

China's Accession to WTO:



Challenges for Women in the Agricultural and Industrial Sectors

OVERALL REPORT

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FOREWORD

This report on the challenge of WTO entry on Chinese women in the agricultural and industrial sectors is commissioned by the United Nations Development Programme (UNDP), and China International Center for Economic and Technical Exchange (CICETE), in partnership with the National Development and Reform Commission (NDRC) with technical assistance from the United Nations Development Fund for Women (UNIFEM). The research work was conducted mainly by the Institute of Industrial Development, NDRC, and comprising some other high quality national consultants from the Chinese Academy of Social Sciences, All China Women's Federation, and international specialists in areas of gender, poverty statistics, international studies and economics, and social development from UK, USA, Canada, ILO (Bangkok), UNESCAP and The World Bank. This ground-breaking endeavor is supported and funded by the Japan Women in Development Fund (JWID).

Many countries' experience has shown that globalization tends to have a different impact on women and men, depending on their social and economic positions and their access to and control over resources. While some women enjoy greater economic opportunities, others are exposed to increased vulnerabilities. By and large, women lose out during the transitional period.

Aware that integrating a gender perspective into the formulation, the implementation and monitoring process of China's future reforms is indispensable. The four institutions developed this partnership to examine the differential impacts of WTO on women and men in China. In January 2002, they launched "China's Accession to WTO: Challenges for Women," the first gender-focused WTO project in China. This report presents you the key findings in the hope that gender issues will find greater attention as the administrative system and institutions cope with the impact of globalization on China's economy and society.

The accompanying General Report summarizes and synthesizes the findings of these two teams, the agricultural sector and the industrial sector. Each of the three chapters concludes with specific policy recommendations aimed at lessening the adverse impact on women brought about by China's accession to the WTO.

The research found that there is a clear and deepening trend of feminization in the agricultural sector and of marginalization of women in the industry sector, two developments which have negative implications for the improvement of women's economic and social status. This trend can only be reversed in the view of the authors through specific programs, laws, and regulations targeted to improve the well-being of women in Chinese society.

WTO marked the beginning of another period of great change in China. If the question of who might be left behind in the wake of accelerated reforms is not fully addressed now, a small window of opportunity will be lost. The detrimental consequences of China's entry into WTO may become too deeply entrenched. "China's Accession to WTO: Challenges for Women" may provide some answers on how to use this opportunity.

We hope that the findings of the reports will be widely shared and discussed in order to enhance understanding of government, people's delegates, women leaders and civil society's on the socio-economic consequences of the WTO entry, particularly the impacts on women and to adopt a gender-sensitive perspective in policy making.



Kerstin Leitner
Resident Representative
United Nations Development Programme in China
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Executive Summary

This report brings together two related studies on the likely impact of China's accession to the WTO on women and men in agriculture and industry. These studies provide the first gender focused WTO research in China.

The research adopts relatively new methods for Chinese socio-economic policy analysis. Gender analysis is applied to the study of agricultural and industrial development and the analysis of employment, income distribution and social security. The studies are based on a comprehensive literature review and on-the-ground research in five provinces of China.

The report's policy recommendations provide entry points for integrating gender equity considerations into the policy process in China. In addition, the research establishes a useful baseline for further studies in China and for comparative research in other countries.

1. Background

China's 2001 accession to the WTO marked an important event in current China's development. Integration with the global economy will deepen through the liberalization of imports and exports and opening the economy to foreign enterprises. This will undoubtedly have profound socio-economic impacts. In view of women's current inferior socio-economic status and the increasing involvement of women in the labor force, the implications of these changes for women's status is a key concern that requires greater attention from policymakers.

International studies examine the relationships between globalization, trade liberalization and gender relations, but as yet, none focus on the Chinese experience. Indeed, many WTO-member countries are worried that Chinese exports, many of which rely primarily on the cheap labor of women workers, are highly competitive and present huge challenges to their domestic economies. However, until now, there has been no analysis of the likely effects of WTO entry for women and men in China itself.

2. Agriculture Summary

Agriculture in China under WTO will become even more feminized. In response to changes associated with WTO entry, demand for land-intensive agricultural products, such as soybean, cotton

and corn, will likely decline, resulting in a fall in employment. Consequently, some agricultural laborers, especially women, will move to more competitive labor-intensive activities, such as chicken farming. Men and a smaller share of women will continue to move out of agriculture altogether.

Labor intensive agriculture, such as chicken breeding, will thrive in the new environment, but benefits may fall short of expectations because of the need to meet more stringent WTO related technical requirements including phyto sanitary conditions.

On balance, therefore, without compensating measures by the government, there will be a deterioration in rural/farming women's economic, social and family status following China's entry to the WTO. This, in turn, will have a negative impact on agricultural productivity as well as on the well-being of people living in rural China, especially those reliant on agriculture for their livelihoods.

Although women are projected to increase as a share of agricultural workers, their relatively weak social and economic position in agriculture means that it will be difficult for women to protect their social, economic and family status while also contributing to the productivity and competitiveness of Chinese agriculture. In sum, WTO will likely serve to exacerbate women's already difficult situation in the agriculture sector.

Points for decision-makers

China's economic and social statistics pay insufficient attention to the importance of gender in agriculture and the importance of gender roles for the interaction of rural households with the wider economy. In effect policy tends to be biased against women in part because of the lack of statistics to show impact on women.

The feminization of agriculture offers opportunities for women's employment in more competitive and productive agriculture-related activities, which translates into better outcomes for agriculture (e. g. higher productivity) and for women (strengthening women's status and household well-being) provided the following steps are taken: Improve women's and girls' access to education and training in poor and remote areas; Ensure that men and women participate in labor and product markets on an equal footing; Ensure gender equality in access to productive resources (credit and land control) and; Support gender equality in agricultural enterprise, in agricultural decision-making bodies and in the household.

3. Industry Summary

Women are being marginalized in industrial workforce. With the accession to WTO, in short term, international capital will flow into China and boost further development of the labor-intensive sub sectors, women's share in industrial labor force tends to increase; the long-term projection suggests that industry will upgrade with expansion of capital and technology-intensive sub sectors. Whereas



women's share in these sub-sectors traditionally low, this will exacerbate women's marginalization in the industrial labor force.

Structural changes associated with a more open economy are expected to bring about greater efficiencies and, in the long run, stimulate economic growth and thus industrial employment. In the short run, increased imports and decline in non-competitive Chinese industry are responsible for an additional urban unemployed. Employment in State-owned and capital-intensive industries, such as machinery and chemicals, will decline, which in turn will depress male-labour intensive employment. This will force more males to seek jobs in labour-intensive industries and exacerbate the competition with women in these industries. For industry as a whole, the gender gap in incomes and jobs are expected to widen. Gender gaps in social protection will also widen.

Points for decision-makers

WTO membership will accelerate the shift toward a market economy. It will also put pressure on China to bring labour conditions in line with international standards. However, it may also stimulate the expansion of the informal sector, where labour conditions and security are extremely weak and women are particularly vulnerable.

The education and technical skills of female agricultural workers seeking work in the city are lower not only than that of most urban workers but also lower than comparable male migrant workers from rural areas. Without measures to enhance migrant women's education and skills, they are likely to be increasingly concentrated in low wage, low skilled occupations, often with poor working conditions and little security.

The study shows that women experience serious constraints in entering and participating in the labour market, due to a combination of gender norms which disadvantage women, lower educational and skill levels, and household demands on women's time, all of which reduce their ability to take advantage of employment possibilities.

4. Policy Recommendations

This report provides policy recommendations to government to respond to WTO-induced changes in ways which support gender equality and prevent the erosion of women's status. They include the following:

Make trade policies and WTO commitments more accountable to women by:

- ◆ Making government more aware of and promote the interests of women workers in vulnerable sectors, such as land-intensive farming, through more gradual tariff reductions.
- ◆ Ensuring government's negotiating positions in the WTO reflect the interests of women workers

in agriculture and industry and actively seek to prevent other countries from adopting anti-dumping measures against female-intensive Chinese exports.

- ◆ Ensuring government support to capacity building in export-oriented sectors where women are concentrated, for example, facilitate the participation of women in upstream sectors like cotton production and provide technical and financial support to women chicken farmers to help them meet Phyto Sanitary and other WTO requirements.
- ◆ Ensuring that WTO "Green Box" policies work for women in agriculture. This could be achieved through increased investment in infrastructure and agricultural services in rural areas.
- ◆ Promoting greater public awareness of WTO impact and the resulting need to learn new skills in an increasingly competitive market.

Prioritize gender equality in government decision-making:

- ◆ The principle of gender equality should be incorporated into all decision-making and formulation of policies for harmonious, gender-equitable, socio-economic development and the participation of women should be strengthened in government decision-making.
- ◆ Decision-makers should build capacity to establish a standardized system for evaluating women's status, including a database of gender-disaggregated statistics with core indicators in areas such as economy, politics, education, and family and the development of a system of national accounts which incorporates the "care economy". (The notion of calculating the economic contribution of women's nonremunerable housework)
- ◆ Measures of the progress towards gender equality should be integrated into the national budget system so that action can be taken to ensure that women and men, boys and girls benefit equally from government expenditure and that gender equity considerations are made explicit in budget preparation, implementation and evaluation.

Improve women's capacity to participate in the economy on a fair footing with men by:

- ◆ Developing agricultural equipment more suitable for women.
- ◆ Supporting the use of labor-protection devices for women workers involved in dangerous work and more generally move toward international labor standard and practices.
- ◆ Creating incentives and support for women entrepreneurs in rural areas, for example, tax cuts, access to credit for those processing agricultural products, and subsidies to businesses for hiring women laborers.
- ◆ Supporting childcare for workers, by reducing fees for land use and nurseries through subsidized kindergartens in poor areas.
- ◆ Strengthening social protection, especially for rural women and informal sector workers.

Supporting gender equality in education and training by:

- ◆ Strengthening women's education and training through funding for literacy and technical-training programs to help women overcome the obstacles they face in daily life.
- ◆ Providing incentives to strengthen women's training and scheduling training at more convenient times for women's daily schedule. Focus training on specific vocational needs of women.
- ◆ Expanding education for girls, especially in rural areas. For example, enforce compulsory nine years of schooling for both girls and boys. Provide support to poor areas to send all children to school while at the same time reducing the gender gap in education.
- ◆ Extending the urban system of employment and education to the countryside, give preferential land leases and tax credits for rural educational networks set up by urban voluntary vocational-education institutions to enable rural women to learn new technologies and acquire new skills.

Improve legislation and law enforcement to guarantee women's rights in employment:

Every effort should be made to bring China's labour law into conformity with international labour standards and practices, particularly as the law applies to the unique work requirements of women, e.g. maternity leave, prevention of work with heavy physical labour, etc. Ways and means must be found to better protect migrant workers and those in the informal sector by allowing them to organize themselves and/or by strengthening legislation covering these vulnerable groups. Finally, the labour law needs to be better enforced on all fronts.

5. Further Research

The root causes of Chinese women's inferior status go back to China's deep history and are responsible for the policy bias of the present system. This study began the examination of the problem, further research is needed as follows: a cross-sector and cross-region gender analysis of with conclusions and policy proposals; a gender analysis of the implications of WTO for the rapidly growing service sector; discrimination against women in hiring and fair competition for jobs as well as unfair treatment they face at the workplace and the impact on overall productivity of the society. WTO will reinforce the tendency for Chinese women and men to seek work beyond China, women's vulnerability in other countries should be evaluated and their protection should be ensured. International labor practices will come into play in China as more and more multinationals source products and build factories here, they will insist more on fair labor practices in China, how to integrate international labor practices into China's situation and improve women's well-being should be studied.

6. Broad Development Concerns

The lack of gender disaggregated data and its absence from socio-economic analysis remain serious constraints to further research and to future informed policy development. While, there are many holes left to fill, these studies provide a good beginning to the understanding of gender in the context of China's international trade.

This report shows that there are both opportunities and threats to the social, political and economic position of Chinese women. Tendencies towards gender inequality are likely to intensify post-WTO entry. So while there will be benefits for women in terms of increased employment, the studies suggest that there are likely to be increases in gender inequalities in income, job security and time use.

The policy recommendations presented in this report suggest ways in which the government can meet the challenges of WTO entry by alleviating many of the negative impacts on women, while at the same time, strengthening the ability of the Chinese economy and society to benefit from the opportunities created post-WTO entry.

1

Introduction

1.1 Background

Integration of the world's economies has accelerated in recent years with rapid advances in technology and changes in the nature of global production and trade. No country can avoid this trend. A country which hopes to develop must rely, not only on its domestic resources and markets, but also make better use of international resources and markets. Accession to the World Trade Organization (WTO) is likely to deepen a country's integration with the global economy through the liberalization of its imports and exports of goods and services and by opening up the economy to foreign investment. Thus, WTO membership can allow a country to make better use of international resources and comparative advantage in the production of goods and services. However, joining the WTO brings both benefits and challenges.

The implications of WTO membership for women in China is one of the challenges that requires greater attention from policymakers. In analyzing the impact of the WTO on women's employment and economic, family and social status, one cannot automatically assume the benefits exceed the costs. There is a kind of dialectic. On the one hand, WTO membership can bring some women opportunities for development, such as enhanced prospects for employment, higher incomes, and create an environment in which there is greater awareness of legal rights, and improved overall living and health conditions. On the other hand, the same globalization can bring hardship to other groups of women, such as unemployment, falling incomes caused by fiercer competition, and fewer social and economic benefits. Similarly, globalization can assist women to close the gap in their overall position with men but it can also serve to increase the existing gap.

China's accession to the WTO, and the associated increase in competition, may aggravate the double burden of women (in the home and community, on the one hand, and paid employment, on the other) in two ways. First intensified market competition may reduce the time and energy men are able to devote to their domestic responsibilities centered around the home and community, and thereby shift this burden to women and girls in the household. Second, fiercer competition may mean that women themselves are under greater pressure to devote more time and energy to their job and job search and to education and training to fulfill their economic and social responsibilities, which will add to

women's existing burdens.

