

CASE STUDIES IN WOMEN'S ECONOMIC EMPOWERMENT

A case from the Middle East:

What's in a day's work? Rural women cooperatives challenge patriarchal market institutions in Lebanon

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Prelude



This case study focuses on rural women's cooperatives in Lebanon and the gender-based discrimination they face in accessing markets.

The case study begins by setting the overall economic and gender equality context before focusing on specific issues related to rural women's cooperatives and the strategies devised to break gender and other barriers to accessing local markets.

Country fact sheet

HDI: Lebanon ranks 80th in the 2004 *Human Development Report* (177 countries).

¹ <http://www.crtda.org>

GDI (Gender-related Development Index) rank: 64 (144 countries).

In 2002, Lebanon's total population was 3.6 million, of which 87.2 per cent lived in urban areas; almost one-third (29.6 per cent) were under 15 years of age; 35 per cent of the population lived in poor conditions and 6.3 per cent lived on less than USD 1.3 a day. The annual population growth rate between 1975 and 2002 was 1 per cent.

Adult literacy rate (2002): female 81.06 per cent, male 92.4 per cent.

The total labour force of the country is estimated at 34 per cent of the total population. The labour market in Lebanon has an imbalanced composition; it is estimated that women constitute only 21.7 per cent of the labour force.

The annual GDP growth rate per capita was 3.1 per cent between 1990 and 2002. Public health expenditure in 2001 was 3.4 per cent of GDP, education 2.9 per cent of GDP and military expenditure 4.7 per cent of GDP. Agriculture makes up 12 per cent of GDP, manufacturing 22 per cent, and services 66 per cent. There is a dominance on the part of the public sector that amounts to 50 per cent of the country's GDP. The largest sector in the country's expenditure is debt servicing. The gross budget deficit is estimated at 24 per cent of GDP.

Lebanon suffers from a trade imbalance. In 2004 imports stood at USD 9.4 billion, an increase of 31 per cent compared to 2003. Exports in the same year were only USD 1.75 billion, an increase of 14.6 per cent compared to 2003. Forty-five per cent of Lebanese imports originate in the European Union, while only 25 per cent of the country's exports are directed to EU markets (Ministry of Economy and Trade statistics). The main trading partners for exports are other Middle Eastern countries.

Lebanese women's economic activity

Lebanon ranks an appalling 153rd out of 163 countries in the world in terms of women's economic activity.² Data shows that out of the estimated 280,000 of working women in the country, not more than 1.5 per cent are employers. This indicates the low number of women in leadership and decision-making positions in the workforce.

Surveys reveal that Lebanese women face persistent gender discrimination in terms of salaries, recruitment, promotion and dismissal, as well as growing professional segregation – a trend that has not significantly changed since 1970.³ What's more, Lebanese women represent the majority of the poorest of the poor in Lebanon, and poor and rural women bear the brunt of hardships created by national economic crises and the shifting demands of economic globalisation.

By 1997, 14.9 per cent of all women, or 21.7 per cent of women between ages of 15 and 64, were economically active as compared to 53.1 per cent of men. This was an increase

2. ESCWA, 2002, p. 81.

3. Ibid..

of 9.5 per cent since 1970.⁴ Despite some regional variation (for example, 25.7 per cent of women are economically active in Beirut, whereas only 8 per cent are active in the predominantly rural areas of North Lebanon), women lag behind men in terms of their formal economic participation. Age obviously plays a role in these figures. The most active group is that of 25- to 29-year-olds. After the age of 30, Lebanese women's economic participation begins to decline, reaching only 8 per cent after the age of 55.⁵ This is probably due to the fact that women take the main responsibility for child-rearing and the domestic responsibilities that result from marriage. It is important to note that regionally, Lebanon's rates are 5.3 per cent lower than the average among other Arab countries.⁶

One of the main points to recognize when reviewing these statistics is that they do not accurately reflect women's *actual* contribution to Lebanon's economy or economic well-being. As with national economic statistics in many countries, figures available on working women do not include work in the informal sector such as rural cooperatives, domestic labour, household and micro enterprises, informal markets, cooperatives, local family-run businesses, or some other agricultural sectors. Comprehensive data on this sector is not yet available in Lebanon. It is estimated, however, that this informal and primarily female contribution to the economy is of tremendous importance to the survival and functioning of the poorest families in Lebanon.⁷

Formal economic activity rates⁸ for women and men by age

Age	Percentage of men (1997)	Percentage of women (1997)
15–19	36.0	5.1
20–24	60.6	25.5
25–29	91.3	34.4
30–34	94.9	29.2
35–39	96.9	25.6
40–44	96.6	26.2
45–49	95.6	18.7
50–54	91.5	14.5
55–59	83.9	12.5
60–64	72.2	7.8
65–69	55.0	4.7
+70	27.6	1.9
Total	53.1	14.9

