The International Working Group on Gender, Macroeconomics and International Economics (GEM-IWG) is an international network of economists that was formed in 1994 for the purpose of promoting research, teaching, policy making and advocacy on gender-equitable approaches to macroeconomics, international economics and globalization. The Program on Knowledge Networking and Capacity Building on Gender, Macroeconomics and International Economics, which was inaugurated in the summer of 2003, has two objectives: first, to engage with fellow economists in order to enhance capacity building in research, teaching, policy making and advocacy in this area; second, to strengthen the intellectual links among practitioners in networks working on similar issues.

The working paper series is designed to create an international forum for scholarly and policy-oriented work on these issues. The goals of the series include:

- To increase the visibility of and centralize access to work in the area of gender, macroeconomics and international economics.
- To make research immediately available to the community, up to a year or more prior to the conclusion of the lengthy review and publication processes of standard academic journals;
- To increase the international supply of this research by providing a publication venue for interested researchers, including Program graduates.

Criteria for Acceptance. The IWG-GEM working paper series publishes papers of high quality that have the following characteristics:

- Make an important contribution to the field of gender, macroeconomics and international economics;
- Build upon and adequately reference the appropriate literatures;
- Are clearly written and accessible to a broad international audience;
- Present clearly the core arguments and methodology.

Submission. To submit a paper to the working paper series, please go to the GEM-IWG website, www.genderandmacro.org.

# Paid/Unpaid Work and the Globalization of Reproduction<sup>1</sup>

#### Lourdes Benería

## GEM-IWG Working Paper 07-1 March 2007

#### **ABSTRACT**

The paper deals with issues of social reproduction within a globalized world in which we are observing gender transformations that are shifting gender relations. In particular, women's roles have been changing quite deeply and, in the process, men's have been transformed also, even though questions remain about the extent and significance of these transformations from a gender perspective. The neoliberal order has tended to privatize individual and family survival, de-emphasizing and de-universalizing social protection. This is the case in the North as well as in the South even though the specific forms and circumstances differ substantially. Using the capabilities approach, the paper analyzes a variety of public policies that can contribute to reconcile care activities and labor market work. The last section argues that, although the capabilities approach can provide a useful avenue to incorporate socio-economic structures in its analysis, it falls short of dealing with the socio-economic conditions that can facilitate or place limits to these processes.

Lourdes Benería is a Professor in the Department of City and Regional Planning at Cornell University in Ithaca, NY, as well as a member of the GEM-IWG. Professor Benería's research centers on gender and development, labor markets, women's work, globalization, European integration, and Latin American development. Benería served on the International Advisory Committee for the UNIFEM report on World's Women's Progress/2000 and is a member of the International Advisory Board for the International Labor Organization's Global Programme on Socioeconomic Security. She has been a member of the Research Advisory Council of the Economic Policy Institute in Washington, D.C. and is a current member of UNDP's Directory of Appointed Experts on Poverty in Latin America and the Caribbean. Her current work focuses on labor market informalization, poverty, and urban change in Latin America.

<sup>&</sup>lt;sup>1</sup> Presented at the ASSA meetings (URPE/IAFFE panel), Chicago, January 4-7, 2007. A preliminary version of this paper was presented at the meeting on "Social Cohesion, Policies of Reconciliation and Public Budget" organized by UNFPA/GTZ, Mexico City, October 24-26, 2005. Many thanks to Luis Mora for getting me to think about this topic, and to Dick Millet and Mildred Warner for their useful comments on an earlier draft.

# Paid/Unpaid Work and the Globalization of Reproduction

#### I. Introduction

Legislative efforts to balance or reconcile household activities associated with the care economy and market work have become a matter of intense public debates in many countries in the North, particularly in the European Union since the late 1990s. This is because "the crisis of care" has intensified as women have increasingly moved into the paid labor force and as demographic trends have resulted in very low fertility rates and very high life expectancy in most countries, with the corresponding aging populations and pressures on social security systems. The provision of day care and other social services facilitating women's incorporation in paid labor have become increasingly important –as well as legislation regulating parental and other care-related leaves from work. In the South, these legislative efforts seem less urgent, mostly because the middle and upper classes, i.e., those who tend to exercise most influence on public debates and legislative initiatives, have these pressures cushioned by their access to domestic service; the need to balance household and market work is mediated by the still abundant supply of mostly women willing to work for the very low wages and precarious working conditions prevailing for this type of work in many countries. Yet, to the extent that developing countries will develop and generate new sources of employment with more favorable working conditions, they are also likely to see these pressures increase over time.

