Gender Inequality and Women Poverty in Indonesia

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Gender inequality limits the role of women to access various resources. These limitations cause women to be more vulnerable to poverty; this phenomenon is commonly called women poverty. The purpose of this research is to analyse factors affecting the women poverty in Indonesia. Disparities in economic access between women and men is also caused by the division of the gender role in the household being more harmful to women. This study aims to analyse relationships and determine the indicators of the welfare of each woman discussed, through indicators of gender development and the welfare of female household heads, using household characteristics to improve the welfare status of women. The model used in this research is logit regression model using STATA 12 software in two models: namely, the first model explains the status of the individual woman in affecting women poverty and the second, the status of the female as the household head in affecting household poverty. The analysis instrument used is logistic regression with a data source of SUSENAS 2012. The results of this research show that the indicators of vulnerable women in education, the labour market, and how the role of women in the household significantly affects women poverty status in Indonesia. This affects the policy implications of the government poverty reduction effort with regard to gender issues that occur in Indonesia.

Key words: *Gender Inequality, Women's Vulnerability, Women Poverty, Female household head poverty.*

Introduction

Poverty is a complex and multidimensional problem, meaning that poverty is not limited to economic indicators alone, but rather a structural multi-facial deprivation phenomenon (Wijaya, 2014). Based on UN data, one third of the world's population live below the poverty line and 70% of the poverty rate is filled by women (Santi, 2006). Women's welfare and

empowerment in Indonesia is also one of the problems and challenges in development. The National Long-Term Development Plan (RPJPN) 2005-2015 states that the quality of women's lives is still very low.

Gender issues and household poverty are among the sources of female discrimination. In addition, gender issues in the development process also cannot be ignored. This is due to the individual status of both men and women having the right as human capital to have equal opportunity in contributing to development and gaining a decent life and achieving equitable welfare (Winter, 1994). (Becker, 1993) reveals that the increase in human capital: education, training and health, can increase the knowledge and skills of the individual so that he will become more productive and have more opportunities to get a job with a better income. Periodically more income will improve a person's standard of living and will eventually expel someone from a cycle of poverty.

Women's health is the most often highlighted factor in gender improvement, as poverty and inadequate health systems are part of women's vulnerability to illness and premature death. In addition, the increase in education in women also has a greater effect on growth, especially on improving the quality of human capital. In the field of employment, many studies reveal that women's vulnerability in the labour market occurs when women are more involved in secondary sectors such as those in developing countries, where women work more in agriculture with low education and productivity (Albelda, 1999).

The condition illustrates that poverty between women and men in Indonesia shows a greater proportion of women's poverty experienced by the age of 60 and above. This poverty is largely due to the low labour productivity status and the marital status of the females as household heads of widowed women. Based on the above explanation, the women's social and economic status of poverty refers to the concept of research on the feminisation of poverty developed by (Pearce, 1978), which states that women's poverty is not only identified through women's vulnerability to aggregate poverty status, as the quality of individual capital, but also the contribution women as heads of household in influencing poverty status in Indonesia is seen.

The purpose of this study is to analyse the relationship and influence of women's individual welfare indicators described through gender development indicators and welfare of female heads of households using household welfare characteristics against possible poverty status experienced by women. In this study there are two problem formulas that will be discussed: (1) Do the women's education, women's health status, the female labour force participation and women's working status have an influence on the poverty status of women in Indonesia? (2) What are the variables of occupation of household head, age of head of household, education of head of household, marital status of head of household, sanitation conditions,

drinking / bathing water quality, source of lighting and number of household members which have influence on house poverty status headed by women?

Literary Review

The World Bank (2000) defines poverty as a lack of prosperity. The conventional approach defines welfare with the ownership of goods; thus people are said to be poor if they do not have enough income or consumption to keep them above the minimum standard of prosperity. Based on the 2004-2009 RPJMN report on the poverty reduction chapter, it defines poverty as a condition where a person or a group of men and women are unable to fulfill their basic rights to maintain and develop a dignified life. These basic rights include the fulfillment of food, health, education, employment, housing, clean water, defence, natural resources and the environment, security from the treatment or threat of violence and the right to participate in social and political life (Akizuki, 2008).

