

Commission on the Status of Women

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PANEL I

**Eradicating poverty, including the empowerment of women
throughout their life cycle in a globalizing world**

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[English]

Introduction

The expert group meeting on the theme of the "Empowerment of women throughout the life cycle as a transformative strategy for poverty eradication" was held in New Delhi between 26-29 November 2001. It was hosted by the Government of India and organised by the Division for the Advancement of Women. This paper draws on the deliberations and conclusions of this meeting.¹

By prioritising the goal of reducing poverty among women and girls within the current moment, the participants focused on issues of economic globalisation, including trade and financial liberalisation, social policy, global governance, and women's empowerment. The main emphasis of the discussions was on issues, policies and actions related to reducing poverty as experienced by women and girls, as well as the facilitation of their empowerment.

Poverty

Building on the conclusions of the Fourth World Conference on Women in Beijing,² the participants underlined the reality that women and men experience poverty differently. Poverty was defined as a lack of access to, and control over, productive resources, physical goods and income which result in individual and/or group deprivation, vulnerability and powerlessness. Poverty has various manifestations, including hunger and malnutrition, ill-health, and limited or no access to education, health care, safe housing, and paid work environments. Women and men who live in conditions of poverty also experience economic, political and social discrimination.

Poverty, then, is not merely a function of material conditions but is also constitutive through the institutions and ideologies that inform the material realities of women and men and ascribe different meanings to their lives.³ Women and girls are more vulnerable to poverty because of gendered inequalities in the distribution of income, access to productive resources such as credit, command over property, control over earned income, gender biases in labour markets, and the marginalisation/exclusion that women experience in a variety of economic and political institutions.

Empowerment

Women's empowerment has multiple meanings and is associated with a diversity of strategies. For example, within the mainstream development discourse of the 1990s, it was often used by

¹ United Nations. 2001. "Empowerment of Women Throughout the Life Cycle as a Transformative Strategy for Poverty Eradication". Report of the Expert Group Meeting, 26-29 New Delhi, India. EGM/POV/2001/REPORT. New York: United Nations. United Nations. 2002. "Thematic Issues Before the Commission on the Status of Women". Report of the Secretary-General. E/CN.6/2002/9. New York: United Nations.

² United Nations. 2001. **Beijing Declaration and Platform for Action with the Beijing +5 Political Declaration and Outcome Document**. New York: United Nations.

³ Although the causes of poverty may be similar across countries, analyses of the conditions of poverty, the processes that produce it, and the formulation of poverty reduction policies and programmes, must be spatially and temporally specific in order to best address its gendered dimensions.

organisations focused on enlarging the choices and productivity levels of individual women, for the most part, in isolation from a feminist agenda; and in the context of a withdrawal of state responsibility for broad-based economic and social support.⁴ However, in the 1970s, when the concept was first invoked by women's organisations, it was explicitly used to frame and facilitate the struggle for social justice and women's equality, through a transformation of economic, social and political structures at the national and international levels.

Women's empowerment is assumed to be attainable through different points of departure, including political mobilisation, consciousness raising and education. In addition, changes where and when necessary, in laws, civil codes, systems of property rights, and the social and legal institutions that underwrite male control and privilege, are assumed to be essential for the achievement of women's equality. As many scholars note, empowerment is both a process and a goal. Empowerment strategies are informed by the reality that women experience oppression differently according to their race, class, colonial history and their country's position in the international economic order.

Poverty Reduction and Empowerment Linkages

The participants of the meeting agreed that it is difficult to define the correlation between women's empowerment and poverty reduction. Both empowerment and poverty represent rather complex and multidimensional phenomena that cannot be captured by single indicators. In addition, the lack of timely, reliable and sex-disaggregated data for many regions of the world continue to pose a problem in assessing the situation of women and men in poverty, and consequently, the effect of any particular poverty eradication and empowerment policy or programme on women and men.

Poverty Reduction in a Globalising World: Opportunities and Challenges

During the forty-fifth session, the Commission on the Status of Women was astute in its decision to consider the theme of "eradicating poverty, including through the empowerment of women throughout their life cycle in a globalising world". By adopting this theme you challenged the expert group meeting to situate our analyses of, and strategies to address, the gendered dimensions of poverty within the current economic moment, described by many as globalisation.

The processes of globalisation offer both opportunities and challenges for poverty reduction and the empowerment of women. Although the last century experienced notable progress in certain areas of human development, at this, the beginning of the 21st century, the scope and depth of human deprivation remain profoundly significant, and there continues to be growing inequality and social polarisation.