This paper argues that the policies needed in Southern countries for balancing different types of work may be different from those designed in the North. In particular two main differences are analyzed. The first has to do with the extent and significance of the informal economy. Although labor market informalization has intensified across countries as a result of neoliberal policies and globalization, in the South the informal economy absorbs a much higher proportion of the working population. This has implications for the needs and ways for households to reconcile family and market work. The second difference relates to the feminization of international migration which, especially since the 1990s, has contributed

to the globalization of care and of social reproduction. Women's migration from the South to the North in large numbers, including mothers leaving their families behind, has been meeting the demand for care labor in Northern countries. This process has affected the ways in which migrant families in the South organize themselves, including the formation of transnational families who have to solve their own care needs. The paper analyzes these differences and provides a theoretical framework for linking reconciliation policies with the human development or capabilities approach, identifying policies that can expand individual, particularly women's, capabilities through balancing family and market work. The background of this analysis refers especially but not exclusively to the case of Latin American countries such as Bolivia and Ecuador, with an important emigrant population that has become increasingly female.

Overall, the paper deals with issues of social reproduction within a globalized world in which we are observing gender transformations that are shifting gender relations. In particular, women's roles have been changing quite deeply and, in the process, men's have been transformed also, even though questions remain about the extent and significance of these transformations from a gender perspective. The neoliberal order has tended to privatize individual and family survival, de-emphasizing and de-universalizing social protection. This is the case in the North as well as in the South even though the specific forms and circumstances differ substantially. Using the capabilities approach, the paper analyzes a variety of public policies that can contribute to reconcile care activities and labor market work. The last section argues that, although the capabilities approach can provide a useful avenue to incorporate socio-economic structures in its analysis, it falls short of dealing with the socio-economic conditions that can facilitate or place limits to these processes.

#### II. Balancing Paid and Unpaid Work: North/South Differences

A good deal of the legislative efforts to reconcile household and market work in the North have tended to focus on employing institutions as the channels through which these measures are implemented. To illustrate, Spain's 1999 "Law To Promote the Reconciliation Between Family and Working Life" regulates maternity and paternity leaves, as well as work leaves and reductions in hours of work to facilitate not only the care of biological and

adopted children but also the care (and attending to the death) of kin family members. For this purpose, the law mandates paid or unpaid leaves with the assumption that workers can return to their jobs within a given period. The different forms of temporary leaves and permissions to facilitate care work are to be negotiated through the firm or the worker's employing institution. Similarly, the law regulates reductions in social security payments for the employing institution granting these permissions to both men and women. This is done with the purpose of preventing discriminatory treatment of women workers, in particularly its negative effects on female employment if it is assumed that women are more likely than men to ask for maternity leaves or other care-related leaves from work.

The objective behind this type of legislation is twofold. First, it aims at facilitating women's incorporation in the paid labor force and, second, it promotes equality of treatment between men and women workers. By legislating parental permits on an equal basis between men and women, it meets the need to end discriminatory practices that hurt women as the primary care-providers. It also responds to the calls for promoting gender equality, not only from women in general and women's groups in particular but also from a variety of international institutions. The Spanish law for example mentions specifically the recommendations from the 1995 Beijing Platform of Action agreed upon at the Fourth UN Conference on Women; and it refers to the directives given by the Council of Europe and the recommendations from UNICEF and other international organizations regarding the need to grant parental leaves. In addition to this type of legislation, the debates on reconciliation measures have centered around other basic policies facilitating women's incorporation into the paid labor force. These include the provision of day care and other public services addressing family needs, as well as the flexibilization of working hours and commercial schedules in order to facilitate combining employment and domestic responsibilities.

To be sure, statements of principle and the passing of legislation are not sufficient to deal with the pressures of reconciliation unless they are accompanied with efforts to implement them. My question here is whether these types of legislation are appropriate for the developing world and, more specifically, for countries such as those that characterize many Latin American economies. Although in general this legislation might be appropriate,

there are three main differences between the North and the South that must be taken into consideration in answering this question. The first is that the availability of inexpensive domestic service functions as a cushion that diminishes family tensions around unpaid work. Although this privilege is available only to the middle and upper classes, they are precisely those most likely to contribute to the debates and to introduce legislation. Perhaps for this reason, at least in the current Latin American context, the debates around policies of reconciliation have not surfaced in any visible way, probably because they seem less urgent than in the Northern countries.<sup>2</sup> The second difference has to do with the extent and nature of the informal economy, and the third relates to the phenomenon of South-North migration and particularly to the feminization of migration. In what follows, I examine the last two in more detail.