Joining the WTO marked an important event in China's recent development. The accession will undoubtedly have profound social and economic impacts. In addition, it will bring opportunities and challenges to men and women in both agriculture and industry. But the unfortunate starting point is that women's current social and economic status is already behind that of men.

1.2 Study objectives

This study explores the implications of WTO membership for women in China, using statistical data, questionnaires and focus group interviews. As a starting point, the study examines the economic, family, political and social status of Chinese women working in the industrial and agricultural sectors. The study addresses the following questions:

- ◆ What challenges will WTO membership present to women's family status, training opportunities, social security, and standing in social and political spheres?
- ◆ What are the opportunities and impacts of China's WTO commitments for industry and agriculture? How will WTO affect women's employment, incomes, and participation in decision-making?
- ◆ How specifically will WTO accession challenge women's economic, social, and political status?
- ◆ How can government decision-makers best address these issues?

To understand WTO challenges for women in China's industrial and agricultural sectors, we first examine the likely effects of WTO commitments on the sectors as a whole. We then consider the implications for women working in these sectors, taking into account the current situation of women and men in the economic, social and family spheres. Much of China's agriculture and some of its infant industries are not able to compete in international markets. Hence, those working in these areas will face harsh challenges as a result of greater foreign competition.

At present, there are a number of international studies on the impact of economic globalization and trade liberalization on women. Although China's WTO entry has important implications for women, as yet, this is an under-researched area. Research from a gender analytical perspective has only just begun in China. There are few comprehensive gender disaggregated data sources or studies. This study fills a critical gap in the literature. A gender analysis starts with the assumption that men and women may face different challenges and different opportunities in responding to changes currently taking place in the economy. In order to understand these more fully, this study takes the perspective of women workers in these sectors, as women's vantage point is often neglected in economic analyses. This approach highlights certain dynamics of economic transformation that are often hidden in orthodox economic research, and as such, it adds context and insights which may be missed in standard economic research. In addition, gender research establishes a useful baseline for further research in China and for comparative research in other countries.



1.3 Study Methodology

Sub-sectors were selected based on: importance of the industry in terms of its share of industrial or agricultural output; its factor intensity, in terms of inputs of land, labor, capital, and technology; a strong representation of women in the labor force; and the sensitivity of the industry to WTO membership.

Planting and stockbreeding were chosen for the agricultural study. Together, these two sub sectors account for about 85%¹ of the total value of output in the Agriculture, Forestry, Stockbreeding and Fishery sector. According to the 1990 Population Census the percentages of women working in planting and stockbreeding are the highest among the various sub-sectors. These sub-sectors are highly sensitive to WTO membership and China's opening commitments in both industries are extensive.

Within agriculture, four sub sectors were selected: for planting, cotton, soybeans, and corn were selected. Women are extensively involved in the production of these land-intensive crops and China is not internationally competitive in these crops. The fourth sub sector is chicken breeding where women are a substantial majority of workers. It is labor intensive in production and potentially competitive on international markets. Within industry, the three industrial sub-sectors chosen were: textiles and garments, which is labor-intensive, has a high proportion of female workers, and is highly competitive, is likely to benefit substantially from China's membership in the WTO; automobiles, which is capital-intensive with a low proportion of female workers, and will face serious WTO challenges; the appliance industry, which is moderately capital, labour & technology-intensive. The appliance industry is expected to benefit from WTO entry where men form the majority of the workforce but women account for a substantial minority.

The regions covered in the fieldwork included eastern, middle, and western China, taking into consideration the levels of economic development and features of industrial structure. They represent the open and developed coastal areas; the old industrial bases; western undeveloped areas; and selected industrial areas. The study covered five provinces: Jilin, Xinjiang, Shandong, Guangdong and Sichuan.

The industrial team surveyed industrial enterprises in Guangdong, Shandong, Sichuan, and Jilin. Guangzhou, Dongguan and Zhongshan of Guangdong province and Qingdao of Shandong provinces are coastal areas with more developed industries of household appliances and textiles and garments. Chengdu in Sichuan province is a western urban center with some appliance, textile, garment and automobile industry. Its location in China's interior means that the level of development and market impact are still minimal. Changchun of Jilin province is an old industrial base and an important

¹ China Statistics, 2002, China Statistics Press.

automobile manufacturing center in China.

Agricultural fieldwork was undertaken in Jilin, Shandong and Xinjiang covering ten county centers and 18 villages and towns. Jilin is the country's main producer and exporter of corn and soybean. Shandong province is China's main production and export center for chicken. Xinjiang is one of the country's main producers of cotton, accounting for one third of the total national output in 2000 ².

The research methodology was relatively new and untried among Chinese economic and social policy analysts. Gender analysis was introduced into the study of industrial development, employment, income distribution and social security. Gender analysis takes gender as the underlying theme in the analysis. Thus the economic and social significance of social relationships and social structures and considers the roles and responsibilities of men and women are important factors for consideration. Although the roles of men and women often reflect traditional cultural values, they vary according to type of work, region and age, for example, and usually change over time. Gender analysis poses different questions than traditional industrial and agricultural research. Rather than looking only at the ways in which WTO accession might affect sectoral output, and/or total sectoral/industrial employment, changes in total household income, the research examines the distribution of benefits and costs of WTO accession between men and women. Thus, the study provides a gender analysis of WTO entry through an examination of its impact on certain industrial and agricultural activities. Sectoral changes are examined in terms of their likely affect on the household and the social and economic status of Chinese women in those sectors. The study integrates qualitative and quantitative approaches. Qualitative techniques are used in focus group interviews to assess mainstream opinions and to identify typical views relevant to the analysis. Quantitative techniques are used in the analysis of survey questionnaires and output, employment and other secondary data.

The target groups were predominantly female. In the survey of the industrial team, 75 percent of the surveyed group were female, 25 percent male. In the agricultural survey, the target group were (1) male cadres in charge of, or participating in, work concerning women in towns and villages, (2) male farmers, (3) female cadres in villages, towns, and village committees, and (4) female farmers. Their ratio in the sample was 1:1:1:7. The majority of interviewees were literate between the ages of 20 and 55 years, from different occupations and income levels, whose employment reflected the variety in the regions, and particular economic activities of interest.

Questionnaires and focus group discussions and informal interviews were conducted² with key informants, largely officers from government departments and enterprise managers in provinces, cities, counties, and villages. The interviews gathered information about people's awareness of the WTO and helped the team to summarize the status of women in industry and agriculture. 727 industry

² China Rural Research, August 2002; China Rural Statistics, 2001;



questionnaires were analyzed and 314 agriculture questionnaires were returned. The team of eight to ten persons participated in the interviews. Some interview groups included men and women while others were all women.

As part of the study methodology, a review of related studies was undertaken to gain a better understanding of current research and methodology. Research in some countries has already integrated gender analysis into studies of industrial development, employment, income distribution and social security. This work provided a useful framework for this study and brought insights to the present status of Chinese women and the likely direction of change following China's entry to the WTO. The research team applied some of the key concepts as instruments to assess women's status and make policy recommendations. (Please see Annex). Two very important international mandates, the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and Beijing Platform for Action, provide the foundation for government action in the context of women and WTO.

2 Women's Status in China's Industry and Agriculture

WTO membership means that trade liberalization will continue to affect all sectors of the economy including China's labour market. Analyzing the change from a gender perspective is at the core of this research. Women are an important part of the labor force - in some sectors, e.g. textile and garments they form the majority of the labour force. Women have some different capabilities, different needs and different perspectives in the workplace from those of their male colleagues. Women face different constraints and opportunities than their male colleagues. Indeed, women may face more serious challenges than men in this economic and social revolution. To understand these changes, one must first ask, "What is the current economic and social status of women in industry and agriculture?"

2.1 Definition of women's status

According to the Report on the Second National Survey on Chinese Women's Status conducted by the National Bureau of Statistics and the All-China Women's Federation, women's status is defined as: the degree of social recognition of rights, resources, responsibilities and functions of different female groups in social life and social relationships in the society. The index of female status reflects not only the degree of equality between men and women at a given point in time, but also changes in status of men and women over time. With economic and social development, the roles of men and women continually change and with this women's status also changes.

Below we examine two sets of indicators of women's status, one for economic status and one for social status. Economic status includes employment and income; social status includes family, education, political rights, and social security.

2.2 Economic status

This research concludes that economic status is the key factor in determining women's overall status in the society. The gainful employment of women is fundamental to women's participation in social development and a basic means for women to obtain economic independence (Lin Zhi Bin, 2001). Therefore, employment and income are important indicators for measuring not only women's economic status but also their overall status in Chinese society.



2.2.1 Employment

Statistical and research data on female employment in China's industry and agriculture show that "the feminization of agriculture" and "the marginalization of women workers in industry" are becoming major trends in female employment.

Feminization of agriculture

Market forces and urbanization have caused large numbers of male agricultural laborers to leave agriculture to look for jobs in enterprises in cities, towns, and villages. There has emerged in the countryside a division of labor based on gender, where "men work and women farm". Women have become the main force in agricultural production. Since the 1990s, women account for more than 50 percent of labor in agriculture³, forestry, animal husbandry, and fisheries. Women's as a percentage of the agricultural work force is increasing.

The 1996 agricultural survey shows that farming families are mainly engaged in planting and stockbreeding activities. The shares of women are 51.6% in planting, 75.2% in stockbreeding, and women account for 52.5% of the total workforce in these activities. In forestry, fisheries, and agricultural services, male laborers are still the majority. By 2001 the employment structure of agriculture had transformed³ with a decline in the share of the total labor force in planting, from 95% in 1996 to just over 80% in 2001. Stockbreeding more than doubled to 11.7% from 5.0%. There is evidence of a gradual trend towards feminization of agriculture with women's share of agricultural employment rising from 52.5% in 1996 to 55.5% in 2001. To summarize, since 1996, the majority of laborers in planting and stockbreeding (which together account for about 98% of total agricultural output) were women and their percentage continues to increase⁴.

Marginalization of women in the industrial labor workforce

In 2001 the total number of women in the non-agriculture labour force nationwide was 42.3 million, while women's employment in the industrial sector had reached 15 million. Most women work in the agricultural sector but their share of employment in the industrial sector is rising, and may continue to rise as a consequence of China's WTO entry and the move towards greater openness. Women account for 40.4% of industrial sector employment while men account for just under 60%. In terms of the distribution of women within the industrial sector, women are highly concentrated in garments and textiles industries, accounting for 75.8% of garment workers and 66.7% of textile workers respectively. The share of women in capital-intensive and technology-intensive industries is comparatively low. For example, only 3.3% of the total female labour force is employed in transportation-equipment manufacturing and the percentage of female employees (vis-à-vis men) in this industry is only 25.5%. Survey data reveal that in these capital-intensive or technology-

³ For details, please see the agricultural sector report.

⁴ For details, see the industrial sector report.

intensive industries most women are engaged in simple and repetitive physical tasks with low skill requirements and correspondingly low wages. Opportunities for female employment in managerial and technology departments are few. Because of their generally low educational levels, lack of on-the-job training, and the demands of caring for the family and the household, it is difficult for female employees either to be promoted or to move to more responsible posts with new employers. To summarize, with increasing industrialization, and more recently, greater openness, the labor-intensive sectors of the industrial sector continue to expand and are absorbed an increasing number of women workers. As the structure of the industrial sector shifts towards more labor-intensive activities, the share of women in the industrial labor force is likely to rise but the jobs are at the unskilled low-end of the work hierarchy, resulting in a marginalization of the industrial labor force in general and of women in particular. The next section discusses a number of gender issues in the agriculture and industry work setting.

Gender in Agriculture and Industry

◆ Agriculture

The feminization of agriculture, means that women have increasingly replaced men as the major force in agricultural production. Nevertheless, management and decision-making in agriculture remain male dominated. Such gender differences stem from the gender structure in production activities. For example, men and women planters were found to do similar work, but women tend to dominate planting, which is time-consuming, arduous and generates low economic returns. Men in the agricultural sector, on the other hand, dominate marketing and decision-making. Whether in the planting or the breeding sector, it is mainly men who buy or sell agricultural products, 67% of decision-makers in breeding are men, 33% are women, while in planting men account for 87% of decision-makers and women for 13%. These figures conform to the traditional family mode of "men in charge of outside, women in charge of inside". Opportunities for farming women to participate in management activities are few, which illustrates gender inequalities in the economic status of women.

Table 1 Gender Differences in Agricultural Subsectors

Sub-sector	Sex	Division of labor	Labor arduous	Labor protection	Marketing activities	Change of jobs
Planting	Male	No difference	No difference	No difference	First player	Indifferent
	Female				Second player	
Breeding	Male	No difference	Light	No difference	First player	Active and more choices
	Female		Heavy		Second player	Passive and with tendency

Sources: Summary up from agricultural report.

◆ Industry

In industry, women tend to be located in the most labor-intensive sectors. According to the 2000 National Census, most women in the industrial labor force are concentrated in the manufacture of garments and other fiber products and textiles, which together absorb 27% of the female industrial labor force. Women tend to outnumber men in these sub-sectors, e.g. in garments and fiber products, women accounted for 60% of the workforce, and men for 40%. Women's turnover varies greatly by region, proprietorship, industry, and scale of business. For example, turnover is low in Jilin in large, state-owned and collective enterprises. Turnover is high in Guangdong, in small and medium enterprises and in private and foreign corporations. It is low in the automobile industry, but high in garments and electronics. In general, women tend to be concentrated in activities characterized by high turnover, while men are more likely to be working in low turnover areas. This suggests that the instability and marginalization of women workers is linked to the gendered structure of employment in both agriculture and industry.

It appears that informal work is gradually becoming an important source of women's livelihood. Over 13% of the women interviewed engage in small-scale informal production, particularly in Sichuan and Guangdong provinces but less so in Jilin.

Women's Unpaid and Unrecognized Contributions to Housework

As a result of traditional customs and social norms, household work (including cleaning, cooking, fuel collection, etc) is largely undertaken by women and girls, not only in China but globally. Invariably, most household work falls on women and girls, the working hours, and burden of women's work is greater than that of men. Most labour surveys only capture time spent in paid work, which will normally show no great difference in the average daily working time between women and men, and this is certainly the case for women and men working in the industrial and agricultural sectors in China. However, it is the additional time spent by women and girls, in unpaid, household-oriented activities that account for longer working hours of women. Gender differences in responsibilities within most households in China, mean that women's working day is longer than that of men, particularly in rural areas where the demands of maintaining households are much higher as for example, where water must be fetched far away from the village.