Definition of Poverty

The Central Bureau of Statistics (2004) defines poverty as the inability to meet minimum standards of basic needs consisting of food and non-food needs. Furthermore, the classification of the poor and non-poor is done by comparing the level of consumption of the population with the poverty line or the number of Rupiahs for consumption per person per month. In Indonesia one is said to be poor if he/she has a per capita expenditure smaller than the poverty line (GK). The poverty line is a line that shows the value of food expenditure per person to meet the basic needs of 2100 kilocalories per day plus non-food expenditure for one month (Damayanti, 2013).

Gender Inequality and Poverty

This study includes: dependence, poverty, economic growth, and gender (Soejoto, 2016). If viewed from the perspective of justice, then poverty faced by women is a serious issue which is related to their gender (Nasution, 2017). Because this phenomenon has two impacts simultaneously; that is poverty itself and the phenomenon of gender inequality (McAleer, 2008). (Blau, 2003) also explained in their research that a country with good gender equality will produce a lower economic inequality.

The National Planning and Development Agency (2007) formulates four factors that have the potential to cause a gap between women and men both as an object and subject of development. The first is related to access, where development planning developed should consider gender equality between men and women in obtaining and utilising development resources. Second, it deals with the benefits gained by men and women from development outcomes. Third, participation factors provide equal opportunities for men and women to

participate in aspirations, experience, or needs in the development planning process. Fourth, it is the equal control of men and women over the planning of development program policies.

Poverty Vulnerability on Women

Women have special characteristics. (Prabowo, 2017). The position of women in the economy is particularly vulnerable, especially when macroeconomic instability occurs in the labour market. The impact of economic shocks is usually on a gender perspective. (Byrne, 1995) also suggest that women typically have lower levels of education and limitations in the ownership and control of productive assets, leading to lower productivity, low income earning and weak bargaining power in the household. Based on these facts, women's vulnerability in response to economic shocks is often associated with the *Feminisation of Poverty* phenomenon.

The concept of feminisation of poverty was first developed by Diana Pearce as a result of a research process undertaken to identify gender patterns in influencing the evolution of poverty levels in the United States around the 1950s. The results of these studies resulted in two basic concepts that are then used as reference for research in various countries. (Pearce, 1978) states a theory which reveals that the feminisation of poverty is the increase in the number of women among the poor or the increasing number of female heads of households among the number of poor households.

Improving the quality of women's reproductive health has a positive impact on economic growth. Investments in the health sector including improving the quality of women's reproductive services can help (1) improve the quality of family health and (2) reduce the government's health budget by reducing the public service burden and slowing population growth known as demographic bonuses. In terms of education, (Abdel-Rahman, 2006) explain why women's education is important to reduce their poverty risk. There is considerable empirical evidence to suggest that educational discrimination against women inhibits economic development as well as exacerbating social inequality. Narrowing the gender gap in education by expanding educational opportunities for women is very economically advantageous for four reasons: (1) the rate of return of higher education is greater than men, (2) increased education of women will decrease fertility rate and suppress population explosion and (3) improvement of women's education will increase the quality of nutrition and health in children.

Meanwhile, in the field of employment, according to the (Bappenas, 2012) report on the preliminary review of gender equality and institutions, the gender gap in economic participation also indicates that there is still discrimination experienced by women in the labour market. This is indicated by indicators related to employment and wage status.

Gender-facing poverty in the labour market sector shows that women in developing countries, especially in rural areas, are more involved in the agricultural employment sector. Agricultural economic conditions in developing countries fluctuate, making the economic status of women worse. It is about agricultural practices and gender perceptions (Fitriana, 2019).

The gender dimension in the household also places women in unfortunate positions especially when there is a change in the family structure caused by the divorce or death of the breadwinner / husband less effective and still lack of coverage and outreach (Hendratmi, 2018). The lack of primary livelihoods places women as head of household and the responsibility of managing the child that causes women's welfare to be lower and closer to poverty (McAleer, 2008). Women-headed households are more vulnerable than men-headed households. This condition further deteriorates if the head of the female household is a single mother or has a large family dependence in the case of early childhood (Albeda, 1999).

