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WOMEN *and the* GLOBAL ECONOMY

PODCAST: Women, Work, and the Arab World: A Conversation with the Economist Jennifer Olmsted

HOST: Welcome to the International Museum of Women and this podcast for ***Economica: Women and the Global Economy.***

Historically, the Middle East has had some of the lowest rates of women in the paid work force. The simple explanation is that for cultural reasons, they haven't been given the choice to work. But it's a little more complicated than that.

JENNIFER OLMSTED: *There was a group of women who were employed, and they were saying "I hate working, I wish my husband made enough money so I could just go home and stay with my kids," then there is another group of women who are employed and say "It's great, I really like it," and then there's another group of women who are unemployed and they're saying "Oh, my husband won't let me work, I really want to work," and then there's another group who say "Why would I want to work—it's horrible!"*

HOST: Economist Jennifer Olmsted studies Middle East economies, conditions facing women in the Arab world, and feminist concerns related to globalization. Olmsted is currently Associate Professor of Economics at Drew University in New Jersey. *Economica* curator Masum Momaya sat down with Jennifer Olmsted at the 2009 conference of the International Association for Feminist Economics. Olmsted's interest in the Middle East began early.

OLMSTED: I actually grew up in Beirut, Lebanon. My father was a professor at the American University of Beirut, and so I was sort of part of Middle Eastern culture from when I was very young. So for me growing up in Lebanon was really idyllic. To me, this was a culture that was really rich and interesting and I had a lot of Arab friends and I really interacted in Arab culture in a number of different ways.

I was exposed to a lot of the political and militarization of the region. Lebanon went through a civil war while I was living there. I actually observed part of the civil war. So one of my earliest interests was in the link between economics and conflict.

And then as an adult I went back and started sort of analyzing it and thinking about it.

Not to say I don't still have that sort of relationship with the region, but that it has become more complicated in my thinking about what was going on in Lebanon, what was going on in the Palestinian territories. I've been trying to frame it more a little more theoretically, I guess.

MASUM MOMAYA: Most people know something about the political context in the Palestinian territories, but few people know about the economy and about women in relationship to the economy, so could you give us a sense of that?

OLMSTED: I think you have to go back pretty far because some of the really interesting stuff around the Palestinian economy and women's involvement would go back I think to the first Intifada, which was started in the late 80s and early 90s. The first Intifada was a primarily non-violent attempt to resist Israeli occupation. If you think about Intifada the way it's visualized in the west, it's very much visualized as young men throwing stones against the Israeli military. Like the pictures that you see are usually of these interactions between young men, usually with their faces covered, throwing stones and then the Israelis responding. So there was, one thing that got into the media was this huge difference in the power of the two groups and that the Palestinians really didn't have weapons, particularly at that time.

But I think a couple of things that were not publicized at all was one, that there was a huge component of the Palestinian Intifada that was a boycott of the Israeli economy. One of the big boycott aspects was asking Palestinians not to buy Israeli goods and to stop working in Israel. The first part was fairly successful. They did get rid of a lot of the consumer goods on the shelves, particularly in certain communities where they basically forced the grocery stores to get rid of food and things like that that had Israeli labels. And then one of the roles that women played was that there was really this idea of going back to domestic production and some of that was very small level, like pickles and yogurt and things like that. So I think that's one way that there were a lot of women's organizations that were very intent on replacing and sort of creating this alternative economy to replace the goods.

The labor boycott was not as successful, partly because they were so dependent on the work. The labor migration patterns were quite highly gendered in the sense that most of the workers, I'd say 95% to 97% of the workers, were men. But there were some women involved in this.

And women were actually a hidden labor force because women were involved in the apparel industry where they would bring work into their homes. So some of my work has tried to uncover the fact that in the literature what you see is it's all about men working for Israel, but there were actually quite a few women working for Israeli capital but they were mainly working out of their homes as subcontractors, and so they don't show up. So that was one way that women's contributions in terms of interactions with the Israeli economy were not really talked about.

