

Living in the Background:
Home-based Women Workers
and Poverty Persistence

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November 2007

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CPRC Working Paper 97

Chronic Poverty Research Centre
ISBN Number: 1-904049-96-6

Abstract

This paper examines the relationship between home-based work and persistent poverty in certain parts of South and South East Asia; the question of inter-generational poverty in the families of home-based workers; and the possibility of using social protection and other related policies as a means of helping to alleviate poverty and vulnerability among home-based workers.

It looks at those elements that cause some home-based women workers and their children to remain in a situation of persistent poverty and vulnerability, and considers the contributing factors that allow others to attain some degree of security. Issues such as gender, social exclusion and economic trends are amongst the factors that can work against the well-being of home-based workers. In terms of trying to create effective policies to deal with chronic poverty among informal workers, the paper explores some of the elements that make it possible to move from a condition of institutional neglect to one of institutional support.

This Working Paper draws on recent analyses and case studies carried out by researchers associated with two closely-tied networks of home-based workers in South Asia and South East Asia: HomeNet South East Asia and HomeNet South Asia, the latter in association with the Institute of Social Studies Trust (ISST). These two studies are very detailed and cover a wide range of issues, including an analysis of specific indigenous, local and national social protection schemes, as well as the influence of such considerations as local cultures and religions as they relate to the needs and coping strategies of different groups of home-based workers. This paper draws on only a small portion of the total findings of the HomeNet studies, focusing on their implications for the persistence of poverty over time.

Keywords: social protection, social exclusion, gender, child labour, home-based workers, informal employment, health, inter-generational poverty, child labour, Thailand, Bangladesh, Philippines, India, Pakistan, Nepal, Sri Lanka, Lao PDR, Indonesia

Acknowledgements: Sincere thanks are given to Dr. Armando Barrientos of the Chronic Poverty Research Centre; the participants in the 'Living on the Margins' Conference in Cape Town, South Africa earlier this year; and above all, to the many home-based workers and researchers who contributed so whole-heartedly to the two studies carried out by HomeNet South East Asia and HomeNet South Asia/Institute of Social Studies Trust.

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'I am very happy [with the scheme]. I had had coughs for weeks and had gone to a private clinic and government health unit for treatment but did not get any better. So I went to the Satingpra Hospital. A doctor examined me and had me x-rayed and ordered me to stay at the hospital as I had pulmonary edema...I stayed a total of eight days in the hospital but paid only 40 Baht and received good care. Had there been no 30 Baht Scheme, I think I certainly would have to pay thousands or more than ten thousand Baht. I am very happy with the services.' Nangnoi Anasuan, a home-based worker in southern Thailand, and a member of the Dressmakers Network of Klong Ree, Satingpra District of Songkha Province¹

Fulbanu, a widowed woman of 45, looks much older than her age. Prolonged malnutrition has taken away all of her beauty and strength. After participating in the focus group discussion, Fulbanu guides the research team to her worn plastic and straw house. At the entrance we meet a teenaged boy who is shackled to a bamboo pillar. Upon enquiring Fulbanu mentions that this boy is her only son who unfortunately is mentally retarded. Most of the time Fulbanu shackles him in their back yard. Fulbanu says that the child has been ill since a very young age. At first she had taken him to the Hakim [traditional doctor]. She had also tried to cure the boy by visiting the local Pir/Fakir [Holy Man], but all in vain. Fulbanu says, 'If I had taken the boy for proper medical treatment then perhaps my son would have been normal today. Now I believe it's too late. Moreover, it is not possible on my part to carry on the treatment cost.' Fulbanu says that now that he is growing up, he has the strength of an adult. If they don't shackle him he would break all of the household belongings. Fulbanu, a widow from the village Dubaroi (P.O. Ameenbazar, Savar), Bangladesh, has had 26 years of tailoring experience but cannot afford her own sewing machine, and is not a member of any home-based workers' organisation²

1. Introduction

The cases cited above represent two very different situations faced by home-based workers in South and South East Asia. The first woman lives in an environment of social institutions and policies that allow at least a certain, if low-level, degree of security. In this case, she describes her support for the provision of basic health security. The second woman faces an environment devoid of such institutions and policies, creating a situation of continuing poverty that will most likely be passed down through the generations.

What elements cause some home-based women workers and their children to live and die in such tragic circumstances as Fulbanu's, and what contributing factors allow others to attain some degree of security? Moreover, from the point of view of trying to create effective policies to

¹ HomeNet South East Asia (HNSEA, 2006), pp. 127-128.

² The interview with Fulbanu concludes in the following way: 'For Fulbanu, misfortune never leaves her doorstep. Recently she was suffering from a terrible tooth pain. Upon consulting a doctor at a government hospital, she came to know that she has a tumor in her gum. Unfortunately, she can't afford modern treatment. Fulbanu is worried: if she dies, what will happen to her children? Who will feed them? Especially what will happen to her only son?' Fulbanu cries while relating this, saying that if she dies, he will eventually die as well...The interviewers later note that, in addition to other factors that contribute to her poverty, Fulbanu's work is disappearing as demand for handmade clothing in local markets declines due to the growing popularity of machine-made goods. From HomeNet South Asia/Institute of Social Studies Trust interview notes for their study of home-based garment workers in Bangladesh. The garment study was incorporated into HomeNet South Asia and the Institute of Social Studies Trust's five-country multi-sectoral study (HNSA/ISST, 2006).

deal with chronic poverty among informal workers, what are some of the elements that make it possible to move from a condition of institutional neglect to one of institutional support?

This paper examines (1) the relationship between home-based work and persistent poverty in certain parts of South and South East Asia; (2) the question of inter-generational poverty in the families of home-based workers; and (3) the possibility of using social protection and other related policies as a means of helping to alleviate poverty and vulnerability among home-based workers. This study will draw on recent analyses and case studies carried out by researchers associated with two closely-tied networks of home-based workers in South Asia and South East Asia: HomeNet South East Asia and HomeNet South Asia, the latter in association with the Institute of Social Studies Trust (ISST).³

The HomeNet South East Asia study focused on conditions faced by home-based workers in Thailand and the Philippines, with a consideration of the situation of home-based workers in Indonesia and Lao PDR as well. The study carried out by researchers from HomeNet South Asia and the Institute of Social Studies Trust focused on similar questions of social protection and the problems faced by home-based workers in five South Asian countries (Bangladesh, India, Nepal, Pakistan and Sri Lanka). The HomeNet South Asia study defined home-based workers strictly as those who work from their own homes (p. 6):

In this case their home is also the workplace. This category does not include those workers who gather at another person's house to carry out some tasks. In terms of type of employment, home-based workers are primarily of two types – self-employed/own account workers, and piece-rate/homeworkers/industrial outworkers. The study has incorporated both these categories of workers.

In the HomeNet South East Asia study, the definition of home-based workers was broadened slightly to include not only those working in their own homes, but also those working in very small-scale neighbourhood/village workshops (located in spaces near their homes), reflecting local practices. All are *informal* workers (without the benefit of contracts, or effective coverage under the labour and social protection laws that govern the working conditions of formal workers), and their household members – if employed – are usually informally employed as well.

Both the HomeNet South Asia and South East Asia studies attempt to understand the current circumstances of different groups of home-based workers in each country – their most acute problems, greatest risks and fears, working conditions, coping strategies, and suggestions for social protection measures to decrease their risks and vulnerability in their respective environments, as well as addressing many other related concerns. The two studies highlighted the risks and vulnerabilities of *women* in particular, as women make up the vast majority of home-based workers. The studies also examined, through a combination of surveys, case studies and life stories, the availability (in fact, *non-availability* is closer to the reality) of effective social protection mechanisms that could help address some of their problems.⁴

³ The studies were funded under the Ford Foundation's 'Social Protection in Asia' research programme.

⁴ The HomeNet South Asia/ISST study used a sectoral approach to these questions, focusing on two sectors that were common to all five countries (garments and weaving), and an additional third sector that involved groups that were among the poorest of the poor (the selection of this third sector, sometimes involving more than one occupation, was left up to each country research team). Urban, peri-urban and rural locations were included in the study, and home-based workers – both self-employed and piece rate workers – were selected to include different socioeconomic, ethnic and age groups, and different types of workers (tasks done) in each sector. Most home-based workers in South Asia are unorganised, and this is reflected in the sample chosen. Focus group discussions and interviews were followed by a quantitative

The two studies are very rich and detailed and cover a wide range of issues, including an analysis of specific indigenous, local and national social protection schemes (which ones appear to be helping, and which appear to do more harm than good), as well as the influence of such considerations as local cultures and religions as they relate to the needs and coping strategies of different groups of home-based workers. For present purposes, however, we will draw on only a small portion of the total findings of the HomeNet studies, focusing on their implications for the persistence of poverty over time.

2. Home-based women workers in South and South East Asia

For low-income women in developing countries, informal home-based work may be one of the few options open to them. They may work either as *subcontracted piece-rate workers* (also known as industrial outworkers or 'homeworkers'), as *self-employed workers* (also known as 'own account workers'), or as individuals who try to piece together some combination of the two. As with others working in the informal economy, in South and South East Asia home-based workers usually are not covered by laws regarding labour or social protection – the laws either do not exist, or they are not implemented. Home-based workers generally work in the background, out of the public eye. Those who work as subcontracted labour are at the bottom of value chains, and all home-based workers have been a largely invisible and uncounted part of the workforce.

In fact, as a primarily female workforce operating out of homes or small neighbourhood workshops, home-based workers have generally not been recognised as *workers* in spite of the fact that they are frequently the sole provider for their families. As women, they are usually classified as housewives in census data or are assumed to be making only 'supplemental' income, which justifies their very low earnings and lack of support, even though they are often the main breadwinners or co-breadwinners in the family. In many cases, they receive none of the earnings and work simply as unpaid family labour (sometimes along with their children), and have no idea how much their products earn in the market, or what they could possibly do to improve their working and living conditions.⁵

survey of 837 households, and finally a review of 'best practices' regarding social protection for home-based workers of government and non-government organisations was carried out. Setbacks during the project period included, above all, the devastation following the tsunami of December 26, 2004; the earthquake in Pakistan; and the fact that some of the participants in the pearl and shell sector in Bangladesh lost their lives during the project period due to poverty and the lack of affordable medical care (HNSA/ISST, 2006, p. 9). The HomeNet South East Asia study asked similar questions, but focused less on specific sectors/employments and more on the social protection schemes that have had an impact (positive or negative) on home-based workers, together with an analysis of different types of home-based workers in several different regions of each of the countries studied. Information regarding the general methodology used in the HomeNet South East Asia study is included in Appendix 1.

⁵ Regarding women working in the area of home-based pottery production, for example, 68% of the home-based workers interviewed in Bangladesh and 61% of those interviewed in Pakistan were unpaid family labourers (HNSA/ISST, 2006, p. 279). As the HomeNet South Asia/ISST report notes, regarding home-based work in general, 'While one view is that home-based work provides women with much needed income earning opportunities that they can combine with domestic and child rearing activities, the study also shows that home-based women workers carry a huge burden in terms of working conditions. Women home-based workers are the lowest end workers, are willing to work for meagre earnings and have less access to skills. While women home-based workers are primary income earners for their families, they are viewed as supplemental earners. In addition a very large percentage of women work as unpaid family labour which is entirely invisible.' (HNSA/ISST, 2006, p. 314.)

It is by now well-recognised that the majority of workers in most countries in the developing world are *informal* workers.⁶ In spite of the fact that home-based workers are an important part of the informal workforce, and even though rough statistical estimates of the relative numbers of informal workers have become increasingly available in recent years, statistics regarding home-based work (as a subcategory of informal employment) remain notoriously weak. As discussed in a recent statement by HomeNet South East Asia, 'In ASEAN [the Association of South East Asian Nations], there are tens of millions of homeworkers (at least six million in the Philippines alone), most of them women who are multi-burdened and subjected to discriminatory practices because of their sex.'⁷ In a similar vein, HomeNet South Asia's Kathmandu Declaration notes, 'It is estimated that there are over 100 million home-based workers in the world and over 50 million home-based workers in South Asia – of whom around 80 per cent are women.'⁸ However, these are very rough estimates, given that home-based workers remain largely uncounted and in the background, far outside the acknowledged ranks of 'workers' in their respective countries.

3. The hierarchy of home-based workers

When it happens that home-based workers are discussed in policy circles, it is often assumed that they have uniform characteristics. The reality is that they live in conditions (reflecting income, social status, and other considerations) that are anything but uniform. There are great variations across countries and within countries, and before we look into the relationship between home-based work and poverty, it is important to be clear about the hierarchy of home-based workers that exists in each country.

