of militant labour leaders and student activists, further weakening the organisational strength and bargaining power of workers. Labour controls also became more indirect, principally because of division among the Thai elite. Some commentators refer to this period as the initial process of the institutionalisation of labour conflict.

During the third period, 1976–81, authoritarianism triumphed once again, following the October 1976 military coup. Although workers were

not prohibited from organising unions, strikes were outlawed. Normal labour congresses were controlled by the state. This authoritarian rule coincided with the export-oriented industrialisation strategy that was consistent with low wages, economic peace and pliant unions. Nevertheless, the state established a Labour Court in 1979 that provided an avenue for workers to seek redress in the event of a breach of employment contracts and abuse of labour laws. Tripartism was also promoted by the state in keeping with the export promotion strategy. Among the tripartite bodies set up were the Wage Committee, the Labour Relations Committee (to act on complaints and arbitrate in state versus enterprise disputes), and the Labour Court.

During the fourth period, 1982–92, state enterprise workers received a major setback and tripartism was extensively used in industrial relations in the private sector to deal with labour disputes and collective bargaining. Following the February 1992 Coup, the National-Peace-Keeping Council (NPKC) mounted a major attack against the trade union movement. Three pieces of legislation were enacted shortly after the coup. These included amendments to the 1975 *Labour Relations Act*, which removed state enterprise workers from coverage by the law. This meant that the formation of trade unions was effectively banned within state enterprises. The new *State Enterprise Employees Relations Act 1991* was implemented to govern labour relations in state enterprises. This act allowed state enterprise employees to form 'associations', not unions. Subsequently, *NPKC Announcement 54* further amended some provisions of the 1975 *Labour Relations Act*. These latter changes impacted largely on private sector workers (Brown, 1997: 175).

The fifth period, from 1992 onwards, was marked by improved conditions for labour organisation, following the restoration of parliamentary rule in 1992. In 1993 a Ministry of Labour and Social Welfare was created, and the subsequent *Labour Protection Act 1998* provided workers, who had been employed for three years or more, with statutory rights to severance pay.

Briefly, therefore, Thailand had no effective factory act, trade disputes act or union law until the mid-1990s. The state also ensured that weak enforcement of these laws secured Thailand's competitiveness in the international market. Consequently, the labour movement was fragmented and working conditions were also less favourable compared to neighbouring countries. Thailand's greater emphasis on textile and garment production saw a more pronounced casualisation of labour. Working hours in the manufacturing sector were set at 48 hours per week compared to 54 hours for commercial enterprises, but with the

casualisation of the workforce, there were more breaches of labour regulations. Sub-contracting production (especially in the food and beverage industry, oil production and the garment and handicraft industry) also meant lower wages and limited benefits for workers. Issues of workplace health and safety standards also posed major problems in Thailand. Andrew Brown comments that the 1990s may best be 'remembered for a series of spectacular accidents and multiple cases of occupation-related illnesses [in Thailand] that have left a trail of dead, maimed and injured in their wake' (Brown, 2001: 127).

*Unions and memberships*

There are many similarities in the ways in which Southeast Asian governments have controlled and managed labour activism. These include the elimination of the Communist threat; the strengthening of political power at the expense of workers' rights; and the adoption of a range of policies and practices designed to ensure that worker organisation, militancy and opposition remain subordinated to state interests.

After the Second World War, communist control over the labour movement in Malaya and Singapore was destroyed by the declaration of a State of Emergency in 1948. In the 1950s and 1960s Labour Party leaders (who had roots in trade unions) were detained under the Internal Security Act on the grounds that they were communists. The New Order Government in Indonesia also destroyed the Communist Party, while the military in Thailand passed the *Anti-Communist Act 1952* which enabled the military to fight domestic threats to national security. Workers' rights were moreover heavily curtailed through the enactment of legislation that effectively removed a broad range of personnel matters from collective bargaining. These included promotions, transfers, recruitment and dismissal. Next, tripartite bodies were set up in these countries which established wage guidelines and removed wage negotiation between firm and employees. Henceforth the state assumed a greater role in wage and working conditions negotiations in accordance with state policies. Moreover, unions could not demand, nor management offer, benefits greater than those stipulated under law. In some countries union representatives were selected by government.

In Indonesia the most important piece of legislation passed to regulate trade union activity was the *Collective Agreements Act 1954*. This Act provided an avenue for managing relations between employers and trade unions on issues such as wages and conditions of employment. In 1956 Indonesia ratified the *International Labour Organisation's (ILO)*

*Convention 98* on the right to organise and gave unions the legal status previously denied them under colonialism. Subsequently, the *Labour Disputes Act 1957* included further provision for collective bargaining by direct negotiation. Little progress was made, however, and there was labour unrest arising from dissatisfaction with wages, terminations and special allowances (Hawkins, 1963). The government also provided machinery for settlement through tripartite committees to control industrial conflict. The main union in the country was the Serikat Organisasi Buruh Seluruh Indonesia (SOBSI, All-Indonesian Workers Organisation) and labour relations became increasingly adversarial.

Following the destruction of the Indonesian Communist Party (PKI) by the New Order government in the mid-1960s, the industrial relations system in the country changed from being adversarial to co-operative and conciliatory. The principal developments affecting this change were the banning of the SOBSI; the removal of its leaders from industrial relations; and the severing of ties between unions and political parties (Manning, 1998a: 209). As noted previously, industrial relations were strictly controlled by the strong authoritarian government, which was supported by the military, and followed the international trend towards tripartism and bipartism. The government opted for a government-controlled, national trade union organisation, the Federasi Buruh Seluruh Indonesia (FBSI, the All-Indonesia Labour Federation). The FBSI became the Serikat Pekerjan Seluruh Indonesia (SPSI) in 1973.

In 1985 the Suharto government made it obligatory for all labour unions to join the SPSI, and it thus became the only officially sanctioned labour union in the country. The SPSI received much of its funding from government, with military personnel appointed to many of its official positions. The SPSI was modelled on national unions in other countries; provincial and district branches were formed; and it had industrial branches to represent the workforce in specific economic sectors. The national body was 'entrusted with a coordination role, determination of policy and support for the establishment of enterprise unions and the completion of collective labour agreements' (Manning, 1998a: 209–10). As a result, there was a mutuality of interests and consultation between workers, employers and government as Indonesian employment relations were linked to the state-sponsored doctrine of *Pancasila*.

In the early 1990s, the SPSI had approximately one million workers and there were unions in approximately one third of all larger enterprises. However, only around 3–5 per cent of all employees, and 5–10 per cent of manufacturing employees were nominal members of a union in the early

1990s, a much lower level than during the Sukarno period (Manning, 1998a: 210). Industrial peace reigned until the early 1990s. Nevertheless, the SPSI's perceived lack of effectiveness in representing worker interests meant that its credibility was undermined. There was also dissatisfaction with low wages and this, combined with a move towards greater political openness and tolerance of dissent, saw the growth of independent unions that were not recognised by the state. The largest of these was the SBSI or the Indonesian Prosperity Trade Union. The SBSI attracted international attention and support from agencies such as the ILO but its leaders were subjected to harassment and imprisonment.

Subsequently, the Asian financial and economic crisis undercut labour's bargaining power, while indiscipline and politicking also led to the fragmentation of the labour movement. At the beginning of the third millennium there were 43 registered union federations and hundreds of small splinter groups. Most union members do not pay dues and the SBSI depends heavily on funding from international donors (*FEER*, 15 March 2001: 22–5). NGOs, a number of which are specifically women's NGOs, are involved in advocacy and assist in informing workers of their rights. Nevertheless, Hadiz states that it is unclear whether local-based organising vehicles will serve … as the basis for the development of a more effective, national-level labour movement … (Hadiz, 2001: 123). Significantly, the downfall of the Suharto government, and continuing political instability left an uncertain future for Indonesian employment relations.