Previous Research

This study refers to the research on women's relationships and poverty based on gender approaches conducted by Amelia Bastos, et al. in 2009. This study aims to analyse the relationship of women and poverty using gender sensitivity approaches in Portugal. The research methodology used cross-section data from EHCP (1995-2001) with dynamic poverty analysis. Based on static and dynamic calculations, it is known that women, based on welfare indicators used, proved more vulnerable to poverty than men. The household indicators included in the research analysis illustrate the gender power of family relationships. Based on the analysis of households, the gender power between men and women has a significant influence on the allocation of resources. Women tend to be disadvantaged in the labour market, decision-making, and the risk of domestic conflicts that cause women to be poorer than men.

In 2013, Ayodeji Oginni, Babatunde Ahonsi and Francis Ukwuije conducted a study aimed at analysing whether female heads of households tended to be poorer than male heads of households in Nigeria. The poverty analysis was conducted using the Nigerian Demographic and Health Survey (2008 NDHS) household data which represented 34,070 household samples. The analysis method used was logistic regression. The results show that female heads of households are not poorer than male heads of households. The male family head tends to be slightly poorer than the female head of the family. This indicates that gender-based poverty reduction strategies should be more focused on the welfare of male heads of households, which contributes to the poverty rate greater than the poverty experienced by female heads of households.

Research conducted by Agnes R. Quisumbing, Lawrence Haddad, and Christine Pena in 2001, aims to prove whether women are fully affected by poverty. The study was conducted in ten developing countries. An important point of this research is to prove whether there is a difference in the proportion of poverty that occurs in women and men with male and female heads of households. The method of analysis used in this study is Stochastic Dominance Analysis, where the results show that proportionally there is no difference between the poverty of women and men and female heads of households with male heads of households except in Ghana and Bangladesh, which shows the proportion of women worse than men in the proportion of poverty.

Research Method

Types and Sources of Data

The type of data used in this study is secondary data, i.e. cross section data in 2012. This study used sample data taken from the National Socio-Economic Survey (Susenas) data conducted by the Central Bureau of Statistics (BPS). Specifically, this study uses the March 2002 SUSENAS comprising 71,138 sample households spread across provinces and districts in Indonesia. The poverty line comes from BPS publications, namely 267,408 for urban areas and 229,226 in rural areas. This result is obtained from the calculation and analysis of macro poverty in Indonesia in March 2012, which is calculated from Susenas Consumption Module March 2012.

Methodology

The model used in this research is logit regression model using STATA 12 software. There are two models used, that is logit regression model for poverty status of female individuals in Indonesia **(2.1)** and logit regression model for household poverty status which is headed by women **(2.2).**

$$p = \beta 0 + \beta 1 educ + \beta 2 health + \beta 3 work + \beta 4 workpay + \varepsilon \ 2.1$$

Where *p* = *poverty status (1 = poor; 0 = not poor);* *β0* = *intercept;* *β1- β4* = *Parameter (coefficient) of regression;;* *educ* = Level of education (1 = low; 0 = high); *Health* = Reproductive Health Status (1 = not medical personnel; 0 = assisted by medical personnel); *Work* = work participation of women (1 = not working, 0 = work); *Work pay* = wage status (1 = unpaid, 0 = paid).

$$p = \beta 0 + \beta 1 work + \beta 2 age + \beta 3 educ + \beta 4 marriage + \beta 5 sanitation + \beta 6 water + \beta 7 electricity + \beta 8 hhs + \varepsilon \ 2.2$$

Where **β1- β8** = regression (coefficient) parameter; **work** = household head type of work (d1 = agriculture; d0 = non-agricultural); **age** = household head's age (d1 = unproductive; d0 = productive); **educ** = Final education of household head (d1 = low education; d0 = high education); **marriage** = marital status of household head (d1 = widowed; d0 = married); **sanitation** = sanitary conditions (d1 = unworthy; d0 = feasible); **water** = water quality / drinking water (d1 = unclean source; d0 = clean source); **electricity** = source of lighting (d1 = unworthy; d0 = worthy); **hhs** = number of people in the household (d1 = more than 5 people; d0 = maximum 4 people).