A similar working pattern is found in urban areas and among industrial sector workers. Although urban-based men contribute more time than rural men to housework and household-oriented provisioning our survey data show that households of industrial workers take up more of women's than men's time. Thus, even in the urban industrial setting women work longer hours than men.

Because housework is neither remunerated, nor counted in time and quantity, and because its value to the family is hard to measure, it is often neither accounted for nor regarded as being of value. Women usually do the housework, so this form of contribution to the family is often neglected or

ignored. However, some economists⁵ point out that women contribute extensively in an economic sense through their housework, and without housework, there would be no normal social life. Hence, housework effort should be officially recognized and taken into the overall calculation. Modern sociology study has recognized that unremunerated housework done by wives is an important part of social labor and is indispensable in the process of capital accumulation and reproduction (Lin Zhi Bin, 2001). Therefore, although it is difficult to estimate the specific value of women's housework, one cannot deny the important contribution it provides to the family and to society.

Gender based constraints to Labor Market Flexibility

Household chores place constraints on women's labor market mobility. Survey and interview data show that, in order to meet the demands of the household, rural women often choose temporary work close to home rather than seeking work in urban areas where job opportunities are greater. Furthermore, women's often low education restricts their job choices, putting rural women in an especially weak position in the job market, but also reinforcing labor market rigidity. The survey data show that women see educational disadvantage as the main barrier to employment (according to 57% of respondents)⁶. This research also found that sex discrimination in the labor market is an important reason for an increase in unemployment among women and the difficulties women face in the labor market generally⁷.

Under-employment and Un-employment in Agriculture and Industry

◆ Agriculture

Supply exceeds demand in rural and urban labor markets, and under-employment characterizes both agriculture and industry⁸. Too little land for too many people characterizes China's rural sector. According to national population statistics, in 2001 of a total population of 1.2 billion people, 934 million live in rural areas. Agricultural laborers account for 67.3% of rural laborers. The average tillable field per farmer was 0.14 hectare, 0.27 hectare per laborer, and less than 0.53 hectare per family. Farm work, requiring the labor of just one person, is often done by several. As male agricultural laborers flee the over-populated countryside, women have become the main force of agricultural labor. The survey showed that, for both planting and breeding, women are under-employed to some degree.

⁵ To link housework with capital accumulation and social reproduction was first mentioned in the article "Social Economics of Women Liberalization" by Margret Benston (1969).

⁶ See the industrial sector report.

⁷ Survey results show that the age limit for social work is generally: men below 35years, women below 25-28.

⁸ Under-employment refers to more people employed to do the work that fewer could do. Work that can be done by one person is done by many. On the surface nobody is unemployed, but in fact it is under-employment.

◆ Industry

The industrial sector is also characterized by under-employment to some degree and it varies with the size of firm. Under-employment in large-scale firms is higher than in small and medium enterprises. In urban areas, state-owned enterprises are characterized by high rates of under-employment. At present, China's state-owned enterprises have 110 million employees, of whom 30 million are under-employed, reflected in a rate of under-employment of 30% (Lin Zhi Bin, 2001). A high rate of urban unemployment and the saturation of the labor market underlie widespread under-employment.

Proportionately more women are laid-off than men. By the end of June 2001, the total number of employees laid-off nationwide amounted to 28.1 million (Yang Yi Yong, 2001). Women accounted for 59.2% or 16.6 million (Lin Zhi Bin, 2001).

Gender Control over Decision-making and Rights to Productive Resources in Agriculture & Industry

◆ Agriculture

Decision-making rights in production and management reflect the abilities of men and women to exercise initiative and independence. This study shows that decision-making rights of agricultural women in production and management occur in three areas: loan applications for production; determining prices for agricultural products; and the right to contract land. From the survey data, we found that men controlled loans, with loans generally obtained in the name of the husband. Even though a woman may apply herself, she must use her husband's ID card. This requirement shows discrimination against women in the existing agricultural loan policy, which impedes their economic rights. There is no obvious gender difference in decisions on the selling prices of agricultural products. Men and women jointly decide the prices at which to market their produce. Gender discrimination is severe in the right of land contracting. Officially land is divided into responsibility land and contract land. Responsibility land is distributed according to the number of family members with permanent residence, whereas contract land is contracted by individuals. With respect to the distribution of responsibility land, some interviewees reported that when a woman marries a man who moves to her house after marriage, her husband cannot get registered as a permanent resident, which means the household cannot increase its land holding despite an increase in the household size. At the same time, when a woman marries and moves to her husband's household, her right to contract land in her previous residence is cancelled, regardless of whether her husband has land or not. The current system is therefore both dysfunctional and discriminating both for men and women depending on the circumstance.

◆ Industry

With respect to industry, the survey results reveal that, because of comparatively low education levels of women and girls, most industrial female employees remain in low-status, low pay occupations,

with few women occupying higher paying technical and managerial positions. Their work responsibilities are often limited to simple and repetitive physical labor. They have neither decision-making rights in production and management nor the sense of participating in important affairs of the enterprise.

The starting of one's own business represents a woman's striving for the realization of her own value. But there are serious obstacles for women with such hopes. Besides lack of funds and lack of access to funds, lack of expertise and skills in management, the attitude of family members and some traditional social biases against women often prevent women from starting their own enterprises. And yet, every indication is that women are just as capable of succeeding in starting their business as are men. This is a great loss to China's socio-economic development.

2.2.2 Income

Income of women is the key indicator for measuring female's economic status and reflects the direct compensation to women for their measured and officially recognized contribution to society.

◆ Agriculture

With large numbers of male agricultural laborers migrating to work in cities and towns, the wages of male migrants often becomes the principal income of rural families (Huang Fang, 2001), as the women's income comes primarily from low productivity agricultural production. Our survey data show that women contribute less than men to household income⁹. This common phenomenon of lower female contributions to household income reinforces the low economic status of women, which in turn contributes to their low social and family status.

◆ Industry

In industry, men and women's income varies according to specific situations. There is no great difference of income between men and women in national and provincial state-owned enterprises, but the difference is great in collective enterprises owned by cities or towns. The difference of income between men and women varies by occupational status and education levels. For laborers with the highest education level, the gender difference in income is the smallest, with a gap of less than 10%; by contrast, for laborers with the lowest education level, the gender earnings gap exceeds 20%. Moreover, the difference declines with the increase of laborers' skills. The survey results show that the income level of men is much higher than that of women.² In low-income jobs (with earnings below Rmb 500), 29.7% of such wage earners are women while 12.2% are men; in high-income jobs (with earnings between Rmb 1,000 and 1,500), 25.6% are women, 48.3% are men. This dichotomy shows a consistent gender bias in wages across educational and income levels.

⁹ For details, see the agricultural sector report.

2.3 Social Status

A person's social status is measured by a combination of one's status in the family, one's educational status and how the country's social security system treats the individual. Each of these factors is described below for both the agricultural and the industrial setting.

2.3.1 Women' family status

The family is the smallest social unit and an essential part of society. The family status of women refers to the role and position of women in family life. Therefore, the family status of women reflects their social status and is determined mainly by women's monetary contribution to the family and education level, while contribution by means of non-remunerated housework is not accounted for, or at best, undervalued, by families and society.

◆ Agriculture

Our survey data shows that the differences between men and women in the time spent on housework. Planting women generally spend more time on housework than their husbands. There is no great difference in propensities to do housework between women engaged in animal breeding and their husbands. In investigating the reasons for this, we found that because the production activities in the breeding industry are mostly done by women, they contribute more to the family income compared with women in the planting industry, and their family status increases accordingly. Therefore, their husbands would devote themselves to housework consciously or unconsciously; while in the planting industry, men are generally the main force in production activities responsible for important tasks like purchasing and selling. Women just do supplementary, simple, and repetitive field-management work, so men have more power in the family, and women naturally undertake the burden of housework. From the survey, we also found that in both the planting and breeding sectors, there is no great gender difference in decision-making rights about family affairs¹⁰.

◆ Industry

In the industrial sector, there is no conceptual difference between men and women in whether to do housework, but there is a difference in the time spent doing housework. As shown in the survey results, the time and energy women spend on housework are far more than men because the traditional cultural concept and their own characteristics make women do more housework. This point alone does not demonstrate the lower family status of women. In the meantime, interviews show that the family status of women is nearly equal to that of men in the cities. The only difference is the decision-making rights on important family affairs, which men may still control although spouses may discuss before the husband takes the decision.

¹⁰ See the agricultural sector report.

2.3.2 Educational status¹¹

The educational status of women reflects not only their educational attainment but also their status and contribution in the process of learning. The level of women's educational attainment directly affects their economic, social, family and political status. Statistical data show that boys and girls differ in years of education, in the rate of school attendance and dropout, in the frequency of being unable to go to school, and in the rate of illiteracy-in both rural and urban areas with girls generally being lower than boys. In general, the educational status of women is lower than that of men, and it is much lower for agricultural women.

◆ Agriculture

In the country wide, the rate of illiteracy and semi- (or functional) illiteracy of women reached 28%, 16 percentage points higher than that of men (The State Statistics Bureau, 1998), and agricultural female illiterates constitute the majority of China's illiterate population. From the gender distribution of years of education, one sees nationwide a large difference between men and women. Statistical data¹² show that the average duration of girls' education is 4.8 years versus boys, 6.7 years. Among farmers(rural labour), only 4 percent have any senior-high-school or higher education; this figure is an aggregate of 5.6% among male and 2.4% among female farmers. The proportion of illiterate or functionally illiterate female farmers has reached 22.5%, while that of men is far lower at 12.1%. Our survey results show that in the agricultural sector, among the interviewees, the education level of men exceeds that of women. Although this survey is indicative, it illustrates the lower educational level of women. At the same time we found from the survey that with the increasing emphasis on education in society and in the family, the surveyed respondents generally thought that girls should have education opportunities equal to boys. Some, however, felt that bearing children was an important mechanism to provide for security in old age, and they therefore thought that boys should have priority in education. Others thought that girls should get priority in that, as the opportunities of employment for girls are fewer than for boys, favoring girls with more education might be one of the ways to help them overcome this obstacle.

◆ Industry

The industrial survey shows similar results. The educational level of men working in industry was higher than that of women, with 5.6 percent of women, but only 2.7 percent of men, having only primary or lower education versus 32.5 percent women and 43.8 percent men having college or higher education. The low educational level of the industrial women is the main reason for their marginalization in industrial employment. There also exist gender differences in obtaining opportunities for re-training. In the interviewed enterprises, on the surface, there is no obvious difference between men and women in opportunities for re-training¹³. However, upon deeper analysis, the content of training

¹¹ The educational status of women refers to the opportunities of education and the education level of women compared with that of men.

¹² "Synopsis of the First Agricultural General Investigation Data", China Statistics Press, 2000.

¹³ For details of the research results, see the industrial sector report.

for men and women often differs. Even when the content of training is the same, the training courses may not be sensitive to gender issues. Because of women's constraints like the duty of taking care of their families and the low level of their education, it is much harder for women to get the needed skills than it is for men. Therefore, only by developing a training system suitable for women can industry and society eliminate this inequality.

2.3.3 Social security

Social security is another index reflecting the social status of women and an important means for women to access public welfare benefits. The social-security system in the agricultural sector is limited, and the security level is low. The quality of the social-security system varies among different types of enterprises.

◆ Agriculture

The research looking at the social security of agricultural women addresses three aspects (pensions, medical insurance, and unemployment insurance). The survey results show a slightly better level of social security in chicken breeding than in planting¹⁴. Generally speaking, there is no great difference in social security between men and women engaged in these occupations. Social-security systems such as medical insurance, pensions, and unemployment insurance are not yet established in the countryside.

◆ Industry

Women in industry have different levels of social protection under different forms of proprietorship. Social security for women in the state-owned and collective enterprises is almost equal to that of men; but women in private and foreign enterprises and some laid-off, unemployed, or part-time women in communities are often marginal groups in the city. Their social security level is still low. The survey result shows that the caliber of social-welfare systems is comparatively high in state-owned and collective enterprises while the quality of such systems in private and foreign enterprises is low. Social-security systems in large enterprises are better than in small and medium enterprises. Among all interviewees, women have either no social security or it is lower than men. Many female workers in private and foreign enterprises come from the countryside, and most of them are contracted laborers. Because they stay temporarily in the city, their level of social protection is generally low or nonexistent; on the other hand, the interviewees of this questionnaire survey include some women from communities. Because most of the community women are laid-off, unemployed or only occasionally employed, their level of social security is also low.

¹⁴ This survey is not statistically representative and cannot represent the whole agricultural sector.

3

Impact of WTO on Women in Industry and Agriculture

Although China did not officially become a member of the WTO until the end of 2001, China has long been creating conditions in preparation for joining the WTO. For example, the government began reducing tariffs and non-tariff barriers, as well as signing and implementing in succession relative bilateral or multilateral trade pacts. Therefore, to some extent, the years before joining the WTO should be seen as a trial experience with WTO because WTO impact on agricultural and industrial women began before China joined the WTO. From changes to female status in recent years, before accession to the WTO, we can already determine its impact on the status of women.

WTO membership impacts on the status of Chinese women in industry and agriculture in two ways:

- ◆ through the WTO's effect on the development environment and the changed performance requirements of related industries; and
- ◆ through the WTO's effect on the change of development conditions and opportunities for women

The impact of the above two channels occurs over the short and long term but the impact of the second channel is mainly long term.

The change of the status of Chinese women in industry and agriculture due to the country's joining the WTO has occurred in the following ways:

- ◆ the direct impact of WTO membership on the status of women, which includes the results of China's performing relevant trade-related and market-opening commitments.
- ◆ the change in the adaptability to the environment of the Chinese government and related interest groups (enterprises, regions, intermediary organizations, etc.) and the effects of measures taken.
- ◆ the indirect impact of WTO membership, including the effect of expediting reforms in domestic systems, optimizing the operation of macroeconomic policies, promoting the growth of major markets, and enhancing the competitiveness of Chinese industry.
- ◆ the impact of factors not related to WTO membership.