**South Asia**

As in Southeast Asia, colonial labour laws in South Asia (India) laid the foundations for labour legislation, institutions and practices in independent India and Bangladesh. Colonial labour policy was essentially geared to safeguard the commercial and economic interests of the state and to secure some welfare and security for workers. Intervention in industrial relations was, on the whole, selective. The *Trades Dispute Act 1929* provided for state intervention in the settlement of disputes. (It was amended in 1938.) The subject of labour was placed in the 'concurrent' list, in the wake of the *Government of India Act 1935*. This meant that both the central and state governments had jurisdiction to legislate on it (Ratnam, 1997: 266). Unlike other Asian countries, the trade union movement was also 'strong, though not quite representative enough' and was 'integrated with the political processes of the freedom struggle' (Ratnam, 1997: 255). The Indian National Congress, which

dominated the independence movement, maintained a strong concern for labour from at least 1920 with the founding of the All India Trade Union Congress (AITUC). This provided a basis for subsequent state-labour relations in India following independence. In Pakistan (which included East Bengal [Bangladesh]) this state-organised labour relationship was missing. A succession of dictators also led to a weak labour movement.

*India*

The newly independent state of India adopted an industrialisation strategy based on import-substitution and the state played a key role in the restructuring of the economy. During the second Five Year Plan (1956–61) there was a shift in emphasis towards heavy industry. Indian leaders also chose the central planning development pathway, which led to the public sector being emphasised at the expense of the private sector. The development strategy thus aimed at growth through state regulation, protectionism and the creation of a sheltered market. As a result, although there was growth in several areas, over regulation and protectionist policies resulted in India becoming a 'high-cost, low-performance economy with a lagging industry'. In 1991 the Indian government yielded to external pressure for reform and announced a new economic policy. The new economic policy represented a more systematic confirmation of the free market course, the lifting of some price controls and the lowering of taxes and tariffs. One consequence of these reforms was to increase labour market flexibility in India. Thus the change from a planned to a liberal market economy also entailed curtailing the power of the trade unions, and led to an increased casualisation of the workforce. This impacted heavily on women workers.

At the time of independence, state–labour relations were premised on the facilitation of the 'public regulation of the terms and conditions of employment in the new and modernised sector' (Breman, 1999: 2). Three main pieces of colonial labour legislation provided the basic structure of industrial relations. These were the *Trade Union Act 1926*, the *Industrial Employment* (Standing Orders) *Act 1946*, and the *Industrial Disputes Act 1947*. The last established permanent administrative machinery for the settlement of labour disputes and heavy government involvement in regulation and dispute resolution (Ratnam, 1997: 267).

What are some of the problems for labour organisation? The *Trade Union Act 1926* provided for registration, not recognition of the union movement. Any seven members can register a union. Although some

state laws provided for recognition, this did not lead to an improvement for trade unionism. It has also been asserted that in post-colonial India, labour policy is 'largely a continuation of forcing labour into a repressive, state-contorted industrial relations system' (Rock, 1995: 13). Moreover, discriminatory practices continue to underscore wages, benefits and conditions of employment. Demands for a minimum wage were rejected on the grounds that they were 'unrealistic due to extreme regional diversity in conditions'. The National Commission on Labour, held between 1967 and 1969, which aimed at strengthening the trade union movement, was not able to achieve its aims and was also 'nothing more than a ratification of the post-colonial state's prevailing industrial relations policy' (Rock, 1995: 14).

Bhattacherjee (1999: 49) identifies four phases in the evolution of trade unionism in India, corresponding with structural change in the country. During the first phase (1950–mid-1960s), India embarked on state planning and import substitution industrialisation. This period marked the phenomenal growth of both public sector employment and public sector unionism. Unions and bargaining structures were highly centralised and state intervention in the determination of wages and working conditions 'was the norm'. During the second phase (mid-1960s–1979), there was economic stagnation in the country, employment 'slowed down' and inter-union rivalry rose as industrial conflict increased. During the third phase (1980–91), economic growth was both uneven and segmented. This phase coincided with decentralised bargaining and the rise of independent unionism. On the whole, workers lost out in the unorganised sector. The fourth phase (1991 onwards), which corresponds with the liberalisation reforms, has witnessed demands for increased labour market flexibility, employment flexibility and a weakened labour movement. In the wake of the trend towards labour flexibility, some of the most contentious issues include legal restrictions on introducing new work practices and adjustment of the workforce, consistent with changing enterprise requirements through lay-offs (Ratnam, 1997: 269).

India's 'demographic destiny' is another factor working against a strong labour movement. According to Paul (2002: 34):

> even as India tries to catch up, it is falling further behind. In most Asian countries, the number of young adults is declining. In India the percentage of the population in the 15–24 age group is rising 1.6% annually. … To keep all those young people employed, it will have to create no fewer than ten million jobs a year between now [2002] and 2010. … The Indian economy needs to grow 10% a year. The best the

> country has managed since … 1947 is … 7.8% in 1996–97. The current level of growth, 5.4% translates into just four million new jobs a year.

On another score, each major political party maintains a trade union wing, or 'centre'. There is a regular exchange of officials between some trade union centres and political parties. Trade unions claim to be autonomous from their party affiliates, yet some support party candidates. In 2002, there were ten major trade union centres in India, each 'affiliated in some manner to a political party' (Candland, 2002: 4). Moreover, only one in five registered unions is affiliated to one or another of the ten major trade union federations at the national level. More surprisingly, as Ratnam states, organised labour in India in the early 1990s accounted for less than 9 per cent of the workforce. In 1987, membership of the unions submitting returns under the stipulations of the *Trade Union Act 1926* accounted for less than two per cent of the total labour force. Ratnam concedes however that it is 'doubtful whether these statistics give the true picture' (Ratnam, 1997: 270). Nevertheless, it is a fact that millions of workers in India are unprotected by unions, and therefore fall outside the purview of labour laws. According to Rock, the unorganised sector provides employment for about 90 per cent of the workforce and contributes 66.5 per cent of the national product. A large proportion of workers in this sector are women who have to bear the brunt of market forces (Rock, 1995: 15). To take the case of the electronics sector, which is undergoing a major process of restructuring in response to trade liberalisation measures, labour market flexibility is intensifying differentiation both within the industry as well as between women workers (Chhachhi, 1999).

To summarise, trade liberalisation has ushered in an era of labour market flexibility which has resulted in an increase in employment opportunities for women. These jobs are *not* new jobs. The textile production that disappeared with the closure of textile mills has been transferred to the 'decentralised power-loom sector, where almost all the employment is informal' (Hensman, 2001: 13). Other industries where production has been transferred from the formal to the informal sector include the *beedi* industry, engineering and pharmaceuticals. This transfer has resulted not only in a reduction in capital costs, but also in labour costs, despite the fact that production is now more labour-intensive than previously. Since women represent the cheapest unit cost in the production chain, it is therefore not surprising that these jobs in the informal sector are held by them (Hensman, 2001). According to Rock, out of a total of 91.4 million women in 1995, 95 per cent are in the unorganised

and informal sectors in both urban and rural areas. Trade unions have made very few attempts to formalise informal labour because it has proved difficult to establish an employee–employer relationship in the sub-contracting sector under existing labour laws, such as the *Contract Labour Act* or the *Minimum Wages Act* (Rock, 1995: 20–1). Notwithstanding this, certain initiatives have been undertaken to provide support for the bulk of home-based workers. For example, the Self-Employed Women's Association (SEWA) was registered as a trade union for self-employed women in 1972 in Ahmedabad, and successfully 'integrates a complex myriad of lives, occupations and issues into one union'. It is now regarded as a key organising vehicle for women in developing countries (Rose, 1997: 382). In 1995 SEWA assisted with the establishment of HomeNet, an international network that helps develop export markets for women's products. Apart from India, associations of homeworkers are also active in Bangladesh, the Philippines and Thailand (see Chapter 6).