And then I think in the Intifada—so, a couple of things about the first Intifada that were really amazing were, one, this massive economic movement, this grassroots movement to try to sever relationships with the Israeli economy; the other was that women were really, really active. Like if you went to demonstrations in the late 80s and early 90s, you would see all women demonstrations, like, really, like going head to head with the Israeli military. You would see schoolgirls—I was in Gaza one day and I saw schoolgirls dressed in their little school uniforms involved in skirmishes with the Israeli military.

Women were extremely active politically. They were in the streets. So to me it was really an amazing time because there were so many women really involved at a grassroots level, both in terms of setting up this alternative economy, in terms of participating in the political movements and the demonstrations and getting their voices heard – if you look at the second Intifada, it's extremely different.

If you see pictures now of who is in the streets and demonstrating, you don't see women as much involved in those demonstrations, and I think there has been a radicalization, there's been a militarization, the second Intifada had more military aspects to it. There was also a little bit more of a conservative society that rolled in. There was sort of a window of real openness in the Palestinian society during the first Intifada, which unfortunately I have seen sort of shutting down if you look at the second Intifada.

MOMAYA: I want to ask you a little bit about the shifts in trends in terms of women being inside versus outside—a kind of pulling back as you said. When we read statistics about labor force participation, the Middle East tends to stand out as historically having markedly lower rates. I feel like the numbers hover around a quarter for many of the Middle Eastern countries, whereas in other parts of the world it's well over 50% and in some places in the world 80, 90%. And most of the time the differences are attributed to culture, to sort of gender norms about women being in the home. Do you feel like this is accurate? Or is it simplistic?

OLMSTEAD: Definitely simplistic. Definitely simplistic. First of all, there's a huge range within the Middle East, right? There are certain countries where there's much lower labor force participation. There are certain countries that are higher.

There *have* been debates about what are the factors that go into it. And a lot of people have sort of assumed, "Oh, it's Islam," there has been some argument for that. But other people have argued that it's more the structure of the economies. For example, the oil has played a big role. Moving away from the Palestinians, because this has not been an issue so much for the Palestinian economy, although the whole Middle East is part of the oil economy in the sense that the oil only shows up in a few countries, mostly in the Gulf States, but these are countries with very small populations. And so they've imported workers—not just from the Middle East, but also from South Asia and from

other places. And by importing those workers, they pay them relatively well compared to other jobs—

MOMAYA: Or what they would make in their own countries?

OLMSTED: Right, what they would make in their own countries. And so what's happened is that expectations about wages have been pretty high and that the development of these economies also has been very different, and they have been more capital intensive in their development, which means that they use a more machinery based economy rather than a more labor based economy. As a result, one of the arguments that is made is that capital intensive development is more favoring men than women. Women are more seen in more labor-intensive industries on average.

MOMAYA: Like factories.

OLMSTED: Well, certain types of factories. The apparel industry is seen as very labor intensive and not really machine intensive. And so one of the arguments made is that part of the reason the Arab countries have not seen a big increase in female labor force participation is that you haven't seen the kinds of jobs that are labor intensive and sort of stereotyped as female work. So there haven't been those openings.

But also the oil does strange things to exchange rates. So even if they had been open, they're not really competitive in the sense that who wants to buy apparel from a country that has relatively high wages and the exchange rates are stuff that it's not affordable. And so the Arab countries have not attracted the foreign investment that other countries have done. They haven't attracted these kinds of cheap labor jobs.

Now the Palestinians actually happen to be an exception to that. That again has to do with this relationship to Israel where the Palestinians were this cheap labor source for the Israelis, and so a lot of Israeli capital went in. So Palestinians actually had—Palestinian women were involved in this apparel industry. They actually had fairly high rates of jobs in manufacturing. Their overall labor force participation was low, but of the women that were working, quite a few of them were working in the manufacturing sector. And this is true of a couple of other countries. Iran also has a large number of women working in manufacturing. If you look at where women work in Iran, a large portion of the women in Iran work in manufacturing. That is mainly carpet production, which is a big export.

MOMAYA: Is it home-based work?

OLMSTED: It is. A lot of it is home-based work.

