

# **THE HOME AS A WORK PLACE**

**Family Opportunities, Dilemmas, and Policy Implications**

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Chairperson:  
**Dr. Norge W. Jerome**

by

Celia Jean Weidemann, Ph.D.  
Wesley C. Weidemann, Ph.D.

2607 North 24th Street  
Arlington, VA 22207 USA

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## Table of Contents

### THE HOME AS A WORK PLACE

#### Family Opportunities, Dilemmas, and Policy Implications

Introduction .....	1
Background .....	3
Two Main Types of Home-Based Work .....	4
Family Empowerment: The Advantages of Home-Based Work .....	6
The Gender Variable in Home-Based Work .....	8
Family Dilemmas: Problems Surrounding Home-based Work .....	12
Worker Safety .....	12
Income Maintenance .....	13
Work Space .....	13
Cultural Factors .....	14
Exploitation .....	15
Barriers to Infusion of New Technology .....	16
Health Coverage .....	16
Social Isolation .....	17
Inequality in Inheritance Laws and Property Ownership .....	17
Policy and Program Implications .....	17
Conclusions .....	25

Celia Jean Weidemann, Ph.D.

Wesley C. Weidemann, Ph.D.

Committee II

## THE HOME AS A WORK PLACE

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#### Introduction

As we approach the twenty-first century, improved communications and transportation have made home-based work a common phenomenon, reversing some of impacts of the Industrial Revolution. In pre-industrial societies the male was more integrated into the family unit since the home was the work place. Part of the impact of the Industrial Revolution was centralization of the work place, which took fathers, and often mothers, from the home and into the factory. A historic separation of work and non-work activities occurred as the family became less an economic entity and more a source of personal support and intimacy. For the first time, work usually took place outside the home (Dychtwald 1989). As the industrial age matured, service industries also began to become

more centralized as workers commuted to a central office site. In the late 1980's a gathering phenomena associated with the information age began to make its presence felt, as increasing numbers of workers abandoned the central work place and began to work at home, at least part-time.

This paper examines home-based work in both advanced and less developed countries. It compares and contrasts the prevalence of home-based work, its problems and benefits, some priorities, and possible policy solutions. The paper cites examples from advanced, and where available, data from developing nations. The topic is future-oriented and relatively unstudied, not yet fully documented in academic circles, and scholarly data are scanty. Comparative data between developed and developing countries are virtually non-existent. The text explores types of home-based work, the potential of home working to empower families, and issues which need to be addressed through policies and programs. The conclusion reached is that new information and communication technologies have the potential to allow the development of a home-based, decentralized work place, at least in developed nations. This holds the promise of nurturing family values, enhancing the role of family as a basis for social structure, while also increasing national productivity.

## Background

The home as work place is emerging as a global phenomenon. In developed countries, working at home is increasingly possible as a result of advances in telecommunications systems. The phenomena has extended beyond the traditional businesses which were based in the home, to include "telecommuting" in which employees normally based in centralized offices perform at least part of their work in the home. Today's home-based offices in advanced countries easily and inexpensively mimic their corporate counterparts, with the advent of facsimile machines, high-powered computers, modems, laser printers, desk-top publishing, voice mail, telephone systems, toll-free 800 numbers, answering and temporary secretarial services, VCR's and the like.

In the United States alone, there were approximately 38.4 million individuals (more than 28 percent of the total labor force) performing job-related work at home at least part time. By the turn of the century, an estimated 40 million American workers will be home-based (Miller 1990, 1991 a,b). Cable Network News reported in February of 1992 that in the United States a new home-based business was being formed every 60 seconds.

Home- or neighborhood- based telecommuting is gaining popularity elsewhere, particularly in Finland and Sweden, but also in the Netherlands, England, and Australia. And in Italy and France, the phenomenon is just beginning to surface (International Labour Organization 1990). In Asia, telecommuting is taking off as well, particularly in Japan.

There are few telecommuters among home-based workers in developing countries and the numbers of home workers are generally more difficult to estimate, primarily because of under-counting of female laborers who comprise the majority of home-based workers. Although working in home-based enterprises is nothing new for women in developing countries, governments, labor organizations, and trade unions are increasingly taking notice of their situation, sometimes with satisfaction and other times with alarm. In less advanced countries, home-based workers tend to be invisible because many are not legally registered, and have no desire to be caught in government legal, regulatory and tax webs should they register their home businesses. <sup>1</sup>

This shift of workers from a central location to satellite and home offices has enormous implications for potential enrichment of family life and concomitant social progress. However, the rise of home-based work has both positive and negative implications, with the situation varying dramatically by geography (advanced versus developing countries) and by gender.

