

The importance of being earners: why South African women need well-paid jobs

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INTRODUCTION

In many less-developed countries, a large fraction of households are poor. Aliber (2003: p. 475) claims, “A reasonable proxy for income poverty is child undernutrition”, citing an estimate that about 23% of South African children aged under six are ‘stunted’ (i.e. below the appropriate height). Low income is not the only reason for hunger: some children may suffer undernutrition because parents (with adequate incomes) choose to buy non-food items, such as alcohol. Standard economic (bargaining) models predict that a woman’s power over household decisions tends to increase as she earns more. This paper contrasts bargaining models with other claims, such as the ‘children fare better’ hypothesis. South African household survey data are used to investigate child nutrition and domestic violence. There is evidence from various developing countries that children tend to eat better if mothers earn money and/or control household spending; and some children in relatively rich households go hungry, because their mothers lack power over spending. For example, Haddad & Reardon (1993) claim that many children suffer undernutrition because their parents buy non-essential items such as alcohol.

LITERATURE REVIEW

Among the earliest economic models of household spending were ‘unitary’ models, “in ascendancy from the 1950s until the 1980s” (Lundberg & Pollak, 1996: p. 141). Each household was assumed to behave as if maximising welfare of the household as a unit (Akram-Lodhi, 1997: p. 37). Gary Becker emphasised the price of time (of husband and wife) as determining household behaviour. Becker’s model is rejected by empirical evidence, such as Kennedy & Peters (1992); Haddad & Hoddinott (1994: p. 543); and Pahl (1995: p. 374). Kabeer & Joeke (cited in Akram-Lodhi, 1997: p. 40) claim the unitary model “is by now surely discredited”. Akram-Lodhi (1997: p. 39) wrote “Joint utility functions thus appear to be empirically unsubstantiated, methodologically inconsistent and theoretically vacuous”.

After the demise of ‘unitary’ models of the household, ‘bargaining models’ became the mainstream economic theories of household decision-making; there are various versions – including co-operative and non-cooperative bargaining models. In this paper, I refer to all of these approaches as ‘economic bargaining models’ (to avoid confusion with bargaining models proposed by sociologists, such as ‘balance theory’). Economic bargaining models assume that each spouse threatens to divorce unless the outcome of decision-making is acceptable to him/her; this creates a degree of compromise between husband & wife in household decisions. Household decisions are thought to depend on each spouse’s “threat point”, which is related to his/her (actual, or potential) income. A person financially dependent on their partner or spouse has less power (Haddad & Reardon, 1993; Haddad & Hoddinott, 1994); but even a person with no current earnings can threaten to divorce, to obtain some influence on household decisions. Lundberg & Pollak (1996: p. 139) imply bargaining models are now in decline: “A current snapshot of family economics would show the traditional framework under siege on both theoretical and empirical fronts. [...] no new theoretical framework has gained general acceptance as a replacement for common preference models”.

In recent years, the ‘children fare better’ hypothesis has become popular in the development studies literature: this perspective claims that children tend to do better if mothers earn, and is associated with economic bargaining models (Hoddinott & Haddad, 1995: p. 77). Folbre (1986: p. 24) wrote “A number of studies suggest that increases in women’s income have a far more positive impact on increases in children’s nutritional levels than do increases in men’s incomes”. In Brazil, the effects of wife’s earnings are almost 20 times stronger than the effects

of husband's earnings in improving child nutrition (Thomas, cited in Lundberg & Pollak, 1996: p. 144). Maitra & Ray (2001: table 9) found female incomes significantly improved child nutrition, whereas husband's income had a harmful effect. The 'children fare better' hypothesis claims that women who earn more, tend to have more power; some writers suggest that women's power over spending helps children, whether her power derives from her earnings or from other causes. There is evidence from Rwanda, the Gambia, Côte d'Ivoire, Guatemala, Jordan, and Mali that children fare better when mothers have more control over household decisions (Engle & Menon, 1999: p. 1318; Kennedy & Peters, 1992: p. 1081). Haddad (1999: p. 114) wrote "there is now some empirical regularity in the result that marginal income under women's control tends to result in increased food consumption of children and better child nutrition". The 'children fare better' approach starts with the assumption that child welfare is generally a higher priority for women than men, and is sometimes associated with economic bargaining models; together, these assumptions predict that children will be better-fed if their mothers earn more, if other factors (such as husband's income) are held constant. Jette Bukh (1980, p. 19) wrote about Ghana: "Men and women also use their cash differently. While men, and particularly younger men, often use their cash to buy goods for themselves – "bachelors consumption goods" – the women's little money is usually used to cover certain household expenses".