To begin with, we may note that a hierarchy of *informal workers* can be found in every continent. In East Africa, for example, there is a clear difference between informal workers who can sell only locally and those who are regularly involved in cross-border trade, selling in distant markets.⁹ This hierarchy has many dimensions, but one important characteristic is that it is an income and social hierarchy – those at the top are better off economically and usually have a higher social status, while those at the bottom are often subject to chronic poverty and may be socially marginalised.

Within this income/social hierarchy of informal workers, home-based workers are usually found on the lower end. However, it is important to keep in mind that *even among home-based workers, there is a clear income/social hierarchy* with wide disparities and important differences between those who are better off – having more flexibility, options, and security – and those who are worse off. The latter are among the most vulnerable of all informal workers, for reasons to be discussed below.¹⁰

⁶ Cf. Appendix 2 for statistics regarding female and male non-agricultural informal employment in selected Asian countries.

⁷ Rosalinda Pineda Ofreneo, 'ASEAN: A Caring and Sharing Community?' (ms.), drawing from HomeNet South East Asia's position paper for the 12th ASEAN Summit, December 2006, 'Towards Human Solidarity in the ASEAN Community through Solidarity and Engagement of All Workers, Informal and Formal, Women and Men.'

⁸ HNSA/ISST (2006), p. 11. The Kathmandu Declaration is included as Appendix 3 below.

⁹ Cf. Doane and Johnston-Anumonwo (2001), among other sources.

¹⁰ It should be kept in mind that our main concern is ultimately the home-based workers' degree of vulnerability. Here, we are using the concept of income/social status to indicate the relative vulnerability of home-based workers in a general sense. (Those at the upper end are generally less vulnerable to risks and reversals than those lower in the income/social hierarchy, given that the very poor and socially

On the upper end of the *hierarchy of home-based workers*, then, we tend to find:

- men, and some women, who have better access to resources;
- those who can travel and do their own marketing, along with obtaining new market information, new designs and technologies, and other requirements;
- younger (including middle aged) workers who are more educated;
- workers with good relationships with contractors;
- those who supply higher quality and more specialised products or services for formal economy organisations (e.g., supplying inputs to or services for middle- or high-end companies/factories);
- those who are able to change their products or services according to changing demand and can sell in different markets, including more distant markets; and
- those who are organised into effective producer groups, networks, unions, and the like (among other characteristics).

On the lower end, we tend to find:

- women, and some men, who have less access to resources;
- those who may not be allowed to travel around and so may not be able to do their own marketing; they may also encounter problems with middlemen, and have difficulties gaining access to market information, new designs, technology, and other requirements;
- older workers who are less educated;
- those with lower quality or more 'generic' products;
- those with fewer direct linkages to or good relationships with contractors;
- those with fewer direct linkages to markets or formal sector companies and institutions;
- those lacking in other important characteristics, such as the fact that they have very little chance to change their products as demand changes (they are the most vulnerable to losing their markets, and they often are able to sell only in very local markets, and not beyond); and
- those who are not organised in any way, and remain isolated from one another.

In some cases, we may see a connection between this income/social hierarchy and the nature of the work different types of home-based workers do, but this is not always clear-cut. For example, piece-rate workers may in some contexts be lower in the hierarchy than the better connected self-employed home-based workers, but this is certainly not always true; for example, isolated rural self-employed workers, including those with seasonal or irregular work, are often found at the very bottom of the hierarchy. In addition, many home-based workers move between self-employment and piece-rate/subcontracted work, depending on what is available, and cannot be clearly categorised as one or the other.

4. Home-based work and persistent poverty in South East Asia

The HomeNet studies have included home-based workers at various levels in this hierarchy, with some selected as relatively well-off, and others representing the poorest of the poor. In South East Asia, for example, the survey of 1000 households in the Philippines and 933 in

marginalised in Asia usually have much less access to resources, much less flexibility, fewer options, and are much less likely to have individuals or institutions they can turn to for effective responses to serious difficulties and reversals.) In specific cases, the most vulnerable may include such groups as female household heads, the very old, widows, particular caste, ethnic or religious group members, and other particular types of workers, as will be discussed below.

Thailand revealed that the home-based workers interviewed ranged from very poor to relatively well-off, using household and individual income data, but that the great majority of home-based workers are poor. For example, income figures for home-based workers interviewed in Thailand are reported as follows (HNSEA, 2006, pp. 165-167, italics added)¹¹:

The comparison on *family* income shows that three out of four families earned less than an average of 10,000 baht while some earned between 10,000–15,000 baht. The remaining earned an income higher than 15,000 baht. There were only four families who had extraordinarily higher incomes. (Two families earned 100,000 baht per month, one earned 120,000 baht per month, and the last one earned 360,000 baht per month.) Based on the average income of those surveyed (not including the four unusually high income families), the respondents from the two groups [those who were organised into informal workers' groups and those who were not] earned incomes that were not very different from one another. For example, the organised group earned an average monthly income of 8,295.77 baht while the unorganised group earned 7,561.90 baht. This amount is not much when compared with the present cost of living in Thailand. More importantly, these figures are small, taking into account that they are the combined income of both husband and wife.

The average incomes earned by the *home-based workers* [individually] in both groups were not much different. The organised group earned an average monthly income of 2,979.66 baht while the unorganised group earned 3,151.82 baht. As this income is included in the average family income previously mentioned, it can be concluded that the income from home-based work has become essential for the family.

As the villagers did not earn much in cash, they did not have much to save either...As these people do not have much savings, they face insecurity and economic risks in life.

The section on economic status concludes (p.73):

The data above shows that the majority of the respondents are quite poor...They possess low cash liquidity while they may have many essential things they need. This resulted in heavy borrowing. Generally, the villagers borrow more than they save.

The survey conducted in the Philippines came up with the following conclusions (HNSEA, 2006, pp. 86-89, italics added):

Regarding the average monthly *family* income (including income from relatives abroad), the greatest number of respondents (32.1%) are clustered in the 2,501-5000 peso category (about US\$50-100). On the subject of indebtedness, some 48% have problems with small loans, mostly PhP5000 and below (from banks, cooperatives, PATAMABA WEED and microfinance programs, friends and relatives), and most find it difficult to pay back due to lack of income. About half of the respondents claim not to have any savings at all...

As to status as home-based worker, the majority or 76.9% are self-employed, while 19.3% are under subcontracting, mostly found in Rizal, Bulacan and Metro Manila. Respondents make use of unpaid labor to help them in home-based work, usually numbering from 1 to 8 persons, depending on the scale of the work. In La Union and Bulacan, unpaid workers are usually children of school age, or those who belong to the 15 years old and below category...

¹¹ The baht currently exchanges for around 34 baht per US dollar, but the baht was substantially weaker at the time this study was conducted (it is the dollar that has weakened dramatically in recent months). Interestingly, in the survey done in Thailand, those who were members of an organised home-based worker group or network were not as well off as those who had no such ties. This is a very different pattern than that usually seen among home-based workers, and may be related to the specific sample selected.

Almost half (46.7%) say they would stay in the same line of work simply because there is no other choice, even if the income was small. Again, Benguet respondents said otherwise [they would not stay in the same line of work] because work and income are just not enough.¹²

In the other two countries discussed in the HomeNet South East Asia study – Indonesia and Lao PDR – home-based workers as well as other informal workers usually have very low incomes, reflecting the high rates of poverty in the general population (particularly since the financial crisis, in the case of Indonesia). Home-based and other informal workers in all of these South East Asian countries (Thailand, the Philippines, Indonesia and Lao PDR) thus share in common the fact that their income status is generally quite low, and they usually have nowhere to turn when crises and reversals arise apart from immediate friends and family – who may be in very similar financial straits.

5. Home-based work and persistent poverty in South Asia

For South Asia, the great majority of home-based workers are also very poor, and they generally are not organised into any form of group or network. As is true for home-based workers in South East Asia, they tend to be very vulnerable to further impoverishment and they have few, if any, social protection mechanisms they can rely on apart from immediate relationships.

In the HomeNet South Asia/Institute of Social Studies Trust (HNSA/ISST) surveys conducted in five South Asian countries, an attempt was made to include not only those doing ‘relatively well’, but also home-based workers who can be considered among the poorest of the poor in their home countries. The following indicates the average earnings per month (individual earnings, in US dollars) of the home-based workers interviewed after deducting costs, and as a percentage share of the national per capita income at that time (appearing in parentheses):

Table 1. Average earnings per month of home-based workers surveyed (South Asia)

Average earnings per month (after deducting costs, and as a percentage share of per capita income)

	<i>Lean period</i>	<i>Peak period</i>
<u>Bangladesh:</u>		
Garments	US\$11.33 (7%)	US\$24.60 (15%)
Weaving	4.33 (2.6%)	7.46 (4.5%)
Pottery	20.00 (12%)	35.00 (21%)
Pearl/shell	4.04 (2%)	7.54 (5%)
<u>India:</u>		
Garments	\$15.67 (6%)	\$25.55 (10%)
Weaving	19.21 (7.5%)	28.33 (11%)

¹² Here, Rizal and Bulacan are peri-urban and rural areas, respectively, and are located relatively close to Manila; La Union is a more distant rural area located on the northwest coast of Luzon (Luzon is the island on which Manila is located); and respondents in Benguet are indigenous (Ifugao) women who have migrated to the city of Baguio, in the northern part of Luzon. It should be noted that the majority of the respondents in this case were members of home-based workers’ organisations, and that in the Philippines belonging to such organisations or networks usually has a positive impact on incomes as compared with those who have no such organisational ties.

Agarbatti (incense stick rolling)	6.71 (3%)	11.00 (4%)
<u>Nepal:</u>		
Garments	\$29.59 (24%)	\$49.49 (40%)
Weaving	20.71 (16.6%)	37.60 (30.1%)
Handmade paper	21.00 (16%)	38.00 (30%)
<u>Pakistan:</u>		
Garments	\$24.21 (13%)	\$40.08 (22%)
Weaving	22.13 (12.2%)	29.87 (16.4%)
Pottery	22.00 (12%)	56.00 (31%)
<u>Sri Lanka:</u>		
Coir yarn	\$13.00 (4%)	\$23.00 (6%)
Mat making	14.00 (4%)	27.00 (7%)
Reed and cane (rattan)	12.00 (3%)	24.00 (7%)
Batik	39.00 (11%)	58.00 (16%)

(HNSA/ISST, 2006, pp. 69, 107, 138, 176, 198, 224, 241.)

These figures, which imply that certain sectors are doing relatively well in peak periods (e.g., home-based garment, weaving and paper production in Nepal, and home-based pottery in Pakistan), need to be qualified by the fact that peak periods are usually very brief, occurring for example only for short periods around festival time. It should also be kept in mind that most of these relatively 'successful' sectors are classified as declining industries, and that the low-income home-based women workers in these sectors generally have not been able to keep up with new competition. As a result, in recent years the earnings in these sectors have been going down steadily, as will be discussed below.

We have noted that in both South and South East Asia, most home-based workers occupy positions lower down in the hierarchy, with a small minority who are doing very well. From here, we will focus on home-based workers who find themselves on the lower end of the income/social spectrum, and we will discuss some of the key factors that appear to contribute to determining exactly where particular types of home-based workers – and in many cases their children as well – will end up in this hierarchy.

6. Key factors that determine the position of particular home-based workers in the hierarchy

In both South and South East Asia, many important factors influence where one falls in this income/social hierarchy. Among these are gender, social exclusion, and economic trends, among other determinants.

6.1 Gender

Gender is a key component in the determination of one's position in the hierarchy of home-based work. As noted above, although there are some women toward the upper end of the hierarchy and some men toward the bottom, the vast majority of low-income and highly vulnerable home-based workers in developing countries are women.

In Asia as elsewhere, women's roles are usually tied to the home, the roles generally involving the care of children, the elderly, and other responsibilities. This means that many of the women who want or need to produce goods for sale are only able to do so in a home-based capacity, or at most in a neighbourhood workshop. Although some women may consciously choose to do home-based work because it allows the flexibility to meet these other responsibilities, in other cases the women would like to work outside but face too much social pressure to do so (or at least to do so for very long). They may also be involved in home-based work because they have no other skills that would allow them higher earnings and/or more stable work.

