



Burkina Faso

The Socio-economic Impact of the Devaluation of the CFA Franc on Women's and Men's Lives in Mogtédó

Research activities carried out by
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A first step in the context of the research activities in Burkina Faso was taken in March 2000 in Ouagadougou. At that time, a round table was organized at the Ministry responsible for the Promotion of Women's Issues by the Association des femmes scientifiques du Burkina Faso. Following a presentation of the research on the "Impact of the Devaluation of the CFA Franc on Men's and Women's Socio-economic Lives in a Semi-urban Area of Burkina Faso: Mogtédou," delegates engaged in further discussions.

Introduction

The devaluation of the African Financial Community (CFA) franc was an economic policy measure made under the structural adjustment program. Its aim was to stimulate demand through profitable economic activities and to stimulate economic growth and sustainable development.

However, since its implementation in January 1994, the effects of this devaluation have not been the same for all levels of society, and especially for men and women. There was a need to determine what impacts this economic policy measure had. As a result, the GERA Program undertook to support this study.

GERA's aim is to provide critical analysis, with a gender-specific point of view, of the economic reforms undertaken in Africa and to propose new approaches able to support gender equality and economic fairness. This goal coincides with the aim of this study which are to:

- show the consequences of the devaluation of the CFA franc on men and women;
- set up an information program, to sensitize and encourage men and women to produce goods for export; and
- provide marginalized groups with strategies against harsh economic policy measures and to develop advocacy strategies.

Methodology

The methodology used four essential components: sampling, compilation of data, data analysis, and the dissemination of findings at forums and round tables.

Sample

A reconnaissance survey of the area provided a representative sample of two sectors (Sectors 1 and 4). In Sector 1, the sample includes 20 concessions; in Sector 4, there are 18. The systematic classification of the socio-economic inquiry's sample is as follows: in the Mossi rural setting the concession is

The effects of devaluation have not been the same for all levels of society.

defined as the “habitation unit formed by a collection of structures surrounded or not by an enclosure and where several households live.” Households have a socio-economic and cultural dependence on the concession chief who can be the father or the oldest child. The head of the concession owns all the land handed down by the family’s ancestors. He redistributes parcels of land to the other village members according to need and availability.

Compilation of data

The following tools were used in compiling the data:

- a bibliographic synthesis for a monograph on Mogtédó;
- a thorough population census of the two sectors;
- a socio-economic survey of the 38 concessions;
- participatory research methods (MARP); and
- the Harvard analysis framework.

Data analysis

All data collected was reviewed, then analyzed using the SPSS and Excel software.

Dissemination

Our goal was to have preliminary findings published and critiqued by the interested public and by specialists at a forum held at Mogtédó on February 27, 2000, and at a round table at the Ministry responsible for Women’s Issues on March 4, 2000.

Results

The socio-economic impact of the devaluation of the CFA franc on Mogtédó was evaluated using four criteria:

- ▶ Access to and control of resources;
- ▶ Production activities and use of products;
- ▶ Flow of products; and
- ▶ Welfare of the population.

Impact of the devaluation on resources

Access to and control of resources did not change following the devaluation of the CFA franc in Sectors 1 and 4. Access to land for women is still limited. In other words, this economic policy measure has not had any influence on the appropriation and management of natural resources. The study revealed that no new infrastructures were created or any land structure changes made.

Women generally only have access to a portion of land granted by their husbands; they themselves do not own any plots of land (Table 1). As women do not own any tools, they must borrow them from men if they wish to work their plots.

Water resources that are obtained through drilling or from wells are used for growing market-garden produce and for cattle. It appears that after devaluation, more elders became interested in these resources, particularly water from traditional wells. On the developed plains, which provide the main source of revenue because of the double yields from rice and vegetables, water is hoarded by the elders and the youths. This is explained by the ranking of access to land and resources, namely, concession chiefs are first, followed by the heads of households, with the women left with whatever remains. Even if everyone had access to land, size and fertility of the plots differ according to the gender and age of the producers. Elders have easier access to the village fields (which are more fertile) than do youths and women.

