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## The Economic Empowerment of Portuguese Women at the Crossroads: An accomplishment facing the tourniquet of the crisis

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The gradual integration of Portuguese women in the labor market has enabled remarkable levels of individual economic autonomy, while also producing profound changes in their economic and social roles. As can be seen in Figure 1, back in the 1960s Portuguese women still shared the backward position of Southern European women. Over the years, a progressive entrance of women in the labor market has occurred. This evolution has brought Portuguese women closer to the labor market position of their Scandinavian counterparts, while Italy, Spain and Greece have evolved at various and disparate rhythms (Maruani, 2000). Actually, when we focus specifically on the labor market, Portugal stands out clearly in the South European context in what concerns the high female participation rate, the low horizontal gender segregation in employment and the low prevalence of female part-time employment. That is the main reason why Portugal fails to fit well in the South-European "Welfare Regime" or "Family of Nations" as defined by Esping-Andersen and Castles, respectively. As such, some authors argue that the country should not be considered part of the South European regime of social provision (Silva, 2002) while others prefer to refer only to Mediterranean countries – Greece, Italy and Spain (Flaquer, 2000).

Portuguese female employment rates are currently high, especially when compared with the ones of the other Southern European countries (Greece, Italy, and Spain) (Eurostat, 2014). The high participation in paid work becomes even more evident when we take into consideration the low rates of part-time female jobs, in a sharp contrast to most West European non-Southern countries (see Figure 2). This is also true among Portuguese mothers with small children, elderly and poorly educated women, and whereas these groups show low

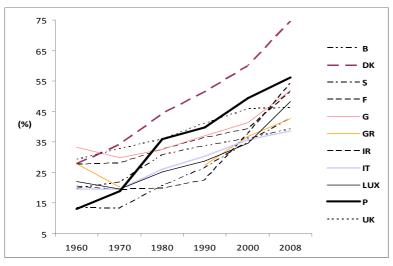


Figure 1 – Female Activity Rates in Some European Countries, 1960-2008

employment rates all over the developed world (see Table 1).

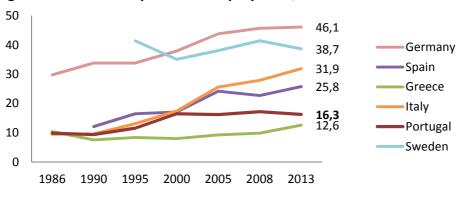


Figure 2. % Female in part-time employment, 1986-2013

This specific trait of the Portuguese labor market is closely related to the structural transformation of the economy over the last decades, namely in what concerns its international specialization and the building up of a mature welfare state. Let's pay closer attention to the main factors explaining why the Portuguese female employment rates are so high when compared to the other Mediterranean countries.

Source: Eurostat, INE, 2014

Country	by age of youngest child				by number of children under 15		
	0-16	<2	3-5	6-16	1	2	3
Greece	50,9	49,5	53,6	50,4	48,4	44,4	37,4
Italy	48,1	47,3	50,6	47,5	48,3	41,0	27,4
Portugal	67,8	69,1	71,8	65,4	63,5	59,2	46,1
Spain	52,0	52,6	54,2	50,9	51,1	44,7	38,5
Sweden	82.5	71.9	81.3	76.1	80.6	84.7	75.6
OECD ( <u>M</u> )	61,5	51,9	61,3	66,3	60,6	57,0	44,0

Table 1. Maternal employment rates (women aged 15-64), 2005

Source: OECD, 2010

How, then, can this high female employment rate in a full time basis be explained? How can we explain the transnational differences in the choices of women with respect to paid work?

## The Democratic Revolution as a path-breaking rupture in the Portuguese Gender Contract<sup>1</sup>

The massive entrance of women in the labor market operated since the 60's is somewhat surprising if we consider that the Portuguese society was at that time (and to some extent remains) a familialist traditional one, marked by a profound asymmetry in gender relationships (Torres, Silva, Monteiro, and Cabrita, 2004). To understand the reasons behind that process one must then call forth the contemporary evolution of Portuguese History, Society and Culture. In view of that, explanations may be found in: (1) the relative shortage in labor supply during the 60's due to the decrease in the male active population because of the colonial wars (1961-1974) and the intense migratory flow of that time, specially of married men who emigrated alone; (3) the sudden egalitarian burst generated by the democratic revolution of 1974 in the laws, norms and values that had been ruling the Portuguese gender contract ; (4) the consequent development of a welfare state which created public employment (in education, health and social security) and the associated gradual feminization in the upper levels of the education system (women found employment compatible with their education level, especially in the public sector); (5) an economy characterized by high inequality in wages and (6) the specialization on traditional labor intensive products, creating

<sup>&</sup>lt;sup>1</sup> A « gender contract" constitutes "a pattern of implicit rules on mutual roles and responsibilities, on rights and obligations, and it defines how the social relations between women and men, between genders and generations, and also social production and reproduction are organized in our societies" (Rantalaiho, 1998:47 *in* Gerhard, Knij and Lewis, 2002:116).

jobs for non-qualified female workers (for a comprehensive review see Cardoso, 1996; Coelho, in press; Ferreira, 1999; Torres et al., 2004).

