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# GENDER EQUALITY AND POVERTY ERADICATION: WHAT HAS WORKED FOR WOMEN AND GIRLS?

by

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# Gender equality and poverty eradication: what has worked for women and girls?

#### 1. Introduction

The Millennium Declaration was framed by a strong commitment to human rights and social justice, resolving to 'respectfully uphold the Universal Declaration of Human Rights' and to 'strive for the full protection and promotion ...of civil, political, economic, social and cultural rights for all'. The Declaration also made explicit commitments to gender equality on two grounds. There was an instrumental rationale, based on recognition of the contributions that women could make to the eradication of poverty in all its dimensions – as well as their contribution to other development goals:

We also resolve ...to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable.

But there was also a strong *intrinsic* rationale spelling out a commitment to gender equality as an end itself, an essential aspect of the overall commitment to human dignity and social justice:

Men and women have the right to live their lives and raise their children in dignity, free from hunger and from the fear of violence, oppression or injustice... We resolve... to combat all forms of violence against women and to implement the Convention on the Elimination of All Forms of Discrimination against Women.'

Unfortunately, much of the passion for human rights and social justice that characterised the Declaration evaporated in the highly politicized process through which it was translated into a prioritised set of actionable goals, targets and indicators. As a result, attempts to implement gender-related goals have frequently lost sight of the structures of power which persistently block the achievement of gender equality. The glaring omission of the commitment to combating all forms of violence against women is one example. Another is the failure to acknowledge how the intersection of gender inequality with other form of inequality - such as those based on economic deficits and the marginalised identities of caste, race and ethnicity - has generally intensified gender disadvantage to the detriment of women and girls, contributing to the intransigent nature of certain forms of poverty.

This paper focuses on MDG 1 which includes the halving of the proportion of people living in extreme poverty and hunger and promoting decent and productive employment for men, women and young people. MDG 1 can thus be interpreted as encompassing both a set of adverse outcomes (poverty and hunger), as well as an important means to address it (access to productive and decent employment).

The focus on access to employment in relation to poverty eradication is extremely pertinent. In a world where markets increasingly represent the key route to surviving the present and making provision for the future, and where labour is the primary, often only, asset at the disposal of poor people, access to decent and productive employment is likely to provide an important route to the eradication of poverty and hunger. The initial formulation of the MDGs focused largely on expanding women's share of waged employment in the non-

agricultural sector. The later addition of access to decent and productive employment for men, women and young people was critical to MDG 1. Rising female economic activity in the non-agricultural sector cannot be taken as an unambiguous indicator of poverty reduction or of women's empowerment: what matters also are the returns to women's labour and their ability to use these returns to pursue valued goals. In the rest of this paper, we consider the implications of women's access to decent and productive employment in relation to the twin rationales outlined in the Millennium Declaration.

#### 2. Gender equality, labour markets and poverty eradication: making the linkages

A recent review of studies exploring both the impact of gender equality on economic growth as well as the impact of economic growth on gender equality reports some important findings. Greater gender equality in education and employment was found to make a positive contribution to economic growth, a finding that appeared robust for a variety of different countries and over different time periods. This effect appeared to operate through two pathways. The first was market-mediated and worked through ensuring that economies were drawing on a wider and more qualified pool of human resources than would be the case if women were denied access to educational and economic opportunities.

The second was family-mediated: education, income and indeed any resources which promote women's voice and agency within the family have been found to lead to higher investments in the human capital and capabilities of family members, improving the productivity of both the current and future generation of workers. This effect reflects, of course, women's responsibility for unpaid reproductive work within the domestic domain. The family-mediated impact on economic growth appeared to be far more significant in lower income countries while the market-mediated impact took on greater significance in the more advanced economies where markets were more developed.

The evidence for the reverse relationship, the impact of economic growth on gender equality - as measured by education, literacy, wages, mortality rates, legal and economic rights - was far weaker, particularly in lower income countries, and often contradictory.<sup>3</sup> While it was evident that recent export-led growth had generally reduced the gender gap in labour force participation (from 32 percentage points in 1980 to 26 in 2008, according to the ILO), it had performed less consistently on other indicators and sometimes had a negative impact. The findings suggested that patterns of growth, and the extent to which they were accompanied by redistributive measures, were as, if not more, significant than its pace for gender equality as measured by a number of different indicators.

