

Tracking gender in entrepreneurial development processes in Pakistan

Abstract

The main purpose of this paper is to critically assess the context and policy environment for the recent development of women's entrepreneurship in Pakistan. The paper highlights the fact that Pakistani women have been the passive recipients of various opportunities and programmes related to welfare and development, e.g. related to skill training, but the political commitment needed for achieving a fundamental change of the role of women in society is only slowly emerging. The Pakistani system has traditionally favoured large companies rather than SMEs and entrepreneurs, which has resulted in an economic contribution which is only slowly accelerating. Though there are some positive trends for empowering women entrepreneurs, the gender gap actually appears to be increasing in Pakistan.

Introduction

Given the potential of entrepreneurship to foster economic growth and development (e.g. Schumpeter, 1934), it is the policy of many governments in developed as well as less developed countries to support entrepreneurial activities and cultivate an entrepreneurial culture. It has been argued that economic growth can be facilitated by implementing policy measures which support entrepreneurship at different levels of the economy (Easterley, 2005), e.g. by injecting entrepreneurial thinking into different policies related to education, small and medium enterprises, the judiciary system or the banking system at both, local and national level. When such policy measures in under-developed and developing countries moreover empower women to participate in entrepreneurship, their families, and eventually their communities, also become empowered, which can help in reducing poverty, as strongly evidenced by the World Economic Forum (WEF) (2009).

Similar to many other countries, the Government of Pakistan (GoP) is aware of the importance of involving women into the country's economic growth and development trajectory. Given this importance, the Government claims to be positively committed to fostering women entrepreneurship, and has taken various actions to promote the participation of women in the economic growth of the country. Empowering women to participate in entrepreneurship is also very crucial in the context of the Millennium Development Goals (MDGs). While a large number of studies have focused on measures taken to enhance women's entrepreneurship in different emerging economies, e.g. through education, training, skill enhancement, or financing, very little attention has been paid so far to assessing the specific situation in Pakistan (Goheer, 2002). Institutional analyses of policies that take into consideration the gender roles are important, as these institutional contexts can be a liability or asset (Welter & Smallbone, 2010). Therefore, the aim of this paper is to critically assess the Pakistani entrepreneurship context and policy environment in general, and for women in particular, and to link this to the recent development of female entrepreneurship. To fulfil this aim, the paper draws on extensive secondary materials from different public sources in Pakistan, published in Urdu or English, and critically analyzes these different public sources. In addition, it considers internationally published references about the same context.

The paper is structured as follows. It starts with an overview of the socio-economic and cultural context as well as general policy environment of Pakistan. Thereafter, it discusses the current policies and programmes addressed to women entrepreneurs as well as their impacts on these entrepreneurs and the general development of entrepreneurial activities. The analysis of constraints to women entrepreneurship highlights the results of prevalent gender inequality, but also an underestimated female representation in the business field. The paper concludes with

policy -related suggestions which could improve the empowerment and participation in the entrepreneurial process of Pakistani women.

Development Case of Women Entrepreneurs in Pakistan

While women entrepreneurs are playing a key role for the development of economies around the globe, unfortunately this pattern does not reappear in Pakistan. Even after more than 60 years of the country's independence, female labour force participation is only 21.5% (Labour force survey, 2009-10), including women entrepreneurs. The explanation for this lower rate of Pakistani women's labour force participation has been linked to the situation of very poor rural women (Shabbir & Gregorio, 1996), but the general explanation for the low entrepreneurial activity provided remains inadequate. Rather, the low rate of women entrepreneurship in Pakistan is a consequence of two phenomena, namely the place of women in Pakistani society and the environment for entrepreneurial activity in the country of Pakistan. This mixed embeddedness of women entrepreneurship embraces different structural and agency factors and is also the result of an interplay of cultural, social, economic factors (cf. Welter & Smallbone, 2010). Thus, to better understand the situation of women entrepreneurship in Pakistan we will first briefly scrutinize the cultural and social context of women in Pakistan and then assess the political and institutional transformation processes over time, as these have laid the ground for entrepreneurial activity among women.

