

GENDER ASPECTS OF THE TRADE  
AND POVERTY NEXUS

A Macro-Micro Approach.

Maurizio Bussolo

Rafael E. De Hoyos

Editors

A COPUBLICATION OF PALGRAVE MACMILLAN  
AND THE WORLD BANK

# Contents

<i>Foreword by Ravi Kanbur</i>	<i>xi</i>
<i>Preface</i>	<i>xiii</i>
<i>Acknowledgments</i>	<i>xv</i>
<i>Contributors</i>	<i>xvii</i>
<i>Abbreviations</i>	<i>xix</i>
1 Gender Aspects of the Trade and Poverty Nexus: Introduction and Overview	1
<i>Maurizio Bussolo and Rafael E. De Hoyos</i>	
1 The Gender Effects of Trade Liberalization in Developing Countries: A Review of the Literature	25
<i>Marzia Fontana</i>	
<b>Part I. The Macro Approach: Social Accounting Matrices and Computable General Equilibrium Models of Trade, Gender, and Poverty</b>	
3 Oil Price Shocks, Poverty, and Gender: A Social Accounting Matrix Analysis for Kenya	53
<i>Jean-Pascal Nganou, Juan Carlos Parra, and Quentin Wodon</i>	
4 Exports and Labor Income by Gender: A Social Accounting Matrix Analysis for Senegal	81
<i>Ismael Fofana, Juan Carlos Parra, and Quentin Wodon</i>	
5 Trade, Growth, and Gender in Developing Countries: A Comparison of Ghana, Honduras, Senegal, and Uganda	111
<i>John Cockburn, Bernard Decaluwe, Ismael Fofana, and Veronique Robichaud</i>	

**Part II. The Micro Approach: Household Models of  
Trade, Gender, and Poverty**

Higher Prices of Export Crops, Intra-household Inequality, and Human Capital Accumulation in Senegal <i>Maurizio Bussolo, Rafael E. De Hoyos, and Quentin Wodon</i>	165
More Coffee, More Cigarettes? Coffee Market Liberalization, Gender, and Bargaining in Uganda <i>Jennifer Golan and Jann Lay</i>	185
Gender Impacts of Agricultural Liberalization: Evidence from Ghana <i>Charles Ackah and Jann Lay</i>	217
Can <i>Maquila</i> Booms Reduce Poverty? Evidence from Honduras <i>Rafael E. De Hoyos, Maurizio Bussolo, and Oscar Nunez</i>	247
Index	• 271

Figures

1.1	Trade and Poverty Links	4
3.1	Change in Cost of Living as a Result of a 25 Percent Increase in Oil Price, by Gender and Poverty Status, 2001 Kenya SAM	66
3.2	Price Changes and Contribution to Change in Cost of Living for Nonpoor and Ultrapoor Households as a Result of a 25 Percent Increase in Oil Price, 2001 Kenya SAM	67
3.3	Price Change and Contribution to Change in Cost of Living for Male- and Female-Headed Households as a Result of a 25 Percent Increase in Oil Prices, 2001 Kenya SAM	68
4.1	Shares of Male and Female Workers in Senegal, by Sector, 2002	91
4.2	Ratio of Female to Male Workers in Senegal, by Sector, 1995 and 2002	92
4.3	Impact of a 1 Percent Change in Aggregate Exports on Male Labor and Labor Elasticity in Senegal, by Sector	99

4.4	Impact of a 1 Percent Change in Aggregate Exports on Female Labor and Labor Elasticity in Senegal, by Sector	101
4.5	Relative Impact of a 1 Percent Change in Aggregate Exports on Labor Income of Males and Females in Senegal, by Sector	102
4.6	Relative Impact of a 1 Percent Change in Aggregate Exports on Labor Income of Rural and Urban Workers in Senegal, by Sector	103
4.7	Relative Impact of a 1 Percent Change in Aggregate Exports on Labor Income of Illiterate and Literate Workers in Senegal, by Sector	104
6.1	Estimated Education Expenditure Effect of a 10 Percent Increase in Groundnut Income	178
9.1	Trade Openness in Honduras, 1990-2006	249
9.2	Composition of Exports in Honduras, 1990-2006	251
9.3	Percentage of Total Poverty Headcount Attributable to Various Factors	264