*Bangladesh*

As noted earlier, under Pakistani rule, the labour movement was suppressed by the state, coinciding with the adoption of an export-oriented industrialisation policy. The main pieces of legislation regulating employment relations were inherited from the colonial period, as in India. These included the *Trade Union Act 1926*, the *Industrial Employment* (*Standing Orders*) *Act 1946* and the *Industrial Disputes Act 1947*. The trade union movement was also firm-based and politically fragmented. The state promoted trade union multiplicity to restrict political activism among the unions (Candland, 2002: 3). The uneven economic development between West and East Pakistan soon rekindled Bengali nationalism against the exactions of the ruling class in West Pakistan. As unions became more politically active, the state sought to diffuse the situation by introducing some reforms, but these excluded the right to strike. When the situation worsened, martial law was introduced in 1958. Strike activity continued nevertheless into the 1960s. In 1969, popular unrest by students, the professional class and industrial workers resulted in the ending of martial rule. Subsequently, a new labour policy, the *Industrial Relations Ordinance* of 1969, was introduced and was devised to 'depoliticise' labour. Industrial workers were granted the following rights: the right to form trade unions, the right to collective bargaining, and the right to strike. However, the Ordinance prohibited the formation of industry or nation-wide unions. Workers in essential state enterprises, for example, the railways and ports, were barred

from forming unions. This legislation instituted enterprise unionism in the country and had an adverse effect in reducing membership density (Candland, 2002: 4–5). This measure also helped quell labour militancy. Nevertheless, industrial workers in East Pakistan continued their nationalist struggle against West Pakistan, which culminated in the formation of Bangladesh in 1971.

The new government of Bangladesh promised a just and egalitarian society, but state capitalism continued, bolstered by the emergence of an alliance between the military, bureaucracy, and a trade-oriented bourgeois political unionism therefore continued to characterise the labour movement. As governments changed and the country experienced periods of military rule in the 1980s, the state moved away from a highly protected public sector-oriented economy to one in which the private sector was given priority. By the early 1980s the shift accelerated as the government, in exchange for financial aid, adopted a range of liberalisation policies as defined by the IMF's structural adjustment guidelines. The economic changes also coincided with political regime changes, which need not detain us here. Worker militancy continued and was blamed for the sluggish economic growth. Earlier, in 1977, each political party was required to have a labour front of its own, which encouraged inter-union rivalries. By the 1980s, therefore, labour was co-opted to advance the country's economic interests. In 1984 an umbrella organisation, the Sramik Karmachari Oik Ya Parishad (SKOP) or United Front of Workers and Employers was formed to represent the trade union movement as a whole. SKOP subsequently played a dominant role in industrial relations in the country, and was able to extract worker benefits, including a national minimum wage for both public and private sector employees (Rock, 2001: 27–34).

Bangladesh's switch to EOI ushered in two major changes: the first was the ascendency of the readymade garment sector (which replaced jute as the leading export-earner); and the second was the creation of a first generation female-industrial labour force. Since women's labour is cheaper than men's, women constitute more than 66 per cent of the total workforce employed in the garment sector. They also comprise more than 80 per cent of all workers employed in the sewing section, which is the main production unit (Paul-Majunder, 2002: 4).

One of the more distressing effects of garment production was the widespread use of child labour. Initially, girls between the ages of 11 and 14 were employed to serve as helpers in the industry, working on tasks such as sewing buttons, cutting thread and carrying cloth from one work station to another. They worked 12 to 14 hours a day and were locked in

the garment factories to prevent them from escaping (US Department of Labour and Bureau of International Labour Affairs, 1998: 14). The use of child labour attracted widespread criticism and international pressure, forcing garment producers to either phase out child labour or buyer contracts. Subsequently, the tabling of the Harkin Bill in 1992, which called for a ban on the import of goods manufactured either wholly or in part by child labour, brought important reforms in the garment industry. In 1995 the Bangladesh Garment Manufacturers Employers Association (BGMEA), UNICEF and the ILO signed a Memorandum of Understanding (MOU) to make the industry child-free. Many under-aged workers were dismissed without any monetary compensation. Moreover, since the MOU applied solely to the export sector, the problem of child labour was shifted to the non-export sector (Wright, 2002: 14–16).

In the lead up to the threat of imposition of internationally accepted labour standards, a new independent union – the Bangladesh Independent Garment Workers' Union (BIGU) – was formed in 1994 with the objective of promoting the members' industrial interests. Rock states that BIGU is significant for three main reasons. First, it showed that Bangladeshi women were not quiescent, nor unable to promote collective action. Second, the union is non-political and consequently represents a move away from political unionism. Third, the formation of BIGU (which later became a federation – BIGUF) reflected the vital role played by both local NGOs, and international labour organisations such as the Asia-American Free Labour Institute (AAFLI) in promoting independent unionism in Bangladesh (Rock, 2001: 27–8). As at 31 December 1999, 109 factory-based trade unions in the garment industry had been registered. All these unions are also members of 10 union federations, half of which are registered. Some of these federations, moreover, are members of SKOP and often international federations such as the International Textiles and Garment Workers' Federation. Notwithstanding these impressive figures, Paul-Majumder states that most of the factory-based unions in the union federations are not registered with the Directorate of Labour and Manpower, principally because of fear of dismissal by employers, or they exist only on paper. Additionally, an increasing trend in the country is the rise in unit committees rather than trade unions, since the former do not require registration. Union members are harassed, intimidated and dismissed. The BIGU federation officers also experience harassment and threats in their efforts to promote worker solidarity and develop leadership among women (Paul-Majumder, 2002: 22–3). Against this bleak picture, unionism has made some progress in the country. BIGUF, for example, has also been able to

protect workers' rights to secure minimum wages, paid leave, maternity leave, and written employment contracts.

## Some concluding remarks

Until the 1970s most Asian economies were based largely on agricultural and service industries and these sectors accounted for the biggest shares of the workforce. Trade unions were confined principally to plantation workers, miners, transport workers, mill workers, state enterprise workers and civil servants. Unionisation rates generally remained low. Restrictions on labour's freedoms resulted in adversarial labour relations being replaced by co-operation and conciliation among workers, employers and the State.

Subsequently, labour came to be closely associated with industrial work. The industrial proletariat was also predominantly an urban phenomenon, and had more exposure to international conditions and agencies. The niche production sectors of these countries resulted in increased female participation in the paid urban sector. Trade liberalisation strategies and labour market flexibility nevertheless ensured that a large percentage of these women remained contract workers or were casualised. Although trade unions were instrumental in securing labour rights such as improved conditions of work, employment contracts and regular payment for work, these rights remained the prerogative mainly of male workers in the formal sector.

Women workers, the predominant workforce in the niche industries, therefore have borne, and continue to bear, the brunt of structural adjustment policies while being the least organised. Moreover, in-house unions, to which most belong, make it difficult to compare wages and conditions offered by different employers within an industry. Thus the unionisation rate among women is consistently lower compared to men. Apart from the in-house unions, women in the garments and footwear industries are not regularly or directly employed (apart from exceptions) and are therefore ineligible for union membership. Also, the size of the informal sector and the growing number of small- and medium-sized units make it difficult for unions and employer organisations to become established among sub-contracting and small batch production workers. Female labour force organisation thus lags behind female participation in the labour force and women workers continue to be more vulnerable to exploitative working conditions.

It has been suggested that most features of Asian labour relations were, and continue to be, culturally determined. Asians prefer

industrial harmony and consensual outcomes because they wish to avoid confrontation, and the state and the group are accorded a higher importance in society than the individual. Tripartite and bipartite industrial relations systems which coincided with a shift to export-oriented industrialisation were thus seen as a natural outgrowth of these cultural determinants. These resulted in a further diminution of labour's role and influence, consistent with a shift from industrywide-based unions to enterprise-based unions. The rationale for the in-house union policy was that it facilitated company loyalty on the part of the workers, paternalism on the part of managers, management–labour collaboration, and industrial harmony at enterprise level. While labour viewed in-house unions as company unions that facilitated labour control, employers associated them with profitability; and the state saw them as valuable tools in national economic development strategies. Moreover, while the Japanese and Korean models were adopted with some enforced labour conditions, there were none of the compensations such as life-time employment. Indeed, the very nature of the export-oriented industries, which are dependent on trade cycles, precluded this possibility.

Apart from the shift to tripartism, labour opposition deemed inimical to national development strategies has also been curbed through the use of political instruments such as the *Internal Security Act* in Singapore and Malaysia. Additionally, certain pieces of legislation aimed at maintaining essential services are also effectively used to curb industrial action in key sectors of the economy. There is also continuing criticism of government for the failure to enforce legislated health and safety standards. Finally, there is a general non-observance of government-set minimum labour standards due to three main factors: weak and under-funded enforcement agencies; the incidence of bribery among factory inspectors to overlook transgressions; and a lack of commitment to laws on the statute books insisted upon by external agencies.

