

Women's Role In Economic Development: From Classical Approach To The Present

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Abstract

The aim of this study is to examine women's role in economic development from a historical perspective. Many classical economists considered women to be irrational as economic agents. They took it for granted that women were paid less than men. Feminist economists criticise traditional-neoclassical economics claiming that conceptual basis for the mainstream economic knowledge is gender discrimination and women's experiences are not reflected in economics. For this reason, they suggest that economic horizon be broadened by reviewing and questioning economics, including women's perspective.

Towards the end of the 1980s, the concept of human development was improved and United Nations Development Programme (UNDP) started working under the name of Human Development Index (HDI) in order to measure the development levels of countries. In the same way, studies on the elimination of gender-related inequality that is one of the new dimensions of development concept were started by UNDP. In this context, Gender-Related Development Index (GDI) was developed. Furthermore, Gender Empowerment Measure (GEM) has been emerged to measure the distribution and participation of women in the

economic and political life. In recent years, The World Bank has shifted its focus from structural adjustment to poverty reduction. The growing interest to the problems of gender and women has been an important part of this process. When gender inequality is not taken into consideration, economic growth and development cannot be handled effectively, because poverty leads to gender inequality and gender inequality negatively affects economic development.

Considered as a human capital, human factor is a fundamental determinant of economic development. In this context, the major target of economic development is to improve life standards and to provide equal opportunities in health, education, employment for everybody without gender discrimination. Women should be involved in the current economic development plans, programs and projects with the help of the government policy.

Keywords: Gender, Feminist Economics, Economic Development, Gender Inequality, Women's Studies.

1. INTRODUCTION

The period, when the term "development" began to be widely used, is known as the period after the World War II. However, it was possible to come across some points related to the issue in the science of economics before this period. The process, which Adam Smith, with the term "natural progress of opulence" (Smith, 1776:459) and John Stuart Mill, with the term "economical progress" (Mill, 1902) have tried to define, may be basically identified with the development. The process, introduced by the concept of development, has a history spanning centuries. The Industrial Revolution and the great change brought by this revolution has the highest priority and the most important role in this historical process that may be basically identified with the capitalist development. For those nations outside the Industrial Revolution, "Westernization", "industrialization" and "modernization" have turned out to be the main objective for attaining the tangible process, gained by the Western civilization, under various names and these names have been used synonymously with the terms progress/development (Yumuş, 2011:9,10).

Up until the 1970s, an increase in Real Gross National Product (GNP) and the national income per capita were the main indicators used to measure the economic development. However, with the the definition of the economic development after the economic crisis in 1970s, the criteria used in the measurement of the economic development started to be questioned. With these improvements, the development has been mostly perceived from a human perspective and the improvement of man's life standard has come into prominence (Memmedova, 2000).

Although the development discipline produced its unique literature after the World War II, the role and place of the women have been neglected for a long time and they have not been given due importance in mentioned development processes. Considering that women make up the half of world's population in all periods of the history, the role of women in economic and social life should not be neglected. The fact that gender equality is both a fundamental principle of democracy and one of the requirements for sustainable development is well known. From this point of view, the role and significance of women both in social welfare policies and in development plans and policies should be questioned.

In this context, firstly, the theoretical approaches on the "development and women" will be evaluated from a historical perspective, then some assessments will be made related to "the development and women in international institutions and processes".

2.Theoretical Approaches to Development and Women

The role and place of women have been neglected for a long time and women have not been given due importance. The place of women in the development process was first introduced by Ester Boserup in 1970 (Palaz, 2005:316,317). This section of the study, in a historical line, analyzes "the role of women in economy" before the creation of development literature and "the role of women in development" after the creation of this literature. In this context, the Classics' view of women, Neo-classical view, Boserup's view of women in development and feminist economists' views are reviewed respectively.

Most of the classical economists are skeptical about women's rational decision-making capacities. Pujol (1992) states that it could be inferred from Adam's Smith's work *The Wealth of Nations* (1776) that "women are relatively invisible in the *The Wealth of Nations*, aside from their obvious role in contributing to population growth". To Bodkin (1999:46,47), it can be understood from the same work that women have limited roles in market economy, moreover, it is their parents and relatives who decide on their education because "Smith does not trust the young women to choose their subjects of study wisely" For this reason, they are deprived of the opportunity to learn the intellectual issues as their career choices are limited. Jean Baptiste Say argues that women are irrational consumers. He exemplifies this issue with women's being extravagant towards expensive jewelry (Bodkin, 1999:55). Say, in his work *Olbie*, states that women's natural wage is lower than that of men, because it is men who must support a family while women support only themselves (Forget, 1997:109).

