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PREPARATIONS FOR THE FOURTH WORLD CONFERENCE ON WOMEN: ACTION FOR EQUALITY, DEVELOPMENT AND PEACE: REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE NAIROBI FORWARD-LOOKING STRATEGIES FOR THE ADVANCEMENT OF WOMEN

Second review and appraisal of the implementation of the Nairobi Forward-looking Strategies for the Advancement of Women

Report of the Secretary-General

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I. OVERVIEW OF THE GLOBAL ECONOMIC AND SOCIAL FRAMEWORK

- 1. Since the adoption in 1985 of the Nairobi Forward-looking Strategies for the Advancement of Women, 1/ the world has experienced far-reaching economic, political and social changes. In response to the economic crisis of the 1980s, greater emphasis was placed on policies of structural adjustment, economic liberalization and improved governance. These policies, together with the expansion of the world trade and international financial markets and with rapid technological innovation, strengthened long-term trends towards globalization, integration of markets and internationalization of production. As a consequence of these trends, the world economy became more interdependent and thus more vulnerable to economic and political upheavals as national economic policies acquired widespread international ramifications. Together, these changes led to economic restructuring that has shaped the development process in recent years and has had a significant impact both positive and negative on women's participation in development and on their economic, political and social status.
- 2. Perceptions of the meaning, causes and conditions of development have been significantly modified. The development debate now emphasizes sustainability and human-centred and gender-responsive development. In parallel with the evolution of the development debate there have been changes in the perception and content of what are known as Women in Development issues. The role of women in development is no longer perceived as almost exclusively linked with broad issues of public health and population policies such as nutrition, child-rearing and family planning; women are now recognized as agents of change, as an economic force in themselves and as a valuable resource without which progress in development would be limited. While there have been many global changes over the past decade, the most dramatic for the lives of most individual women have been the changes in the economy.
- 3. A number of shifts in economic activity have come to be understood as resulting from the interaction between the allocation by women of their time and incomes and economic variables that include prices, consumption patterns and production techniques. Women's actions in the economic sphere have come to be viewed as actively shaping economic development and not merely being influenced by it. Consequently, within the Women in Development agenda there has been a shift towards greater emphasis on economic growth, sound economic policies and productive employment as the areas of prime concern for the economic advancement of women.
- 4. More often than not, the economic reforms of the past decade were part of something larger than the simple restructuring of an economic domain. In many developing economies and economies in transition, economic reforms were part of a movement towards greater democracy, freedom and human rights. Precipitated to some extent by failures in economic development caused by extensive governmental intervention in resource allocation and production decision-making, the rapid process of democratization led to new opportunities as well as to new obstacles for women's advancement.
- 5. While providing genuine opportunities for women in transitional and developing economies to participate in the political, economic and social life

of their societies on an equal footing with men, democratization unleashed a variety of competitive claims on economic resources and on the political agenda by different political, ethnic, cultural and religious groups. The absence of democratic institutions and the other elements of civil society that serve to separate conflicting interests and turn the power struggle into a truly democratic process for all led, at least initially, to the marginalization of vulnerable groups that lacked a sufficient economic and political power base.

- 6. These changes have been found in all regions but have been particularly marked in terms of the situation of women in Eastern Europe, the Commonwealth of Independent States the Baltic States and other transitional States whose economies have deteriorated, especially in terms of ability to influence the process of economic and political decision-making. There, the general absence of the necessary civil institutions, an effective women's movement and of formal women's organizations capable of articulating women's interests and fighting for them in the competitive free-market environment led, at least during the first years of reform, to the exclusion of women from full participation in economic and political decision-making and to a loss of equality in terms of economic opportunities and advancement.
- 7. Changes in the work and lives of women all over the world are intricately related to changes in the global economic, social and political environment and to policy responses made within that framework. The traditional division of labour, differential access to factors of production and differences in the consumption patterns of men and women cause apparently gender-neutral policies to have a gender-specific outcome. Numerous studies show that the short-term costs of adjustment and stabilization are often distributed disproportionately so that women come to bear a greater share of the burden. On the other hand, there is evidence of a strong relationship between economic growth and the economic advancement of women. 2/ International economic conditions therefore form a backdrop against which the progress made in the implementation of the Nairobi Forward-looking Strategies for the Advancement of Women should be assessed.