## **Two Main Types of Home-Based Work**

In this paper we discuss two general types of home-based work: the self employed person operating a home-based business, and the employee performing work in the home. <sup>2</sup>

A third category of independent contractors has some of the characteristics of both an independent business and an employee working at home, but is not the focus of this paper.

The home-based business is characterized by a worker/owner operating out of the home as the primary place of business. In the United States, there are approximately 32 million home-based businesses and the number of start-up businesses is growing, especially among the female population. In contrast, home-based employees work for a company which may or may not have a centralized work site. This category is growing explosively, primarily because of a dramatic increase in telecommuters. The number of telecommuters rose from 2.5 million in 1988 to its present level of 5.51 million. By 1995 the number is expected to rise to 11.2 million (Miller, 1990, 1991 a,b).

While the general categories of home-based work do not vary in the developed world and in developing economies, the circumstances of the home as a work place vary substantially. U.S. small businesses and telecommuters are better able to work from home since the average U.S. family housing unit is larger than would be found in Europe or Asia. European and Asian telecommuters are more likely to work at a "telecottage" or satellite center of their company, or even in libraries, and post/telecommunications offices.

In contrast, the developing world has few telecommuters, but we can expect that number to expand in the not too distant future. However, small home businesses, often in services or trade, but sometimes even manufacturing, are not unusual in developing countries. Home-based work ranges from industrial piecework to home-based retailing. Examples include family tailoring ventures or women handicrafters who rely on middlemen to bring their supplies and market their products. In conclusion, there is striking diversity

among home-based work worldwide.

### **Family Empowerment: The Advantages of Home-Based Work**

The empowerment of the family and the advantages of home-based work were summed up in a recent article in a U.S. magazine for home workers. The cover featured President Bush working at his computer and the feature article was entitled, "The Ultimate Home Office: The White House". In this article, the President noted that telecommuting helps meet the needs of working parents. "It fosters productivity and improves morale by allowing parents to work closer to the people they're really working for: their children." (Home Office Computing, p. 45).

Home-based work allows parents to see more of their children and permits flexible scheduling around family activities. In a two-parent heterosexual family, a male role model is present in the household. This presence can expand to the streets and neighborhoods and have a positive impact on drug and violence, especially among young males. Child care is often facilitated when businesses are based in the home. However, vigilance is required so that women are not dead-ended into home-based businesses just so they can care for children, the sick and the elderly. Some or all of these responsibilities may rightfully belong to government or other agencies.

Working at home provides a sense, if not a reality, of time freedom, and control over



one's life. This appears to contribute to happier, more productive workers. Reports in the United States indicate that home-based workers are fifteen to twenty percent more productive at home than when they worked in the office. (This amounts to about one-half hour per day). Anecdotal evidence suggests that workers may feel they are saving on commuting time and thus willing to invest a little more time in work; they may feel that working at home is a privilege they do not wish to lose and therefore they perform better; or they are simply happier working in a family environment. <sup>3</sup> Home-based businesses can have a positive, reciprocal effect on office spaces. Part-time homeworkers are more likely to demand humane and healthy centralized work spaces. Architects of the future will likely design office structures that reflect the home more closely (Economist 1992). Offices are likely to have private, public, interactive and recreation spaces which resemble the home.

In both developed and less developed countries, working at home is a practical means of allowing the disabled to make their contributions to society from a secure and familiar environment. And not inconsequentially, working at home reduces traffic congestion and air pollution, saves time and gasoline, and reduces problems relating to land use and transportation infrastructure.

Homeworking provides for both upward and downward mobility, crucial to the smooth functioning of national political and economic systems. Working at home contributes to upward mobility for the poor with no other alternatives. Furthermore, slum communities in the Third World and home-based (as well as other small informal sector businesses) are

to a large degree, coterminous (Thomas 1981). Home-based enterprises provide jobs as well as low-cost commodities and services to poor families. Working at home is also a crucial buffer in situations of downward mobility, for those who have lost regular employment.