### a. The Informal Economy

Much has been written about the ways in which, during almost three decades, globalization and neoliberal policies have contributed to labor market informalization, both in the North and the South but with many differences between the two sets of countries. The tremendous growth of the informal economy during this period has resulted in a continuous weakening of the links with formal firms and institutions for the largest proportion of the labor force. The shift of employment to more informalized jobs has resulted, first, from the variety of policies introduced through structural adjustment programs –from budget cuts to privatization programs aimed at reducing the scope of the state, and from deregulation of markets to the opening of national economies to global competition and foreign investment. Second and parallel to the first, increasing global competition resulting from globalization and global restructuring has resulted in a deterioration of the relative bargaining power of unskilled labor. Transnational production has provided multiple channels to shift investment towards more informalized, precarious, exploitative and unprotected forms of employment. In developing countries, references to the informal "sector" prevailing in the initial 1970s formulations have been replaced by an analysis of the informal "economy" -- given the magnitude of the affected population. In the

<sup>-</sup>

<sup>&</sup>lt;sup>2</sup> However, the debate has begun in some circles. UNFPA for example organized a pioneer gathering to discuss reconciliation policies at a gathering in Mexico City in October 2005, for which I presented an initial version of this paper. Since then, UNFPA has continued the work on these issues.

Latin American region, about half of the working population on average is engaged in informal activities, with higher proportions for the Andean and Central American countries. In Bolivia for example it has reached over 65% of the working population, the highest proportion in the Andean countries (Benería and Floro 2006). The literature has shown the ways in which the informal economy and its accompanying processes of unemployment, underemployment and social exclusion have been linked to the persistence of poverty in many countries (Portes and Castells 1989, World Bank 2000/01; Benería 2003; ILO 2004; Pérez-Sáinz, 2006).

An extensive literature also exists on the extent and nature of informal activities, characterized by their precarious and unstable working conditions, lack of regulation, and unprotected labor. A good proportion of informal labor is engaged in precarious subsistence activities through which individuals and households manage their survival strategies, as in the case of street vending. However, the informal economy also includes multiple forms of labor engaged in wage labor and self-employment. The processes of informalization that have taken place under globalization and neoliberal policies have resulted in a continuous blurring of the formal/informal divide, for example through subcontracting and outsourcing. The degree of fluidity between formal and informal activities and between different types of work can be very high; for workers, it often includes temporary migration within and between countries, symbolized by what Garcia-Linera (1999) has referred to as the contemporary "nomad worker." Thus the informal economies of the South are characterized not only by a high degree of fluidity between jobs that include formal/informal activities but also by a high level of heterogeneity. This results in different degrees of precariousness, income levels, instability, insecurity and vulnerability. To illustrate, in a study of poor urban households in Bolivia and Ecuador, Benería and Floro (2006) distinguished between three "degrees of informality" in order to best understand this variations in fluidity, vulnerability and heterogeneity as well as in labor market insertions and labor conditions. For women in particular, the shifts between different jobs and tasks is also associated with their involvement in domestic work and care responsibilities. For them, the care of children is often not separated from other activities, with important consequences for balancing family and market work.

Under these circumstances, reconciliation policies can hardly be designed as to be implemented through the workplace since formal and secure work involves only a small proportion of the population. For most workers, there is no fixed workplace, and the most stable working reference is the household. In addition, policies aimed at increasing labor market flexibilization are not very relevant given that the informal economy is highly flexible. This implies that policies to balance different types of work should be designed around the household as the center of people's life and work, such as with the availability of neighborhood day care (as opposed to day care at the firm's or other institutional levels), access to local schools for all children, and measures to save time in domestic and care activities. This is of course particularly relevant for women, and it can include a large variety of measures such as increasing access to neighborhood health centers, the availability of community services such as sports facilities and centers for the aged, improvements in public transportation, paved streets that make it easier for people to move about, greater access to telephones, and others. Most importantly, these measures should aim at saving time for household members, especially women who tend to have the greatest need to reconcile different types of work. We will return to this subject below.