Results and Discussion

Individual Women Poverty

Based on the logit regression and hypothesis testing conducted, it can be seen that independent variables of women's educational status, female work participation, employee paid status and reproductive health proved significant in influencing the dependent variable, i.e., the poverty status of individual women either partially or simultaneously in Indonesia in 2012.

In the logit regression model, the direction of the variable logit coefficient is positive. That is, the lower the level of education of women, the greater their possibility to fall into poverty than women who have a higher education level. The probability is 1.367698 higher than women who are highly educated. This is consistent with the initial hypothesis and the results of research conducted, that a higher level of education will reduce the likelihood of a person gradually falling into poverty and low education will worsen the poverty status of the individual in the long term. (Arivia, 2005) states that a person can increase his income through improving education. Each additional year of school means, improving the workability and income level of a person. This suggests that educational investment is very important to overcome the problem of poverty.

Work participation and paid-worker status is one indicator that has a considerable influence on women poverty. This is in accordance with research conducted by (Dias Basto, 2009), which says that the influence of work participation and employment status is greatly paid for women's welfare status. Women tend to be discriminated by wages and trapped in secondary sectors of the labour market, thus exacerbating women's image in poverty.

Based on the result of logit regression the relation of work variable is positive. That is, the status of unemployed women is more likely to be poorer than working women. The probability is 1.79626 times higher than women who work. For workers' status paid regression results on work pay variables indicate a positive direction, suggesting that women

who work and are unpaid have the possibility of falling into poverty. The big possibility is 1.868374 greater than women who work with wages.

Based on the facts stated above, it proves the view of the "New Home Economic" proposed by (Becker, 1993) which states that the scope of households / families making the economic role of women and men to be segmented in the labour market. Women will be more involved in household productive employment while men are involved in productive employment markets that are useful for fulfilling household incomes. The economic gap between men and women in the labour market is also illustrated through paid work status. This was recorded based on the results of the 2012 analysis of 50.01 percent of men with paid worker status and female workers paid 49.99 percent. This is in line with the (Bappenas, 2012) report on the initial gender equality and institutional review that the gender gap in economic participation also indicates that there is still discrimination experienced by women in the labour market. This is indicated by indicators related to employment and wage status.

In addition to economic and educational indicators, health indicators are also important in influencing women's poverty status. This is because the female reproductive function is very important in determining the quality of the next generation. Provision of health services for women such as the availability of medical personnel for the delivery process will reduce the risk of maternal and infant death and thus will have a positive impact on the success of human development in the field of health in particular.

Based on the results of logit regression in the appendix table, they show the health variable has a positive direction. This illustrates that poor female reproductive health (not receiving medical help in labour) has a high probability of making poor women. The probability of this is 2.893271 times greater than women who have good reproductive health conditions. Access to health care generally depends on the ability to pay, as a result poor women will rely heavily on government programs provided to meet those needs. This proves the fact that the health gap between poor and non-poor women is linked to financial capabilities and other resources that determine lifestyles.

Poverty of Female-Headed Households

Based on the result of logit model regression in appendix, the table shows that the agriculture variable has a positive direction towards poverty status. This illustrates that household heads working in the agricultural sector are more likely to be poor. The possibility is 1.484596 times greater than the head of households working in the non-agricultural sector. The results of this study are in accordance with the Fulfilling the Beijing Commitment (2000) report on women's poverty which states that women are more faced with income poverty problems, as they are more often involved in secondary sector work, such as in the agricultural sector and unpaid family work.

The next variable is the age variable that shows a positive direction. This illustrates that the unproductive age of the head of the family has a tendency to make households poorer. The possibility is 1.370741 times greater than the productive aged household heads. This result is in accordance with the results of the OECD report (2013) which states that the poor population is dominated by the average of old age and is occupied more by women. This is due to gender inequalities in terms of income where women have relatively lower incomes than men. The vulnerability of poverty by women in the elderly is also due to the benefits of pension funds that are not entirely acceptable due to the discrimination of working age.

The productivity of labour is determined by the age of the head of the household. In Indonesia, the proportion of female heads of households shows that women aged 65 or above or in the unproductive age are more likely to be heads of households than those in productive ages. This is because women's life expectancy is higher than men's. Ultimately, female heads of households are more vulnerable to poverty due to their unproductive age in the labour market, so the income they earn to improve family welfare is lower.