### The Gender Variable in Home-Based Work

While both men and women throughout the world are employed in home-based enterprise, women predominate. For example, in the United States, an estimated 70 percent of home-based businesses are operated by women. Women are forming new businesses at almost twice the rate of men, according to a study by the National Association of Women Business Owners and many of these are home-based operations (Washington Post 1992).

There are several reasons why women choose to start a business instead of accepting wage employment. Women's careers are interrupted to bear and rear children. Working at home on a part time basis or attempting to telecommute, places them out of the main stream of promotion and advancement. Thus, starting a home-based business becomes an attractive alternative to allow balancing of domestic and job-related responsibilities. In addition, in a typical corporation, compensation is based more on business merit and not on seniority, which is often sacrificed when women interrupt careers to have children. The number of families with dual income earners has increased substantially, but domestic responsibilities of women have not decreased with the advent of income-earning work.

A second reason which has been suggested to explain the high proportion of new businesses being formed by women is the economic uncertainty in the labor market. When their husband's employment situation is unstable, women in both developed and developing countries often take the initiative in forming a small business as a type of economic safety net in the event the husband loses his job. The husband can then join his wife in her business should he lose his formal employment. In many countries, where no male heads the family or few male workers are available, women often feed their families and express their entrepreneurship through home-based businesses.

In less developed countries several empirical studies indicated women's willingness to work at home even though their wages were lower than if they worked outside. In India, despite lower remuneration, a survey of women in Bombay concluded that ninety percent preferred home-based work to outside work (Savara and Everett 1988). Furthermore, a recent sample survey of 323 Egyptian entrepreneurs found that 50 percent of the women said they would prefer home-based work with lesser income to an outside work place which provided higher compensation. In comparison, only 10 percent of the men gave the same response. Interestingly, the same study reported that over half (53 percent) of the enterprises owned by females were home-based, compared to only 10 percent for males. Furthermore, 70 percent of women-owned businesses were started in the home, compared to only 18 percent of those operated by males.

Mothers with children under 18 years of age are prime candidates for home-based

work (Christensen, In Press). Home-based work allows women to control time, money and other resources. Globally, women see advantages in home-based work for their families and themselves, even when they earn lower wages as a result of this choice.

■ As indicated earlier, women often have double roles, which require delicate balancing of wage-earning and domestic duties, such as child care, food preparation and home upkeep. One of the primary employment vehicles which enables them to fulfill these multiple demands is home-based work.<sup>4</sup> This is especially true in households headed by single females. This phenomenon exists in approximately one-third of the world's households. Recent data from Latin America and the Caribbean show the percentage of single mothers ranges from 28 to 84 percent for the region (Buvinic 1990).

■ Women, over-represented among the poor in the Third World, must contribute economically to ensure family survival. One of the easiest entry points for income-generating is through home-based activities.

■ Socio-cultural restrictions, such as seclusion of women from unrelated males, is practiced to varying degrees in the Islamic world. Home-based work is the only means by which these women can perform activities which enhance family income and honor their religious traditions.

■ Women lack education and skills which allow entry into formal labor markets; therefore homeworking is a viable economic alternative. Many women engage in home-

based work at low wages because their education, skills and mobility permit few other options (World Bank 1991).

■ Home-based work allows time flexibility and can be combined with child care and other domestic responsibilities. For example, the Egypt study cited earlier reported that female home workers tended to work part-time and in periodic patterns rather than eight hours at a single stretch (Ibid).

■ Starting a small home-based business is usually less risky than other alternatives and generally requires less capital than many businesses located elsewhere. Women, generally having fewer assets than men, find this attractive (Weidemann 1992).

■ Home-based businesses are compatible with the sectors in which women predominate--service and commerce, and less so with manufacturing, which usually requires an external site and higher capital investment in equipment.

■ Home-based work reduces the time, expense, and public exposure of women who might otherwise have to take public transport to outside jobs. The latter is an important consideration where families are dependent on women's income for survival, yet female seclusion is practiced. In such countries, outside jobs raise problems with regard to private and safe sanitary/eating facilities for women in seclusion.

## Family Dilemmas: Problems Surrounding Home-based Work

Despite the many benefits associated with home-based businesses or home-based work, there are a number of concerns which must be addressed in order to properly address the role of government, labor organizations, religious groups, family rights organizations and private voluntary agencies. Following is a brief discussion of some of areas of concern regarding home-based work.

