

**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**

Written statement submitted by

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[English only]

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**The Millennium Summit Declaration resolves to “*promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and stimulate development that is truly sustainable...*”**

**A human rights approach to poverty reduction and gender equality**

- Discrimination does not occur indiscriminately but is usually mediated through a variety of channels, such as gender, education, social class, ethnicity, age, location and specific combination thereof. In Jesse Jackson’s words: “White males are one-third of the American population, yet they are 80 % of professors, 80 % of congress, 92 % of the Fortune 500, and 100 % of US presidents”.
  
- The term "feminised poverty" relates to diverse causes and impacts of women’s inequality, and goes well beyond the absolute numbers of poverty. Statistics such as: women are about twice as likely to live in poverty as men; girls represent nearly 60 % of the out-of-school children; young women are now contracting HIV/AIDS faster than young men; do not adequately describe the discrimination against women in specific circumstances.
  
- Generalisations about the ‘feminisation’ of poverty serve for advocacy purpose, but it is difficult to statistically corroborate “feminised poverty”. Average statistics do not make a compelling case. Based on national averages, several countries show no consistent pattern that women are more likely to live in poverty than men.
  
- Poverty has many faces and manifests itself in a diverse way across countries and social groups, and therefore difficult to quantify. To reach a more accurate picture of the gender inequality, a more disaggregated analysis of the many facets of poverty is indispensable. Not only do ‘average’ indicators give an inaccurate picture, they can be misleading.

- Although average national indicators are known to hide important disparities and realities, they exercise undue influence on policy-making. An average is nothing more than an abstract concept created to help us understand complex realities more easily. It is important to keep in mind that averages do not exist in reality, but only in the human mind. The moment one ceases to realise that the average is an abstract concept, one falls victim to the fallacy of ‘misplaced concreteness’. Unwarranted conclusions are drawn about concrete realities — but they are based on deduction from abstractions, not on real observations.
- An example of ‘misplaced concreteness’ is when average income is considered as a good proxy for well being. First, GDP measures only a limited range of welfare dimensions that involve market transactions; they do not include most of the care economy, which predominantly involves women. Second, average household income is an abstraction for most women who have little control over how household income is used. Third, the rate of economic growth for a country is an average indicator that hides enormous differences among groups of households and individuals - including changes in opposite directions. Its distribution is likely to be strongly influenced by the distribution of human, physical and financial capital. Hence, average growth rates of, say, 5 % does not guarantee that poor women will see their income rise by a similar rate, if at all.
- The risk of ‘misplaced concreteness’ also applies to gender analysis. In Côte d'Ivoire, for instance, a series of household surveys showed that primary school enrolment was determined by two major factors: the socio-economic status of the household and gender of the child. The fact that the average enrolment ratio for Côte d'Ivoire increased over that period hides different realities for children by gender and from different socio-economic groups. The disparity between the poor and the non-poor was found to be greater than between the gender groups; but the gender gap widened considerably over time. Boys from non-poor families saw a large increase in enrolment during the 1980s, whereas girls from poor families witnessed a large decline. No marked change was recorded for non-poor girls and poor boys.
- Generalisations based on averages are not always helpful or convincing. We do not mean to dismiss the use of averages and aggregate indicators, but statements such as ‘70 % of the poor are women’ and ‘two-thirds of the out-of-school children are girls’ are often inaccurate and of questionable value. Aggregate averages can be used - and abused - to provide evidence that backs up either side of the argument.

- The 1997 Human Development Report points out that not all countries show evidence that supports different poverty levels between male- and female-headed households. A recent World Bank report on rural poverty in China states that ‘available evidence does not suggest that women are greatly over-represented among the poor’. Such statements - that are based on aggregate averages - illustrate the risk of ‘misplaced concreteness’. The reality is that gender discrimination does not occur indiscriminately.
- The example mentioned earlier about enrolment trends in Côte d’Ivoire suggests that gender is more a liability to poor girls than to their non-poor counterparts. Similarly, evidence shows that women gradually become more vulnerable to HIV infection when the pandemic spreads; but this trend mostly concerns illiterate young women, not all women. Education emerges as a potent ‘vaccine’ to help avoid HIV infection.
- Generalisations about gender gaps overlook these realities. Documenting such important nuances will not only make the gender case more compelling and convincing, it will also point towards appropriate policy actions and programme interventions required to narrow gender gaps. Policy analysis and gender budgeting, therefore, must go beyond averages to avoid the fallacy of ‘misplaced concreteness’.
- There is no universally defined concept of poverty. The poor are not a homogeneous category; the causes of their poverty are not uniform. Data collection and disaggregation to document poverty among women is essential for formulation of poverty strategies.
- Gender equality is not a desirable by-product of development, but a core development goal in its own right. Gender discrimination is the source of endemic poverty and low economic growth; not as a cause for women’s vulnerability per se.
- They are vulnerable because they are unequal in political, economic, social and cultural status. This, like with other population strata that are discriminated on the basis of race or class and excluded from the mainstream of benefits and opportunities, directly relates to the universality and indivisibility of human rights.