The context for women entrepreneurship in Pakistan

For many years, policies and development planning for women in Pakistan has been influenced by the social and cultural factors that are deeply rooted in its patriarchal structure. For example,

Samina (1997) has highlighted that although women participate in family and farm affairs, their work is more considered to be a social duty rather than any economic contribution. The Constitution of Pakistan realizes the importance of gender equality in articles 25, 27, 34, 35 and 37, which grant women equal rights as men and provide for affirmative action against gender discrimination. Nonetheless, women largely remain passive recipients of various programmes and initiatives in reference to the development planning (see Goheer, 2002), as most skill enhancement and development trainings is targeted at improving the domestic role of women, rather than giving them knowledge about markets, business and entrepreneurship. This systematic subordination of women is especially determined by two patriarchal forces: *Pardah* (Veil) and *Izzat* (Honour) (see Roomi & Parrott, 2008). These strong patriarchal influences have contributed to certain role stereotypes with gender, where women are confined to the boundaries of the home to be considered honourable (Shaheed, 1990), leading to additional subordination through limiting the mobility of women (Shabbir & Gregorio, 1996). Mobility is restricted by the socio-cultural expectation that they either be chaperoned by a man or take transportation which is for women only, such as special busses which do not run frequently. At the same time, these social and cultural factors affect the personal goals of women themselves, as many wish to adhere to what society expects of them. Those women interested in entrepreneurial activities – either because they want to act on an opportunity or because their economic situation forces them into entrepreneurship – need to find ways as to deal with the socio-cultural constraints. In order to support each other, some grass-root activities are emerging, such as the network of women entrepreneurs and executives *mizlink* (www.mizlink-pakistan.com), offering network links and (knowledge) resources.

These patriarchal factors contribute not only informally to the definition and enforcement of gender roles, but also have a major impact on politics and policy-making. Pakistan, since its birth, has always been controlled by feudal elites, bureaucratic and military structures which have followed a ‘the government knows best’ approach (Ul Haque, 2007). The result of such government-led economy was that Government policies were supportive of the manufacturing and industrial sectors (e.g. Goheer, 2002), while remaining sceptical of small business opportunities. Ul Haque (2007) argues that the development of entrepreneurship in Pakistan has been seriously affected by a distribution of resources at government discretion and among government’s favoured. Thereby, wealth remained concentrated in the hands of bureaucrats and elites, slowing the growth of entrepreneurship in the country. Moreover, the author argues that path-dependent and government-directed policies were preferred by policy makers and bureaucrats to retain their hold on resources. This historically developed imbalance in favour of policies promoting large-scale manufacturing and ignoring the small-scale sector has negatively affected the development of entrepreneurship in general and of women entrepreneurship in specific.

Despite all of these formal and informal hindrances entrepreneurship has developed over time and women are contributing to the economy of Pakistan, though to a relatively low extent. SMEs in Pakistan contribute around 30% to the GDP and generate 25% of exports (Economic Census of Pakistan, 2005). There were 2.96 million business enterprises in Pakistan in 2005 (SMEDA, 2007). Among these 70,658 women-owned businesses, thus representing approximately 3% of total enterprises across Pakistan, and the share of women participating in enterprise development is almost 16 % (Economic Census of Pakistan, 2005). In Pakistan, women-owned and managed

SMEs are mostly concentrated to areas like fashion-designing, dress making, knitting, food retailing and health (Goheer, 2002).

Gender-Aware Policy-Making

Policy-making in Pakistan was gender insensitive until 1983, when international pressure during Zia ul Haq's regime shifted policies towards a positive stance on women development planning, and the GoP embarked on a new positive commitment by signing numerous international conventions as well as taking various actions to reduce gender gaps. As a result of this policy shift, the possibilities to become entrepreneurially active were judged to improve, as such activities would help in reducing unemployment and in unchaining women from the sense of vulnerability, recognizing their strength, skills, intelligence and knowledge.