*Worker Safety.* Safety of workers is an area of continual concern of government in regulating home-based work. Decades of social legislation aimed at protecting worker's rights and maintenance of a non-hazardous work place have generally succeeded in the developed world. While less progress has been made in the developing world, the trend is toward a safer work environment in centralized work places.

Worker safety is particularly a problem in developing countries. Women may labor over handwork without the benefits of electricity. Entire families in large metropolitan areas from Karachi to Cairo are engaged in solid waste recycling which can be both unsanitary and physically dangerous. One of the authors has seen families in the Zebaleen section of Cairo, storing bags of contaminated hospital waste materials, including used syringes and needles, in their living quarters. The entire family, including small children, engages in recycling these materials for a few dollars a week. Other recyclers breathe dangerous fumes

from heating plastic materials in close quarters. From a global perspective, Zebaleen is a model environmental project; however at the micro-level, family health is being compromised. Recognizing that families choose, or are forced, to earn their livelihood this way, a donor-sponsored group has organized the Zebaleen women for better economic and social conditions.

*Reduced Income* . Piece workers who contracted for services from their houses have been among the more exploited home-based workers. By paying for units of work accomplished rather than on an hourly or daily rate, employers avoid paying for down time or set up time, and worker and family income has declined as a result. While the base income paid for work in the home may not be radically different than wages paid to centrally-based workers, the benefits package of retirement, vacations, health care, insurance and holiday pay is often far inferior. As noted, some workers are willing to accept lower wages because of offsetting benefits of time flexibility and better ability to manage family responsibilities. However labor organizations and government regulatory bodies responsible for worker safety and maintenance of wage levels have generally taken a dim view of the intentions underlying home-based work and regard it as a method of avoiding the intent of worker protection laws and regulations.

*Work Space*. The home often lacks a proper physical environment for dual use as working and living. Work usage competes with family space needs. The needs of the family are sometimes sacrificed to the necessities of work in demands for space as well as for

family time. Even in advanced industrial nations, space can be a problem. As noted earlier, telecottages and satellite centers are popular versions of home-working in Japan because space at home is at a premium. Lack of space is more of a problem in urban slums in the rapidly growing cities of Africa, Asia, the Near East, and Latin America, where human density hardly allows for the necessities of eating and sleeping. Even where there is adequate space for home-based work, the architectural layout is often poorly conceived to allow dual work and residential usage. Home-based businesses are often run from an extra bedroom in the house and clients have to go through the living area to access the work site, thus sacrificing family privacy.

*Cultural Factors.* For an employer to allow workers to perform some or all of their responsibilities in the home, the employer must view the home-based worker as part of the regular work force and a degree of trust has to be established. Despite the large numbers of home-based workers in industrialized countries, a typical corporate reaction is, "We have never allowed our staff to work at home". Workers who are not physically present at a central work site do not receive benefits of managerial supervision and faulty work habits and lack of quality may persist. Workers who are not in the centralized work site on a regular basis tend to be overlooked for promotion or advancement. Another factor is that some supervisory or management jobs are difficult or impossible to perform from a home-based location. Thus, a home-based worker removes him/herself from some career paths. Home-based entrepreneurs are sometimes looked down upon as not having "real" businesses. In countries such as Egypt, those judgments and their effects are more severe.



Loan officers in the previously cited study who were working with home-based women entrepreneurs considered them to be less serious about their businesses than men who had external locations. The consequence was a lower level of service and assistance (including financing) to women who were working out of their homes (Ibid.).

*Exploitation.* In developing countries, many female home-based workers put in long hours, at low wages, and under conditions which are hazardous to their own health and safety and that of their families. This is often disguised as self-employment by middle men contracting for output at extremely low rates, thus avoiding the intent of minimum wage legislation. Pieceworkers who contract for services from their homes have been among the more exploited of home-based workers. Most of the profits for this type of contracting go to the middle man and not to the workers. In a Calcutta study, those who worked in contractors' shops earned higher wages for the same items than home-based workers (Banerjee 1985). Self-employed, home-based women in Bangladesh receive lower pay for this type of work than do men (World Bank 1991). In India, home-based work often pays wages below those for agricultural laborers which rank among the lowest of subsistence wages (World Bank 1991). Yet there are solutions, such as organizing Pakistani women and cutting out the middleman, thus raising women's incomes (Kudat and Weidemann 1991). In other cases child labor laws are circumvented as children are employed by the family to produce piece work in the home and avoid the regulatory view of the government. It is more difficult for unions to protect home-based workers than those in centralized locations.

