

A Feminization of Vulnerability? Female Headship, Poverty, and Vulnerability in Thailand and Vietnam

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Summary. — This article investigates whether heterogeneous subgroups of female-headed households are worse off than households headed by men. It analyzes the correlates of consumption, shock exposure, and severity, as well as vulnerability to poverty. Using panel data of over 4000 rural households from Thailand and Vietnam, strong evidence of heterogeneity among subgroups of female-headed households are found. In particular, in comparison with male headed households *de facto* female-headed ones are found to be richer in Thailand, but prone to more severe shocks in both countries. Furthermore, our results suggest that in Thailand single female-headed households are less vulnerable to poverty than households headed by men. However, in Vietnam these households are particularly poor and vulnerable to poverty; we show that this is mostly due to their greater poverty rather than their higher risk exposure. Our findings suggest that differentiation by subgroups of headship is important for policy development and targeting as well as future research.
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Key words — gender, poverty, shocks, vulnerability to poverty, Asia, Thailand, Vietnam

1. INTRODUCTION

Female-headed households in developing countries deserve special attention since they are said to be disadvantaged regarding access to land, labor, credit, and insurance markets (World Bank, 2011). Furthermore, they may be discriminated against by cultural and social norms and suffering from, for example, high dependency burdens, little economic control over resources, and economic immobility. However, evidence regarding the poverty status of female-headed households in comparison to households headed by men remains ambiguous, often related to the heterogeneous nature of female-headed households (e.g., Chant, 2010; Duflo, 2012; Drèze & Srinivasan, 1997).

In order to assess the situation of female-headed households in comparison to male-headed ones comprehensively, a static assessment of poverty and welfare differences is not sufficient (Buvinic & Gupta, 1997). Apart from poverty concerns, female-headed households might also be more vulnerable to poverty, as they have limited access to formal and informal credit markets and other instruments of risk management. In fact, numerous authors have asserted that women suffer from greater vulnerability (e.g., Bibars, 2001; Chant, 2010; Moghadam, 2005; World Bank, 2001). However, little empirical evidence on vulnerability and female headship exist to date.¹

This study contributes to this discussion in three ways: First, it combines a broad range of existing empirical evidence to argue that female-headed households might be particularly ill prepared to reduce and mitigate risks and cope with shocks.

Second, it analyses how different levels of endowments such as assets, land, and education affect levels of consumption, shock exposure, and vulnerability to poverty of female-headed households. Third, it accounts for the heterogeneity among female-headed households by differentiating between *de facto* female heads (i.e., women whose partner has migrated) and *de jure* female heads (i.e., households led by single women and widows), and their respective subgroups.

The results are derived from a two wave panel of over 4000 households from rural areas in Thailand and Vietnam. These two countries are particularly interesting for such an analysis since their inhabitants have experienced many micro- and macro-level shocks while their poverty headcounts have fallen dramatically over the last two decades, allowing us to implicitly test the inclusiveness of these poverty trends with respect to female headship. Our findings underline the importance of differentiating between different types of female headship. In Thailand women whose husbands have migrated are generally richer than male-headed households. By contrast, in Vietnam

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single-headed households are found to be poorer and more vulnerable than male-headed ones. In both countries, *de facto* female headed-households are more prone to shocks. We thus suggest that policies to tackle poverty and vulnerability need to consider the heterogeneity of female-headed households and the specific reasons for their divergent economic fortunes.

This paper is structured as follows: Section 2 provides an overview about literature related to female-headed households and their well-being compared to male-headed households. Section 3 focuses on concepts and measures of vulnerability and discusses why female-headed households may be particularly vulnerable. Section 4 briefly describes gender differences in Thailand and Vietnam before embarking with the empirical analysis in Section 5. Section 6 summarizes the main results and offers concluding remarks.

2. FEMALE-HEADED HOUSEHOLDS AND POVERTY

Starting in the 1990s, the “feminization of poverty” has been intensely debated among researchers and policy-makers (e.g., Chant, 1997, 2008). Reasons for an explicitly gender-related research are, among others, the observed increase of female-headed households (e.g., Budowski, Tillman, & Bergman, 2002), as well as the belief that especially these households suffer from a higher burden of poverty and vulnerability (e.g., Buvinic & Gupta, 1997). The literature about disadvantages of women in developing countries can broadly be grouped into two strands: one which focuses on gender-related differences, i.e., on differences between men and women in general, and another one which concentrates on the comparison of male and female-headed households.