A. <u>Trends in the global economy and in economic restructuring</u> as they relate to the advancement of women

- 8. Three interrelated sets of phenomena have shaped the world economy in the recent past and will continue to do so in the foreseeable future. They include:
- (a) The various responses to the economic and political crisis of the 1980s (structural adjustment in developing countries, industrial restructuring and the change of emphasis in macroeconomic policy-making in the developed market economies and economic and political transition in the economies in the former USSR and Eastern Europe);
- (b) Rapid technological innovation and its implications for the organization of work and for income distribution;
- (c) Growing economic interdependence and globalization of markets and production.

Together, these phenomena comprised what was termed a process of economic restructuring. This process affected women's socio-economic position in a complex and multidimensional way, causing changes in the level, patterns and conditions of female employment and modifying women's social roles.

1. <u>Developing countries: structural adjustment and</u> its impact on women

- 9. The world recession profoundly affected the majority of developing countries, particularly in Africa, Latin America and the Caribbean, and the Middle East. Those in Asia as a whole proved more resilient, though here, too, individual countries, such as the Philippines, were adversely affected by external shocks and global developments. Reduced demand for primary products, falling commodity prices, high and rising interest rates, the virtual disappearance after 1982 of private bank lending, and, in the case of the Middle East, the collapse of the regional oil economy in the mid-1980s all contributed to a steady worsening of the balance of payments and the virtual doubling of the external debt burden in the period 1983-1993. For the most part, the response of the developing countries has been to institute programmes of stabilization and structural adjustment designed to bring their economies into line with the new realities of the international marketplace and undertaken, more often than not, under the auspices of the international financial institutions.
- 10. In the past decade a large number of developing countries went through the experience of structural adjustment. In fact, the decade came to be known as the "decade of structural adjustment" as the World Bank made 59 adjustment loans between 1980 and 1988 3/ to assist countries with protracted balance-of-payments problems to stabilize their economies and correct distortions causing inefficiency. Policies were thus directed towards allocative efficiency, international competitiveness, market deregulation, "getting prices right", reduction of budget deficits and control of inflation. In the developing countries these policies were employed within the context of structural adjustment, which came to be viewed not only as a response to economic disequilibria but also as a prerequisite for long-term sustainable development. The divergence in economic performance among regions at the end of the decade reflected the varied experience of structural adjustment programmes. In some countries, the reform programme resulted in the resumption of growth, while in others political tensions and the erosion of human capital have hampered growth and decreased the production base. In recent years, some critics have argued that structural adjustment policies have not incorporated country- and gender-specific issues sufficiently.
- 11. While structural adjustment policies have been gender-neutral in design and implementation, it is now widely recognized that the social and economic inequalities of women in many countries have rendered them specially vulnerable to the effects of structural adjustment. However, this recognition has yet to be translated into gender-sensitive development planning. Methodological and theoretical difficulties, together with a lack of proper gender-disaggregated time-series data on the impact on women of structural adjustment, preclude any in-depth empirical assessment of the gender-related aspects. A significant body of analysis nevertheless exists and is based on inferences from the effects of

economic policies on main macroeconomic aggregates and a priori knowledge of differences in the ways women and men allocate their labour and income and of differences in their access to productive resources and public services. The uneven distribution of the short-term costs of structural adjustment between men and women is particularly evident with respect to decline in real income, loss of employment opportunities, deterioration of employment conditions and exacerbation of pressures related to reproduction and maintenance of human resources in the context of lagged supply response, rising prices and cut-offs in public expenditure.

- 12. The structural adjustment policies of the 1980s lacked gender awareness both at the conceptual level and in implementation. The underlying macroeconomic model did not take account of the fact that women are often unable to respond adequately to the opportunities presented in the context of expenditure-switching policies and to changes in relative prices and the incentives resulting from them for the reallocation of resources, because of persisting inequalities in gender relations and constraints posed by the sexual division of labour. Some analysts suggest that the social costs of adjustment have been shifted from the State to the household and to women in the household. As a result, structural adjustment policies in the 1980s were less efficient in the reallocation of female than of male labour, and less sustainable than they could have been if gender issues were taken into account. Economic development theory and planning have not yet addressed this problem fully.
- 13. However, should the emphasis on human investment that is being written into the third generation of structural adjustment packages continue, women could benefit from this new departure. $\underline{4}$ / This however, requires a conscious effort on the part of national and international policy makers to write a gender dimension into all projects and programmes, as much at the formulation stage as at the implementation level.