Thus, although home-based work can have many positive benefits for women, this type of work can be problematic because in many cases women in home-centred roles are socially segregated into units defined by the men in the family. Thus, the women can become isolated from one another and other adults outside the immediate family, and they are not usually present in public settings, as they would be if they were working in factories, offices or shops, for example. They may not have access to resources such as education, training, credit, information regarding markets, and other requirements in a fast-changing world. In more extreme cases, this silence and isolation can have serious consequences for the women's physical and emotional health and well-being.

Moreover, as women in home-based settings, the social assumption in some Asian contexts is that they are family members and should be doing *unpaid* family labour. For this reason, whatever they produce is often put into the family 'pool' to be marketed either by male members of the family or by middlemen. The women therefore may not know market prices, they often cannot themselves get access to raw materials on their own, and they cannot ask for wages, or higher prices, or a share in the profits made.

An example of this comes from the women home-based workers in Bangladesh and Pakistan who are pottery makers. They are very low on the income spectrum, and even though the demand for 'high end' handmade pottery goods is growing rapidly in urban areas and in international markets, it is totally out of their reach. Because of their gender, they cannot market their own products in distant markets and they cannot get access to information about what is desired in such markets. Moreover, because of their poverty, they cannot build up the inventories needed to compete even in nearby urban markets, they cannot get access to new designs or technologies, and they cannot even get access to the raw materials (e.g., good clay) that are required to compete in the segments of the pottery market that are growing rapidly.

This is true in many of the cases studied here (weaving, garments, papermaking, and others): even when the 'high end' market for these products is growing very rapidly in urban and international markets, the home-based workers' segment of the industry is referred to as a 'sunset' industry because it is in decline and in danger of disappearing altogether. This results from both new sources of competition and changes in demand/tastes with 'modernisation' and cultural change (e.g., preferring readymade garments to ones that are locally stitched, even at very low prices, or preferring 'new' types of plastic goods to traditional crafts or utensils even if prices of the latter are lower and they serve the same purpose). If the women had the capacity to reorient their production toward the growing segments of the market, their economic status would improve. However, given their poverty and lack of access to resources and information, this is not possible for the great majority of home-based women workers.

Of course, ideas regarding the appropriate behaviour of women in the household differ according to cultural community, location (urban vs. rural), class (income status), and other

determinants. What is clear is that the more women are isolated in home-based settings, the less control they have over their own work, and the more vulnerable they tend to be.

6.2 Social exclusion

Certain caste-based, ethnic, religious or other social divisions – e.g., in the case of certain social minorities that are subject to **social exclusion** – may also keep particular social groups isolated from one another and/or restrict direct access to resources and local or distant markets. For example, as noted in the HomeNet South Asia/ISST report (p. 132):

Studies¹³ also suggest that many of the extremely poor households in nations such as Bangladesh are engaged in traditional occupations, such as pottery makers, *risbis*, scavengers, and a large variety of cottage industries, by producers with significant caste-ethnic identities. Some decline of these occupations is inevitable to some extent in the process of modernisation and attendant structural change. However, such a process has adverse implications for the social groups associated with these occupations that need to have access to alternative sources for their livelihood.¹⁴

Without doubt, the marketing of products made by relatively isolated and socially excluded groups (those subject to various forms of prejudice and discrimination) may have certain parallels with the situation described above faced by isolated women working from home, including the reliance on middlemen who take the bulk of the profits. In addition, the more isolated social minorities may find that although they have highly developed knowledge and skills, these skills may be judged as 'uncompetitive' or 'not appropriate' for a commercially-oriented society. (For example, although the botanical and medicinal knowledge of indigenous groups is often highly prized by middlemen and pharmaceutical companies, this knowledge may be called 'not usable' in its local form, leading to a potentially exploitative situation.)

In addition, because indigenous communities and other social minorities are often subject to discrimination on any number of fronts, they may be denied access to needed resources (education, credit and others) solely because of their minority status. These problems are often compounded when gender enters the mix, and their circumstances can deteriorate even further when they are forced to become *migrants*, thus losing even the few indigenous social protection mechanisms that had given them a certain sense of security.¹⁵

¹³ Source: http://www.mdgbangla.org/country_progress/bangladesh_hdr/chapter_3.pdf.

¹⁴ Similarly, it is reported (HNSA/ISST, 2006, p. 66) that in Nepal 'while there was no gender-based division of work within the garment industry, tailoring is a caste-based activity and is the traditional occupation of the Damai (Periyar) community who are a marginalised group. It is not accepted as a 'decent' occupation. A non-Damai participant said that when she started to sew, she had to struggle a lot to convince her parents and friends.' (As they are considered 'untouchable', many Damai also face problems in getting such basic necessities as accommodation and water from the common tap, having to wait in line 'for their turn in the end', p. 83.)

¹⁵ The life story of Corazon Guimungan-Casim, a home-based weaver from the Ifugao indigenous community in the mountains of northern Philippines, notes the following: 'Cora migrated from Ifugao when she was a child. She reached first year high school but had to stop after experiencing ethnic discrimination.' (HNSEA, 2006, p. 67; details regarding the discrimination she faced after migrating to an urban area are included in field notes.) Migrants have particular problems as they are often caught between cultures, and the social protection study carried out by HomeNet South East Asia found that rural-to-urban migrants (as compared with non-migrants) have the additional burden of generally not having local contacts, local information, or personal or community ties on which to draw in times of need.

6.3 Economic trends, risk and vulnerability

In addition to gender and social minority status (or, more broadly, social exclusion) as factors that tend to push individuals and families down toward the lower end of the hierarchy, there are also economic trends that pull home-based workers upwards or push them down in the income/social hierarchy. From the studies carried out by HomeNet South Asia/ISST and HomeNet South East Asia, we can derive a sense of some of these trends over time, which initially affected 'formal' workers, but went on to affect 'casualised/informalised' workers as well as home-based workers in particular.

In *South East Asia*, for example, some women workers were initially 'pulled up' with the factory boom of the 1980s involving labour-intensive work on the 'global assembly line' (e.g., in garments and electronic parts). These new jobs, open primarily to low-income women workers, took the form of 'formal' employment in factories in the early years.¹⁶ For women who had been underemployed – particularly in rural areas – factory work had the advantage of offering regular salaries and other benefits, in spite of the well-documented and often very serious problems associated with factory work (poor working conditions, occupational health and safety problems, the lack of enforceable contracts or effective enforcement of laws regarding labour and social protection, and the fly-by-night nature of many of these jobs, among other concerns).

However, by the 1990s – i.e., even before the Asian financial crisis emerged in Thailand in 1997 and spread throughout the sub region – manufacturers were already beginning to look for even lower-cost countries in which to produce labour-intensive products. Factories began to move to locations (China, Viet Nam, and elsewhere) that by now were not only offering lower costs of production, but also the infrastructure and a lack of enforced labour and social protection regulations, making them into preferred locations for investment.

In this context, factory jobs in the relatively 'high cost' South East Asian countries became further *casualised*, with the women factory workers typically being fired before six months had passed in order to avoid labour laws, often with agency workers or 'temps' being hired in their place.¹⁷ These changes caused factory-based wages to fall and jobs to become even more insecure throughout the region. Those who might have objected to poor working conditions found that they could not do so, given that in a context of a vast pool of unemployed and underemployed workers there are usually people standing in line for even very poor and exploitative jobs.

Within this context, *home-based* subcontracted (piece-rate) work in South East Asia emerged as a way to produce while offering not only very low wages and little in the way of overhead costs, but also no hope of benefits or security to the workers. In fact, although many factory owners and contractors do have good relationships with their home-based workers, others are reported to go to great lengths to avoid being seen as the home-based workers' employers – e.g., with trucks travelling out from factories to homes in the middle of the night to deliver supplies and pick up finished orders, all to avoid labour regulations and laws regarding social protection.

Thus, subcontracted home-based work initially expanded in South East Asia as a cost-cutting measure. However, as factories continued to move away from the 'higher cost' South East Asian

¹⁶ Products that had been 'made in Japan' (a phrase that signified low cost) in the 1960s were relocated to the East Asian Newly Industrialised Countries (NICs) in the 1970s. They were then relocated to South East Asian countries as wages and other costs rose in the earlier locations.

¹⁷ This process is described in detail in HNSEA (2006), pp. 4-10.

countries in the late 1990s and early part of this century, subcontracted home-based work started to decline and then disappear in many areas; once the factories were gone from particular locations, the outwork stopped as well. Home-based workers had to find new ways to survive, with some migrating to other urban areas or across land-based borders.¹⁸

Again, this process of decline in 'regular' factory jobs, and then the decline of *subcontracted* work as factory doors closed, was compounded in South East Asian countries by the Asian financial crisis of the late 1990s, and the effects are still being felt. Part of the problem is that the crisis drove many formal economy employees (retrenched workers) into informal jobs, creating new competition for those who were already engaged in informal work (including home-based workers). In addition, the crisis produced a fall in domestic spending, leading to a decline in job orders for self-employed home-based workers as well, along with a rise in the cost of living and costs of production.¹⁹ Although Thailand's situation has improved somewhat since the financial crisis, the Philippines and Indonesia in particular have continued to suffer from economic and political instability as a result of the fallout from the debt and financial crises of the 1980s and 1990s.²⁰

In contrast to the South East Asian countries, most *South Asian* countries were not affected as directly by the Asian financial crisis, but they have been affected dramatically by globalisation and other trends. In fact, the HomeNet South Asia/ISST study points out that even before globalisation intensified, women home-based workers in South Asia in particular were relatively isolated and faced serious problems – for example, with a gender division of labour in home-based garment work reported in India that left women with lower status jobs and much lower earnings than men. Now, with the addition of new competition from imported goods, the women have had a very difficult time sustaining even these earnings.²¹

¹⁸ Members of PATAMABA, an extensive network of informal workers and part of Homenet Philippines, have noted that, given their poverty, it has been difficult for home-based workers to migrate across oceans because they generally cannot afford the fees involved or meet the educational requirements needed for overseas migration. (Rosalinda Pineda Ofreño and PATAMABA, personal communication, 2007.) However, their children or other relatives might be able to migrate out, depending on their education, skills, and the amount of money they are able to borrow.

¹⁹ Cf. Homenet Thailand (2002) for details regarding the impact of the crisis on different groups of home-based workers in Thailand.

²⁰ As a consequence, severe restrictions on government programmes (e.g., for social assistance and social protection) continue well into the 21st century in countries still plagued by debt and the fallout of the debt and financial crises. For this reason, debates regarding neoliberal policies, the behaviour of domestic and international institutions, and international trade policies continue to be very heated, particularly when economic and political conditions are perceived to be deteriorating for the majority of the population.

²¹ Another disturbing trend that is sometimes – but by no means always – tied to globalisation and production for international markets is the trend in South Asia for older factories that involve labour-intensive work to be closed as a cost-saving strategy, with the work becoming 'casualised' for production outside the factory premises. This is similar to shifting production from factory to home-based work, but with slightly different social dynamics tied to gender roles. In the case of textile factories in Ahmedabad (in Gujarat, India), women were the first to be laid off from the textile mills, followed later by the men as the factories closed down. (Again, the division of labour in textile mills had placed women, low-caste groups, and social/religious minorities in lower and more vulnerable positions.) It was then reported that the men who were laid off when the factories closed found that they had no alternative but to do the same job outside the factory for approximately half of their former wages, if they could get work at all. In other cases, the men could not find employment and became discouraged or depressed, and many had to rely on women in the family doing home-based, vending, or other types of work to earn the family income. Although this would appear to strengthen the women's role because of the total reliance on their economic

Both the South and South East Asia studies thus emphasise that although modernisation and globalisation have benefited some home-based workers who are in a position to respond to new opportunities (usually those with more education and more access to resources), it has also resulted in a crisis for most low-income home-based workers, particularly those who now face new competition in both international and domestic markets. As experienced in South East Asian countries in particular, the ‘boom’ of home-based subcontracted jobs tied to factory production is usually short-lived as factory and affiliated home-based jobs move away toward even lower-cost countries, resulting in the *loss of international markets*.²²

Even more alarmingly, in both South and South East Asia new sources of competition from both legal and illegal imports also take away the domestic markets that the vast majority of home-based workers have always relied on for their livelihoods. As described in detail in the HomeNet studies, for home-based workers in Asian countries – as has been true for poor artisans and informal workers all over the world – the *loss of domestic markets* due to legal and illegal imports has been devastating and is likely to remain so, unless systematic interventions allow them to become more competitive in order to survive. Moreover, as in South Asia, many home-based workers in South East Asia report that they can no longer get access to good quality raw material (sometimes due to local raw materials now being exported, or new competition absorbing most of the raw material imports). Technological change in the form of machines that can replace work previously done by hand is fuelling this process of displacement as well.²³ In addition to these problems, both the HomeNet South East Asia study and more recent research highlight the fact that imports are not only driving out the goods made by local home-based workers, but also the goods and services offered by their spouses or other members of the family working in informal employment.²⁴

Another very serious problem that has come up in recent years in many Asian countries – also tied to other economic trends – is the problem of *inflation*. Increases in the cost of living (including basic necessities) and costs of production hit the poorest hardest of all. For example, in India the ‘overheated’ economy is said to have produced a sharp rise in the prices of basic commodities needed by the poor.²⁵ Similarly, although the Philippines and Indonesian economies are anything but ‘overheated’ at present, recent field studies conducted by Homenet Philippines and Homenet Indonesia emphasise that inflation is now a very serious problem for home-based workers. Those interviewed repeatedly cite, as one of the main causes of their

contribution, at the same time these changes often caused tensions and conflicts within the family as men lost their roles as producers (cf. J. Bremen and P. Shah, 2004).