## Tables

.1.1	Global Gender Disparities in Education	2
3.1	Technical Coefficients for the 2001 Kenya SAM	61
3.2	Sources of Income and Expenditure, by Location, Level of Poverty, and Gender, Kenya SAM 2001	62
3.3	Impact of Exogenous Increase of 25 Percent in the Price of Oil on Prices, by Sector, 2001 Kenya SAM	64
3.4	Impact on Cost of Living of a 25 Percent Increase in Oil Prices, 2001 Kenya SAM	65
3.5	Price Multiplier Decomposition	68
4.1	Schematic Social Accounting Matrix	85
4.2	Sectoral Analysis for the 2004 Senegal SAM	87
4.3	Female and Male Employment in Senegal, by Sector, 2002	90
4.4	Average Monthly Earnings by Females and Males in Senegal, 1995	93
4.5	Labor Income Shares and Labor Intensity of Females and Males in Senegal, by Sector, 2002	94
4.6	Female Labor Income Share and Labor Intensity in Senegal SAM, by Sector, 2004	95
4.7	Effect of Exogenous Demand Shock of CFAF 1,000 Million on Labor in Senegal, by Sector and Population Segment, 2004	96

4.8	Share of Total Multiplier Effect Caused by Indirect Effects in Senegal, by Sector and Population Segment, 2004	98
5.1	Summary of Base SAMs in Ghana, Honduras, Senegal, and Uganda	124
5.2	Initial Sectoral Shares, Ratios, and Tariffs in Ghana, Honduras, Senegal, and Uganda	127
5.3	Trade and Production Responses to Trade Liberalization in Ghana, Honduras, Senegal, and Uganda, by Sector	128
5.4	Factor Market and Household Income Effects of Trade Liberalization in Ghana, Honduras, Senegal, and Uganda	132
5.5	Average Increase in Growth in Ghana, Honduras, Senegal, and Uganda as a Result of Trade Liberalization	139
5.6	Average Increase in Female Wage Gap in Ghana, Honduras, Senegal, and Uganda as a Result of Trade Liberalization	142
6.1	Summary Statistics	174
6.2	Estimates of the Determinants of Consumption Shares, in Senegal	175
6.3	Difference in Preferences, Bargaining Power, and Welfare Levels, by Expenditure Category	179
7.1	Estimated Impact of Increased Share of Coffee Income on Expenditure Patterns in Uganda, 1992-2006	193
7.2	Control over Agricultural Output on Coffee and Noncoffee Farms in Uganda, 2005/06	194
7.3	Impact of Bargaining Proxies on Coffee Yields in Uganda, 1999/2000 and 2005/06	195
7A.1	Engel-Curve Estimates for 1992/93	198
7A.2	Engel-Curve Estimates for 1999/2000	200
7A.3	Engel-Curve Estimates for 2005/06	202
7A.4	Comparable Coffee Yield Estimates for 1999/2000 and 2005/06	204
7A.5	Results of Augmented Yield Equation for 2005/06	206
7A.6	Results of Labor Input per Acre Equations	208
8.1	Cocoa Farming among Female- and Male-Headed Farm Households, 1991 and 1998	226
8.2	Changes in Predicted Cocoa Participation Probabilities	229
8.3	Impact of Cocoa Share and Other Bargaining Power Proxies on Expenditure Patterns: Engel-Curve Estimations for the Full Sample, 1991 and 1998	234

8.4	Impact of Cocoa Share and Other Bargaining Power Proxies on Expenditure Patterns: Engel-Curve Estimations for a Reduced Sample of Male-Headed Rural Households with One Spouse, 1991 and 1998	235
8A.1	Cocoa Participation Estimations, 1991 and 1998	236
8A.2	Results for Engel-Curve Estimations, 1991 (Full Sample)	238
8A.3	Results for Engel-Curve Estimations, 1998 (Full Sample)	240
9.1	Dynamic Performance, of the <i>Maquila</i> Sector in Honduras, 1990-2006	250
9.2	Poverty Headcount Ratio and Gini Coefficient in Honduras, 1991-2006	252
9.3	<i>Maquila</i> Performance and National- Poverty Rates, 1991-2006	253
9.4	Labor Participation and the <i>Maquila</i> Contribution, 1991-2006	254
9.5	Wage Premia by Subgroup	256
9.6	Regression Results	258
9.7	Wage Premium Results from Specification 2	260
9.8	Estimated Poverty Headcounts in the Absence of <i>Maquila</i> Effects, 1991-2006	263