Vegetation (especially trees) is still controlled by the concession chiefs, but fruit and wood are also available for family consumption. uncultivated

Farming tools and methods vary according to gender. As shown in Table 2, the *daba* is the most commonly used tool (youths, elders, women), but it remains the preferred work tool of women.

Table 1
Access to resources (%)

	Elders				Women				Youths			
	Drill holes/wells	Plains	Vegetation	Plains (uncultivated)	Drill holes/wells	Plains	Vegetation	Plains (uncultivated)	Drill holes/wells	Plains	Vegetation	Plains (uncultivated)
Before devaluation	26.1	65.2	100	100	77.3	18.2	5	100	37.5	62.5	0	100
After devaluation	34.8	65.2	100	100	77.3	18.2	5	100	37.5	62.5	0	100

Elders: Over 50 years; *Women:* All ages; *Youth:* Men 20-50 years

Table 2
Farming tool use by gender

	Women	Men	
		Youths	Elders
Daba	100	100	100
Manga hoe	5.9	14.5	60
Plow	0	11.1	15
Motor pump	0	12.5	20
Water trough	14.7	0	30
Carts	5	40	80

Elders: Over 50 years; *Women:* All ages; *Youth:* Men 20-50 years

Impact of devaluation on agricultural production and tools

The Harvard analysis framework made it possible to determine the impact of devaluation on production activities in terms of gender.

The structure of agricultural production did not change much after devaluation. However, it did intensify, particularly in market-gardening. There was also a slight change in how agricultural products were used.

Rainy season crops (sorghum, millet, corn, black-eyed peas) are intended mainly for family consumption. More than half of the respondents (women, elders, and youths, mixed groups) use these products solely for their own consumption. Since devaluation, 3.2 percent of the women in the sample sold their products to unknown partners in Mogtédó; few producers are interested in selling locally. The percentage of women who sell their rainy-season crops locally has dropped from 22.6 percent to 16.1 percent since devaluation.

Cash crops (rice and market-garden produce) are controlled by the men. Before devaluation, 91.3 percent of the elders and 60 percent of the youths devoted themselves to selling these products at the local market. These ventures were carried out with the women of Mogtédó or from elsewhere (Ouagala, Togo). Women have always helped the men, before as well as after devaluation, because generally they are not owners of land plots in the developed zone. On the other hand, women have always been responsible for selling the products from these fields; 22 percent of them use market-garden produce for consumption and for sale. The women also look after purchasing and reselling.

Devaluation did not stimulate agricultural exports or the sale of local products, but it did improve the selling of market-garden produce.

Table 3
Use of agricultural products (food production and market-gardening)

	Food production (%)					
	Women		Elders		Youths	
	BD ^a	AD ^b	BD	AD	BD	AD
Consumption	9.7	9.7	33	42.9	0	0
Local sales	22.6	16.1	15	9.5	45	45
Consumption and sales	54.8	58.1	52	47.6	55	55
Exports from Mogtédó	0	3.2	0	0	0	0
No response	12.9	12.9	0	1	0	0

	Market-gardening (%)					
	Women		Elders		Youths	
	BD	AD	BD	AD	BD	AD
Consumption	0	0	0	0	0	0
Local sales	0	0	21.3	91.3	60	60
Consumption and sales	22	21.7	0	0	30	30
Exports from Mogtédó	0	0	0	0	0	0
No response	78	78.3	8.7	8.7	10	10

^a BD: Before devaluation

^b AD: After devaluation

Elders: over 50 years

Women: all ages

Youths: men from 20 to 50 years

Following the devaluation of the CFA franc, there was renewed interest among the women in livestock farming, especially fattening sheep, pigs, and poultry in the pastures. This is due mainly to the general increase in profit margins related to livestock sales.

Before devaluation, livestock farming handled by women was intended for consumption and sale. With devaluation, there was an increase in this activity since, in addition to consumption and sales, 4.8 percent of the women sold their production locally. However, neither men or women produce only for consumption. It is the same situation for the elders who are the only ones to sell their animals outside of Mogtédó.