## b. The globalization of care and social reproduction

The feminization of international migration has been on the increase in Latin America particularly since the 1990s. In recent years, the proportion of women migrating to some European countries has represented more than 50% in many cases and it has reached levels as high as 70% (Dominican migration to Spain or Brazilian migration to Portugal) and 60% (Bolivian, Colombian and Peruvian migration to Spain) (Herrera 2005). For these countries, the difference with previous migration flows is their shift to Western European countries, Spain in particular, as their major destination. Similarly to the case of the Philippines from at least a decade earlier to the present, it has resulted from the combination of well known factors. First, the crisis of care in the European countries—due to the increase in women's labor force participation rates, the aging of the population resulting from the fall in fertility rates together with the increase in life expectancy, and further "nuclearization" of the family—has been partially met with foreign labor, particularly with women from Latin America. Southern European countries in particular have been meeting the deficiencies in public services care provision with foreign labor hired by individual households. Thus,

immigrants provide the help needed for middle class European women and men to participate in the paid labor force. On the one hand, their contribution involves the tasks of social reproduction, such as the care of children, domestic work and other family-related chores. On the other hand, they contribute to the care of the elderly as higher participation in paid work by all family members makes it more difficult to care for them.<sup>3</sup> For these reasons, immigrant women find jobs more easily than men, at relatively low wages for the receiving country but high enough to provide an incentive to migrate.

On the supply side, growing inequalities between countries not only provide an economic incentive to migrate; they are part of the sense of vulnerability and instability resulting from economic crises, poverty and unemployment prevailing in developing countries. For women, there are also gender-related factors behind their decision to migrate, such as the wish to leave abusive relationships, family conflicts, and different forms of gender discrimination (Camacho and Hernández 2002; Herrera, 2005). A variety of studies have shown that many emigrant women have children and leave their families behind, either assuming that the family will follow them eventually or that they will engage in some form of "international mothering." As in the case of the Philippines, the export of women's labor generates a "depletion of care resources" affecting their ability to provide care for the family left behind (Parreñas 2005); households have to negotiate who will be responsible for domestic chores and for the children and other family members once female migrants have left. This continuous negotiation includes men's involvement in the process and the extent of transnational mothering. In any case, it is obvious that there are hidden costs of migration that are nor easily capture by economic estimates; they include not only those involved with the dislocation of families and communities but also psychological costs that are very difficult to measure. These costs are hardly taken into consideration by those who hail the wonders of the market and of globalization to deal with social problems.

The corresponding formation of transnational families implies not only a significant shift in gender relations; it is part of the new "gender order" associated with globalization

<sup>-</sup>

<sup>&</sup>lt;sup>3</sup> Herrera (2005) reports that nine out of ten Ecuadorian women immigrants in Spain are engaged in domestic work. The proportion is even higher in the case of those without legal papers.

and pointed out by different authors (Bakker and Gill, eds. 2003). Women's roles experience contradictory changes. On the one hand, there are role reversals, symbolized by their decision to migrate and find employment abroad before men do; likewise, their new role in family maintenance takes place through the remittances sent. Both represent an increase in women's individual and financial autonomy which can contribute to a process of "undoing gender" (Benería 2006). 4 On the other hand, the prevalence and intensity of transnational mothering also implies a continuity of women's traditional roles; although subject to changes in time and space, there is evidence that emigrant women's care of their children does not stop when they physically leave them (Festermaker and West 2002; Salazar Parreñas 2005). In her study of children growing up in homes of migrant mothers in the case of the Philippines, Salazar Parreñas illustrates the extent to which the experience of children is different in mother-away vs father-away households. In the first case, children feel not only deprived of mother's presence and love; her absence is socially more difficult to accept for them than that of the father because it goes against conventional social norms and traditional gender roles. Likewise, Herrera (2005) makes reference to an Ecuadorian mother who is saddened by the fact that her children are resentful of her absence and have not understood her decision to leave. These examples speak of tensions between role reversals and continuities. Parreñas for example claims that the ideology of women's domesticity remains quite intact in the Philippines, yet the described role reversals are likely to work in the opposite direction, generating corresponding tensions as well as transforming gender roles and gender relations.

