

# **Gender and Trade In East Africa**

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The study on Gender and Trade in East African countries namely, Kenya, Tanzania, and Uganda focuses on gender aspects in social and economic development with the aim of providing insights on gender disparities prevalent in all spheres of the East African economies; and identification of gender gaps in trade policy and efforts to mainstream gender in the whole trade process. Additionally, in order to bring the study down to earth, the study embarked on in depth investigation on gender relations in selected sectors chosen from each country. The fisheries and cut-flower sectors were selected from each of the three countries, while the textile sector was chosen as the third sector for Tanzania and Kenya, and the coffee sector was selected for Uganda. These sectors were selected due to their importance to the economies of these countries in terms of income and employment, their sensitivity to changes in trade policy, their distinctive gender dimensions of production, marketing and control of decision-making and their great future potential.

This study is based on the work of three national research teams from Kenya (Dr Mary Opondo and Dr Regina Karega, University of Nairobi); Tanzania (Dr Flora Musonda, Dr Flora Kessy, and Ms Monica Kimaro, Economic and Social Research Foundation [ESRF]); and Uganda (Dr Marios Obwona, and Milton Ayoki, Makerere University, Economic Policy Research Center (EPRC), and Mr Paul Okwi, and Dr Darlison Kaija, Makerere University, Institute of Economics). The three countries are Members of the World Trade Organization (WTO) that determines the overall parameters of national trade policy.

## ***Gender Awareness***

A review of the economy over the 20 years period shows some economic growth, though low and oscillating. A reduction in inflation rate and improvement of the external trade is also observed. A review of participation of men and women in economic development in the three countries reveals that agriculture is highly dependent on women's labor and is a major source of export revenues and employment while also contributing a significance share of Gross Domestic Product. Agriculture is found to employ more than 75 percent of the population in these countries. Fewer women are consistently employed in the manufacturing sector compared to men. In 2000 women comprised only 17 percent of wage employment in the manufacturing sector in Kenya, whereas as in Tanzania they comprised only 1.0 percent.

Occupation segregation is consistently observed in the three countries under study. In Uganda, men were found to dominate manual industrial work like cement manufacturing while lighter industries such as plastics producing industries are more female intensive in production. Informal manufacturing was found to be female intensive than formal sector manufacturing. In Kenya, informalization is intensifying but there is no gender disparity in the ownership of informal sector enterprises. Men were found to own 52 percent of the

informal enterprises in 2000 whereas women owned about 48 percent of these enterprises.

Information from time diaries of men and women in two villages in Kenya reveals gender differences in time allocation, with women bearing the largest burden of unpaid social reproductive tasks in addition to their unpaid labor on family farms. Time spent by women in cooking, cleaning, fetching fuel is found to be competing with time available for other activities such as working in the cash economy or participating on local decision making bodies.

The vast majority of women's labor is found to be unpaid. In Kenya, it is estimated that women make up 53 percent of the total labor force of which about 60 percent of the total are unpaid whereas men make up 47 percent of the total labor force and about 50 percent work in the agriculture of which only 32 percent are unpaid compared to 72 percent of women agricultural workers who are unpaid. Thus, women's earnings are on average lower than men's as low as one third that of men in Kenya. In Tanzania, women are more likely than men to work as unpaid family helpers (non-agricultural) and men are more likely than women to work as wage employees, although figures for both are quite low (4 percent and 1 percent respectively).

In contrast to women's extensive participation in agricultural production, their access to and control of agricultural resources including land is more limited than that of men. Estimates show that less than 5 percent and 30 percent of women own land in Kenya and Tanzania respectively. In theory, women are found to have formal user-rights and certain rights to ownership. The Trust Land Act of Kenya grants communal ownership of land to its proprietor, granting user rights to community members including women. In Tanzania, the Policy and Land Acts clearly provide for rights of all citizens to have access and own land. However, in practice, women are not able to make use of such laws due to lack of information and awareness of their rights, dominant cultural beliefs, reinforcement of customary laws and limited financial resources. Further, the use of agricultural inputs such as organic fertilizers, chemicals, pesticides, and herbicides is consistently lower in female-headed households compared to male-headed households although the use is generally low for both groups.

