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**WOMEN’S EMPLOYMENT, EMPOWERMENT AND GLOBALIZATION:
AN ECONOMIC PERSPECTIVE**

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I. Introduction

Expanding women's access to economic and financial resources, and understanding the consequent impact on women's empowerment, is an essential component of development policy, and the subject of the 2009 *World Survey on Women*. This paper will discuss the linkages between women's empowerment and employment, and then focus on how global flows of trade and investment might condition this relationship. My approach primarily reflects research and analysis conducted within the economics discipline, and draws from the situation of women in developing countries, although the analysis is easily extended to the dynamics of globalization and empowerment in the developed world as well.

The framework presented involves two interrelated questions, taken at different levels of social activity. First, the paper explores the microeconomic dynamics of how increases in female employment affect women's autonomy using an intra-household bargaining model (the relationship between autonomy and empowerment will be discussed below). Second, it will address the macro question of how globalization, modelled as liberalization of trade and investment, change the capacity of communities and states to supply the types of social supports that are central to linking women's paid work with empowerment – both in terms of direct services, and in terms of creating the social conditions necessary for greater female empowerment. Putting these micro and macro perspectives together gives a clearer picture of the complexities of the employment-empowerment link from the perspective of policy-making at the micro, meso and macro levels.

II. A Microeconomic Approach to Employment and Empowerment

A. Choices and Constraints

In thinking about how gender shapes the relationship between employment and empowerment, it is helpful to begin with the employment decision – the determinants of labour supply. When labour economists analyze gender and labour supply, a typical focus is gender-specific differences in human capital. However, gender-based differences in education, skills and experience are themselves rooted in workers' productive roles outside the factory door and the institutional, social and material contexts in which they live.

One way of doing this is by situating the choices of women and men within a social and material context. These contexts can be usefully categorized into what economist Nancy Folbre (1994) terms “the structures of constraint”: the preferences, norms, assets and rules that shape individual choice.

Beginning with preferences, women make decisions about whether or not to look for wage work, a process sometimes referred to as exercising agency or, in the language of utilitarian economics, “desire fulfillment”. But self-perception, what individuals value, and what choices they perceive as possible are constituted by the social world (Sen, 1990), and so the putative preferences that underlie an individual's objectives must be understood in this light. The objectives that drive women into the labour market can be different from those governing men, with implications for the price of labour, as well as household consumption. Women who expect to leave the labour force for full-time motherhood may prefer the structure of easy-access, high-turnover jobs that

give them a chance to live away from home and exercise freedoms they would not otherwise be able to enjoy.

Norms are the traditional structures of gender and kinship that constitute the meaning and social expectations of women and men in the household. They typically change throughout the course of a woman's or household's life cycle. Perhaps the most salient factor here - one that underlies many of the other household-level constraints we discuss - is the sexual division of labour. Women are primarily associated with the care and reproduction of the family, and much of their work time is spent outside of the market, whereas men's work is typically viewed as more directly productive and more fully incorporated into the market sphere. These divisions not only have implications for whether women look for market work at all, but what types of jobs are considered suitable and to what extent market work affects women's positions in the household and larger society.

Norms about divorce and remarriage also underpin household-level structures that shape women's labour. They partly determine the possibility and terms of exit from a conjugal union and affect daughters' attitudes about market work. In East Asia, where divorce rates are extremely low, wage work for married women is less important as insurance against the economic stress of divorce. Conversely, in parts of Southeast Asia, divorce and remarriage rates are high (Lim, 1990: 106). Women's high labour force participation rates and active household management in this region provide a way of in

one moves through varying degrees of contested dominance, women's ability to translate working for a wage into having a say in household decisions is enhanced.

In the longer-term, working for a wage may enhance voice; it depends on the extent to which work challenges traditional sources of patriarchal power. In economies where social norms inhibit women from exercising their exit options, gender inequalities will persist in the household and society at large, despite high levels of female labour force participation. For instance, forms of employment that do little to challenge traditional gender relations in the household, such as industrial homework, may draw women into market labour while conferring few of the benefits in terms of autonomy (Kabeer, 2000).

There are ways that public policy can enhance the linkages between work and autonomy. Strong public provisions for the enforcement of parental child support takes a significant proportion of intra-household transfers out of the household bargain. By doing

citizens, workers and the state. This allows firms to win a better deal in the struggle for social protection.

The supply of social protection may be upward sloping. Through agglomeration effects and economies of scale, more openness may be associated with greater demands for infrastructure, education, and high performance work structures on the part of firms (Milberg, 1998). By generating this sort of climb to the top, these effects may moderate or even eliminate the negative impacts of liberalization. But as long as the need for social protection increases at a faster rate than the supply (the slope of the demand curve is higher than that of the supply curve), the same dilemma, though quantitatively smaller, will still exist.

