



**Working Paper**  
**No. 595**

**Empowering growth in Pakistan?**

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December 2014

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**ISSN 0921-0210**

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## **Abstract**

Pakistan's Vision 2025 connects a policy commitment to greater gender equality with inclusive growth. It prioritises a 'good quality of life and high living standard for all citizens across regions, gender' and to 'achieve an annual average growth rate of 7 to 8 per cent that is inclusive and endogenous' as its first two objectives (GoP 2014a).

These commitments respond to the multiple inequalities and the increasing polarization that characterise the South Asian country. Rather than indicating its economic strength, Pakistan's relatively high average income of current USD 1,290 is a reflection of the multiple inequalities that characterize the South Asian country. This is illustrated, for example, by the high incidence of poverty that paralleled even periods of high growth since the turn of the millennium. Despite international and national commitments, Pakistan is characterized by the most severe extent of gender inequalities in the areas of health, education and labour market participation as well as labour conditions in the South Asian region.

While positive economic growth rates are often assumed to go hand in hand with rising employment levels and opportunities for income-earning, growth and indicators of gender equality in Pakistan do not seem to be systematically correlated. This article explores the connection between economic growth performance and gender inequalities in Pakistan. We ask the question how empowering macro-economic growth has been and can be for women in Pakistan. The present paper addresses this question, offering a concise review of related research as well as an exploration of aggregate data on sectoral gendered employment and economic growth. Based on this it formulates tentative policy conclusions and an outlook for further research.

## **Keywords**

Economic growth, gendered employment, Pakistan, Vision 2025, women's empowerment

# 1. INTRODUCTION<sup>1</sup>

Pakistan's Vision 2025 connects a policy commitment to greater gender equality with inclusive growth. It prioritizes a 'good quality of life and high living standard for all citizens across regions, gender' and to 'achieve an annual average growth rate of 7 to 8 per cent that is inclusive and endogenous' as its first two objectives (GoP 2014a).

These commitments respond to the multiple inequalities and the increasing polarization that characterize the South Asian country. Rather than indicating its economic strength, Pakistan's relatively high average income of current USD 1,300 in 2013 (World Bank 2014) is a reflection of these inequalities. This is illustrated, for example, by the high incidence of poverty of 60 per cent at the USD 2 per day poverty line in 2008 (World Bank 2014) that persisted even during periods of high growth since the turn of the millennium. Gender-based inequalities characterize Pakistan's economy and wider society throughout. Despite international and national commitments, e.g. as a signatory to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), and with a National Policy for Development and Empowerment of Women in place since 2002, Pakistan is characterized by severe gender inequalities and marginalization of women in the areas of health, education and labour market participation as well as labour conditions in the South Asian region (Figure A1 in the appendix). They are reflected in Pakistan's extremely low ranking in the Global Gender Gap Index 2013, ranking as the world's second-worst country in terms of equitable division of resources and opportunities among men and women (Haider, 2013; World Economic Forum, 2013: 306-7).

Concern with the inclusiveness of economic growth at international (e.g. Ali and Zhuang, 2007; de Mello and Dutz, 2012; UNDP, 2011; World Bank, 2009) and national levels has increased during recent years. De Mello and Dutz (2012: 9) consider growth performance inclusive if '[...] benefits of increased material prosperity are [...] shared evenly among the various social groups'. Khan's (2012b: 16) narrower definition of inclusive growth focuses on the growth-employment nexus. According to him, inclusive growth is '[...] growth that is both sustainable and broad-based in terms of employment opportunities'. Gender dimensions have, by and large, been a footnote to this literature<sup>2</sup>. This is despite the fact that research underscores that economic growth is not gender-neutral (Seguino and Grown, 2006: 1081). This article therefore explores the connection between economic growth performance and gender inequalities in Pakistan. Based on that, we ask the question how empowering macro-economic growth has been and can be for women in Pakistan. Gender equality and women's

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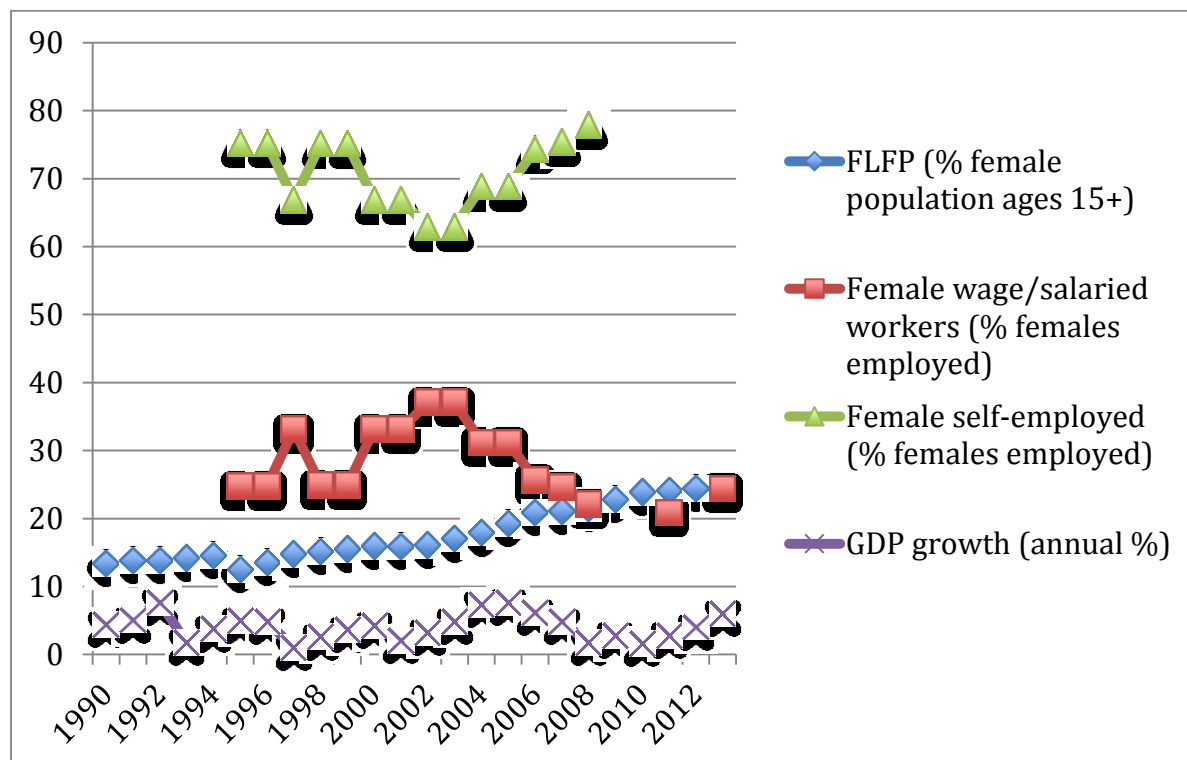
<sup>1</sup> Professional research assistance by Ayesha Malik is gratefully acknowledged.

