

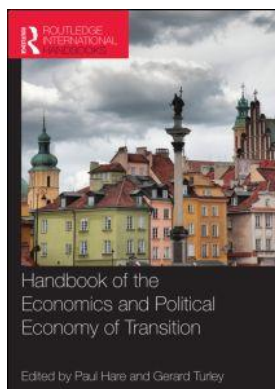
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THE STATUS OF WOMEN DURING THE EARLY TRANSITION PROCESS

Peter Luke

Introduction

This chapter examines the position or status of women in the transition process mainly within the labour market and not within broader civil society as a whole. In addition, we concentrate on the initial 10 years of transition for the former Soviet Union (FSU) and the countries of Central and Eastern Europe (CEE), since these were the crucial years for establishing successful transition paths or otherwise. We provide a brief summary of a few labour market indicators, which cannot hope to do justice to a large and expanding area of investigation, but which nevertheless give an insight into establishing a multifaceted picture of women's changing role within the labour market during those times.

Following Momsen (2009), 'gender' means the socially acquired notions of masculinity and femininity by which men and women are identified, while the term 'gender relations' refers to the socially constructed form of relations between men and women. We, however, do not aim to summarise gender or gender relations under transition. Our task is less complex inasmuch as we concentrate primarily on one half of the gender nexus only and refer to the male position during transition primarily as a reference point for the position of women.

The position of women under socialism

... democratization of society, which is the pivot and guarantor of *perestroika*, is impossible without enhancing the role of women, without women's active and specific involvement, and without their commitment to all our reforming efforts. I am convinced that women's role in our society will steadily grow.

(Mikhail Gorbachev, 1987, p. 117, quoted in Rhein, 1998, p. 354)

On the surface at least, the status of women under socialism was superior to that for women in Western market economies. Female equality in comparison to males was enshrined in most of the constitutions of the socialist countries. Without necessarily stating it explicitly, this equality, however, was always equality outside of the home; it was an equality that gave women the right and, indeed, the duty to work in the economy. The result was a very high female labour force

participation rate (relative to Western market economies) combined with initial high levels of female education before entering the labour force. All of this went along with levels of fertility comparable or higher to women in Western countries, although usually with marriage and giving birth occurring at a much younger age.¹

The above was supported by generous social and welfare provisions – again in comparison to Western market economies – often linked to the place of work. Maternity leave ranged from 18 weeks in the FSU to 28 weeks in Czechoslovakia with the job of the individual, or at least a job, guaranteed at the expiration of the maternity leave period. This return to work could be on a part-time and flexible basis with additional holidays granted when children were sick. Extra money or allowances were given depending on the number of children. ‘In Bulgaria and Czechoslovakia, for example, additional allowances amounted to 40 per cent of the minimum wage.’ (Metcalf and Afanassieva, 2005a, p. 399).

Notwithstanding the above, gender-based stratification within the labour force did occur. Skilled jobs in industry were the preserve of men. These were the best paying jobs and the ones that carried the most prestige. Women tended to be found within what would be known in the West as public sector jobs such as education and health, and in general administrative and clerical positions which were lower paid. However, as noted by Metcalfe and Afanassieva (*ibid.*, p. 399) high female participation in the fields of political administration and scientific research were also notable in comparison to the West.

This was very much ‘emancipation from above’: there was no independent women’s movement; no feminist currents independent of the Communist Party apparatus developed (and none developed inside the apparatus either). This emancipation from above was linked to an *extensive* development of the economy – bringing more and more factors of production into use without necessarily making better use of the existing factors of production (referred to as an *intensive* development of the productive resources of the economy).

The above is important since, ‘There were pressures to bring women into the labour market but no pressures to bring men into household and care work’ (Pascall and Kwak, 2005, p. 3); and ‘Women were legally defined as workers and mothers but there was no equivalent definition of men as workers and fathers’ (Metcalf and Afanassieva, 2005, p. 399). In short, socialism stopped at the front door of the home, and domestic inequality inside the home was the norm. Patriarchal principles dominated the household, with women facing a triple-burden as worker, child-carer and home-maker.

With transition under way in the early 1990s in the FSU and the countries of CEE the opinion was expressed that there would be a ‘re-traditionalisation’ of women’s role within society and within the home. There would be a move back to the ‘male breadwinner model’ whereby the man would provide the necessary income to support the family and women would stay at home or focus on the home and any attendant childcare duties. This should be contrasted with the dual-earner model in the FSU and CEE which had existed increasingly and extensively from the end of the Second World War.²

The *a priori* result of this re-traditionalisation, it was thought, would be an increase in female inequalities in the labour market as the transition process proceeded. That said, while some have spoken and written of a feminisation of poverty in transition economies (and more generally in developing economies), as noted by Pascall and Kwak (2005, p. 6), ‘... some statistical comparisons of the early transition period failed to find such consistent trends against women’.

