

United Nations

Nations Unies

**Commission on the Status of Women
Fifty-fourth session
New York, 1-12 March 2010**

* The views expressed in this paper are those of the author and do not necessarily represent those of the United Nations.

I. INTRODUCTION

As the issues paper prepared by the Division for the Advancement of Women (DAW) for this expert panel meeting has highlighted, the international community has long recognized the importance of women's economic empowerment.¹ To eradicate gender-based inequalities, and following the explicit goals set within the Beijing Platform for Action in 1995,² Governments, international development agencies and donor countries have devoted time, effort and resources towards that end. Indeed research has shown that women's access to work opportunities, income and resources—besides being a development goal in and of itself—also goes hand-in-hand with improvements in the wellbeing of children, families and communities, as well as economic growth.

More recently, the inclusion of employment as an indicator of progress made in achieving the Millennium Development Goals (MDG) opened up some space for renewed policy emphasis. This is a welcome development. Keeping in mind that to secure a livelihood the vast majority of the world's population relies on their ability to work, *women's access to full employment and decent work opportunities when markets fail to create them*, the topic I have been tasked to discuss in this short note, deserves some attention.

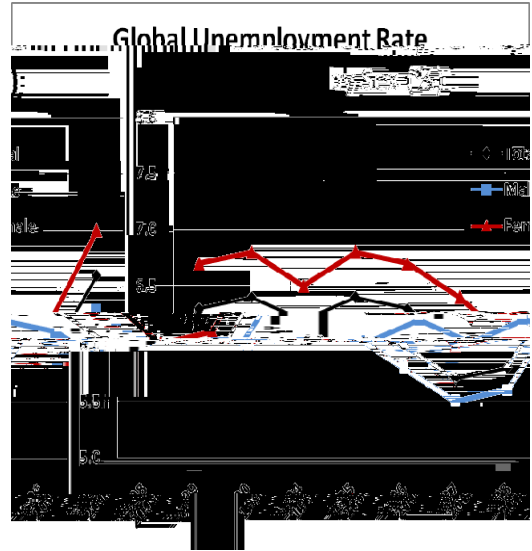
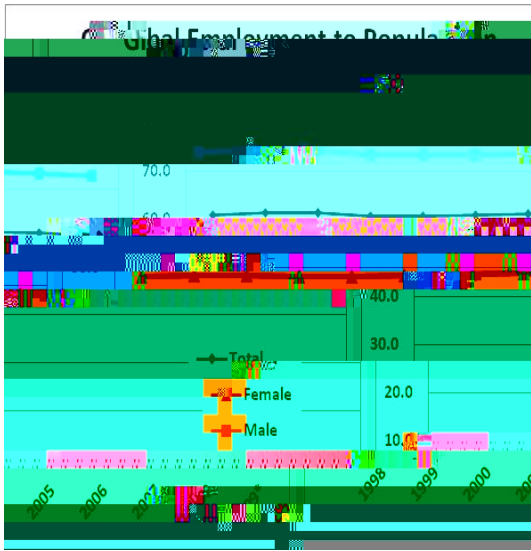
II. BACKGROUND

The world of women's work, in distinction to that of men's, encompasses paid activities, but also includes many unpaid tasks that are critical for the survival of the household. The latter includes subsistence production and unpaid family work, gathering of free goods from common lands for cooking and production of items for own use or even for sale, collecting and transporting water and fuel wood, daily cooking and sanitation, and taking care of the ill and children. Hence the world of women's work can only be understood when both paid and unpaid work are taken into account.

Despite measures and programmes that have been put in place to directly target the disadvantages women face in the world of work, outcomes show that much remains to be accomplished. Despite regional and local variations, on a world scale, the number of women of working age who participate in labour markets lags behind that of men. Unemployment rates among women at the global level are higher; vulnerable work (family work and self-employment—neither of which provides social protection or benefits) is more prevalent among women; in most cases, women are found in higher

¹ For example, see the Fourth World Conference on Women in 1995, the twenty-third special session of the General Assembly in 2000, the 2005 World Summit and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus in 2008. In addition, see the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the International Covenant on Economic, Social and Cultural Rights, which contain provisions promoting women's economic empowerment.

numbers among informal workers; and, to add fuel to fire, when paid and unpaid work are accounted for, women work longer hours but receive lower pay than men. The following graphs indeed provide testimony to that effect.



Note: Author's calculations; * 2009 are preliminary calculations

manager capitalism”. For the past two decades, industrial policy and strategic development decisions (with a few notable exceptions) all but disappeared. All the while, it became clear that the vulnerability, social exclusion, marginalization and income inequality gaps were hardening. In most instances, *social protection* became the only viable antidote; the development agenda morphed into interventions that could ameliorate the stubborn gaps between those whose boats the tide lifted and those who were left behind and sinking.

integrate social protection measures within a social development framework. Based on their position in the world economy prior to the crisis, nations are now facing diverse pressures in terms of growth, employment, food security, fiscal space and policy space. International lending organizations and donor countries have often dictated policy, and the fear is that they will continue to do so. But in addition to economic pressures, some countries have been dealt severe blows to human development and socioeconomic stability. In today's world, national boundaries do not make the rest of the world immune to the consequences this engenders. While advanced countries and several emerging economies had some room to maneuver, many developing countries found themselves under the double bind of government and current account deficits. Consequently, their policy and fiscal space is shrinking. At a time when targeted countercyclical policies should be put in place in all affected less and least developed countries, at the very moment when government spending on social sector interventions should be expanding, they are forced to take the exact opposite path.