One other finding worth noting from these studies was that, in a number of contexts, rising female labour force participation had a positive impact on various measures of gender

<sup>&</sup>lt;sup>1</sup> N. Kabeer and L. Natali, *Gender equality and economic growth: is there a win-win*? IDS Working Paper No. 417 (http://www.ids.ac.uk/publication/gender-equality-and-economic-growth-is-there-a-win-win), 2013

<sup>&</sup>lt;sup>2</sup> The main exception to this 'win-win' scenario was provided by the finding that gender inequality in wages could increase economic growth in countries embarking on export-led industrialisation in an era of global capital mobility. This was particularly the case where female productivity was rising but their wage could be suppressed, thus lowering the costs of labour for employers. Seguino, S. (2000), "Gender inequality and economic growth: a cross-country analysis," World Development, 28 (7).

<sup>&</sup>lt;sup>3</sup> The absence of any systematic impact of growth on gender equality is also noted by the World Development Report (2012)

equality, including literacy and mortality rates, *independently of economic growth rates*. It thus appears that women's education and employment act as 'structural catalysts' within the economy: not only do they emerge as important determinants of economic growth but they can also play a pivotal role in helping to translate economic growth into progress on other aspects of gender equality, and on human development more generally, thereby improving the distributional impact of growth and its impact on multidimensional poverty. Central to this catalytic role is the greater voice and agency associated with women's access to valued resources.

These studies were carried out at very broad levels of aggregation. More micro-level quantitative analysis from three very different contexts – Egypt, Ghana and Bangladesh – provides more detailed insights into the forms of employment most likely to improve women's voice and agency and hence contribute to their role as structural catalyst. The strongest finding emerging from the analysis is that in all three contexts, women's access to formal employment was systematically more likely to enhance their voice, agency and influence both within the home and in the wider society than any other form of work. Paid work outside the home or farm, whether in self-employment or waged work, also achieved a range of empowering outcomes relative to unpaid family labour (whether in productive or reproductive activity), but less consistently than formal employment. Moreover, many of the informal outside activities available to women were poorly paid and extremely precarious so that while they might exercise greater voice and agency in many aspects of their lives, a great deal of their energy went on making ends meet. Education, location, membership in organisations and access to knowledge and information were other important factors, reinforcing or offsetting the impact of work.

## 3. Current trends in access to decent and productive employment

Such findings emphasize the importance of the quality of work as highlighted by MDG 1 along with the quantity of work emphasized in MDG 3. However, despite the steady rise in female labour force participation in most countries of the world noted earlier, there does not appear to have been a commensurate increase in the quality of women's work. While both men and women have been moving into non-agricultural employment, many more women end up in the informal economy. Men and women are also moving into different positions in the occupational hierarchy, even within the informal economy. While the male labour force in developing countries is largely distributed between wage/salaried employment and own-account work, employed women are concentrated in own-account activities and unpaid family labour. These latter two categories are not only largely located in the informal economy but are classified by the ILO as 'vulnerable work'.

There has been some modest progress at the global level. The share of women working in the categories of vulnerable employment declined from 55.9 to 51.2 per cent between 1999 and 2009 (ILO, 2010), while the male share fell from 51.6 to 48.2 per cent. But there are many countries where vulnerable employment for women continues to increase and others where their share of vulnerable employment remains above 75 per cent. Even where percentages of men and women in vulnerable work look roughly similar, men are much more likely to be

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<sup>&</sup>lt;sup>4</sup> Kabeer, N. with R. Assaad, A. Dwarkah, S. Mahmud, H.Sholkamy, S, Tasneem, D.Tsikata, *Paid work, women's empowerment and inclusive growth: Transforming the gendered structures of constraint*, New York: UN Women, 2013.

found in own account work where they receive some form of payment while many more women work as 'contributing family labour' with no independent access to income.<sup>5</sup>

When women do earn, they continue to earn less than men. While the 2012 World Development Report observed that there had been some diminution in the gender gap in wages, global estimates suggest that economic growth has not had a great deal of impact on the gender wage gap in developing countries. Moreover, most estimates of the gender wage gap are based on formal sector work and do not take into account the much larger gaps that prevail in the informal economy: the gender gap in rural wages, most likely to be in informal work, can vary between 30 per cent to 70 per cent in different countries. It is generally men and women from poorer castes, ethnic and racial groups who work in the worst paid or the more demeaning jobs, but even here, gender may be relevant. For instance, while members of scheduled castes and tribes who make up the casual wage labour force in agriculture in India, casual female wage workers still earn half the wages of casual male workers, controlling for differences in their individual characteristics.