<sup>2</sup> Niimi (2009) is a notable exception here.

empowerment are intrinsic rather than instrumental goals, explicitly valued as ends in themselves rather than as instrumental for the achievement of other policy goals (Kabeer, 2005: 13). Following Kabeer (2005: 13), empowerment is understood here as ‘[...] the processes by which those who have been denied the ability to make choices acquire such an ability’. In order to exercise strategic choices, the agency to challenge power relations, resources as the medium through which agency is exercised as well as the actual achievement of the types of lives that people want are required (Kabeer, 2005: 13-5). The article focuses on the nexus between growth and gendered employment as a potential resource to strengthen people’s agency (Kabeer, 2005: 18).

We conduct an exploratory data analysis (Smith-Miles, 2011) of published data derived from the Pakistan Labour Force Survey (LFS) of the Pakistan Bureau of Statistics (PBS) as well as growth statistics provided by the State Bank of Pakistan (SBP). While positive economic growth rates are often assumed to go hand in hand with rising employment levels and opportunities for income-earning for women (World Bank, 2011: 152), growth and gender equality in Pakistan do not seem to be systematically correlated. A first glance at related indicators suggests that while

Figure 1: GDP growth and female employment in Pakistan, 1990-2013



Source: World Bank (2014)

female labour force participation (FLFP) has increased steadily since the 1990s, women's wage employment has been volatile and shows counter-rotating trends if compared to female self-employment (Figure 1).

In the following, we outline theoretical predictions and empirical findings about the link between economic growth performance, gendered employment and women's empowerment (section 2). Informed by these perspectives, we discuss empirical trends in the growth-gendered employment nexus in Pakistan since the economy was liberalized substantially during the 1990s (section 3). Based on this, the article formulates tentative implications for policies aimed at 'empowering growth' in Pakistan and an outlook for further research in the concluding section (section 4).

## **2. UNDERSTANDING EMPOWERING GROWTH – A BRIEF REVIEW**

### **Transmission Channels of Growth to Gendered Employment**

Khan's (2012) notion of inclusive growth that underlines its association with broad-based employment creation is based on the acknowledgement that, while macro-economic growth might be an important factor in providing employment opportunities for women and men, as such this is not a sufficient condition (Berg, 2013: 47-8). The employment-intensity of growth matters for whether growth translates into employment opportunities (Osmani, 2006).

Moreover, this process of translation is often gender-specific. Such a gendered growth-employment nexus is reflected in different growth elasticities of employment, i.e. the rate at which employment grows when GDP increases by one percentage point. Kapsos (2005: 15) finds higher elasticities for women in South Asia than for men, especially during the 1990s. He offers three possible explanations for higher female elasticities: They may be interpreted as reflecting i. a secular process of catching up of women's employment, ii. greater sensitivity of women's employment to the economic cycle, and/or iii. the concentration of female jobs in more labour-intensive sectors (Kapsos, 2005: 9)<sup>3</sup>.

Kapsos' first explanation can be related to the hypothesis of a U-shaped relationship between economic growth and female labour force participation, first proposed by Boserup

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<sup>3</sup> Although not the focus of this contribution, the reverse effect, i.e. the role of gender inequality in employment for growth performance, has been investigated, too, acknowledging that "[t]here is thus a two-way causality between macroeconomic variables and gender equity" (Seguino and Grown, 2006: 1081). Klasen and Lamanna (2009: 91) find that "gender gaps in education and employment considerably reduce economic growth". Pervaiz et al. (2011) finds support for this in the context of Pakistan. Their index of gender inequality that addresses dimensions of health, education, employment has a negative and significant impact on economic growth. This win-win scenario has not gone without critique. For instance, for the context of Asian economies, Seguino (2000) argues that gender wage inequality has actually stimulated growth. She shows how the segregation of lower paid women in export industries helped to keep export prices low and hence to increase competitiveness.

(1970). Building on dualist development models, she argued that men's privileged access to education and technologies would displace women from the labour force during early stages of development. With further development, women gain access to education and technologies. This process intersects with the gender division of reproductive labour. When the main site of production shifts from the home to the factory, women - who are considered 'homemakers' in many societies - are disadvantaged in access to employment. Yet, the types of jobs offered, but also the social norms mediating gender-specific employment change over time and enable women to participate (Blau, 2013: 1-2; Tam, 2011: 140-141). This 'feminization U' has been supported in cross-country, but – more importantly – also in time-series analyses (Çağatay and Özler, 1995; Goldin, 1995; Olivetti, 2013; Tam, 2011). Kazi (1999: 392) finds support for it for a cross-section of women in Pakistan.

### **Access to Paid Jobs not Necessarily Empowering**

Similar to the complex transmission of economic growth performance into gendered employment, access to jobs is not necessarily empowering. Overall, it has been pointed out that informal and formal institutions, such as social norms as well as the legal and political context, have a crucial role in mediating employment effects on women's empowerment (e.g. Elson, 1999; van Staveren, 2013). A high growth elasticity of employment might be triggered by the take up of 'survival' jobs – jobs taken out of dire economic need rather than 'career' jobs, i.e. jobs 'upon which one could support a family and develop a sense of self-worth and dignity' (Chun, forthcoming: 6-7). Such distress sale of labour has been labelled an 'added worker effect'. It implies that so-called secondary workers, often women and young people, take up jobs during recession. Their labour force participation hence displays a counter-cyclical trend. That way, they compensate for the losses in employment and/or earnings of other household members who are affected by the business cycle or macro-economic shocks (Borjas, 2010: 70-71). Khan's (2007: 7) observation that, by and large, Pakistani women work out of economic need is in line with such distress employment. Ahmad and Hyder's (2006: 35) finding that, during the period of 1976-2005, per capita income in Pakistan was negatively associated with female labour force participation as well as the negative association of the share of women's self-employment with GDP growth since the turn of the millennium (Figure 1) may be interpreted as further support for this view.