As former state firms were privatized, the benefits which had been attached to the workplace – crèche facilities, housing, generous maternity conditions – were sold off or reduced, and the composition of the labour market along gender lines certainly altered. To what extent this occurred because of the lack of material support for women to work, leading to inactivity or a

transition from full to part-time working, or to what extent women voluntarily selected the role of home-maker and child-carer is not completely clear.

Certainly, even if one accepts that the position of females within the labour market (and the home) deteriorated in comparison to men with the onset of transition (and the World Bank report cited below does not come to such a clear-cut position) it seems clear from a reading of other sources (the UNECE report cited below, for example) that the position of women (and men) in the labour force was deteriorating *before* the onset of transition. Despite the lofty ideal expressed by Gorbachev at the start of this chapter, a hint of the change in official position towards women was made clear in a later speech by Gorbachev where, not for the first time or last, he would attempt to look both ways at the same time.

... the contribution and selfless work (without which) we would not have built a new society nor won against fascism ... over the years of our difficult and heroic history, we failed to pay attention to women's specific rights and needs arising from their role as mother and home-maker, and their indisputable educational function as regards children ... What we should do is make it possible for women to return to their purely *womanly mission*.'

*(Emphasis added. Gorbachev, 1987, p. 117
quoted in Metcalfe and Afanassieva, 2005b, p. 432)*

Indeed, Metcalfe and Afanassieva (2005b, p. 433) make the point that, 'while political commentators are keen to interrogate restructuring in the transition context, gender reform and reconstitution in Soviet society cannot be socially and politically isolated within the transition era: gendered dynamics of transition must be seen as a process which started before 1989'.

Neither should it be thought that this reconstitution of gender roles was unwelcome by all women. The World Bank (2002, p. 13) report makes it clear that, 'the new principles of perestroika were shared by many Soviet women who saw "emancipation" as the right *not* to work.' (emphasis added)

The remainder of this contribution proceeds as follows. We first outline the position of females within the labour market in the first ten years of transition up to the end of the 1990s. This covers female activity rates, employment patterns, unemployment, and gender wage gaps. It is fully accepted that the position of women in many of the transition economies discussed below will have changed in the second part of transition, up to the present day indeed. However, the 1990s were the crucial years of transition and we feel it appropriate to focus our narrative here. We take the FSU and the transition countries of CEE as one grouping. To a lesser degree we separately discuss the situation in the People's Republic of China (PRC) where transition started earlier.

Women in (and out of) the labour market during transition

The former Soviet Union and central and eastern Europe

The beginning of the decade brought a sharp fall in GDP ... With respect to gender, the concern has been that worsening labor market conditions have had a disproportionate negative effect on women by increasing any pre-existing gender gap in employment and wages ... The findings of this study ... do not support this claim. There appears to be no empirical evidence that the treatment of women in the labor market has systematically deteriorated across the region.

(World Bank, 2002, Gender in Transition, p. xi)

A generalized concern exists that female participation has declined and that the gender gap in both participation and wages has grown. But this claim is not entirely supported by empirical evidence.

(*ibid.*, p. 16)

It is widely acknowledged that women were hurt disproportionately by the deteriorating conditions in the labour markets because as a result of macroeconomic austerity they lost previous non-wage benefits and services that made their participation in paid employment economically worthwhile.

(*UNECE, 2003, No.1, Chapter 7, p. 191*)

... the loss of benefits and social services which previously had made it easier for women – especially those with children – to hold a job suggests that many of the adjustments that have been made under the pressures of transition have fallen most heavily on women.

(*ibid.*, p. 142)

In what follows we make use of both the UNECE (2003) and the World Bank (2002) publications.³ As the preceding endnote points out, the respective reports cover different countries with a large overlap (the countries of CEE and the Russian Federation); but use different data sources, again, however, with an overlap (e.g. labour force surveys); and in quite a few cases, with different comparison years.

Other differences of measurement exist between the two reports. For example, the population of working-age is defined by the UNECE report as anyone 15 years of age and over (no mention is made of an upper age limit). The World Bank report uses the World Bank database *Genderstats*, a casual glance at which reveals the age range 15 to 64 for those of working age. Yet both definitions are probably different from the methodologies of many of the national statistical agencies. In China the working age population has an upper age limit of 55 for women and 60 for men, the respective retirement ages. Hence both quotes above may have a degree of ambiguity about them!

