

The Purple Economy, also sometimes referred to as the care economy, obtains its name from the color adopted by many feminist movements. It represents a new vision of economics that recognizes the importance of care work, empowerment and autonomy of women to the functioning of the economies, wellbeing of societies and life sustainability. Care work consists of two overlapping activities and can be paid or unpaid: 1) direct, personal, and relational care activities, such as feeding a baby or nursing an ill partner; and 2) indirect care activities or domestic work, such as cooking and cleaning. Paid care work refers to occupations

The COVID-19 pandemic has exacerbated and brought further to the fore these costs. With schools and day-care centres shut down, families witnessed a massive shift of childcare responsibilities into their homes. While both women and men increased their unpaid workloads, women continued to shoulder the bulk of unpaid care and domestic work, with negative ripple effects on their working hours and earnings, mental health and wellbeing. Many mothers have left the workforce altogether to care for children amid prolonged school and day-care centre closures .

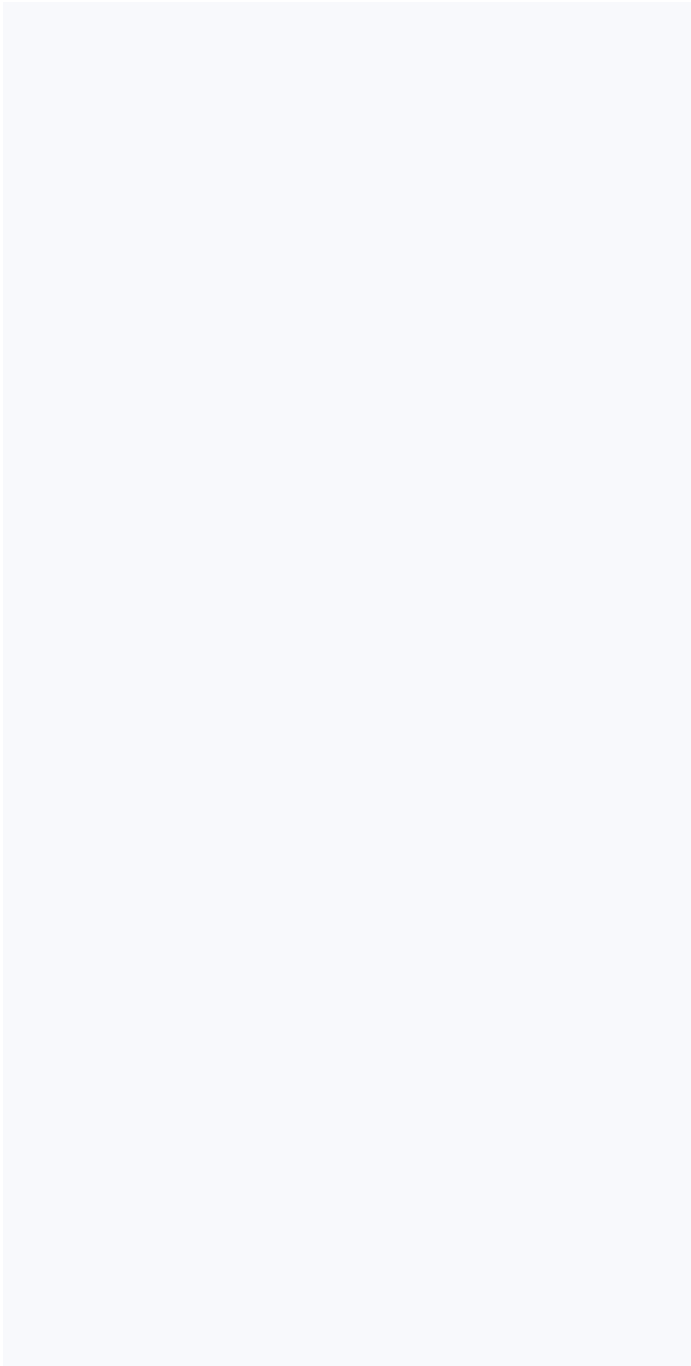
Though the pandemic raised social recognition of paid

and cleaners. Unpaid care and domestic work are provided without explicit monetary reward in homes and communities. Care workers perform their tasks in a variety of settings: public, private, homes

and capable of learning. Despite this invaluable contribution, unpaid care continues to be largely treated by mainstream economics as an externality, being unaccounted for in policies and national accounts. The associated costs in the form of forgone wages and opportunities for women and girls amplify