²² In fact, even at the height of subcontracted work, these new opportunities have never gone to the poorest, who do not have the machines, skills, or home environment that would allow relatively ‘clean’ home-based subcontracted work that would meet rigid international standards. Moreover, they never go to remote or isolated areas, since proximity to factories and shipping centres is of key importance.

²³ ‘[S]kills training assumes relevance as an enterprise needs for home based garment workers due to their inability to compete with other mechanised units which are flooding the market.’ HNSA/ISST (2006), p. 265.

²⁴ In the Philippines, for example, both legal and illegal imports of goods ranging from plastic goods, clothing, fireworks, and other inexpensive manufactured goods to agricultural goods and beyond are driving the home-based workers’ products out of their traditional markets. In parts of Lao PDR, it has similarly been reported that imported goods are beginning to drive out many of the products of traditional Lao weavers (a mainstay of women’s informal employment in Laos).

²⁵ Cf., for example, www.nytimes.com/2007/02/10/business/worldbusiness/10overheat.html. This comes amidst reports of continuing high rates of child malnutrition in India, indicating that despite a rapidly growing economy the benefits are highly uneven.

current problems and pessimism about the future, sharp increases in both the *costs of production* of home-based workers (raw materials, electricity, water, transport, and other inputs) and in the *costs of basic commodities* (food, water, and other basic requirements).²⁶

6.4 Additional factors that influence risk and vulnerability: what home-based workers fear the most

Besides gender, social exclusion, and economic trends that work against the well-being of home-based workers, what other factors contribute to keeping them in low-paying, seasonal or irregular, and often unhealthy or dangerous jobs that may be getting worse over time or even disappear without warning? In other words, what keeps them in this very vulnerable state?

To answer this question, it may be useful to examine what the home-based workers interviewed for the HomeNet South Asia and South East Asia studies fear the most. Not surprisingly, we find that most of their answers are directly tied to the economic trends discussed above (and, in many cases, to gender and/or social minority status, although they are not always explicitly identified as such). However, other concerns are noted as well in their responses.

The South East Asia study, for example, clearly indicates that *illness* and *joblessness* (or *insufficiency of work*) are the home-based workers' top concerns (illness in large part because it requires expenditures that families cannot afford, and because illness means a lack of ability to work, with the same consequences as joblessness). Other important concerns are identified as lower on the list (usually including housing, and child-related concerns such as expenses associated with children's education, childcare, and childbirth), but these also tie in indirectly to economic concerns as they are linked to a fear of growing indebtedness due to a *lack of sufficient work and income* that would allow them to cover these expenses.

Regarding the Philippines, the home-based workers interviewed were asked to divide risks (and fears) into short-term and long-term risks and problems:

The short-term risks and problems experienced by residents are ranked in the following manner: sudden illness; temporary loss of job or income; children's educational expenses as a risk/problem; indebtedness (for a small amount), childbirth; weddings of family members; minor accidents; sudden threat of eviction from land and/or house (experienced in Metro Manila and Benguet); and temporary disability. Gender-related risks register significant numbers: sickness/stress due to over-fatigue ranks high in La Union, Bulacan and Iloilo; loss of chance to study or improve oneself is a risk or problem in Benguet and Bulacan; problems/stresses due to spouse; problems/stresses due to other family members; and violence against women in the home. When asked about what or whom to depend on to address their short-term risks and problems, the majority say they rely on loans from family and relatives. Less than 5 percent of respondents relied on the local government unit (LGU), SSS [the social security system] and

²⁶ From field notes of PATAMABA/Homenet Philippines collected in Angono and Bulacan, and of Homenet Indonesia (Mitra Wanita Perkerja Rumahan Indonesia) from Bale Arjosari, Malang and Genting Tambak Dalam, Surabaya, 2007. Interestingly, the *children* of home-based workers interviewed in the Philippines also cited rising costs as contributing to their worries about the future. In addition, home-based workers in Indonesia discussed their distress about having difficulty meeting the rising costs of educating children, particularly since piece-rate wages have been stagnant since before the financial crisis and piece-rate work has declined as factories continue to close. The home-based workers interviewed noted that 'for those children who do not go to school, the majority are worse off as compared to their parents. They lose their opportunity to obtain schooling with a sense of great loss and unhappiness'...these children can look forward only to a 'bleak future to work and work' in a way that would allow them just to survive.

PhilHealth [the national health system – their incomes are usually too low and irregular to keep up payments for any of these schemes].

Regarding long-term risks and problems, the first hand experiences of respondents are ranked in their order of significance: long-term loss of job and income; serious illness that requires hospitalisation, surgery, and expensive medicine; expenses for taking care of small children; expenses for health care of women and mothers; loss of land and housing security (experienced in Rizal, Benguet and Metro Manila); loss of wealth or possessions due to calamities, fire or war; indebtedness (with huge and numerous debts); death of main breadwinner, spouse, or more than one member of the family; old age; serious accident; and continuous violence in the home against women...When asked about what or whom to depend on to address their long-term risks and problems, the majority say they rely on loans from family and relatives. Less than 5% relied on the LGU, SSS and PhilHealth.

When asked to say off-hand what worries them most, *illness* and *joblessness* came up repeatedly as the greatest concerns. (HNSEA, 2006, pp. 89-90 – italics added.)

The survey conducted in Thailand came up with remarkably similar findings. This survey employed three different categories of risks and vulnerabilities: (1) *short-term* risks and vulnerabilities, which noted that – in order of most important/frequent to less important/frequent – short-term illness or accident (of respondent or family members), indebtedness, and unemployment came out at the top of concerns (in descending order); (2) *long-term* risks and vulnerabilities, with long-term (chronic) illness, indebtedness, and unemployment coming out at the top of concerns (in descending order, followed by childrearing expenses, insecurity when old, disability of family members and other problems); and (3) *catastrophic risks and vulnerabilities*, with illness or fatal accidents of family members, loss of property due to natural disasters, continuous loss of family members, permanent disability of family members, and drug addiction of family members cited as the most important concerns of the home-based workers interviewed. When asked about their fears overall, the report notes the following:

Interestingly, when the respondents were asked to choose the problems which they were most concerned about, out of the seven main social security problems, majority said that they were most worried about *illness* and *unemployment*. These two concerns were ranked equally. The problems which they were next most concerned about were *disability* and *aging*. This could be due to the fact that if these four problems occurred, they would not be able to work. This, in turn would affect their financial situation.

In the past, those who had some savings were not in much trouble since they had these savings to rely on. However, those who had no money had to rely on other sources such as their relatives, neighbours, community unit or organisation (e.g., government unit, bank, non-governmental organisation, and religious group), a welfare group in the area (e.g., weaving welfare group and community welfare group), as well as informal moneylenders in the community. (HNSEA, 2006, p. 176, italics added.)

For South Asia as well, illness and lack of sufficient work were found to be the home-based workers' top concerns. The HomeNet South Asia/ISST researchers were also careful to make a clear distinction between (1) the 'enterprise' concerns of the home-based workers who were somewhat better off (i.e., higher in the hierarchy), and (2) the day-to-day (survival) needs of those who are not doing as well.²⁷

²⁷ 'The workers surveyed from better-off communities and regions refer to more enterprise-oriented needs as opposed to those workers from historically weak sections or those living in far flung areas from urban centres of growth, whose needs reflect basic survival issues.' HNSA/ISST (2006), p. 263.

Illness is thus a constant fear for home-based workers and their families, and is directly tied to home-based work through *occupational health and safety* problems. In addition to the problems faced by the women home-based workers themselves – including significant reproductive health problems directly tied to home-based work, along with repetitive stress, wounds from sharp objects, and other chronic and acute physical problems – they also reported *environmental (habitat) problems* that affect the health of the entire family, such as the effects of dust, dyes, and other chemicals. The adverse effects are often felt most acutely on children in the family, according to home-based workers interviewed. In addition to illness tied to the home-based work itself, there are also health problems associated with abject poverty and life in squatter areas or urban slums, such as asthma tied to high levels of industrial pollution, drug addiction, mental and physical dangers associated with high crime rates, and debilitating diseases tied to contaminated or stagnant water, overcrowding, and poor sanitation.

It is very difficult to respond to illness, whether chronic or acute, when one faces joblessness or a lack of sufficient work. Some home-based workers in the Philippines, for example, report that they cannot go to hospitals because they do not have the money to see doctors, and even if they see doctors they cannot afford the medicines required.²⁸ Lack of sufficient work also contributes to food deficits, which in turn are tied to illness.²⁹ Severe or chronic illness, together with ongoing unemployment and other serious reversals, can send the home-based workers and their families into a downward spiral. In addition, the home-based workers' vulnerability to *man-made and natural disasters* can result in even greater impoverishment. During the course of the South East and South Asia studies, the HomeNet research was halted many times by devastating natural disasters, including earthquakes in Kashmir (particularly on the Pakistan side) and tsunamis (affecting several countries, and Sri Lankan home-based workers included in this study in particular), along with typhoons/tropical cyclones, floods, and other livelihood-destroying calamities in the Philippines, Indonesia, Bangladesh, and elsewhere. Man-made disasters documented in the studies include the very serious effects on home-based workers due to communal riots (including the home-based workers interviewed in Ahmedabad for the HomeNet South Asia study), and continuing conflict in Southern Thailand and Nepal also

²⁸ The problem is notably *not* as severe where there is universal health coverage, as in Thailand where the universal health care (formerly the 30 baht) system is far from perfect but does give a basic floor of support. In the interviews conducted in Thailand, the 30 baht scheme (so named because of the need for payments of 30 baht – less than US \$1 – each time medical care was needed) came up consistently as something that provided a degree of security that was not there before. As reported by the Thai research team in their summary regarding greatest fears and risks faced by the home-based workers interviewed, 'Since the implementation of the 30 Baht Health Care scheme by the government, the villagers commented that they have gained good benefits from it. Presently it can be said that this program did help the grassroots groups.' (HNSEA, 2006, p. 176.) There have been complaints of medicine given under this programme that was not the needed medicine (e.g., paracetamol instead of something more expensive), and some felt discriminated against at clinics and hospitals as '30 baht' patients. However, the vast majority was happy that the scheme was there – it was certainly better than nothing – and after the coup the military government reassured the public that the scheme would continue, albeit with a slightly different name and without requiring any 30 baht payments (i.e., the care is now free).

²⁹ In recent research carried out by Homenet Indonesia in semi-rural Bale Arjosari, 'not enough food to eat' was noted as the first indicator of the economic problems of local home-based workers (along with problems providing for clothes and school expenses, and the lack of resources that would allow for even 'going on a picnic, as rich people do' – something very simple, but which proves to be important both for promoting family and community ties, as noted as well in Bremen and Shah, 2004). Having enough food was also cited by the women as the first requirement for 'making a better life'.

caused the home-based workers' risks to increase substantially during the course of this research, particularly since they *cannot work* under such conditions.³⁰

This type of vulnerability to natural and man-made disasters is not tied directly to home-based work. However, in view of the low incomes that are usually associated with low-end home-based work, there are very few sources of protection or places for the home-based workers and their families to go when disaster strikes. (Disaster relief agencies recognise that governments usually do not protect the poor adequately against disasters, whether man-made or natural – or even alert them to the threat – and respond much more slowly and with fewer resources than when higher-income populations are involved.) Although in some cases of disaster a response may come quickly, it is not likely to last or be able to repair the damage done to very low-income groups whose livelihoods cannot easily be restored.