To add to the insights of 'children fare better' hypothesis, this paper considers the ideas of two sociologists: Pahl and Gwagwa. Jan Pahl, a UK sociologist, is generally credited with being the pioneer of the 'household allocative systems' approach: this view suggests we can investigate the 'black box' of the household by investigating which household member(s) manage & control money (Pahl, 1995). Pahl also investigated domestic violence (in the UK), and reported that male violence against women often gives men more control of household financial decisions. Another important insight is Pahl's (1985: pp. 33-4) finding that many British women who had left a violent husband or partner became 'better off' on state benefits, than they had been when living with a relatively rich partner: women found that they could feed children more easily if they controlled a small income, rather than having little or no control over a large household income.

Nolulamo Gwagwa studied the effects of unemployment on men in Inanda Newtown, Durban, and found several problems. One problem is "*izehluleki*" (men are seen as failures): some men do not want to work, or become unemployed and cannot find work (Gwagwa, 1998: p. 44). Another form of *izehluleki* is an employed man who does not support his family financially – often spending money on drink, or on other women. Whether a husband is unemployed or withholds earnings from his family, *izehluleki* forces women to earn money to support the family. Women with high earnings gain influence over household decisions, but this leads to another problem, "*bayanyotha*", in which husbands feel less need to support their family because his wife has taken away his pride in being the family provider. Gwagwa implies a downward spiral: feelings of failure; drink; domestic violence; and lack of male financial support, perhaps leading to women leaving their husband. Gwagwa (1998) claims that some households cannot afford enough food because husbands drink heavily. Men use other methods to gain power, such as withholding information from wives: "There is a general feeling in Newtown, especially among women, that the main reason for men not revealing their incomes is that they want to retain a percentage for their "own use". This money is spent mainly on liquor, tobacco and girlfriends" (Gwagwa, 1998: p. 50).

DATA AND METHODS

This paper uses data from three sources. The 1993/4 World Bank 'Living Standards Measurement Study' (LSMS) studied almost 9,000 (rural and urban) households; LSMS was intended to reflect the ethnic mix of South Africa, and includes urban & rural households to give a nationally representative sample. The SALDRU website (web.uct.ac.za/depts/saldru/) has details on LSMS. LSMS is extremely useful because it includes weight (and height) data for children up to age 6, in addition to much other detail on households.

The second data source used here is the South African government 'October Household Survey' (OHS) from 1994 to 1999 inclusive, from the South African Data Archive (www.nrf.ac.za/sada). This is especially helpful in assessing domestic violence. OHS (like any such survey) may underestimate the prevalence of such problems, because some victims are afraid to report violence.

I also use data from the year 2000 'Work, Attitudes & Spending' (WAS) survey by Markinor Pty (commissioned by the author), which is deposited at the UK Data Archive (www.data-archive.ac.uk) as SN:3290. WAS data excludes rural respondents, but is representative of urban South Africa. WAS is especially useful for attitude data.

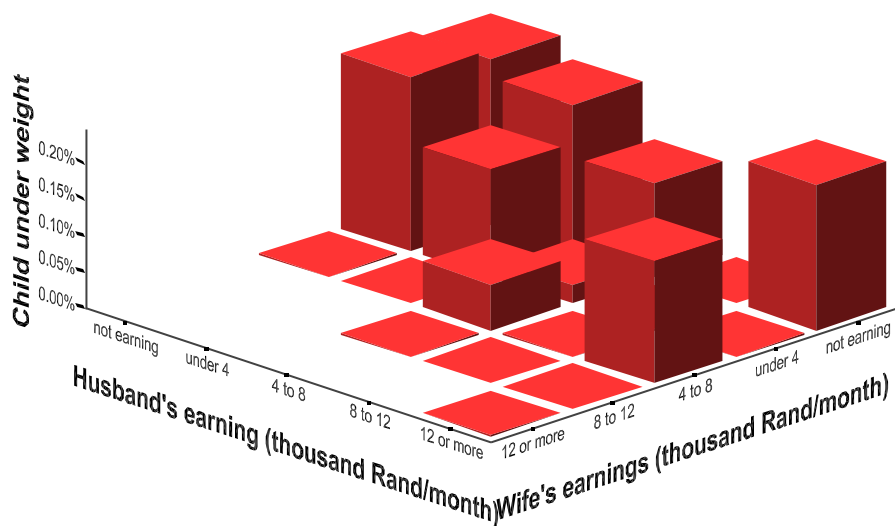
I convert earnings in LSMS and OHS data to match WAS, i.e. year 2000 prices, using the metropolitan 'Consumer Price Index' (Government of South Africa, 2003). I divide wife's earnings into five income bands

