

EXECUTIVE SUMMARY

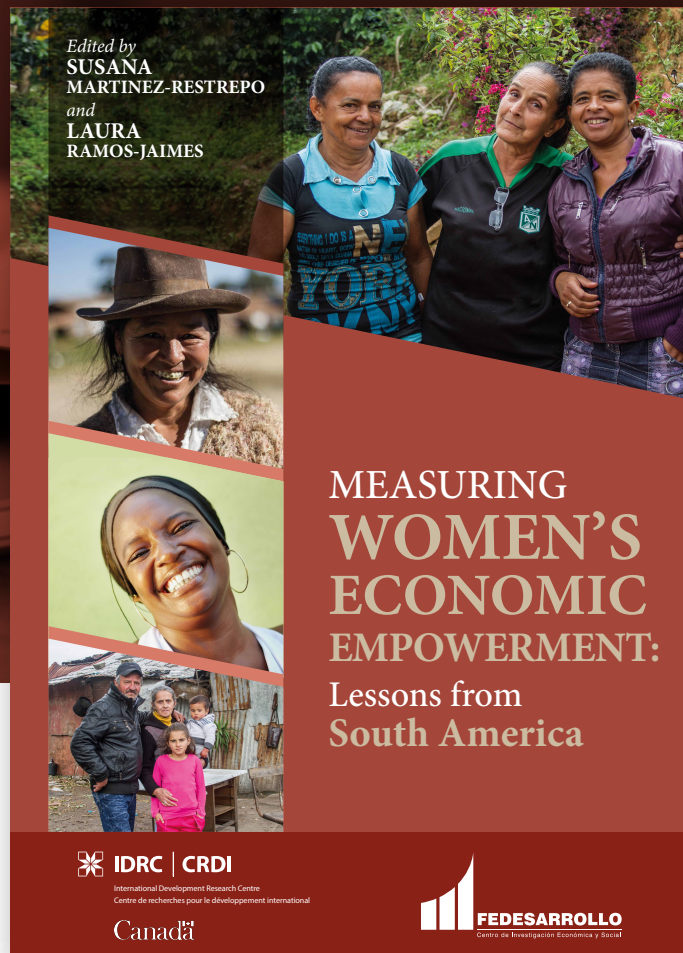
MEASURING WOMEN'S ECONOMIC EMPOWERMENT: Lessons from South America

Women face significant economic, social, and cultural challenges that limit their access to markets, quality jobs, and entrepreneurship and income-generation strategies. In Colombia, women in poverty make only 55 percent of the income their male counterparts earn (Martinez-Restrepo, 2017). In 2015, an estimated 47.7 percent of women in the rural areas of Peru did not receive any sort of income (INEI, 2016).

The big question among policy makers, development agencies, and researchers in the field of women's economic empowerment is how to effectively improve women's economic empowerment through income-generation strategies, training, and social programs. One way to address this question is by exploring the way we define and measure women's economic empowerment, since it impacts the design of interventions, programs, and policies.

Conventional measures of economic empowerment have used employment, income, and education as proxies. More recently, the research community has recognized the relevance of subjective dimensions such as decision-making power over purchases, bargaining power, subjective perceptions of well-being, and freedom of choice.

One of the current challenges we face as researchers from South American countries is that some of the instruments used to measure economic empowerment, particularly



through subjective dimensions, do not necessarily work for women in poverty. Often, women interpret abstract questions differently than researchers expect and the *subjective measurements* researchers use carry context-specific meanings. These facts suggest that we should adopt alternative strategies when measuring economic empowerment in low-income settings across South America.

THE PURPOSE OF THIS BOOK

The objective of this book is to provide empirical evidence from the South American countries of Colombia, Peru, and Uruguay about our experiences as researchers implementing existing methods and questionnaires used to explain and measure women's economic empowerment in terms of individual outcomes. Our evidence focuses on the results, effects, impacts, and measurement of economic empowerment. To this end, the book explores both quantitative and qualitative methods to measure the usual proxies for empowerment—such as decision making and labor market participation—and the subjective dimensions of these measurements.

Additionally, this book aims to disseminate methodological approaches and methods to measure different dimensions of women’s economic empowerment so economic development practitioners, program evaluators, researchers, and policy makers may take advantage of them.