*Barriers to Infusion of New Technology.* The relative isolation of home-based workers tends to reduce access to innovations in technology. For professional or clerical workers who use personal computers, newer hardware and software applications may require learning a new skill. Learning the new skill is more difficult in the home without ready access to on-site expert supervisors and trainers. This is more serious in developing countries, where high rates of illiteracy, especially among women, prevent their reading instruction manuals, trade or professional journals. Furthermore, their lack of mobility relative to men, exposes them to few new ideas.

*Health Coverage.* In a majority of the industrialized countries health care is a right of citizenship through a national health care program. In the United States health care is associated with the place of employment. Almost all of the larger centralized employers offer a health care plan as part of the employment package. Smaller businesses, particularly home-based businesses, have to pay higher premiums for employee health care coverage and are therefore less likely to offer health care as a benefit. Individual workers are often not eligible for insurance coverage, or are eligible only at prohibitively high rates. A large number of home-based workers rely on the health care package of the spouse. When the spouse's employment is threatened, the health care coverage is also threatened. In single parent families or where there is no spouse working in a business covered by health care, the home-based worker may lack health coverage.

*Social Isolation.* Some authors, such as Naisbett have expressed concern that working at home will isolate individuals from social interaction (1982, p. 46). He goes on to suggest that home-based work will not become popular because of the strong desire to be with other people. The authors of this paper suggest solutions such as neighborhood work centers, working at the central office several days per week, informal networking, and forming associations of home-based businesses and home-based workers.

*Inequality in Inheritance Laws and Property Ownership.* Laws which disadvantage women may de-stabilize female-owned home businesses. Bank loan officers in Egypt regarded women's home-based businesses as more tenuous, unstable and less worthy of loans than male businesses. A husband could easily divorce his wife, who might then lose her home-based operation (Weidemann and Merabet 1992). Although women's rights to inherit property in Korea have been expanded, a childless widow is only entitled to half of her husband's inheritance, with the remaining half going to his parents (Korean Ministry of Political Affairs 1991). These countries are merely two examples of what remains a major problem for women worldwide.

### **Policy and Program Implications**

Recommendations for policy initiatives vary widely according to the sector in which the business operates. For example, the policy positions covering manufacturing operations which rely on home-based labor for piecework assembly should be quite different than the

electronic cottage or telecommuting. Home-based manufacturing operations may introduce hazardous materials or machinery into the home environment, while the electronic cottage is relatively benign.

- 1. Ensure that the family environment does not deteriorate as a result of bringing work into the home.** In the best case scenario the home environment should in fact be enriched. National, state or local government policies and regulations should specify that the safety of the home should not be compromised as a result of introduction of industrial equipment, chemicals or other work-related causes. Introducing home-based labor should not simply be a means of circumventing occupational and safety health standards in the central work place.
- 2. Ensure that worker safety laws apply equally to decentralized work places or home-based businesses.** Home-based workers should not be used to avoid compliance with current worker protection laws and regulations. Special comment should be made about child labor laws which are designed to protect children against exploitation in industrial work settings. In agrarian societies children contribute economically to the family unit and develop a sense of worth, discipline and a work ethic. To protect children from industrial hazards and exploitation, limitations are placed on child labor. This deprives children of a sense of worth and contribution to family well-being and results in pressures toward disintegration of family cohesiveness. In the electronic cottage, children can become contributing members of home-based businesses since they become computer literate very

rapidly. Furthermore, there are no overriding health or educational reasons why children should not contribute to the family work unit. This has the potential for allowing children to re-establish a feeling of contribution and value in the family.

**3. Review regulatory constraints placed on home-based workers.** Governments need to reevaluate policies regarding licensing and regulation of home-based activities. Several states have laws that prohibit manufacture of clothing and preparation of food at home. Flat fees for licensing discriminate against small businesses in general and home-based businesses in particular. Home-based businesses tend to be smaller than centrally-run businesses. Therefore uniform license fees represent a larger proportional burden for smaller home-based businesses. In developing countries, there may be outright hostility towards businesses which operate out of the home or that have no fixed address, such as street vending. The desired regulatory environment should be a balance of governmental intervention which nurtures but does not deter home-based work. These regulations should not discriminate against smaller, home-based businesses.