Economic globalisation is characterised by a deepening of markets across borders, facilitated by a surge in technological innovations centered on information technology, and decreases in communication and transportation costs. These processes are deeply historical and

⁴ Bisnath, Savitri and Diane Elson. 1999. "Women's Empowerment Revisited". Background Paper, **Progress of the World's Women 2000: A UNIFEM Report**. New York: UNIFEM.

geographically uneven.⁵ Globalisation partially results in an increase in the scope of the market, the harmonization of legal and judicial norms and political and economic systems, and an intensification or deepening of the levels of interaction, interconnectedness and interdependence, albeit uneven, between and within states. In addition, it is often invoked to define a set of processes, such as trade liberalisation, that give it its spatial effects and specificities.⁶

The scope and intensity of globalisation are highly differentiated in their consequences. For example, the processes of international integration and growth for some countries and regions are happening hand-in-hand with the marginalization of others. In addition, inequality, both within and between countries, has been on the increase. According to World Bank⁷ statistics,

One sixth of the world's population produce 78 per cent of the world's goods and services and get 78 per cent of the world's income; an average of \$70 per day. Three-fifths of the world's people in the poorest 61 countries receive 6 per cent of the world's income; less than \$2 a day. However, this poverty goes beyond income. While 7 of every 1,000 children die before age five in high-income countries, more than 90 die in low-income countries.

The 1999 **Human Development Report** also documented an increase in inequality between countries. The number of individuals in Eastern Europe and Central Asia living on less than US\$1 a day has risen in the last ten years to 13 million people. In South Asia and Sub-Saharan Africa the increase is 35 million and 39 million respectively. Unfortunately, we have no clear figures of the gendered dimensions of these sobering facts.

Despite these stark realities, there has been a growing “official” consensus⁸ that the best way to achieve development and reduce poverty is to enhance the role of the market. This has most recently been articulated in the calls for ‘Trade, not Aid’. Thus, a broad range of policies, including poverty reduction policies, are now debated almost entirely in terms of the ways in which they do, or do not, enhance the ‘free market’.⁹ Within this context, economic liberalisation and privatisation have been the preferred policy instruments of the proponents of globalisation at both the international and national levels.

Economic Liberalisation

⁵ Generally speaking, there are multiple processes of globalisation, that interact in contingent and particular ways, have complex and contradictory effects, and are in part politically constituted and contested.

⁶ Gill, Stephen. Forthcoming. “Towards a stark utopia? New Constitutionalism and the politics of globalisation”, in Lourdes Beneria and Savitri Bisnath eds. **Global Tensions: Opportunities and Challenges in the World Economy**. New York: Routledge. Kabeer, Naila and John Humphrey. 1991. “Neo-liberalism, Gender and the Limits of the Market”, in Christopher Colclough and James Manor eds. **States or Market? Neoliberalism and the Development Policy Debate**. Clarendon Press.

⁷ World Bank. 2000. **World Development Indicators 2000**. New York: Oxford University Press.

⁸ This notion of a ‘consensus’ has, to varying degrees, foreclosed, silenced and marginalized alternative discourses and approaches to neo-liberalism.

⁹ This is apparent in the Monterrey Consensus document <http://www.un.org/esa/ffd>.

The erosion of barriers to trade has been promoted with the assumptions that ‘free trade’ will lead to increased productivity, growth and competition, and reduced poverty levels. However during the last decade, many countries have opened their markets to international competition at a pace that is faster than that experienced in increased growth and reductions in poverty levels at the national level. In fact for countries in Eastern Europe, economic restructuring has led to varying degrees of social polarisation and decreases in the well-being of women and girls.

There is no convincing evidence that openness systematically reduces poverty or improves the quality of life for the vast majority of women and men in developing countries. As the South-east Asian financial crises have revealed, openness can often exert pressures that can result in deepening poverty and the widening of income and wealth disparities within countries. According to Dani Rodrick, “in practice, the links between openness and economic growth tend to be weak, and contingent on the presence of complementary policies and institutions. The fundamental determinants of economic growth are the accumulation of physical and human capital and technological development.”¹⁰ This statement positions both economic and social factors as critical to growth and poverty reduction, a point I will return to below.

The participants of the expert group meeting noted that the effects of globalization for poverty reduction and the empowerment of women and girls are contradictory and partially dependent on resource endowments, infrastructure, labour market policies, skills and educational levels, socio-cultural norms, women’s and men’s positions in the processes of production and reproduction, and the position of the country in question within the global order.

In terms of the labour market, women’s access to more and better jobs has been widely recognized as important in facilitating poverty eradication efforts. However, not all groups of women benefit from the gains of trade. In South-east Asia, some groups of young women and rural migrants have gained employment in export-oriented industries, while others, many of whom are older women working in state-owned enterprises and import competing industries, have suffered job losses as a consequence of economic restructuring and trade liberalization.