As for the significance of female migration for reconciliation policies, these processes have significant impacts both in the South and the North. In the receiving countries, the employment of immigrant women represents an individual household's solution to the needs of balancing family and labor market work. To the extent that many households recur to similar solutions, it contributes to the privatization of social reproduction prevailing under global neoliberalism. This solution is open to families that can afford the corresponding costs but leaves lower income households without solving the

\_

<sup>&</sup>lt;sup>4</sup> The shift probably implies and increase in women's bargaining power within their families and communities. Although there are indications that this is the case, I am not aware of any study focusing on this issue in any detail.

problems of balancing their time tensions. In this way, it might tend to decrease social pressures to find collective solutions to the crisis of care, but it contributes to the vicious circle through which private solutions might delay collective efforts through public policies. In the South, the need to balance family and labor market work shifts from the women who migrate to the individuals who replace them. In the case of mothers leaving their children behind, studies show that it's mostly women who replace them, even in cases when fathers assume responsibility, and this includes especially close relatives or female extended kin (Herrera 2004; Salazar Parreñas 2005). Yet, in the absence of a clear pattern regarding who takes up the tasks of the absent mother or daughter, it is difficult to identify those who can benefit from any type of reconciliation policy. However, policies that save time to household members and to women in particular, as mentioned above, are likely to help them as well.

## III. The capabilities approach framework

It seems useful to place the efforts to balance family and labor market work within the framework of the capabilities approach. Reconciliation policies can be viewed as a way of expanding the capabilities of those who benefit from them, particularly women. The notion of capabilities is understood here as defined initially by A. Sen (1985) and elaborated by M. Nussbaum (2000), Robeyns (2003 and 2004) and others. Linked to the concept of human development, they represent ways to expand the multi-dimensional potential and functionings of individuals, affecting each and everyone to be and to do. Sen distinguishes between "capabilities" and "functionings" in the sense that they represent a distinction between what is possible and desired on the one hand and what is actually realized on the other. For Sen, the "primary feature of a person's wellbeing is the functioning vector that he or she achieves" (Sen 1985: 198). While a capability is "the ability to achieve," a functioning is an actual achievement; the first "connotes a sort of possibility or opportunity for functioning" (Crocker 1985: 162). Thus, capabilities can be linked to the removal of obstacles in people's lives so that "they have more freedom to live the kind of life which, upon reflection, they find valuable" (Robeyns 2004, p. 2). For Sen and Nussbaum, "development is the promotion and expansion of valuable capabilities" (Crocker 1985: 157)).

The approach is particularly relevant for women since, depending on the extent of gender discrimination and patriarchal norms, conventional measures of development can be very inappropriate to evaluate their wellbeing. Economic growth and family income for example may not benefit them to the same extent as male family members. Hence, a focus on capabilities rather than income can reveal more specifically the different dimensions that can contribute to women's wellbeing. As Nussbaum argues, a further advantage of this approach is that it can address gender inequalities in resources and opportunities within the family.

It has been pointed out that, in many ways, the notion of capabilities is similar to that of human rights. However, as Nussbaum (2003) has observed, "the language of capabilities gives important precision and supplementation to the language of rights" (p. 37). Thus, desired capabilities might differ according to specific circumstances related to socioeconomic conditions and cultural factors. Unlike rights, which have been criticized for having a Western bias, the notion of what people are able to be and to do might call for very specific goals and it can differ across the social spectrum and across countries and regions. Along these lines, some authors have developed a list of capabilities beyond Sen's more general approach. In fact, Sen does not endorse the notion of elaborating specific lists since he assumes this is the task of public debates within a democratic system. The lists can be used to design indicators of wellbeing or quality-of-life and for the purpose of setting social goals and design policy. Nussbaum for instance has developed a list of ten capabilities that she sees as "central" and which range from "life" ("being able to live to end of human life of normal length..."). "bodily health" ("being able to have a good health...") to "bodily integrity" ("being able to move freely from place to place...and to be secure against violent assault..."), and others such as "control over one's environment" which includes political participation as well as control over material aspects of people's lives such as being able to hold property (Nussbaum 2003:41-42). She views this list as being universally valid despite her claim that capabilities are more specific and hence more locally adaptable than human rights.

A different question is how to move from a list of capabilities to the realm of policy and practical action, which is my concern in this paper, in such a way that capabilities can become functionings for each and everyone. This implies some evaluation of what is most urgent for a good life; Nussbaum's list of capabilities is a useful attempt to do so but it is still too general to specify some policies such as those helping reconcile paid and unpaid work. For this purpose, I have used a different list of 14 capabilities compiled by Robeyns (2003) for an evaluation of gender inequality in Western societies. One of the differences between Nussbaum's and Robeyn's lists is that the latter includes capabilities having to do with gender inequalities in time allocation, leisure-time, and time-related stress which she considers are an important social issue in some Western societies. Five among them seem particularly relevant for the ability to reconcile different types of work and are listed in Table 1: 1) being able to raise children and to take care of others, 2) being able to work in the labor market or to undertake other projects, 3) being able to be mobile, 4) being able to engage in leisure activities, and 5) being able to exercise autonomy in allocating one's time.