The study on the impact of WTO membership on the status of industrial and agricultural women should look at the first three of the above factors. This research is confident about predicting the direction of change but it cannot predict with certainty the magnitude of changes.

3.1 An outline of the WTO and commitments by the Chinese government

The main tenets of the WTO include the promotion of fair competition and free trade, increasing the transparency of trade rules, provision of locations for trade negotiations, and settlement of trade disputes between member countries. Its basic principles include non-discrimination (Most-favored-nation status and civil treatment accorded to all members), open markets, fair competition, balance between rights and duties, and the encouragement of development and economic reform. Because the WTO touches on the four basic areas of commodity trade, service trade, intellectual property, and trade-dispute settlement, the trade principles in the four basic areas and the basic principles of the WTO will have numerous and complex effects on the status of women in industry and agriculture. China's entry into the WTO implies that China not only enjoys the rights of WTO members, but also must obey the organization's basic principles, relevant agreements, and protocols to faithfully fulfill China's commitments to the outside world and undertake reciprocal obligations. Since China joined the WTO after the organization's establishment, the stipulation for China's accession does not simply concern the general requirements and obligations that the WTO has with its members. Rather, China's accession is based on a series of bilateral agreements that the Chinese government reached with every member-country negotiator of the WTO, including special stipulations especially aimed at China.¹⁵ These special stipulations are reflected in the commitments the Chinese government made in entering the WTO and have become the basis of impact on industry and agriculture and on the status of women involved in these sectors, together with the general rights and obligations of WTO membership¹⁶. To study the impact of WTO membership on the status of women in industry and agriculture, it is essential to understand the commitments that the Chinese government made to enter the WTO. These commitments are described at length and in detail in the industrial and agricultural reports of this study, so this section will only briefly summarize the commitments.

In addition to the general WTO rules for agriculture, China has made the following five commitments:

- 1) To increase market entry, China must restrict tariffs on all agricultural products by the maximum amount required and reduce the arithmetical average tariff from 21% before WTO membership to 17% by 2004. A tariff-quota system is to be implemented for sensitive bulk agricultural products such as grain, oil, cotton, and sugar;
- 2) China must eliminate all export subsidies;
- 3) The maximum support through the Yellow-Box policy on agriculture shall be 8.5%;
- 4) China is to fulfill the "Agreement on the Application of Sanitary and Phyto-sanitary Measures (SPS)" ; and
- 5) China must gradually open agricultural services.

¹⁵ See also Ke Bing-Sheng, et al., WTO and a Brief Introduction to Chinese Agriculture. China Agricultural Press. January 2002, page 6

¹⁶ Mainly refers to Annex 3 from "Non-tariff measures and timetable of cancellation" to "protocol of WTO Membership of People's Republic of China".

In industry, China has made two commitments:

- 1) Reduce tariffs. The general level of Chinese tariffs will decline gradually from 15.6% in 2000 to 12.7% in 2002, 10.1% in 2005 and 10% in 2008. The tariff on industrial products will be reduced from 14.7% to 11.7% in 2002, 9.3% in 2005 and 9.2% in 2008.
- 2) Gradually eliminate non-tariff barriers according to a time-table². For instance, in the auto industry, the import-quota and licensing system must be abolished step by step. Most non-tariff measures aimed at chief products will be cancelled in two to three years after China's joining the WTO, and those on cars will be cancelled by 2005. In accordance with the Agreement on Textiles and Clothing (ATC), the import-quota system on the import of textiles and clothes from WTO members will be progressively cancelled in ten years starting from 1995 and free trade will be put into practice. In addition, most measures that are not in compliance with WTO rules taken by WTO members on Chinese export will be cancelled before January 1, 2005.

3.2 The impact of WTO membership on women's employment in Chinese industry and agriculture

The WTO membership has an impact on the employment opportunities of women in industry and agriculture results from several impacts. The first is the impact of WTO membership on the total number of jobs in industry and agriculture. The second is the impact on the gender structure of employment in industry and agriculture, i.e. the change of female's comparative status in industry and agriculture brought on by WTO membership. Generally speaking, joining the WTO may result in a net increase of jobs in some industries of China, but also a net decrease of jobs in others. We believe that the impact of WTO membership on the development environment and employment opportunities for women in industry and agriculture varies according to the attributes of the particular sector or sub-sector and that sector's pattern of female employment.

3.2.1 The potential impact of WTO membership on changing job prospects in agriculture

The transition period (2002 to 2004)

With its over-supply of labor, huge population, and often mountainous or arid terrain, China has some of the least farming land per capita in the world. The country, therefore, has a comparative advantage in developing labor-intensive stockbreeding such as chicken breeding rather than land-intensive planting of crops like corn, soybean, and cotton. The following analysis shows that WTO membership will decrease the total number of jobs in land-intensive planting but increase those in labor-intensive breeding during the transition period (2002 to 2004). Although the change will not be great, the impact on women will be greater than on men. If China's trading partners raise technological barriers to limit the importation of Chinese breeding products, joining the WTO may lower jobs in breeding, so this is one point to consider.

In land-intensive planting industries, corn, soybean and cotton are three representative products, and in labor-intensive breeding industries, chicken breeding is the most commonly undertaken activity. At present, the production of chicken accounts for 70% of the total poultry output in China, and chicken consumption ranks second in meat consumption.¹⁷ The breeding industry, and in particular chicken breeding, has high female employment. The following is an analysis of the real demand and supply characteristics and the impact of the WTO on domestic production of representative products—corn, soybean, and cotton in the planting industry and chicken breeding in the breeding industry:

- ◆ **Corn:** Its net export is the biggest (6.9 million tons on average per year from 1999 through 2001), accounting for 5.9% of the average output in those three years. At present, there is an overstock of domestic corn, and prices are low. During the transition period (2002 to 2004), the increase in import quotas and cancellation of export subsidies will benefit the expansion of imports; but the gap between the volume of imports and exports remains wide. Furthermore, the impact of the increased corn-import quota will be less than the fluctuation in domestic production. In general, the impact of joining the WTO on Chinese corn production will not be great.¹⁸
- ◆ **Soybean:** Since 1996, the volume of Chinese soybean imports increased rapidly. China has become a net importer of soybeans from a net exporter and is now the biggest soybean importer in the world. The proportion of soybean imports increased from 6.7 percent of total domestic output in 1996 to 88.8 percent (13.7 million tons) in 2001. Within the next few years, the growth of Chinese soybean production will not satisfy demand, and this structural deficit will not change. Many factors have led to the current demand and supply pattern of soybeans in China, but the impact of China's adjustment to soybean trade policies merits attention.¹⁹ The impact of prospective WTO membership on Chinese soybean production and employment began after 1996 and developed gradually thereafter.
- ◆ **Cotton:** Since 1990, China has generally been a net importer, but was a net exporter in 1999 and 2000 with exports of 186,000 tons and 208,000 tons respectively, accounting for about 4.7% of output. At present, although a net importer, China has inventory backlogs, and this situation is likely to continue in the transition period of China's joining the WTO (2002 to 2004). During the transition period, net imports will almost totally substitute for domestic cotton production,

17 Jiang Fang, 2002, "The Analysis and Prospects of the Chicken Market in the first half of 2002", China Agriculture Study, volume 22.

18 The change in the import and export volume of Chinese corn in 2002 offers good evidence. From January to August, China's net corn exports amounted to 6.2 million tons, an increase of 55.5%. See the Agricultural Report for further analysis.

19 In 1996, China adjusted its trade policy for soybeans and implemented import quotas. The tariff rate within the quota was 3%, the favorable rate beyond the quota was 40%, and the general rate was 180%. But in fact the import-quota administration system was hardly adopted. A uniformly low tariff of 3% was imposed on soybean import (the same with relevant commitments). This policy helps rapidly increase the import of soybeans. See also Jiang Chang-Yun: "The Demand and Supply Change and Its Impact on the Income and Employment Change of Farmers in the Main Production Areas" in the 2002 internal subject report of The Study on the Trend of Demand and Supply Change of Main Agricultural Goods after Joining the WTO by the Macroeconomic Research Institute of the State Planning Committee.

20 See the agricultural sector report.

changing China to a net importer from a net exporter.²⁰

◆ **Chicken breeding:** From 1999 through 2001, China was a net exporter of chicken. After joining the WTO, the reduction of tariffs helped expand the export of products in chicken breeding, and consequently the number of jobs in this sector and the amount of female employment will increase. However, strengthened technological barriers on the export of Chinese chicken may offset or even exceed the stimulus effect of the tariff cut, resulting in a decline instead of an increase of chicken exports, for which China should have a comparative advantage. For example, from January to August of 2002, the net net export of chicken was only 91,400 tons, a decline of 32.1% from the previous year.²¹

From the above analysis, we can see that, in the land-intensive planting industry, there is a great difference between the demand and supply pattern of three representative products—corn, soybeans, and cotton; the impact of WTO membership on their export and domestic production varies. However, WTO will reduce job prospects of each, and especially female employment opportunities. This study concluded the number and proportion of the decrease in employment opportunities is greatest for soybeans, second for corn, and smallest for cotton (see Table 10, 11 and 12 in the Agricultural Sectoral Report). In comparison with soybeans and corn, cotton production is more suitable for women and is more female-intensive in employment. Therefore, WTO will have a sizeable impact on women's jobs in cotton production, albeit small in relation to other sectors.

For chicken breeding our projections post-WTO show a change of female employment for the high, middle, and low scenarios in 2003 of 10,600, 6,100 and -4,600; in 2004, 11,900, 6,800 and -5,100. In the year 2000, Chinese large-scale breeders of chicken (each producing more than 2,000 chickens) accounted for 49.7% of the total chicken breeders (Jiang Fang, 2002) and half are mid-size and small-scale breeders. Based on experience, we know that the increase or decrease of thousands or tens of thousands of female jobs may have only a slight effect on Chinese breeders, who represent a large group. We project a corresponding impact from strengthening technological barriers in importing countries after WTO membership, resulting in a reduction of jobs, with women more adversely affected than men. Data in 2002 show the possibility this situation exists. Post-WTO, the ability of the Chinese government to overcome technological barriers will gradually improve and offset their negative impact. Although the change in the number of jobs in the breeding industry during the transition period will not be great, at between 10,000 and 20,000 positions created or destroyed. On average, we expect female employment opportunities in chicken breeding during the transition period of WTO membership to increase slightly. (see Table 13 in the Agricultural Sectoral Report)

Long-term considerations

In the long run, after China's joining the WTO, an increase of tariff quotas, the dramatic decrease in

²¹ By calculation of data from the Agricultural Information Center.

the share of state-operated trade, and the ending of the transition period, foreign bulk agricultural goods with comparative advantage in production will enter the Chinese market more rapidly, and their displacement of Chinese corn, soybean, and cotton production will become more apparent. Land-intensive agricultural goods such as corn, soybean, and cotton will cede part of the domestic market, which will reduce jobs. Especially against the background of a rapid market opening, if there is no innovative reform to the root agricultural structure,²² the problems of reduced employment in Chinese agriculture will rapidly surface under the force of competition from multinational agricultural corporations. Because of the feminization in agriculture, the impact of reduced jobs will more seriously affect women than men.

Further expansion of the production, market scale, and export of China's labor-intensive agricultural products will promote employment in labor-intensive agricultural products, but this increase may be hard to realize in the face of increased technological barriers erected by the importing countries of China's main agricultural exports. There are two re-employment channels for female laborers who have transferred from land-intensive agricultural production: shifting to labor-intensive agricultural production, or moving to non-agricultural employment. Both transfers accord with the principles of comparative advantage and should bring agricultural women new job offers and therefore help increase, or at least maintain, their incomes.

3.2.2 The potential impact of WTO membership on the employment opportunities of Chinese women in industrial sector

The impact of WTO membership on the employment opportunities of Chinese women in the industrial sector varies greatly by sub-sector. In general, the stronger the international competitiveness of the sub-sector, the greater the opportunities and benefits likely to be obtained from the open market. To specifically analyze the impact of joining the WTO on the employment of women in different industrial sectors, we selected three representative industries with differing degrees of capital, labor, and knowledge intensity and varying proportions of female employees. The first is textiles and garments which is labor intensive with a high proportion of female employment (72.4% for textiles, 66.7% for garments). The second is household appliances, which is capital and knowledge intensive with a medium proportion of female workers. The third is automobiles, which is capital-intensive, with a low proportion of female employment.

Studies show that WTO membership will accelerate female employment in industry. After China's joining the WTO, labor-intensive industries with a high proportion of female workers and capital-intensive and knowledge-intensive industries with a medium proportion of female employment will have an increase in jobs for women. In capital-intensive industries with a low proportion of female employment, WTO membership will not have an obvious effect on women's jobs, and female employment will follow a steady pattern of slow growth.

²² Such as the development of trade unions and the formation of cooperative organizations.

However, even for those industry categories with increased jobs for women, because the employment competitiveness of women is generally lower than that of men, the increased employment opportunities of women will mostly occur in irregular occupations. In regular occupations, the increase in job prospects for women is not so great as the total employment increase might otherwise imply. In addition, state-owned enterprises encounter more obstacles in their development than do private enterprises. Therefore, in the adjustment of the national economic structure, the progress of the state-owned enterprises in structural reform and product upgrading will be slower than that of private enterprises. Furthermore, state-owned enterprises are expected to exit, to some degree, from the most competitive industry sectors as the state continues to undertake reform of these enterprises. The above factors will hinder the expansion of state-owned enterprises, and even reduce their employment in some areas, especially in the old industrial bases.

The education, skill levels, and competitiveness of female employees lag that of men. Moreover, in China's male-dominated culture, when both spouses work in the same enterprise, women are usually the first to be laid off. Hence, the relative employment status of women among employees in the state-owned enterprises will probably deteriorate and will drop sharply in old industrial areas undergoing the deepest reforms.