Pujol (1995) argues that the classical school, as well as some neo-classical successors- Jevons, Edgeworth, Marshall and Pigou- accept women as "irrational" and "unfit as economic agents". Considered to be among the neo-classical economists and the father of the welfare economy, Pigou, has argued that women are weaker and more imperfect than men and thus welfare may be maximized by keeping women's salaries lower than that of men's (Pujol,1992:151). The Neo-classical point of view suggests that the elimination of the inequality between men and women and women's full participation in the economy may only be realized with development and industrialization. It states that the main reason why women cannot equally benefit from the development and why their participation in economic and social life is not realized is the differences men and women have in human capital equipments, such as education and work experience (Palaz, 2005:317).

Ester Boserup, in *Woman's Role in Economic Development* (1970), emphasizes that women do not benefit from development opportunities as much as men and new technologies provided by development programs deteriorate women's status (Palaz, 2005:318). The main issue of women in development is their incorporation into the existing economic development plans, programs and projects. If women are fully integrated into development plans and projects and take active roles, they will benefit more from the opportunities of the development. In this context, as suggested by Neo-classical view, it is considered that women may equally benefit from the economic development with certain state interventions and policy practices rather than assuming that the case of women could be improved with economic development (Lansky, 2000).

The feminist economics does not review and question the "woman in economy", but rather it reviews and questions the economy including women's point of view. This questioning leads to the development of new economic methods, theories and policies and thus to the expansion of the horizons of economics. This questioning is realized with the principle "different but equal" (Eroğlu and İşler, 2006:69,70). At the same time, this review will also contribute to the development of women's economic conditions. Feminist economists criticise the view based on the Cartesian philosophy according to which women perceive the model person in theories of traditional economists as man, because women occupy the subordinate position and in this context they cannot reflect their women experiences on the science of economics. Therefore, they suggest that conceptual foundations of economic knowledge are produced and reproduced on gender bias (Eroğlu and İşler, 2006:108). In this context, the feminist economists suggest that the reason behind women's subordination to men in a society and their not being fully integrated into the social and economic life is the "patriarchal-man" system. Thus, they assert that all the institutional barriers against women should be eliminated and women should be empowered and actively participate in development plans and projects. Although they accept that general economic developments and improvements have positive effects on women, they point out that these effects may be very complex and may not always improve the case of women (Forsythe et al., 2000). The goal here is to provide women with the access to necessary knowledge, skills and resources, giving them the opportunity to develop themselves and play an active role in development plans (Palaz, 2005:318,319).

3. Development and Women in International Institutions and Processes

Previously, the development programs saw women as objects rather than economic actors, for this reason, they were only interested in producer roles. However, it was only when the economic value of the child was understood that the necessity for reducing the expenditures on preventive measures against pregnancy in population programs and increasing their revenues was supported (Tinker, 1997:38; Ertürk, 1996:349). In this context, The United Nations sought ways to improve women's education, feeding and status. The fact that women could not fully participate in the development was called as "waste of human resources". Women were characterized as resources and the belief that their contributions would accelerate the development process and make it more effective became dominant. Indeed, in "Strategy for The Second Development Decade", the importance of promoting women's the International Development organization in the "total development" was emphasized (Yavuz and Serdaroğlu, 2010:54).

The group of Society for International Development (SID) - Women in Development (WID) created a five-page bibliography on the subject and it was at this stage that Boserup's book was discovered (Tinker, 1997:33). The book of E. Boserup, a liberal feminist, is the first study to analyze the differing effect of sex/gender division of labor and development and modernization on "gender" on the basis of data and evidence. Boserup's study examines the effect of the development projects on the Third World Countries' women. The writer states that most of these projects neglected women and many of these technologically sophisticated projects impeded women's economic interests and independence (Yavuz and Serdaroğlu, 2010:54-57).

The First World Conference on Women was held by The UN Commission on the Status of Women in Mexico City in 1975 and the decade between the years of 1975 and 1985 was declared as the "United Nations Decade for Women" by the General Assembly of the United Nations. The main theme of the "United Nations Decade for Women" was identified in the

framework of determining and reaching the goals of "Equality, Development and Peace"; improving women's status on national; regional and international levels; preventing gender/sex discrimination against women; providing the equal opportunities for women to participate in the production and benefit equally from the development opportunities. The "Action Plan", determining the measures for the improvement of women's status, was accepted in the Second World Conference on Women, held in Copenhagen, in 1980. Short after the Second World Conference on Women, Committee on the Elimination of Discrimination against Women (CEDAW) was accepted and opened for signature by parties to CEDAW. The Third World Conference on Women was held in Nairobi in 1985 and far-reaching strategies were determined for the improvement of women's status after a general evaluation of the "United Nations Decade for Women" (Palaz, 2005:319,320). The Fourth World Conference on Women held in Beijing, in 1995, demanded the recognition of women's rights as human rights.