Female Labour Force Participation

We define the labour force participation rate (or simply activity rate) as the number of people working added to those actively seeking work divided by the population of working age, or equivalently, the labour force divided by the population of working age.

The above are not mere esoteric points. The World Bank report concludes that, 'In no country of the region except Bosnia and Herzegovina has the ratio of female to male activity rates significantly declined, and in nearly two-thirds of the countries, women's activity rates increased relative to men's although only Armenia had an increase of more than 5 percent' (World Bank, 2002, p. 17). Here it needs to be pointed out that this statement refers to a comparison between 1990 and 1999. When we turn to the UNECE report, however, we read that, '... female activity rates in 2001 were everywhere lower than in 1985 except in Romania ... Male activity rates also fell, but by much less than those of females except in Slovenia where both rates fell by about one fifth' (UNECE, 2003, p. 200). As can be seen from the quote, the period covered starts in 1985.

In the first case, the World Bank is, presumably, interested to see how the activity rates of females have fared since the start of transition to a market economy with 1990, broadly

speaking, being the year when transition started for many socialist countries. For UNECE, they are presumably, interested in comparing female activity rates from the definitive situation under central planning; in 1985 virtually all countries were still under central planning. Table 26.1 gives a more nuanced picture using the UNECE data.

As can be seen from Table 26.1 the major part of reductions in the female labour force or of employment occurred in the 1985 to 1994 period, with employment of females increasing in some countries in the late nineties to the early part of the new millennium. This reinforces the point that the beginnings in the deterioration of the status of women (and men) within the labour force pre-dated transition proper.

The People's Republic of China (PRC)

Turning briefly to the PRC we present Table 26.2. We note the distinction between men and women, but also between urban and rural China. For labour force participation we make use of Maurer-Fazio *et al.* (2005) who, in a comprehensive study of three Chinese population censuses of 1982, 1990, and 2000, examine female and male labour force participation in both urban and rural China. For 1982 the authors find participation rates of 86 and 71 per cent for men and women respectively.⁴ In addition, they present Table 26.3 where labour force participation is broken down by both gender, age, and location.

While older women in urban areas saw little change in their participation rates, older women (and men) in rural areas saw a large increase in participation between 1982 and 2000. It is surmised that this is due to the large outflow from villages of younger workers (of both sexes) to work in the booming coastal economic zones, leading to a 'feminization of rural agriculture'. Another feature of the above data is the greater likelihood of urban young females and urban young males staying within the education system for far longer than previous generations and certainly in greater numbers and for greater duration than their rural counterparts, showing an unequal access to education for the young, regardless of gender, based on an urban-rural divide.

Employment in CEE and the FSU

While both male and female employment fell, female employment fell more than male employment if we take 1985 as our starting point. Given the cut back in public sector jobs, many of which were female dominated, combined with a large increase in inactivity, then as with the labour force data the share of women in total employment fell everywhere except Romania (owing to the large influence of agriculture in the economy).

In addition, part-time employment increased in transition economies for women, standing, for example, at 72.5, 70.1, and 68.5 per cent of all part-time employment in Slovakia, the Russian Federation, and Estonia respectively in 2001. Given the withdrawal of many benefits that allowed women with children to engage in full-time jobs, part-time employment allowed a degree of paid employment with unpaid domestic employment.

The degree to which this growth in female-dominated part-time employment was voluntary or forced on women who could not obtain full-time employment is not known with certainty. However, Standing (1996, p. 302), using labour force data for the Russian Federation in 1993, reports that 12.4 per cent of unemployed women wanted or preferred part-time employment; an additional 12.2 per cent said they wouldn't mind either part-time or full-time work, with 57.5 per cent saying they wanted only full-time work.⁵

Table 26.1 Labour force participation and employment in selected transition economies, various years (per cent changes)