The Sixth Five-Year Plan (1983-1988) of this regime worked against the previously established conservative approach to women development, and it was the first time that an official chapter emphasized the importance of improving the status of women and that women in development were explicitly documented in a policy. Even the subsequent Seventh (1988-93) and Eighth (1993-98) Five-Year Plans were positively targeting the integration of women in society. The regime of Benazir Bhutto initiated the first bank for women, women police stations and implemented the Ministry of Women Development. These measures can be considered to be very big steps as they promoted women empowerment through the provision of loans, the reporting of domestic violence and policies aimed at gender development policy. In 1998, the GoP prepared a National Plan of Action (NPA) which targeted the development of women in all sectors, and later the National Policy for Development and Empowerment of Women (NPDEW) emphasized on realizing the actual potential of women. In pursuance of gender development,

Pakistan also became signatory of numerous international conventions as well, such as the Convention on Elimination of All Forms of Discrimination Against Women (CEDAW; signed in 1995) and the Millenium Development Goals (MDGs) for promotion of gender equality and empowerment.

Micro credit was a main emphasis for improving women condition in the Ten-Year Perspective Development Plan (2001-11) and the Three-Year Development Programme (2001-2004) of the Government of Pakistan. A Poverty Reduction Strategy Paper (PRSP) was published and the Ministry of Women Development analyzed it from a gender perspective. The government subsequently launched a Medium Term Development Framework for 2005-2010. This was the first in a series of medium-term development frameworks to support Pakistan's long-term development goals. The longer-term vision (Vision 2030) sees Pakistan establishing a just and efficient economic system for alleviating poverty (Planning Commission, 2011). Recently Prime Minister Yousaf Raza Gillani has shown determination to fulfil the dream of Benazir Bhutto to empower women in Pakistan. Gillani said that "*Gender inequality remains a big challenge to socio-economic development in Pakistan. (...) The Benazir Income Support Programme (BISP), the largest ever programme to provide financial support directly to the women belonging to poor households, is the bedrock of initiatives*" that can help to empower women. The GoP is now also targeting to establish working women hostels and day-care centres with the intention to promote women participation in labour (Daily Times, 2011/03/09).

Over the years, these initiatives led to increased participation and enrolment rates of women in professional institutes and also led to the creation of different business facilitation units and commissions, which are briefly explained in the following.

SME Initiatives

The GoP established specific units to facilitate small and medium enterprises (SMEs) in four provinces of Pakistan already in 1972. These were the Punjab Small Industries Corporation (PSIC), Sindh Small Industries Corporation (SSIC), Sarhad Small Industries Development Board (SSIDB), and Directorate of Industries in Balochistan. These units have since then not targeted women entrepreneurs in specific and therefore have not contributed significantly to facilitating women entrepreneurship (Goheer, 2002).

A Small and Medium Enterprise Development Authority (SMEDA) was established in 1998 to support the small scale sector of Pakistan. SMEDA is presently working to promote the policy framework that can make the business environment more favourable to SMEs. SMEDA has realized the importance of the role that research can play in improving the business environment for SMEs, and the first edition of a research journal supported by SMEDA was launched in December 2010. While it has not yet published a paper addressing any gender issue, it might very well become an outlet for gender research related to entrepreneurship and SMEs. In 2007, SMEDA initiated the first women business incubation centre (WBIC) with a clear gender focus. WBIC is a pilot project launched in Lahore, which is to be followed by similar centres in other provinces. It is intended to provide business counselling, training, furnished offices, marketing services and exhibition facilities to women entrepreneurs. The criteria set by WBIC to select women entrepreneurs to join the centre are the following: the business (either start-up or existing) is owned and controlled to more than 50% by one or several women; the management and daily business operations are controlled by women; the business employs less than 30 persons; the investment in the business is preferably less than Rs. 2 million (to encourage start-ups); it is based on a well-developed business plan; the venture does not have any other office / branch; the business is not within retail; clinical doctors, dentists, lawyers and NGOs cannot join

the WBIC. While there no performance data of the WBIC is available yet, the centre is a more committed step into fostering women entrepreneurship than previously seen in Pakistan.

The Small Medium Enterprise Bank began its operation in January 2002, by merging the Small Business Finance Corporation (SBFC) and the Regional Development Finance Corporation (RDFC). Again, one proclaimed intention was to focus on women entrepreneurs (see Goheer, 2002). To date, after nine years of operations, one cannot find any women-specific activity associated with the SME Bank.