Robeyns arrived at her list following several steps that included brainstorming sessions, the testing of a draft list by engaging with existing literature on the topic and comparing it with other lists, and debating the list with different groups representing different spheres of life. Thus, her methodology incorporated the expressed needs and local views of people specific to Western societies. However, some of these capabilities seem relevant to all societies whereas others apply to some contexts more than others. For example, #1 and #2 can be considered relevant rather universally whereas #3 applies to different societies in various degrees; even though women's mobility tends to be lower than men across countries, 6 this capability can be especially relevant in areas with restrictive social norms limiting women's mobility such as with seclusion and various forms of gender segregation. Likewise, #4 and #5 are particularly relevant for women; even though there can be differences across countries and social groups, available information on time distribution shows that men enjoy longer hours of leisure than women do; in fact many studies indicate that, particularly poor women, have no leisure at all (Carrasco et al, 2004; Andia Falgade

\_

<sup>&</sup>lt;sup>5</sup> More specifically, Robeyns' work is centered in Western Europe.

<sup>&</sup>lt;sup>6</sup> Most studies of mobility and use of transportation for example show that women tend to move within distances closer to the household than whereas men tend to travel longer distances (Alcántara de Vasconcellos, 2003).

2006).<sup>7</sup> In addition, gender norms and work roles prevailing in most societies assign women many responsibilities, such as domestic work and family care, in such a way that the degree of autonomy in allocating their time is very low, particularly time dedicated to leisure activities.

In each case, expanding these capabilities would ease the problems of balancing different types of work. Table 1 also includes a list of public policies that can be instrumental to expand the set of capabilities open to men and women and their households but with special relevancy for women. The positive signs and their number indicate the type of correlations assumed, except in the case of family subsidies whose effects on "being able to be mobile" are likely to depend on how the subsidies are used. 8 Following Robeyns' methodology, I have discussed the list of capabilities and policies included in Table 1 with different groups and people while doing fieldwork in Bolivia. The various discussions took place at different levels such as within at a seminar or a lecture on the topic and in informal meetings, with groups representing different constituencies and ranging from academics and researchers to activists and policy makers. Some of the researchers were very familiar with the needs of poorer households and had focused in particular on the lives of poor women. Although there were no basic disagreements regarding the capabilities and policies listed in Table 1, interesting comments and suggestions were made. For example, the column "access to water, laundry, etc." as well as "private transport" (in addition to "public transport") were added after one of these discussions. Some participants suggested "being able to bargain at different levels" (i.e., in the household, community, the state, etc.) and "being able to develop self-esteem" as important capabilities helping them to negotiate with policy makers, especially for poor for women; they are not included in the list since their connection with the policies listed can only be traced indirectly.

<sup>&</sup>lt;sup>7</sup> In a seminar I gave in La Paz, Bolivia, in which this set of capabilities was discussed, a participant who had conducted research among poor, mostly indigenous, women in the city of El Alto, pointed out that most poor women did not have any leisure time. In fact, when asked what would they do if they had an hour of leisure a day, some of them responded that they would use it to do more paid work in order to raise their household income.

<sup>&</sup>lt;sup>8</sup> For example, subsidy targeted to increase food available for family consumption is not likely to increase women's mobility whereas the effect would be positive if it's used to increase children's school attendance.

As for the list of policies included in Table 1, it should be noted that they are compatible with the assumption, as argued above, that the household is the most stable place for those engaged in informal activities. Each policy is likely to save time for household members but particularly for women, thus helping ease the pressure of balancing different types of work. Since they do not need to be implemented through a site of formal employment, these policies are appropriate for meeting the needs of those associated predominantly with the informal economy. They can be designed at the national or municipal level although some of them are more appropriate for intervention at the local level, such as "community services" and "access to water, laundries, etc." As will be discussed in Section IV, they require the type of commitment and funding associated with a collective approach to social reproduction —which runs counter to the tendency to privatize that has been promoted through neoliberal policies during the past two decades.