In labor-intensive industries with a high share of women workers, China's entry into the WTO will help increase female employment.

Textiles and garments are among the most competitive sectors in China.²³ According to the Sino-U.S. Agreement, the average import tariff rate for textiles and garments in 2000 was 24.4%, and in 2001 it dropped to 20.2%. From 2002 to 2005, it must decline annually to 17.2%, 15.3%, 13.0%, and 11.6%. Except for a few products lacking comparative advantage and for products with a high added value, the reduction in tariffs will have little impact on the importation of Chinese textiles and garments. After joining the WTO, China can obtain "incorporated proportions" and "additional growth rates" in compliance with the ATC agreement. It can gain trade benefits from trade liberalization and get most-favored-nation treatment through multilateral negotiations. China can also settle trade disputes through the WTO. The opening of trade should boost exports of Chinese textiles. As part of China's agreements in acceding to the WTO, foreign companies will be able to distribute foreign-made products in China, own or manage the distribution networks, wholesale and retail channels, and storage, as well as directly operate import and export businesses in China. This opening will also facilitate domestic textile enterprises in entering into foreign commercial purchasing systems and expanding the export of Chinese textiles and garments.

²³ The external competitive quotient = (export — import)/(export + import). For the result of the calculation, see Wang Yue-Ping, "Chinese Industrial Structural Adjustment and Upgrading: Theory, Evidence and Policy", pages 101-102, China Planning Press, 2001.

The following post-WTO factors will limit the export of Chinese textiles and garments: the WTO affects primarily the trade in quota products, the export of which account for only about 20% of the export of Chinese textiles and garments; special security measures of importing countries will restrict the growth of Chinese textile and garment exports; the increasing integration of regional economies will hamper the export expansion of Chinese textiles and garments; "green barriers" and other new forms of protectionism will have an adverse impact on the export of Chinese textiles and garments.

Overall, WTO membership will expand Chinese garment and textile exports. In the studies of Li Shan tong²⁴ and others, by year 2005, the export of textiles will grow 63.8%, and the exports of garments will triple. The output of textiles and garments will increase 25.5% and 74.0%, respectively. In the meantime, the expansion of the two sub-sectors will create 5.4 million jobs. If we assume 70% female employees in both sub-sectors, employment for women will increase by 3.8 million.

In capital-intensive and knowledge-intensive industries with modest female employment, WTO will increase female employment.

Appliances such as electronics, telecommunication-equipment manufacturing, and electrical machinery are capital-intensive and knowledge-intensive, with a high proportion of female employment. The share of women workers in electronics and telecommunication-equipment manufacturing reached 60.0%, and in electrical machinery, 48.0%. Both are higher than the industry average of 45.3%. The home-appliance industry opened early to the outside, and is internationally competitive. Chinese domestic home appliances have a wide variety of products, reliable quality and performance, a price advantage, and good after-sales service. Large Chinese appliances occupy 80% of the domestic market, having successfully beaten back competition of foreign products and have even begun to enter international markets as exports.

WTO has a threefold positive impact on China's home-appliance industry:

- 1) Tariffs and non-tariff barriers on the export of household appliances will sharply decrease.
- 2) The average tariff and cost of imported parts and components of Chinese appliances will fall, further boosting exports and encouraging external investment in the industry-all of which increases jobs, and female jobs in particular.
- 3) With the general market saturation in the global appliance industry, the appliance production base will continue to shift from developed to developing countries, and China will be a main beneficiary of this trend.

However, WTO membership will also have some negative impacts:

²⁴ Li Shan Tong, Zhai Fan. "The impact of China's WTO membership on the Chinese Economy" <Forecast> 2000. Volume 3.

- 1) The opening of sub-contracting in the service market will challenge domestic firms' former monopoly of distribution networks for Chinese appliances.
- 2) Tariff cuts, gradual elimination of import-licensing systems for import commodities, and import quotas will boost the import of high-end household appliances and thereby cause China's companies to lose this part of the domestic market.
- 3) WTO membership may cause foreign countries to slow the export of Chinese appliances with technological barriers

In conclusion, China's appliance industry is now characterized by a higher degree of openness and price-wise is internationally competitive. To maintain market share, foreign companies have cut prices with little scope for further price cuts. Therefore, although China has joined the WTO, most imported products are unable to compete on price with domestic products, so foreign companies may focus on their technological superiority. The impact of WTO membership on China's home-appliance market will show up in logistics, service, technology levels, and brand-marketing models, primarily at the top end of the market. As the appliance industry has increased in competitiveness, relevant parts and components industries have also developed. WTO membership will benefit the development of China's home-appliance industry and further increase the volume of total employment and female employment.

WTO will not affect women's jobs greatly in capital-intensive industries currently with low female employment, but female employment will follow a stable, slow-growth pattern

WTO will have some impact on capital-intensive industries, with varying effects on women working there. For automobiles, WTO will slow the development of high-tech parts and components in China and erode state ownership of automobile firms. Government auto industry policy will change to meet the requirements of WTO membership²⁵. Profits in the automobile industry will fall, although not as much as some expect, for several reasons:

- 1) China's automobile industry has long been open to foreign investment and has gradually merged with the international automobile industry in terms of joint-ventures and this part of the car market, at least, is unlikely to suffer adverse effects.
- 2) In 2002 a reduction in import tariffs and fierce competition in the market caused domestic automobile prices to drop, and domestic demand rose accordingly. Annual sales of Chinese automobiles increased by 35% over the previous year, and annual production rose to a new high of 3 million vehicles.

²⁵ Specific contents include import quota and licensing system on key parts and components will end in 2003; import quota and licensing system on other vehicles will end in 2004; import quota and licensing system on cars will end in 2005. After joining the WTO, the import quota for auto products in 2002 will be US\$7.9 billion, and will increase by 15% per year after 2002 until the import quota and licenses end; from 2001, import tariffs of 15% will fall each year until July 1, 2006 to a level of 25% for cars; the average tariff for parts and components will drop to 10%.

- 3) When the government adopted more effective macro-policy, imported automobiles and their market share did not increase greatly.
- 4) Investment of multinational automobile enterprises in Chinese automobile industry did not decrease; on the contrary, it rose after WTO entry.

Based on the above, we think that post-WTO the decline in employment in China's automobile industry will gradually reverse to one of steady growth. We predicted the prospects of China's auto industry by means of a multi-sectoral dynamic analysis (MUDAN)²⁶ model in China²⁶, with the result that by 2005, employment in China's automobile industry will reach 1.6 million, and 1.8 million by 2010. If we assume that from 2001 to 2010, average labor productivity in the auto industry will grow by 8% per year, jobs will grow modestly to 1.53 million by 2005 and 1.65 million by 2010. By 2010, the proportion of female employment will remain between 30% and 35%, which translates into 550,000 to 600,000 jobs, a slight increase over the present level. Therefore, WTO membership will benefit the growth of female employment to only a small degree.

3.3 Potential impacts of China's WTO entry on the employment status of Chinese women in industry and agriculture

The difficulty of changing jobs

WTO will improve job mobility in the long run but hurt in the short term, especially for older women in agriculture and industry.

In the long run, with economic adjustments in Chinese industry and agriculture, the demand for women to change jobs will be stronger. Freer movement internationally, between town and country, and within the region will offer a wider frame of reference for women to assess employment alternatives. As women become more aware of job opportunities combined with dissatisfaction with existing jobs, they will be more likely to change jobs and the ease of transfer may grow. WTO will speed up the reform of China's employment and anachronistic household registration systems while reducing the restrictions on the free movement of rural laborers. Movement of laborers between urban and rural areas, between different districts, and between different enterprises will accelerate and opportunities for women in this labor flow will increase correspondingly. But in the short term WTO may impede mobility for women in the agriculture sector.

Market competition will be increasingly tense in town and village enterprises, the pressure of industrial restructuring will be more serious, and the difficulty of absorbing laborers will grow, making it harder for female laborers to find non-agricultural jobs locally.

²⁶ For relevant assumptions, see the industrial sector report.

Relatives, marriage, and location (not to mention demands of housework) affect agricultural women more than men, resulting in higher costs to women to work outside the home. Employers normally prefer to hire men and when they hire women they tend to pay them less than men. As discussed earlier, agricultural women have difficulty transferring to non-agricultural industries.

Education supply for farmers is limited and it tends to favor men. Hence, the process of improving agricultural women's skills will be slow and will adversely affect their moving into new jobs.²⁷ Finally, under-employment of agricultural women is higher than that of men.

However, we cannot generalize the impact of the WTO on the difficulty of changing jobs for women. In the urban setting young women have equal if not better job mobility than men but middle-aged and older women are at a serious disadvantage in finding or changing jobs. WTO will place increasing pressure on urban industries and enterprises in terms of requirements for higher quality labor. Most middle-aged and older women in urban industry have had little opportunity to develop marketable skills. Of all groups, they are the least likely to find new jobs.

WTO will tend to enhance women's decision-making powers in production and management but mainly over the long term

In general, in Chinese agriculture and industry, women's decision-making powers in production and management are fewer than those of men. Higher educational levels of men, social norms, and tradition make this so. All these factors cannot change in a short time.

Increased competition will place pressure on countries to reduce the cost of agricultural products. Pressures to increase farm scale may cause some to lose their land as farmers redistribute holdings for greater efficiency. At the same time, as agriculture is being feminized by the flight of men to urban areas, women left behind may miss out on the redistribution of land that remains, further diminishing whatever decision-making powers they may have had. However, in recent years, women's decision-making powers in production and management have improved and may continue to do so in regions where males have migrated and where pressures on land redistribution are not so great. Hence some women with more experience in production and management and higher technical levels may gain more decision-making power in production and management.

In industry, one important indicator of women's decision-making power is that of starting their own businesses. Reforms spurred on by the WTO may make the policy environment more conducive to start-ups, but increased competition may make success less likely, particularly as most female entrepreneurs, until now have operated only on a small scale. For example, from the questionnaires returned, we see that less than one third of the products produced by female entrepreneurs are directly

²⁷ We should stress that in recent years the relative status of women has improved greatly compared with before.

or indirectly sold to the international market, and sales up to US\$100,000 account for 70% of the replies, while sales above US\$10 million comprise only 3% of the sample. More than half of surveyed female entrepreneurs were not familiar with the rules in the international market or international standards; they underestimated the difficulty of market entry and were not good at taking advantage of regulations to protect their businesses. Therefore, it is a major question as to whether Chinese female entrepreneurs will be able to adapt to the WTO challenge.

Employment methods: WTO membership will increase the number and proportion of women in irregular employment

WTO will accelerate reform in state-owned enterprises, administration units, and public institutions and will limit over the short term the expansion of employment in regular public-sector jobs. Meanwhile, a series of policies to encourage start-ups and business development will foster the creation of urban and rural enterprises but primarily over the long term. We therefore believe that new jobs in the public sector in the near future will be limited, and private sector jobs will be slow to develop. The following three factors will consolidate this trend:

- 1) Based on China's and international experience, large numbers of agricultural laborers tend to move into informal employment in the city. WTO-induced reforms will increase the scale of labor mobility and quicken this trend.
- 2) At present, the increasingly serious employment problems throughout China have resulted in fierce competition in urban labor markets. Even urban governments are making it tougher for outsiders to move into formal urban jobs.²⁸ All these constraints will tend to channel rural migrants into informal-sector jobs in China's urban setting.
- 3) Except for a few laid-off personnel from downsized state-owned enterprises, administration units, and public institutions able to re-enter formal sector jobs in the private or public sector, most will have to work in the informal sector, which has fewer requirements and no benefits.

Market reforms caused by WTO membership will lead to "irregularity" in the development of female employment-forcing this most vulnerable segment of the workforce to accept informal jobs that lack the benefits (like pensions, minimum wages and health care) of more formal, and regular employment.

3.4 WTO impact on income and structural change of Chinese women in industry and agriculture

3.4.1 Comparative advantage determines the impact of WTO on the income of female laborers in the agricultural sector

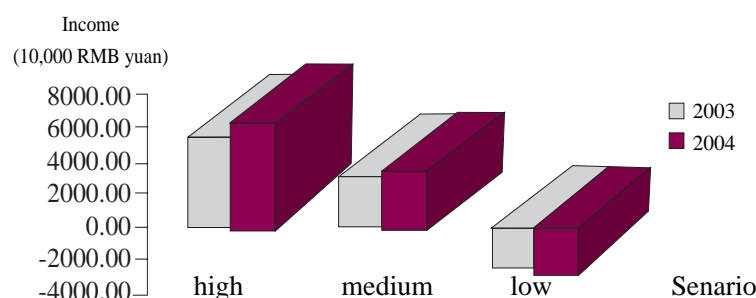
²⁸ For example, many cities have adopted a series of restricting regulations, known as doorsills, to limit the entrance into certain industries to keep farmers from entering the city. City governments try to solve the problem of re-employment of laid-off workers as a priority by encouraging local enterprises to recruit local laborers first. They even consider the number of likely re-employed local workers in prospective local enterprises as one of the pre-conditions for outside entrepreneurs' entering the city as to whether such entrepreneurs may get local permanent residence.

Although the pluses of WTO membership generally outweigh the minuses for Chinese industry and agriculture, the nature of the impact varies by sub-sector. As we predicted, after WTO, in the short term, the income of female agricultural laborers will decrease in sectors lacking comparative advantage; and the income of female agricultural laborers will decrease only slightly in sectors having comparative advantage. In the long run, in sectors lacking comparative advantage, the income of female agricultural laborers will drop sharply, while in sectors with comparative advantage, income of female agricultural laborers will see a limited increase.

The agriculture report showed that during the transition period, the income of female agricultural laborers involved in soybean production was most adversely affected, and in cotton, the least. For sectors lacking comparative advantage, the impact of WTO membership on the income of female agricultural laborers will gradually grow. The negative impact of joining the WTO on the income of female agricultural laborers varies according to whether the female agricultural laborer works in the main production area. The negative impact on the main production area is greater than elsewhere. (see Table 14 in the Agricultural Sectoral Report)

During the transition period after joining the WTO, net exports in chicken breeding expanded. However, if technological barriers increase in the international chicken market and if China's breeders fail to take measures to increase the quality of Chinese chicken meat, income of breeders may actually decline. Income gains in the optimistic and medium scenarios will center on the few large-scale chicken breeders but the average income of female chicken breeders will not increase

Figure 1 The income of female breeders in the transtion period



Source: research team's calculation

greatly due to the large number of small and scattered chicken breeders that characterize the industry.

