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Women's economic empowerment in the context of the
global economic and financial crisis

Overview of Women's Economic Empowerment Issues*

Submitted by

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

I. INTRODUCTION

Women's empowerment is one of the most salient issues that are presently being addressed globally. This interest, though, goes back many decades, following the sustained efforts of women around the world to reclaim their rights as part of human rights, coupled with the United Nations unflinching support to and involvement in women's concerns. The primordial importance of women's empowerment was universally recognized and illustrated by its adoption as one of the Millennium Development Goals.

In fact, what does empowerment entail? According to the World Bank, empowerment refers to "the expansion of assets and capabilities of individuals to participate in, negotiate with, influence, control and hold accountable the institutions that affect their lives" (World Bank, 2004, p. xviii). This could be translated pragmatically into facilitating their access to economic and financial resources, securing for them decent and full-time employment opportunities, formulating adequate legislation and adopting gender-sensitive macroeconomic policies for that purpose. To this should be added working on changing the stereotyped attitudes regarding the distribution of roles between men and women.

Although significant progress has been achieved in many variables that contribute to women's economic empowerment- such as education and share in the labour market- the pace of this empowerment "has been slow and uneven across regions" (United Nations, 2009: 2). This could be partly explained and is, in fact, compounded by the cultural, social, and religious norms and traditions prevailing in many parts of the world.

In this paper, an attempt is made at:

- examining the various elements of economic empowerment, their implications at the micro (individual) and macro (economy at large) levels and highlighting constraints to this empowerment; and
- addressing these constraints through looking into various measures that could be used to alleviate them.

II. ECONOMIC EMPOWERMENT: ELEMENTS AND CONSTRAINTS

Resources, be they economic or financial, have a great impact on women's economic empowerment. Their uneven gender distribution jeopardizes women's participation in development and consequently slows down the process of equitable and sustainable growth. At the household level, it leads to dependency on the male provider who is often considered as the breadwinner of the family and consequently the decision- maker.

It has been observed that a more gender-equitable distribution of these resources tends, at the micro level, to improve women's productivity and enables them to use the time saved to promote their own personal development, partake in community activities and invest in children's well-being, health and education. This gets translated at the macro-level into

more productive human resources, leading to higher levels of economic growth and increasing the opportunities of formal employment for women (United Nations, 2009).

Labour

Labour is often the only resource available for both men and women to earn a living. Being employed or “having a job is not, however, the end goal, having a job that offers an employee a decent wage and working conditions, while satisfying their sense of contribution, achievement and fulfillment is” (El Zanaty and Associates, 2007, p.43).

All too frequently, decent employment is not the norm as far as women are concerned, particularly in developing countries. In countries where structural adjustment programmes have been implemented, a large number of women have lost their secure jobs, as a result of the shrinking of the public sector. This is accentuated during periods of economic crisis when the bulk of the newly created jobs are in the informal sector with all the drawbacks that such jobs are associated with, be it in terms of sustainability, remuneration or social protection.

In addition, gender segregation prevails with women clustering in specific sectors which have become feminized and are considered to be more compatible with women’s nature (such as nursing, teaching and secretarial work) and the double burden they carry—earning a living and caring for their families. One clearly notices here the impact of norms and traditions where women’s primary role is still considered to be, in many parts of the world, that of a homemaker and a care provider. This double burden is often viewed by employers as an impediment to their productivity. On the other hand, with men being considered primarily as breadwinners, preference is often given to them, when employment opportunities arise, even if women are equally qualified (UNIFEM, 2004). When they succeed in catching such opportunities, women somehow do not succeed in reaching top decision-making positions, nor in earning the same salaries as men. Their employment is not translated into upward mobility.

It should be noted, though, that often women are not equally qualified and gender discrimination in educational opportunities could partly explain discrimination in the labour market. In addition, there is, in many parts of the world, a mismatch between market needs and fields of specialization in which women cluster, along with inadequate vocational and technological training, particularly in non-traditional skills. “Providing lifelong opportunities in a whole range of fields can be a vital means of empowering women through both better knowledge and an ability to earn a living” (World Bank, 2004: 42).

Earning an income does not, however, necessarily empower women. Although women might have the legal right to full and independent use of their income, the patriarchal system prevailing in many countries prevents them from making such decisions on their own. Their husbands, fathers or brothers can heavily influence their choices, illustrating the predominance of social norms over legal rights (Khalaf, 2010).