The Trade Development Authority of Pakistan (TDAP) was established in November 2006 as a successor to the Export Promotion Bureau (EPB), with the aim of promoting Pakistani trade holistically rather than just focusing on export promotion, as its predecessor EPB had done.

Within its facilitation division, the TDAP has one section for women entrepreneurs. This section stresses the role of innovation and quality in exports. This is made evident e.g. by organizing seminars related to best business practices for exports or how to start businesses. Since 2001, a network for women exporters, WEXNET, has been developed, and exhibitions arranged in Lahore in the years 2001, 2002, 2003, 2005, 2006 and 2010. WEXNET serves as a mega platform for women entrepreneurs from all over Pakistan to interact as well as promote and exhibit their products for exports. In the 2010 exhibition, 264 women entrepreneurs presented their products for around 60,000 visitors. The majority of these (65%) were from Punjab, close to 20% from Sindh, while the other regions were present with fewer entrepreneurs. The same section of TDAP also maintains a database of women entrepreneurs to promote accessibility and facilitate interaction (www.tdap.gov.pk).

Another major initiative was the establishing of First Women Bank Limited (FWBL) in 1989 to cater for the financial needs of women. The bank offers loans on easy terms for women

entrepreneurs, but also consultancy for investments, identification of agricultural and industrial projects for women entrepreneurs, and trainings in managerial skills. It has 38 branches all over Pakistan. The main impact the bank has made for women entrepreneurs is its small loan facility launched for women from low-income groups with an initial allocation of Rs.30 million from the Ministry of Women Development. Under this scheme women could borrow up to Rs. 25,000 (approximately US\$ 400) by using a group guarantee, NGO warranty or personal surety from two government officials. Approximately 11,000 women have benefited from this small loan scheme in the last 10 years. In addition, the FWBL set up a Regional Development and Training Institute (RDTI) in Islamabad in 1995, and then in Lahore and Karachi. These training institutes were later re-named as business centres, and have so far trained more than 3,000 women in different trades (www.fwbl.com.pk).

Ministry of Women Development (MoWD)

The Ministry of Women Development (MoWD) was established in 1989 with a mission to bring positive changes to the lives of Pakistani women to conform with the constitution. The Ministry has four wings, including a development wing and a gender inequality wing. These two wings are exclusively focused on including women in mainstream development. They deal with capacity building, trainings, gender issue assessments and awareness among various stakeholders. A National Plan of Action was prepared and issued in 1998 by the MoWD, which detailed the strategic objectives of 12 targeted areas and their respective plans. The military government under General Pervez Mushraf (in power between 1999-2008) formulated the first ever National Policy for Development and Empowerment of Women (NPDEW). This policy was a statement of intent of the Government of Pakistan to specify its measures for the development and empowerment of women. With this policy providing the guidelines, the MoWD has the task

to ensure, within the overall operating framework of the government, that a gender perspective is reflected in all national policies and plans (www.mowd.gov.pk).

National Commission on Status of Women (NCSW)

A National Commission on Status of Women (NCSW) was set up by the GoP in July 2000. The main purpose for this commission is to examine policy measures taken by the GoP for women development and to recommend necessary remedial measures where required in order to make significant impact on women development. It also review laws, rules and regulations that affect the rights and status of women and monitor institutional mechanisms for effective implementation of these laws. Other rationales include to encourage research generating women-related data and to develop dialogues with NGOs regarding policies and strategic actions and to integrate gender equality at all levels of the society respectively (www.ncsw.gov.pk).

Gender Reform Action Plan (GRAP)

GRAP stands for Gender Reform Action Plan. There are five GRAPs, one for each province and one for the National/Federal level. In February 2000, the GoP approached the Asian Development Bank for technical assistance in preparing a gender reform programme to improve the framework of gender policies and to develop institutional reform proposals outlining interventions at the federal, provincial and district level, for a proactive approach to include gender perspectives in public sector policies, programmes and projects. As a consequence, the Gender Reform Action Plan was launched in August 2002. Main activities to be performed under the GRAP are policy reviews for gender analysis, a review of programmes by departments regarding gender sensitivity, women-friendly infrastructures in provincial offices, gender

analyses of sectors of the Medium Term Development Framework (MTDF), modification in advertisements, strengthening the WDD, strengthening gender mainstreaming units, gender mainstreaming in budgeting process, women-friendly buildings etc (www.grap.gop.pk).