(and likewise for husband's earnings). I control for household composition using a "household equivalence scale" (DSS, 1993): the reference household, a childless married couple, is given an index of 1: if there are other household members, the household's index increases (depending on the age of each household member). The wife's (and husband's) income is then divided by this index.

RESULTS

I begin with child weights ('weight-for-age'), as a proxy for how well they had been fed. I compare the weight of each child in LSMS, with the weight of children in USA: U.S. child weight data are from NCHS (2003), which give an "internationally recognized threshold for undernutrition" (Engle, 1993: p. 1308). Two standard deviations below the median is often used to define 'significantly' underfed – this indicates a South African child lighter than (approximately) 98% of USA children of the same age & sex. I classify a child as 'underweight' if s/he is at least 2 standard deviations below the average weight of U.S. children of the same sex & age (in months), or 'not underweight' otherwise; this definition of underweight forms the vertical axis of Chart 1. Chart 1, and all other charts in this paper, has one case per household. LSMS only report data for children age under 7.

CHART 1: children below appropriate weight



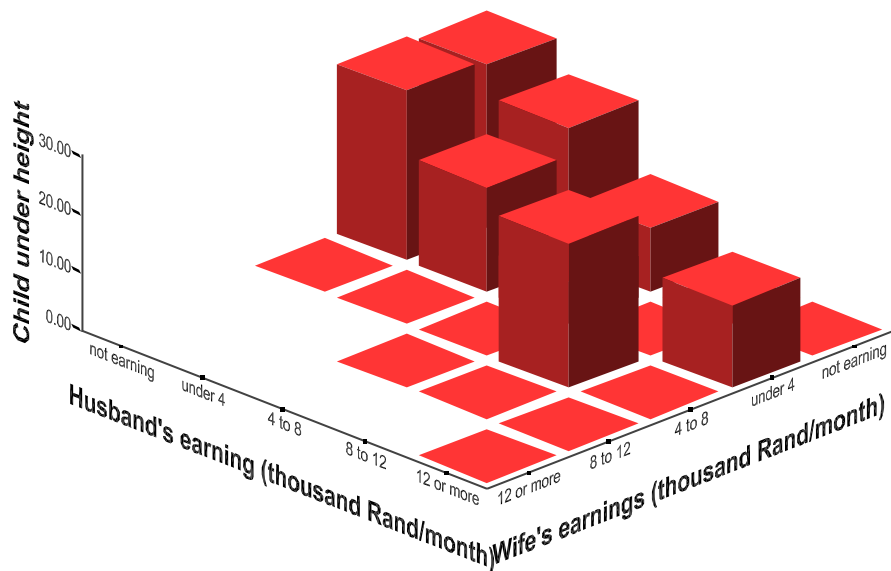
Source: LSMS households containing child(ren) age 0 to 6

In this paper, the bottom-right of each Chart shows wife's earnings, in five income bands. The five divisions on the left-hand-side of each Chart show husband's earnings. There are 25 cells in each Chart; in some charts, some of these 25 cells are white, indicating that no household had that combination of husband & wife's earnings – this highlights the need for large samples in future surveys. Chart 1 shows that if the wife earns more than about 4,000 Rand per month (at year 2000 prices), children are rarely underweight – suggesting they are adequately fed; but if she earns below 4,000 Rand, children are often hungry. The surprising part of Chart 1 is that some children appear to be underfed even if the husband earns over 12,000 Rand per month. This is consistent with the 'children fare better' hypothesis, that women are more likely than men to spend money on children.

Chart 2 is similar to Chart 1, but for height (rather than weight). Again, each child is compared with the average for USA children of the same age and sex, using data in NCHS (2003). Charts 1 and 2 have limitations: they may be influenced by effects of genetic differences between families (which may cause some children to be underweight or under height, even if they are well-fed). The reliability of Charts 1 and 2 is also limited by the sample-size: LSMS is a large sample, but Charts 1 and 2 are limited to households containing at least one child under 7 years of age, which reduces the effective sample size (the problem is shown by the number of white cells in both Charts).

