

From formal employment to street vending

Women's room to maneuver and labor market decisions
under conditions of export-orientation
– the case of Penang, Malaysia.

by

Anja K. Franck

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ABSTRACT

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This study is a compilation thesis consisting of an introduction and four separate papers. It is an inquiry into women's working lives in Penang, Malaysia.

The export-oriented development model adopted in Malaysia stimulated women's large-scale entry to the formal labor force. However, export-orientation has not been able to sustain women's long terms participation in the formal labor market and female labor force participation rates in Malaysia have never exceeded 50 percent. This means that despite the expansion of the Malaysian economy, declining fertility rates and increased female educational attainment, over half of working aged women in Malaysia remain 'outside the labor force'.

This thesis aims to investigate women's room to maneuver in the labor market by scrutinizing women's move from the formal to the informal economy over the life course. It also aims to contribute further knowledge relating to women's work in the informal economy – in particular its spatial aspects.

The empirical study is based on field work conducted in Penang between 2009 and 2011. The 80 women interviewed in Penang share the common feature that they make their living in the informal economy – mostly as street vendors (hawkers). The majority used to work in the formal economy as machine operators or assembly workers in factories or in low-skilled jobs the tourism industry.

An important reason for the low female labor force participation rates in Malaysia is that women's engagement in the formal labor market has a strong one-peaked pattern with many permanently leaving the labor force at a relatively young age. However, although women who leave the formal labor market tend to go missing statistically – they continue to work in the informal economy. This study suggests that while women's formal labor force participation has one peak, their full work participation over the life course can be more accurately described as *two-peaked*. This study has found that women's decisions to leave formal employment were often made under the simultaneous influence of marriage, child-birth and unsustainable labor conditions. In a similar fashion their decisions to not (re)engage in formal employment but rather to opt for informal work were influenced by the lack of institutional support for working mothers, norms around gender, work and place and an unwillingness to (re)engage in exploitative work in the formal economy. Issues of *distance* (to formal employment opportunities) and *proximity* (to informal work) were key features in their room to maneuver and labor market decisions.

Keywords: gender and trade, feminization of labor, female labor force participation, women's work, gender at work, informal economy, hawking, street vending, Penang, Malaysia

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Distribution:
Department of Human and Economic Geography
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