4. Central Administration for Statistics, 1998a.

5. ESCWA, 2002, p. 7.

6. Available data indicate that Arab women's rate of economic activity is approximately 20 per cent (ESCWA, 2002, p. 7).

7. ESCWA, 2002, p. 97.

8. Central Administration for Statistics, 1998b. Note that the term 'economically active population' combines the employed with the unemployed population; full-time activity with part-time activity; the activity of the worker who is paid for one hour's work in a specified reference period with that of others working full-time throughout the same period; and seasonal activities in some instances with current or usual activities in others. Unpaid work such as housework, childcare and volunteer work is not included. Any increase in the economic activity rates of women or men comes from a shift in their primary occupation from the home to the economic sectors where goods and services are exchanged (ESCWA, 1999, p. 37).

Women in the workforce in Lebanon

In 1997, the female labour force was distributed as follows: 5 per cent in agriculture, 13 per cent in industry and 82 per cent in services. In 1980, the distribution was 20 per cent in agriculture, 21 per cent in industry and 59 per cent in services. The majority of women in Lebanon who do work (81 per cent) do not occupy professional positions, but rather work in lower-status positions and service sector jobs.⁹ Available data show that in 1997 only 1.92 per cent of the total female labour force held executive positions, while men comprised 91.5 per cent of executive positions.¹⁰ The number of female enterprise owners in Lebanon is also abysmally low. Data show that whereas the majority of working women are employees (84 per cent), male employees do not exceed 58.4 per cent. Women employers do not constitute more than 1.5 per cent of the female workforce, as compared to 9.2 per cent among working men. Moreover, trend analysis over the past three decades indicates that self-employment among women has not significantly changed since 1970.¹¹

Evolutions in the percentage of women and men in different types of work (1970–1997)¹²

Type of work	1970		1997	
	Percentage of women	Percentage of men	Percentage of women	Percentage of men
Self-employed	11.8	26.6	11.6	29.6
Employer	1.4	8.9	1.5	9.2
Permanent employee	51.0	35.0	72.5	3.6
Temporary employee (paid daily)	14.7	23.5	9.1	18.5
Domestic aid	19.4	4.0	4.6	1.9
Trainee or other	1.7	2.0	0.7	1.3

Income levels

One of the most glaring areas of gender inequality in the economic sector is that of income. Studies show that in 13 job categories in 1997, whether it be in top management positions, small enterprise, office workers, handicrafts, or unskilled workforce, women are paid less than men (the one exception is skilled agricultural work, where women make an average monthly salary of LL 568,000 and men make LL 493,000).¹³ This disparity exists in spite of the law, which imposes the principle of equal pay for equal

9. National Commission of Lebanese Women, 2000, p. 73.

10. NCLW, 2000, p. 73.

11. ESCWA, 2002, p. 85.

12. ILO, *The Labour Force in Lebanon and Family Living Standards (1997)* and *Labour Force in the Year 1970*.

13. Labor Market Survey, National Association for Employment, International Labour Organization, UNDP.]

work. In addition, the law states that the minimum wage should apply to both women and men equally without discrimination.

Income level is one of the main areas of discrimination that women face in Lebanon. Others areas include lack of bonuses and promotion opportunities, the majority of which are allocated to men. In fact, women comprise the majority of the ‘working poor’ in Lebanon.¹⁴ As in many developed and developing nations, in Lebanon the poorest people are women and children.¹⁵ Indeed, women bore the brunt of the economic burdens brought on by the devastation of the 16-year civil war, having to fill in the income gaps left by men who were killed, disabled or occupied in combat. Currently women are estimated to be the most affected by the negative effects of economic globalisation as the gap between rich and poor continues to widen.¹⁶

Women in trade unions and professional syndicates

Although there are higher numbers of women in trade unions and professional associations, women do not hold leadership positions in these associations. One of 13 deans of Lebanese universities, one of 12 board members of the Union of Teachers and two of 18 board members of the Union of Secondary Teachers were women in 2000, according to an NCLW report. During the same period, only one in 12 members of the Executive Office of the National Federation of Trade Unions was a woman. With regard to the Executive Council, only one member out of 44 was a woman in 2000.