Despite the limitations, Chart 2 does give the impression that child nutrition is only a problem if the wife's earnings are low. High earnings by a husband do not guarantee that children will not be shorter than the appropriate height. Hence, Chart 2 (like Chart 1) supports the 'children fare better' hypothesis.

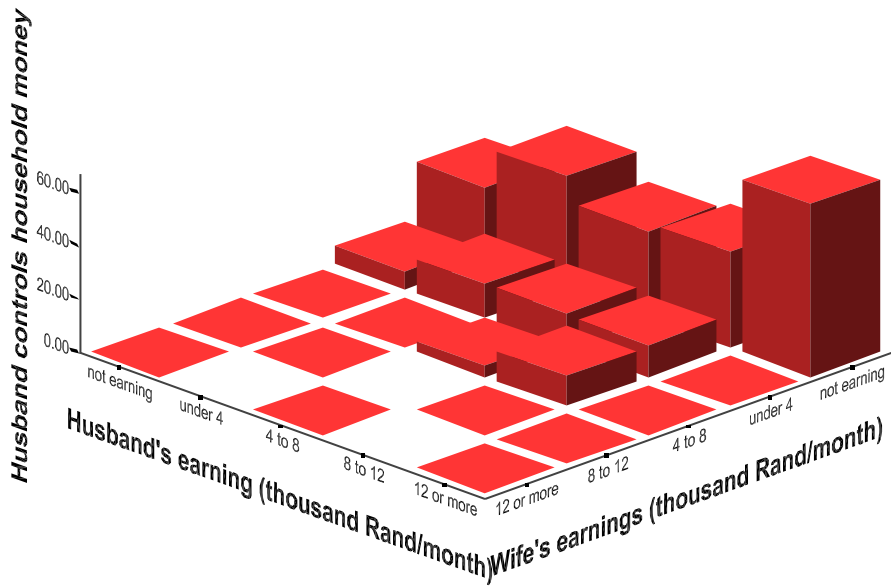
CHART 2: children below appropriate height



Source: LSMS households containing child(ren) age 0 to 6

I now examine decision-making within the household, using the 'financial allocative systems' method pioneered by Jan Pahl (1995). The WAS survey asked each respondent "Who makes important financial decisions in your household?" Respondents chose 'husband' (coded to one, for Chart 3); or 'wife' or 'husband and wife jointly' or 'other' (each coded to zero for Chart 3). Hence the vertical dimension in Chart 3 measures the extent to which a husband is in sole control of household finances.

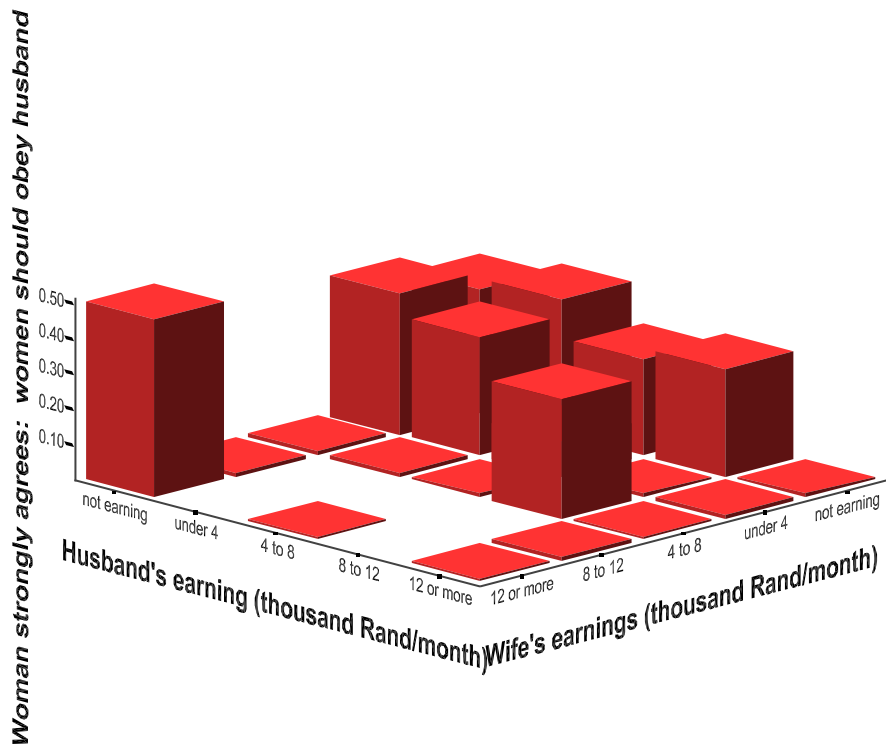
CHART 3: households where husband controls household spending