3.4.2 WTO will boost women's incomes in the industrial sector, but the income gap between men and women will widen.

WTO will generally produce an accelerating effect on the employment of industrial women, which in turn will boost the income of these women. However, WTO will increase the income gap between men and women thus creating a challenge to social equity in the labor market. According to a recent

Shanghai salary survey by the Ministry of Labor and Social Security, the salaries of those in knowledge-intensive work and offering high-tech and knowledge services were ten times those of those working in unskilled physical work. Post-WTO, many foreign enterprises will offer high salaries to attract the most qualified people, which will cause demand to exceed supply for knowledge workers. At the same time, there will continue to be a surplus of those doing simple physical labor. At present, men far outnumber women in upper-income high-tech and senior management positions while women are the majority of those doing menial labor. This situation coupled with the tendency described above will most likely widen the income gap between men and women.

3.5 WTO impact on the social status for China's industrial and agricultural women

Family status

WTO membership will have a long-term positive impact on the improvement of women's family status, but the short-term impact will be minimal. The family status of women moving from regular, formal-sector employment to irregular informal-sector jobs will decline badly.

Women's status in society derives from her status in the family and is impacted by three factors:

- 1) The mainstream culture concerning the family status of men and women.
- 2) The personality of women.
- 3) The educational level and relative contribution to the family by women-such as the contribution to the family's income and the rearing of children.

In the short term, WTO will not have much impact on women's family status. But longer term WTO will accelerate the penetration of modern Western civilization in China. This impact of Western values will modify China's mainstream culture by, for example, strengthening the sense of equality between genders, which will increase the family status of women. But this favorable impact involves conflict and coordination of traditional civilization and modern civilization and needs to advance gradually, in due order. Especially in the countryside, old ways will persist. Finally, the family status of industrial women forced from regular employment to informal-sector jobs will decline.

Educational status

WTO will lead to advances in the educational status of women, but it will be harder to improve the lower educational status of women than that of men, particularly in the near term. WTO will accelerate China's industrial restructuring and set higher quality standards for industrial and agricultural laborers. As stated above, WTO impact on the labor market will widen the income gap between laborers with and without marketable skills. Such pressures will motivate Chinese agricultural and industrial women to improve their educational status. WTO not only offers Chinese women a higher frame of reference in evaluating their relative status (including educational status), but also gives China's rural families incentives to improve the education of girls. Therefore, in the long run

WTO will help improve the educational status of women in industry and agriculture. WTO will increase competition from foreign (high-quality) agricultural products thus forcing China to improve the quality of its own agricultural products, which will impel agricultural laborers-the majority of whom are female, to learn more and improve their technical skills, thus increasing their relative educational status.

Social security

WTO will not directly affect women's social security, but feminization of agriculture, employment marginalization of industrial women, and the expansion of informal-sector female employment will increasingly marginalize women from the social-security system and leave them more vulnerable.

Our research shows the current social-security for agricultural women consists of free examinations for family planning, rest houses for the old, commercial insurance for a few, and personal insurance for students. WTO will not alter the social-security of agricultural women much from its existing low level. With socio-economic development, the problem of deficient agricultural social security is attracting attention, but the development of an agricultural social-security system will be difficult in the near term, to the detriment of women in agriculture, who are extremely vulnerable to health and income crises.

In the industrial sector, compared with men, women enjoy less social protection, and it is more so for women in jobs with high turnover. We expect that, with economic development, the absolute level of social security of women will steadily increase, at least over the long run but the mid-term may actually bring increasing marginalization of women without much protection from China's current social-security system.²⁹

²⁹Compared with capital-intensive and knowledge-intensive industries, in labor-intensive industry and irregular or informal-sector employment, the quality of workers and the assertion of their rights are weak, with little possibility of employees unionizing for mutual benefits such as social security. Moreover, the sense of moral or legal responsibility of management to workers in enterprises is relatively low. Therefore, in these industries, it is certain that women have only a marginal status in social security: they are the “forgotten corner”. In the middle and low end of the labor market, consisting of migrant agricultural laborers, the employment competition is severe. The results from our group interviews show that most women did not sign employment contracts with their employers and did not know that only by signing a contract with employers, could they protect their legal rights. The proportion of female employees enjoying social security (including medical insurance, unemployment insurance, and minimum wage guarantee) is low. Most women are unwilling or unable to resist bad working conditions and treatment.

4

Conclusions

The basic situation of women in agriculture and industry is well established pre-WTO. WTO will only tend to build further on the feminization of agriculture and low-end manufacturing and assembly jobs and on the trend of migrants to work in the informal sector. WTO will provide limited windows of opportunity for women in agriculture and industry but they will likely be outweighed by its negative impact on women at least in the short term.

4.1 Key conclusions

We draw the following specific conclusions about the current status of women in the industrial and agricultural sectors and the likely changes due to China's accession to the WTO:

Actual conditions decide the low level of women's status in industrial and agricultural sectors

Agricultural feminization can bring some new job opportunities to agricultural women, can give them the power of decision to shift from unremunerative housework to paying agricultural production, and can, to some extent, increase the economic status of women. Nevertheless, we must recognize that this trend does not enable women to shake off the burdens of housework, but merely enforces the double burden of production and housework, which combine to restrict the transfer of agricultural women to non-agricultural industries. The great difference between the income of non-agricultural industries and agriculture, the low educational levels, the lack of independent power of production management, the shortage of technology and information resources, and the problems with agricultural credit all make it difficult for agricultural women to gain stronger positions in the economy. The irrational land-distribution and inadequate social-security systems also serve to keep farming women's status low.

The marginal nature of many industrial women's jobs is apparent in the types of employment they hold and the low wages received. Labor-intensive industries absorbing large numbers of women are the main industrial sectors: in terms of jobs, women work mostly in irregular low-technology menial low paying positions. In addition, women face more barriers to getting jobs than do men. Female employment is limited by women's physiological characteristics, but also by other factors like traditional customs, sexual discrimination, and a social environment that expects. Therefore, the

marginal employment of industrial women and their resulting low incomes holds down their status.

WTO will challenge women's socio-economic status in the industrial and agricultural sectors

◆ **The challenge to economic status**

WTO will result in a decrease of total employment in land-intensive planting during the transition period (2002 to 2004) and an increase in labor-intensive stockbreeding. Although the impact will not be great, it will affect women more than men.

In the long run, WTO may reduce female employment in land-intensive agricultural production and increase employment in labor-intensive production. But the increase of the latter will depend on whether other countries raise technological barriers to China's agriculture exports.

Overall, WTO will accelerate the employment of industrial women. In labor-intensive industries with more female workers and capital-intensive and knowledge-intensive industries with a moderate number of female workers, the employment of women will increase. In capital-intensive industries with few female workers, WTO will not have any significant impact on women's employment opportunities. The employment of women will present a fairly stable and gradual rising pattern.

WTO membership is a double-edged sword: it will facilitate women's moving to new jobs in the long term, but in the short-term will make such moves more difficult. This problem is much more serious for older women in agricultural and urban industrial sectors.

After China's joining the WTO, women's access to management and production decision-making will continue to improve for those women with the requisite education and skills.

WTO will result in an increasing number and percentage of women in informal-sector employment and this trend will be higher for women than men.

The impact of WTO membership on the amount and direction of changes to women's income in different agricultural sectors will depend on whether the sector has comparative advantage.

WTO will have a positive impact on the employment of Chinese industrial women but at the same time will increase the income gap between men and women.

◆ **The challenge to social status**

WTO will have a long-term favorable impact on the family status of women, but the impact will be modest in the short term. However, the family status of industrial women transferred from regular to irregular employment will decline dramatically.

WTO will prompt the upgrading of women's educational level and status but the middle-aged poorly educated women will be unlikely to benefit.

WTO membership will not have much impact on the social security of farming women, but the feminization of agriculture, employment marginalization of industrial women, and the increase of women in irregular employment will tend to exclude women from the existing social-security system.

4.2 Problems women may encounter in China's agriculture and industry

If current policy remains, there is the possibility of a worsening socio-economic status for women. Specific problems include the following:

Gender analysis is not yet mainstreamed, which hinders China's march toward a just society

From our research, few persons, apart from a few scholars or cadres have embraced the notion of gender analysis. Government decision-makers seldom consider gender factors in their decisions. WTO will pose more challenges to women. How to protect women, especially vulnerable women will be an important issue in constructing a just and well-off society. A paucity of data and materials on gender analysis in government statistics makes it hard for decision-makers to see clearly how their policies may impact women versus men. In short, a more gender-sensitive system of governance equipped with the techniques and data for gender analysis is at the heart of improving women's lot in China.

Education and training lack gender sensitivity

Because of their lower status and the impact of traditional culture, women are often at a disadvantage in obtaining education services. The mass of poorly educated women can easily lose more ground and become more marginalized in the fierce competition following China's accession to the WTO. Although China's prevailing policies and laws require compulsory nine-year education for all, in practice, the policy remains un-enforced in poor rural areas. Most women turn down training opportunities because of conflicting housework obligations or lack of awareness or skills to take advantage of the training. Such training also lacks a gender viewpoint in its neglect to teach skills suitable for female laborers, thereby limiting the chances of women's obtaining better jobs. Most women still do not have relevant knowledge and experience for starting their own businesses or managing existing small businesses. Little has changed after China's WTO membership.

Micro-credit systems do not take social factors into consideration and women are treated unfairly

Lack of credit is often the main barrier for women to find jobs by themselves or start their own businesses. Micro-credit systems can provide them with start-up or working-capital, but the present micro-credit system is biased against women. The application for micro-credit is based on the family unit and often requires the name of the householder in the permanently registered residence. In China, the male is usually the housemaster so men naturally hold the right of loan applications and women

are left out of the picture. This financial restriction impedes the start-up and employment activity of women and aggravates rather than solves the employment problem of women after China's entry into the WTO.

Two drawbacks of the current social-security system for women

First, China's social security system excludes marginal³⁰ rural and urban women. Once they lose their ability to work, such women face poverty and constant worry. The current system is built around urban social security³¹. The social-security system is closely connected with the employer, labor time and labor income. There are no social security provisions for marginal rural and urban women.

Second, with WTO, the percentage of women employed in non-state economic sectors and informal sectors has risen, so women's exclusion from social security will grow accordingly. The prevailing social-security system lacks continuity. Once workers change occupation or become unemployed, they may lose their social security. Since the possibility of layoffs for women is greater than for men, women are more excluded from the social-security system. Finally, China's social-security system is designed for regular employment and is, therefore, does not cover women in informal sector.

Labor legislation needs improvement, and laws need enforcement

China's Law for the Protection of the Rights and Interests of Women promulgated in 1992 sets forth labor standards in the form of legislation concerning the basic rights of female laborers in labor conditions, labor remuneration, and rest and holidays³². But these standards still fall short of international labor norms. For example, there is no relevant law protecting informal-sector employment in China with regard to salary standards, labor relations, settlement of labor disputes, labor security, and labor protection, which is partly why most women shy away from irregular employment if they have other opportunities. Such a lack of protection not only discourages women from working irregularly, but also harms the labor rights and interests of women. As shown by this survey, the salary of many irregularly employed women is still below the legal minimum salary. Moreover, in the informal sector, it is not unheard of for workers' wages to be defaulted or embezzled. Such laborers work longer than the legal time limits for little or no overtime pay. They have virtually no social insurance. Labor and security and sanitary conditions are abysmal. They risk being fired arbitrarily and their human dignity and respect are not protected.

In unemployment insurance, some private enterprises and small foreign enterprises delay and evade enforcement or contravene the stipulations of the Law for the Protection of the Rights and Interests

³⁰Mainly refers to laid-off women, unemployed women, or irregularly employed women, contracting women in private and foreign enterprises, agricultural women working in the city, etc

³¹The present social security mainly includes: unemployment security, endowment insurance, and medical insurance.

³²There are special stipulations for the labor rights and interests of female employees in Provision 26 and 50 of the "Women's Rights and Interests Security Law of the People's Republic of China".



of Women to unilaterally cancel the labor contract of pregnant women. This and other forms of discrimination against women in the labor market are widespread.

In all of the above ways, violation of workers', and principally women's rights may indirectly strengthen the competitiveness of products but goes against the principle of fair competition advocated by the WTO. Gross infractions can draw attention of the WTO members and the International Labor Organization. China's policymakers need to solve this problem urgently first by more vigorous enforcement of the existing law protecting workers' rights.

Unfair distribution of land violates the rights and interests of women

WTO will accelerate male agricultural laborers' migration to towns and cities, making agricultural feminization even more pronounced and the burden of agricultural women more severe. In this context, women's access to and control over agricultural land is critical. At present, however, the system of distribution of land discriminates against women. Upon marriage or re-marriage, women may lose their land. A woman cannot get land to which she is entitled when her husband comes to her house to live -a glaring example of discrimination in the countryside.

Women's role in government policy and decision making needs strengthening

After China's entry into the WTO, the status of women is under assault. Strengthening women's political status can limit, or even reverse, the adverse effects of WTO membership on the welfare of women. The serious absence of women at policy-making levels in government institutions prevents women's perspective from being inserted in policy formulation thus compromising women's social development and delaying enhancement of women's status in society.

5

Policy recommendations

WTO will impact women's employment, income, education, and social security. With women's low economic and social status, net job opportunities for women may decline, the income gap with men will increase, their employment will become still more marginalized, family and educational status will drop, and the current lack of social security will worsen. These are serious problems. Therefore, this research suggests that government should eliminate the root causes of these problems in the industrial and agricultural sectors and help women proactively address the challenges brought on by WTO membership. We suggest the following:

5.1 Mainstream gender in socio-economic development and policymaking

Officials from every level of government should be equipped to publicize the gender issues to the public. Officials must first recognize the importance of gender issues to socio-economic development; actively advocate and publicize the importance of these issues; improve the environment for promoting gender equality; eliminate gender differences and discrimination of any form; and make gender equality an important national goal .