The continued concentration of women in the poorer paid informal work has important implications for poverty eradication efforts. First of all, while women's labour force participation may vary considerably in better off households across the world, women in poorer households across the world are either economically active or seeking paid work. In other words, poorer households depend for their survival on women's paid work. Secondly, informal workers, disproportionately women, are at greater risk of poverty than those in formal work. They make up the working poor of the world. Thirdly, households where women are the sole or primary earners are generally at greater risk of poverty than those where there are also male earners. The growing numbers of these households may explain why estimates of the ratio of women to men of working age in the poorest households in sub-Saharan Africa in 2004-2009 shows that out of 25 countries, men outnumbered women in only 3 countries, while women outnumbered men in all the others, from less than 110 women to every 100 men in some countries to over 130 women in others. 10 On the other hand, in households with male earners, women's income, however small, may serve to keep the household above the poverty line. And finally, as we noted, women's income plays a critical role in addressing deficits in human capital and capabilities within the household.

The link between women's work and household poverty becomes particularly visible in times of crisis. While, as recent financial crises have shown, the initial gendered impact on employment is likely to vary according to whether the sectors hardest hit by crisis are

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<sup>&</sup>lt;sup>5</sup> For instance, unpaid work on family agricultural enterprises accounted for 34 percent of women's informal employment in India compared with 11 per cent of men's.

<sup>&</sup>lt;sup>6</sup> Oostendorp, R. H. (2009) "Globalization and the Gender Wage Gap," The World Bank Economic Review 23 (1). While the ILO notes that there has been a decline in the gender wage gap since the recent economic crisis, it warns that in some cases, it may simply mean that men are worse off than before the crisis.

<sup>&</sup>lt;sup>7</sup> Fontana, M., and M. Paciello (2010). Gender Dimensions of Rural and Agricultural Employment: a Global Perspective. Rome: Food and Agricultural Organization of the United Nations, International Fund for Agricultural Development and International Labour Organization.

<sup>&</sup>lt;sup>8</sup> M. Das, *Do traditional axes of exclusion affect labour market outcomes in India?* Social Development Papers No. 97, South Asia Series. Washington: World Bank, 2006.

<sup>&</sup>lt;sup>9</sup> J. Heintz, Informality, employment and poverty. Empirical overview of six countries with the focus on gender and race UNRISD: Geneva, 2008

<sup>10</sup> United Nations, The Millennium Development Goals Report 2012. New York, 2012.

primarily dominated by male or female workers, the overall repercussions of crisis often hit women harder. In some cases, women in various forms of informal or precarious work are treated as the buffer labour force, the first to be made redundant when conditions deteriorate; in other cases, it is male dominated sectors that are hit first. In either case, it is generally through the intensification of women's unpaid labour that households seek to cope with the decline in their income flows.<sup>11</sup> Women's labour has been described as the household 'safety net of last resort' in times of crisis.

#### 4. The barriers to women's access to decent and productive employment

To get a better sense of what has worked, and is likely to work, for women and girls in terms of access to improved employment, we need a better sense of the nature of the barriers that block this access. Some of these barriers are rooted in the relations of family, kinship and community and reflect long-standing asymmetries in the gender distribution of resources and opportunities, others reflect the conscious discrimination and unconscious biases they face in the public domains of markets, states and civil society. But the main point about them is that they are not discrete and stand-alone constraints, but interlocking elements of systemic disadvantage. Dealing with these constraints must include addressing this interlocking aspect.

Gender-related norms which assign predominant responsibility for critical but unpaid family labour in both productive and care work to women and girls limit both the amount of time they can put into paid work as well the kind of paid work that they can do – unless they can afford to pay others to take up their domestic responsibilities. There may be cultural norms restricting the mobility of women and girls in the public domain, as in many parts of South Asia and the Middle East/North African region curtailing their work, education and political participation. Many women face strong resistance, often violent, from husbands or partners to their desire to take up more remunerative forms of work.

Gender inequalities in capabilities, assets and networks contribute to other aspects of labour market disadvantage. Land and housing are primary forms of 'immoveable property' which underpin the security and productivity of livelihoods in different regions of the world. They act as sites of production, stores of wealth, buffers against contingency, sources of income streams and the basis of access to other resources, including credit. But customary and legal discrimination mean that women generally own fewer productive assets with knock-on effects on other aspects of their livelihoods. And many women remain in abusive and violent marriages because they have nowhere else to live.

While education generally increases the likelihood of women taking up paid work and improving their job opportunities, there has been a steady decline in the kinds of job opportunities where formal education is an asset. Women continue to lose out on training and extension services which would increase their productivity in various forms of self-employment, often confined to forms of training which reinforce their traditional 'feminine' activities in already crowded segments of the market.

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<sup>&</sup>lt;sup>11</sup> ILO Regional Office for Asia and the Pacific/Asian Development Bank, *Women and labour markets in Asia. Rebalancing for gender equality.* Bangkok, 2011.