### **Coping mechanisms**

- Poverty is the product of institutional, structural and social inequalities. It relates to practices, norms and traditions which curtail women’s rights to inheritance, to

ownership of assets, such as land, and bars their participation in decision-making. For instance, a study on Nigerian factory workers shows that women, unlike men, have developed special coping strategies by eating less protein and limiting the number of meals and walking rather than using transportation.

- Is micro-credit the answer? In India, three out of four national programmes for women's empowerment are basically micro-credit schemes. According to a study in Cameroon only 3% of women could access semi-formal credit, due to a lack of down payment. Interest rates are higher because women do not have collateral
- Analyses made by women's organisations, however, states that micro-credit is not a panacea. In spite of positive effects affecting women's every day lives, there is little empirical evidence to support a linear connection between micro-credit, poverty reduction and gender equality.
- There are few studies which explore the impact of self-help schemes on women's overall empowerment, change in traditional structures which often perpetuate gender inequality. The danger actually lies, as the UNDP India Office points out, in a prevailing focus on income generation with little concern for increased workloads, child labour involved, power sharing within households and the role of women in the division of household chores.
- It is not an issue of building on coping mechanisms, but rather an issue of transforming values and norms of social justice and human rights. This renders the work of local, national and international institutions even more complex demanding multidimensional analysis; leading to prescriptions that address the political, economic, social and cultural realities. It demands participatory approaches and governance solutions at the local level.

### **Gender sensitive budgets**

- Macro-economic policies which have until recently been viewed as gender neutral, which make them gender blind. The claim of gender neutrality actually reinforces their gender bias. One of the ways to address this is through gender sensitive national budgeting and fiscal policies. And yet, structural adjustments and macro-economic reforms in Eastern Europe, for instance, have shown that the cost of transition has been disproportionately borne by the poor and the impoverished middle classes, among them the majority of women whose incomes have diminished and whose unpaid work has increased markedly.

- New macro-economic thinking must incorporate the care economy as an economic output by drawing upon the interaction between the private sector commodity economy, public service economy and the household and community care economy. UNDP estimates that the value of the invisible work done by women is \$11 trillion dollars per annum and that the sum of the global output would be almost 50% greater if this work was included in the measurement of the economy.
- In Mexico, in 1995, women spent an average 28 hours a week on unpaid work in the household and 33 hours per week on employment outside the home. Men on the other hand spent 12 hours on unpaid work in the home and 40 hours on paid employment outside the home.
- Gender budgets and social audits are instruments to monitor how resources are mobilised and distributed and in whose interest. They are used to measure accountability, transparency and as tools to combat corruption. At the same time, budget analysis is a tool to challenge the existing political framework and power relationships. They are powerful policy tools with profound implications for social equity outcomes.
- Gender sensitisation of budgets is directly related to en-gendering macro-economic frameworks and policies to promote social justice and gender equality. Experience to date with gender sensitive budgets is that they have raised the awareness about the differential impact of macro-economic and fiscal policies on men and women, demonstrated that there is a means of making budgets gender sensitive and responsive to the needs of the poor and have led to more effective revenue collection. Gender sensitive budgets experience in South Africa has led to some important changes in the public spending policy. Gender budget initiatives were developed in South Africa, Namibia, Tanzania, India, and Mauritius.
- The Women's Budget Initiative (WBI) in South Africa, now applied in a number of countries in the region, has been a participatory undertaking. It involved the government and civil society alike. The WBI has published sectoral and provincial analysis of budgets. The sectoral approach implied: analysis of the status of men and women, disaggregation of data by gender, race, class and location, assessment of government policies in relation to identified gender gaps, assessment of allocation of resources and finally, their effectiveness in reducing gender disparities. The lessons learned from the South African initiative is that political will is crucial and that the

civil society has a critical role to play in this area. The initiative has also strengthened advocacy around gender equality.