The above outline aims at providing an understanding of the social and political consequences of industrialisation and trade liberalisation strategies in Asia. It must be noted also that Bangladesh, India and Indonesia have large populations and labour supply is continuously being replenished. Similarly, in Malaysia, Singapore and Thailand (where there are labour shortages) economic migration from neighbouring countries serves to augment labour supply and this has also diluted labour's bargaining position. Where women workers are concerned, an emerging class consciousness and worker solidarity has also shaped, and continues to shape, their organising strategies. They are not alone.

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# 10

# Women, Labour Standards, and Labour Organisation

*H. V. Brasted*

## Introduction

The provision of adequate labour standards is of vital significance to women workers in Asia's industrial work forces. Women form a significant proportion of the total labour force – except in South Asia (Horton, 1996: 8; Brasted, 2000: 199–201) – and in some industries, notably garments, are an overwhelming percentage. Since women generally work in the lowest-paid jobs, with the lowest security of employment, and often work long hours in unsatisfactory working conditions, the acceptance and enforcement of good labour standards and practices has become a matter of critical concern.

What is understood by labour standards and how do they become incorporated into national labour laws? What are some of the reasons why, despite considerable pressure for improvement from international and national groups, labour standards for women workers remain below acceptable norms in many Asian countries? How does the weakness of union representation for women workers contribute to the failure of organised labour to exert sufficient pressure for change.

These and other labour standards issues are of particular interest not simply because such standards and laws influence matters such as wages and conditions in the workplace, but because their adoption is part of the wider world of international politics and economics. In this wider world, trade relations between the developed and developing world frequently involve tariff, quota, and other concessions, which are in some way contingent upon the adoption of particular labour standards by developing countries. Issues such as the insertion of 'social clauses' in trade agreements or as preconditions for membership of the World Trade Organisation (WTO) or other bodies all impact on the lives of Asian

women workers (for a general review of the issues involved see Lee, 1997 and Hensman, 1996: 1030–4).

This chapter examines core international labour standards as they affect women industrial workers in Asia. In particular, it looks at the standards concerning women workers which have been adopted by the International Labour Organisation (ILO) and other agencies, and discusses their ratification and implementation in Asian countries. But the point must be emphasised that general standards, which affect all workers, will also affect women workers. And for that reason the point of departure will be to look at all the so-called 'core labour standards' which have been singled out by the ILO as of particular and universal significance. The chapter will also examine labour organisation among women workers in Asia.

As the discussion will make clear, the issue of labour standards as they affect women industrial workers centre above all on discrimination in the workplace and equal pay; maternity benefits, and trade union representation. When such issues are examined one also often finds a vast chasm between the letter of the law and actual practice, wide differences between regions and countries within Asia, and notable variations between sectors, especially between the formal and informal sectors of manufacturing industry.

## Setting the scene

At the outset, a peculiarity in the adoption of internationally agreed labour standards by developing countries should be noted. It is a fact of history that in the developed world domestic laws usually follow, rather than lead, social reality. Laws are framed where there is national consensus, or at least a perceived need by the lawmakers, and often enough laws simply confirm an existing circumstance. Labour laws and standards in Europe and the United States were the product of domestic circumstances and domestic pressures, and evolved gradually as needs and attitudes changed.

But in developing countries, labour standards and principles enshrined in labour laws usually emanate from outside, and may well conflict with internal customs, attitudes and, in some cases, needs. There is often, then, a tension between law and reality. At its best, the state and peoples of a developing country may well desire and accept an international 'core standard' such as, for example, the abolition of child labour. But then again they may not. Perceptions of such a standard on the part of the developing country can vary between hostility to a principle which

seems to amount to the imposition of 'northern' values on 'southern' societies, or a belief that the principle is nothing more than crude protectionism – a desire by the advanced countries to increase costs and reduce competitiveness in developing countries. Yet, from the perspective of the advocates of 'core standards', their absence smacks of exploitation and the violation of basic human rights (an excellent analysis, from a third world perspective, is Singh and Zammit, 2000).

Hardly surprisingly, therefore, the issue of labour standards in developing countries is a controversial one, and has spawned an enormous literature. It follows that there may well be a yawning gap between the acceptance of a particular standard by a country and the reality of implementation. Thailand has outlawed child labour since 1919 – yet it still exists there. So it does for that matter, if less obviously, in the United States and in other developed nations. In southern Italy, for example, one survey in 1997 found 30 per cent of boys between the ages of 10 and 14 to be in employment. In the United States 27 working children under the age of 14 were killed in industrial accidents in 1993 (NIOSH, 1995; *Guardian*, 1998).

Yet internationally accepted labour standards have been incorporated in the labour laws of the vast majority of countries in the developing world, including Asia. The reasons are not hard to find, and at root derive from three forces: the role of the United Nations and its Agencies and international institutions; the near-universal acceptance of certain basic human rights; and the imperatives of trade agreements between the developed and developing worlds. In fact, the three overlap. The ILO, an agency of the United Nations, has been at the forefront of the promotion of worldwide standards of human rights. The World Trade Organisation (WTO), that succeeded the General Agreement on Tariffs and Trade (GATT) and is enforcer of the Uruguay Round of GATT, has strict rules and dispute resolution procedure to ensure a rules-based approach to trade. The Generalised System of Preferences (GSP), on the other hand, is an agreement under the auspices of WTO, that provides duty-free access by developed countries to products of developing countries. GSP privileges are now being used to enforce compliance with human rights issues (see, for example, Elliott, 2000).

## The ILO and labour standards

The ILO, a specialised agency of the United Nations, is the most important source and advocate of international labour standards, although it is not the only one. The organisation was founded in 1919, and its

original Constitution formed Part XIII of the Treaty of Versailles. Despite early enthusiasm, little practical headway in establishing international norms was achieved before the Second World War, although a number of important conventions relating to female labour were promulgated and ratified by member states (the United States was not a member of the League of Nations but became a member of the ILO in 1934). Indeed, two of the first six conventions adopted by the ILO at its inaugural meeting in 1919 included maternity protection and regulations concerning night work for women.

Ironically, in view of its later forceful advocacy of international standards, the United States refused to ratify the Hawaii Charter of 1948, which was to set up an International Trade Organisation with explicit links between labour standards and trade. Thereafter GATT (General Agreement on Tariffs and Trade) could not, under its constitution, impose such links, and labour standards have evolved gradually through the ratification of ILO conventions by individual member states. Upon ratification, the conventions become part of the national laws of these states, and are subject to enforcement through national judicial systems. The implementation of adopted labour standards therefore depends upon the commitment of law enforcement agencies, the availability of inspection and monitoring, the existence of corrupt authorities, and other practical constraints.

The ILO has earmarked eight core conventions which embody labour standards identified as being 'fundamental to the rights of human beings at work' – irrespective of levels of development of individual member states – and a 'precondition for all other rights'. (All the data on ILO conventions and standards are taken from ILO, 2000, 2001 and 2002.) At the annual conference of the ILO in June 1998, member states went further in agreeing that they had an obligation to implement the core conventions even if they had not ratified them. The core conventions, in chronological order, are given in Table 10.1. These conventions fall into four broad categories:

1. freedom of association and collective bargaining (Nos 87 and 98);
2. abolition of forced or compulsory labour (Nos 29 and 105);
3. equality in employment (Nos 100 and 111);
4. elimination of child labour (Nos 138 and 182).

While, as already mentioned, working women and girls are affected by all conventions such as forced labour and minimum age, the ones of particular relevance are those which concern equal remuneration and discrimination. But the issue of labour organisation is also a matter of vital

*Table 10.1* UN core labour conventions and year ratified

| *No.* | *Convention* |
|---|---|
| 29 | Forced Labour Convention (1930) |
| 87 | Freedom of Association and Protection of the Right to Organize Convention (1948) |
| 98 | Right to Organize and Collective Bargaining Convention (1949) |
| 100 | Equal Remuneration Convention (1951) |
| 105 | Abolition of Forced Labour Convention (1957) |
| 111 | Discrimination (Employment and Occupation) Convention (1958) |
| 138 | Minimum Age Convention (1973) |
| 182 | Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (1999) |

*Source*: ILO, 2002; ILO web site: www.ilo.org

concern to women, since female participation in labour organisations, as members and leaders, can influence working conditions and opportunities. Since labour unions are frequently powerful advocates and monitors of basic labour standards, the effective implementation of those standards affecting women might well depend upon women's participation in labour organisations.

