

## Female entrepreneurship: linking gender equality, employment and development

Point 13 of the [Statement 'The African Renaissance and the Future Young Women and Girls Want'](#), made at the African Union Summit on Agriculture and Food Security in January 2014, states:

We reiterate our call to our leaders to commit to ensuring that we achieve the **Future Young Women Want** by prioritizing the following issues for immediate action, in the post-2015 development framework and long-term vision of the African Union Agenda for 2063 [...] Build young women's and girls' entrepreneurial skills to enable them participate in economic activities and opportunities, ensure the reduction of the digital divide, enhance their access to and control over information and communication technology (ICT) and enable them to manage their own companies.

Female entrepreneurship is understood today as key to achieving gender equality in employment, whereas jobs contribute to development by enhancing living standards, productivity, and social cohesion ([World Bank 2013](#)).

Unfortunately, there are still large gender gaps in the world of work. The [Millennium Development Goals Report 2014](#) shows us that the percentage of women in non-agricultural wage employment has grown quite slowly in the past two decades (from 35 to 40 per cent globally), with the most impressive growth (of 10 percentage points - but still from 23 to 33 per cent) registered in Sub-Saharan Africa. The fact that women and girls keep doing the majority of unpaid care and house work is one important reason why they tend to be less employed than men and also to get more part-time jobs.

Albeit important, access to the job market alone does not necessarily translate into decent and productive employment for women. On the contrary, the feminization of the labour force can in certain contexts be associated with the fact that women tend to represent a cheaper and more flexible labour supply ([Lucas 2007](#)). It becomes therefore compelling to unpack the very notion of 'jobs' and to ask questions such as: Who is being employed? What type of job does she do? How much is she paid? And, what does she do with her income?

One strategic way in which women can actually empower themselves through work is by becoming entrepreneurs. The idea of female entrepreneurship has recently gained prominence in the development discourse, whereby women are seen as effective multipliers of development. This is based on the perception that women tend to invest a greater percentage of their income in the nutrition, education and health of their children than men (see [Duflo 2012](#)). This is why it is important that women become economically independent, because they can invest what they earn in the wellbeing of their families and communities. In developing countries, micro, small and medium-size enterprises also provide income generation opportunities for women across the formal and informal sectors in situations where getting a formal paid job is usually more difficult.

## One-pager on female entrepreneurship

March 2015

Notwithstanding such trends, it is important to avoid overgeneralizations. Women in fact do not constitute a single homogeneous group and context-specific political, economic, and social circumstances influence their (business) behavior. That explains why no one-size-fits-all approach would apply here and tell us what makes women successful entrepreneurs. The [United Nations Foundation](#), for instance, states very clearly that it is not simply a matter of providing women with capital, be it a small loan or a substantial grant.

Research in the field has rather focused on identifying those areas in which women do not have access to productive input and cannot therefore 'release their full potential'. These range from more 'traditional' resources like land and cattle (especially where customary legal systems prevent women from owning them), to more 'modern' ones like financial services, technology, training, information, and social networks.

Finally, a cautious note on the linkages between gender and economic growth. [Kabeer and Natali \(2013\)](#) argue that while we can claim that gender equality - especially in education and employment - does contribute to growth, there is not enough evidence supporting that the opposite is also true. In other words, growth alone cannot fully address gender inequality and either more inclusive growth strategies or redistributive measures need to be formulated if we want to make sure that growth benefits equally women and men. More research on this is currently being promoted by the [International Development Research Centre](#).

### Some examples of research on female entrepreneurship in Uganda

- Stevenson, L. and A. St-Onge (2005) [Support for Growth-oriented Women Entrepreneurs in Uganda](#). Geneva: International Labour Office; Tunis: Private Sector Department (OPSD), African Development Bank (AfDB).

The report assesses strengths and weaknesses of policies and programmes aimed at supporting the growth of women's enterprises in Uganda. It recommends that 'women only' actions are taken where significant inequalities remain in the provision of resources, information, support and business services.

- Bandiera, O., Buehren, N., Burgess, R., Goldstein, M., Gulesci, S., Rasul, I. and M. Sulaiman (2014) [Women's empowerment in action: Evidence from a Randomized Control Trial in Africa](#). London: London School of Economics.

The paper shows that providing vocational and life skills to adolescent girls in Uganda can boost their economic and social empowerment, by increasing the number of girls who engage in income generating activities and decreasing the number of those who have teen pregnancies and early marriages.

## One-pager on female entrepreneurship

March 2015

- Blattman, C., Fiala, N., and S. Martinez (2014). '[Generating skilled self-employment in developing countries: Experimental evidence from Uganda](#)', *The Quarterly Journal of Economics*: 697-752.

This article shows that government cash grants provided to young adults in Uganda to help them become self-employed artisans produce qualitatively different effects for women, in that although initially poorer, their work and earnings take off with the programme.

- Campos, F., Goldstein, M., McGorman, L., Munoz Boudet, A.M. and O. Pimhidzai (2014). '[Breaking the metal ceiling: female entrepreneurs who succeed in male-dominated sectors in Uganda](#)'. Africa Region Gender Practice Policy Brief no. 9. Washington, DC: World Bank Group.

This paper shows that information gaps about the profitability levels of male-dominated businesses and the types of role models influencing young women in Uganda are important factors hampering women entrepreneurs in leaving traditionally female-dominated sectors and becoming more successful.

- Quisumbing, A.R., Rubin, D., Manfre, C., Waithanji, E., van den Bold, M., Olney, D. and R. Meinzen-Dick (2014) '[Closing the Gender Asset Gap Learning from Value Chain Development in Africa and Asia](#)'. IFPRI Discussion Paper 01321. Washington, DC: International Food Policy Research Institute.

The report explores the linkages between women's asset endowments and their participation in market-oriented agriculture through value chains analysis in the dairy and horticulture sectors. Its findings reveal the complex and mutual relationships between value chain development and operations and gendered control and ownership of assets. It suggests to strengthen horizontal linkages through the formation of groups at the same node of a value chain.

- Fischer, G., Karlan, D. and M. Startz (ongoing) '[The Impact of Entrepreneurship Training for Women in Uganda](#)'. Abdul Latif Jameel Poverty Action Lab. Cambridge: Massachusetts Institute of Technology.

This research project evaluates the impact of a training and mentoring program for female entrepreneurs in Uganda (Women Mean Business) on their ability to run thriving businesses.

Author: Michela Marcatelli

Weblink: <http://includeplatform.net/female-entrepreneurship-linking-gender-equality-employment-development-2/>