Commerce has also undergone renewal. Following the devaluation of the CFA franc, women mainly concentrated on processing food products and on purchases and re-sales. In Sector 4, cotton spinning, generally performed by the women,

underwent a transformation in textile production. In fact, after the spinning process, the women resell the thread to men who turn it into fabric. This has since become the main source of revenue for men and women of the sector.

In summary, devaluation brought about an intensification of production activities, mainly in agriculture, pasturage, and specialized farming. This undoubtedly influenced the flow of products between Mogtédó and the neighbouring towns and countries.

The impact of devaluation on the flow of products

The gender-specific flow charts drawn up for each sector made it possible to inventory all products sold and bought on the Mogtédó market and on the surrounding markets before and after the devaluation of the CFA franc.

The impact on women

Before devaluation, women in Sector 1 conducted transactions at the central market in Mogtédó, at the markets in the surrounding departments, and at the markets of Zorgho and Pouytenga. The devaluation of the CFA franc saw a concentration in sales of certain products (eggs, milk) and the introduction of new products (fruits and vegetables) in the women's transactions within their economic environment. Moreover, sales were extended to neighbouring markets (Zamsé, Boéna, Wardogo). The Mogtédó market was opened up to agents from other towns (Tenkodogo, Ouagadougou) and other countries (Togo, Niger).

Impact on elders

Before devaluation, elders traded little within their immediate economic environment. They preferred to go to Ouagadougou, Pouytenga, and Zorgho. Following devaluation, in addition to selling in the old markets, elders started to visit sites such as Boéna, Wardogo, Wingnonsé, and Timsega.

Impact on youths

Before the devaluation of the CFA franc, youths traded primarily in grain products, cash crops, exotic products, manufactured goods, construction materials, and agricultural materials. Their territory consisted of 10 markets located at a radius of 35 to 50 km from Mogtédó. Following the currency devaluation, the youths dropped certain markets because of a lack of security on the roads. There does not appear to have been any change in the products traded.

An analysis of the production activities and the flow of products indicates that devaluation created a new dynamic in the economic life of Mogtédó. But what is the impact of this economic measure on the welfare of the population?

Devaluation created a new dynamic in the economic life of Mogtédó.

The impact of devaluation on the welfare of the population

The impact of the devaluation on the welfare of the people of Mogtédó can be evaluated in terms of the change in the number of hours the producers worked, their income levels, and their purchasing power.

Work hours

The increased intensity of market-gardening activities, of livestock fattening, and of commerce after devaluation brought about an increased workload for the citizens of Mogtédó.

In addition to the work that has traditionally fallen on the Burkinabé women, the women of Mogtédó say they are much busier now because of the increased work in market-gardening and in commercial activities.

During the dry season, the women help the men with market-gardening while continuing their commercial activities. During the rainy season, they are busy working in the family's fields as well as in their own, at the same time carrying out their commercial activities, but at a reduced level. In addition to this seasonal work, women are occupied by domestic work, meeting the family's needs (health care, education, nutrition, clothing) since their husbands have only the responsibility of ensuring that the family is provided with grain. The women say they are always tired, too worn out physically to ensure the family's survival for which they feel they are solely responsible. The double burdens of work and familial responsibilities helps to foster polygamy since, under such circumstances, women readily welcome another woman who will replace her from time to time in production activities.

If the devaluation has not affected the seasonal or daily work schedules of youths and elders, it has, on the other hand, overloaded the schedules of the women. By increasing the market-gardening and small commerce activities, devaluation has been very hard on the women in terms of hours of work. It has contributed to reducing their leisure time and rest.

Income levels

Analysis of the impact of the devaluation on incomes should enable us to compare the state of men's and women's average incomes before and after devaluation.

Several difficulties arose in collecting this data. Among other things, there is a lack of relevant statistics in the study zone, a failure to recognize the concept of income, and the confidential nature of incomes in rural Burkinabé.