It is unnecessary here to detail the various articles and provisions of the conventions, and in any case their titles are largely self-explanatory (for a more detailed breakdown of these conventions see Rohini Hensman, 2000: 1248–9). Under Conventions 29 and 105 all forced or compulsory labour is prohibited (with some exceptions such as military service and disaster relief), and compulsory labour cannot be used as a means of political coercion or education. Convention 87 lays down the right of all workers (and employers) to form and join organisations of their choice, without prior authorisation or interference from the state. Such organisations can join larger national and international confederations. Convention 98 provides protection against anti-union discrimination, and promotes collective bargaining between employers and employees in determining wages and conditions. Under Convention 100, equal pay and benefits must be paid to men and women for work of equal value. Convention 111 calls for a national policy to eliminate discrimination in access to employment, training, and working conditions, on grounds of race, colour, sex, religion, nationality, political opinion, or social origin. It also calls for the promotion of equality of opportunity

and treatment. Convention 138 aims at the abolition of child labour, with a minimum age for entry to the workforce to be not lower than the age of completing compulsory schooling. Convention 182 calls for the immediate prohibition and elimination of such forms of child labour (here defined as under the age of 18) as prostitution, slavery, or drug trafficking.

It is interesting that the overwhelming majority of member states have ratified these conventions, and that they are, in theory, part of their national laws. Table 10.2 shows the numbers of ILO member countries that had ratified the various core conventions by mid-2001.

It can immediately be seen from the above that the core conventions which concern discrimination and equal pay (Nos 100 and 111) and those that deal with labour organisation (Nos 87 and 98) have high rates of ratification. Those concerned with child labour have lower rates.

However, the picture is different in regard to Asia. The ILO lists 42 member states in Asia and the Pacific, and the ratification of the core conventions in mid-2001 is provided in Table 10.3.

Relatively fewer Asian-Pacific states have ratified the core conventions than the international average, with particularly few ratifying those dealing with labour organisation and child labour. And only

*Table 10.2* Ratification of core ILO conventions, 2001

| | *No.* | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Conventions | 87 | 98 | 29 | 105 | 100 | 111 | 138 | 182 |
| Countries ratifying | 138 | 150 | 159 | 155 | 154 | 152 | 114 | 104 |
| % Ratifying | 79 | 86 | 91 | 89 | 88 | 87 | 65 | 59 |
| (Total member countries = 175) | | | | | | | | |

*Source*: ILO, 2001; ILO database on International ILO Labour Standards; ILO web site: www.ilo.org

*Table 10.3* Ratification of core conventions in the Asia-Pacific

| | *No.* | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Conventions | 87 | 98 | 29 | 105 | 100 | 111 | 138 | 182 |
| Countries ratifying | 18 | 24 | 34 | 27 | 32 | 31 | 19 | 23 |
| % Ratifying | 43 | 57 | 81 | 64 | 76 | 74 | 45 | 55 |
| (Total member countries = 42) | | | | | | | | |

*Source*: ILO, 2001; ILO database on International Labour Standards; ILO web site: www.ilo.org/iblex/english/docs/declworld.htm

*Table 10.4* Ratification of core conventions in selected Asian countries, 2001

| *Country* | *Convention No.** | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *29* | *105* | *87* | *98* | *100* | *111* | *138* | *182* |
| Bangladesh | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Cambodia | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| China | | | | | ✓ | | ✓ | |
| India | ✓ | ✓ | | | ✓ | ✓ | | |
| Indonesia | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Japan | ✓ | | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Lao PDR | ✓ | | | | | | | |
| Malaysia | ✓ | ** | | ✓ | ✓ | | ✓ | ✓ |
| Myanmar/Burma | ✓ | | ✓ | | | | | |
| South Korea | | | | | ✓ | ✓ | ✓ | ✓ |
| Vietnam | | | | | ✓ | ✓ | | ✓ |
| Pakistan | ✓ | ✓ | ✓ | ✓ | | ✓ | | |
| Philippines | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Singapore | ✓ | ** | | ✓ | | | | ✓ |
| Sri Lanka | ✓ | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Thailand | ✓ | ✓ | | | ✓ | | | ✓ |

*Notes*

* List of Conventions:

No. 29 – Forced Labour Convention (1930)
No. 105 – Abolition of Forced Labour Convention (1957)
No. 87 – Freedom of Association and Protection of the Right to Organize Convention (1948)
No. 98 – Right to Organize and Collective Bargaining Convention (1949)
No. 100 – Equal Remuneration Convention (1951)
No. 111 – Discrimination (Employment and Occupational) Convention (1958)
No. 138 – Minimum Age Convention (1973)
No. 182 – Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (1999)

** Has denounced this Convention.

*Source*: ILO, 2001. ILO database on International Labour Standards, ILO web site: www.ilo.org/ilolex/english/docs/declworld.htm <http://www.ilo.org/ilolex/english/docs/declworld.htm>, accessed August 2001.

around three-quarters of the Asian-Pacific countries have ratified the conventions dealing with equal pay and discrimination, compared with nearly 90 per cent in the world as a whole. A clearer snapshot of the picture is provided in Table 10.4.

Within Asia the picture is varied. If the record of sixteen countries is looked at in South, Southeast, and East Asia, as far as the equal pay and anti-discrimination Conventions (100 and 111) are concerned, nine

countries have ratified both. They are Bangladesh, Cambodia, India, Indonesia, South Korea, Sri Lanka, Japan, Pakistan, Philippines, and Vietnam. Four countries, Thailand, Malaysia, Japan, and China, have ratified Convention 100 only, and three countries, Singapore, Burma, and Laos, have ratified neither. No country, incidentally, has ratified only Convention 111.

When one turns to the conventions dealing with labour organisations the picture is even bleaker. Only seven countries, Bangladesh, Cambodia, Japan, Pakistan, Philippines, Sri Lanka, and Indonesia, have ratified both Conventions (87 and 98) and six countries, China, India, South Korea, Laos, Thailand, and Vietnam, have ratified neither. Two countries, Malaysia and Singapore, have not ratified Convention 87, while Burma has not ratified Convention 98.

In summary, then, Asia's record in ratifying the core labour standards conventions is patchy and generally belated. For instance, where countries have ratified Conventions 111 and 138 they have done so by and large post 1998. South Korea and Vietnam were signatories to no Convention before 1997 and Cambodia, Indonesia, and Sri Lanka ratified the majority of Conventions in 1999 or later. It should be noted that populous countries such as India and China have failed to ratify the conventions dealing with freedom of association and union organisation. At the same time, though, ratification certainly does not guarantee performance, and often the record of ratification is influenced by political circumstances rather than social reality.

And there are some notable anomalies. For example, such a socially advanced country as New Zealand joins those countries not ratifying the conventions on labour organisation (though Australia has ratified them), while the United States, which often exerts considerable pressure on developing countries to adopt and adhere to good labour practices, has itself ratified only two of the eight core conventions. It has specifically failed to ratify the conventions dealing with discrimination, labour organisation, or minimum age of employment. However, workers in the United States possess civil rights under the Constitution that can be invoked in cases where working conditions or terms of employment, for example, may be deemed to infringe them.

As well as core labour standards the ILO has issued many other conventions and recommendations relating to labour standards for women workers. Although not a core standard, the protection of women workers from conditions which might bring risks for maternity has been a particular concern. Certainly, the ILO has sought to guarantee maternity leave and benefits for women workers, and tried to ensure that they

do not lose employment or status because of child-bearing. A degree of protection has been afforded through the Maternity Protection Conventions issued in 1919 (No. 3) and 1952 (No. 103), several Conventions (Nos 4, 41 and 89), a Recommendation (No. 13) dealing with night work for women, and Convention 156: Workers with Family Responsibilities (1981).