## IV. Concluding Comments: The Capabilities Approach and Social Policy

The connection made in this paper between the capabilities approach and social policy allows us to discuss some of the critiques or disagreements regarding its scope. In particular, I want to focus on two of them: a) the approach is two individualistic, and b) it does not pay sufficient attention to social structures (Robeyns 2004). A corresponding critique is that it remains located at the theoretical level without enough reference to the collective processes of social policy and to the limits and constraints that they can encounter. I want to argue that, to the extent that the capabilities approach can shed light on social policy, it needs to make a more explicit connection with the social structures and the wider socio-economic regime's capacity to open up potential capabilities and functionings.

Replying to the critique that the capabilities approach is too individualistic, Robeyns makes use of the distinction between "ethical individualism" —which postulates that individuals are the only units of moral concern—and "ontological individualism" which

\_

<sup>&</sup>lt;sup>9</sup> It should also be noted that the table does not include a column for "parental leaves" and "care leaves" because these policies tend to be linked to formal jobs while those in Table 1 can benefit informal workers as well. Yet, when mentioned, there was much agreement about the primary importance of these leaves for working women.

claims that "only individuals and their properties exist, and that all social entities and properties can be identified by reducing them to individuals and their properties" (p. 13). She then argues that "the capabilities approach embraces ethical individualism, but does *not* rely on ontological individualism," adding that "it takes into account the influence of societal structures and constraints on... choices" (p. 14). By distinguishing between capability and functioning, she argues, it recognizes the social and environmental factors that make possible to actually convert one into the other. In addition, "the crossing from capabilities to achieved functionings require an act of choice," and this choice is influenced by social structures and constraints.

Although Robeyns' arguments are well taken, they do not make explicit the variables that affect the "act of choice" and they miss the more political aspects that define social structures and shape the economic regime under which potential capabilities can be generated and be converted into functionings. Doing so requires a more critical analysis of the factors that influence theses possibilities. Although this may not be necessary at the more abstract level in which the capabilities approach is analyzed, it becomes important when it is applied to a specific situation. To illustrate with the concrete use of Table 1, the first question that I have often been asked in Latin America is "how can these policies be funded." This is an obvious question for countries where the role of the state in social policy has not only been reduced to a minimum and/or privatized during the neoliberal period; the state itself is often broke and any discussion that implies a government effort to deal with social policy requires a re-examination of its sources of revenue. 10 Without an effort to change the underlying forces behind social structures and public policies, suggestions requiring some departure from the trends introduced during the past twenty five years are likely to go nowhere. More generally and beyond the more specific issue of funding, neoliberalism has represented an ideological shift away from the state's responsibility in social protection. Thus, crossing from capabilities to achieved functionings requires an effort to redefine the social structures that have shaped policies during this period. In the specific

<sup>&</sup>lt;sup>10</sup> It is interesting for example that, in Bolivia, the failed effort to increased income taxes during the Gonzalez de Losada government, sent a pessimistic message about the possibilities of fiscal reform. In this sense, Evo Morales' government has raised new avenues with its announcement on May 1<sup>st</sup>, 2006 that it will re-nationalize the natural gas and oil sector. Although it is too early to tell how far this possibility can go, it provides a clear sign of the new tendency that seems to appear in Latin America, namely, a shift towards a more interventionist state to deal with urgent social issues such as poverty and social protection.

case discussed in this paper, it implies that the adoption of measures aimed at reconciling different types of work requires a willingness to expand social interventions. To be sure, this can be negotiated through a democratic political process as Sen likes to emphasize. Robeyns (2004) has also pointed out that the approach does include social structures in its conceptual framework, "though with the clear recognition that these are the means and not the ends of well-being" (p. 15). Yet, without a more explicit recognition of the ways in which means shape the ends, its practical significance is diminished.

Given current trends in Latin America, the increasing incorporation of women in the paid labor force is likely to continue. To the extent that countries will succeed in raising living standards, domestic service as it exists now is likely to be less accessible to many households. This implies that balancing different types of work will become a matter of greater urgency than it is at present, but a conscious effort to meet these needs will require a political environment able to allocate resources to the appropriate policies. This is not the environment that has prevailed during the past two decades during which the tendency has been a downward pressure on social policy spending. During this period, the emphasis has shifted away from encouraging social programs while the role of the state has focused on facilitating the expansion and functioning of the market at all levels. At the same time, public spending has been handicapped by the enormous decrease in the relative amount of taxes paid by the business sector. Globalization has facilitated this process and taxation policies have been designed to provide incentives to capital; the result has been the increase in the relative share of labor-related or consumption-related taxes (Wachtel 2003). In Latin America, we are beginning to see a shift away from the neoliberal model that has imposed current social policies -or lack of them. In this process, social pressures can play an important role, but it'll be difficult for individual countries to construct social policy aimed at building people's capabilities; in a globalized economy in which the foundations for collective approaches to social wellbeing have been eroded, this effort will require an understanding of global connections.