In response to these obstacles, we began the analysis by categorizing incomes by activity and by taking into account gender. Nevertheless, we encountered a high rate of non-responses.

Revenue-generating activities in Mogtédó are market-gardening, livestock farming, and commerce.

Table 4
Distribution of revenues from market-gardening before and after devaluation (in % by levels of income)

	Women		Men			
			Elders		Youths	
CFA francs	BD ^a	AD ^b	BD	AD	BD	AD
5,000	0	4.5	0	0	0	0
10,000-20,000	4.3	0	0	0	12.5	0
20,000-40,000	4.3	4.5	0	0	25	25
40,000-80,000	4.3	4.5	15	13	12.5	12.5
80,000-100,000	0	0	10	13	12.5	0
Over 100,000	0	0	40	39.1	12.5	12.5
No response	87	86.4	35	34.8	25	50

^a BD: Before devaluation

^b AD: After devaluation

Elders: Over 50 years

Women: All ages

Youths: Men 20-50 years

Table 4 shows that before devaluation, market-gardening crops brought in revenues of between 10,000 and 80,000 CFAF for 12.9 percent of the sample women compared to 15 percent of elders and 50 percent of youth. No women declared an income over 80,000 CFAF compared to 50 percent of the elders and 25 percent of youths. Only 9 percent of the women reported having an income between 10,000 and 80,000 CFAF following devaluation, compared to 13 percent of the elders and 37.5 percent of the youths. Incomes above 80,000 CFAF were reported only by 39.1 percent of the elders and 12.5 percent of the youths.

These figures show that, in some ways, devaluation was more beneficial for those with some means; these results confirm the results of the opinion survey. Among youths, we see an income shift to a higher level with the disappearance of the 10,000 to 20,000 CFA franc level.

For livestock farming, the situation remains unchanged for youths. However, 33.6 percent of the women had incomes below 40,000 CFAF before the devaluation against 42.1 percent after devaluation. Moreover, for the first time, a group of women (5.3 percent) reported having income greater than 100,000 CFAF. Since the post-devaluation situation brought about an increase in livestock farming, the number of elders with incomes over 100,000 CFAF climbed from 12 percent to 26.1 percent.

Table 5 shows that commercial ventures now contribute a large part to women's incomes, especially in the area of selling and reselling.

Table 5
**Distribution of revenue from commerce before and after devaluation
 (in % by levels of income)**

	Women		Men			
			Elders		Youths	
CFA francs	BD ^a	AD ^b	BD	AD	BD	AD
5,000	0	0	4.3	4.3	0	0
10,000-20,000	18.2	36.4	4.3	4.3	12.5	25
20,000-40,000	4.5	13.6	4.3	4.3	0	0
40,000-80,000	4.5	4.5	2.7	21.7	0	0
80,000-100,000	4.5	0	0	0	0	0
Over 100,000	0	4.5	0	0	0	0
No response	68.2	40.9	65.2	65.2	87.5	75

^a BD: Before devaluation

^b AD: After devaluation

Elders: Over 50 years;

Women: All ages;

Youths: Men 20-50 years

Livestock farming and commerce are the two activities that have generated more profits for women since devaluation.

Purchasing power

Devaluation brought about a general increase in the price of products. In general, devaluation breathed vitality into the economic life of Mogtédó. But this vitality was accompanied by price increases and a rise in the cost of living. The increase in the price of imported products (especially the agricultural inputs and materials as well as the intermediate consumer goods) remains more proportional in terms of local product prices (market-garden and livestock farming products). This resulted in a decrease in profit margins despite an increase in production. This was followed by a reduced ability among the youths to invest and a general reduction in the buying power of the population of Mogtédó.

Before devaluation, for example, a kilogram of onion seeds could produce 20 sacks of 100 kg of onions worth on the average 85,000 CFAF. Post devaluation, a kilogram of onion seeds still produces 20 sacks of onions, but they now sell for about 310,000 CFAF. Outside labour has not been employed much by producers since the devaluation due to high wages (30,000 CFAF per month instead of the pre-devaluation 10,000 CFAF). Workers are recruited from the family.