	Labour Force						Employment									
	1985 to 2001		1985 to 1994		1994 to 1997		1997 to 2001		1985 to 2001		1985 to 1994		1994 to 1997		1997 to 2001	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Bulgaria	..	..	..	..	-2.0	-1.8	-6.8	-4.9	..	..	..	..	5.2	5.5	-13.6	-9.8
Czech Republic ^a	1.8	-5.6	1.2	-5.6	1.5	-	-0.9	-	-5.2	-15.2	-2.6	-10.3	0.9	-1.9	-3.6	-3.6
Estonia	-7.9	-27.1	4.5	-21.5	-7.5	-5.5	-4.7	-1.7	-19.8	-36.0	-3.1	-27.8	-10.2	-6.8	-7.8	-4.9
Hungary	-22.0	-32.1	-20.0	-30.1	-3.1	-7.2	0.7	4.7	-26.9	-35.4	-29.4	-36.6	-0.6	-5.5	4.3	7.9
Latvia	-10.0	-29.5	..	..	..	..	-5.4	-4.9	-22.9	-37.7	-11.8	-31.0	-8.6	-8.5	-4.3	-1.3
Lithuania	1.6	-11.7	..	..	..	..	-6.5	-0.6	-18.4	-24.2	-5.8	-13.6	-1.0	-11.6	-12.5	-0.9
Poland	-1.9	-10.9	-3.7	-11.7	0.8	-1.3	1.0	2.3	-18.4	-28.6	-16.3	-25.8	4.9	1.9	-7.1	-5.5
Romania	5.6	11.2	9.1	16.1	0.1	-2.5	-3.3	-1.8	-1.9	4.6	0.8	6.0	2.2	0.1	-4.7	-1.4
Slovakia	..	..	..	..	1.1	4.1	4.3	6.1	..	..	..	..	3.7	5.6	-5.9	-1.1
Slovenia	-7.7	-10.4	-12.1	-12.6	3.2	3.2	1.7	-0.7	-13.0	-16.0	-20.5	-20.0	6.2	4.8	3.1	0.2
Russian Federation	1.5	-11.7	2.4	-13.7	-3.3	-3.5	2.6	6.1	-7.9	-19.2	-6.1	-20.5	-7.4	-7.3	6.0	9.7

Source: UNECE secretariat estimates, based on national labour force surveys, statistical yearbooks and direct communications from national statistical offices. Contained in UNECE (2003, p. 200). The labour force in 1985 is an estimate based on assuming that since no official unemployment existed, then the total number of those employed is also the size of the labour force.

Note: a Based on 2000 data and not 2001.

Table 26.2 Labour force participation by gender and location, PRC for selected years

	LFP by Gender and Location		
	1982	1990	2000
Total	78.7	78.8	76.9
Male	86.45	84.6	83.0
Female	70.56	72.6	70.6
Urban	77.8	75.7	65.9
Rural	78.9	79.9	80.6

Source: Maurer-Fazio *et al.* (2005) 'Economic Reform and Changing Patterns of Labor Force Participation in Urban and Rural China', *William Davidson Institute Working Paper*, Number 787.

By the second half of the 1990s, employment patterns had 'settled down', a point noted by the World Bank report (2000, p. 22). At the end of the 1990s and the start of the new millennium, both reports highlight two sides of the same coin: the fact that the age group 20 to 24 exhibited a low female share in total *employment* (*ibid.*), but that the female share in youth unemployment tended to be smaller than their share of total *unemployment* (UNECE, 2003, p. 201). Both reports attribute this in large measure to the higher percentage of females enrolled in higher education.

Unemployment in CEE and the FSU

Turning to unemployment (Table 26.4), at first glance the figures suggest that this was an issue primarily for men in the various transition countries in the 1990s. Indeed, the World Bank report states that for official unemployment data covering the years 1992, 1995, and 1998, '... in nearly two-thirds of the countries in the region the increase was sharper for men, and in some countries considerably so' (*ibid.*, p. 20).

Acknowledging difficulties that exist with official unemployment data, the authors of the World Bank report go on to examine survey data between the two years 1995 and 1999: 'The trends that emerge are very similar to those described above. Poland, the Czech Republic, the Former Republic of Yugoslavia, and the Kyrgyz Republic are the only countries where female unemployment rates are higher than those of men' (*ibid.*, p. 20). There is one caveat added, where it is mentioned (and explained in more detail in a box) that non-employed women face a higher risk of being counted as inactive than their male counterparts.

The UNECE report takes this issue up in more detail. Directly linked to the question of activity rates, Hungary is given as one of the more extreme examples. Between 1985 and 1997 female employment fell by 1 million and yet the female share in total unemployment was less than 40 per cent, the lowest share of all the eleven transition economies that they study. In total, 135,000 women were officially unemployed in 1997, equal to 12.5 per cent of all the jobs lost by women between 1985 and 1997.

This suggests that more than 900 thousand women left the labour market, the equivalent of more than one-third of the labour force in 1985. In fact in most of these economies there is a much larger withdrawal of women from the labour force once they become unemployed than is the case for men.