To do so, it calls for a paradigm shift in economic thinking and policies whereby:

- ◆ care is no longer reduced to a commodity, a personal choice or a family obligation – but recognized for that extends beyond the individual care recipient to societies at large and into the future;
- ◆ where societies stop freeriding on women's unpaid and underpaid labor, and collectively assume the costs of quality care for all; and
- ◆ where all workers in the care sector enjoy equal pay



On economic empowerment of women, the UN Resolution on Entrepreneurship for Sustainable Development “reiterates that the persistently low wages earned by women workers impact their economic empowerment, giving rise to the need to build their economic resilience” and calls on member States to “strengthen the capacity of women to transition from the informal economy to formal employment”, “outline measures to reduce and redistribute women’s and girls’ disproportionate share of unpaid care and domestic work and promote decent paid care and domestic work for women and men in the public and private sectors”; “support the promotion and advancement of women in labor markets, including through policies and programs aimed at the elimination of structural barriers and stereotypes that women of all ages face”; and “facilitate

Figure 1

---

EB PRJ Ø BB F D LC EB - ØPFAF D, BØ LC EB  
Regional Conference on Women in Latin America and the  
Caribbean, held in September 2021, governments agreed  
L AS BØ LSBO M PTFE O ISB Æ P E

entrepreneurship capacity would be expanded, and their innovations scaled.

Care is indispensable to human wellbeing, social cohesion and economic development. The Purple Economy – both paid and unpaid– contributes to the achievement of a range of SDGs, including poverty eradication (SDG1), food security and nutrition (SDG2), health and wellbeing (SDG3), quality education and lifelong learning (SDG4), gender equality and the empowerment women and girls (SDG5), inclusive and sustainable economic growth, full and productive employment, and decent work (SDG 8), and reduced inequalities (SDG10). Many care policies advance more than one objective. For instance, affordable quality childcare services play a key role in enabling women's access to decent work within and outside the care sector (SDG 8), while also contributing to improvements in children's health (SDG 3), nutrition (SDG 2) and educational outcomes (SDG 4) . The Care Economy also directly supports the central tenet of the Agenda 2030 – Leaving No One Behind. Women and migrants who face multiple and intersecting forms of discrimination not only carry higher care burdens, but their households also remain disproportionately excluded from access to quality care services . Purple Economy advocates for an economic system that promotes equality and social justice, including by contributing to the advancement of women and vulnerable groups, including older people, young people and

Women contribute 76 per cent of unpaid work time and 43 per cent of paid work time. Once paid and unpaid work are combined, women's total contribution (52 per cent of paid and unpaid work

relationships between care workers and those who rely on them; to quantify the dignity of an older or disabled person receiving quality care; or to avoid discounting investments in children's capabilities that are made today because their

words, care has important characteristics of a public good –but is not recognized as such in mainstream economic thought and practice. Neoclassical general equilibrium models used to design policies are inadequate to capture

Dynamic stochastic models or micro simulation models combined with the Luxembourg Income Survey or the EU Statistics on Income and Living Conditions micro databases would be better suited to capture the direct and indirect contributions of care to economies and societies.