Micro-Financing Initiatives

The last decade has seen a number of initiatives using micro-credit as a tool for poverty alleviation. Examples include the Pakistan Poverty Alleviation Fund (PPAF), the National Rural Support Programme (NRSP), other Rural Support Programmes (RSPs), and more recently the Khushali Bank. These programmes have tried to target women in their lending programmes for two reasons. First, because the success of micro-credits in Bangladesh is partly linked with lending to women borrowers whose conservative and trustworthy behaviour has made it possible for the bank to sustain its lending operations. Second, the rising levels of poverty in Pakistan and the preponderance of poor women have forced policy makers to give special attention to women who intend to start micro-business activities.

Informal activities & Women Organizations

Support organizations for women mushroomed in Pakistan during the 1990s, and most of these organizations are in the philanthropic sector. Those related to economic empowerment of women are confined to offering micro-credit and supporting subsistence activities. Only a few organizations support commercial businesses, but they have very limited outreach. The Pakistan Association of Women Entrepreneurs (PAWE) is one of these and was registered as a non-governmental organization (NGO) in 1985. Ms. Salma Ahmed, a leading entrepreneur from Karachi, has been the main driving force behind this organization; she has recently been succeeded by Ms. Zeenat Saeed, another eminent businesswomen from Karachi. PAWE is a

member of the governing body of the World Assembly of Small and Medium Enterprises (WASME) and is affiliated to the Economic and Social Council of the UN (ECOSOC). PAWE has carried out various activities in urban areas, especially in Karachi, but there is little history of institutional undertakings except for representing the interests of women entrepreneurs at international forums. The Association of Business, Professional and Agricultural Women is another organization in Karachi that engages in multiple activities to facilitate social harmony, and to promote an exchange of views and greater interaction among women. It has also identified business areas and prepared some pre-feasibility reports for enterprise creation. The Pakistan Federation of Business and Professional Women is yet another organization in Karachi engaged in similar activities. The Women Entrepreneurs Society (WES) is a tiny organization in Lahore with no significant activity. The Federation of Pakistan Chamber of Commerce and Industry (FPCCI) also has a women's section, although the Karachi Chamber of Commerce and Industry (KCCI) does not have one. The women entrepreneurs' committee of the Lahore Chamber of Commerce and Industry is more organized and is preparing to arrange some concrete activities for women entrepreneurs. The labor union Pakistan Worker Federation (PWF) is also conscious of its responsibilities to encourage women to partake in economic activities in order to enable them to contribute to national economic development(www.pwf.org.pk). Part of this responsibility has been addressed through various project initiatives with the aim of supporting women's entrepreneurship development activities.

Critical analysis of the women entrepreneurship environment

So far, we have presented different attempts of enhancing the role of women and their entrepreneurship in Pakistan. We have pointed out that while different initiatives have been

implemented, little change has happened, which is especially dramatic in view of the current financial crisis and political instability. These initiatives were implemented in a piecemeal fashion without a clear understanding of what kind of entrepreneurship policy and strategies could work in the specific context of Pakistan, dominated by patriachism. One remaining hindrance for promoting women entrepreneurs are the pressing constraints on resource allocation. The low entrepreneurial activities in Pakistan can be attributed to the mismanaged policy and institutional setup of Pakistan that is embedded in its socio-cultural, economic and political context. While these contexts in practice regulate women entrepreneurship by constraining a more vibrant approach to women entrepreneurial development, they are hardly addressed in the policy measures. Namely, political institutions, the practice of legal frameworks, judicial setups, governance in distribution of micro credit, as well as patriarchal structures continue to displace women's position in society in general and as entrepreneurs in particular. Along with the development of institutions and an infrastructure to foster economic development through women entrepreneurship (e.g. Landes, 1998), knowledge accumulation would be important – an educational system that promotes skills of women entrepreneurs could play an important role in bringing new ideas and innovations to the market. Hardly any measures have been taken in this direction. The easy access to credit is one of another basics that could foster a healthy entrepreneurial environment (Hoenig, 2005) for women in Pakistan. Yet, the various initiatives launched by the GoP as key components of its poverty reduction strategy do not advance credit at concessionary interest rates and there is no element of direct or indirect subsidies. Most non-financial support interventions aiming at business development (such as helping entrepreneurs with business plans, opportunity identification, training, or skill enhancement) are directed to urban rather than rural women, which might be an important reason