In addition, household welfare is also determined by the education level of the head of the household. Therefore, education is positively correlated with the possibility of obtaining higher income. Thus, prosperity also increases with the higher education level of the head of the family. It is evident from the result of the logit model regression in the table in appendix that variable educ2 has a positive direction. This shows that the family head who has a low education status tends to make the household status become poor. This possibility is 3.363939 is greater than the head of households with a high education status. The results of this study are in accordance with the results of the UNDP (2002) report which states that the higher the education level of heads of households, the less likely the poverty for all households, especially in female heads of households, who are socially more vulnerable to economic shocks. Female heads of households will benefit more from increased education and training in reducing the likelihood of poverty than male heads of households.

The positive direction is also indicated by marriage variables of the household heads, especially divorced women who are very vulnerable, having a bigger possibility of falling into poverty. The possibility is 1.600596 times greater than households with heads of families (women) who have spouses / married. This is in accordance with research conducted by (Hurd, 1989) which states that the problems in the family structure caused by the marriage status of women as widows, or the lack of husbands, affect the economic status of women. Therefore, independent women are more vulnerable to economic shocks that cause income and welfare to be lower. As a result female widows are more vulnerable to poverty.

The standard of living indicator is also important in household poverty analysis, housing conditions and quality of life that describe the level of welfare of a household. Inadequate

sanitary conditions have a greater likelihood to describe a poor household. This is evidenced by sanitation variables that have a positive direction. Based on the results of the study, inadequate sanitation conditions have the possibility of 2.492862 times greater to describe the status of households to be poor compared with households that have proper sanitation. Furthermore, the quality of drinking or bathing water source owned by a household also illustrates the welfare condition of the household. Based on the result of research indicate that the water variable has a positive direction. This illustrates that poor drinking / bathing water quality, which is the source of drinking water / unclean bath, has the possibility to make households poor. The magnitude of the possibility that is 1.259961 times greater than households that have a good quality of drinking water / bathing The results of this study are in accordance with (Pullan, 2014) opinion, revealing that substantial costs to meet clean water needs and establishing proper sanitation make poor households especially in rural areas living with water and sanitation services less feasible than existing standards.

The last variable of the standard living indicator is the lighting condition owned by the household. Based on the logit model regression result, the electricity variable has a positive direction. This suggests that inadequate lighting conditions have a greater likelihood of 2.567431 times greater to be poorer than households with proper lighting. The results of this study are in accordance with the writings of World Energy Outlook (2002) which revealed that the high cost of access to electricity and energy makes the poor not entirely able to afford.

Given the multiple workloads held by female heads of households as breadwinners and household careers, the number of household members they have to bear becomes very important to describe their well-being. The more family members, especially family members who are at the age of unproductive or not working, the greater the limitation of women in contributing to productive work in the work market. As a result, the income that can be distributed to the family becomes less and at the end of the household welfare, the household is lower.

The result of logit model regression proves that the hhs variable has positive direction. This suggests that the larger the numbers of family members, the more likely they are to fall into poverty. The possibility is 3.700946 times greater than households with smaller or an ideal number of family members. Female-headed households are more susceptible to poverty status due to the workload in housekeeping and income earning for female heads of households. Thus the burden of household dependence seen from the number of unproductive family members is greater than the income of the household head. This is in line with research conducted by (Buvinic, 1998) which states that increasing family burdens, including increased number of children and decreasing family income tend to negatively affect women

and children. This is due to the opportunity for leisure and paid employment for women is reduced.

Conclusion

Women's poverty resulting from gender inequality suggests that poor women are more likely to be found between the age range of 60 and older with a widow or unmarried status. Meanwhile, for the proportion of poverty, individual women do not experience a considerable difference compared to individual men in the productive age.

Based on the logit regression analysis in the first model, it was found that the reproductive health variables, the last level of women's education, women's work participation, and women's working status proved to be statistically significant in affecting the poverty of individual women either partially or wholly.

Based on the logit regression analysis in the second model it was found that the variables of household heads, the last level of education of the head of the household, the condition of sanitation, the quality of the drinking water / bath, the source of lighting, and the number of household members proved statistically significantly affecting the poverty of the women-headed households.

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