The positive gains in the demand for female labour may, however, be negated by the decline in the proportion of jobs that have security of employment, protection against unfair dismissal, as well as rights for pension, health insurance, and parental leave. In particular, women workers in many sectors of the economy rarely enjoy the wide spectrum of social and economic rights specified in national and international legislation, including the right to social protection and to form and/or join trade unions. In addition, the processes of informalization and decentralization have resulted in an increase in both employment instability and unemployment. Job and labour market insecurity¹¹ have pronounced effects on workers at the lower end of the educational and

¹⁰ Rodrick, Dani. 1999. “The New Global Economy and Developing Countries: Making Openness Work”. Policy Essay N. 24. Washington DC: Overseas Development Council. p. 9.

¹¹ This is partially related to the volatility of investment flows and relocation of certain low-skilled industries.

labour market hierarchies.¹² These workers have tended to be women, however and more recently, job and labour market insecurities are also experienced by male workers.¹³

Given that social benefits are typically linked to participation in full-time employment, the insecure labour market also makes it more difficult for women to establish rights and entitlements which are often critical to their well-being at the end of their lives. Furthermore, the extent to which increased trade has led to employment expansion in developing countries appears to be geographically uneven and largely confined to a small group of countries.

The effects of trade liberalization on women in developing countries, specifically in terms of employment and food and livelihood security, will become increasingly apparent as the multilateral trading agreements are implemented and their impacts are documented and analyzed. Possible costs, due to the agreements on agriculture, services and intellectual property rights, can include those related to the possibility of higher prices for food, health care and education. For some countries, the surge in imports resulting from the elimination of tariffs can result in the displacement of local consumer industries that produce goods such as textiles, clothing and agricultural products, most of which tend to employ women.

It was agreed that the promotion of 'free trade' and open capital markets more specifically, have been accompanied by a narrowing of choices in macroeconomic policymaking at the national level. Policies that promote fiscal restraint are often encouraged without sufficient attention to national particularities. This agenda has placed a number of policy and financial constraints on Governments, who are also confronted with increasing poverty and social polarisation within their countries. For example, during the South-east Asian financial crises, subsidies on fuel and food were cut in order to tighten the budget, an unintended outcome of this policy was an increase in the prices of basic necessities. This increase, coupled with the fact that the setting of high interest rates tended to benefit middle- and high-income groups, worsened the income disparity and social polarisation in the region.¹⁴

Privatisation

Public funding and the delivery of social services has been a cornerstone for gender equality and poverty eradication in advanced welfare States. However, the adoption of austerity measures as a component of economic restructuring, and the integration of countries into the global economy, have resulted in the downsizing of public services and the re-allocation of social services to commercial interests, nongovernmental organisations, and families.

¹² Beneria, Lourdes. 2001. "Shifting the Risk: New Employment Patterns, Informalization, and Women's Work", in International Journal of Politics, Culture and Society, 15(1): 27-53.

¹³ Standing, Guy. 1999. "Global Feminism through Flexible Labour: a Theme Revisited", in World Development, 27(3): 583-602. Standing, Guy. 1989. "Global Feminism through Hexible Labour", in World Development, 17(7).

¹⁴ Azis, Iwan J. forthcoming. "Financial Crises and Policy Making: the IMF and Alternative Perspectives", in Lourdes Beneria and Savitri Bisnath eds. **Global Tensions: Opportunities and Challenges in the World Economy**. New York: Routledge.

The public funding and delivery of a wide range of goods and education, health and welfare services including day care, care for the aged, care for the retired and disabled, is vital to women who, under existing social arrangements, are ultimately the ones to balance their time and energies between income-earning activities and the care of human beings. Thus the current trend towards privatisation of health care and education is disturbing.

In addition, one of the major drawbacks of the private system is its in-built gender bias. Due to gender discriminatory forces within the labour market and women's care responsibilities, women tend to earn lower wages and work fewer years than men. Thus, in private systems where benefits are calculated strictly on contributions in the formal sector, women tend to be at a disadvantage. Poverty in old age often results from the lack of adequate resources available throughout the life cycle, as well as insufficient benefits during the later stage of life.

Integrating Macroeconomic and Social Policies

As recent financial crises have revealed and as many scholars argue, the efficacy of macroeconomic policies hinges not only on economic factors, but also on country-specific social, political, and infrastructural conditions and policies. Despite this reality, there is a tension between economic and social policy making at the international and national levels. Within the context of development, and poverty eradication more specifically, this tension is important to understand, because the current artificial separation of the economic from the social in macroeconomic policy making will fail to result in poverty reduction for women and girls because macroeconomic policies as currently conceptualised will necessarily compartmentalise their realities.