In contrast, Sen (1987) assumed an increase in women's bargaining power through autonomous income. He emphasized that outside earnings can give women a better bargaining position, a clearer sense of self-worth, as well as a higher perceived contribution to the



household's economic position (Sen, 1987: 37). Similarly, Kabeer (2000, quoted in Pearson, 2007: 204) argues that paid work enhances women's capacity to exercise choices and gain some control over different aspects of their lives. Others have pointed out that these empowering effects are mediated by the expansion of women's mobility and social networks that are associated with paid employment (e.g. World Bank 2011: 155-6). Kabeer (2005: 18-20) supports Sen's theoretical claim with empirical research. She finds that access to paid work in many countries has increased women's agency both in self- as well as waged employment in agriculture and – especially – in non-agricultural sectors.

This link has been supported for the context of Pakistan, too (e.g. Arshad, 2011; Khattak, 2002; Oppenheim Mason and Smith, 2003; Sathar and Kazi, 2000). Seguino and Grown (2006: 1083) emphasize that secure earnings are necessary to improve women's power to negotiate for an equitable distribution of household resources and unpaid labour. In her review of the body of research on women's employment in Pakistan, Khan (2007: 14) comes to a similar conclusion. Quoting Sathar and Kazi (1990: 69), she argues that prospects for change in women's status lie not in the expansion of employment per se, but rather in job opportunities that are valued by society. This often implies employment outside the home, in the formal sector. Unfortunately, international evidence shows that women workers are overrepresented in insecure jobs and home-based work. This is steeped in the presumption that women's earnings are supplementary, while men are assumed have a right to regular jobs and pay (Seguino and Grown, 2006: 1086).

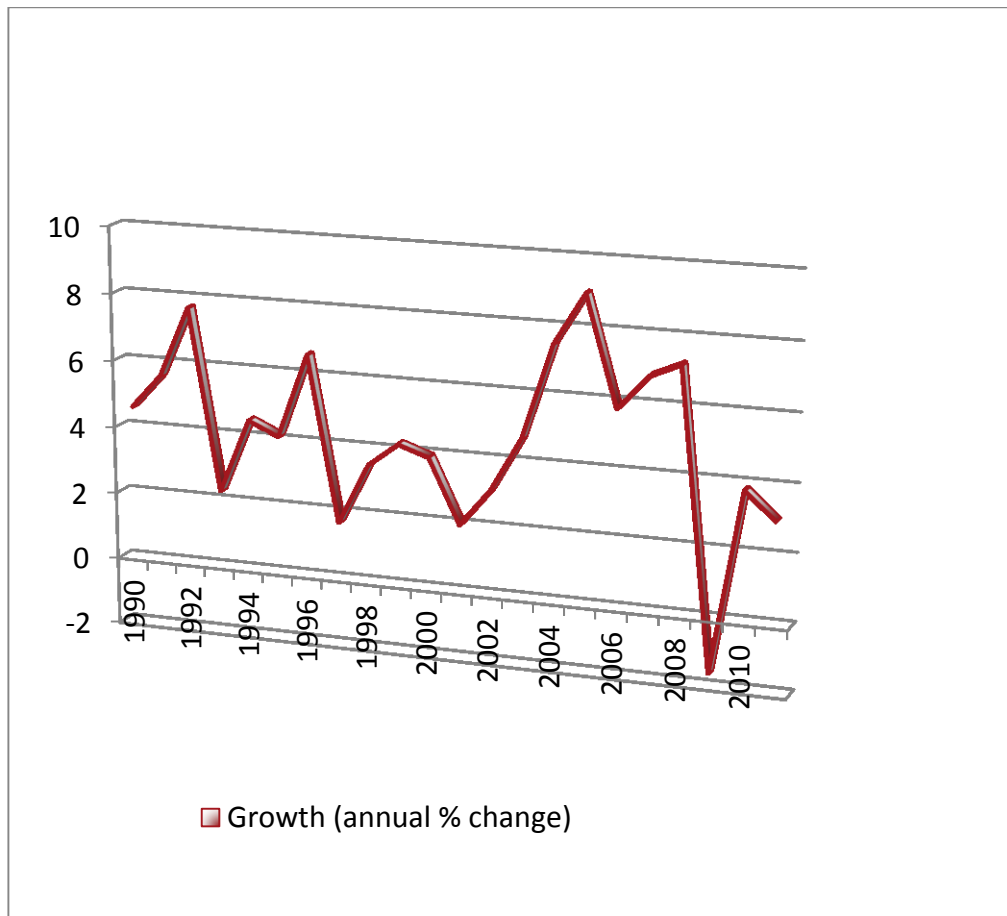
In sum, while access to paid employment might be an important factor for women's empowerment, it is unlikely to be sufficient to widen their scope of strategic life choices. The conditions at work are crucial as well, with more regular, formal forms of employment having greater potential for providing women with resources to strengthen their agency.

### **3. EXPLORING THE GROWTH-GENDERED EMPLOYMENT NEXUS IN PAKISTAN**

Based on the criteria for 'empowering growth' derived above, this section examines trends in GDP and sectoral growth, as well as associated female and male employment patterns.

Pakistan's average growth rate of 4.5 per cent between 1990 and 2013 seems impressive, yet, the performance has been rather volatile (Figure 2). Looking at sectoral growth rates, we again find average growth rates in excess of 4 per cent for industry and services between 1990 and 2013. During the same time period, agriculture, however, averaged growth 3.5 per cent, with wide year-to-year fluctuations during the last three decades.