Rural women

Owing to a lack of gender-disaggregated data and the paucity of statistics detailing women’s participation in the informal and rural economies, it is difficult to give accurate information on the role of rural women in the economy. According to United Nations projections, the main contribution of rural women is in the area of agriculture, where women comprised 40.7 per cent of the agricultural labour force in 1990.¹⁷ Rural women have had to become the main contributors to agricultural production, from planting to marketing, due both to extensive male migration to urban areas and to increasing widowhood as a result of war. Many wives of migrant husbands become the main decision makers in their households and on farms. In fact, by the late 1980s, more than 10 per cent of rural households were headed by women.¹⁸ Most women work on family farms although a considerable number work as seasonal day-labourers, particularly in harvesting, where their wages are only half those of men – thus, even in the informal sector, women face wage discrimination. Rural women are also employed as cheap

14. World Bank, 2002, p. 2

15. Nasser, 1995.

16. Ibid.

17. FAO, 1995, see www.fao.org/docrep/V9322e/v9322e03.htm.

18. Ibid.

labour in the food processing industries.¹⁹ Economic progress for rural women is generally hampered by a lack of skills, training or adequate opportunities to organise, produce and market their goods. Moreover, many women are landless with no access to credit. In this context, NGO interventions such as training programmes in finance, accounting, marketing, etc. can contribute significantly to increasing opportunities for rural women.

Some highlights on legalities relating to women and economic participation

- Lebanese women have the civil and independent right to monetary possessions as well as financial management and spending.
- As stated above, Lebanese law imposes the *principle* of equal pay for equal work, including specifically stating that the minimum wage should apply to both women and men equally without discrimination.
- Women in the private sector are entitled to 40 days of maternity leave according to the Labour Law of Lebanon. Female civil servants in the public sector are entitled to 60 days of maternity leave. Women on maternity leave are paid 100 per cent of their salary by their employer.
- There are no official barriers for women to own land in their own right.
- In November 2002, the National Social Security Fund (NSSF) issued a memorandum to attempt to prevent all female members of the NSSF, except those whose husbands were ‘incapacitated’ or over 60 years old, from receiving benefits for their children. This essentially would have undone the fairly recent progressive gains for women in this area of the law. The move was overturned in the end due to pressure from lobbying groups, however.

Women face several barriers in terms of economic participation, the most common being the fact that they continue to assume the bulk of responsibility in the domestic sphere and child rearing. Employment environments are rarely equipped for or ‘friendly’ to this fact, and few offer childcare facilities. Moreover, social traditions related to women not being the main breadwinners of the household continue to dominate the mental landscape of the formal workforce and are linked to the fact that women are denied equal pay, passed over for promotions and face discrimination in hiring. Women’s income generation and career are traditionally seen as secondary, unnecessary, or even as ‘pastimes’ in comparison to men’s.

The reality of rural women’s cooperatives in Lebanon

19. Ibid.



Rural women in Lebanon suffer from restricted access to assets and social entitlements as well from subordinate and unequal gender relations. This has very much increased their vulnerability to income and capability poverty. In Baalbeck-Hermel (a particularly poor rural area), for example, women heads of households are the most affected by poverty. 'Most of these women are widowed, illiterate, and live on incomes less than the minimum wage rate designated by the government.'²⁰

According to many sources, rural women constitute 40.7 per cent of total paid and unpaid workers in agriculture, and although 'women provide at least one third of the labor required to sustain agricultural production',²¹ most if not all of women's work in agriculture is not accounted for. Most women work on a seasonal and part-time basis, and thus their contribution is not counted in the economy. Furthermore, 'the fruit of their labor, is channelled directly into their household for the household's consumption, and does not enter into a market cycle'.²²

In addition to long hours spent working in agriculture, women have responsibilities in their homes such as cooking, cleaning, caring for their children and fetching water and fuel. On average, rural women end up working for around 16 hours a day.

Rural cooperatives have proven to be efficient and responsive to the needs of the beneficiaries they serve. They group people with similar socio-economic difficulties and

20. ESCWA, *Gender in Agriculture and Agro-processing in Lebanon*, p.16.

21. IFAD, *Assessment of Rural Poverty (NENA)*.

22. ESCWA, *Gender in Agriculture and Agro-processing in Lebanon*, p.11.

similar skills and create income-generating activities for them. More importantly, ‘Cooperatives have an established legal status and can attract grants and tax exemptions, and the procedure to form cooperatives is not complicated’.²³

The rural cooperative sector in Lebanon is mostly if not entirely male-dominated, however, with women mostly providing the invisible but critical labour essential for its survival and sustainability. Within this patriarchal system, many women have organised in women-only rural cooperatives.

Rural women’s cooperatives face gender-specific oppression and discrimination. Assets are mostly owned by males, making it difficult for women to have access to loans.²⁴ ‘Women have less access to land than men. A survey showed that only nine had women reported that they owned land as compared with 40 men’.²⁵ This lack of access to credit creates a barrier for women, preventing them from engaging in sustainable income-generating activities. ‘They encounter great difficulties in access to banking and financial facilities’.²⁶

Women cooperatives, in general, face difficulties in marketing their goods, a factor that impedes their long-term sustainability. This is essentially due to gender barriers to mobility, mismatching between their products and market demands, lack of subsidies or investment in inputs, total liberalization of local markets and flooding with similar, cheaper and more competitive products.