In this book, we use the theoretical framework proposed by Naila Kabeer in her 1999 article "Resources, Agency, Achievements: Reflections on the Measurement of Women's Empowerment," which frames empowerment as a process rather than an outcome. We provide evidence about how we have measured women’s empowerment using subjective dimensions in three key areas: decision making, autonomy to choose, and economic autonomy. Our evidence mostly examines the qualitative and quantitative methods and results from impact evaluations of social and educational programs for low-income rural and urban women in Colombia, Peru, and Uruguay, which we related to women’s economic empowerment.

RESEARCH QUESTIONS AND HYPOTHESES

The research questions that shape this book ask about specific challenges in the way researchers and policy makers define and measure women’s economic empowerment. These questions also guide the lessons from the field we present in the book.

THEORY. Are we measuring women's economic empowerment accurately according to the existing theory of empowerment as a process? We found that some studies in South America do not consider empowerment as a process. In particular, we often fail to account for what *resources* and decisions are really strategic to improve women’s well-being.

SUBJECTIVE DIMENSIONS OF ECONOMIC EMPOWERMENT. What are the lessons from the field about using subjective measures for empowerment? Our evidence shows that many low-income women in Colombia and Peru do not interpret abstract questions

about decision making and well-being as researchers expect. Thus, researchers have the opportunity to improve data collection by administrating questions with concrete examples and situations.

REGIONS AND CULTURE. Are measures of women’s economic empowerment applicable to different cultures? Our evidence shows that we should not transfer questions and surveys from other regions without carefully examining whether they apply to the local culture and socioeconomic status of women surveyed at a local and national level. For example, we have imported many instruments and applied global measures from demographic health surveys without questioning their local and national relevance and what they mean for women’s empowerment and choice.

MIXED METHODS. How can *mixed methods* help us to better understand the process of women’s economic empowerment? Our evidence shows that it is crucial to know the individual subjective processes by which women value certain resources and constitute them—or not—as instruments to empower and to increase *agency* (to choose and to create strategies). In addition, understanding the ways in which women’s thinking and behavior evolve over time helps improve the accuracy of interpretation of quantitative results.

THE CHAPTERS OF THIS BOOK

Chapter 1, “Measuring Women’s Economic Empowerment: Issues and Challenges,” introduces general debates and trends to conceptualize and measure women’s economic empowerment, taking into consideration South America’s particularities.

Chapter 2, “Conceptualizing Women’s Economic Empowerment as a Process and Implications for its Measurement in South American Countries,” by Susana Martinez-Restrepo and Laura Ramos-Jaimes, conceptualizes women’s economic empowerment as a process and articulates subjective variables of



empowerment in selected South American countries within this framework. Resources, agency, and *achievements* are at the core of the process of economic empowerment, while the use of subjective methods, the *intersectionality* of social categories and identities, and researchers’ position and point of view influence its measurement. This chapter outlines the methodological discussion of the remaining parts of the book.

Part 1 encompasses Chapters 3, 4, and 5 and provides evidence from Peru and Colombia about measuring agency as it relates to decision making. The case studies discuss the difference between measuring strategic and second-order decision making. Agency as a proxy for empowerment is ultimately about having alternatives from which to choose.

Chapter 3, “What Does it Mean to Jointly Manage Household Expenditures?” by Johanna Yancari Cuevas, presents evidence from the impact evaluation of the Pilot Savings Program among beneficiary families of the Conditional Cash Transfer Program JUNTOS, a financial education program in Peru. This case study discusses the importance of differentiating between strategic and second-order decisions in the process of women’s economic empowerment. It reflects the need to understand when joint decision making might reflect not a lack of empowerment but rather a woman’s cooperation with her husband. Decision making can be characterized as cooperative as long as it does not oppose women’s preferences.

Chapter 4, “Understanding the Role of the Couple in Key Decisions and Actions of the Female Entrepreneur in Peru,” by Martin Valdivia, analyzes the functioning of two variants of decision-making questions in the context of the impact evaluation of the Women’s Leadership in Small and Medium Enterprises program. This program aimed to gather new information about which business models work best for women’s entrepreneurship in the context of developing countries. The innovative question design aims to measure women’s economic empowerment by the extent to which women evidence agency by making key business decisions and the role played by their male partners’ participation in household chores.