Figure 2: Real GDP growth, 1990-2013 (annual % change)



Source: State Bank of Pakistan (various years)

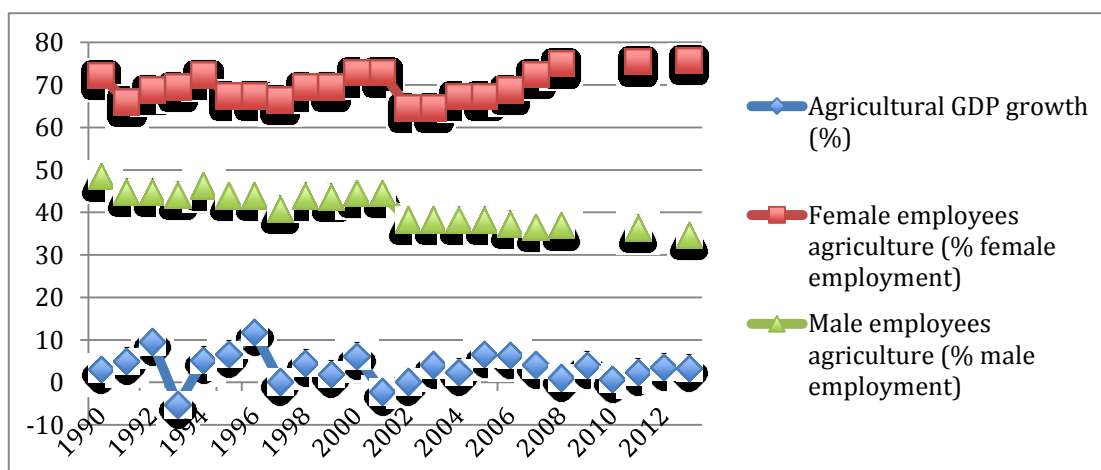
As found by Kapsos (2005: 15) for the region, growth elasticities of female employment, both for waged/salaried, own account and contributing family workers is higher than for male workers (Figure A2 in the appendix). Out of the male employed population, it seems that contributing family workers are drawn into the labour force most quickly in case of upswings – and leave employment fastest in case of downturns, though.

### **Low Agricultural Growth Accompanied by Feminization of Labour Force**

Although agriculture grew at an average of 5 per cent between 1990 and 1996, a yearly breakdown reveals that this period saw both the all-time high and low of 11.7 and -5.3 per cent annual sectoral growth during the last 23 years. This lower average growth rate of agriculture may in part be attributed to the poor harvest of 1993, and the extreme drought between 1998 and 2002, which reached its peak in 2000-01 (Majid and Zahir, 2013: 15). Other issues facing the agriculture sector resulting in low productivity relate to issues of land fragmentation and the

resulting inapplicability of modern technologies, water-logging and salinity which not only reduce productivity on cultivated land, but also result in loss of land available for cultivation, low total factor productivity, inadequate agricultural extension services and agricultural inputs, among others (Khan, 2012a; Qureshi, 2007; Ali, 2004; Murgai, Ali and Byerlee, 2001).

Figure 3: Growth and gendered employment in Pakistan’s agriculture, 1990-2013 (%)



Sources: State Bank of Pakistan (various years), World Bank (2014)

Despite its relatively low contribution to GDP<sup>4</sup> and its poorer growth performance, the largest proportion of both employed men and women was concentrated in the agricultural sector between 1990 and 2013. The proportion of employed women working in agriculture was at a significantly higher level than that for men (Figure 3)<sup>5</sup>.

The concentration of women in agriculture compared to men is unsurprising given women’s mobility restrictions and their lower education levels. Social norms in large parts of South Asia dictate that women’s role be restricted to the reproductive sphere (Sathar et al., 1988: 415). Thus, even when women engage in formal economic activities, they are largely considered supplementary earners within the household and their labour market options remain restricted. Women’s employment in agriculture is therefore considered more acceptable when performed on their own household’s land as contributing family workers. Akram-Lodhi’s (1996) study of

<sup>4</sup> Agriculture contributes about 20 per cent to GDP (SBP, 2013: 32).

<sup>5</sup> It is important to note that standard estimates on female labour force participation in Pakistan suffer from issues of underestimation. A significant proportion of women are involved in un-remunerated work, which is often ignored by enumerators despite its inclusion in UN definitions of the labour force. An indication of the extent of the gap between standard and so-called ‘augmented’ estimates, which comes closer to international definitions, may be obtained by considering the 2010-11 Pakistan Labour Force Survey. It reports female labour force participation 10 years and above in Pakistan at 21.7 per cent and augmented total labour force participation at 37.4 per cent, while male standard and augmented rates are the same (PBS, 2011: 19).

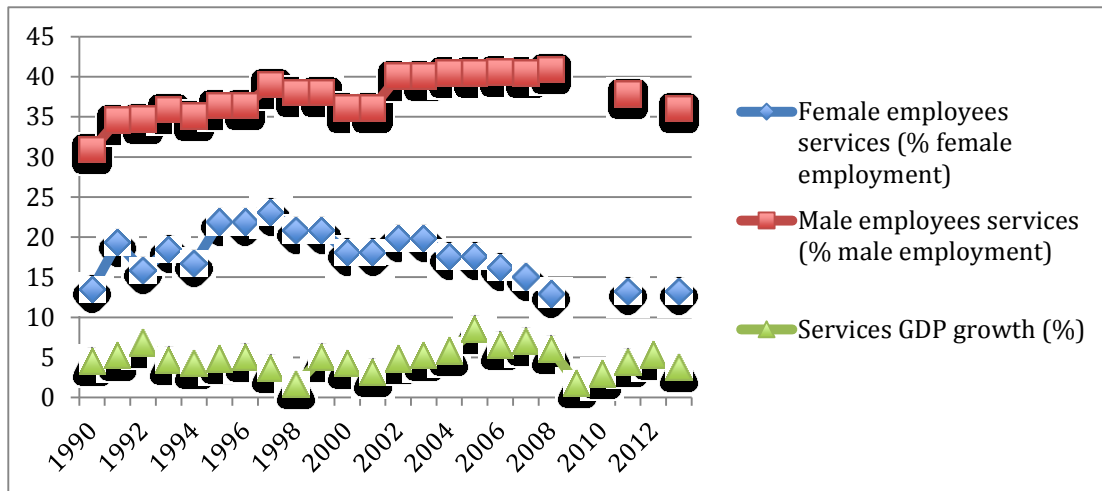
the gender division of work in the Peshawar valley exemplifies that gender norms intersect with the class position of their household, with women's paid work being more common amongst peasant and – more generally – poorer classes.