MOMAYA: So it's informal sector.
OLMSTED: Right, but the same is true with apparel. Apparel is something you can do in

small workshops or in the home. You can have two or three women and a couple of looms or a couple of sewing machines. One of the women that I interviewed was this Palestinian woman in a refugee camp who had two or three sewing machines she actually brought in young women who worked for her. She was a subcontractor to Israel, and then she brought in these young women who would work on her sewing machines and then sell her stuff to the Israeli contractors. It's not just women working in their homes. These may be small workshops but they may have only three or four sewing machines.

So the four countries that actually have the highest amount of the percentage of women in manufacturing are Morocco, I think Algeria, Iran, and the Palestinian Territories, which are very four different types of countries. Algeria and Morocco have been very much in the sort of more apparel industry, but if you look at the Palestinians and Iranians, you see some interesting parallels in that they also have relatively big—I mean they have low female participation but among women who work, a lot of them work in manufacturing. This is not true of countries like Egypt, Jordan, Syria where you see smaller numbers overall. There is a lot of diversity.

And then, the other thing that I've found, in recent years is that all of the region has seen an explosion in labor force participation except Iraq and the Palestinian Territories. I basically argue that that has a lot to do with the conflict and the militarization that's happened. That's really, the economic conditions are so bad. You could see that as going either way right, when the economic conditions are bad, on the one hand, women are struggling to help their families survive. On the other hand, when there's so few jobs to go around and you're so poor that you're kind of scrambling just to make ends meet and maybe find ways to get some aid because there are aid organizations that give out food and things like that. Women may get squeezed out of the labor market both because men want the existing jobs that are available and because women have so many unpaid work duties and they're really scrambling just to keep their family together and make sure that they have enough food. You have to stand in line if you want to get food rations which is happening more and more in Iraq and Palestine where they became very dependent on the government or aid societies to provide them with food.

So those two countries have seen declines in their labor force participation of women, and I link that directly to conflict. I don't think it has anything to do with gender norms and conservative societies. It has to do with the economy being wrenched apart by, in part, foreign factors and also some domestic factors. I think what's interesting now is there was a delay in labor force participation taking off, but now in some of these countries it's going up faster than it is anywhere else in the world. So you've seen this delay and now you see a sharper trajectory upwards than you see in other countries.

MOMAYA: Do you see differences in terms of generation, in terms of labor force participation?

OLMSTED: I think there is. I mean, I think there's problems in that we haven't done enough research in this area. But certainly young women's expectations about when they'll marry, how many children they'll have, and also their involvement in the labor force, I think have changed. I think men's expectations have changed too. I find it really interesting when I talk to younger people – and this isn't true just in the Middle East; this is also true throughout the world. If you were to ask somebody years ago, "Do you expect your wife to work?" Most men would have said, "No. I expect that I will make enough money."

Now what you find is oh yes, both the husband and the wife have to work because we really need two incomes. And so you do see that happening in the Arab world is this notion that the wife and the husband together have to bring in the income in order to support the family.

And again, I don't think this is unique to the Middle East. I think that kind of transition is also happening in other countries as well. It's maybe more further along like in the U.S. But even if you ask people in the 50s in the U.S., "Do you expect your wife to work?" A lot of men would have said, "No." Now it is sort of the opposite, right? The expectation is that you go into the labor force and then the position that is sort of the minority position is that you would stay home and only raise children and that would be your full time job as opposed to trying to juggle both of that.

Again, how much people talk about the unpaid work sphere I think though and this is a worldwide phenomenon that there's an expectation that women will go into the labor market but people haven't really followed up with this idea, "Well, if I go in the labor market, who is going to raise the children?" And how do we balance that between husbands and wives? The way different societies have handled that has varied. The Arab world actually looks a lot like the United States in the sense that they import cheap immigrant labor to provide a lot of the childcare. So in the U.S. it's women from the Caribbean doing a lot of this work. Women from Mexico, a lot of Latin American women are too. In the Middle East, it's women from Sri Lanka, women from the Philippines. But you see that's one way of resolving it at least for the women who can pay for it that they bring in foreign workers. And that's becoming more and more common in the Arab world as well.