- One of the main concerns is that it is often difficult to track budgetary allocations for social services. The 20/20 initiative has provided more insight into budgetary allocations for basic social services and constraints associated with restructuring the national budget allocations. Such constraints, for example, lie in the area of defense spending, tax collection and debt burdens.
- Reduction of public money for basic social services and the related introduction of users' fees have especially affected the poor and particularly women. The impact of user fees is essentially gender biased resulting in decreased services used by women in girls (as in the Nigeria example of women resorting to traditional medicine) and further perpetuates gender inequalities.
- Women, as demonstrated in household budget surveys, have different priorities than men and are ready to bear the cost of user fees when necessary by sacrificing personal nutrition and health. However, their financial ability to do so is even more limited than that of men due to income discrimination in the household. User fees have also resulted in decreased enrolment of girls in school since the choice has to be made between the girl and the boy in the family, a traditional gender biased choice of parents. User fees for health have dramatically reduced the demand for antenatal care. Therefore, there is no substitution for the state's responsibility to supply basic social services viewed as the basic human rights and equal to men and women
- Analysis of national budgets and fiscal policies at the international level can help track and monitor whether countries are meeting their international commitments, made at UN international conferences, on social and economic goals.

### **Gender, Poverty and Trade**

- UNDP has distributed at this panel its recent publication on **Trade, Gender and Poverty** (October 2001) written by Dr Nilufer Cagatay.
- The publication argues that the “success” of trade policies need to be evaluated not through market-based criteria per se, but in terms of whether such policies support and promote desired social outcomes such as equity, social inclusion, freedom from

poverty, development of human capabilities, realisation of internationally accepted human rights and democratic forms of governance in an environmentally sustainable manner. In short, this implies a people-centered approach to trade policies and the current world trade regime.

- From a policy perspective, the paper lends support to the idea that there is a two-way relationship between international trade policy and human development in general and gender based-inequalities in particular. On the one hand, trade policies produce different outcomes for men and women because of their different positions in the economy and society, in addition to their differential access to and command over resources. On the other hand, gender-based inequalities also affect trade policy outcomes. The precise implications of this will differ between countries and will depend on the level and pace of development of a country as well as the type of economy and sector. It is this dynamic, two-way relationship which should make gender analysis an essential component of trade policy formulation if we wish to contribute to the enhancement of human development and poverty eradication.
- The paper also argues that trade liberalization and export orientated policies in developing countries increase women's share in paid employment without a corresponding decrease in their household and care responsibilities, contributing to their "triple burden." Moreover, export orientated policies compel women to enter labour markets under much lower wages and working conditions, often making this a country's key 'competitive advantage' in the international arena.
- The paper also argues that the reduced expenditure to social services in governments' budgets as a result of trade liberalization which induced reductions in trade tax revenues, negatively affects women disproportionately to men, as women are forced to make up for the reduction in education, health care, clean water etc., by increasing their unpaid household work and care labour. Through these and other channels, gender insensitive trade liberalization policies are likely to raise women's burdens resulting in increased human poverty for both women and society as a whole (through, for example, decreased nutritional intake for other members of the household, especially children).
- From an economic growth and efficiency perspective, gender-based inequalities in control over resources such as land and credit constrain the output response and export capacity of the overall economy and thus limit the potential advantages that liberalized trade policy can provide to a society. Gender inequalities in education, health and access to farm inputs also often reduces output, productivity and growth



rates, resulting in lower export performance. Furthermore, lower wages for women as a competitive strategy may result in a steady deterioration in the terms of trade of developing countries vis a vis developed countries, especially in female intensive manufacturing exports, if adopted by most developing countries.

- The paper concludes that in order to generate sustainable enhancements in human development, gender based inequalities must be considered as an important and integral part of the 'social content' of trade policies at both national and international levels from the very inception of policy formulation. This will require a deeper and contextualized understanding of the interactions between gender inequalities and poverty, on the one hand, and trade policies and trade performance, on the other. Country-specific studies of the gender differentiated impacts of trade policies as well as country-specific studies on the ways in which gender relations and inequalities affect trade performance will be equally necessary.