Source: WAS

Chart 3 shows husbands often completely control finances if wives earn little or nothing – suggesting men are to blame if (on the right of Charts 1 & 2) some children seem underfed although the husband earns relatively well.

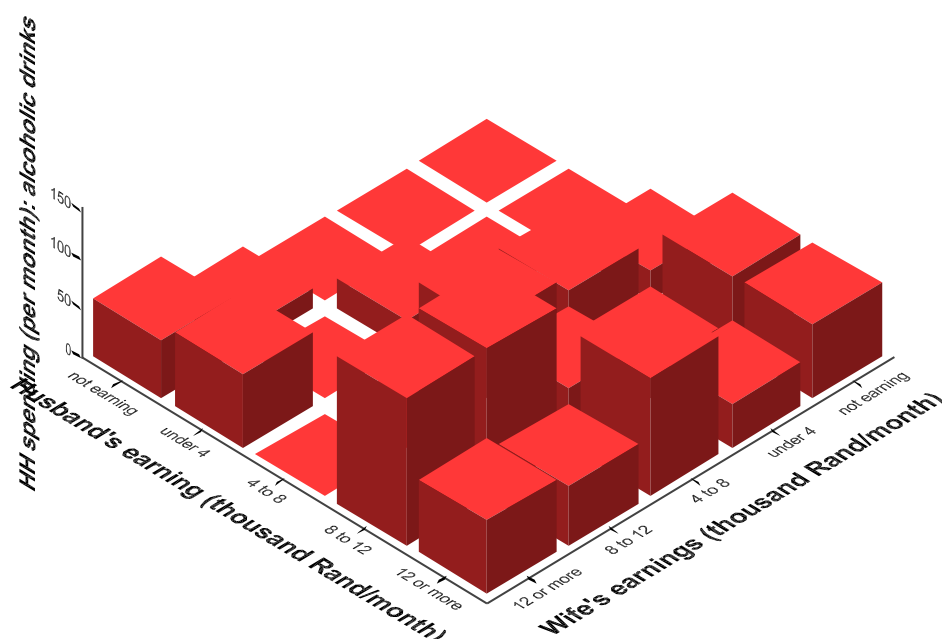
CHART 4: attitudes to women obeying husbands (female respondents only)



Source: WAS

Chart 4 seems similar, in several respects, to Chart 3 (a similar Chart can be produced for male respondents, but it is not shown here). Chart 4 may explain an apparent weakness in economic bargaining models. Mainstream economics suggests women have some influence over household spending – even in the most extreme cases where the husband has a high income but the wife has no income, the wife can threaten to divorce her husband unless he allows her some control over household decisions. But Chart 3 suggests she does not, in fact, have any financial control in many of the households studied. One possible explanation for male power is a culture in which women are expected to obey their husband (for example, some women promise to obey their husbands as part of the Christian marriage ceremony). However, Chart 4 suggests an economic basis for women obeying their husband, because obedience is only common among women who earn little or no income. Perhaps views on the appropriate roles for women (in South Africa, at least) can be changed by women earning more; such cultural change may be desirable for several reasons (such as improving child nutrition, and reducing domestic violence).