The main point to recognise here is that illness, as well as disasters and other life reversals, contribute to either *joblessness/insufficient work*, or an *inability to work*, which again will feed into further vulnerability to illness, disasters, and reversals in an ongoing spiral. The consequences of insufficient work or the inability to work will affect not just the family's immediate income, but also their ability to cope with changes in the long-run, making it difficult to get out of this very vulnerable state.

Indeed, all of these considerations (illness, joblessness/lack of sufficient work, vulnerability to disasters, and so on) are mutually reinforcing and result in ongoing poverty. Moreover, the HomeNet studies found that *those who had fallen furthest* – and thus were in the most need of assistance – were usually the ones who received little or no institutional support. As noted in the Bangladesh study of shell and pearl collectors, for example, the poorest of the poor tend not to receive assistance from microfinance institutions or even NGOs that are more interested in cases that are easier to visit and are more likely to result in 'successes' that encourage donors and help the institutions associated with successful efforts.³¹

Thus, although policymakers, large national and international organisations, and many NGOs usually focus on the success stories and the upper end of the hierarchy (or those close to it – e.g., successful craft workers in developing countries), the HomeNet South and South East Asia studies indicate that the real circumstances of the majority of home-based workers in the region appear to be infinitely more problematic, and they remain far from the minds and imaginations of most policymakers and NGOs alike. The consequences of this will be discussed in more detail below.

³⁰ In the city of Ahmedabad, for example, the study notes that home-based work has been severely impacted by the riots. In addition to the deaths and destruction caused by the riots, ongoing unrest and tensions have resulted in much of the work being shifted to other cities, as supplies and final products could no longer be safely moved into and out of the affected areas.

³¹ The shell and pearl collectors, who rank among the poorest of the poor in Bangladesh, are from a socially excluded community called the 'Boids', and live on houseboats on rivers (in this case, the river Dholeshoiri). 72 percent of those surveyed (all women) have been working since childhood. Because the earnings are so low, 76 percent try to supplement their earnings by doing small-scale lock and umbrella repairing and fishing, stitching and hemming (men try to work as day labourers), but the pay from all of these activities is extremely low. Children also do shell and pearl collecting, including many of those in school (the study notes that more children are going to school than in the past, but the dropout rate is high – HNSA/ISST, 2006, Chapter 7, and Ratna Sudarshan, personal communication, 2007).

7.0 Effects on children (inter-generational poverty): gender roles, social exclusion, economic trends and other determinants

Keeping our focus clearly on the lower end of the hierarchy, we find that the HomeNet South East Asia and HomeNet South Asia studies indicate that some of the same factors that keep home-based workers in poverty also keep their children in ongoing poverty. Here, we will focus again on three key factors – **gender, social exclusion, and economic trends** – as well as additional factors that, within the prevailing context of poverty/low income status, appear to have a significant influence on the lives of the children of home-based workers.

7.1 Gender

Regarding gender (girl children and boy children, in this case), the situation is extremely variable within and across countries. However, as a broad generalisation, many more cases of girls being taken out of school because of financial difficulties were reported in the HomeNet South Asia/ISST study (particularly with regard to parts of Bangladesh, Pakistan, and India) than in the HomeNet South East Asia study. Among families in the South Asia study reporting that they could not afford to send their children to school, it is the girl children who were usually recruited into home-based work while male children were often allowed to continue in school. (In the Bangladesh interviews, for example, the explanation was given that girls will be taken care of by their brothers [and other men] in the future and therefore do not need as much education as the boys in the family.)

There were also many cases reported in the South Asia study of girls not going to school because the school was far away and/or there was a possibility of harassment. For example, interviews with home-based weavers in the South Asian countries frequently noted that girl children often did not receive the same amount or quality of education as boys in their community.

In Bangladesh... (t)here is a gender bias against sending girls to school. In any crisis situation the girl child had to quit school. However, all are willing to send their sons to school. Sending the girl child to school is considered wastage of time and money. They believe their daughters will be married off to another family and thus spending money on daughter is not worth considering.

In India [among weavers interviewed]...a gender bias is evident, with boys being sent to better schools.

In the study location in Pakistan...in the rural and peri-urban areas, only boys were going to school while girls were working at home. Participants said that it was unsafe for girls to travel to the schools in other villages and they could not afford to educate their girls...On the other hand, Rashida who lives in an urban area is sending two of her daughters to school in the hope that they would have other work opportunities (HNSA/ISST, 2006, pp. 105-106).³²

³² Field notes from the HNSA/ISST study reinforce this view of the desire to have girls educated, but also the pressures against this: 'Rubia Khatun (of Baidryapara, Fulbaria, Savar, in Bangladesh) was married off at the age of 14. Her father was a poor businessman. She said that since her father was too poor to pay much for dowry, she was married off into this underprivileged community [of families that are extremely poor, live on boats in a river as their home, and do pearl and shell collecting from their boats]...Her husband got married three times more, and is living with his other wives in different boats. He doesn't contribute to the family income. Therefore, Rubia is the sole earning person of the family...Despite their poverty, she is very much interested in sending her daughters to school...However, Rubia is very sceptical, wondering how long she can afford to continue their studies.'

In addition to this *education gap*, a clear gender gap in *health care* for girl and boy children is noted in the HomeNet South Asia/ISST study with regard to most South Asian countries. Sri Lanka alone is said to have a smaller gender gap regarding both health care and literacy, although as discussed above there can be wide variations even within individual countries and communities.

Another significant factor picked up by the HomeNet South Asia/ISST research is the relatively high incidence of child labour among female home-based workers. According to the HomeNet South Asia/ISST research, a large number of the home-based workers interviewed – the vast majority of them women – started working as child labourers under the age of 15, usually as unpaid family labour:

Table 2. Child labour and illiteracy rates (South Asia)

Child labour and illiteracy rates (percentage of respondents who reported starting doing home-based work prior to age 15, and percentage self-reporting as illiterate)

	<i>Child Labour</i>	<i>Illiteracy rates</i>
<u>Bangladesh:</u>		
Garments	22%	16%
Weaving	58	70
Pottery	72	24
Pearl/shell	72	92
<u>India:</u>		
Garments	54	26
Weaving	42	55
Agarbatti (incense stick rolling)	42	47
<u>Nepal:</u>		
Garments	-	40
Weaving	2	32
Handmade paper	-	26
<u>Pakistan:</u>		
Garments	63	26
Weaving	68	80
Pottery Survey 1	82	38
Pottery Survey 2	61	78
<u>Sri Lanka:</u>		
Coir yarn	22	5
Mat making	9	-
Reed and cane (rattan)	9	-
Batik	5	19

(From HNSA/ISST, 2006, p. 270; for percentages higher than 30%, boldface has been added.³³)

³³ In fact, the data cited above may not have picked up in a systematic way the incidence of child labour; it was often not clear, for example, whether the respondent was referring only to the current type of home-

Comparing this information to the income data discussed previously, it is clear that although lower income groups generally reported higher rates of starting home-based work early as well as higher rates of illiteracy, there is not always a clear correspondence between income (poverty) and reported child labour and illiteracy. For example, in Sri Lanka low rates of both child labour and illiteracy were reported even among very poor groups of home-based workers interviewed for this study, and responses varied in other countries as well. Thus, it is not a given that poverty will always result in child labour and illiteracy; this is in part a question of local ideas regarding gender and gender roles, as well as political priorities.

In general, then, there were many instances reported of an education gap, a health gap, and in some instances a child labour gap between girls and boys. All of these gaps are influenced by (1) *poverty* (an inability to educate all children, an economic need for children to begin working, and in most poor communities a lack of access to decent facilities); but also (2) *cultural norms* regarding gender (including the idea that girls do not need these skills, that they marry out into other families, and that they may be harassed); and (3) *political priorities* (often resulting in a lack of good facilities, and a lack of efforts or legal requirements that ensure that every child has the skills that could potentially lead to higher earnings in the future). As will be discussed below in relation to the South East Asia findings, another important influencing factor would be (4) *expectations* (high or low) regarding the benefits of schooling, training, and other programmes that could affect the child's ability to rise out of poverty in the future.

In the case of the South East Asian countries studied, we find that although HomeNet South East Asia's research indicates that girls are not as likely to be taken out of school as appears to be true in South Asia, this also varies greatly within the sub region and within different cultural subgroups. Here, expectations regarding both the need for girls and women to earn in the future, and regarding economic opportunities in the future (as a 'payoff' for continued efforts to study or in other ways gain a wide range of skills), are clearly key factors that influence a child's future.

In many South East Asian countries, for example, there are reports that girls are encouraged to stay in school (or get skills in other ways) because they are expected to earn income for either their natal or marital family when they are older, whereas in other parts of the sub region there are reports of girls being taken out of school while boys are allowed to continue (e.g., in parts of Lao PDR, according to HomeNet-affiliated researchers, children may be taken out of school either because the family cannot afford schooling for all of the children or because more earnings are needed immediately by the family³⁴). In contrast, in recent HomeNet research in the Philippines and in Indonesia there are reports of boys being taken out of school, or the eldest daughter or son, in order to support their younger siblings, but not girls more than boys.

In Thailand, it has been suggested that the pattern of taking girls out of school and 'investing' in boys' education was more common in Thailand in previous generations ('more like the South Asian pattern'), but that in recent years the culture has changed and new expectations of girls helping their natal and/or marital families now encourages providing girls with higher levels of education than was true in the past.³⁵ In fact, in several cases of those surveyed by Homenet

based work, or to all types of work, when asked about the age at which the individual had started working. In addition, the focus was on the child labour experiences of current home-based workers and not on their children's experiences, and so it is difficult to assess whether these patterns have changed in recent years. Nonetheless, child labour continues to be widely reported by home-based workers in the studies conducted by HomeNet South and South East Asia, either as a part-time or a full-time occupation.

³⁴ From Community Development and Environment Association (CDEA) field notes, 2007.

³⁵ Boonsom Namsomboon, Homenet Thailand and Forward Foundation, personal communication, 2007.

Thailand, daughters did grow up and ultimately provided the major source of income for their parents; some home-based workers interviewed in Thailand even reported foregoing marriage in view of their responsibility to take care of their natal families, among these being Pa Lai and Pa Eayy:

Women's role in the family, especially that of eldest daughter in the northern region, is to help parents in household chores. This has resulted in both Pa Lai and Pa Eayy remaining single throughout their lives as they thought only of how to make money to support their families. Though married, Pa Pikul is still the breadwinner of her [natal] family. Such data from life stories are like those of studies which conclude that Thai women have significant roles in the family economy. The social value which expects women to sacrifice their happiness or themselves for others exposes them to higher risks than men.³⁶

Recent research carried out in Thailand also reinforces the view that access to a good education is now seen as the key to moving out of home-based work and into more 'permanent' (stable) types of work 'that provide social insurance, welfare and other services', and that children as well as parents appear reluctant to require children to leave school for purposes of work as long as they think that education will result in a better economic future.³⁷ Thus, in general, it appears that in many parts of Thailand – even in relatively poor communities – the combination of *access to reasonably good educational facilities, changing ideas regarding gender roles, and an expectation of reasonably good work opportunities* after completing a certain amount of education encourages girls as well as boys to stay in school.

This reinforces our earlier contention that a combination of poverty, gender norms, political priorities that do not support education and further skills development for all children, and low expectations regarding the benefits of schooling tend to precipitate children being taken out of school. However, it also indicates the 'other' side when access to changing ideas regarding gender roles, access to good facilities (and perhaps higher government-regulated requirements for education and/or further skills development), and changing expectations are able to provide the context for children to stay in school *in spite of low incomes*. In other words, changes in one or two of these key factors can make a difference.

This idea is further supported by an ongoing study being conducted by the Self Employed Women's Association (SEWA), which suggests that even in poor communities in India, the presence of good childcare facilities can help raise the expectations of children so that they envision themselves doing 'better' work in the future; thus, many try to move out of informal work and into more stable employment as they grow older.³⁸ Here again, the key may be that good childcare (and educational) facilities are complemented in SEWA's case by expectations of better employment opportunities in the future as a result of not only what children are being taught, but also as a result of the real material successes SEWA has had in improving the lives of its organised women workers. If true, this would support the idea that not only are good facilities and good instruction important, but also the actual observed economic conditions and

³⁶ HNSEA (2006), pp. 238-9. It has also been noted in recent studies of migration in Thailand that girls are often seen as being by nature more 'responsible' than boys, and as providing more income for the family than do boys who may leave, or for other reasons fail to contribute to the natal family. Cf., for example, Brody (2006).