The gender perspective needs strengthening in government statistics and surveys. An index of the contribution of women to the national economy should be included in the national accounts and statistical data. Statistics for national production should be improved to reflect the entire range of women's economic activities and accurately tabulate the economic contribution of women. Employment statistics should tabulate the numbers of men and women in all occupations and their respective income to highlight gender and income differences.

Gender analytical techniques need to be brought into policymaking and into government planning, programming, decision-making and evaluation. Gender evaluation should be added in the policy pronouncements and execution, and an index system for measuring the degree of gender equality in key areas should be established.

Gender analysis should be incorporated in government budgeting and evaluation³³. The government should subsidize women's endeavors and adjust the budget to ensure that women benefit from the

³³ This is called "gender budgeting" internationally.



public sector expenditures or at least that they are not unintentionally discriminated against in the process.

5.2 Increase gender sensitivity in education and training for women

Endow women with equal status in compulsory education and increase women's opportunities and level of education

First, the right of girls to compulsory education (especially young girls in the country) should be protected. The current "Spring Bud Program" helps girls unable to go to school to re-start their education. This is far from enough. The government should consider a broader programme to provide young girls in poor areas with the guarantee of education. Second, the government should eliminate systemic biases against women and young girls in the existing education system. For example, educational publishers could change the traditional concept of gender roles such as male-dominated characters in text books as well as the traditional perception of roles of "men in charge of outside and women in charge of inside", and modernize curricula in line with China's current and future reality, and finally remove those facets of teaching that discriminate against female teachers.

Develop employment support services and technical training suitable for women and provide conditions for enhancing women's marketable skills

First, training aimed at adult women must take into consideration the constraints imposed by the dual role of household responsibilities and the work undertaken by women in terms of time, location and modes of education. Second, technical training of agricultural women should not be the same as the traditional male-dominated one. Especially in those industrial sectors where women take the lead, dissemination of technology and of production and management methods fit for women should be chosen. Employment training in industrial areas must also be in line with current reality in the factories and service outlets and training should be tailored to the needs of different categories of women. Besides on-the-job training, higher-level employment knowledge and skills training should be offered to enable women to move to more responsible and better-paid jobs. Third, employment training legislation needs improvement: a multilevel and multiform training method should be adopted. The government should enact specialized education for women, improve women's skills at different levels, and enhance the competitiveness of women as a whole. Fourth, strengthen the start-up training for women launching a small businesses. The government should organize and implement start-up training programs for women, popularize relevant knowledge, help women extend start-up channels, and make preparations for self-employment or for starting small businesses.

5.3 Improve the financial-service system and extend women's employment channels

Improve micro-credit services and provide necessary financial support for women in agricultural or informal sectors. The principle of equality should be adhered to and irrational elements eliminated from the current system. As long as the loan applicant provides legitimate identification he (or she)

should have the right to apply for and receive loans as the legally responsible person.

Establish a women's start-up fund and issue women a lottery to offer necessary financial services to help women start their own businesses. Such a program could help female entrepreneurs obtain start-up funds and also encourage more women to start their own businesses.

5.4 Improve the social-security system and help poor women

The government should incorporate social security and medical care and health of rural and urban marginal women into a basic social-security system and advocate the establishment of universal minimum social-security standards irrespective of occupation or gender to enable everyone to enjoy basic social security. On this basis, the country should consider using other protective methods to reinforce basic security. For example, for people of some means and able to contribute, premiums paid might raise the standard of care or benefits.

Increase gender awareness in the social security system and reform it to reflect greater gender awareness. Experimental units for social-security reform should be expanded, personal social-security accounts opened across-the-board and coverage extended. Employers and employees should both contribute financially to the social security system but all individuals should be eligible to use the system regardless of their employment status whether they are employed or laid off, in state-owned or private sector, regular or irregular workers.

5.5 Amendment and enforcement of law as it affects women

Strengthen and enforce legislation to fully realize the labor rights of women

First, reform labor laws to better protect the labor rights and interests of female employees, especially the labor rights and interests of irregular employees. It is necessary to expand coverage of the "Labor Law" from unit employment to irregular employment and consult the stipulations in the "Hours Pact" of the International Labor Organization to ensure that the basic rights and interests of laborers of different modes of employment are equally protected.

Second, strengthen the enforcement of laws, ensure and safeguard the legal rights and interests of women. For example, a committee for the safeguard of rights and interests of women might be set up in the People's Congress to strengthen the supervisory function of the People's Congress.

Third, regulate the employment system of the labor market and eliminate sex discrimination. The government should call for the establishment of a uniform and non-discriminatory labor market while establishing and strengthening the legal environment to enforce the regulations. For example, set up legal assistance funds to help women go to court to sue for their rights. Such funds might be targeted to the industries and regions where women are most adversely affected by China's WTO membership.



Fourth, improve and carefully execute the "Small and Medium Enterprise Promotion Law". This law offers a powerful legal safeguard for the development of small and medium enterprises (SMEs). In offering development opportunities for women to start up SMEs, it is also good for the enhancement of the economic and social status of women. Therefore, the government should seize the opportunity and make SMEs one of the main channels of female employment.

Accelerate the reform of the land-distribution system and eliminate the unfair impact of this system on women

A new land contracting law has been issued, but detailed implementation ordinances need to be worked out as soon as possible. In particular, the unfair impact of land contracting and re-distribution on women should be altered, and the harm to women of land re-distribution brought on by WTO membership should be eliminated so as to protect their legal rights and benefits.

Promote the establishment and development of trade unions and provide social support for the production and management activities of women

Non-governmental professional unions should be encouraged in such industries as textiles, weaving, cotton, and chicken breeding in which women play the leading role. The government can provide places and office facilities, offer ration subsidies to assist with the start-up, promote the establishment and development of these non-governmental unions, organize relevant production and technical training, promulgate corresponding knowledge from the WTO, and thereby mobilize more women to take part in social activities, help women solve practical difficulties with their production and management, and give women effective social support.

Set up an open and transparent election system of grassroots, business, and community cadres and increase the proportion of women cadres

If an open and transparent cadre election system is established and agricultural election and social-election systems are widespread, there will be more women joining, and this will help build their sense of responsibility, thereby increasing their consciousness of participation. In the meantime, encouraging women to participate in community and local election will also help enhance women's ability to participate in politics. In addition, broader channels to leaders should be built to reflect the voice of grassroots women.

6

Constraints of the study and further study

This study team believes gender analysis is a valuable research method. It can be used to add perspective to existing social and economic research thus assisting policy makers in judging the impact of a new or existing policy. Gender analysis is a macro methodology and a more systematic way of thinking. Its purpose is to reveal the gender problem hidden behind various social phenomena in order to protect the legal rights and interests of women, realize social equality, increase economic efficiency, and promote social development through mutual efforts of the government and non-governmental organizations.

This study points to the need for further research as follows: A cross-sector and cross-region gender analysis of migrated labors and the service sector which is growing rapidly, and drawn from other countries' experience, is the employment sector of the future. International experience shows that the service sector employs a large portion if not the majority of women. Research is badly needed to determine how women are doing in this sector and how policy might be adjusted to accelerate their participation. Both sectoral studies strongly suggest that there is a need for further analysis of the labor market, particularly with respect to the constraints women face entering labor markets and the discrimination they face once employed and how this, in turn, impact on the productivity in agriculture and industry. With more and more Chinese women and men seeking international jobs, research should be undertaken to study their vulnerabilities and possible countermeasures.

At present, our analysis of the implications of WTO membership for employment and women's status draws to a great extent on inference combined with economic theory and gender analysis. The lack of gender disaggregated data and the absence of gender focus in economic and social analysis remain serious constraints to further research. In a word, there are many holes left to fill to complete our understanding of the impact of WTO membership and the problems of women in the agricultural and industrial sectors. However, with these studies we have made a good start.



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Annex: Synthesis of the literature on trade liberalization and gender

A review of prior studies fosters a better understanding of new research points of view and methods. international research, countries, have integrated gender analysis into their studies of industrial development, employment, income distribution and social security. This previous work offers a helpful framework for this research and brings insights to our understanding of the present status of Chinese women and the likely direction of change following China's entry to the WTO.

International research and policy mandates

Research on the relationships between gender, economic growth, finance and international trade demonstrates that, not only does macroeconomic and trade policy have different impacts on men and women, but that gender relations can shape macroeconomic, sectoral and household outcomes (Cagatay, Elson and Grown, 1995; Grown, Elson and Cagatay, 2000). Some of the key findings of literature on gender and international trade provide helpful insights for the present study.

While it is clear that trade liberalization has both benefits and costs for economies and societies, it is also helpful to know that trade liberalizations has particular gendered implications. For example, the research has found that women often bear the brunt of the damaging social and economic impacts of trade liberalization accompanying structural adjustment (Cagatay, 2001; Hale, 1998 cited in Evers, 2003). Singh and Zammit (2000) conclude that, on a macro scale, economic instability and financial crises in developing countries led to greater losses for women than for men.

Trade liberalization is associated with the feminization of employment in export-oriented agricultural and export industries (Cagatay and Ozler, 1995; Pearson, 1998; Standing, 1989, 1999) which boosts women's paid employment, and often helps to strengthen women's economic status and her position within the household. For example, in Bangladesh, with the rise of the garment-export industry, 1.3 million jobs were created in the manufacture of ready-made clothes, 90% of which are filled by women (Bhattacharya and Rahman 1998). In India, with the decline of tariffs on machinery imports and the increased degree of trade liberalization, the synthetic jewelry industry developed rapidly. From 1992 to 1997, many men left the jewelry-cutting industry for more comfortable, temporary, non-agricultural jobs offering higher pay outside villages. As a result, women were trained to operate semi-automatic cutting machines and gradually replaced skilled male workers.

Although women's wages were lower than their male counterparts, they still earned more than from their previous work (World Bank, 2001).

However, the benefits are ambiguous since export-oriented work is often low paid, temporary or insecure and characterized by poor, and often unhealthy, working conditions. Some scholars argue that, while trade liberalization aspects of the WTO may benefit some, they are damaging for millions of small farmers, and for women in the agricultural sector. Critics of the WTO argue that adherence to WTO Agreements aggravates poverty, constrains production, and reduces food security among the most marginal in society, particularly women (Rengeman, 2002). In Thailand, for example, cheap imports of soybeans and tapioca combined with the elimination of export barriers on tapioca were too slow, which led to harder work and heavier burdens on farmers and on agricultural women in particular. (RRAFA, 2002).

Thus, as a noted UNDP study states, the relationship between trade liberalization and gender is complex, diverse and context-specific; "men and women are affected differently by trade policies and performance, owing to their different locations and command over resources within the economy; that gender-based inequalities impact differently on trade policy outcomes, depending on the type of economy and sector, with the result that trade liberalization policies may not yield expected results; that gender analysis is essential to the formulation of trade policies that enhance rather than hinder gender equality and human development." (Cagatay, 2001, p.4)

Nevertheless, it is increasingly clear that the outcomes of international trade (supply response in exports, balance of payments, for example) are mediated by gender social relations, gendered political and civil society institutions and by gendered structures of production (Cagatay, 1996; Cagatay, Elson and Grown, 1995; Elson, Evers, and Gideon, 1997; Evans, 1992; IWGGT, 1998; Fontana, Joeke, Masika, 1988). "The overwhelming conclusion that can be drawn from the literature is that gender matters both in terms of the social and economic impact of trade as well as an economy's ability to cope with increasing trade openness" (Evers, 2003).

Formal models of gender and international trade

Formal Computable General Equilibrium (CGE) modeling produced interesting results. For example, Fontana and Wood (2000) found that trade liberalization created more job opportunities for women-intensive export sectors while leading to some loss of job opportunities in import-substitution sectors. These lost opportunities not only adversely affect women directly but also cause negative effects on their families and incomes (Fontana and Adrian Wood, 2000). They also found that trade liberalization increased both the price of imported food and the job opportunities of agricultural women. However, overall women's income declined, which also made their net welfare fall.

Arndt and Tarp (2000) incorporate gender into a CGE model of Mozambique. They examine the interactions between improvements in agricultural technology, risk-reducing behavior and gender roles. This model integrates gender differences in agricultural roles and responsibilities and gender differences in risk-adverse behavior. They found that technological improvements are not gender neutral and that impacts of technological improvement in cassava (the most important crop in Mozambique, both as a "famine reserve crop" and in terms of its share of total agricultural output) have a particularly positive impact for rural women by freeing up women's labor time. This, in turn, had a positive impact on household welfare.

The care economy and national accounts

In theory all the goods and services produced within an economy are included in a country's national accounts, irrespective of whether such products are sold for money or directly consumed by the producers themselves. But in practice, national accounts do not account for the resources allocated to the provision of household services and the "care economy" (which includes activities such as transporting children to health centers and school, carrying water and fuel, tending children, the elderly, the sick, cleaning, cooking ¹) or the products consumed by families and are necessary for family survival and well-being (food, clean water, clean clothes, comfort, security). These are excluded partly because it is difficult to collect accurate data and measure the relative values of non-marketed activities but also because these activities are taken for granted and often under-valued by household members and by society as a whole. Nevertheless, households, communities and economies could not function without these activities, which are largely, though not exclusively done by women. Clearly the economy could not function without the production and maintenance of labor, a central activity of the "care economy".

Most conventional economic research fails to consider the importance of the "care economy", both as a source of a key economic input, namely labor (see Walters, 1995, for example) as well as a set of activities which are essential to maintaining the market-based economy (see Elson, 1991; also Beneria, 1995 for a summary of this literature).

These caring activities have implications for the labor market and the wider economy. For example, men can allocate their time regardless of the demands of the household, which is assumed to be women's responsibilities, even though men may contribute both time, effort and cash to support these activities. However, women cannot allocate their own labor and rest time as freely as men. For example, women cannot undertake paid employment, until they have met the demands of the household, either through their own labor or by paying others to do so. Ingrid Palmer calls this the "reproductive tax" which women, but not men, must pay before they are able to participate in the labor market (see Palmer, 2003).