(UNECE, 2003, p. 142)

Table 26.3 Male-female LFP by age category and urban-rural location^a (per cent)

	Unmarried, Urban (Rural) Females			Married, Urban (Rural) Females			Unmarried, Urban (Rural) Males			Married, Urban (Rural) Males		
	1982	1990	2000	1982	1990	2000	1982	1990	2000	1982	1990	2000
15 to 22	72.7 (84.3)	60.2 (73.1)	46.4 (67.3)	86.7 (85.6)	86.2 (91.2)	69.3 (85.3)	70.6 (78.3)	59.6 (69.3)	43.8 (67.0)	97.2 (99.2)	98.9 (99.4)	96.4 (99.2)
23 to 35	95.0 (95.1)	91.6 (94.8)	90.4 (92.9)	92.1 (88.1)	91.1 (91.2)	79.2 (89.4)	94.2 (96.7)	92.5 (95.2)	92.2 (96.1)	99.1 (99.6)	99.3 (99.5)	97.2 (99.2)
36 to 49	80.9 (72.4)	83.9 (83.9)	78.2 (86.4)	83.2 (80.3)	87.4 (88.0)	74.5 (88.5)	88.3 (93.7)	92.2 (93.9)	85.6 (92.9)	98.7 (98.9)	99.0 (99.2)	94.9 (98.6)
50 to 65	21.5 (23.8)	22.8 (36.2)	17.3 (49.3)	28.9 (39.2)	37.4 (54.2)	22.2 (67.0)	67.5 (72.6)	70.9 (78.8)	49.1 (81.1)	76.2 (82.9)	75.0 (85.4)	55.3 (85.0)
Over 65	2.8 (3.1)	3.3 (5.5)	1.9 (13.3)	4.7 (7.0)	7.6 (12.8)	4.0 (27.0)	19.2 (19.2)	17.0 (23.2)	9.4 (30.3)	26.3 (33.9)	24.5 (39.1)	9.6 (41.6)
Total	62.7 (64.0)	52.5 (59.6)	47.3 (56.3)	75.0 (74.0)	76.1 (80.3)	61.9 (80.9)	75.0 (78.6)	67.1 (72.7)	58.2 (72.9)	89.9 (92.0)	89.3 (92.5)	80.4 (91.2)

Source: Maurer-Fazio *et al.* (2005) 'Economic Reform and Changing Patterns of Labor Force Participation in Urban and Rural China', *William Davidson Institute Working Paper*, Number 787.

Note: a It may seem odd that there appears to be a high percentage of LFP for the age categories 50 to 65 and over given that the retirement age for men is 60 and 55 for women. However, many face the necessity to continue working well into retirement. See OECD (2007) for further details of the pension situation in China. However, figures quoted within that document (table 5, p. 28) show that in 1990 the average pension as a percentage of GDP per capita and the average pension as a percentage of the average state owned enterprise wage was 94.1 and 67.7 per cent respectively. By 2005 these figures had dropped to 65.9 and 47.9 respectively. Further, the average pension coverage rate (defined as [contributors + recipients]/total population) was a mere 13.4 for the whole of China, although with large disparities between rural and urban areas (table 7, p. 30)

Table 26.4 Unemployment rates between the sexes (per cent)

Country	1992			1995			1998		
	Female	Male	F/M	Female	Male	F/M	Female	Male	F/M
Armenia	..	..	..	..	..	..	15	4.9	3.06
Azerbaijan	0.2	0.1	2.00	1	0.6	1.67	1.4	0.9	1.56
Belarus	0.7	0.2	3.5	3.3	2.2	1.50	..	..
Bulgaria	..	..		16.8	16.2	1.04	..	..
Croatia	20.1	14.8	1.36	..	..		12.1	11.9	1.02
Czech Republic	3	2.2	1.36	4.8	3.5	1.37	..	..
Estonia	3.4	3.9	0.87	8.8	10.6	0.83	8.6	10.4	0.83
Hungary	8.7	10.7	0.81	8.7	10.7	0.81	7	8.5	0.82
Latvia	2.8	1.8	1.56	18	19.7	0.91	14.1	13.5	1.04
Lithuania	2.8	4.3	0.65	..	..		12.4	14.5	0.86
Macedonia, FYR	32.5	22.1	1.47	41.7	31.9	1.31	..	..
Poland	15.5	11.9	1.30	14.7	12.1	1.21	12.3	9.1	1.35
Romania	10.3	6.2	1.66	8.6	7.5	1.15	6.1	6.5	0.94
Russian Federation	5.2	5.2	1.00	9.2	9.7	0.95	13	13.6	0.96
Slovak Republic	11.7	11.1	1.05	13.8	12.6	1.10	12.6	11.4	1.11
Slovenia	10.8	12.1	0.89	7	7.7	0.91	7.7	7.6	1.01
Tajikistan	0.4	0.4	1.00	2.1	1.9	1.11	..	..
Ukraine	..	..		4.9	6.3	0.78	10.8	11.9	0.91
Uzbekistan	0.3	0.2	1.50	0.5	0.3	1.67	..	..	..