To the extent that trade and investment liberalization exert downward pressure on the supply of social protections, it lessens the capacity of the community and state, and the willingness of firms, to provide the social welfare supports necessary for women to translate employment opportunities into greater autonomy. For instance, lower social spending on healthcare, either as a result of lower government tax revenue or cuts in job benefits offered by firms, will lower women's fallback positions. This is because where women work for a wage, and bear continued responsibility for the health and welfare of their families, their ability to assert themselves in the household is dampened by their continued need for access to male income. Furthermore, because women's employment gains are happening in sectors that are the most exposed to international competition (i.e. increases in demand for female derive from tradable sectors), the bargaining oppoion.

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V. Public policy targets

Both the intra-household bargaining model and the macro model of social protection lead to specific levels and types of policy prescriptions. Many of these were discussed throughout the paper, but a more systematic organization of these interventions for ease of consideration is presented below. There is much but not complete overlap among the various categories, as sometimes different problems can similar solutions. This list is also not meant to be exhaustive, but rather demonstrative.

1. Measures that boost women's provisioning capacities
 - a. Decrease individual constraints, including through:
 - Raising wages or employment;
 - Expanding job training and education;
 - Guaranteeing a minimum income, or providing child allowances;
 - Providing services or infrastructure that decrease time intensity of market and nonmarket work;
 - Subsidizing goods that are significant in women's consumption baskets, and considering anti-inflationary price controls; and
 - Assessing exchange rate policy in terms of its impact on import prices significant to women, and the competitiveness of export sectors that primarily employ women.
 - b. Direct assistance in fulfilling priorities and needs:
 - Cash allowances;
 - Direct supply of goods and services, such as food and healthcare;
 - Childcare services;
 - Organizing mutual assistance groups; and
 - Supporting non-governmental organizations that provide community services.
2. Measures that improve women's fallback positions
 - a. Increase women's own income
 - Policies should directly lower women's economic dependence on men, in addition to raising women's wages or employment.
 - b. Assess price and exchange rate policies (*see above*)
 - c. Improve gender-specific environmental parameters
 - Establish legal claim on spouse, community or state for help with financial and time costs of social reproduction;
 - Reverse gender inequities in law, e.g. property rights, inheritance rules, divorce law, sexual harassment and violence against women.
3. Voice, autonomy and, over time, empowerment

All of the interventions noted above can, over time, lead to women being better able to assert themselves, to make choices about their own lives and to have the capabilities to effect those choices. But different sorts of decisions can have varying relationships with bargaining power and autonomy. Because different aspects of women's empowerment challenge traditional sources of male power in different ways, employment is more likely to have strong empowerment effects where there is less gender inequality to begin with, and where women are most able to translate income gains into enhanced provisioning for themselves and their families.

4. Meso- and macro-level factors

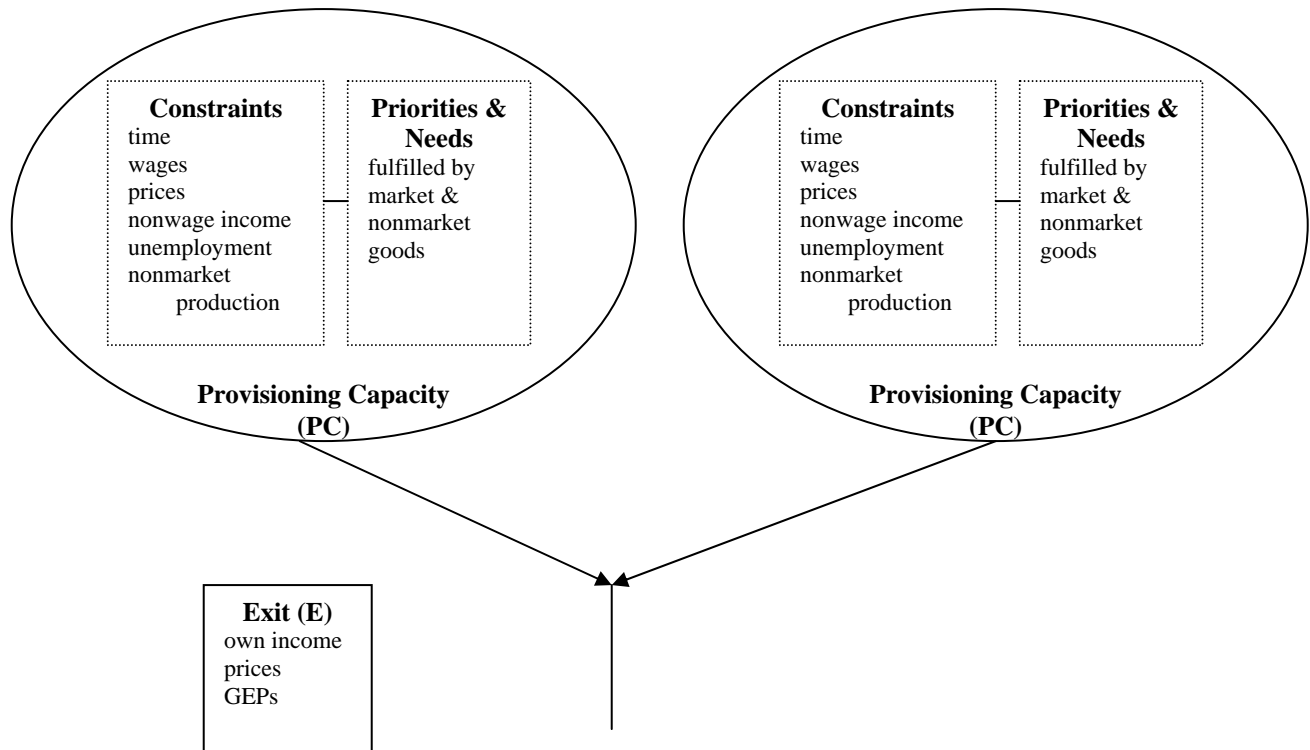
Policy analysis, including the manner of trade and investment liberalization, should be conducted from the perspective of improving the "enabling conditions" (those that enhance the link between increases in women's income and their empowerment)