There's also a generational difference where the older generation didn't work and so the younger generation can go on and work and they can rely on their mother in laws or their mothers to help out with the children. So it's not all marketized. Some of it is still within the family. But there's definitely a gendering of it, right? It's the older women who are expected to take care of the children if the younger women are working. Not other male family members, for instance, who would be asked to step in as much.

One of the things that I've been pushing and in some of my research I've been talking about is that we really need to find out more that's happening to the family. Because,

historically there was this notion of the extended family, that multiple generations lived together. And that had advantages and disadvantages for women. On the one hand, it meant that there were women of multiple generations and you could kind of rely on each other. On the other hand, it meant that a lot of young women were basically under the power structure of their mother in laws and were dictated. So there's some tension there as to whether the extended family is breaking down. There's definitely more of a move towards a nuclear family.

MOMAYA: And some people may be migrating to the cities for work, right? Or they don't have the choice to live together because they need to go where they find a job.

OLMSTED: Yes, that's right. So some of it is the physical separation of family. Some of it is economics—that if you have a little more money you can afford to set up your own household. There's still a pretty strong pull. Like in my Palestinian research, a large proportion of the families were three generations living together. And if they weren't living directly together, often they would build a building where they would have multiple floors and different nuclear families would live in the different housing units, but they were all in the same area. But absolutely, migration—both internal migration and international migration have played a huge role in separating generations as well as siblings of the same generation.

So the generational thing—I definitely think there have been shifts in expectations about education, in expectations about women's roles in terms of entering the paid economy, in expectations about fertility, right? That you don't have as many children. On expectations on marriage, so the age of marriage is steadily rising. And another problem that I've seen, and the Palestinians have this problem, is that if you're a highly educated woman, there are not a lot of highly educated men for you to marry. The number of never married people who just don't marry at all is definitely rising. Where there was a norm that everybody married—that was like you were a freak if you didn't get married. Now there's a group of particularly women who end up never marrying and that group is growing, at least for the Palestinians and the Jordanians. I haven't seen the data for other countries.

In a lot of western societies we saw the extended family and then we went to the nuclear family and then we went to the single parent household, right? There was this sort of transition. It's not clear because the data I was able to find from U.N. sources is so out of date that it's not clear what the structure of households is now in the Middle East. What percentage of families are extended? What percentage are nuclear? And what percentage are sort of post-nuclear, single-head households? There is some anecdotal evidence that that's been rising, obviously in countries where there has been a lot of conflict. Iran has lots of widows, Iraq has lots of widows, Palestinians. But you know, even in places where there's a lot of conflict, the norm is still to be married. And often when you're widowed, you actually remarry. So there's not a lot of widows by themselves.

But divorce is going up in some of these societies. So then, what's happening? How are those families being reconfigured? Or abandonment—you may not actually get divorced, but you may be abandoned by your spouse and be left to raise children. I can't find any hard data that's really recent on that. I was hoping to talk to some people at the U.N. and basically argue to them that this should be a priority, that we should really try to get more up to date data. Because that's very important for—linked to the question of what women's paid employment is, is also the question of what kind of family structure they're in. A lot of the push for women to enter paid employment in the U.S., like the chicken and the egg question is—was it really that they wanted to enter the labor force, or was it because there were a lot of divorced families and we women were basically pushed into the labor force? So I think that's another tension in the Middle East that I think we need to be careful about because the assumption of people who look at labor force participation rates and see that they're low say oh, Women are not being given the choice to enter paid employment. They're basically being kept out of paid employment. It's more complicated than that.

I actually was just looking at a paper recently in which there was a group of women who were employed and they were saying, "I hate working – I wish my husband made enough money so I could just go home and stay with my kids." There's another group of women who are employed and say, "It's great, I really like it." Then there's another group of women who are unemployed or out of the labor market and they're saying, "Oh, my husband won't let me work, I really want to work, but cultural norms are such that it won't let me work." And then there's another group who say, "Why would I want to work? It's horrible. The conditions are terrible. It's exploitive. I'd rather stay home. I'm so glad that my husband can support me."

