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## LAND AND SCHOOLING TRANSFERRING WEALTH ACROSS GENERATIONS

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In rural societies, passing down land and providing an education are the main ways in which parents assure the future welfare of their children. But parents do not necessarily pass these valuable resources to both sons and daughters equally, and parents' decisions about how to allocate wealth to children can have a profound impact on the pattern of income inequality between men and women over time. If parents educate and bequeath land only to their sons, for instance, women will soon be worse off than men. Thus knowing how men and women acquire land and education is key to allocating scarce resources and planning for a better future.

So how do parents allocate land and education between sons and daughters? How do changing returns to land and human capital affect parents' investments in children? What do gender differences in land and schooling mean for the welfare of men and women? Is gender equity compatible with efficiency and growth? These are the critical questions addressed in this book, which is based on intensive household surveys in Ghana, Indonesia, and the Philippines. Unlike previous studies that focus only on one form of transfer, by considering a wide range of investments that parents make in children, this book increases the options for policy interventions to achieve growth and gender equity.

### HOW LAND AND SCHOOLING ARE ALLOCATED

Gender gaps in land and schooling are not the same in all countries. In terms of social and economic rights, gender biases in favor of men are greater, for example, in Sub-Saharan Africa and South Asia than they are in Southeast Asia. Gender gaps in education follow a similar pattern: East Asia, Latin America, Europe, and Central Asia have the highest gender equality in education; South Asia has the lowest.

The value of land and education to future generations depends on changing returns to these resources. Historically, land has been a major factor of production in agriculture and returns to land have accounted for the largest portion of farm income in developing countries. However, as new agricultural technologies and modern inputs are introduced and as job opportunities emerge outside the farm sector, land becomes less important as a source of rural people's income, while education becomes more important.

Parents generally make land bequest decisions in accordance with the comparative advantages of sons and daughters in farming, bequeathing land according to sons' and daughters' relative specialization in farm work. In the Philippines, where farming is much more intensive in male labor, men inherit more land than women. In Indonesia, in areas where men work primarily on rubber agroforestry and women specialize in lowland paddy production, men inherit rubber fields and women inherit paddy fields. Likewise, in Ghana women contribute about 30 percent of the labor required in cocoa farming and own nearly 30 percent of cocoa land.

Land inheritance and schooling investments are close substitutes in the Philippines, where sons inherit more land but daughters receive more schooling. In Indonesia, however, men and women were treated equally in land inheritance and schooling investments, and in Ghana women were disfavored in both land transfers and schooling, although this gender gap has been appreciably reduced over time. These results may occur because in the Philippines women work primarily in nonfarm jobs, where educated women and men are treated equally; in the other two sites both men and women work mostly on farms.

## IMPLICATIONS FOR POLICY

Improving the distribution of income and resources between men and women in rural areas requires policies to improve women's income-earning abilities and opportunities.

First, policies must extend and strengthen schooling systems in rural areas and increase women's educational attainment. Parents' decisions to invest in girls' education are more sensitive to the price of education, the quality of schooling, the extent of learning, and teacher attitudes than are their decisions to invest in boys' education. Training staff, reviewing and revising school curricula, and educating parents can all play important roles in ensuring that gender stereotypes are not perpetuated in the classroom and in the community. In addition, investments that reduce distance to school, as well as investments in basic water and energy infrastructure, can help female enrollment rates in part by reducing the opportunity cost of schooling for girls. These investments mean fewer interruptions to women's paid work and to girls' schooling.

Second, policies must promote competition in nonfarm labor markets so as to eliminate discrimination against women, for in the long run realizing the returns to female education will increasingly depend on women's ability to find nonfarm

employment. Some of the barriers to entry can be removed through legislation that prohibits explicit discrimination against women. Other barriers, however, lie in the opportunity cost to women. Women already tend to work longer hours than men, and investments in time-saving infrastructure can reduce women's opportunity costs of participating in the labor market. Lack of adequate childcare is another principal barrier to female employment. Policies must also change the way employers and educators think about women's employment. Recent research from the International Labour Organisation, for example, provides evidence from four Latin American and Caribbean countries that the "extra costs" of employing women—such as maternity leave or child care—turn out to be insignificant. Finally, policies to strengthen market competition among enterprises should be adopted. Those enterprises that discriminate against women are less likely to survive in competitive market environments.

Third, the reform of property rights systems and the legal framework is crucial to attaining gender equity. The sites studied in this book all have matrilineal or bilateral inheritance systems. In the patrilineal systems more typical of developing countries, legal reforms are necessary

to strengthen women's entitlements and to make their claims over natural and physical assets more enforceable. Land titling programs are feasible, however, only if land rights are sufficiently individualized, and such programs must pay special attention to gender. Women should be able not only to hold a title to land but also to inherit land.

Finally, it is important to develop technologies to increase the returns to women's labor in the agricultural sector. In labor-abundant economies, such as those of Asia at the time of the Green Revolution, labor-intensive technologies could increase the demand for women's labor. In labor-constrained economies, new technologies could make women's labor more productive by, for instance, improving the efficiency of food processing or fuel collection.

As these policy steps are taken, it is crucial that women are empowered to benefit from the increased value of their time. The development literature is replete with stories of interventions that aimed to increase women's income-earning capabilities, raise the return to labor, or even improve the productivity of women's crops, but failed because they did not take into account the dynamics of decision-making within households and the possible resistance of men.

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