There are no overriding worker and home safety issues associated with clerical and computer work based in the home. In fact, the decreased need for commuting to a central work place decreases demands on transportation infrastructure. Fuel costs and concomitant pollution are decreased. Commuting time is minimized and this time can be spent with the family and/or in incremental production. Therefore the policies and programs governing telecommuting should be supportive.

**4. Assess the impacts of zoning laws on home-based work and home businesses.** A study by the American Planning Association concluded that most localities in some way restrict the use of residences for offices or businesses. In residential areas, restrictions may range from an absolute ban on home-based businesses, to the use of an outside sign, the kind of business that is permitted, whether advertizing is permitted, whether the business is allowed to have employees, clients, or customers come to the home office, the amount of floor space used for business purposes, and how business materials are stored both inside and outside the house. Most zoning codes were written for an industrial era when a home business was more likely to be an auto repair shop, not a desktop publishing service or management consultancy.

Outdated or overly restrictive zoning laws preventing home-based work should be altered where possible, recognizing the social and economic benefits of home-based work. Many zoning laws were passed to protect the residential nature of neighborhoods and were implemented to prevent pollution from manufacturing, traffic congestion from workers and customers going to and from work, and other side effects of larger businesses. These laws are clearly not appropriate in regulating a bookkeeper or free lance writer operating out of his or her home.

**5. Weigh the affects of taxation on home-based businesses.** Tax rates and tax formulas applied to home-based businesses should reflect the lower economic costs to all levels of government, resulting from lower infrastructure demands, and reduction in energy

consumption and pollution. Tax filings required on a frequent basis, such as monthly sales tax filings, are more burdensome to smaller home-based businesses than they are to larger centrally-run businesses. Business payroll taxes which are intended to support specific services, such as roads or public transportation systems, should not be imposed equally on home-based businesses which use these services less.

**6. Provide appropriate financing to home-based enterprises.** Home-based workers and businesses have lower fixed capital requirements when compared to larger centralized businesses. To provide necessary support for home-based enterprise, emphasis should be placed on working capital needs. This may require a rethinking of the way in which finance is made available to home-based businesses. Commercial lending practices are not suited to servicing large numbers of small business accounts. A change in emphasis to retail lending practices is necessary to service unsecured small accounts for working capital. In less developed nations, alternative financing arrangements for women's home-based businesses need to be more fully developed through such means as collateral substitutes involving group or donor guarantees, use of gold and jewelry (a common form of women's savings) and the like. U.S. banks and agencies are now experimenting with methods adapted from developing countries, such as those of the Grameen Bank in Bangladesh, for lending to small businesses. This is an excellent example of reverse technology transfer where methods from developing countries have much to offer advanced nations.

Traditional rotating savings and credit associations (ROSCAs), through which

members pool funds, that go to each in turn are another possibility. ROSCAs are a frequent source of start-up capital for small home-owned businesses and exist virtually worldwide--in Korea, Indonesia, Egypt, most of Africa and the Caribbean (Weidemann 1992). ROSCAs are not being used only in developing countries. In the United States, Koreans are the ethnic group with the highest rate of small business start-ups. They attribute their success to adapting their ROSCA, keh. In Korea, keh has traditionally been a women's activity. In the United States, it is predominantly male, and the stakes are higher; participants sometimes belong to several groups and pool as much as US \$20,000 or more a month. Before coming to the United States, new immigrants usually sell their Korean real estate very profitably and then use the proceeds to join a keh when they arrive.

**7. Create task forces at various international and governmental levels to address the issues of home-based workers.** These bodies should be charged with the mandate to assure home-based workers receive employment protection, a living wage, and safe and healthy working conditions. Part of the mandate would be to carefully review gender inequality for all inheritance and tenure laws which could potentially constrain women's home-based businesses. These task forces should receive community input and representation of the labor unions. In developing countries, non-governmental organizations (NGOs) usually operate effectively at the grassroots level, know their clients' needs, and have often successfully served as intermediaries between home workers and contractors.

**8. Evaluate current data collection methods.** Government statistical agencies must find



thorough but non-threatening ways to enumerate home-based workers, particularly women, whose economic contributions are now largely under-counted. Besides the need for more accurate statistics disaggregated by gender, the contributions of these businesses to local, regional and national economies needs to be more accurately recognized.