Chapter 5, “Freedom to Choose: The Role of Abstract and Concrete Questions in Colombia and Peru,” by Susana Martinez-Restrepo and Johanna Yancari Cuevas, discusses the challenges researchers face administering abstract questions to women in poverty in order to measure women’s subjective perception of freedom to choose and autonomy.

Part 2, which encompasses Chapters 6, 7, and 8, challenges and proposes solutions to the way we are measuring labor market achievements as a proxy for empowerment. It wonders whether labor market participation increases women’s ability to make *strategic choices* and ultimately improve their lives, according to the intersectionality of women’s socioeconomic status and age, and how women make decisions related to whether or not they work outside the household.

The case study in **Chapter 6, “Labor Markets and Economic Empowerment: Evidence from the Impact Evaluation of Red UNIDOS in Colombia,”** by Susana Martinez-Restrepo, offers empirical evidence that traditional labor market indicators such as labor market participation, income, job informality, and unemployment are not necessarily the best proxies for economic empowerment. With evidence from the impact evaluation of Red UNIDOS in Colombia among women in extreme poverty, we argue that measurements of economic empowerment must consider mixed methods and subjective dimensions associated with labor decisions and the constraints that limit women’s choices.

Chapter 7, “The Role of Choice and Constraints in Women’s Willingness to Take a Job in Cali, Colombia,” by Susana Martinez-Restrepo, presents the results of a laboratory experiment about labor preferences for formal and informal jobs among women living in extreme poverty and displaced by violence in Cali, Colombia. We found differences in women’s job preferences when their husbands were present in the experiment (*treatment group*) versus when their husbands were not present (*control group*). These preferences varied according to the number of hours women had to spend away from home in a formal job, the price of transportation, cost of care or supervision for children and/or adolescents, and the number of children in the household under the age of 18.

Chapter 8, “Subjective Definitions of Work: The Use of Discussion Groups to Measure Subjective Dimensions of Women’s Economic Empowerment in Uruguay,” by Alma Espino, explores women’s subjective perception of labor market participation and the *status* associated with it in Montevideo, Uruguay. This case study used discussion groups of women of different socioeconomic statuses and ages. Results revealed that paid work plays a key role in women’s perception of economic empowerment. Women with higher levels of education associated paid work with personal fulfillment, pleasure, independence, freedom, and autonomy. However, women with low levels of education associated paid work with obligation or sacrifice. This evidence suggests the importance of reconsidering the use of labor market proxies as direct measures of economic empowerment, as well as the importance of including intersectional analysis in the process of understanding women’s experiences at work.

Finally, in **Chapter 9, “Methodological Considerations in Measuring Women’s Economic Empowerment in South America,”** the editors highlight several methodological considerations and proposals to overcome the challenges we faced in the field. When measuring decision making, we must think about what constitutes a strategic and empowering decision. When measuring labor market engagement, we must consider the role of status and choice. Experimental economics, masculinity, and social categories that intersect with gender can help us further understand the process of women’s economic empowerment and improve quantitative and qualitative instruments.

ABOUT THE CO-EDITORS AND CONTRIBUTORS



Susana Martinez-Restrepo, is a feminist economist researcher at Fedesarrollo, Colombia and Co-founder at CoreWoman. Her expertise includes gender, education, and labor markets program design and impact evaluations. Her particular interest in recent years has been in improving the way we measure women’s economic empowerment and how program design and evaluations can provide further evidence to empower more women.



Laura Ramos-Jaimes is a feminist economist and junior researcher at Fedesarrollo in Colombia. She is an expert in impact evaluation, gender theory, intersectional analysis, and postcolonial theory.



Alma Espino is a feminist economist researcher from UDELAR, Uruguay. She brings to this book more than 30 years of experience doing research in South American countries about women’s economic empowerment and subjective dimensions that can mostly be measured by qualitative methods.



Johanna Yancari Cueva is a Peruvian economist and expert in rural development and program impact evaluations at the Instituto de Estudios Peruanos. Her experience in the field led her to provide insightful evidence about the problems we researchers usually face in the field when applying instruments to measure women’s economic empowerment.



Martin Valdivia is a Peruvian economist and expert in health, poverty, microfinance, and rural development currently in GRADE, Peru. In recent years he has increasingly worked on the differential effects of social and entrepreneurial programs on women.



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