Source: International Bank for Reconstruction and Development/The World Bank: *Gender in Transition*, 2002, p. 20.

Thus little comfort should be taken from the relatively low unemployment rates for women relative to men. It appeared in many transition countries in the early to middle 1990s that men were bearing the brunt of unemployment, whereas this would not appear to have been the case, assuming that voluntary exit from the labour market by females did not predominate.

The Gender Wage Gap in CEE and the FSU

Whether under central planning or in market-based economies, women on average earn less than men. Given this, the issue during the transition period is not whether men earn more than women, it is whether the gap between the sexes has narrowed, stayed the same, or increased.

In addition, the absolute size of the differential between male and female wages, whether on average for the labour market as a whole, or by occupation or industry, may be the most important issue to the individual woman; but to economists it is the part of the difference which cannot be explained by the productivity characteristics of the individual that is of greater interest. In brief, if a man is paid more than a woman in a particular job because he is more productive owing to, say, a higher education, or innate ability, this is of no immediate concern from a market perspective or, indeed, perhaps, from society's point of view as the difference in earning power is justified.⁶

In order to calculate the part of the differential not due to individual characteristics, typically the differential is 'decomposed' into an explained and an unexplained part. The explained part is due to things such as educational attainment, age, work experience; whereas the unexplained part is assumed to be either discrimination or unobserved productivity characteristics of,

in this case, the male worker. The size of the unexplained differential is usually taken as a measure of discrimination. Thus, there can be a large gap between male and female wages, but with only a small part due to the unexplained part of the decomposition. Alternatively, one can have a small absolute wage differential, but with most of this due to the unexplained part, i.e., to discrimination.

In Table 26.5 we report data on the gender wage gap in selected transition countries for various years. In this table the gap is presented as a ratio such that a ratio close to one indicates a low gap in earnings between the sexes whereas a low ratio indicates the converse.

After reviewing the evidence Newell and Reilly (*ibid.*, p. 14) concludes that, '... in general, the gap in pay between men and women in the transitional countries remains low by international standards'. However, as conceded by the authors and pointed out by others such as Jurajda (2005) the relative stability of the earnings gap may have been 'softened' by the exit from the labour market of women with low levels of human capital. These tended to be the lowest paid workers and so selection effects may have given a 'boost' to the perceived performance of women's earnings within the labour market vis-à-vis men's earnings. Further, Jurajda (2005), reporting other surveys, comments that while Newell and Reilly found the earnings gap to be stable over time, others find a dramatic rise in wage inequality and some a decrease in the gap *dependent* on the countries surveyed.

Two forces would appear to have been at work during the early transition period: the one mentioned above, i.e., female labour force exit either to unemployment or more likely inactivity, which helped to diminish the observed gender wage gap; and secondly, an increase in wage dispersion from the compressed state under communism, which tended to increase the gender wage gap given the predominance of females in lower paid jobs in contrast to the position of males. Little wonder different studies found varying results given that *a priori* there was nothing to suggest that these two forces would be the same in all transition countries.

As to the composition of the gender wage gap, Jurajda (2005, p. 599) comments:

A typical finding in this literature is that gender differences in productive characteristics can 'explain' only a small part of the wage gap. Hence, within-job wage discrimination and gender segregation are likely to be important in transition economies. Alternatively, there is a large difference in the relative unobservable labor quality of employed women and men.

The gender wage gap in the PRC

Cai *et al.* (2008, p. 188) notes that there have been two forces at work: one which has been narrowing the gender wage gap and the other which increases it. Education over time has acted to narrow the gap, but not as much as unobserved skills or discrimination has done to widen it within China. Summarising the work to date, they report that Knight and Song (2005), using data from the China Household Income Project (CHIP), found that for urban data in 1988, less than 50 per cent of the difference in pay can be explained by observable characteristics. Cai *et al.* (2008) further report the work of Liu *et al.* (2000) and that of Gustafsson and Li (2000). The former researchers, using two data sets covering Shanghai and Jinan, find that gender pay differences widen as one moves from the state sector to the collective or private sectors. The latter authors, using CHIP urban household data, report that between 1988 and 1995 the female/male earnings ratio declined modestly from 0.844 to 0.825.

