

Africa's shift to low-cost manufacturing puts women at risk: Four lessons from the Asian Tigers

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Economists have urged African countries to shift to low-cost manufacturing—the path that led countries such as [Hong Kong](#), [Singapore](#), [South Korea](#) and [Taiwan](#)—to industrial prosperity. These East Asian economies—which recorded high growth rates of [at least 7%](#)

between the 1950s and 1990s—are commonly referred to as the [Asian Tigers](#).

Starting in the 2000s, many of Africa's top economies achieved high growth rates through [natural resource extraction](#). Mineral resources such as oil, natural gas and coal were the main export items.

Economists have [cautioned](#) that growth based on natural resources is vulnerable to global price fluctuations. Other limitations include weak linkages to domestic economies, low employment creation, [negative impacts](#) on [local communities](#), tax avoidance by multinationals involved and climate change impacts.

By contrast, economists regard growth that is driven by low-cost export-producing manufacturing as [more beneficial](#) for development. This is because it is seen as globally competitive and able to create a lot of low-wage jobs. The Asian Tigers partly relied on it to achieve their [economic prosperity](#).

As a result, [economic commentators](#) have been urging African countries to embrace export-led manufacturing.

A [recent book](#) written by some of Africa's influential leaders and advisors sums up the call: "The relevance of Asia's example comes as Africa is facing a population boom, which can either lead to crisis or prosperity; and as Asia is again transforming, this time out of low-cost manufacturing into hi-tech, leaving a void that is Africa's for the taking."

Many African countries have heeded the call, specializing mainly in the manufacture of textiles, cloth, food and beverages. They include [Kenya](#), which has mainly been producing textiles at its [export processing zones](#) for sale to the US, and [South Africa](#), where [manufactured products](#), mostly food items, are key exports. Others include [Botswana](#), which has

been trying to diversify its mineral-driven economy, [Mauritius](#), where export of services has taken root, and [Madagascar](#).

Between 2005 and 2014, manufacturing production across the continent more than doubled from [US\\$73 billion to \\$157 billion](#). This was faster than the global average.

But the call to emulate the Asian Tigers could be ill-advised. As I argue in a [recent paper](#), such a move has significant gendered implications. It can lead to increased discrimination, widening inequality and crises in family life.

In particular, there are four lessons Africa's fastest growing economies should learn from the four Asian Tigers.

Lessons from Asia

1. Exploitation and control of low-waged female labor. The Tigers have relied heavily on women's labor as a specific asset which is cheap, productive and easy to control. Records [show](#) that low wages, poor working conditions, frequent layoffs and a lack of rights and union protection for women working in manufacturing industries have been rife in Asia since the 1980s.

Rapid economic growth and wealth for a few have come at the expense of many, with wages often insufficient to support families and working conditions undermining family life.

2. Pushing more women into the informal economy. As women have sought to supplement the meager incomes they get from their manufacturing work, female participation in the informal economy has surged. [Studies from Asia](#) reveal a direct correlation between growth in female participation in formal manufacturing sectors and growth in

female participation in informal sectors.

In Africa, women already dominate the [informal economy](#). In addition to the risks of unstable earnings and no access to health insurance or to other economic and social safety nets, women carry the double burden of informal work and care responsibilities in the home. They experience a disproportionate impact from lack of access to social protection. They are more likely to experience discrimination in accessing financial and other services. And they are more likely to be intimidated and abused by others in the informal sector.

3. Growing inequalities accompany growth. Tigers have succeeded in reducing poverty to varying degrees. But inequality has increased. A wide range of studies track the [polarizing impacts](#) of changes in labor market and income distribution at both economic and social levels across the region. There's a common pattern: highly skilled workers with more education see their incomes rise as those of low-[skilled workers](#) either stagnate or reduce. This trend is disproportionately felt by women. The pay gap is apparent even in countries where women have higher education attainment than men, such as [Taiwan](#).

Widening inequalities are already a feature of many African states. In the absence of state policies to regulate wages, such inequalities are likely to deepen.

4. A crisis in social reproduction. The impossibility of juggling paid work with unpaid work at home and within the community has resulted in a crisis in social reproduction in Asia. [Studies](#) show increases in marriage age, decreases in fertility rates and growing numbers of divorces across the region. This may signal a newfound independence among Asian women—but it also represents a broader crisis in family life.

This crisis also threatens the very economic system which depends on it. African countries don't usually have state support for family and community care. A similar crisis seems inevitable on the continent, where the nature and composition of families is already rapidly changing.

What can be done?

Asia's labor-intensive and export-driven manufacturing path does provide an alternative to the environmentally damaging and socially dislocating natural resource exploitation which is also of [limited benefit to Africa's local economies](#). Yet not everyone stands to benefit from it equally.

The overall lesson from Asia's decades of experience is that export-led policy is not gender-neutral. The export-oriented manufacturing increases gendered inequalities and discrimination. African countries should not replicate Asian experiences, but instead learn from them.

African analysts and policymakers should promote fair and progressive pay and working conditions for all workers. Greater public investment in infrastructure and social services is needed. And there should be policies that support and redistribute unpaid domestic labor.

As the Asian experiences have demonstrated, failure to act will worsen existing gendered inequalities and discrimination, and eventually undermine the essential social base of economic growth.

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