CHART 5: median spending on alcohol, by husband’s and wife’s earnings



Source: LSMS and WAS

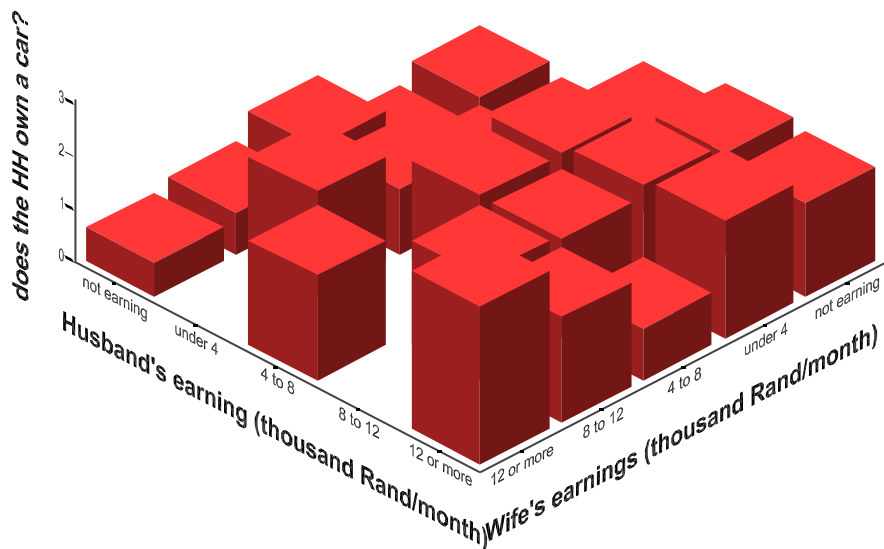
In Chart 5, alcohol spending tends to increase with increasing husband’s income, whereas alcohol spending does not increase much if the wife’s earnings increase. LSMS data does not tell us if alcohol is bought, or consumed, by husbands or wives or children (this could be studied in future surveys). But Chart 5 is consistent with the ‘children fare better’ hypothesis, and with research by Hoddinott & Haddad (1995: p. 87), which found alcohol spending tends to fall as female share of household income rises. Perhaps Chart 5 partly explains the pattern in Charts 1 & 2, in which some children go hungry even though the husband earns sufficient money to buy food.

To investigate further why some relatively rich households go hungry, Chart 6 shows ownership of cars (the average number of cars owned, at each level of male and female earnings). Chart 6 suggests that high spending on cars is associated with households where the husband has high earnings; but there is little evidence in Chart 6 that car ownership is increased by greater women’s earnings. This is consistent with the ‘children fare better’ hypothesis.

Charts 5 and 6 suggest that if a husband’s income is high, then household spending often prioritises alcohol or cars. But neither alcohol spending, nor car ownership, seems to be much affected by the wife’s earning level. Alcohol & cars are not the only luxuries which could prevent a household from being able to afford food – other

possibilities include cellphones, gambling, hiring prostitutes, and illegal drugs (none of LSMS, OHS, or WAS ask about such items – future surveys could investigate them). The LSMS survey did include spending on ‘leisure’ goods & services; although not shown in this paper due to limited space, they seem to be generally prioritised by households if the husband is the main earner. We should not conclude that all women prioritise children’s welfare, while all men are selfish: there are doubtless some selfish women, and some altruistic men.

CHART 6: car ownership by husband’s and wife’s earnings



Source: WAS

Charts 1 to 6 suggest that child welfare tends to be a higher priority for women than for men; some men seem to prefer cars & alcohol. The idea that a parent could buy luxuries while children lack food may seem surprising, but – as Table 1 shows – there do seem to be some households where the family goes hungry, even though there is one or more cars in the household. It seems likely that in some households, men eat away from home while other family members go without sufficient food: this may be more likely if the husband earns a high income while his wife earns little or nothing, but more research is needed on this issue.

TABLE 1: car ownership and ability to afford food

<i>In the last 12 months, how often has your household gone without meals because there wasn't enough money to buy food?</i>	Number of cars owned by the household				
	None	1	2	3	More than 3
<i>Never</i>	673	467	312	89	26
<i>only 1 or 2 months</i>	78	11	2	1	
<i>some months, but not every month</i>	140	31	8		
<i>almost every month</i>	60	6	2	1	

Source: WAS

Gwagwa (1998) describes some men in Durban who refuse to seek work, requiring their wife to earn money to support the family; demand money from her to buy alcohol; and (when drunk) are violent to her. Such problems are not limited to South Africa – Pahl (1985) describes similar problems in the UK, and domestic violence has been reported in many countries. OHS 1998 asked if domestic violence against women occurred in the household

in the 12 months before the interview. Few cases were reported (perhaps because women felt afraid to report violence, in case her husband found out); so I combine this with a question in OHS 1994, 1995, 1996 & 1998, which asked which household member(s) had been injured in the preceding 12 months. I assume most or all injuries are caused by domestic violence, but I have no way to investigate this assumption. I classify households as 'violent against women' if the wife had been injured, or if domestic violence against women reported; or 'not violent against women' if the wife was not injured, and domestic violence against women not reported.