Table 26.5 Monthly gender pay ratios in transitional economies for selected years (female wage as fraction of male wage)

Country	Year	Ratio
Czech Republic	1987	0.661
	1992	0.730
	1996	0.813
Hungary	1986	0.743
	1992	0.808
	1996	0.789
Poland	1985	0.737
	1992	0.790
	1996	0.790
Slovakia	1987	0.661
	1992	0.733
	1996	0.782
Bulgaria	1990	0.740
	1995	0.700
	1997	0.691
Romania	1994	0.786
	1996	0.760
Slovenia	1987	0.870
	1991	0.905
	1996	0.869
FR Yugoslavia	1995	0.899
	1996	0.888
	1997	0.884
Estonia	1997	0.750
Latvia	1997	0.799
Lithuania	1997	0.650 (manual)
	1997	0.710 (non-manual)
Russia	1989	0.709
	1992	0.685
	1996	0.695
Ukraine	1996	0.777
Kazakhstan	1996	0.723
Kyrkgystan	1995	0.733
	1996	0.730
	1997	0.720
Uzbekistan	1995	0.805

Source: Newell and Reilly (2001) 'The Gender Pay Gap in the Transition from Communism: some empirical evidence', *Economic Systems*, 25 (4) and references contained therein.

Conclusions

The above information paints at first a seemingly contradictory picture of transition in the 1990s from the perspective of women. While the World Bank report does not downplay the difficulties experienced by women, the impression left is that compared to the difficulties that men experienced, there was no overall dominant trend of females being – in all transition countries and at all times during transition – at an overwhelming disadvantage compared to men; transition might have been difficult but it was difficult, more or less, for both sexes.

Indeed, Standing (1996, see Chapter 9, *The Impact of Restructuring on Women*) – admittedly looking only at one transition economy, albeit the very important one of the Russian Federation, and focusing on manufacturing industry – writes, ‘... contrary to expectations, between 1991 and 1994 women were not marginalized in Russian industry, at least not in terms of their share of employment’.

The UNECE paper above, along with others such as Ruminskay-Zimny (2002) have, however, highlighted the gender asymmetry within the labour market as regards processes that tended to disproportionately affect women within the labour market in the first period of transition.

While this contribution has concentrated on the first period of transition, from the perspective of hindsight, EBRD (2007, p. 70) states, ‘In conclusion, while women *may* have fared worse in the early years of transition and took longer to adjust to changes, they have been catching up with men’ (emphasis added).

However, while there may be some discussion of how women have fared within respective labour markets, if one looks at the position of women from a societal view point then, at the very least, there have been major changes to the status, position, and role within transition economies of women, and these have not always been to their advantage.

Not covered here is the evolution of poverty during the first period of transition, and how this might affect single (mainly female) parents or female-heads of households. Likewise, the abrupt decline in fertility in many transition countries, along with a re-examination by some transition societies of female reproductive rights was beyond the limited scope of this piece. Other important issues not included here were: the growing (or perhaps simply more open?) discrimination faced by women pre- and post-entry into the labour market; the huge increase in female trafficking for the sex industry in Western Europe; and the dramatic reduction in female roles in the political process during the first period of transition.⁷ On a more positive note, we also left out any examination of the growing role of female entrepreneurs in transition and former transition economies, albeit facing many practical obstacles; and the role of higher education, still benefiting many more women than men.⁸ We leave these issues for later reporting.

Notes

- 1 As an example, and commented on by Sobotka (2002): ‘In the Czech Republic, about half of the first marital births were conceived before marriage during the 1980s ... In Poland, 49% of first children were born within 9 months following the marriage in 1990’ (Footnote 9, page 9). And further, ‘... in the 1990s, a sharp fall in the TFR (total fertility rate – PL) shifted the position of Eastern Europe on the European fertility map from the ‘highest fertility’ to the ‘lowest fertility’ region within one decade’
- 2 As noted by Rhein (1998, p. 353) the male breadwinner model, ‘assumes that women are in fact nurturers by nature and interested in caring for children. It assumes that in changing times, men should be the economic providers for the family. And finally, it assumes that there is indeed a man to turn to for economic support.’ It is true that in the mature market economies of Western Europe and North America after the Second World War, there was an increasing tendency for dual-earner households as the market economies grew and the need for more labour increased as a result of the drawing of many women into the workforce. However, the degree of female labour market participation was never quite on the same scale as the socialist countries and many of the jobs occupied by women tended to be part-time jobs as opposed to the predominantly full-time jobs under the socialist economic system. Finally, as has been increasingly noted there is yet another evolving trend in many countries of females – educated and financially secure – who never marry or marry at a much later age than hitherto. The rise of single occupancy households of both males and females is thus another possible variant, aside from the male breadwinner model or the dual-earner model.