Economic policy is typically assumed to be about the enhancement of growth, measured by gross domestic product per capita, while social policy is presumed to be about improving the well-being of groups. Though useful from a conceptual and methodological point of view, this distinction erases the *constitutive* nature of the economic and the social. In other words, it fails to acknowledge that economic and social policies can both reinforce and sabotage the other. For example, the proponents of neoliberalism presume that labour is mobile across industries and regions. However, this assumption does not differentiate between the differences in the ability and cultural acceptability of female and male workers to move from one type of job to another, or to move from one spatial location to another in the pursuit of a job. In terms of the former, women often do not enter the market with the same resources, entitlements and capabilities as men. In many countries, and within different sectors of the labour market, women's mobility tends to be more limited/restricted than men's. Thus, macroeconomic policies that are blind to these realities will serve to unintentionally reinforce existing inequalities between women and men. From an economic efficiency perspective, the full productive capacities of women will remain underutilised.

A well known example that reveals links between economic growth and social policy is the relation between education and long-term economic growth. Studies indicate that educating women and girls is an investment with both social and economic returns. Similarly, health care and nutrition improve the general health status of the population and thus the productive capacity of the labour force. In effect, macroeconomic policies that prioritise so-called social goals and objectives, including the education and health care of women and girls, in addition to traditional

economic ends, may more successfully serve to improve the well-being of women and girls living in conditions of poverty, as well as result in increases in economic growth.

Recommendations

Building on the recommendations of the Beijing Platform for Action and the outcome document of the twenty-third special session of the General Assembly the expert group meeting directed its recommendations to Governments, the United Nations system, intergovernmental and non-governmental organizations, the private sector, and various actors of civil society.

The participants underlined that a successful agenda for eradicating poverty and its gendered effects requires the dismantling of values, structures, and processes that maintain women's subordination and justify inequality in access to political, social and economic resources. It was also noted that the incidence of both poverty and vulnerability among women over their life cycle is also influenced by issues of class, race, ethnicity, and location, as well as religious practices. Successful strategies for reducing poverty and enhancing empowerment would have to be attentive to such differences.

I will highlight several key recommendations of the meeting, focusing on those that attempt to build on the opportunities presented by globalisation, to reduce poverty as it is experienced by women and girls.

On Poverty

- Review existing poverty eradication policy frameworks and strategies to ensure that they reflect the opportunities and challenges of the current global environment, and that they adequately address the needs of women and girls living in poverty.
- Collect, compile and disseminate timely and reliable data, disaggregated by sex and age, to assess and monitor poverty among women and men.
- Encourage and support the development of quantitative and qualitative indicators to measure poverty and the impact of poverty eradication policies and programmes on women and men.

On Empowerment

- Identify and address, through the design and implementation of policies and programmes, factors inhibiting women's empowerment, including violence, lack of productive resources, credit and financial services, lack of access to information, traditional norms and attitudes that promote the subordination of women, and discriminatory laws and practices.
- Facilitate the creation of an enabling environment for the appropriate and effective allocation of resources, including through national budgetary processes. This entails the identification and redressing of specific constraints that women face in gaining access to property rights and social protection. Opportunities for the substantive participation of women's groups must be encouraged.

On Poverty Reduction and Empowerment Linkages

- Support the development of methods and indicators to measure progress in terms of the empowerment of women, and to determine the correlation between women's empowerment and poverty eradication.

On Economic Liberalisation

- Identify and address the gendered dimensions of existing and new trade agreements to facilitate the eradication of poverty while promoting both economic growth and social development goals. Conduct sectoral analyses within the context of economic liberalisation, including in goods, services, intellectual property rights, the environment, competition, and investments in order to identify the effects on the livelihoods and prospects of women and girls living in poverty.
- Encourage, through appropriate economic and social policies, the balanced distribution of the gains from trade liberalisation including through taxes, employment, and re-training programmes.
- Ensure that the design and implementation of taxation policies do not disproportionately affect women.
- Regulate short-term capital flows to protect the livelihood strategies of poor women.

On Privatisation

- Ensure that any planned privatisation of social services and social protection do not have negative or disproportionate impacts on women, or the achievement of gender equality goals. Progressively extend social protection systems to cover economic sectors dominated by women, such as the informal economy and casual and flexible forms of work.
- Strengthen the role of the national and local government as actors in the production and delivery of adequate and affordable social services for women and girls, especially in such areas as health, education, child and elderly care, and access to water and sanitation.

On Integrating Macroeconomic and Social Policies

- Substantively integrate social development goals and objectives into macroeconomic policies. Thus, to the traditional macroeconomic fiscal and monetary performance objectives, which include steady growth, general price stability, and fiscal balance, must be added explicit social objectives, such as poverty reduction, social protection, and the adequate provision of basic social services, including education and health care. Promote increased and institutionalised co-ordination between economic, finance and social ministries and units at both the national and international levels.
- Review macroeconomic policies and strategies for financing for development, and ensure that the objectives of reducing the gendered dimensions of poverty and the empowerment of women are substantively incorporated.