Women's constrained options are frequently exacerbated by conditions in the wider economy. Poor infrastructure, inadequate transport systems and weak marketing channels are likely to have a greater impact on working women relative to men because of the greater constraints on their mobility. Time constraints prevent them from travelling long distances and seeking the best prices for their output. They also face a greater likelihood of sexual harassment and violence by those with market power, such as middle men and trade officials or simply by virtue of being women in public space.

#### 5. Strategic options for promoting access to productive and decent employment

The dearth of productive and decent employment – for men as well as women - is the biggest challenge for poverty eradication. It is increasingly acknowledged that strategies for broad based poverty reduction have to start with employment-centred growth. This would require broadening macroeconomic policy objectives beyond inflation control to incorporate explicit employment targets. While the contributions to the literature on inclusive growth differ in their emphasis, they share the shift away from the free market fundamentalism in favour of a more active role for the state, the need to broaden macroeconomic policy objectives beyond inflation control to incorporate explicit employment targets and policies geared to the specificities of different contexts in place of the one-size-fits-all thinking that characterised neo-liberal approaches. While states should allow markets to function without unnecessary interference, they also need to ensure the provision of public goods to enhance the productive capacity of the economy: 'the capacity to provide these public goods effectively is an important part of the social capabilities needed to generate development'.<sup>12</sup>

Increasing the volume of good jobs will not necessarily promote women's capacity to take advantage of these jobs on fairer terms. After all, women's labour force participation rates have been growing steadily in most regions of the developing world, but most remain trapped in forms of informal work that will do little to eradicate poverty or promote their voice and agency. Nor can the vast majority of these women hope to enjoy formal condition of work in the near future. A co-ordinated two pronged approach may be more realistic: on the one hand, extending some of the positive aspects of formal work—social recognition, regularity of remuneration, social protection, voice and organization—to productive activities carried out in the informal economy, and on the other hand, bringing increasing numbers of workers into the formal economy through the gradual extension of enabling regulations. Below we outline some key options that might contribute to this two-pronged strategy.

### Addressing women's work loads

Their responsibilities for both paid and unpaid work mean that most women and many girls from low-income households are both overworked and underpaid. There are various mutually reinforcing ways to reduce their work loads. One would be to promote a fairer distribution of unpaid work between men and women as part of a broader movement to transform gender relations and promote men's fatherhood roles. A number of countries have passed laws to this effect although there has not been much research into their impact. There are also various

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<sup>&</sup>lt;sup>12</sup>Rodrik, D., *Industrial Policy for the Twenty-First Century*. John F. Kennedy School of Government, Harvard University, 2004.

civil society initiatives to promote behavioural change around gender roles, including violence against women and girls. But while changing deeply entrenched ideas about male privilege is critical to gender-equitable development it will not be achieved overnight. It is important to combine it with other options.

A second option is the provision of *reliable and affordable support for women's care responsibilities*. This would not only promote women's ability to participate in paid work but also in other spheres of activity: community activities, collective action, political participation and leisure. The provision of child care is of most immediate relevance to wage workers but it can also support women in self-employment by promoting their access to more distant markets or into better paid waged work.

A third option is the provision of services and labour-saving technologies and infrastructure through the state or other actors. Public investment in roads, rural electrification, improvements in water and sanitation infrastructure, cereal mills, other food processing equipment, pressure cookers, refrigerators and other affordable and appropriate home-based technologies can significantly contribute to reducing women's unpaid work and generate many other benefits such as better health for women and their families.

# An enabling regulatory environment

Building a more enabling regulatory environment entails action on a number of different fronts. One obvious front would be the eradication of explicitly discriminatory legislation. In their review of data from 141 countries, the World Bank/IFC (2011)<sup>13</sup> found widespread evidence of legal differences between men and women, which differentiated their incentives or capacity to engage in waged work or to set up their own businesses. These restrictions ranged from the less frequently reported ones, such as needing the husband's permission to start a business, to the more frequently reported ones that differentiate access to, and control over, land and other property. The report finds a broad correlation globally between the extent of legal gender differentiation and the extent to which women work, own or run businesses. International conventions on women's rights such as CEDAW can play an important role in drawing attention to, and helping to counter, such discrimination.

A second front would be apparently gender-neutral regulations which systematically hit women harder. Simplifying the procedures for registering small business has been to found to lead to a significant increase in the formalisation of small business, particularly by women, who are more likely to be time constrained than men.