But again, as with the core standards, the record of many Asian countries in ratifying these additional conventions and recommendations is poor. Indeed, not one of the 16 Asian countries, whose response to the core conventions was looked at earlier, has ratified the convention on maternity protection, while only Japan and Korea have ratified Convention 156, despite that convention being declared 'a basic human rights standard' by the ILO.

Ratification – or at any rate awareness – of the various ILO conventions and recommendations are the most significant way in which labour standards become disseminated and adopted within national labour laws. There are also certain other United Nations conventions and recommendations, particularly in the field of human rights, which are of direct relevance to labour standards for working women in Asia. The most significant of these is the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which was adopted by the General Assembly in 1979. The Convention acknowledges that 'extensive discrimination against women continues to exist', and defines discrimination as 'any distinction, exclusion, or restriction made on the basis of sex … in the political, economic, cultural, civil or any other field' (UNHCR, 2001). Paradoxically, not only has this Convention been widely adopted, it has also, in fact, been ratified by each of the 16 Asian countries surveyed above.

As has been said, ratified conventions and recommendations become part of national labour laws and carry a similar legal status to international treaties. They may even fall within the field of constitutional law, as in the cases of India and Cambodia. In the former, Articles 19, 38, 39, 41, 42, and 43, of the 1950 Constitution almost exactly mirror the principles contained in the ILO 'core conventions' (Saini, 1999: 4–5). Cambodia's Constitution, adopted in 1993, not only explicitly guarantees certain rights to women workers – freedom of association, non-discrimination and equal pay, pregnancy leave and maternity benefits – but also makes United Nations conventions and declarations 'relating to human rights, and women's and children's rights' part of the law of the land (Cambodia Constitution, 1993, Articles 31, 46).[1]

## The core labour standards social clause

In recent years there have been a number of moves by developed countries, especially by the United States but also by the European Union, to link labour standards to international trade agreements. As mentioned earlier, such moves have been resisted by developing countries who fear that social clauses in trade agreements amount to interference in domestic matters; impose unwelcome 'Western standards' under the banner of human rights; and are, in fact a disguised form of protectionism aimed at reducing the competitiveness of developing countries and denying them access to the markets of the rich countries. Paul Krugman believes that 'the developing countries are right' and that social clauses are really a form of 'protectionism in the guise of humanitarian concern' (Krugman, 1994). The International Monetary Fund (IMF) goes further in stating that social clauses could actually be detrimental to the welfare of workers in the developing world (IMF Survey, 1997). Certainly, the economic case that the harmonising of labour standards between countries will benefit them all is debatable (see discussion in Brown *et al.*, 1998: 240).

Whatever the truth of the matter, compulsory social clauses have proved controversial, and many attempts to link them to multilateral trade agreements have so far foundered. On this issue national trade union bodies in Asia have unusually found themselves on the same side as employers' organisations in decrying the imposition of global labour standards through trade sanctions, although not always for the same reasons (Hensman, 1996: 1031–3). Asia-based unions are particularly apprehensive that a free trade regime carries the potential of eroding the very standards of work they are charged with protecting, and are not persuaded that the WTO is the appropriate body to monitor such a system. Nonetheless, negotiations with China over WTO membership in recent years have kept the notion of inserting social clauses into trade agreements at the forefront of the liberalising agenda. And since the 1990s, the granting of GSP to developing countries by the United States and by the European Union has also been tied to labour standards.

From another perspective, trade liberalisation, the granting of GSP privileges to developing countries, and the development of various regional groupings, have been part and parcel of the spread of globalisation. As far as this chapter is concerned, the most important aspects of globalisation have been the growth of labour-intensive exports from developing Asian countries and the internationalisation of industrial production. Such developments have drawn attention to the conditions of workers in developing countries, especially women; the acceptability

of imposing labour standards on the developing countries; and the role of Western companies themselves in taking advantage of cheap labour and exploiting workforces through low wages and poor working conditions.

Increasingly, from the 1970s major industrial companies have been transferring the more labour-intensive processes to labour-abundant countries in the developing world. In the case of large clothing and sports shoe companies, design and quality may be controlled from the advanced country, but all the manufacturing is conducted in the cheap labour environment of the developing world. Many household names such as Nike, Reebok, Gap, Levi Strauss, and Van Heusen operate in this way, while innumerable smaller firms contract with local firms to produce jeans, T-shirts, shorts, and a range of other items for export to the United States or to the European Union under GSP agreements.

Since GSP agreements include labour standards (usually specified standards such as working conditions and trade union freedom rather than simple incorporation of the ILO core standards) they are an important vehicle through which such standards may be spread to developing countries. At the same time most of the major international companies involved in the system have their own labour standards which they lay down in their contracts with local firms and which they monitor themselves (*The Economist*, 2001: 57–8). For example, it is the policy of Nike not to employ children under the age of 18, even where they operate in countries where children of 15 are permitted to work. In this way the international companies can help to advance the labour standards of developing countries, though this aspect is often downplayed or overlooked by their critics. On the other hand, some multi-nationals have shown a propensity to use sub-contractors who source their labour from the informal sector where labour laws do not reach and exploitation is rife.

## Women workers and labour law in Asia

Basic principles and conventions are one thing. National labour laws, which must detail, expand and extend the substance of the conventions are quite another. Such laws can, and often do, cover areas outside ratified conventions. Laws must deal with the particular, and take account of local circumstances. And they must provide machinery for monitoring, inspection, and enforcement. It is only by looking at national laws and their enforcement that an adequate picture can be gleaned of the progress of labour standards for Asian women workers. Information on some of

the detailed provisions available to women workers in selected Asian countries is given in Table 10.5.

Although there are variations in the provisions, it is striking how uniform and how relatively benign the laws are. Whether developed (Singapore) or least developed (Bangladesh), all have similar and progressive laws with regard to matters such as maternity leave and benefits and overtime. Nearly all, moreover, prohibit discrimination in employment, provide for minimum wages, regulate conditions of work, and ban child labour. Yet, as the vast literature dealing with the working conditions of women workers in Asia attests, the labour laws are commonly honoured in the breach rather than the observance. Thus, while the legal provisions of labour standards may be adequate, the observance of these standards is not.

At a very general level, widespread discrimination against women continues to exist throughout Asia. Women's wages are nearly always significantly lower than those of men, and men usually have the supervisory and managerial positions. The situation in selected Asian countries is shown in Table 10.6.

It is clear from Table 10.6 that in both the wealthy and poor countries in Asia there exist widespread discrepancies between the wages of men and women. Interestingly, it does not appear that the poorest countries exhibit the greatest divergences. Women in Japan and South Korea fare particularly badly, while those in Thailand fare significantly better than their counterparts in Singapore. That cultural factors and tradition may play a very important part in wage discrimination is strongly indicated. Moreover, while there was perceptible progress in the 1990s, women remained at a very considerable disadvantage compared with men. In Hong Kong it appears that the relative position of women actually worsened, and in Bangladesh – except in the garment industry – there was virtually no change. By contrast, Australian women in 1992–97 received on average 85 per cent of the male wage. While there is no country in the world where women earn more than men (*New Scientist*, 27 April 2002: 37), in developed countries the gap is shrinking fast as gender inequalities become politically and socially untenable.

No such trend is as yet discernible in Asia. Indeed, in many Asian countries, working women are paid less than the legal minimum wage, they frequently work long hours which include unpaid overtime, and they are subjected to various forms of coercion. In Malaysia basic labour standards embodied in the Employment Act of 1955 do not include a minimum wage, or protect workers from unfair dismissal. Working conditions, too, are often unhealthy and sometimes extremely

*Table 10.5* Labour laws relating to women workers in selected Asian countries

| *Country* | *No.* | | | | | |
|---|---|---|---|---|---|---|
| | *1* | *2* | *3* | *4* | *5* | *6* |
| Thailand | Not over 24 hours/week | Dismissal an offence | 90 days | Full pay | No night work | Two |
| Malaysia | Not over 104 hours/month | Dismissal an offence | 60 days | Basic pay | Ban from 10 p.m.–5 a.m. | Five |
| Singapore | Not over 72 hours/month | No law | 56 days | Normal pay | No special protection | – |
| Indonesia | No law | Dismissal an offence | 90 days | Minimum wage | Ban from 6 p.m.–6 a.m. | – |
| India | No law | Dismissal an offence | 12 weeks | Minimum wage | Prohibited | – |
| China | Not over 1 hour/day | Dismissal an offence | 90 days | Full pay | Prohibited if pregnant or child under 1 | – |
| Bangladesh | Overtime banned | Dismissal an offence | 12 weeks | Full pay | Ban from 8 p.m.–7 a.m. | – |

*Notes*
1. Overtime for women workers.
2. Laws prohibiting employers from dismissing pregnant women workers.
3. Length of maternity leave.
4. Pay during maternity leave.
5. Provisions on night work for women.
6. Maternity benefit able to be claimed for number of children.