**9. Encourage home-based businesses and employment creation in the emerging free market**

**economies.** As civil service employment and jobs in publicly owned enterprises become scarce, workers, especially women, are being pushed out of the labor market in Eastern Europe and the former Soviet Union. Small, home-based businesses are an attractive alternative in these countries which have demonstrated that they cannot profitably operate large state-owned enterprises. The management expertise required to operate a small home-based enterprise is less than a large enterprise with a history of state ownership and management controls. This would also help to maintain family cohesion in times of social turmoil and stress.

**10. Target home-based businesses for social interventions by donors, non-governmental**

**organizations and governments.** In less developed countries such a strategy can effectively reach and assist poor and female-headed households. Other issues can be integrated to produce further family and community benefits. In Pakistan, women were initially organized around water and sanitation issues, thus upgrading the quality of life for their families. They were then assisted with income-generating activities at community centers near their homes (Kudat and Weidemann 1991).

11. **Make health care programs equally available to home-based workers.** As indicated earlier, in societies such as the United States, health care programs are part of the employment benefits package rather than a right of citizenship. Health care providers are reluctant to accept individuals or small groups. As a result, one of the major problems inhibiting the expansion of home-based businesses is the lack of adequate health care coverage. This needs to be addressed as a high priority policy issue.

12. **Refocus training programs considering worker's needs.** To cope with the differing demands of functioning in a less structured home environment, worker re-orientation and retraining will be required. Some work tasks, such as supervisory tasks or creative team efforts requiring close worker interaction, are not suited for a home work environment. Task analysis to determine portions of jobs which can be done in the home is necessary. Government and donor attention to training programs encourages initiatives in skill training and education for women and girls who are often disadvantaged compared to their male counterparts.

## Conclusions

The explosive phenomenon of home-based work has been made possible by technological changes which have made the home a viable work site. Changes which are taking place in social structure and labor force demographics are further propelling this movement. Larger numbers of women entering the work force give rise to increased interest in flexible work scheduling around family responsibilities. In the future, as the baby boomers begin to retire there will be shortages of workers. This will further encourage employers to accommodate home-based workers. Decreasing stability of employment in large, centralized corporations encourages individual entrepreneurship, and many of these dissatisfied workers form the ranks of new entrepreneurs starting home-based businesses.

Some traditional businesses, such as commercial real estate, oil and transport, may be economic losers as a result of the trend to home-based enterprises. Others, such as computer and home office equipment and supply stores, delivery services, and multi-level or network marketing have much to gain.

Alvin Toffler observed that in societies where the transition away from the nuclear family is most advanced, there is a swelling demand for action to glue the family together again. One of the things that has bound families together throughout history has been shared work (1980, p. 203). As home-based work becomes more prevalent, the family unit

will become more closely knit. Children of parents employed in centralized work places are almost totally divorced from one of the most important dimensions of the parent's lives -- their work. With the movement of work into the home, children will be able to share in an added dimension of family life and will become more integrated into the family structure. This will help offset current tendencies toward juvenile crime, lack of solid family values, and belonging to gangs as a family-substitute.

As a larger proportion of the population begins working in the home, communities will become more stable. Employees who are able to perform some or all of their job responsibilities will not have to move each time they change employment. As the work place continues to decentralize, the large central city will relinquish some of its importance. The movement of the work place to smaller cities, rural areas, and ultimately the home, has become readily evident. As this tendency continues, cities will become less crowded and more pleasant for those who remain there, including those who work out of their homes.

The family of the future is likely to be closer as a result of the explosion in home-based work, particularly in telecommuting. Improved methods are required to identify, enumerate and assist home-based businesses. Occupational and safety regulations are developed to the point that major work-related risks are unlikely to be introduced into the home. In developing countries, targeting home-based businesses for financial and technical assistance is a way of enhancing family welfare, and alleviating poverty with the dignity of work.

It is imperative that governments re-examine their attitudes toward home-based employment/entrepreneurship, and create more favorable policy and regulatory environments. A combination of more favorable government regulation and encouragement can be expected to empower families, both economically and socially.

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## NOTES

1. Non-registration of home-businesses is by no means limited to developing countries.
2. Small businesses are more likely than larger ones to be operated from the home. Some of the issues discussed in this paper apply to both small and home-based businesses, but the focus is on the latter.
3. The first empirical study on the topic of productivity of home-based workers is about to be completed at Washington State University (Risse 1992).
4. A recent study showed that even U.S. women who worked outside the home were more likely to accept jobs closer to home than were their husbands. A major reason given by eighty two percent of the women was that they could more easily combine work and child care/domestic duties.