Women's share in the labour force has, nevertheless, increased globally—although at different paces—with one of the lowest rates being registered in the United Nations Economic and Social Commission for Western Asia (ESCWA) region¹ where it stands at less than 25 per cent of the total labour force (World Bank, Gender Stats: June 2009)

Furthermore, it should be noted that women's earnings, job choices and leisure time are jeopardized by the unremunerated care work they provide to their families and for which they are, in most cases, solely responsible. This leads to an expansion of their tasks to include both their productive and reproductive roles, rather than to a redistribution or division of these tasks between women and men. To remedy this situation, poor women in developing countries often resort to self-employment, while the well-to-do among them seek domestic help, who are often poor migrant female workers, seeking a job outside their country to secure a living for the families they leave behind.

Economic Resources

Economic resources refer to direct factors of production and encompass both immovable and movable assets. The former include basically land, housing and infrastructure and the latter productive equipment and technology (United Nations, 2009).

Access to and control over land and property is vital to ensure the livelihoods of families and the well-being of their members. Evidence indicates that women's control over these resources often enables them to dispose of the product of their labour, increases their contribution to the decision-making within the family, and has a positive impact on their children's health and education.

Gender inequality in access to land seems, however, to prevail, basically because of discriminatory inheritance laws which usually favour men; as well as prevailing norms and traditions. In countries where inheritance laws are not uniform and are based on religious edicts, there is discrimination not only between women and men, but among women themselves.

Even when women are legally entitled to land, they often cede it willingly to their brothers, because traditionally, it should remain in the family name. The same logic holds true in the case of housing property, which is generally registered in the name of the husband, even if his wife has contributed financially to its acquisition, leading to intricate problems in case of marital conflict.

Provision of adequate infrastructure in terms of transportation and water supply is also imperative. Women, particularly in poor rural areas around the world, suffer from the lack of adequate transport facilities, and from the barriers imposed, in some cases, on their use of public transport. They spend a substantial amount of time ensuring that their products reach the market. This state of affairs has adverse effects on their health, their

¹ The ESCWA region comprises 14 Arab countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Sudan, Syrian Arab Republic, United Arab Emirates and Yemen .

daughters' enrollment in schools, their involvement in community activities and their leisure time.

The same holds true in the case of water. Securing water of good quality and adequate in enough quantities is one of the most consuming activities that women and children undertake in many regions of the world. According to the 2008 UNIFEM report, women and children in Africa spend yearly 40 billion hours collecting water. Freeing them from this task would reduce women's time poverty, empower them both economically and politically through enabling them to devote more time to income-generating activities and participate more actively in public life, while leaving some time for themselves to dispose of it the way they please. This leisure time could be increased if modern improved technologies are introduced at the production and information levels. Very often, however, these technologies are not within the women's financial reach and are too sophisticated for them, because of their low educational and technical training levels.

Financial Resources

Financial resources refer to money-based resources, be they of a public or private nature. They include government expenditures, private financial flows and official development assistance on one hand, as well as income, credit, savings and remittances (United Nations, 2009).

Women face difficulties when dealing with formal financial institutions because their ownership of assets is often limited and they cannot meet collateral requirements. As a result, women get a much smaller share of the credit extended by banks. This is well illustrated by the case of Yemen where their share in the credit and financial facilities provided by the Cooperative and Agricultural Credit Bank in 2005 amounted to 1.7 per cent, while that of men reached 98.3 per cent (United Nations, 2007). Women pay also a higher collateral than that requested from men. In the case of Egypt, it is estimated to be 25 to 30 per cent higher (El Mahdi, 2006). As for the very poor, particularly in the rural areas, they are bypassed by formal credit.

Furthermore, and as a result of the structural adjustment policies adopted by many developing countries, the role played by the public sector in the provision of financial services has declined.

The adoption of microfinance seems to provide an adequate solution to these shortages. Women beneficiaries of such programmes are usually entitled to small loans, given the size of the enterprises they run. These loans do not usually enable them to grow their businesses. There is, however, strong evidence that microfinance programmes have a positive impact on income and contribute to reduce its fluctuations (United Nations, 2009). But whether it succeeds in empowering women remains to be seen. "Poverty alleviation as measured by increased income is not sufficient for women's empowerment because intra-household inequalities mean that women do not necessarily benefit from increases in household income, even when they are major contributors" (Mayoux, 2002: 77).