Organising for change: the case of the Union of Rural Women’s Cooperatives in Lebanon

The Collective for Research and Training on Development-Action (CRTD-A) began working with the Union of Rural Women’s Cooperatives in 2001. As a group of nine rural women’s cooperatives, the group was isolated within the larger patriarchal cooperative sector, which is very much permeated by male biases and favouritism, as described above.

At the time, rural women cooperatives faced the following gender-specific constraints:

- Isolation from the mainstream, largely male and patriarchal, cooperatives sector.
- Isolation from policy-making circles.
- Limited physical mobility.
- Multiple roles and responsibilities and an excessive burden of household and reproductive work, especially given a situation of large and extended family structures.

23. Republic of Lebanon, Smallholder Livestock Rehabilitation Project, Completion Evaluation, p. 14.

24. ESCWA, *Gender in Agriculture and Agro-processing in Lebanon*, p.16.

25. *Ibid.*, p. 24.

26. IFAD Support to Cooperative Rural Finance Programme in Lebanon.

- Poor knowledge and familiarity with market forces and the ways in which these operate.
- Lack of awareness of current trends in economic policies as well as their impact at the micro level.
- Difficult access to financial services, these being totally dependent on availability of ‘male sponsor and/or guarantor’.
- Poor or total unavailability of social services (particularly in terms of health and education) and quality infrastructure (roads, water, utilities, etc.), thus increasing rural women’s workload and household and community responsibilities.
- Lack of access to policy-making institutions (Ministry of Agriculture, National Institution for Developing Exports, Ministry of Economy and Trade, local municipalities, etc.), as such access is normally confined to local male leaders.
- Absence of linkages with women and other advocacy groups.
- Absence of any form of intervention at the level of lobbying and advocacy.
- Artisanal and poorly recognised skills and know-how.
- Limited transfer of knowledge.
- Traditions and practices that limit rural women’s participation in decision making, especially in relation to access to resources and usage of monetary income or other forms of benefits.

Based on the analysis detailed above, the intervention was aimed at facilitating rural women’s unfettered access to local markets with a view to strengthening their ability to influence policies.

The strategies used focused on addressing various gender-specific gaps, namely:

- **Knowledge gap:** Essentially through economic literacy, the intervention sought to bring knowledge as well as awareness of the ways in which the economy is gendered and the ways in which unequal gender relations place women in vulnerable positions vis-à-vis meso and macro policies. The knowledge gap also sought to address needs for technical know-how transfers .
- **Participation gap:** Through supporting formal and informal organisation of rural women’s cooperatives, the intervention sought to support the setting up of vocal rural women’s interest groups with a clear agenda for change as well as with direct access to policy-making circles.
- **Equality gap:** Based on the input of rural women, inequality within the household as well as within the overall rural cooperatives sector was identified as a key area to be addressed through focusing on gender awareness and leadership skills.

The situation now, at a glance...

- The original group of nine rural women cooperatives has grown to include more than 17 groupings and cooperatives.

- There is awareness and a strong emergence of a new practice of collective work amongst women; unity and concerted efforts as well as solidarity are becoming a strong culture and practice amongst rural women's cooperatives.
- Legal entities with democratic governance practices have been established, thus strengthening chances for sustainability and setting examples of egalitarian and democratic work practices amongst rural women's cooperatives.
- Economic literacy training has generated knowledge and awareness of micro and macro economic policies. As a result, rural women's cooperatives have taken an active part in the related gender and trade programme and have engaged in policy dialogues around the impact of trade agreements.
- Rural women's cooperatives have gradually gained public visibility, largely as a result of building common discourse and carving space for their voices to be heard.
- During the July 2007 war, rural women's cooperatives played an active part in relief and emergency initiatives. All throughout, rural women's cooperatives were also involved in various forms of public campaigning for women's citizenship and economic rights.
- Direct contacts have been established with key market institutions. Though advocacy progress is slow, a dialogue and an alternative discourse has been established.
- Renegotiation of gender roles in the household and the community is an ongoing process as rural women become increasingly aware of their multiple but invisible roles.

Members of rural women's cooperatives have made a conscious choice to:

- address their situation and position;
- engage in micro and macroeconomic policy dialogues;
- develop a direct interface with policy-makers;
- take active part in critical public and policy issues;
- challenge a situation of exclusion and inequality.

Despite mounting economic and political crises in Lebanon and notwithstanding the fact that women continue to be ruled by 17 forms of reactionary religious family code, the change and awareness raising described above is an irreversible process.

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