³⁷ 'Aside from [these cases], one of the participants told us that she wanted her children to stop their study in order to help her earn more income for the family, but the children refused and told their mother that they want to have higher education in the future.' Boonsom Namsomboon (Homenet Thailand) field notes, 2007. Several children stated that for them to have better futures, the support of their parents for higher education is one of the most important considerations.

³⁸ Mita Parikh, SEWA Academy, Ahmedabad, personal communication, 2006.

opportunities may be important in influencing the views and expectations of both children and parents. (In other words, perceptions of the 'reality' around them reinforce the positive teachings of the educational programmes, even in poor communities.)

Nonetheless, it is very important to keep in mind that good childcare and educational facilities and higher expectations are usually *the exception and not the rule* in very poor communities. When education-related costs are unaffordable to those with very low and irregular incomes, and where expectations of the 'payoff' of staying in school are also low (e.g., as a reflection of worsening economic opportunities for local workers and their families), the influence of poverty grows, and pressures to take children out of school and have them start working appear to increase.

How these dynamics play out can differ even within two communities that are not geographically very far from each other. In Lao PDR, for example, HomeNet-affiliated researchers recently found that those doing tailoring in very poor rural areas outside of Vientiane remain hopeful that education would lead to better work and more stable employment for the next generation. However, their poor urban counterparts in Vientiane are not as optimistic – both parents and children want the children to have better jobs than the selling of scrap steel and barbequed beef, but they are not as hopeful that education would give them a better option; they fully expect that the children will be even worse off than their parents in the future.³⁹

7.2 Social exclusion

We do know that social exclusion often compounds the problems posed by poverty and insecurity. For example, in places where social minorities (religious, ethnic, and others) are concentrated, educational, health care, and other public facilities are often poor in quality or even nonexistent. (This may be true especially where social minorities are in conflict with the government, but it can also be true wherever social minorities are concentrated.)

In addition, the economic effects of discrimination are likely to reduce expectations regarding the benefits of staying in school. It is noteworthy that although child labour is not as commonly reported in the HomeNet South East Asia study as compared to the HomeNet South Asia study, among the indigenous women migrants interviewed in the Philippines child labour is high. This is certainly due to poverty (and the need to have additional members of the family working rather than studying – this is true in many communities), but there may also be relatively low expectations regarding the benefits of staying in school, given that the economic opportunities facing the indigenous community in the area are very few.⁴⁰ Again, the important point to stress is that for certain social minorities, social exclusion (as a kind of cultural norm), poverty, political priorities that do not work in favour of children of social minorities, and parents' and children's

³⁹ The reasons behind these different perceptions need to be examined further. The interviews regarding inter-generational aspects of poverty conducted by HomeNet South East Asia were exploratory, and the network hopes to do a more systematic follow-up study of these determinants of inter-generational poverty.

⁴⁰ 'Given the irregular source of income, the Ifugao families in Apugan have limited means of survival. Moreover, their homes in the relocation site have no security despite the earlier promise of property award by the Philippine Economic Zone Authority (PEZA). The said land is being contested by private individuals who claim ownership over this land.' (HNSEA, 2006, p. 44.) In fact, child labour is reported by home-based workers in many parts of the Philippines – sometimes as an activity that takes place in addition to schooling, and sometimes in place of going to school – but facilities in areas in which social and religious minorities are concentrated tend to be particularly problematic, and insecurities about the future are likely to be particularly high.

perceptions of ongoing discrimination may severely limit their access to as well as expectations about the benefits of education. These concerns appear to be of key importance in determining whether children are encouraged to stay in school or are required to drop out and work either as unpaid family labour, or in other capacities.

7.3 Future economic trends

There is another area in which expectations play a role. Regarding whether children of home-based workers are *encouraged to continue on in home-based work*, this of course is likely to depend in large part on expectations regarding future economic trends. Based on research carried out recently by HomeNet South East Asia in four countries in the sub region, it was found that those higher in the income/social hierarchy of home-based work often encourage their children to remain as home-based workers since there appear to be continuing or even improving economic opportunities, and it is felt that the children can maintain or even expand and upgrade what the parents have put together over time.

In contrast, in the lower part of the income/social hierarchy, HomeNet research indicates that children are encouraged to continue working in home-based or other informal work only if no alternative employment is possible. Where there appear to be choices – i.e., when expected economic trends are likely to allow other options – the overwhelming response of those on the lower end of the hierarchy is that parents want their children to get out of this work, since home-based work for them means the persistence of a very insecure and impoverished existence. Their children, in turn, are discouraged from continuing along this path due to their perceptions of the tedious work and the long hours put in by their parents; very low and irregular earnings in the face of rising costs; and health problems such as chronic back, knee and leg pain, blurred vision, and other debilitating illnesses associated with certain types of home-based work (including problems resulting from exposure to chemicals, dust, electric shocks, and other risks tied to these occupations).⁴¹ Both parents and children interviewed consistently expressed the idea that would like the children to have ‘decent work’, not home-based work.⁴²

Whether the workers’ children will be able to get ‘decent’ work is the crucial question. According to home-based workers interviewed recently in four South East Asian countries, the main impediments to a better future for their children include (1) *worsening economic conditions* that are likely to result in children being even worse off than their parents (including shrinking markets, inability to cope with new competition, rising rates of inflation, and other negative trends), as well as (2) such *poverty-related problems* as drug abuse, crime, early marriage, gambling, and other conditions that adversely affect the children. Recent research in Thailand,

⁴¹ Many of the children interviewed in Thailand noted that their mothers were overworked and exhausted, and in the Philippines parents working in pyrotechnics worried that their children might have to continue in such dangerous and unhealthy work – inhaling chemicals and risking explosions – if they do not have any alternatives in the area (and this in spite of their recognition that their markets are shrinking due to imported fireworks from China). Interestingly, though, some of the children interviewed from low-income families in Angono (Philippines) were proud of the home-based work that they do and hoped to develop their skills, creativity and innovative designs, and do better marketing of their products in the future. This is seen as, at the very least, a good alternative to outright unemployment (‘it’s better than nothing’).

⁴² In Thailand, many of the low-income children interviewed expressed the desire to get office or factory jobs, whereas in the Philippines some of the children were hoping for work as domestic helpers either in the country or abroad, as salespersons, or as entertainers. Given that the Philippines emphasises the export of workers (and increasingly women workers) as a key component of the labour policy, many of the children interviewed noted that marrying a foreigner or leaving the country (‘as opposed to their parents’, who chose to stay in the country) were important ways to secure a better life in the future.

Lao PDR and the Philippines suggests that many poor home-based workers are very concerned about children that no longer listen to their parents but respond more to peer pressure, becoming involved in a subculture that has strong influences from drugs (methamphetamines, marijuana, Ecstasy, and others), criminal activities, early pregnancies, prostitution, and other vices that often lead to jail or social stigmatisation, and not to the 'decent work' that is desired. In addition, women who had been factory workers but lost their jobs and became home-based workers in the process of the 'casualisation' of factory production were not optimistic that their children would be able to get more stable jobs (e.g., in factories or offices). Recent interviews in Indonesia further note that poor home-based workers and their families are pessimistic about the prospects of the children getting work because their families usually lack the 'social capital' to secure jobs (depending on the context, this may refer to connections through others, but more often the ability to pay the bribes needed to get the jobs that are available).

In addition, both the findings of the HomeNet South East Asia social protection study and recent research suggest that family *indebtedness* due to sudden or chronic illness or disability (e.g., of family members), ongoing child-related expenses, and other causes have the potential to affect not only the older generation, but younger generations as well, keeping them in a state of persistent poverty (and sometimes in a very vulnerable relationship to moneylenders who use serious physical threats to retrieve payments). Among the less well-off who are already very vulnerable, an inability to recover adequately from recurring man-made or natural disasters, along with other ongoing or recurrent financial or psychological troubles stemming from problems in the family or neighbourhood, also appear to keep not only home-based workers but their children as well in chronic poverty, without the possibility of better paying and more stable work.

In sum, the HomeNet studies indicate that poverty, cultural norms (e.g., regarding gender and social exclusion), political priorities and expectations all play a role in influencing the futures of the children of the home-based workers surveyed. Thus, it appears that changing cultural norms, the political provisioning of good facilities (and requirements to use them), and higher expectations regarding the benefits of getting these skills are crucial if poverty is not simply to create more poverty. However, these changes need to be met by real gains for children who pursue education and other programmes – in other words, the expectations must be fulfilled to some degree at least. If instead real economic conditions do not validate these changes in cultural norms, political priorities and expectations, the influence of poverty and poverty-related problems (drugs, indebtedness, and others) is likely to increase, and poverty persistence will be the result.

8.0 The role of social protection in responding to persistent poverty and insecurity

What role can social protection initiatives play in helping end the persistent poverty faced by so many home-based workers and their children in South and South East Asia? Based on the HomeNet studies, an expanded conception of social protection is needed if such initiatives are going to be at all effective in the case of home-based women workers.

8.1 Reducing risks in the environment and the vulnerability of workers

The role of social protection is generally seen in terms of a response to reversals, whether expected or unexpected. However, given the fact that for poor home-based workers reversals

are generally the norm and not the exception in their lives, it is by now well-recognised that the focus needs to be on *reducing risks in the environment and the vulnerability of the workers* in the first place, rather than trying to respond when things go wrong.

One of the main findings of both the HomeNet South East Asia and HomeNet South Asia/ISST studies is that one key to reducing risk and vulnerability lies in the simple fact that *economic security* (i.e., some degree of job and income security) *as well as social protection in a narrower sense* (regarding basic securities of health, old age, food, and other key concerns) are equally important to the home-based workers interviewed, and they need to be pursued *simultaneously*.

As a first step toward gaining even a very small degree of economic security, the home-based women workers interviewed felt strongly that they need to be fully recognised as ‘workers’ and as ‘breadwinners’ or (co-) ‘heads of households’, instead of it being assumed that they provide only supplementary income. This is seen as a start toward being able to rise out of poverty and insecurity for themselves and their families.⁴³

Moreover, the HomeNet studies concluded that without a certain degree of job and income security for home-based workers, social protection initiatives simply will not work. For example, with respect to South East Asia, the cases examined by HomeNet researchers indicate clearly that under poor economic conditions, home-based workers will not join or will have to drop out of many *community-based* social protection programmes. This often causes the programmes themselves to fail financially, if informal workers are targeted as key beneficiaries (e.g., in certain community-based health microinsurance schemes).

In the South East Asia study, it was found that very low and irregular earnings are also the main reason the majority of home-based workers cannot maintain their participation in *national* social security and national health care schemes. It was found that these programmes do not in any way reach the majority of home-based workers interviewed, in spite of the fact that on paper all informal workers in the countries studied should be ‘covered’ by these programmes. As is true in South Asia, the home-based workers interviewed have been forced to rely primarily on family and friends, and on community ties in places where they are intact – and not on the country’s formal social protection initiatives.⁴⁴

What, then, can be done to reduce the risks and vulnerabilities that plague impoverished home-based and other informal workers? Because this is one of the main questions addressed in the

⁴³ Forming unions and networks gives them additional visibility, and in some cases a stronger legal standing (e.g., as they would achieve as recognised trade unions in the Bangladesh context).

⁴⁴ One interesting finding was that in the South East Asian countries studied, community ties – though eroded, particularly in urban areas – remain one source of support in times of need (providing a great deal of psychological, though somewhat less material, support, since poor communities have very limited financial resources). In fact, in countries such as Indonesia after the Asian financial crisis and Lao PDR, community-based practices provide much of what exists in the way of social protection for informal workers, given the lack of national level programmes that actually reach them at the present time. However, in the South Asian studies there was relatively little evidence of community-based forms of social protection, apart from the indigenous *guthi* (welfare fund) system associated with the Newar community in Nepal. A combination of poverty and local social divisions (based on caste, religion, and other factors) may account in part for the lack of local or indigenous social protection practices found by HomeNet South Asia/ISST relative to the number of local support systems found in communities studied by HomeNet South East Asia. In fact, social divisions such as the extended family and caste (in the sense of *jaati*) may be the first sources of support in many South Asian countries, but these ties may not extend throughout the local community.

HomeNet studies, very detailed answers are given in the studies themselves through an examination of a wide range of social protection schemes and proposals, ranging from very small community-based schemes through very large national-level schemes. For present purposes, we will summarise only a few of the findings of the HomeNet studies regarding the schemes analysed in this research. We will focus in particular on *illness* and *lack of sufficient work*, given that these are the two primary concerns of the home-based workers interviewed for the studies.