When using income-based measures of well-being, it is basically impossible to assess inequalities between males and females within the same households due to the presence of household-specific public goods so that well-being differences between males and females cannot be studied (Marcoux, 1998; Klasen, 2007). Assessment of well-being by headship is, however, still possible and is thus the main focus of this paper. To understand possible differences between different household types, it is nevertheless important to briefly consider the literature on the nature of economic and social disadvantages women face in developing countries.

Among disadvantages for women in developing countries the lack of access to markets stand out. First, in many developing countries women in rural areas have little or no access to land. (World Bank, 2007, 2011). In some countries, women’s (co-)ownership is formally ruled out, in others it is possible but still rare. For example, Deere and Leon (2003) find that in some Latin American countries the male share of owners of farm land ranges between 70% and 90%. Underlying factors causing this inequality include inheritance and land titling laws in favor of men.²

Second, women suffer from a limited access to formal credit markets, linked to the lack of collateral or discrimination in credit access (King, Klasen, & Porter, 2009; Storey, 2004). Husbands or other male relatives may help getting credit by co-signing loans (Fafchamps, 2000). However, such support is not automatically available and much harder to obtain for female-headed households.

Third, insurance markets in (rural areas of) developing countries are—if existing at all—often hardly functioning. While both men and women are affected by such a market failure, the latter are likely to suffer more from it in the absence of a functioning safety net and equal property rights. Also, women usually have very limited possibilities to contract health insurance and may get respective access only through spouses employed in formal sector jobs (World Bank, 2001).

Fourth, women typically have less access to the labor market than men and earn less when working (Oostendorp, 2010; World Bank, 2011). Restrictions to female employment, norms limiting women’s employment in general or in particular sectors, high fertility, low female wages, all appear to play a role (Goldin, 1994; Klasen & Gaddis, 2013; World Bank, 2011). Finally, even if female shares in formal employment are comparatively high as is predominantly the case in East and Southeast Asia—women are paid significantly less than men. This wage differential cannot be explained by worker characteristics such as education and experience (e.g., Klasen, 2006; Horrace & Oaxaca, 2001; Oostendorp, 2010; Seguino, 2000).

In addition to the disadvantages faced by women in general, there are disadvantages particular to female-headed households. Most importantly, households led by women carry a “double day burden” if their heads have to handle domestic work and the role of breadwinner simultaneously (Moghadam, 2005; World Bank, 2011). Consequently, these women suffer from more pronounced time and mobility constraints than others which possibly impacts negatively on income of their households (Buvinic & Gupta, 1997).

Lastly, female-headed households often lack support from both social networks and the state. For example, Bibars (2001) finds that for women in Egypt there is no institutional alternative to a male provider. Chant (2008) underlines that divorced female heads often lack ties with ex-partners’ relatives, as well as with their own families and communities. However, female household heads that are married and whose husband migrated may receive increased remittances income (Buvinic & Gupta, 1997). Thus it is likely to be very important to distinguish between *de jure* female-headed households (consisting of widowed, divorced, and single women) and *de facto* ones (where a male head is temporarily absent) as opportunities and constraints might differ substantially.

Despite the abundance of reasons why female-headed households may suffer more from deprivation, empirical evidence on the correlation between headship and poverty is ambiguous (Chant, 2008). During the 1980s and early 1990s studies about the “feminization of poverty” have proliferated which conclude that female-headed households are the poorest of the poor, while the number of female-headed households is on the increase in many developing countries. However, this view was quickly criticized as being unsubstantiated, leading Lipton and Ravallion (1995), Chant (2010), and Marcoux (1998) to assert that female-headed households in general are *not* more likely to be poor than male-headed ones.

In meta analyses of this issue, Buvinic and Gupta (1997) review 61 studies concerned with the poverty status of female-headed households, using a very broad concept of headship. In 38 of these studies female-headed households are found to be poorer than male-headed ones. However, only certain types of female-headed households are overrepresented among the poor (supported by 15 studies) while others find no evidence that female-headed households are disproportionately among the poor (8 studies). By contrast, Quisumbing, Haddad, and Pena (2001) investigate the poverty status of female-headed households in 10 developing countries using consistent methodologies across countries. Only in two cases they find evidence that female-headed households suffer more from poverty than households headed by men. Clearly, the poverty situation of female-headed households varies across countries.

Besides country specific contexts, the differentiated picture of gender related poverty research is owed to the heterogeneity of female-headed households. Therefore, in the literature it is increasingly refrained from superficial comparisons between male and female-headed households and switched to the analysis of

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