#### References

Alcántara de Vasconcellos, E., 2003: "Urban Transport and Tensions in Developing Countries," in L. Benería and S. Bisnath, eds., *Global Tensions: Opportunities and Challenges in the World Economy*, Rouledge: 291-308.

Andia Falgade, E., 2006: *Relaciones de Género en la Cultura Andina*, Santa Cruz de la Sierra: Secretaria Rura Peru-Bolivia.

Bakker, I. And S. Gill, 2003, eds.: Power, Production and Social Reproduction, Palgrave Macmillan.

Benería, L. 2006: "Globalitzation, gender and the transformation of women's roles," forthcoming in *Revista Catalana de Geografia*, Fall.

----- 2003: Gender, Development and Globalization. Economics as if All People Mattered, New York: Routledge.

Benería, L. and M. Floro, 2006: "Distribution, Gender and Labor Market Informalization: A Conceptual Framework with a Focus on Homeworkers," in S. Razawi and S. Hassim, eds., Gender and Social Policy in a Global Context: Uncovering the Gendered Structure of 'the Social', Basingstoke: Palgrave.

Carrasco, C., M. Mayordomo, M. Domínguez and A. Alabart, 2004: *Trabajo con Mirada de Mujer. Propuesta de una encuesta de población activa no androcéntrica*, Madrid: Consejo Económico y Social.

Garcia-Linera, A. Reploretarización: Nueva clase obrera y desarrollo del capital industrial en Bolivia (1952-1998), La Paz: Muela del Diable Editores.

Herrera, G., 2005: "Mujeres ecuatorianas en las cadenas globales del cuidado,"

ILO (International Labor Organization) 2004: *Economic Security for a Better World*, Geneva: International Labor Office.

Nussbaum, M., 2000: Women and Human Development. The Capabilities Approach, Cambridge University Press.

-----, 2003: "Capabilities as Fundamentals Entitlements: Sen and Social Justice," Feminist Economics, Special issue on Amartya Sen's Work and Ideas: A Gender Perspective, 9(2-3): 33-59.

Pérez-Sainz, J.P., 2006: in L. Beneria and N. Kudva, eds., *Rethinking Informalization: Poverty, Precarious Jobs and Social Protection*, Ithaca: Internet First University Press, Cornell University.

Portes, A. and M. Castells, 1989: The Informal Economy, Baltimore: The Johns Hopkins University Press.

Robeyns, I., 2003: "Sen's Capability Approach and Gender Inequality: Selecting Relevant Capabilities, *Feminist Economics*, Special issue on Amartya Sen's Work and Ideas: A Gender Perspective, 9(2-3): 61-92.

-----, 2004: "The capability approach: a theoretical survey," paper submitted to the *Journal of Human Development*.

Sen, A., 1985a: "Wellbeing, Agency and Freeedom: The Dewey Lectures 1984," *Journal of Philosophy*, 82: 169-221.

-----, 1985b: Commodities and Capabilities, reprinted by Oxford University Press (1999), Delhi.

Wachtel, H., 2003: "," in L. Benería and S. Bisnath, eds. *Global Tensions; Challenges and Opportunities in the World Economy*, New York and London: Routledge, pp.

The World Bank, 2000/01: World Development Report, New York: Oxford University Press.

Table 1. CAPABILITIES AND PUBLIC POLICIES

CAPABILITIES	Neighbor- hood day care centers	Access to schools	Access to health centers	Community services	Public and private transport- ation	Access to telef.	Family subsidies	Paved & secure streets, etc.	Access to water, laundry, etc.
1. Being able to raise children & to take care of others	++	+	+++	+	+	+	++	+	++
2. Being able to work in the labor market and other projects	+++	+++	++	+	+	++	++	+	+
3.Being able to be mobile	+	++	+	+	++	+	depend'g on use	++	+
4. Being able to engage in leisure activities	++	++	++	+++	++	+	+	+	++
5. Being able to exercise autonomy in allocating one's time	+++	+++	++	++	+	+	+	+	++