So I think to assume low labor force participation equals women being kept out of the labor force is somewhat simplistic. There's a tension in the feminist literature about this. Like, what does it mean for women to be not in the labor force, and how much of this is their choice, how much of it is being imposed on them by society or by economic conditions or by a combination of the two.

MOMAYA: I want to ask you a little bit about the rates of unemployment for young men because we hear so much about this in the news and then of course a lot of it is like, well this is why men become terrorists, because there are no jobs for them and there wasn't a system that supported them educationally and they're becoming emasculated and these terrorist movements provide an identity and all that stuff. I wanted to ask you if you have observations or thoughts from your own work about that.

OLMSTED: Definitely, male unemployment and female unemployment are serious problems. And there are certain countries where the numbers are so high that it's just shocking. So, Algeria, the Palestinian territories, there's three or four countries where youth unemployment and particularly—this is both men and women is in the twenty

percentile. To my knowledge most of the people in this category are people who've never held a job. So basically what happens is you go to college, you graduate from college, and then you just sit around waiting for a job because there are just not enough jobs for people with education.

Now this link between terrorism and unemployment—I would say more, I mean certainly I think the popularity of the Islamists could be linked to feelings of frustration about the economy. And I don't think it's just—it's not terrorism that's the attraction. It's the fact that Islam and the Islamists have done a really good job of arguing that Islam provides a way of talking about inequality that is grounded in Islam. Islam has a very strong message that you shouldn't have too much inequality and that the rich should give to the poor, right? They have a requirement that you tithe. And so I think the other thing that has happened in the Middle East is that the left, there was a strong political left, and that has sort of crumbled. So if you really want to be in a political movement that talks about income and equality and unemployment and economic problems, the Islamists are the party that's delivering that message. They're the non-status quo party.

So I think particularly again, the Palestinians but also you could say in Egypt and a number of other countries, the Islamists are delivering a message to people that says look, if you don't like the economic conditions, we have—we know that Islam can create greater equality. It can right some of these wrongs. And they actually have a track record as well. They're not just rhetoric. The Islamists have gone in and done projects like open up healthcare centers, open up daycare centers. Which again, seems like a contradiction, right? You have a conservative ideology, you really think of maintaining these gender norms and then what do you do? You go up and open up a daycare center, which frees women up to leave their children and work or do volunteer work or do whatever it is they want to do. You have this sort of disconnect. There's an assumption that Islamists are really just about encouraging these sort of conservative gender norms, but they do things like provide social services that women find particularly valuable. Daycare centers, healthcare centers. They mobilize women really well, as well, and there have been women that have gotten involved in the grassroots of these organizations. Yes, certainly, a very, very small percentage of those people end up becoming recruited into terrorist networks. There is a literature that looks at like, how much of a link there is between economic status and whether you actually become a terrorist, and it's not that strong of a link.

In the Palestinian case, the biggest predictor of whether you're going to blow yourself up is if you have lost somebody dear to you. So if you've suffered a personal loss, and you're so angry and you're so bitter and you're so full of grief, you're a much better target in terms of that stuff. There's not as strong of a close link with like, high unemployment equals terrorism. But there's definitely a link between the Islamist populist movements and a lot of dissatisfaction with the economic conditions. You know, the vast majority of these young people are just frustrated and probably want economic change, want political change, and they're trying to find an avenue to express

that frustration.

MOMAYA: In the Middle East, are they looking to women as an investment in terms of economic development—investing in a potential labor force that is being under tapped or under resourced?

OLMSTED: I haven't seen a lot of explicit policies in the Arab world that were trying to tap into female labor force except in the Gulf. The Gulf is interesting because the Gulf countries have always imported labor. Small population, not very literate, sudden influx of money. You actually had a big brain drain, which means you had all these educated Arabs from other parts of the Arab world going to the Gulf, making lots of money and sending that money back to their home countries.

So in the early discussions about migration to the Gulf, the argument that was made was, "We're too dependent on foreign workers." They were really worried about the stability of their regime. If you bring in all these foreign workers, that's pretty destabilizing. So a lot of the Gulf countries said, "Look, this is why we want to get women more involved because we'd rather not bring in foreign labor." I think that there was a very articulated notion that we are going to actually encourage women to get educated and to work and that's going to solve our migration problem because once we get this domestic labor force off the ground—of course this didn't work. Why? Because if women go into the labor force, they need nannies and house servants.