The secular decline in the importance of male employment in agriculture in Figure 3 reflects Boserup's (1970) ideas about men's preferential access to higher productivity manufacturing employment – or the broader set of labour market options available to them in comparison to women more generally. The trends suggests that the concentration of both female and male employment in agriculture has declined (with a lag) during periods of low agricultural growth. Since the 2001 agricultural crisis, the trends diverge, though. While the significance of agricultural employment for men has declined slowly, but persistently, one could speak of a feminization of agricultural employment in Pakistan. In line with Boserup's (1970) prediction, Khan (2007: 5) relates the increased female labour force participation in rural areas to male out-migration towards the services and manufacturing sectors, but also the growth of cotton cultivation, demanding a vast seasonal female labour force for harvesting (Siegmann and Shaheen, 2008). This is of particular concern as incomes in the manufacturing and services sectors typically tend to be higher when compared to those in the agricultural sector. It indicates that women are by and large stuck in the low-paying sector of the economy (State Bank of Pakistan, 2013: 28). The dominance of low- and unpaid as well as seasonal agricultural employment for women in Pakistan implies that, in terms of widening the scope of strategic life choices or empowerment, they are likely to gain least from their work.

### **‘Added Worker Effect’ in Female Services Employment?**

In contrast to the declining significance of agriculture to GDP growth, rapid urbanization, the lower investment requirement in the services sector and the rapid growth in consumer financing has resulted in a structural shift in Pakistan's economy with services accounting for an increasingly higher share of GDP over the last few years (Ahmed and Ahsan, 2011: 5; Husain, 2007: 8). With the plethora of activities that come under the sector ranging from transport and communications to entertainment and recreational services, there is demand for unskilled, semi-skilled, and skilled labour within the sector (Ahmed and Ahsan, 2011: 7).

Figure 4: Growth and gendered employment in Pakistan's services sector, 1990-2013 (%)



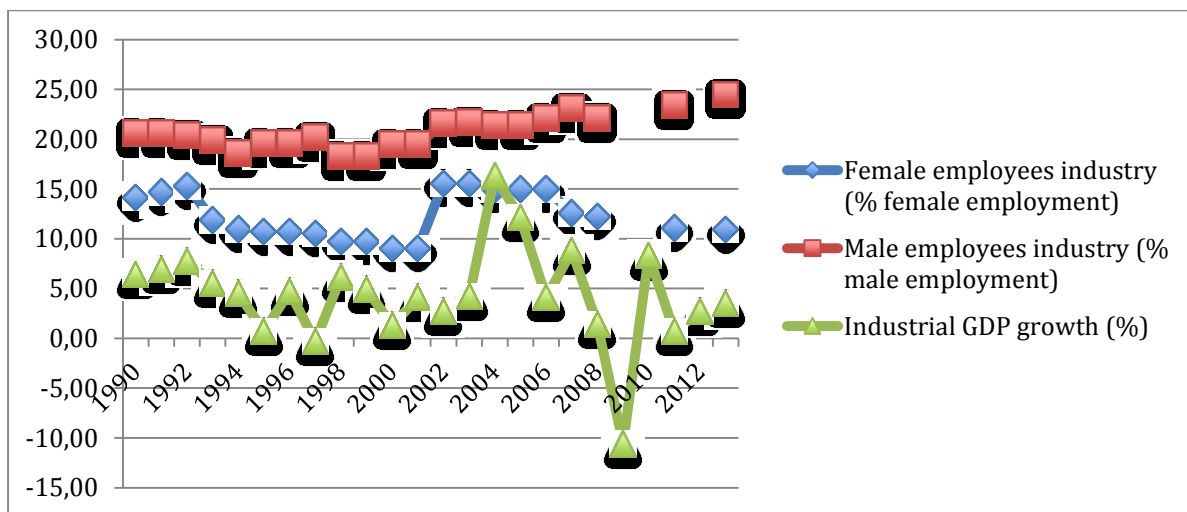
Sources: State Bank of Pakistan (various years), World Bank (2014)

This is reflected in the employment trends. The slight upward trend in the concentration of male employment in the services sector since the 1990s has been the flipside of the decline in the proportion of men employed in agriculture (Figure 4). Women workers are more concentrated in services than in industry. Dominant gender norms have a mediating role here, since the services sector includes occupations deemed appropriate for women's employment, i.e. those that are perceived as extensions of their caring roles such as teaching and/or nursing as well as domestic work (see Jayaweera, 1997: 250; Khan, 2007: 4, 6). This is e.g. reflected in the high concentration of female employment in community/social and personal services at 11.5 per cent of the female labour force, second only after agricultural employment with 75.4 per cent (PBS, 2011: 22). It is interesting to note that the female share of employment in the services sector got a boost during a period of comparatively low sectoral growth from 1991-2000, yet, declining again when growth picked up after the turn of the millennium. This counter-cyclical pattern may point to an 'added worker effect', perhaps in response to formal employment losses during periods of structural adjustment (Kemal, 1994: 905-7). The take-up of paid services employment e.g. in domestic work, as a compensation for income declines would also match the counter-cyclical trends in women's self-employment mirrored in Figure 1.

## Women Industrial Workers Bearing the Brunt of Recession

Taking a closer look at the industrial growth rates between 1990 and 2013, we see industry<sup>6</sup> growing at remarkably high rates of over 12 per cent in 2004 and 2005, and the sector performing significantly better in most of the 2000s when compared to the 1990s (Figure 5). While the manufacturing sector of Pakistan was plagued with issues of political instability, reduction in protection rates and inadequate investment during the 1990s leading to its lacklustre performance, the spike in consumer credit services and the resulting demand stimulus as well as an increase in exports due to reduced quota restrictions in textiles and clothing trade helped boost the sector's performance from 2000 to 2007 (Kemal, 2006: 5). The subsequent energy crisis and the worsening law and order situation, which coincided with a slump in export demand due to the international financial and economic crisis, has since then forced a sharp decline in industrial growth with rates hitting an all-time low of -10.6 per cent in 2009.