Indeed there is something particularly unfair that is taking place. Developed countries and some emerging economies coordinated and infused a large amount of liquidity that saved financial sectors and companies "too big to fail" with extraordinary speed. Vulnerable countries must introduce countercyclical policies, with the help of international institutions, in order to reverse the trends of insufficient demand and growing unemployment. It is imperative that special lending facilities disperse (under favorable conditions) funds earmarked for this purpose. Recent IMF and World Bank research papers, policy notes and documents seem to recognize the lessons learned from previous crises and structural adjustment policies on the merits of capital controls and the limitations of inflation targeting policies. Yet, the claim is being heard again that "prudent" macroeconomic policies must remain in place. This is highly problematic, as it immediately suggests budget cuts for social spending and selling of public assets, especially in view of increasing borrowing needs vulnerable countries are facing due to the external shock the crisis has delivered. Most countercyclical measures, although in the right direction, have primarily privileged the financial sector (again) and companies that were too big to fail. In a somewhat parallel fashion, in those cases that policies and measures are put in place to reduce the impact of unemployment, the benefits accrue to workers holding formal contracts. What becomes of those who were poor, working under informal conditions or those without job opportunities to begin with? This is the time for fresh ideas to enter the policy dialogue and reverting to measures that exacerbate inequality and poverty in the hope of medium-term stability and growth should be eliminated.

IV. THE GLOBAL JOB CRISIS: EN-"GENDERING" POLICY RESPONSES

It is quite clear by now that no country, developed or developing, will easily manage to escape the impact of the widening economic crisis. As the turbulence hits home, reductions in exports, remittances and tourism are threatening the ability of many developing countries to meet their external obligations and putting immense pressure on fiscal space. Country after country is reporting severe increases in unemployment rates,

unseen in the past thirty years or so. Countries better positioned to weather the storm are also reporting trouble and therefore the urgent goal is the same worldwide: contain the immediate (if differentiated) impact of the financial crisis and put in place policies that lead to a speedy economic recovery. For developing countries, especially, the second point is of critical importance and presents special challenges as they operate under domestic and internationally imposed constraints (economic and institutional) that make it harder to finance the massive economic stimulus and “bailout” packages needed along the lines of those announced by the United States, European countries, Canada, China and India.

Mild or severe recessions and crises environments require *countercyclical policies*—fiscal expansion, as well as accommodating monetary and exchange rate policy. Having noted the constraints some countries face due to the lack of freedom to implement any of the above policies and several gender concerns in times of crisis, one may begin by asking the following: What would be the criteria if gender specificities were to be considered in a countercyclical policy agenda? In our view, there are four criteria meriting consideration:

- Preventing job losses through expansionary policies and, instead, promoting access to remunerative work opportunities for all, including women;
- Reinforcing access to productive resources for women and men so as to enable them to secure their livelihood through less-visible activities: own-account work, gathering of food sources from common lands and subsistence production;
- Recognizing existing gender inequalities in unpaid work and committing to prevent a crisis in the “invisible” burdens women and children are about to face; and
- Providing access to minimum social safety nets for everyone, especially for women and their children, independent of social class, family status and type of work women are engaged in.

With these in mind, we now proceed to consider policy issues and responses to the crisis from a gender-aware perspective.

A. Fiscal policies and gender equality issues

Fiscal expansionary policy at this point must be boldly countercyclical. Coordination among international financial institutions must remove, not impose, barriers, even if it means revisiting and even temporarily suspending conditionalities (since the present fear is deflation). Cost-push price increases cannot and should not be handled via austerity programmes, as they are not the right instrument to address them. Furthermore, any renewed privatization of public enterprises and social sectors will result in highly undesirable outcomes, including: (i) loss of future revenues and added pressure in limiting fiscal spending; and (ii) imposition of user fees on the public, especially to those that can least afford them. From a gender perspective, and assuming wisdom prevails, *fiscal stimulus packages* can be designed in ways that benefit the disadvantaged, including women and children. Public spending on social sector infrastructure and service

Universal Declaration of Human Rights. However, such employment has been documented to be primarily benefiting men. Construction jobs are 80–90 per cent held by men.⁸

The case for gender-aware design of public works can also be made from an efficiency standpoint. An extensive research project on South Africa's direct job creation programme (UNDP Gender Team/Levy Institute Project 2008)¹⁰ has shown that the employment, income and pro-poor growth