*Source*: *Asia Women Workers Newsletter*, 1997; ICFTU-APRO, 2001, 2001a.

*Table 10.6* Women's wages as a percentage of men's in selected Asian countries, 1990–97

| *Country* | *1990* | *1992–97* |
|---|---|---|
| Bangladesh | 49 | 50 |
| Hong Kong | 69 | 61 |
| Malaysia | 49 | 58 |
| Korea | 50 | 56 |
| Singapore | 55 | 60 |
| Thailand | 64 | 68 |
| Japan | 41 | n/a |

*Source*: ICFTU-APRO, 2000.

hazardous (Kaur, in press).[2] There have been, in recent years, a number of well-publicised disasters at workplaces in several Asian countries. The worst perhaps was the notorious fire at the Kader toy factory in Thailand in 1993 where some 188 workers died (mostly young females), and 469 were seriously injured (Symonds, 1997; Brown, 2001: 127–8). India's safety record, with fatal and crippling accidents common in the workplace, has been especially poor (Menon, 1999: 20–4).

Why are conditions for working women so bad and why do labour laws go unobserved? From a broad perspective it can be said that labour standards are least observed and conditions for women workers are worst in the poorest Asian countries. Where labour standards are ignored, it generally follows that conditions will be bad also for all workers, men and boys as well as women and girls. At the same time, it must be emphasised that conditions are often worst and least regulated in the informal sectors: in services, in workshops where there is sub-contracting, and also in agriculture. Paradoxically, while world attention tends to focus on the working conditions in the formal sectors of developing countries, it is normally in the less visible, informal sectors that the worst forms of exploitation occur.

As countries develop, the general observance of labour standards and level of labour conditions tend to improve. While this may seem commonsense, it is worth noting three points. First, economic development has brought a wider variety of jobs, including skilled jobs, which can be undertaken by women. Second, the huge reservoirs of surplus labour, which have fed labour-intensive occupations in the first place, have been reduced. For various reasons birth rates have declined sharply in all the economically successful Asian countries, which has reduced labour supply and improved the position of labour. And, third, increased and

better education for girls has both reduced the number of young females seeking work and improved the job opportunities of those finishing school. However, in the case of the least developed Asian countries almost the opposite situation prevails: large pools of surplus rural labour which supply urban factories with a cheap unskilled workforce; high rates of population growth which further swell the labour pool; and low levels of education, especially for girls. In this situation, even in more developed India, 'women are compelled to accept any work on any terms either at home or outside it' (Rock, 1995: 20).

**Socio-cultural attitudes and women workers**

Plentiful supplies of cheap female labour are certainly an underlying reason for poor labour standards in many countries. But the causes often lie deeper, and help explain why, even in the most developed of the Asian countries, working women often face discrimination and hardship.

Social attitudes are a fundamental factor (Derry and Mitchell, 1994: 15; Brasted, 2000: 206–7). In most of Asia, women have traditionally suffered a position of social inferiority, which in turn leads to the neglect of girls' education, few opportunities for them to acquire skills, relegation to the lowest segments of the workforce, and little prospect of rising to higher supervisory and management positions. Discrimination in wages and job opportunities often, as in the case of India and Pakistan, have deep social roots which labour laws can dent only with difficulty and with time. Religious attitudes may also encourage discrimination (Wright, 2000: 232–5). In many societies children are expected at an early age to support their parents, and such pressures tend to push young girls into the workforce with only minimal education (Falkus *et al*., 1997).

In fact, the extent to which women enter the paid workforce in the first place varies quite widely in industrialising Asia, and reflects social attitudes as well as levels of economic development. For example, the female share of paid employment in industry and services is only 15 per cent in India and 8 per cent in Pakistan. By contrast it is 45 per cent in Thailand, 36 per cent in Malaysia, and 40 per cent in the Philippines (ICFTU-APRO, 2000). Falling somewhere in between, and perhaps illustrating that customary discrimination can be overridden by economic opportunity, Bangladesh has remarkably gone against the South Asian trend, at least in the case of the high profile garment industry. Although garments account for the bulk of export earnings, this sector was virtually feminised during the 1990s, with 80 to 90 per cent of the estimated 1.4 million workers being women and young girls who draw nearly

the same hourly wage as men. On the other hand, since a significant proportion of this labour is under age, Bangladesh also highlights the problem of child labour (Siddiqi, 2000: L11–L13; Wright, 2000: 236–41).

Entrenched social attitudes and cultural traditions can also serve to make the enforcement of labour standards difficult. Where laws are flouted often there is indifference by the authorities and government officials who are overwhelmingly male. At the same time, it is well known that corruption exists at all levels in many countries. Corrupt police, courts, and government officials, including labour inspectors, provide a huge obstacle to the effective enforcement of labour standards.

Fundamentally important too is the legal framework under which workers are afforded or not afforded protection in their workplace. Generally speaking, while the legislation governing working conditions in Asia might appear 'quite progressive' (Kaur, forthcoming), not only can existing laws easily be evaded, but in any case large numbers of workers will be excluded from their coverage. India provides the classic case. While India's labour laws compare more than favourably with those of advanced industrial countries, they fail to cover over 91 per cent of the workforce who are employed in the informal sector. This figure includes workers in the formal sector who are employed on a casual or temporary basis. In India the provisions of the factory legislation regulating work are legally side-stepped where either enterprises with electric power employ fewer than ten workers, or enterprises without electric power employ up to twenty workers (Rosen, 1996: 110). Under the Contract Labour Act (1971), contract workers do have certain minimal rights but faced with the prospect of instant dismissal or worse they are too intimidated to assert them (Rock, 1995: 20–1; Hensman, 2001a: 7–8).

The story is much the same throughout Asia where the vast majority of female workers are outside the scope of labour laws, working in agriculture, in domestic service, or in other small-scale service sectors. Even in the manufacturing industry, with which this chapter is principally concerned, few labour laws extend to small workshops, family businesses, or sub-contracting enterprises. It must be remembered that sub-contracting is a principal sector where female workers are ill paid and work long hours. There are numerous ways that unscrupulous employers can dodge paying benefits. By renewing contracts annually or keeping workers on temporary probation they escape maternity leave and holiday provisions. Similarly by varying production targets employers can readily ensure low wages and oblige workers to work long hours if they are to obtain a living wage or retain their jobs. In short, casualising the workforce, splitting enterprises into smaller units, or farming out

employment to small-scale contractors who draw their labour from the informal sector, have become the commonplace techniques of labour law avoidance across the region.

Under these circumstances, the more crucial labour laws and conventions may not be so much those governing working conditions, as those pertaining to labour relations – principally the freedom of association, the right to organise, and collective bargaining. For it is this area of the law that enables workers to combine to protect the rights they have won, to improve the standards under which they work, and to effectively negotiate a fair return for their labour. Where labour laws are ignored, un-policed, and not enforced it is difficult to resist the view that collective action is 'a necessary condition for the achievement of a better life' (Breman, 2001: 34).