After deducting all production costs (materials, fertilizer, seeds, pesticides, etc.) a kilogram of onion seeds produced a net profit of 50,000 CFAF before devaluation compared to 25,000 CFAF after devaluation. This means that productivity in this sector must be reinforced in such a way as to support the costs linked to production while providing a more worthwhile profit margin for producers.

Similarly, before devaluation elders could buy a sheep for breeding or for religious ceremonies for 2,000 CFAF. At that time, gifts of cattle from neighbours and parents reduced considerably the costs of marriages, funerals, and other rituals. Now, the same sheep costs between 6,000 and 7,000 CFAF and no parent dares to make such a valuable and costly gift.

In their own words

As the inhabitants of Mogtêdo perceived it, devaluation brought about a deterioration of their standard of living. Lowering the currency value and the increases in the price of inputs in relation to local products resulted in decreased buying power of the people. These perceptions, however, vary from group to group.

For women, devaluation has made it impossible to educate all their children, limits their visits to health centres, increased transportation costs, and raised expenses of farming. It has also added to their workloads.

For the elders, devaluation has meant misery, an increase in product prices and transportation, indebtedness for some plains producers, and new means for the rich to become richer.

For youths, devaluation is synonymous with hunger and sickness, with premature aging, and increases in agricultural-input prices and travel costs.

For women,
devaluation has ...
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Project results

A place for discussion: The round table

One immediate result of the project was the holding of a round table discussion on the research findings and conclusions. The round table brought together representatives from the Ministry responsible for Women's Issues and the department for regional integration, as well civil society. Round table participants considered the following conclusions and recommendations.

In the face of the conditions brought about by devaluation, some measures must be undertaken to build on some of the positive fall out of this economic policy:

- Organize women into harvesting and marketing cooperatives for market-garden produce (which is of particular interest to merchants from Togo and Ghana) in order to give women knowledge of the system and to earn more profits;

- ▶ Increase access for women to the developed plains (the market-gardening zone). If the traditional land laws do allow women access to the land, then consideration should be given to favour women within the irrigated areas;
- ▶ Support breeding activities and small food processors.

For the short-term, the participants proposed putting in place measures that would lead to achieving the above goals, including grants, loans, and technical and organizational support.

Lessons learned

The study faced several challenges:

- ▶ The sensitivity of the topic. Since the study dealt with the peasants' financial assets, an issue that many regard as private, a large number did not respond to questions in this area (75 percent to 87.5 percent). This affected the quantitative and qualitative analyses.
- ▶ The producers' schedule (agricultural and out-of-season work) made the peasants' mobility difficult.
- ▶ The project's timeline of 18 months did not allow for more than six months of socio-economic follow-up in order to take into account the seasonal nature of the activities.

Despite these hurdles, the team gathered some interesting results.

Further research

In addition to the above proposals, further research and measures are needed so as to benefit the target groups:

- ▶ Undertake a feasibility study on setting up a packaging plant for market-garden produce; and
- ▶ Build a public daycare centre for children.

Conclusion

One of the positive aspects of devaluation extolled by decisionmakers is the re-balancing of the foreign accounts due to the increase in exports and the decrease in imports. Does this economic policy really have any positive effects on the different components of a semi-rural household, which exists in a subsistence economy and faces daily sharp increases in the costs of the most vital goods and social services? The Mogtédo study revealed there are some opportunities to benefit from the advantages of the devaluation.

To a certain extent, devaluation has revitalized the Mogtédó economy. The increased activities in market-gardening, livestock farming, and commerce has changed Mogtédó into a meeting place for traders from the surrounding provinces, Ouagadougou, and Togo. However, this new vitality has also brought about an increase in prices and the cost of living. It created significant problems in accessing social, health, and education services. The increase in production and trade activities has not had any positive influence on women's well-being because of the low profit margins they earn from their small food processing and selling activities.

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