So what has happened is that if you look at the statistics on migration, it hasn't really dropped off in most of these countries. But maybe the types of jobs have shifted to some degree. So there's less of an interest in importing educated immigrants, but there's more of an interest in lesser skilled—not to say that childcare workers are totally unskilled, but they don't have as much formal education as a high school teacher for instance.
The Gulf is an area where you see an explosion in female labor force participation. Countries like Kuwait, which, literacy rates have gone through the roof and women's employment has gone up a lot, as an example. So Kuwait is a really interesting case.

Egypt is another interesting story. So I don't think Egypt openly motivated women to work, but I've made the argument in other work that a lot of the Arab countries put in right to work clauses. When they got their independence, they put in clauses saying that people have the right to work. And that was not a gendered right. Men and women have the right to work.

So one of these things a lot of countries did was put in guarantees of employment. If you graduate from college, the government will guarantee you employment. That was more targeted at the male breadwinner, but there was no law saying women couldn't apply. So what happened in countries like Egypt is that you had thousands of women pouring into the public sector. They got their education, they went, they demanded

those jobs and you have this really big public sector with a lot of women in Egypt. It has actually become more and more feminized as time has gone on for a variety of reasons. So I would say that even though directly they may not have been trying to push women into the labor market, some of the policies they put in place women took advantage of, and particularly elite women who were able to get quite a bit of education, said, "Yeah, this is a right, I'm going to make that right." A lot of women in Egypt still prefer public sector employment. You have a real feminization of the public sector in Egypt, where a lot of the jobs are held by women.

MOMAYA: Do you have any final thoughts?

OLMSTED: One of the things that I've worked on in a lot of my work is the question of how the Middle East fits into the global economy, and how that is gendered. And one of the things that we have in the Middle East that's pretty unique is that a number of Middle East countries have faced sanctions, and they've been told that they're *not* allowed to participate in the global economy. So Iran has been under sanctions since 1979, Iraq was under sanctions for many years—one of the strictest, most enforced sanctions we ever saw, these multi-lateral sanctions. The Palestinians are now under a blockade by Israel.

So this notion that we have this global economy and that everybody is being pushed towards globalization is just, to me, a myth, and in fact you have a number of the powerful economies trying to use this increased integration as a way to punish countries or communities that they don't feel are playing by the rules. So because of political tensions, they're actually facing an economic punishment.

And almost nobody has worked on the gendering of that. And I've been working more and more on that, and I mentioned already in the case of Iraq and Palestine, these are two countries that have seen drops in their female labor force participation. And part of that, particularly in the case of Palestinians, I think, has to do with the Israelis increasingly isolating the Palestinian economy, so the jobs that women had have been lost. And in the case of Iran, I see a strong effect in the sense that after the sanctions were imposed on Iran there's a drop in labor force participation of women, and everybody else who has looked at this literature says, "Oh, this has to do with the Islamic regime, it becomes more conservative, women drop out of the labor force." But I find that the biggest job losses for women are in the carpet industry, which was their biggest export other than oil.

So, sanctions is playing a role in reshaping economic conditions on the ground, and often that have negative implications for women's employment, and particularly working class women. These are the less-skilled, more working class women who work in the apparel industry, who work in the carpet-weaving industry, who basically are having their livelihoods taken away.

So I think, people often talk about the disadvantages of the global economy and this push toward globalization. Well, medicine is a huge part of the global economy, basic foodstuffs is a huge part of the global economy, the ability to export goods so that you can bring in imports is a part of the global economy. So I think we shouldn't lose sight of the fact that, to me, being left out of the global economy is a bigger tragedy than being forced into the global economy, because those are the countries that have suffered the most.

HOST: You've been listening to Economist Jennifer Olmsted in conversation with Masum Momaya, curator for ***Economica: Women and the Global Economy***, at the International Museum of Women in San Francisco. This is one of a series of talks with experts who attended the 2009 conference of the International Association for Feminist Economics in Boston, Massachusetts.

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