This process was markedly determined and shaped by the State as a legislator, service provider and employer. In fact, public resources and political measures were fundamental for the promotion of Portuguese women's economic emancipation. Especially, we notice (1) the creation of several agencies (e.g. the Commission for Equality in Labor and Employment Commission) that were keystones in the combat to gender discrimination in employment and vocational training in both public and private sectors; and (2) the creation of a universal, free and compulsory basic school system which supported the steady growth in female education rates, thus turning possible to overcome the traditional gender gap. Finally, from the point of view of the enhancement of women's emancipation, the outstanding aspect of this whole process was definitely the strengthening of the State social functions, which gave way to public employment creation. Women, mainly the college graduate ones, were the main beneficiaries of that dynamics. Women not only got jobs but they got access to relatively well paid jobs, in the Portuguese context, as civil servants' wages have grown above private sector ones. This produced cascade effects for low qualified women as high employment rates for relatively affluent graduate women generated a huge market demand for services substituting domestic tasks. This was the result of the prevalent high wage inequalities (a high ratio between the highest and the lowest wages) that makes possible for higher income households to buy low qualified services in the market, such as, house cleaning, laundry, cooking, caring for children and other dependent family members. As a result, this kind of occupation constitutes a very important share of non-qualified female jobs in Portugal (in 2008, 7% all female jobs were "households with employment persons" while 8% were in hotels and restaurants, a value well above the OECD average).

The combined effects of these changes have transformed tremendously Portuguese women's lives. Their share of the family monetary income increased considerably, making their contribution for the material wellbeing of household members much more visible. As a consequence, their bargaining power in the household must have increased too. By the same reason, the 'commodification' of female labor also transformed women in market agents, making consumer choices on their own. These changes led to an undeniable progress in women's empowerment, with widespread implications in diverse social and economic domains such as the consumption behavior, reproduction, human capital formation, income distribution and well-being.

## The Economic Empowerment of Portuguese Women at the Crossroads

The evolution of the Portuguese gender contract over the last decades has assured a high rate of female employment for women, across all social strata, granting them an income of their own and unveiling their contribution to the material wellbeing of the family.

Notwithstanding, since public resources and political measures have been crucial for the Portuguese path to women's emancipation and empowerment, the current deep crisis and the consequent ongoing economic and social changes may threaten progressive moves towards a full equal status arrangement. Instead, the cuts in public sector spending and employment might be leading to the re-emergence of a more conservative gender arrangement.

New generations of graduated women are actually facing more and more difficulties in entering the labor market, particularly in sectors more favorable to female employment, such as the public sector, including the education sector, which is also being severely affected by the sharp decrease in birth rates. On the other hand, the failure of many SMEs in traditional manufacturing and services sectors is generating high levels of unemployment and inactivity for many middle age and low skilled women. Furthermore, the priority given by the government to the elimination of state budget deficits in a short period of time is causing abrupt wage and benefit cuts and a general decline in public services with a very detrimental impact on the middle classes. Consequently, the reduction of women's purchasing power is damaging numerous domestic jobs traditionally performed by less educated women (housework, catering, care for children and other dependents, etc.). Figure 3 is illustrative of the decline in the female employment rate since the eruption of the financial crisis in 2008.

Moreover, employed women face new obstacles as a result of the political measures taken to tackle the economic crisis. First, changes in the labor law simplified the dismissal and enabled increased flexibility in working hours. Second, increase in the working hours from 35 to 40 hours in the public sector aggravated the difficulty in reconciling work and

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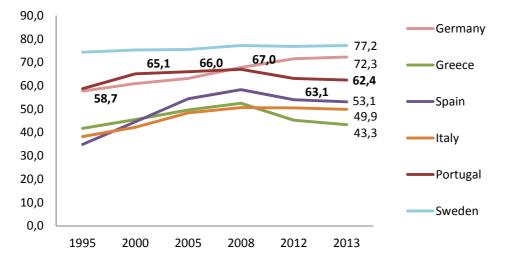


Figure 3. Female employment rate (20 to 65 years old), 1995-2013

Source: Eurostat, 2014

family life. Third, social provision cuts attain mainly women who were their main beneficiaries, by including reductions in family allowances, in the Social Insertion Income (RSI) and in pensions. Fourth, changes operated in the education system and in scholar curricula reduced the number of teachers needed in the lower educational levels, thus reducing the female employment. Finally, there was a dramatic decrease in the remuneration of professions traditionally performed by women (in the health sector, for example) as a result of the outsourcing of services provided by the State to private companies.

In sum, the recent financial and economic crisis set in motion an on-going multidimensional process threatening Portuguese women's achievements in terms of economic autonomy and empowerment, thus bringing to light some paradoxes in gender relations. One of the most impressive evidences of the actual situation is the sharp decline in the fertility rate that attained recently one of the lowest values in the world (1,28 in 2012). The understanding of such paradoxes must engage academics, economic agents and political power in the pursuit of a truly progressive and family-friendly society.

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