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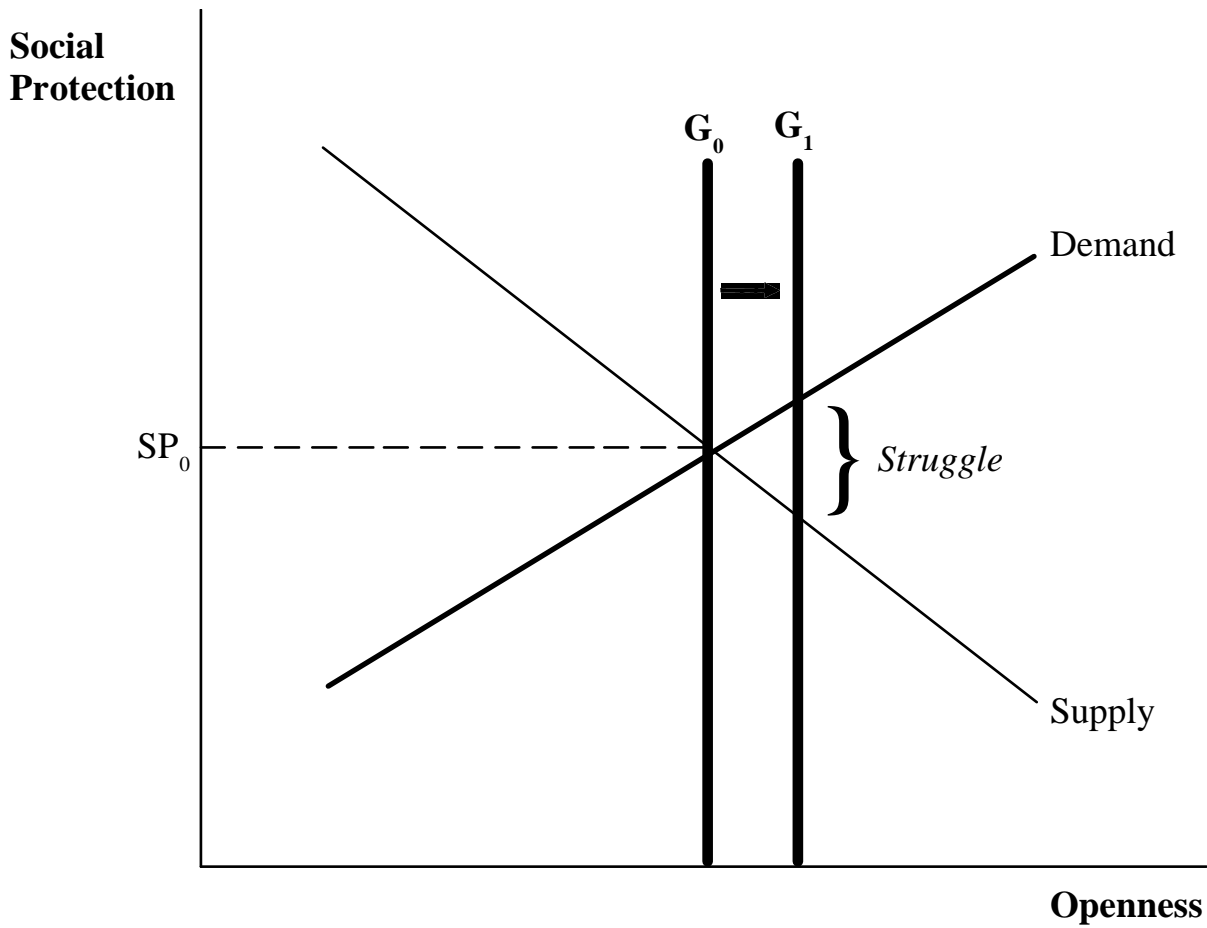
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Figure 1: A Portrait of Intra-Household Bargaining



Cooperation & Conflict/Intra-household Bargaining

Figure 2 Demand for and Supply of Social Protection



Demand: Workers and citizens from firms and the state
 Supply: State and firms to citizens
 G: Level of liberalization

Figure 3: Effects of investment liberalization