for why a higher percentage of rural women compared to urban women end up in the informal sector. Pakistan has promoted rent seeking behaviour instead of entrepreneurship (Ul Haque, 2007) through favouring a small segment of society i.e. feudal and elites. This restricted a large segment of potential entrepreneurs in the market. This expansion of resources rested with few individuals who preferred to follow path dependent policies to continue being in charge of the allocation of resources in the market. This was at a big expense for the entrepreneurship and especially women entrepreneurship, as women were already submissive recipient of welfare initiatives. This rent seeking behaviour also affected the free and flexible markets where it could be possible for women entrepreneurs to contribute to economic growth and promote competition (cf. Hoenig, 2005). Competition could rule the market on the basis of principle of efficiency rather than on the current basis of favouritism. This unfriendliness towards entrepreneurship is in line with other side-effects such as increased corruption, making clearly evident that the enforcement of rules of law is missing. While poisoning the general economic development, this lack of enforcing rules of law to govern the policy infrastructure hits (potential) women entrepreneurs especially hard. While the GoP is conscious of the need of gender-aware policy frameworks, there is a pressing need to put these into practice and to re-address policies to empower women economically and socially. For women entrepreneurship to develop, it is important that government reforms thoroughly address entrepreneurship in a relevant and meaningful way, for example by redirecting attention from large-scale industry manufacturing. It is not only about wealth creation, rather can the small business sector play a very important role in employment generation, self sufficiency and community development. Currently, SME and entrepreneurship policies do not even define what is meant by entrepreneurs, self-employment and similar key terms, and different agencies use different definitions. While one policy measure

to promote women entrepreneurship regards educational offerings, the courses which have been implemented almost exclusively refer to handicraft (such as knitting and sewing) and other skills close to traditional household duties. Even though the intent might be generally positive, it results in confining women close to their traditional gender role. Thereby, the women become restricted, rather than empowered, in the kind of entrepreneurial activity they could perform. Opportunity-based women entrepreneurship, which could enhance the innovativeness of the Pakistani economy, is entirely lacking attention, as such entrepreneurial endeavours are even more difficult to align with socio-cultural expectations.

That Pakistan displays the lowest entrepreneurial activity in the entire South Asian region demonstrates the low commitment to entrepreneurship even at the national policy level. Due to a lack of a database of (female) entrepreneurs, it is a challenge to reach entrepreneurs with information and for different activities. The informal sector of Pakistan is very big and deserves attention and efforts to make it visible in the market. The ratio of women participating in the informal sector is much higher than that of formal sector i.e. 73.1% to 26.9 % respectively. The problem is that there is no policy or law that address this informal sector and women entrepreneurs are exploited through middlemen and are not given due wages and recognition in comparison to their hard work and skills. As most of the women employed in informal sectors are uneducated, they cannot raise their voice or market their products effectively. The resulting non-branding of the products increases the uncertainty of their future (Erdem & Swait, 1998) and reduces the revenues that can be earned. Thus, the legalization of the informal sector could boost women entrepreneurship in Pakistan and would be significant in protecting the legal right to wages and controlled working hours.