¹ In most countries of the world, these activities are primarily done by women and are considered women's and not men's responsibility.

Cultural norms and social expectations about women's role in the family also have a strong impact on the ways women participate in economic, social and political activities. For instance this is linked to much of the gender bias in the labor market, where there is gender segmentation and gender-typing of jobs, leading to the concentration of women in low-status, low-skilled, temporary or part-time jobs. Women systematically receive lower wages than men largely due to social norms and values which under-value women's work. International studies have found that, on average, women's wages, are about 66% that of men's. In effect, women's labor is subsidizing the returns to other factors of production or product prices (Palmer, 2003) which is both inefficient and unfair.

These gender biases in the labor market are either misunderstood or largely ignored by conventional economic analysts. This is because they fail to pay sufficient attention to the implications of the so-called "care economy", nor do they appreciate the relationship between the care economy and the conventional economy. Among other things, this means that policy-makers often make mistaken assumptions about the flexibility of women's labor time, and create incentives which lead to the over-use of women's labor time, a scarce and valuable resource.

Studies under the auspices of the United Nation Development Programme call for a more gender-sensitive system of national accounts, so that the full audit of women's time and resources are integrated into the measure of gross national product. This revised system would encompass all activities of women, men and boys and girls, including carrying water, storing corn, sewing and making clothes, and other handicraft work outside the production of marketed goods and service.

Gender equality, productivity and development

According to the Beijing Platform for Action (1995), the government should include a gender equality perspective in the formulation of budget protocols to ensure that both men and women benefit equally from public expenditure. The size of a country's budget allocated to support gender equality can help to promote national economic development. There are three reasons for this:

Greater gender equality can promote agricultural productivity. For example, research in Kenya shows that when local women received the same resources and training as men, agricultural yields increased by more than 20% (Quisumbing, 1996 cited in World Bank, 2001).

The lack of investment in the education of girls directly reduces a country's gross national product. Studies show that if the ratio of girls to boys in primary and middle schools is below 0.75 to 1, then the country's GNP will be 25% lower than other countries where boys and girls have equal educational opportunities (World Bank, 2001).

The elimination of gender discrimination in the labor market brings benefits, not only for women but

also increases national income. For example, in Latin America, if sex discrimination were eliminated, the income of women would rise by 50%, and national production would increase by 5%. (Tzannatos, 1999)

International mandates

There are international mandates which call for decision makers to work towards women's equal status in decision making and access to resources. Two of the most important are:

- ◆ CEDAW. China is a signatory to the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW), which commits countries to protect the equal status of women and affirm the important role and contribution of women in development. It requires governments to pursue policies to eliminate discrimination against women and affirms the equality of human rights for women in society and the family.
- ◆ Beijing Platform for Action. The Beijing Platform for Action drawn up at the Fourth World Conference on Women held in Beijing in 1995 emphasizes the need for the equal participation in decision-making and political life and recognizes that women are under-represented at most levels of government and in decision-making positions. It expresses the need to work toward equality between women and men in the private sector and establish equal access for women to training.

Chinese Research on Women and Development

In China, the study of women and development is based on "The project of benefit" and "The project of welfare" (Lin Xiao-Yun, Guo Rui-Xiang, Su Yan, 1994). Chinese research on women's economic and social status began in the mid-1980s and concludes that the level of development in the economy is the key determinant of women's status, especially in agriculture (Xu Gai-Ling, 1995). The higher the economic level, the higher is female status in society, in the economy, and in the family. The lower the economic level, the greater is the difference between the two genders.

The "China Country Gender Review" (World Bank, 2002) notes that many government-mandated, institutional factors enhance gender equality in China. For example China has an across-the-board regulatory framework to promote gender equality; there is a comprehensive five- and ten-year development plan for women, and a modern history of advocating the equality of men and women. In addition, China is a signatory to the Beijing Platform for Action and the Convention on the Elimination of All Forms of Discrimination against Women. Nevertheless, barriers to the equality of men and women remain. These barriers include:

- 1) increasing inequalities in the labor market including, wage disparities by gender, discrimination in recruitment and dismissal,
- 2) inequality in access to resources, including, gender gaps in male and female farmers and entrepreneurs in access to credit
- 3) economic reforms which have different impacts on the welfare of men and women; including the imbalances in the impact on men and women of recently introduced market-based (pay-as-you-

- go) educational and medical services;
- 4) gender discrimination in the implementation of family planning (where the survival rate of newborn boys is much higher than that of girls); and
- 5) the low social status of women and girls increasing their vulnerability to physical, sexual, and economic abuse

Women's Social Status

Rural women's often lack knowledge of the law and of their rights to social security. Conflicts often arise between women's legal rights and traditional customs of their communities. (Report on the Second National Survey on the Status of Chinese Women). Health services for women in rural areas are weaker than in towns, especially in China's western provinces. The family burdens of farming women are heavy with adverse effects on women's health (Pei Yong-Gui, Liu Guo-Min, 1994).

Women's Economic Status

Feminization of rural economies

With economic development, the administrative level of some women rises, the employment structure becomes more rational, and both the freedom of employment and the share of rural women in non-agricultural sectors rose (Report on the Second National Survey on the Status of Chinese Women). But rural women continue to engage in physical labor (Jiang Yong-Ping, 1995). Moreover, the employment rate of rural women remains low and, some women have difficulty finding other jobs. The gap between the income of men and women continues to widen.

For women in agriculture, the low comparative income of the sector and the increasing feminization of agricultural work (as men move to more remunerative sectors) are the main reasons for women's incomes lagging behind those of men. In the process of trade liberalization, male farmers and laborers often shift from agricultural to non-agricultural jobs and from the underdeveloped countryside to more economically advanced cities. Over time, this leaves rural women as the principal force in agricultural production (Cai Fang et al. 2002). The share of women in planting and stockbreeding has become higher than that of men. Meanwhile, women in agriculture play a vital role in filling seasonal labor shortages. Because of gender differences in the sector's employment structure, agriculture has become an industry where women are the leading force (Li Xiao-Yun, Lin Zhi-Bin, Liu Yong-Gong, 1994). This has resulted in what is known as the "feminization of agriculture", which refers to the share of women workers in agriculture rising compared to that of men.

Women's marginalization in industry

In industry, with technological advances and the deepening of the market economy, the requirements for education, technical expertise, and professionalism of workers have increased, which may act as a barrier to women's entry to these occupations (Jiang Cai-Xia, 2001). WTO membership stimulates

employment opportunities in some areas of the economy, reducing it in others (Mu Guang-Zong, Miao Jing-Rui, 2002). In China, employment is most adversely affected in agriculture, manufacturing, and mining while new jobs will be created in the service industries (Hu An-Gang, 2002). Women's opportunities are shaped by the interplay of supply and demand for employment. As expected, China entry the WTO has rapidly affected the employment and income of Chinese farmers. Full-time and part-time farmers of middle or low income in regions of bulk farming products like grain, cotton, and oil have suffered the most (Ma Xiao-He, Lan Hai-Tao, 2002). In addition, the time women spend in labor-intensive industries and in non-agricultural industries will be greater than in land-intensive production. If traditional labor roles based on gender do not change, women's average daily working time is likely to increase and their welfare decline.

Female migrant workers

WTO membership has promoted the development of non-agricultural industries and urban economic reforms. These changes create incentives for farmers to move into non-agricultural sectors and cities. However, an important rationale for economic development is to create equal employment opportunities for both genders in non-agricultural sectors (Cai Fang et al. 2002). In recent years, a large number of women have gone outside their home areas to work. Statistics show that in 2000 the transient population from the countryside was 3.9 million, among whom 1.4 million were women between the age of 15-49³. The Pearl River Delta in Guangdong is an area where girls and married women from the countryside have concentrated. Girls and married women from the countryside working in town mainly perform informal work. The law does not protect their salaries, their work relationships, their labor rights, their social welfare, or even their human dignity and respect (Wang Jing, Tan Lin, 2002).

The double burden of family and paid work, coupled with the prejudices of the labor market, restrict the career development of women. There are fewer female than male migrant workers, and securing employment to the meet the needs of the family are the main motive for working women to migrate (Jiang Yong-Ping, 1995). Married women rural-urban migrants often return to the countryside for the education of their school-age children and to raise infant children (Luo Gui-Fen, 2001). Another important factor is education. Rural women's lack of education and appropriate skills hinder their ability to find and keep employment in the cities. It is argued that they lack the ability to compete with men in the fiercely competitive, "dog-eat-dog" labor market (Luo Gui-Fen, 2001).

Resources devoted to the Care Economy in China

The production of goods and services for family consumption are elements of social production (Liu

² Family rights include the right to manage and share in income, the right to decide on consumption, the "say-so" right on the future of children, and the right to decide whether to bear a child.

³ Mu Guang-Zong. "The employment problems after China's accession to the WTO and population development". Guangdong Social Science. 2003. Volume 3.

Mao-Song, 2002). The amount of time devoted to caring for the family, providing for the household is an important factor in determining the level of welfare of farming women (Liu Mao-Song, 2002). As the paid economy develops, caring for the household remains primarily the responsibility of women-especially in the countryside. Although in China's cities and industrial sectors, there is the trend that men are undertaking more housework, in the countryside, women account for the vast majority of time and effort devoted to household well being.

China's entry to the WTO benefits the export of the agricultural products in which China has a comparative advantage. At the same time, however, WTO entry poses new challenges for rural women's incomes in agricultural management and non-agricultural production (Guo Zhan-Qing, 2002). The comparatively low wages in agriculture combined with the feminization of agriculture activities are the main reasons for the comparatively lower income of women in the agricultural sector, compared to their male counterparts. An analysis of the factors affecting women's employment by Lin Zhi-Bin (2001) concluded the following: women's income or expected income and the improvements in female education level is inversely related to family size; married women's employment is positively associated with the unemployment or low income of their husbands; the general rise in the female participation rate, the introduction of labor-saving appliances in the family, and the availability of more part-time work. By contrast, the employment of women is inversely related to gender biased social norms, such as the disapproving attitudes to married women working; high unemployment rates; increases in husbands' income and; rising costs of family services.

The land contract and the rights and interests of rural women

Land is not distributed among individuals, but rather according to the population or the proportion of the population and labor in rural China (Zhu Ling, 2000). Chen Ben-Jian from "China Women's Daily" studied the kinds of disenfranchisement in the rights of land contracts for rural women. He found that disenfranchisement occurs in the following three ways: the responsibility land contract; the distribution of compensation after land is levied; and the division of land shares in the south. There are five categories of rural women whose interests have been damaged: married daughters, divorced women, women without land after marriage, women whose husbands live in the women's houses after marriage, and unmarried young women (Gao Chong-Hui, 2001). There have been discussions in many districts in China about insecurity in the land-contracting rights of rural women, and the problem has become more serious in recent years, with the beginning of the second round of land contracting.

Women's Family Status

Family status refers to women's ability to hold and control family resources and to their rights and prestige within the family. The level of economic development and the degree of economic openness are among the factors that appear to affect women's family status.

Within families, decision-making is largely controlled by men, especially in the countryside and distribution of family income favors men (Jiang Yong-Ping, 1995). However, younger women with higher education levels spend nearly the same amount of money as men. (Jiang Yong-Ping, 1995). Men's relatives are more important for keeping in touch, particularly in villages (Jiang Yong-Ping, 1995). The traditional idea of "outside for men, inside for women" still affects the exercise of family rights⁴ (Xiong Yu, 1995). Whether in urban or rural areas, the decisive determinants of women's family status are: geographic location, women's income, number of children, and women's educational level (Liu Qi-Ming, 1995). The family status of women in economically developed areas is higher than that of women in less developed areas; the family status of women in the more economically open areas is higher than in less open areas (Liu Qi-Ming, 1995).

Women's Educational Status

On average, the level of women's education has risen to some degree, and the gender gap in education has narrowed, and women have more opportunity for continuing education (Report on the Second National Survey on the Status of Chinese Women). However, in villages, the gender gap in years of education is still very wide (Jiang Yong Ping, 1995). Although economic development has been a positive impact girls' educational attainment, the traditional practice of parents' belittling girls and the tendency to favor boys continues. Additionally, rural women themselves hinder the education of their daughters (Jiang Yong-Ping, 1995). Although the educational policies of China have attached great importance to female education, the chance of girls' actually receiving an education, especially in rural households, is still less than that of boys. It is argued that gender discrimination in access to education during childhood is the basis for the differing gender-based traits of labor as adults (Cai Fang, 2001).

Gender, Resources and Productivity

Entering WTO poses both challenges and opportunities for Chinese industry and agriculture. Most believe that opportunities exceed the challenges, that with the deepening liberalization of trade, Chinese industry and agriculture will experience a blossoming of development and structural transformation. It is important, however, to bring gender into the discussion and research of future developments in China's industry and agriculture. Because men have more financial liquidity than women, male agricultural laborers can move to cities and more developed areas while women stay behind and, in so doing, play a major part in both the agricultural labor market and agricultural production overall (Wang De-Wen, Liu Mei, 2002). Because women farmers have weaker access to productive resources, credit and access to land the productive potential of farming women is lower than that of their male counterparts. Nevertheless, women farmers play an important role in agricultural production and development (Wang De-Wen, Liu Mei, 2002).

⁴ Family rights include the right to manage and share in income, the right to decide on consumption, the "say-so" right on the future of children, and the right to decide whether to bear a child.

The degree to which women master agricultural technology affects how much women take part in, and help promote, agricultural development. Hence, an appropriate use of resources would offer all kinds of technical training to women and help them master more advanced techniques. This training can ensure women's participation in productive decision-making (Su Yan, Li Su-Ying, Guo Rui-Xiang, 1994). In industry, with changing markets and fiercer competition, pressure on costs means that employers, especially in private enterprises, tend to hire part-time employees, particularly part-time female workers at low wages with reduced benefits. Flexible employment mode helps increase women's rate of employment and enables them to both work and attend to family. However, the lack of stability can also impede women's career development and make it hard to get effective security in work rights and wages. (Wang Jing, Tan Lin, 2002).