Because unpaid care and domestic work is not accounted for in national measure of progress, such as GDP, it is not fully considered in micro and macroeconomic policies which are biased towards the market economy, with potentially negative effects on overall welfare . One remedy that has been explored is the extension of the scope of the System of National Accounts to include non-market activities performed within and between households without monetary compensation. Attempts to put a value on unpaid care and domestic work have yielded estimates varying between 10 to 39 per cent of current GDP; in Latin American countries, the estimate varies between 18.8 per cent and 25.6 per cent of GDP . A full 41 per cent of total work time globally is unpaid. More of this work is needed to ensure care work is fully integrated into decision-making. For instance, the UN Secretary-General has mandated DESA, UNDP and UNCTAD to advance work under SDG target 17.19 to creating metrics for

such as water, sanitation and electricity to reduce unpaid care and domestic work – may be a priority, while some middle- and higher-income countries may place increased emphasis on expanding the availability of affordable child and elderly care services. Independent of priorities, the implications of all policies for women's time use, access to economic resources, health and wellbeing should be carefully forecasted and closely monitored to adjust design national policies must be adequately localized, with special attention to spatial cleavages between urban and rural or extreme weather events and disasters.

Below we outline four priorities areas for national-level action, each with a (non-exhaustive) list of concrete steps, at varying levels of ambitions, for integrating care into sectoral policies.

- ▷ Further strengthen evidence of the multiplier effects from investing in the care economy in terms of job creation, women's employment, health and wellbeing, income and time redistribution, economic growth, and increased tax revenues;
- ▷ Redirect government spending and increase resource allocations to universal and gender-responsive social protection systems, and in high-quality public care services and infrastructure through the mobilization of domestic resources, including gender-responsive budgeting, curbing tax evasion and

# redistribution, e

home-care services, childcare and other care areas to prevent risk of injury, illness and burnout, reduce waiting times and ensure adequate care for patients and clients;







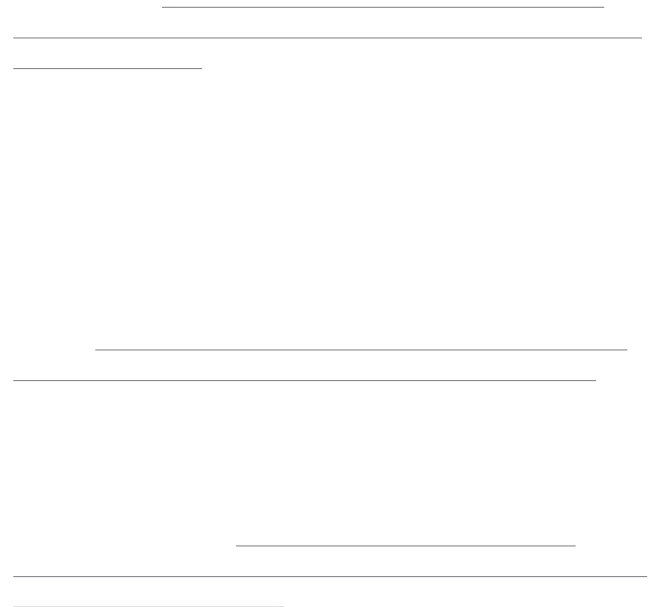
ILO (2018) Care Work and Care Jobs for the Future of Decent Work. International Labor Organization, Geneva.

Budig, M.J. and J. Misra (2010) "How Care-Work Employment Shapes Earnings in Cross-National Perspective." *International Labour Review* 149(4): 441-460; Folbre, N. L. Gautham and K. Smith (2021) "Essential Workers and Care Penalties in the United States." *Feminist Economics* 27(1-2): 173-187.

UN Women (2015) *World Women's Report 2015*. UN Women, New York.

UN Women (2021) *World Women's Report 2021*. UN Women.

Béland, D. and Marier, P. (2020) "COVID-19 and Long-Term Care Policy for Older People in Canada." *Journal of Aging and Social Policy* 32(4-5): 1-7; Daly, M. (2020) "COVID-19 and Care Homes in England: What Happened and Why?" *Social Policy & Administration* 54(7): 1-14; Webster, P. (2021.) "COVID-19 Highlights Canada's Care Home Crisis." *The Lancet* 397(10270): 183.





---

---

---