Figure 5: Growth and gendered employment in Pakistan's industrial sector, 1990-2013(%)



Sources: State Bank of Pakistan (various years), World Bank (2014)

As mentioned above, a greater proportion of employed men work in manufacturing when compared to women. This concentration has increased steadily since the turn of the millennium. Dominant gender norms that emphasize a caring and home-making rather than breadwinning role for women in Pakistan mediate female literacy rates that are substantially below those for men (Jayaweera, 1997: 248). According to the 2011-12 Pakistan Social And Living Standards Measurement (PSLM), overall female literacy 10 years and older is 47 per cent as compared to 70

<sup>6</sup> The industrial sector comprises of mining & quarrying, manufacturing, electricity & gas as well as construction.

per cent for males (PBS, 2013: 62). Lower educational levels are likely to be one factor explaining the low numbers of women who find regular employment in the industrial sector. Yet, the same informal institutions that restrict women's mobility probably form a far higher obstacle to enter formal employment in the manufacturing sector. As a result, a vast female workforce is employed under highly insecure conditions in home-based manufacturing (Akhtar, 2011; Roots for Equity, 2011). Figure 5 also reveals two curious trends: (1) the 1990s saw a decline in the percentage of employed women working in the sector with male percentages holding fairly steady, and (2) since 2005 we see a divergence in the concentration of employed males and females in the sector. What is particularly revealing is that both these periods are marked by lower average growth rates in the industrial sector when compared to the preceding time span. In line with the higher growth elasticities that Kapsos (2005: 9) identified for women workers in South Asia reflected in Figure A2, it seems then that greater sensitivity of women's employment to the economic cycle has translated into a situation in which female workers bear the majority of the burden during periods of decline vis-à-vis employment in the manufacturing sector. Possible explanations for these include a lack of unionization of female employees as well as social norms that view men as primary bread-winners. Given that in Pakistan, too, women's earnings are often viewed as supplementary while men are considered to have a right to regular employment (Seguino and Grown, 2006: 1086), in case of recessions the formal sector is likely to see employers laying-off women first so as to minimize the economic impact on households. Yet, the pro-cyclical movements of the concentration of women's employment have also implied that discrete jumps preceded GDP growth performance, such as in 2002. One possible explanation is that the third party contract system, which facilitates the recruitment of an indirect industrial workforce through labour contractors actually increased the insourcing of a lower paid female workforce, especially in the textiles and clothing sector. This in turn might have increased cost competitiveness with a lagged positive effect on industrial GDP. In these interpretations, one has to consider the underestimation of the informal workforce in published statistics also. Siddiqui et al. (2003: 157) point out that an expansion of female manufacturing employment has mainly taken place outside the regular factory workforce, e.g. in the form of temporary and contract workers.

For our preliminary assessment of how empowering the employment-growth nexus has been for women in Pakistan, these trends suggest bad news. In sections 1 and 2, we point out that formal, regular employment situations have the greatest potential to contribute to women's empowerment. While these conditions are most likely to be found in formal industrial employment, on the one hand, the concentration of women's employment in it has declined

during the past decade, while, on the other hand, precarious informal and home-based manufacturing employment has dominated.

## **4. OUTLOOK FOR POLICY AND RESEARCH**

### **Discussion of Findings**

The explorative analysis presented in the previous section does not suggest a straightforward win-win situation for growth and women's empowerment that Pakistan's Vision 2025 aims for. Even in periods of sustained economic growth such as during the first five years of the millennium, sectoral growth went in tandem only with the concentration of women's employment generation in manufacturing – and it seems this is corroborating women's subordinate role as secondary income earners rather being an expression of empowerment.

The dynamics in the agricultural sector support Boserup's prediction of feminization of agriculture in response to male out-migration from rural areas in response to higher-paying manufacturing jobs. Yet, the rising concentration of female employment in agriculture since the turn of the millennium is probably not just compensating for the reduced significance of men in agricultural production. It might also reflect a higher demand for female labour for cash crop cultivation, such as cotton. Despite this increase in women's – also paid – employment during the last decade characterized by low growth, the precarious conditions that dominate women's agricultural employment in Pakistan imply that their jobs contribute to mere survival, rather than mediating an expansion in their empowerment.

In services, labour force survey data allows us to identify counter-cyclical trends in the concentration of female employment in the sector. These dynamics hint at 'added worker effects', with female services sector employment serving as a buffer during times of crisis, implying distress sales of labour. Again, the gendered growth-employment nexus does not seem to augur well for women's empowerment.

### **Policy Outlook**

In line with Seguino and Grown (2006: 1082), our exploratory data analysis suggests that, rather than waiting for positive growth performance to trickle down to men *and* women, if inclusive and gender-just growth is to become a reality, macro-economic strategies are required that shift the focus from being a “profit-led” export-oriented economy to one that is wage-led—that is, an economy in which equity in incomes is compatible with growth.’ While the Government of Pakistan acknowledges that the country's growth performance is largely consumption-driven



(GoP, 2014b: 12), the continued emphasis on a business-enabling environment (GoP, 2014b: 2) does not augur well for inclusiveness. For instance, the expected growth impulses coming from Chinese foreign-direct investment (GoP, 2014b: 4) are likely to be driven by access to Pakistan's large low-paid workforce, besides the country's strategic location. If the potential effects on gender equality in employment and women's empowerment mirror the experience of export-led development a decade back, then inclusive or even empowering growth are unlikely to be the result of this strengthened Pakistan-China partnership in trade and investment.