Country studies in this paper demonstrate sharp gender imbalances in decision-making power, both within government and in the private sectors as well as in small farming households. In Kenya, women accounted for only 2 percent of elected seats in the 1998 elections and 100 percent of the *Ex Official* seats have gone to men for the past 20 years. Women only accounted for 4 percent of total Parliamentarians in 2000. In Tanzania, female accounted for only 22 percent and 14 percent of the current total number of members of parliament and total number of Ministers respectively.

In Uganda, the gender gap in political decision-making is closing. Women's participation is highest in the political sector, where they comprise 44 percent of the decision makers in 1999. Overall, 39 percent of all decision makers both at the national and district level are women. However, women's participation in decision-making is greater at the local

government level than in central government. Women constitute only 16 percent of decision makers in government ministries, where decision makers in this case include Permanent Secretaries, Directors, Under-secretaries, and Commissioners. It is a legal requirement that every district send a woman representative to the Parliament. This is over and above women's prerogative to compete with men for individual constituencies.

There has been some improvement in the gender balance in Kenya's public administration with 13 percent and 15.9 percent of Permanent Secretaries and Deputy Secretaries. A number of women have recently been appointed to be District Commissioners bringing the number to 5 out of 70 Commissioners. In Tanzania, the Civil Service is the largest employer of women (32 percent of all employees are women), but only 19 percent of women employed in this sector are found in the middle and senior level management positions. Their participation in various committees is also limited, and whenever available, they are concentrated mainly on those committees dealing with social issues rather than dealing with planning and finance.

Decision-making at household level is also male dominated. Information from Tanzania reveals that men tend to control decision-making in the agricultural production process, including what to grow, how and where to grow the crop in that particular year. Men were also found to control cash incomes from the sales of major crops such as cotton. Women and children were found to control incomes from their private small gardens and from off-farm income generating activities. Cattle and increasingly cattle by-products are male controlled.

Women's participation in Trade Unions is on the rise but they are still underrepresented. In Kenya, the ratio of female to male members is 3:7. At decision making levels, women representation is even more marginalized with only 11.5 percent for instance for COTU (K) leadership. A similar pattern of Union membership is evident in Tanzania where women have been active members of Unions. However, gender distribution within the Union is dependent on the type of Union. Those Unions that have a male orientation in the work place tend to recruit more men. For instance, in 2002 membership in Kenya Building Contractors, Timber and Furniture and Kenya Game Hunting and Allied Workers Union comprised only 9.3 percent and 6.9 percent women respectively. In Tanzania, women members comprised 69 percent of total members in the Conservation, Hotels, Domestic and Allied Workers Union (CHODAWU) whereas women represented only 25 percent of total members at Tanzania Union of Industrial and Commercial Workers.

The importance attributed to the role of women in development, and their contribution to social development is not matched by their share of the national budget. In Uganda, Economic Functions and Social Services constituted only 6 percent of total government allocations in 1999/2000. Of this, only 6 percent was allocated to Ministry of Gender Labor, and Social Development and which amounted to less than 0.4 percent of total expenditure in 1999/2000. In Tanzania, the approved budget for the Ministry of Community Development, Women Affairs and Children is always smaller compared to other Ministries of the same category. In 2000/01 the approved budget was about 2

billion Tanzanian Shillings compared to about 3.1 billions Tanzanian Shillings for the Ministry of Labor, Youth and Sport.

The study identified significant imbalances in access to public sector as well as market-oriented resources, decision-making institutions, and budgetary allocations to promote gender equality objectives. These are critical issues that require redress if development efforts are to be balanced, fair and effective. It is worth noting however that, in the three countries studies, there are Ministries responsible in bringing women into the mainstream of development (The Ministry of Community Development, Gender and Children, Tanzania; Ministry of Culture, Social Services and Sports, Kenya; and Ministry of Gender, Labor and Social Development, Uganda). These Ministries provide guidance and technical support to other institutions involved in incorporating gender into development planning. The main allies of these Ministries are Non-governmental Organizations, Business associations, Trade Unions and Civil Societies. Together, they have shaped the public opinion on matters of gender inequalities, thus indirectly influencing policy formulation.