After the First World Conference on Women, many governments set up offices to deal with women's problems. International aid agencies began to employ a large number of WID specialists in order to prove their commitment to the improvement of women's status. "WID" conceptualization was first used by Boserup, to draw the attention of American policy makers and by SID Committee of Women as part of the strategy to bring the evidence produced by others. A set of common concerns branded as "Women in Development" in a flexible way or as "WID" began to be explicitly stated by the American liberal feminists advocating the administrative and legal changes that would lead the women in development agencies to have more chances to get professional employment and provide them with the chance to be integrated into economic systems in a better way. Criticisms on the Western capitalism, modernization and based on them WID shaped the 'Women and Development' (WAD) approach, whose intellectual foundations lie in Marxist Feminism and the Dependency Theory. (Yavuz and Serdaroglu, 2010:56-65). In addition to WID and WAD, many different approaches appeared on the agenda with regard to development-women relationship: 'Development Alternatives with Women for a New Era' (DAWN); 'Gender and Development' (GAD); 'Women, Culture and Development (WCD). In the frame of development-women relationship in 1990s, the theme of "empowerment" as well as the theme of "environment" gained popularity. In the United Nations Conference on Environment and

Development (UNCED) meetings in 1992, DAWN, on the development and environment, pointed out its view on "taking into consideration the local experiences related to ecological problems for the sustainability of life at the level of basic needs" of poor women in the South. The local inspection of the "sustainable development" was one of its demands. DAWN suggested that they had the best information on the local environment problems, faced by the poor and women in the South, and their solutions. This was the basis for women's demands to participate in environmental decision-making and management process (Yavuz and Serdaroglu, 2010:83,84).

In 1990s, organized women groups kept the governments and other agencies under constant pressure for them to take women's concerns into consideration. Activists, feminist thinkers and academicians were warned to enforce the link between theory and practice and to revise their theories. Although some shifts were observed in rhetoric and practice, WID remained to be the dominant approach for the governments, aid and development agencies-UN agencies and NGOs- (Connelly et al., 2000:63,64).

As Erturk (1996:348) has stated, the reasons underlying these developments can be expressed in three ways: the first one is the far-reaching effect of women's movements in Western

countries, the second one is the East-West polarization and the third one is the Third World radicalism and the paradigmatic change that leads to the search for egalitarian policies by questioning the current economic development models (Palaz, 2005:322).

Kuiper and Barker (2006) emphasize that “the past decade has witnessed a paradigm shift at the World Bank from a focus on structural adjustment to a focus on poverty reduction. As evidenced by the Bank’s 2001 report, *Engendering Development: Through Gender Equality in Rights, Resources, and Voice*, an increased attention to gender issues has been an important part of this process. The premise of the report is that economic growth and development cannot be effectively addressed when gender inequality is not taken into account, because poverty increases gender inequalities and gender inequalities hinder economic development.”

The writers (Barker and Kuiper, 2006:1) also point out the positive changes in its theory, policy and approaches related to the conditions of WB’s programmes and loans which are now determined in cooperation with local groups and non-governmental organizations. Previously, it was economists in Washington who were decision-makers only. After the 1990’s gender and women’ issues became one of the focuses of the Bank.

4.CONCLUSION

Since the publication of Ester Boserup's 1970 book, *Woman’s Role in Economic Development*, this field has moved from corrective focus to a broader framework of gender differences. Development is likely to improve social indicators and minimizes the gender gap through education. In addition to significant correlations between national income growths and reduction in child mortality, reduction in male-female education gap, increase in all education levels and in women education level, there is a close correlation between women education and political and civil liberties index as well. However, besides these positive effects, it is worth noting findings about the economic development that affects the share of both the power and income sources between sex and systematically develops men's life more than women's, leading to the enforcement of men's control over the means of production. For instance, even though the living standard of women increases, their decision-making power and status may decrease when structural, technical and institutional changes in rural economies are taken into consideration (Jacobsen, 2007:386-388).

Women still suffer from inequalities. Their access to such resources as land, credit, training is limited. Despite their great contribution to different spheres of life-care-givers in the household and community sectors and workers, knowledge-providers, and entrepreneurs-, they are unable to get what they deserve (Williams, 2006:227).

The human factor is the main determinant of economic development. Human capital theory emphasizes the importance of investments made in human. Therefore, providing equal opportunities in health, education and income to everyone, without discrimination between men and women, and increasing their living standards should be the main objective of development.

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