Conclusions

This paper aimed at taking a bird's eye view on the entrepreneurship environment for women entrepreneurs in Pakistan. In doing so, the paper has approached the supply-side policy initiatives and the opportunities and the problems relevant to these policy measures for women entrepreneurs. An analysis of the situation in Pakistan shows that the current underprivileged status of women entrepreneurship can be partly attributed to the unfriendly entrepreneurship environment provided to women entrepreneurs. Our analysis suggests that while the participation of Pakistani women is visible both in the formal and informal sectors, women entrepreneurship remains largely overlooked. The GoP is clearly aware of the potential benefits that can be sought from women's self-employment and entrepreneurship, and different policy initiatives reflect this need to improve the situation. However, the actual (lack of) commitment to making policies work demonstrates the tendency in Pakistan to address women at maximum as potential labour force, and never as entrepreneurs in their own right at policy level. In a patriarchal society, where women-related issues are deeply rooted in the culture, traditions and religion, such biased presentation of females is bound to affect women entrepreneurship. A succinct review of women development planning underlines that women-related policies have always addressed women from a patriarchal view, resulting in an underestimated potential of women regarding economic participation and business activities. Until 1983, the development planning addressed women only passively, giving lip service to women empowerment. International pressures on the GoP directed policies towards women welfare and development factors, but again true commitment was lacking for the phase of implementation. Statistics witness the poor gender equality ratio in comparison to the male economic participation in economy and confirm the policy failures. The current impact of development and empowerment interventions is aiming and performing low,

and policies targeting SMEs and the empowerment and development of women do not even refer to the word of women entrepreneur, owner or businesswoman or similar. This contradictory situation, where at the one side Pakistan is signatory of international conventions for gender mainstreaming and empowerment and on the other side there is a lack of gender focus even in gender-aware policies, demonstrates a very weak institutional set-up. Structural arrangements such as research centres to reduce the gap between supply-side initiatives and demand-side issues are also lacking. All these policies are in dire need to be reviewed, and in this process of revising it is could be worthwhile to include women entrepreneurs who have first-hand knowledge and experience of the various issues and challenges. Such intermediation between supply and demand side can help in exploring and making use of the skillful and diverse potential which female entrepreneurs could add to economic growth, supported by better-defined women entrepreneurship policies. It would be a welcomed change if such policies broke with the previous path dependence of approaching gender issues from a very patriarchal viewpoint. Moreover, the relevance of the small scale sector should gain more recognition as it has continued to grow and contribute to the economy despite this neglect by the GoP. Gender equality needs to be approached more holistically, developing entrepreneurship policies without any role stereotyping. Entrepreneurial development platforms, e.g. in form of research centres, think tanks, entrepreneurship institutes, and business incubators, at national, regional and local level should be provided for women, promoting risk-taking, innovation, new idea generation, skill development, research, business competitions, branding etc. These platforms should be actively engaged in the policy-making debate along with professionals. Developing a vibrant and more serious attitude to entrepreneurship and women development can then become fruitful for sustainable economic growth.

Policy implications

Based on these findings, certain focused initiatives could make the existing business facilitation institutions more effective and efficient. To assess efficiency and effectiveness of these institutions certain monitoring and evaluative measures would have to be assessed on regular basis. This could help in ratifying errors in programmes or policies and also can help in obtaining gender-specific relevant data, which to date is lacking. Policies supporting women should be framed by including all relevant stakeholders, which can only be achieved with an increased political participation of women at both micro and macro level. Entrepreneurship development is a continuous process that does not end with the policy announcement, which the GoP currently does not seem to be aware of. Therefore, the process could be improved by integrating entrepreneurs, policy makers, business facilitation units and professional institutions. Currently, most studies relevant to the theme of entrepreneurship in Pakistan are conducted or initiated by international agencies or researchers, and research on the issues, trends, obstacles, values, choices, skills, potentials, needs, and motivations related to Pakistani women is still a neglected area.

To sum up, this study aims at contributing to a better understanding of the largely overlooked phenomenon of women entrepreneurs in Pakistan from a policy perspective. The findings revealed that gender stereotypes restrain the entrepreneurial activity of women in Pakistan. The institutional set-ups of the government are equally embedded in these patriarchal structures, leading to policies characterized by a strong gender biases. The government would have to reinforce the implementation of its policies, which is hindered not only by the patriarchal structures, but also the level of corruption characterizing the country's elite. To achieve

transformation, media could play an important role to transform gender roles and perceptions of women entrepreneurs, who could be portrayed as role models for other women. Entrepreneurship education could promote entrepreneurship among youth and as an alternative career and way out of poverty. Networking activities, channelled for example through development support initiatives such as industry associations, employee organizations and entrepreneurship centres, can complement the entrepreneurial awareness and social ties that could facilitate the cultivation of a stronger gender-equal entrepreneurial culture.

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