### ***Gender and Trade Policy and Process***

The study explores women and men's participation in formal and informal institutions associated with trade policy; and identify entry points for women/women's organizations in the policy process. The key stages in the trade policy process are outlined, mapping out the entry points for the integration of a gender analysis. At the heart of this approach is the effort to improve the gender sensitivity of trade policy in East Africa. The country papers assemble evidence of gender bias in trade policy decision-making, evident in all three countries, though to differing degrees.

Each country study has conducted field survey and reviewed wide literature on trade policies and gender issues. Using the data gathered, the study provides a detailed description of the evolution of trade policy regime in each country and provides an institutional map onto which entry points for gender equity are identified. However, scarce research resources and lack of gender disaggregated data and research did not permit a complete understanding of the impact of trade liberalization on gendered producers and traders.

Historically, trade policy in Uganda, Tanzania and Kenya have been influenced by the prevailing macroeconomic development strategy, balance of payments considerations and the associated need for appropriate incentive structures to promote economic development while also meeting the political objectives of the State. The current *regulatory framework* aims at eliminating conventional obstacles to trade. Governments are undertaking commercial law reform to bring all trade related laws, regulations and procedures in conformity with World Trade Organization requirements.

The main policy factor in the three countries is liberalization of markets, which exposed the domestic firms to external competition from imported products. From the mid 1980s, the three countries have experienced important shift in policy scenario affecting industries. For instance, they shifted their policy regime from inward-looking import substitution, to an export oriented industrialization strategy. Under the export oriented industrialization strategy, the main policy thrust has been the provision of incentives for the domestic industries to produce for the export markets. The policy measures were aimed at removing the anti-export biases that were inherent in the past policy regimes.

The trade policy systems applied in the three countries consist of the following elements: measures to ensure stable economic environment, legal regime, export strategies, trade policies and practices, tariff regime, regulatory framework, sectoral policies, the institutional framework, agreements and treaties, trends and forecasts. These elements of trade policies advocate for the principle of trade liberalization. This involves the removal of tariff and non-tariff barriers to international trade, including reductions in import tariffs, and removal of bureaucratic obstacles to trade. At the same time, sector trade-related policies have been integrated in national trade policies. At the heart of trade policy is the removal of tariffs and trade taxes but trade policy is also closely linked to other policies associated with exchange rate determination, investment, legal and regulatory structures, monetary and fiscal policies, and competition policies.

The three countries under study have undertaken efforts in tandem with the recognition of gender issues and roles in formulation of government policy documents, such as the Poverty Reduction Strategy Papers. Also, the gender-based Non-Governmental Organizations and other institutions have been instrumental in lobbying for mainstreaming of gender developments in national policies and strategies. However, the incorporation and implementation of gender issues in trade are still in its infancy. Cross-ministerial trade policy processes are uncoordinated and there is overlap of activities between ministries. Gender issues are found to rank low in terms of trade policy formulation although this has a profound effect in the welfare of women and community at large. Gender has not been effectively integrated into the trade policy processes or become a priority of trade policy-decision makers in the research countries.

Men and women are affected differently by trade policies and performance, owing to their different locations and command over resources within the economy. Also, most women's enterprises like food processing, beer brewing, and small-scale trade, are directly related to the food sector. Men on the other hand generally control cash/export crop production and the resulting income. Men's ultimate control over land and their seniority in the family permits them to control and mobilize women's and family labor for the cultivation and processing of "male-lucrative crops" grown for market sale.

Men have a wider range of income sources than women, including income from non-agricultural enterprises such as fishing and from casual or part-time wage labour. Women's opportunities to engage in activities such as fishing and other non-agricultural enterprises are far more limited. Gender-based inequalities impact differently on trade policy outcomes, depending on the type of economy and sector.

The institutions and organizations active in the trade policy process include the parliament, ministries, judiciary, research institutions, the private sector organizations and various special-interest lobbies, professionals, and several other government bodies. Certain aspects of trade policy originate from the particular ministries concerned. The ministries of trade and Industry are mandated to initiate and propel trade policy matters. Being the key ministries in trade policy matters, they collaborate with other relevant ministries (depending on the components of the policy). The overall mandate for trade policy is, however, vested on the cabinets' approval in the three countries. The gender representation in key decision-making positions in the trade policy process is minimal with most stages having virtually no gender representation from the time a policy need is identified up to the time when it is given presidential assent.