8.2 Community-based and locally-based schemes for social protection services

Regarding community-based and locally-based schemes for social protection services: the HomeNet South East Asia study in particular illustrates how important these can be to home-based workers, providing both psychological and material support. (In South East Asia such initiatives include those dealing with funeral fund groups; traditional mutual aid associations that provide help at the time of marriage, death, and illness; welfare services provided to community members by local religious organisations; and community groups that provide scholarships and education-related services, among others.) However, it is important to recognise that community-based schemes do have extremely limited means of helping home-based workers in times of crisis, and they cannot do the job alone. For example, they have very limited scope for dealing with both *illness* and *insufficiency of work*, the two areas of greatest importance to home-based workers.

On the positive side, these initiatives are more ‘human-scale’ and can be tailored to meet the needs of different types of home-based women workers, including those lowest in the income/social hierarchy (the poorest of the poor, social minorities, women who are isolated or live in remote areas, and those living in conflict-prone areas, among others). Moreover, these affiliations for social protection purposes can reinforce community ties even where they have been weakened by internal and outside pressures.

As was brought out clearly in both the HomeNet South and South East Asia studies, such an approach is required because there is a tremendous diversity among home-based workers, and social protection initiatives will need to take into account *different needs and practices* based not only on income/social status (position in the ‘hierarchy’), but also religion (Muslim, Buddhist, Christian, and others), indigenous community/cultural minority status, migrant status, whether home-based workers are organised in any way, and other key features that differentiate home-based workers based on economic and sociocultural considerations.⁴⁵ This is a crucial point that is generally overlooked in discussions of social protection initiatives, given that such discussions are usually concerned only with the government provisioning of social protection (usually based on ideas of the ‘national culture’).

⁴⁵ The HomeNet studies also noted that rural-to-urban migrants are often effectively excluded from local social protection schemes. According to recent research carried out by HomeNet Indonesia, for example, rural-to-urban migrants lack the ID cards and the Family Card necessary for securing ‘decent work’ and are forced into unstable and low-paying informal work. In Thailand as well, an earlier study (Srijakon et al., 2002) noted that migrants who could not gain ‘official’ residence in the city in which they live were denied access to many local programmes. Finally, as mentioned previously, the HomeNet South East Asia study (2006) found that migrants usually lack information and ties to community-based organisations and institutions that might otherwise be available to them, leaving them especially isolated and vulnerable if anything goes wrong. In view of this, new organisations and policies may have to be created to deal with the particular circumstances of migrant workers.

In addition to strictly community-based schemes, other locally-based social protection initiatives that have national linkages are also very important. For example, such initiatives as those that focus on health, housing (of great importance for home-based workers) and employment generation undertaken by *local officials* can be very useful to poor home-based workers and their families (e.g., as documented by HomeNet South East Asia regarding local housing and health programmes for home-based and other informal workers in the Philippines). However, it is important that these initiatives become 'institutionalised' in some way and do not disappear with a change in administration (this might be possible, for example, if ongoing support is given from a national level institution such as the Ministry of Labour).

In addition to more 'traditional' local institutions that can help provide social protection, new types of *organisations that are community-based but part of a nationwide network* are often able to achieve both the scale and expertise that provide a greater degree of responsiveness and sustainability. The credit union cooperatives movement in Thailand, discussed in the HomeNet South East Asia study, illustrates this very well. Home-based workers did note that it was difficult to find the time to undergo the training needed to set up and run a community-based credit union cooperative (as required by the national network), but the network of credit union cooperatives stressed that in order to make a local cooperative more than just another financial or savings institution – providing a number of welfare and social protection services to members as part of their mandate – it is important for those setting up the cooperative to spend the time needed to fully understand the philosophy of the movement, potential pitfalls, and other important considerations.

Informal workers' organisations can likewise play a key role in providing certain types of social protection services for informal workers and their families, linking community-based organisations with national level networks and institutions. SEWA's experience with its well-known integrated insurance scheme, its experience with providing childcare facilities for members, HomeNet South Asia's and HomeNet South East Asia's advocacy regarding social protection, Homenet Thailand's work in occupational health and safety, Homenet Philippines' experience with combining local- and national-level schemes (e.g., combining mutual aid associations with microfinance, social security and/or national health programmes), and Homenet Indonesia's work with herbal medicines and other local health services along with advocacy on the national level, are all examples of what informal workers' organisations can do. Thus, even though the insurance programmes these organisations are able to offer can provide only very small-scale and targeted coverage (usually involving small contributions in order to derive very specific benefits that are important to the informal workers – e.g., certain types of maternity coverage), the informal workers' organisations can nonetheless provide services that have an impact on members' lives. As with community-based practices that give very limited, but psychologically and sociologically important types of support to informal workers, the social protection efforts provided by informal workers' organisations are important but are necessarily limited in what they can do, and must be combined with other 'layers' of social protection.

8.3 National-level programmes

The HomeNet studies found that the crucial concerns of home-based workers regarding such needs as health and employment and income generation have to be approached on a much larger scale, and not just through small-scale community- and locally-based programmes. For example, regarding national-level programmes to deal with *illness*, we find that *universal health care* is of central importance to home-based workers. The relative success of the universal health care scheme in Thailand (formerly known as the 30 Baht Scheme), as opposed to national health insurance-based programmes (requiring monthly payments) designed for formal

workers but 'extended' to informal workers, is very instructive. The HomeNet studies found that although the national health systems in countries such as the Philippines promise more than a 30 Baht-type programme, home-based workers generally cannot afford to join or, if they join, they often find that they cannot remain in these systems given their very low and irregular earnings. It is worth noting that another benefit of Thailand's universal health care scheme is the effect that it has had on revitalising rural health clinics and hospitals that now have a regular clientele. As a result, doctors and other medical staff must report to these medical institutions as required and medicines need to be on hand, or they will lose their jobs. This stands in contrast to many other countries in Asia where widening social gaps have led to the near-collapse of many rural health systems as medical personnel move to larger cities or leave the country altogether, or where rural hospitals and clinics are nominally 'open' but are largely empty of both staff and medicines. It is not that the universal health care approach of Thailand cannot be improved – there are many significant problems with it – but it is generally seen by home-based workers as something important that they can count on, and as being much better than what they had before.⁴⁶

Regarding *insufficiency of work* (the home-based workers' other main concern), the HomeNet studies found that although economic programmes are crucial and do need to go hand-in-hand with other types of national social protection programmes, they must be designed correctly. Although skills training and other vocational programmes are important, they are only one small part of what is needed (for one thing, giving a little training and/or a little capital and then asking informal workers to fend for themselves does not generally work in an economy that is changing rapidly, is dividing along economic lines, and is subject to gender and other forms of bias). The HomeNet South East Asia study also found that simply 'injecting' funds into communities for economic purposes (e.g., in the form of the One Million Baht programme in Thailand, which was supposed to serve such purposes as employment generation, retraining, and small enterprise creation) can easily end up doing much more harm than good. Poorly designed or implemented national schemes can also create a dependency mentality that makes it very difficult for community members to organise themselves for economic purposes (e.g., they lose the incentive to join nationwide networks of savings and welfare associations and other organisations that can help with social protection and job and income generation, as they wait instead for more government 'handouts').

In addition, the HomeNet studies indicate that the demand side of employment/income generation policies must be clearly addressed through more systematic and effective support for the informal side of the economy, as well as the formal side – with healthy linkages between the two whenever possible. This systematic approach may include such national level initiatives as carefully designed *technology and industrial policies* (along with public works, government procurement, and other complementary policies) directed at the very small-scale sectors, where the majority of workers are located and are likely to be employed in the future.⁴⁷

⁴⁶ The other important lesson learned at the completion of the study is that popular programmes such as the 30 Baht Health Care Scheme cannot be easily eliminated once they are in place.

⁴⁷ The idea of 'industrial clusters' has become popular in countries such as India and Thailand as a way for governments to support and encourage artisanal production in certain geographical areas, using Italy and Japan as examples. However, the 'clusters' in Italy and Japan were formed when the countries were already relatively well-off and the artisanal production was at a much higher level than is true in most developing countries today – and significantly beyond the levels of the majority of low-income informal workers. Serious and systematic technology and industrial policies that are designed to target poor women workers and help them move to the point where ideas such as industrial clusters become relevant is the key. For a discussion of technology and industrial policies with particular reference to informal women workers, cf. Doane (2004).

In sum, given the diversity of conditions and needs of different groups of home-based workers, the HomeNet studies indicate that ideally the approach to social protection needs to be multi-layered, including:

- *community*-based initiatives (ideally with national ties) that allow a response to particular local needs, allow a personal rather than impersonal response, and also help identify the ‘hierarchy of access’ to social protection in any particular setting (identifying which groups have the least access, what their most important needs are, and what can be done to improve this access);
- initiatives coming out of *informal workers’ networks/organisations* as a voice of both organised and unorganised home-based workers;
- other *local and state/provincial* initiatives that allow for programmes specifically tailored to the circumstances and requirements of informal workers in a particular geographical area (but ideally with nationwide ties);
- *national-level* initiatives that are more impersonal, but have the financial and organisational strength to address the most challenging needs faced by home-based workers and their families (e.g., health, employment and income generation, education); and
- an *international* context that supports and coordinates social protection initiatives across the region, helping to prevent very uneven patterns of enforcement that fuel rapid movements of capital to areas without protection, and create even more instabilities in the region.

In a sense, following a multi-layered approach to social protection is somewhat like Thailand’s stated philosophy, which emphasises that national government programmes should complement and support but not undermine or completely take the place of community-based and other initiatives. This conception of ‘institutional density’ – having different types of programmes on several different levels that work together and complement one another – stands in contrast to social protection/social security philosophies based on European or U.S. models, which emphasise the primacy of national level programmes to the exclusion of the other levels.⁴⁸ Even low-income countries can begin to move in this direction, beginning with social protection and economic initiatives that are known to both reach and benefit informal workers, and respond to their most pressing needs. The experiences of South and South East Asian countries can be very informative, as detailed in the HomeNet and other studies.

9.0 The importance of organising and pushing for effective policies

Finally, the HomeNet South East Asia and HomeNet South Asia/ISST findings indicate that it is crucially important for home-based women workers to become organised, in order to ensure access to even basic levels of social protection. Home-based and other informal workers’ organisations provide information to and a voice for their members. In fact, it is not clear that effective policies will be implemented or sustained *in the absence of* this ‘voice’ and these well-established and ongoing organisations.⁴⁹

⁴⁸ The challenge is to make both the small-scale local and large-scale national programmes work together to meet the most important needs identified by different types of home-based and other informal workers – which, as the HomeNet studies show, is clearly not the case at the present time.

⁴⁹ Informal workers’ organisations are also playing key roles in working towards such goals as the ratification of the ILO Convention No.177 on Homeworkers, social protection legislation for informal workers (e.g., the legislation in India currently being finalised), and other fundamental concerns.

Moreover, particularly in patriarchal contexts that keep poor women informal workers in the background, isolated and silent – virtually invisible, and without any recognition of their rights as workers and co- or even sole breadwinners – organising is everything. Women who have no access to resources or information are unlikely to be able to negotiate in order to protect themselves and earn sustainable livelihoods for their families, and they are unlikely to be able to achieve any sense of security. Organising into groups, networks, or unions along with other types of alliances promotes social cohesion and strength in numbers, which is important equally for protecting themselves against domestic violence, exploitation by middlemen, and illegal seizures of property. It allows the women to become visible, and become a force that can help counter the sources of vulnerability in their lives. (This would be true as well of other vulnerable groups – e.g., social minorities who face social exclusion.)

On the other hand, what is not needed at the present time is legislation or policies that exist only on paper and are not implemented, or a proliferation of ‘pilot projects’ that help only a few. As formal employment shrinks, it is crucially important to redirect policy to meet the needs of informal workers – including informal women workers – systematically and effectively. To fail to do this will allow social divides to grow, generating more pronounced social tensions and conflicts that result in greater insecurities and vulnerabilities for people on all levels of the income/social hierarchy.⁵⁰

For this reason as well, it is critically important for policymakers, civil society organisations, academic researchers, and other supportive individuals and organisations to recognise the real needs and worsening conditions of those at the bottom, and not just focus on home-based and other informal workers who are doing well in this rapidly changing economic environment.⁵¹ The ‘success stories’ of informal women workers, of which policymakers are understandably proud, can certainly be a source of inspiration and learning. However, coming up with systematic and effective responses to the real needs of the most vulnerable must remain the clear and sustained focus of attention, beginning with a recognition of the true circumstances of those at the bottom.