- 3 The UNECE (2003) report covers the countries of Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia and the Russian Federation. The data sources are from 'UNECE secretariat estimates, based on national labour force surveys, statistical yearbooks, and direct communications from national statistical offices', source note under all data tables in Chapter 7 of the UNECE (2003) report. Depending on the table, data can cover the period before the start of transition (1985) or after transition commences (1994) with comparison dates going to 1997 and in some cases to 2001.
The World Bank (2002) has as its Europe and Central Asia region, the former countries of the Soviet Union: Russia, Ukraine, Belarus, Moldova, Latvia, Lithuania, Estonia, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan. Central and Eastern Europe consists of: Poland, Czech Republic, Slovakia, Hungary, Albania, Bulgaria, Romania, Slovenia, Croatia, Former Yugoslav Republic of Macedonia, Bosnia and Herzegovina, Serbia and Montenegro and Kosovo. The report uses as its primary data sources, World Bank databases, and the UNICEF Transmonee database. This is supplemented with data from labour force surveys, Living Standard Measurement Surveys, Demographic and Health Surveys, and country censuses. Referring to the first two primary databases, the World Bank report (2002, p. 2) notes that, 'These databases reply primarily on official data supplied from government statistical offices. They are predominantly administrative data and have come under increasing scrutiny in recent years, especially in the area of human development indicators, as the findings of an increasing number of household surveys have questioned their reliability'. The report uses various years in its tables – 1992, 1995, 1998, etc. – with 1999 appearing to be the most recent year used.
- 4 By way of international comparison, the authors, citing Szafran, (2002, Table 1, p. 32) give LFP rates of 77 and 53 per cent for men and women in the USA for 1982 and using the ILO Year Book 1983 give LFP rates in 1982 for men and women of 80 and 48 per cent in Japan, 71 and 44 per cent for South Korea, 83 and 30 per cent for Brazil, 87 and 13 per cent for Pakistan. For France in 1983, figures of 69 and 42 per cent are given.
- 5 The Russian Labour Flexibility Survey was launched in late 1991 when the USSR as an entity still existed. It focused on manufacturing in three Russian Oblasts and the field work involved the visiting and questioning of managers within factories. As such this was not a household labour force survey. The first round covered 503 industrial firms and covered a workforce of 529,250 people in Moscow City, Moscow Region, and St Petersburg. The surveys in July 1993 included Nizhny Novgorod and the survey of July 1994 included Nizhny Novgorod and Ivanovo. See Chapter 3 of Standing (1996, pp. 32–62) for more details.
- 6 We write the word 'perhaps' since if females within any society have deliberately had access to education curtailed for, say, cultural or religious reasons then the differential is not fair from society's point of view. The potential of the individual female has been stunted through no fault of their own but because of institutional norms, whether they be formal or informal; the individual female loses out, but so too does society in a reduced contribution to what could have been contributed by the female to society; there is a cost to the individual and one to society. The discrimination, however, is occurring not on the job but pre-entry, in the limited access to education. Other examples include society's attitude to childcare in the home. While work experience is a legitimate individual characteristic, which contributes to on-the-job productivity, and hence the wage of the individual, if society deems that women must be primarily responsible for the upbringing of children this will inevitably curtail the total amount of work experience and hence impact on the female wage. The individual owner of a firm will pay a wage according to the actual work experience of the female (along with any other productivity characteristics) but the female *could have had* more work experience if either society had prioritized the appropriate child care facilities (*à la* central planning) or the outlook of the partner of the female had been different (*à la* Scandinavian men). Again, the disadvantage to the woman is occurring off the job, in society at large.
- 7 To give but one example, 'From 1937 there existed an unofficial communist party policy to increase the number of women in political executive roles. This resulted in women accounting for 30 per cent of all deputies in USSR's Supreme Soviet Council and around 40 per cent in local Soviet Councils. This high figure for female representation existed until 1989 when these quotas were abolished.' (Metcalf and Afanassieva, 2005b, p. 431) Notwithstanding this, it can be said of the former socialist regimes, that the elevation of a certain number of women to political roles was tokenism to demonstrate aspects of socialist ideology, rather than a genuine thrust of female involvement in the political process. It is a moot point as to whether the visibility of women at the (near) top of communist society

through token female representation pre-transition is more desirable than virtually no female representation during transition.

- 8 Space prevents us, however, from describing whether the highly educated nature of women in many transition and post-transition societies has also been reflected in corresponding wage levels. See, however, Newell and Reilly (1999). On female entrepreneurship in transition economies see the work of Aidis *et al.* (2007) and references therein.

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