At the level of labour markets, the GoP's strategy focuses on stimulating labour-intensive sectors, improving labour market information systems, the provision of micro-finance for enterprise development as well as skills development to address people's unmet need for income-generating work (GoP, 2014b: 190). This agenda is underpinned by the assumption that shortcomings in workers' human capital endowment and information asymmetries in the labour market represent obstacles for the achievement of the Government of Pakistan's decent work agenda (GoP, 2004; ILO, 2011). The commitment to labour-intensive growth is appreciated as addressing a necessary condition for inclusive growth. Certainly, more human capital building of the labour force is required to enable women and men to reap the benefits of increased material prosperity. Yet, this investment needs to set in far earlier than vocational skills development. Not only the low average levels of education in Pakistan in comparison with the region need to be addressed, but also the wide gender disparities. The provision of school meals and stipends for girls in the sub-continent have provided incentives to substantially increase girls' enrolment rates (Afridi, 2011; Chaudhury and Parajuli, 2010; Raynor and Wesson, 2006). The improvement of safe transport options as well as more flexible school hours might provide an additional boost for girls' schooling (Majid, 2011).

It is questionable whether better and more gender-equal education alone addresses the root causes of the observed gender inequalities in the labour market. As we have seen above, prevalent gender norms play a powerful role for women and men's behaviour and mediate their position in the labour market. Increasing the visibility of women and their various contributions to the economy and wider society may be a crucial step here. This concerns a role for the media, but also for government and the private sector. Affirmative action, but also the provision of childcare facilities for employees are relevant policy options here.

Lastly, Pearson's (2007: 16) observation that '[t]he norm for women in the majority world is economic engagement without regulation or protection' holds true for women in Pakistan, too. Due to the related insecurities, she argues that access to paid employment on its own will not empower women, but that it has to be coupled with state guarantees of a minimum income and

affordable and quality public services (Pearson, 2007: 16-17). The establishment of the Benazir Income Support Programme (BISP) in 2008 as an unconditional cash transfer for poor women was a step in the right direction, yet, the real ‘paradigm shift’ (Gazdar, 2011) regarding social protection in Pakistan has yet to come.

## **Outlook for Research**

Our analysis is based on an exploration of published growth and employment statistics. Many explanations of the patterns forwarded above are – we believe: plausible - hypotheses. Doing a more detailed econometric analysis of micro-data will help to further refine the gendered growth-employment nexus. This concerns, e.g. which sub-sectors drive economic growth and what their employment features and dynamics are. This can be approached, e.g., by calculating gendered, sectoral growth elasticities of employment. Statistical analysis of micro-data will also allow to better identify the characteristics of female employment to evaluate whether women have taken up jobs that are valued by society, assumed to contribute more to their recognition and empowerment. Merely using the female share in non-agricultural employment as a yardstick, as common in official publications (e.g. GoP, 2014b: 183-4), is insufficient. Here, care has to be taken in analysis and interpretation to consider the role of informal employment, which with more than three fourths of female non-agricultural employment holds an important role for women workers (ILO, 2012: table II). Ideally, the econometric analysis of Labour Force Survey data is to be complemented by an analysis of time-use data in order to investigate the crucial intersection between various forms of productive and reproductive forms of work as well as by qualitative research to directly identify instances of women’s empowerment and the role of contextual factors, including economic opportunities, therein.

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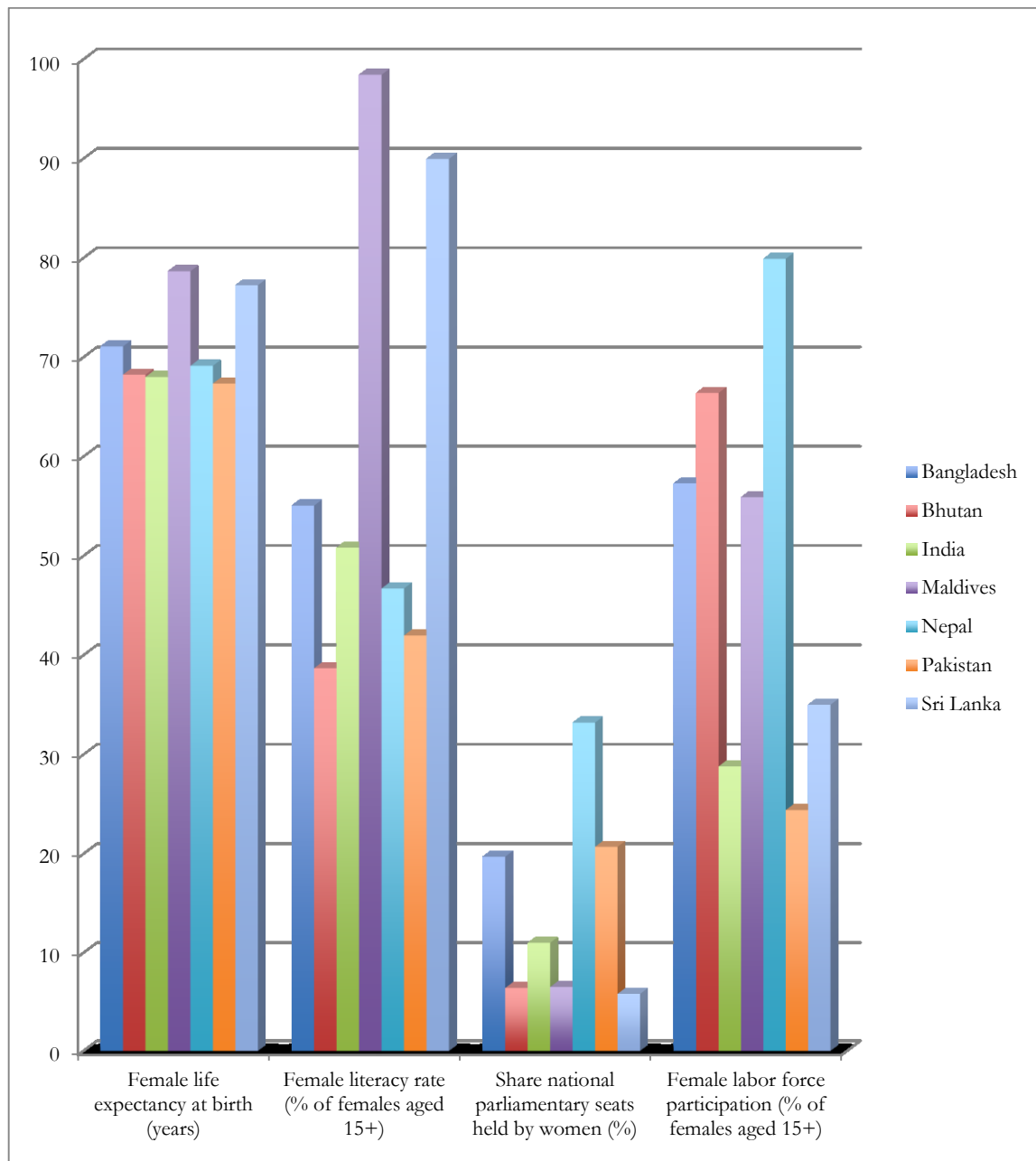
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## APPENDICES