Conclusions

What, then, is the connection between home-based work and persistent poverty? And under what circumstances can the children of poor home-based workers rise out of poverty – or what might produce ongoing, inter-generational poverty among the children of home-based workers?

The HomeNet studies indicate that the clearest connection between poverty and home-based work arises from the fact that home-based work is often the only option available to these

⁵⁰ Even without increases in absolute poverty, a sharp increase in relative poverty – and thus a widening of social divides – is likely to create a dangerous social environment. As Chandavarkar points out with regard to India (as is true in other countries), ‘paradoxically relative poverty poses even greater problems than absolute poverty and deprivation’ (Chandavarkar, 1989, p. 193).

⁵¹ Recent policy meetings have featured policymakers who focus exclusively on the possibilities for home-based workers in the ‘new’ economies of Asia, apparently without an understanding that while the ‘new’ globalised economies do benefit those who are in a position to take advantage of new opportunities, they can also have devastating effects on those at the bottom. This illustrates above all that policymakers and impoverished home-based (and other informal) workers live in separate universes, even while inhabiting the same country. Given this context, organisations of home-based and other informal workers will need to play a central role in pushing for realistic solutions to problems associated with persistent poverty and growing insecurity.

workers, and particularly to women who are required to remain within or close to the household due to gender-designated responsibilities and other concerns and restrictions. For poor home-based workers, their lack of access to such important factors as resources, information, and the means to develop a wider range of skills (and, for some, an imposed isolation, silence, and lack of mobility) make them highly vulnerable to changes in their environment – they cannot easily adapt. This is a problem particularly at the present time when their economic prospects are poor due to changing patterns of demand, the loss of markets (both local and, for those who have involved in longer value chains, international markets), problems of supply, rising costs of living and production, the continuing fallout from debt and financial crises in many countries, and other contributing factors.

For some home-based workers, isolation and discrimination due to social exclusion – e.g., in the case of many social minorities based on caste, religion, ethnicity and other criteria – have similar consequences, resulting in very low and irregular incomes and severe restrictions on their ability to earn. These groups are often found to be among the poorest of the poor, the most isolated, and the communities most neglected by NGOs and government institutions alike. For this reason, social exclusion, along with gender, economic trends, and other factors, needs to be recognised as one of the key determinants that can keep home-based workers in poverty.

Given that their homes are also their workplaces and that they live in poor communities – often in unhealthy, and sometimes even dangerous circumstances – these home-based workers usually face significant risks to health and well-being. Thus, it is not a surprise that the HomeNet studies find that the main concerns of most of the home-based workers interviewed are illness and a lack of sufficient work, factors that are often very closely interrelated.

The HomeNet studies also show that ‘spillover’ effects that affect the children of poor home-based workers can occur not only because of the poor physical environment surrounding low-income home-based work, but also because problems associated with gender norms, social exclusion, poor economic prospects and other considerations may also impact the following generations. Expectations also have an important role to play in this. There is no doubt that in all poor families there is pressure on children to work rather than study or otherwise gain the means to a wider range of skills. However, the HomeNet studies indicate that the degree of pressure appears to depend in part on the children’s and families’ expectations of the future, as well as the facilities available to them.

The HomeNet studies also indicate that certain types of social protection programmes can help reduce the vulnerability of the home-based workers and their families. However, for the majority of poor home-based workers interviewed in South and South East Asia, it was found that formal social protection schemes are generally not available to them as a means to deal with these risks and reversals. Their earnings are usually too low and irregular to be able to join or, having joined, to stay in such programmes. Thus, they rely mostly on relatives, friends and community members who themselves are usually informal workers with very little in the way of savings or access to resources. It was shown that this type of local support system (where it exists) can be very important to the home-based workers for social and psychological reasons, but this support is by its very nature strictly limited in its capacity and scope, and it cannot deal with the more costly risks and reversals that home-based workers and their families face on a regular basis.

Through a brief discussion of some of the social protection initiatives studied by the HomeNet researchers that *have* been able to reach home-based workers, it was argued that a ‘multi-layered’ approach is needed, building from the community-based and local support systems and moving through different levels of social protection provisioning up to the national level. Above

all, it is important to determine the local 'hierarchy of access' to social protection – who has the most and who has the least, and why – and then build from there. Informal workers' and other local organisations can help identify the specific needs and circumstances of the poorest of the poor as well as other impoverished home-based and informal workers, help come up with the most effective responses, and monitor changes over time. The HomeNet studies stress that *all* levels need to be engaged if these highly vulnerable groups are to be able to move out of a condition of persistent and inter-generational poverty.

With effort on all levels, tragic circumstances such as those faced by Fulbanu and her family will, in principle, never be allowed to happen again. Unfortunately, hers is not an isolated or exceptional case, and it indicates the profound need for a systematic, thoughtful and coordinated response – if organisations and policymakers are ready to respond.

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Appendix 1 General methodology used in the HomeNet South East Asia study

Data derived from questionnaires (1000 respondents in the Philippines, 933 in Thailand), case studies, life stories, and other sources were analysed separately for each country study. For example, in the Philippines six different sites (representing different parts of the country) and social protection 'themes' were studied, using the following methodology:

1. From the survey, general findings were derived for each question asked (averages and exceptional cases, i.e., those either much above or below the averages). More than 100 questions were asked in total, although not all were asked on the same day.
2. The focus was then on differences based on key variables (data disaggregated into groups), i.e.,
 - women vs. men (gender)
 - 'poor' (ultra-poor) vs. 'fair/just getting by' (income status)
 - 'unorganised' vs. 'organised' (into home-based worker groups, community-based organisations, religious organisations, and others)
 - age groups (young/middle/older)
 - home-based workers vs. non home-based workers
 - subcontracted vs. self-employed
 - migrant vs. non-migrant
 - rural vs. urban (to get at patterns of, for example, depth of informal/community ties)
 - by industry (e.g., a 'sunrise' vs. a 'sunset' industry)
 - by community (indigenous group vs. non-indigenous, or other characteristics of the different sites)

Some of these variables appeared to be much more important than others in terms of bringing out differences in home-based workers' attitudes, needs and circumstances.

3. Case studies were made of the six sites/themes that illustrate particular social protection needs (e.g., in indigenous or cultural communities) and schemes (health microinsurance schemes, deposit arrangements, housing initiatives, indigenous/local mutual aid associations, and others) that have had an impact on the lives of home-based workers.
4. Life stories of individual home-based workers were also used to illustrate the effects – positive or negative – of these attempts to provide social protection to informal workers.
5. The survey results were combined with the results of the case studies and life stories, and analysed in terms of the overall findings.
6. The experience of workers in relation to recent advocacy efforts in the country for the social protection of home-based workers and other workers in the informal economy were then discussed.
7. The country study was concluded by general recommendations and a discussion of 'ways forward'.

The Thailand country study is similar, but focused on four main social protection initiatives (The Universal Health Coverage Policy, or Thirty Baht Health Care Scheme; The Village and Urban Community Fund Project, or One Million Baht programme; Credit Union Cooperative initiatives;

and Funeral Funds initiatives), and drew findings from the four distinct regions of the country (North, Northeast, Central, and South).

Overall, the findings were intended to help illuminate the following, among other considerations:

- risks faced (short-term, long-term, catastrophic);
- social protection needs and priorities;
- current conditions and key issues (economic, cultural, and others – the focus was thus broader than simply social protection in the narrow sense);
- responses/coping mechanisms, including:
 - access through family, friends, and others;
 - access through networks or groups (including home-based worker groups and indigenous schemes), local or community organisations; cooperatives, religious organisations, others;
 - access through work-related ties (national social security and health care for the self-employed, others);
- respondents' evaluations of existing schemes/coping mechanisms/ initiatives (what is working, what is not, and why – including personal, local/indigenous/informal, and national/formal practices); and
- respondents' suggestions for improvements.

In the concluding chapter, comparisons were made with the findings of HomeNet affiliates in Indonesia and Lao PDR regarding these issues. Finally, tentative comparisons were made with HomeNet South Asia's findings, based on the HNSA/ISST five-country multi-sectoral study.

Appendix 2 Non-agricultural informal employment

I. Informal employment in non-agricultural employment, by sex

Region/ Country	Informal employment as % of non-agri. employment	Women's informal employment as a % of women's non-agri. employment	Men's informal employment as a % of men's non-agri. employment
Asia-wide	65%	65%	65%
India	83	86	83
Indonesia	78	77	78
Philippines	72	73	71
Thailand	51	54	49

[Please note: In all of these countries, women are found much more in the informal economy than in the formal economy. This is also tends to be true for men, but informal employment is even more common for women, who are usually much less involved in the formal economy. In fact, if agricultural employment is added in, the informal economy provides the vast majority of employment in developing countries, especially for women.]

II. Wage and Self-Employment in Non-Agricultural Informal Employment, by Sex

Country	Self-employment as a % of non-agricultural informal employment			Wage employment as a % of non-agricultural informal employment		
	Total	Women	Men	Total	Women	Men
Asia-wide	59%	63%	55%	41%	37%	45%
India	52	57	51	48	43	49
Indonesia	63	70	59	37	30	41
Philippines	48	63	36	52	37	64
Thailand	66	68	64	34	32	36

[Please note: Women in informal employment are usually classified as 'self-employed'. Still, in all of these countries, there are significant numbers of women who are involved in informal 'wage employment' – for example, as informal employees or subcontracted homeworkers.]

From ILO (2002), *Women and Men in the Informal Economy: A Statistical Picture*, pp. 19-20 (Table 2.1, Table 2.2). Geneva: Employment Sector, ILO. Based on data prepared by Jacques Charmes from official national statistics, 1994/2000. These and other very useful statistics are available at <http://www.ilo.org/public/english/employment/gems/download/women.pdf>.

Appendix 3 Kathmandu Declaration on women workers in the informal sector, particularly home-based workers

The South Asian Regional Meeting on Women Workers in the Informal Sector: Creating an Enabling Environment, with participation by the Governments of India, Nepal, Pakistan and Sri Lanka, and by trade unions, nongovernmental organisations, relevant UN and international organisations from these countries, and Bangladesh, having met in Kathmandu on 18-20 October 2000 and having deliberated on the issues, hereby resolve as follows:

Whereas, women workers in the informal sector, unorganised and agro-based sectors contribute significantly to the economic development of their respective countries, and acknowledging that home-based work has been growing rapidly world-wide due to globalisation and liberalisation, particularly in South Asia,

And whereas available evidence suggest that home-based work is an important source of employment especially for economically disadvantaged women,

And noting that there are at least 50 million home-based workers in South Asia of whom around 80 percent are women, who carry out remunerative production and services in their own homes and include own account or self employed workers as well as those who do work for contractors or employers at the piece-rates,

And whereas such workers contribute significantly to the National Economy, these workers are mostly illiterate, invisible, unrepresented and voiceless, and are not generally incorporated in the National Development agendas.

Therefore, in order to bring these home-based worker into the national economic mainstream in accordance with the ILO Convention no.177, this meeting recommends:

A. Formulation of a National Policy and a Plan of Action on Home-based Workers by the Government of the South Asian Region in consultation with the stakeholders, with the following components:

1. Minimum protection, which would include right to organise, minimum remuneration, occupational health and safety, statutory social protection, maternity, child-care, skill development and literacy programmes.
2. Access to markets and economic resources including raw materials, marketing infrastructure, technology, credit and information.
3. Set up Social Funds for home-based workers, which would provide insurance against risks of illness, death, old age, accidents, loss of livelihood assets and contingencies as locally required.
4. Incorporate into official statistics baseline data regarding various categories of worker in the informal sector and in particular home-based workers and their contribution to national economies.

B. Urges SAARC to address the issues of home-based workers in the region and take measures to enable them to deal with the risks and opportunities of globalisation by:

1. Setting up a Technical Committee for informal sector workers and home-based workers to promote:

- National Policies
- Bilateral Co-operation
- Regional Co-operation

2. Promote increased integration of markets at the regional level so as to create more employment opportunities.

3. Include home-based products in the SAFTA priority list.

[From <http://www.wiego.org/publications/Chen%20and%20Carr-home-based%20workers%20in%20South%20Asia-enabling%20environment.pdf>]

A shorter, more generalised version of the Kathmandu Declaration is available through the following website: <http://www.homenetsouthasia.org/kathmandu.html>