Women's voice has been consistently marginalized in both formal and informal, private and public sector decision-making bodies. Therefore, the trade making policy process does not have a gender voice, apart from the appointment of women to certain key positions in trade-related issues. A case is made for strengthening the voice of women and gender equality interests in formal and informal trade policy fora. The participation of women in trade policy-making at national level should be increased to allow a better gender balance at decision-making level. In particular, the voices of women and poor people, which are largely missing from trade policy negotiations, need to be heard and respected.

The study has underscored the growing interest towards involving women and different stakeholders in the national policy process. By and large, women organizations are becoming instrumental in monitoring trade policy and disseminating trade-related information to their clientele. Also, women's involvement in the policy process has been noted in the budget consultation process, and in discussions related to tariff reduction within the East Africa Community agreement. Besides, there is a growing link between the women business organizations and the East Africa Business Council for the three countries of Uganda, Tanzania and Kenya.

Gender awareness in trade policy formulation requires deeper and conceptualized understandings of the interactions between gender inequalities, class-based inequalities and poverty on one hand, and trade policies and trade performance on the other. Country-specific studies of the gender-differentiated impacts of trade policies and on the ways in which gender relations and inequalities affect trade performance are needed. It is equally vital that the trade strategy set by the government is linked to the priorities set by the gender machineries within government and by key non-governmental stakeholders where women's voice is strong.

The East African Community should formulate specific comprehensive or integrated development strategies, implementation mechanisms and procedures to address all aspects of gender-trade related issues in the three countries. The simultaneous realization of the objectives of trade policy and gender developments calls for close inter-linkages among the stages of gender and trade policies and strategies formulation. Gender related

aspects should be addressed in all the stages of trade policy/strategy making process, that is, from situation analysis to identify constraints and opportunities, formulation of policy strategies and measures, actual implementation of the policy/strategy to monitoring and evaluation based on regular review.

### *Sector Case Studies*

Field visits were carried out to different sectors selected with a view to analyze the processes involved for each sector with emphasis on the gender based operations within the sectors and how expansion of output can impact on men and women with respect to incomes, time use, contribution and control over resources.

The fisheries sector was among the most vibrant sector in all the three countries. The sector provides employment at various levels and to both men and women, although men dominate in most stages. This sector has a very significant bearing on the welfare of women especially in dry processing, marketing and affiliated activities like operation of kiosks and bars. The results of this study show that fish harvesters earn fairly high significant margins, but the fish exporters are the greatest beneficiaries in all the three countries. Problems of resource depletion, poor management and exploitation by the large-scale commercial firms are pronounced. The cut-flower sector on the other hand is a very promising sector, and has of recent started gaining in terms of output and employment. At present it is almost entirely export-oriented, and in contrast to fishing, relies heavily on women's labor (about 85 percent). There were clear gender dimensions in the activities in this sector. Health and safety of their workers were among the most critical problems highlighted.

Coffee is still Uganda's leading export crop, but it is produced mainly in smallholdings. The coffee sector has benefited significantly from liberalization with the coffee farmer today receiving about 60 percent of the world market price of coffee. Women in Uganda are said to be at the "center" of coffee production. The other sector covered in the country studies, textiles and clothing, was significant to improving incomes of women and men, but the importance of the sector has been declining as a consequence of both international and national factors. Women's participation is however increasing especially small-scale informal garment entrepreneurs.

Although all the sectors studied have benefited from trade liberalization in terms of size, maturity and international competitiveness, the nature and conditions of production and marketing are all characterized by clear gender dimensions which impact on the industry as well as on the livelihoods and well-being of men and women and their families. The extent to which women and men participate on equal terms and benefit from their efforts in these sectors are pertinent questions raised by the research. The experiences of men and women in East Africa show the need to reduce the constraints on women's labor time and strengthening the terms of women's participation in markets and decision-making.