Figure A1: Human development indicators for women in South Asia



Source: World Bank (2014)

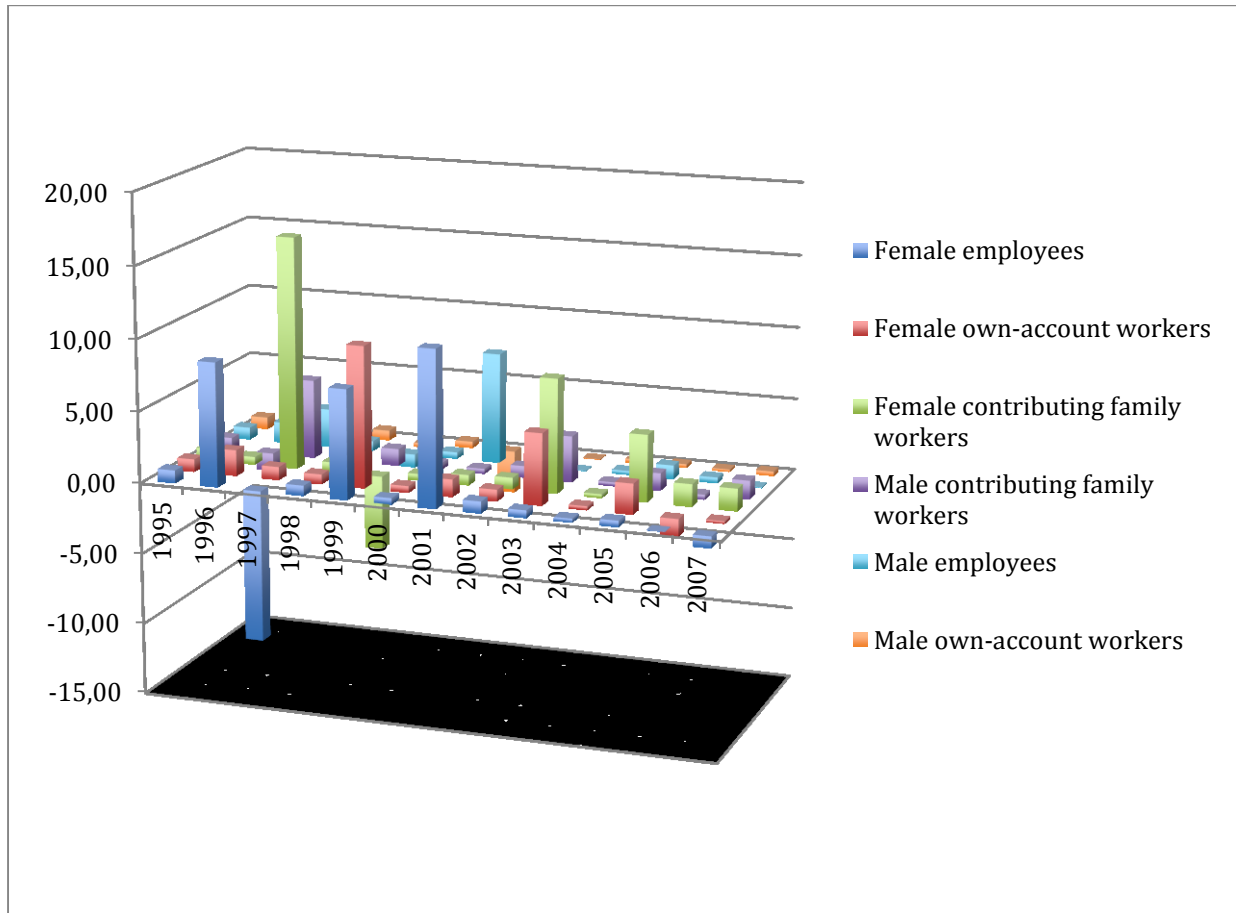
TABLE A1: Real GDP growth in Pakistan by main sector, 1990-2013 (annual % change)

	Agriculture	Industry	Services	Total
1990	3	6.4	4.5	4.6
1991	5	6.9	5.2	5.6
1992	9.5	7.7	6.8	7.7
1993	-5.3	5.5	4.6	2.3
1994	5.2	4.5	4.2	4.5
1995	6.6	0.7	4.8	4.1
1996	11.7	4.7	5	6.6
1997	0.1	-0.3	3.6	1.7
1998	4.5	6.1	1.6	3.5
1999	1.9	4.9	5	4.2
2000	6.1	1.3	4.2	3.9
2001	-2.2	4.1	3.1	2
2002	0.1	2.7	4.8	3.1
2003	4.1	4.2	5.2	4.7
2004	2.4	16.3	5.8	7.5
2005	6.5	12.1	8.5	9
2006	6.3	4.1	6.5	5.8
2007	4.1	8.8	7	6.8
2008	1	1.4	6	7.2
2009	4	-10.6	1.7	-1.6
2010	0.6	8.3	2.9	3.8
2011	2.4	0.7	4.4	3
2012	3.5	2.7	5.3	4.4
2013	3.3	3.5	3.7	3.6

Source: State Bank of Pakistan (various years)



Figure A2: Pakistan growth elasticities of employment 10+ by employment status and sex, 1995-2008



Sources: ILOSTAT (2014) and SBP (various years)