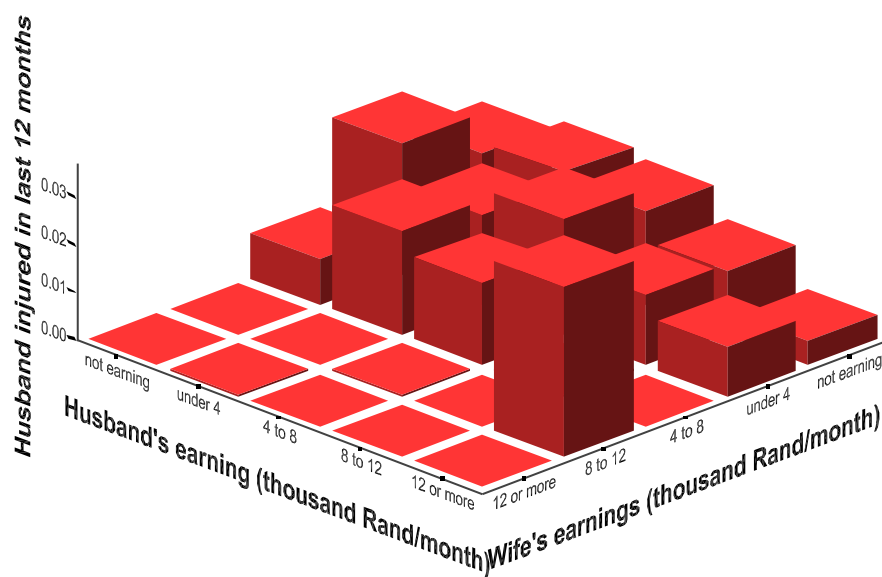
CHART 7: women injured, by earnings of men and women



Source: OHS (1994, 1995, 1996 & 1998)

Chart 7 shows a similar pattern to Charts 1, 2, and 3 above. Perhaps domestic violence explains why women are unable to bargain to obtain some control (see Chart 3). However, this does not explain why women remain in such households. Perhaps such women stay because they have no alternatives – if they earn little or nothing, they may feel unable to leave their husband; some women may accept violence for the sake of their children.

CHART 8: men injured, by earnings of men and women



Source: OHS (1994, 1995, 1996 & 1998)

Chart 8 seems generally similar to Chart 7. Perhaps some men are injured by women defending themselves when attacked. I interpret Charts 7 and 8, together, as evidence that households are more likely to be in conflict if the wife has a low income. Perhaps in households where wives earn little or nothing, some men use violence to force women to accept a spending pattern the husband prefers but the wife does not (for example, low-earning wives may object to men spending money on alcohol or cars, while the children go hungry).

CONCLUSIONS

Economists in the 1950s to 1980s often used ‘unitary models’ to explain household behaviour; we could call the demise of such models a ‘paradigm shift’. Their replacement, economic bargaining models, have a narrow focus – for example, ignoring domestic violence and attitudes to gender roles. Lundberg & Pollak (1996) suggest economic bargaining models are being attacked on theoretical and empirical grounds. I suspect economic analysis of household spending are now going through a second ‘paradigm shift’. Lundberg & Pollak (1996: p. 152) wrote “economic models of distribution between men and women focus on the subgame of bargaining within a particular marriage [but] the real action is elsewhere – in the prior game that determines social norms and gender roles”. This paper supports the ‘children fare better’ hypothesis; but this approach could be improved by ideas from sociologists such as Pahl and Gwagwa, who investigate domestic violence and household decision-making.

Every child should receive adequate food, but it seems many South African children go hungry even though their household earns enough to feed them properly. Apart from suffering directly caused by hunger, there are long-term consequences of undernutrition, including poor health & reduced mental abilities; South Africa’s future depends on feeding children adequately. If women earn little or nothing, men often control household finances; children are liable to be underfed; households tend to spend a lot on luxuries such as alcohol & cars; and women are likely to suffer domestic violence. It seems desirable for women to earn enough income to support their family. If there are not enough well-paid jobs for all South African women, the South African government could help children by increasing taxes on alcohol and other luxuries, to pay child benefit to mothers. Lundberg & Pollak (1996: pp. 154-5) wrote “The belief that “kids do better” when their mothers control a larger fraction of family resources, which was presumably part of the rationale for changing the U.K. child benefit program in the late 1970s, has now attained the status of conventional wisdom among development agencies”.

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