In Western countries, organised labour, sometimes allied to political parties, has proved an effective driving force for securing and improving labour standards. But in Asian countries the principal ILO conventions on freedom of association and union organisation tend not to be ratified, and politicised unions are outlawed. In Thailand unions in the public sector have been banned since 1992. There are, in fact, few Asian countries with strong and effective union movements, and this in turn means the absence of a potentially powerful watchdog to guard labour standards. Governments and judiciaries have usually been hostile to unions, and organised strikes and protests are frequently proscribed or restricted (*Human Rights Watch*, 1998). In practice the right to strike barely exists in Malaysia (Kaur, in press) and, in Japan, where workers traditionally identify with the interests of the companies that employ them, it is seldom exercised. In the Asian environment of industrial relations, where governments are interventionist and lay down the rules of engagement, unions usually tend to be more compliant than confrontational. Moreover, in enterprise-based rather than industry-wide systems, collective bargaining is not an available recourse of action. Even where collective bargaining is still legal, as in Malaysia, compulsory arbitration and other restrictions embodied in the Industrial Relations Act of 1967 have rendered its practice essentially token (Kaur, in press). It is little wonder that trade union movements in Asia have been less successful than their European counterparts in improving the living standards of the workers they represent.

What compounds union weakness in Asia (and in fact partly explains it) is the low density of union membership, which continues to decline. This varies from approximately 23 per cent in Japan to 5 per cent in Indonesia and Thailand. Confined almost exclusively to the formal

*Table 10.7* Union density in selected Southeast Asian countries, 1990 (% unionised)[a]

| *Country* | *All employees* | *Non-agricultural employees*[b] |
|---|---|---|
| Singapore | 20 | 20 |
| Malaysia | 15 | 14 |
| Thailand | 3 | 5 |
| Indonesia | 4 | 5 |

*Notes*

[a] Percentages of unionised employees to all wage employees. Measured as a share of the total non-agricultural workforce. Since a high proportion of agricultural and non-agricultural workers are self-employed and family workers, union density is more appropriately measured as a share of wage employees.

[b] Unionised agricultural workers excluded in the case of Malaysia and Indonesia.

*Source*: Chris Manning, *Indonesian Labour in Transition: An East Asian Success Study* (Cambridge: Cambridge University Press, 1998), Table 8.3, p. 210.

sector of the economy, where labour laws do not apply, trade unions in effect look after the welfare of only small, privileged groups of predominantly male workers. Of course where there are no factories there are also no unions. Historically protected by national labour laws and international labour conventions Asian unions have ostensibly devoted more effort into preserving their sectoral advantage than extending their reach. Union density in selected Southeast Asian countries is given in Table 10.7. As shown in Table 10.7, Singapore has the highest union density, followed by Malaysia.

Within the weak union movements the voices of women are even weaker. Women frequently remain unorganised and unrepresented, and few women workers are included within the main union organisations. With the formal sector being squeezed by a combination of global and national capitalist pressure, this situation does not look set to alter particularly fast. Indeed, the transfer of jobs from the formal to the informal sector is gathering pace everywhere, and women are bearing the brunt of this structural adjustment. In the regulated economy retrenchment stalks their employment and recruitment to the new export industries– where women predominate – usually entails casualisation and increased vulnerability. The challenge for unions perhaps is not to retreat in the face of this development, but to regroup by extending

their representation of the workforce to the vast and growing informal sector, which they have hitherto ignored.

## Core labour standards and enforcement in Asia

The picture of labour standards as they affect women workers in Asia's industries which has emerged from this discussion can be viewed in several ways. The standards themselves, enshrined in the ILO core conventions, are fairly widely ratified (except for those concerning organised labour). National labour laws everywhere appear to give adequate protection to women workers, at least in the formal sector. But this is not surprising, since international pressure, trade agreements, and other circumstances compel at least lip service to international norms. The problem lies in enforcement and the coverage of those standards. Here the realities of developing Asia – the often low status of women, the seemingly limitless supplies of cheap female labour, entrenched attitudes, weak labour representation, corruption, and an industrial structure which does not lend itself either to the application of labour laws nor to monitoring and inspection – stand in the way of achieving acceptable conditions of work.

Labour standards it must be said are being subjected to downward pressure in the developed world as well, as governments of both Left and Right since the 1980s have variously embraced economic rationalist philosophy and mounted concerted attempts to create more flexible, less protected, and less expensive workforces. Buttressed by World Bank and IMF prescriptions they have followed a recipe of deregulating business and weakening labour. Full-scale collective bargaining is becoming a thing of the past, as has the guarantee of a job for life. An increasing number of people in America and Europe are working out of their homes on a freelance, unsecured, and unentitled basis. Whether or not this will negatively impact on standards of living, as it seems to be doing on labour standards, remains to be seen.

The problem with improving labour standards in Asia is that what is euphemistically called the level playing field is tilted very much in favour of employers at the expense of employees. Governments seem powerless or reluctant to tilt it back towards labour anywhere, but particularly in developing economies where cheap labour is axiomatically viewed as the mechanism delivering them growth and competitive advantage over the developed economies. An advertisement of the state-owned Bangladesh Board of Investment conveys the message rather succinctly: 'Whatever you make, it costs less to make it in Bangladesh' (Siddiqi, 2000: L12).

While an anti-globalist coalition is beginning to form in support of capital controls, the protection of local industry, and fair rather than free trade (James, 2001: 200–24), it is not clear how such a return to past maxims would benefit labour in general and women workers in particular.

But to concentrate only on the gloomy side of the picture would be a mistake, for there are reasons for optimism, particularly in Asia. As has been shown, conditions for women tend to improve with economic growth, declining population growth rates, and enhanced educational opportunities. In countries such as Thailand and the Philippines, for example, women are better educated and can more readily aspire to better-paid and more highly skilled work, and generally to work under much improved working conditions than they could even a decade ago. If industrialisation progresses similarly in the dark spots of Asia, in countries such as Pakistan, Nepal, and Cambodia, women will likely benefit in similar fashion. Bangladesh seems to provide some proof of this. And in these countries the work of national and international non-government organisations (NGOs) and multinational agencies is having a significant, if patchy, effect in reducing discrimination and changing time-honoured attitudes.

What has arguably the greatest immediate potential of bringing about change and reform is organised labour. Should Asian unions decide to support social clauses rather than oppose them, the playing field might begin to tilt back towards the working classes. The task is then to ensure that costly and perhaps inappropriate Western labour standards are not imposed, and that immediate and significant job losses do not result. Another avenue of strategic possibility open to Asian unions is to combine with international labour to apply upward pressure in labour standards. With markets globalised it makes sense to globalise labour as well.

But the move best calculated to transform the Asian setting and contours of labour is to formalise the informal sector of work. Seeking to shut off the loopholes in labour laws and having them applied to all workers, regardless of where and how they are employed, is one way for unions to go. Another way is for unions to organise the already predominant and still growing unorganised workforce, from which they have kept aloof. Unless they attempt to do this their base of support, which is contracting as the formal sector of the economy contracts, will continue to erode and their ability to influence labour policy may dissipate accordingly.

There are signs that overtures are being made from mainstream trade unions throughout Asia to the self employed, casual and home-based

workers to join them in collective and mutual protection. In India, for example, women's caucuses with the Centre for Indian Trade Unions (CITU) and the All India Trade Union Congress (AITUC) have begun a drive to sign up women from the informal sector. Within the informal sector itself national groupings of home-based workers, taking a lead from the Self-Employed Women's Association (SEWA) of India, have formed regional networks of support in Bangladesh, Thailand, the Philippines, Indonesia, and India (see Chapter 6).

It may also be noted that women are attaining prominent positions within unions and have been at the forefront of some notable protest movements. A good illustration is provided by the lengthy struggles of the Par Garment Workers Union in Thailand in the late 1990s, which were led and sustained by women under the redoubtable Karuna Durian. This was followed by the even larger and longer protests at the Thai Durable Textile Company in which the role of women activists was again significant (*Bangkok Post*, 30 May 2001).

In short, the future of labour standards in Asia may well depend on the recruitment of women to the labour movement, and on the political pressure that women workers are able to mount in pursuit of the equality and the rights labour laws currently give them. Should unionism be transformed by massive recruitment, much of it female, so also in time will the industrial landscape of South and Southeast Asia. Meanwhile, women workers have nothing to lose by supporting the globalisation of labour standards, for they have gained very little while these have been governed by national regulation.

## Notes

1. I am indebted to Malcolm Falkus for references on Cambodia.
2. I wish to thank Amarjit Kaur for allowing me to read Chapter 10 of her forthcoming book, *Wage Labour in Southeast Asia Since 1840* (Basingstoke: Palgrave Macmillan).

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