This empowerment is also mitigated by the fact that many microfinance programmes focus only on women's access to financial resources, without providing them with additional benefits linked with the acquisition of managerial and financial skills, increasing their awareness about their rights or helping them create networks to access potential markets.

Women also face serious problems during contingency periods. This is due to the discrimination to which they are subjected, essentially in terms of access to decent and permanent jobs in the formal sector, levels of earnings, property rights and care provision. With social security often linked to formal employment in many developing countries, women's access to it is limited. This is particularly serious for elderly women who often have not worked at all or have done so for very short periods. The situation is worsened by the adoption of structural adjustment schemes during periods of financial and economic crises.

III. CONCLUSIONS AND RECOMMENDATIONS

It is obvious that women's economic empowerment has not been achieved, despite the numerous and substantial efforts undertaken globally for this purpose. Although their participation in the labour force has increased, it has taken place with wide variations in different parts of the world. They are also still involved to a great extent in the informal sector, where their work is not properly accounted for. In addition, women's unpaid time is assumed to be "free" with no significant opportunity costs that are worthy of being considered in policy formulation (UNIFEM, 2004). Care provision within the household remains their domain; they carry the brunt of it whether employed or not. The improvement witnessed in their level of education is often not commensurate with market needs.

Horizontal and vertical gender segregation still prevails, with women clustering in specific sectors that are considered to be compatible with the stereotyped role assigned to them as homemakers and care providers and with their societal image as designed by norms and traditions. As a result, they have not reached decision-making positions that would enable them to contribute to the formulation, adoption and implementation of policies that would enhance their economic and social status, in both the private and public spheres.

In addition, women in many parts of the world suffer from discrimination in access to financial and economic resources, a situation which adversely affects their productivity and their contribution to the process of economic growth. It is important to note in this respect, that in addressing this issue, the socio-cultural dimension needs to be taken into account, given the strong interdependency that exists between it and the economic one.

Given this reality, it is imperative to adopt policy measures to ensure that women's economic contribution gets both recognized and strengthened, in view of its impact not only at the micro level, but at the macro level as well. To be successful these measures

should involve more than one actor. They require the concerted efforts of the governments, the private sector, and non-governmental institutions.

At the government level, the policies adopted should entail economic, social and legal dimensions. The government action should focus on:

- Ensuring adequate funds to finance the economic and social infrastructure. Providing a supportive infrastructure, in terms of improved means of transportation, water and electricity supply would reduce women's workload, thus increasing their leisure time and facilitating their participation in the public sphere.
- Developing gender-sensitive employment strategies to secure decent and full-time work for both women and men and reduce wage gaps.
- Adopting recruitment procedures in the public sector which do not discriminate against women,
- Adopting measures to secure an adequate, if not equal, representation of women in economic decision-making positions; in governmental or private institutions.
- Ensuring equal access to health services and social security schemes to all women.
- Providing women with educational services and technical training which are compatible with market needs.
- Improving the image of women as depicted in the media and in the textbooks by highlighting the important role they can play as agents of change and development.
- Promoting social policies that would help working women strike a good balance between their duties inside and outside their homes. These could include the creation of nurseries on working sites, providing assistance to the elderly, the financial burden of such ventures being shared by the Government, employers, and beneficiaries.
- Promulgating laws that would enhance women's participation in the political life of their countries, by increasing their share in the executive, legislative, and local bodies, ensuring thus their active participation in the formulation and implementation of policies that would promote gender equality.
- Amending laws that discriminate against women's economic rights, such as laws related to inheritance, property, and access to credit.

Such changes cannot be initiated and implemented by Governments alone. They require the approval and support of civil society. Non-governmental organizations could be quite instrumental in highlighting the issue of women's economic empowerment and lobbying for its achievement. They could also increase the awareness of both women and men about the importance of women's economic contribution—whether monetized or not—at the levels of both the household and the economy at large. They could also be providers of services that would complement the task of microfinance institutions, through the provision of training in business skills and the creation of marketing networks.

These recommendations are far from being exhaustive. They could, however, if properly implemented, put the process of women's economic empowerment on the right track.

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