A third front would be the promotion of legislation that actively seeks to level the economic playing field for men and women. For example, shifting the costs of women's maternity leave and childcare support from private employers to state social security systems would diminish the motherhood penalty women face in their search for work. Tax incentives could be offered to private sector companies that actively promote gender equity in employment conditions. Legislation to promote minimum wages would particularly benefit poorer women, equal pay

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<sup>&</sup>lt;sup>13</sup> International Bank for Reconstruction and Development/World Bank, Women, Business, and the Law: *Removing barriers to economic inclusion*, Washington, 2011.

for work of equal value and legislation outlawing discrimination and sexual harassment within and outside the work place would have wide-ranging implications.

# Gender-aware social protection

The periodic financial crises that have accompanied globalization explain the growing attention to social protection measures within the international development community. Recognition that for poorer workers in the informal economy, risk and vulnerability are an endemic feature of their lives and livelihoods has also led to growing efforts to extend social protection to workers in the informal economy, those who were previously excluded by social security measures tied to formal employment. Evaluations of these programmes suggest that, properly designed, they can serve not only to provide families with a measure of security but also serve to build their asset base and connect them to market opportunities and health, education and other social services. For women, in particular, whose options are more limited, the benefits often outweigh those for men.

However, social protection schemes still remain piecemeal and fragmented. Given the volatility of global market forces, the need for a basic level of social security to cope with the resulting uncertainty as well as the importance of on-going investment in the knowledge and skills of the labour force, there is a strong case for institutionalizing social protection as the backbone of wider social policy measures for protecting, promoting and transforming the livelihoods of those whose access to mainstream opportunities is otherwise precarious and unpredictable. This feeds into the earlier point about the importance of the effective provision of 'public goods' as part of the social capabilities needed to generate development. As the Bachelet report<sup>14</sup> suggests, in poorer countries, this can begin with a basic social floor for all citizens and be built up incrementally over time.

# Organization, voice and collective action

As we noted in the introduction, the Millennium Declaration strongly reaffirmed international commitment to uphold the Universal Declaration of Human Rights. It singled out for special attention women's human rights and declared its resolve to combat all forms of violence against women. Yet the Millennium Development Goals themselves are couched in largely technical terms, with no mention of these human rights commitments. The fact that the single most important issue highlighted in the international consultations on gender equality in relation to the post-2015 agenda is violence against women and girls tells us that this is a global issue, one that unites women's organisations and their allies across the world. The governments that will meet in 2015 to agree on the post-2015 agenda must show that they have heard this message. Violence against women and girls is one of the most widespread manifestations of gender inequality across the world, including domestic violence within the home, to sexual and other forms of violence on the streets, to the use of rape as a weapon of war in situations of conflict. Violence against women is now clearly recognised as a human rights issue. Its health costs for women and for society have been widely documented. What the aftermath of the rape of the medical student in Delhi in December 2012 also revealed, is that it is also an economic issue. Fear about their physical safety has led to many thousands of

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<sup>14</sup> International Labour Office, Social protection floor for a fair and inclusive globalization. Report of the Social Protection Floor Advisory Group, Geneva, 2011.

women leaving their jobs or refusing to work after dark, leading to a dramatic decline in female productivity.

Experience has shown the laws and policies intended to advance gender equality or women's rights do not automatically translate into concrete outcomes, particularly if they seek to transform long-established gender norms, without sustained efforts on the part of civil society actors. Civil society organizations, including many women's organisations, have frequently been the moving force that led changes in laws and policies that have sought to uphold women's rights both in relation to work and in the wider society. They have provided, and must continue to provide, the bottom-pressure that ensures their implementation and holds duty bearers accountable. This suggests that building women's capacity to play an active role in civil society may be a critical precondition to ensure that international and national commitments to women's rights and gender justice are honoured in the post-2015 agenda.

Building women's organizational capacity will give them greater voice and influence in advancing their own needs, interests and priorities with powerful actors within the market and state arena whose actions may have created barriers to women's economic progress in the past but who could be pressured to become agents for change. For poorer women and girls, these organisations have been often most effective when they begin with their livelihood priorities. Trade unions have historically played this role but with the growing informality of work, they have had to adopt different strategies to expand their membership. At the same time, new forms of organizations are emerging that are more responsive to the constraints faced by women workers in the informal economy.<sup>15</sup> These offer a more joined-up approach to tackling gender-related constraints, straddling the spheres of production and reproduction, issues in both domestic and public spheres, using the law to build organisation and using organisation to reform the law.

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<sup>&</sup>lt;sup>15</sup> N. Kabeer, R.Sudarshan and K.Milward, *Women organising in the informal economy: beyond the weapons of the weak*, Zed Press, London, 2013.