(a) Latin America and the Caribbean

14. Structural adjustment has been particularly intense in the economies of Latin America, where external indebtedness aggravated by falling commodity prices and increased interest rates caused a deep recession throughout the 1980s. The average annual growth rate of GDP in Latin America and the Caribbean in the 1980s was only 1 per cent as against 5.5 per cent in the 1970s. $\underline{5}$ / The decade was indeed "lost" for development as the annual average change in per capita GDP reached -0.1 per cent after having been at 2.0 per cent during the preceding decade $\underline{6}$ / (table 1). These changes were accompanied by worsening of income distribution which is now more inequitable in Latin America and the Caribbean than anywhere else in the world. $\underline{7}$ /

Table 1. Growth of world output and per capita GDP, 1971-1994 (annual average percentage changes)

						ľ	ch of rea per capit aal perce change)	a
	Gr	owth of	GDP (an	nual rat	es)			
_	1971- 1980	1981- 1990	1991	1992	1993	1994	1974- 1983	1984- 1993
World	3.9	2.9	0.3	0.8	1.1	2.5		
Developed market economies	3.1	2.6	0.7	1.6	1.0	2.5	2.3	2.1
Economies in transition	5.2	2.5	-9.0	-16.8	-10.0	-6.0		-2.9
Developing economies	5.6	3.2	3.4	4.9	5.2	5.0	1.8	1.9
Latin America and Caribbean	5.5	1.0	2.8	2.1	3.3	2.7	0.9	0.5
Africa	4.9	0.5	1.6	0.9	1.7	2.2	0.7	-1.1
West Asia	6.5	-0.2	-0.2	5.7	3.5	3.5	-1.8	-2.9
South and East Asia	5.8	7.0	5.3	5.2	5.4	6.2	3.5	3.8
China	5.9	9.0	8.0	13.2	13.4	10.0	4.9	8.4
Mediterranean	5.3	3.2	-5.6	-1.9	-0.3	4.0	2.2	-0.9

Source: World Economic Survey, 1990 and 1993 (United Nations publications, Sales Nos. E.90.II.C.1 and E.91.II.C.1); World Economic and Social Survey, 1994 (United Nations publication, Sales No. E.94.II.C.1). Forecast is based on Project LINK. Estimates are rounded to the nearest half percentage point. Growth of world output, 1971-1994, and per capita GDP, by country groups.

15. In the Latin American region, the adjustment process was both recessionary and regressive, and this was reflected above all in real wages and in employment. Thus, serious problems and difficulties remain, most obviously in the form of persistently high rates of poverty, the inequitable income distribution and, quite often, a deterioration in the provision of social services, which not only renders current democratic processes fragile, but also calls into question the sustainability and indeed the very nature of the economic recovery so far achieved. In addition, only a handful of countries have managed to fully consolidate the adjustment and stabilization policies undertaken, and the process is marked by many interruptions. 8/

- 16. The impact of the debt problem and the structural adjustment programmes has been especially severe in the Caribbean countries, with direct consequences for women's unpaid work, migration, human rights violations, domestic violence, sexual exploitation and availability of and access to health services. As for the particular case of Haiti, it was said that the difficulties were so extreme that they went beyond the parameters of the situation in the rest of Latin America and the Caribbean. 9/
- 17. The growth of the informal sector was the main variable in the readjustment of the Latin American labour market in the early 1980s. The rise in unemployment and informality was accompanied by massive declines in wage and a sharp rise in the precariousness of employment. Temporary and part-time work became increasingly widespread, while the overall quality of employment declined. Aside from the difficulty of measuring female participation in the informal and precarious sector, it can be said that the poorest women workers are to be found in the urban informal sector and that, if domestic employment is added, women's participation is above 70 per cent in most cases. Information on some countries of the region, based on household surveys, shows that women account for between 8 per cent (Panama) and 64 per cent (Cochabamba, Bolivia) of the informal sector workforce. $\underline{10}/$

(b) <u>Sub-Saharan Africa</u>

18. In Africa, particularly sub-Saharan Africa, economic conditions remain bleak, despite some modest improvement in current growth. Economic decline hit bottom in the mid-1980s when even nominal GDP growth rates turned negative. 11/0ut of the region's 45 countries, 28 suffered a decline in real GDP per capita. The decade of 1990s started with a minor improvement as growth in 1993 picked up to 1.7 per cent, which is still, however, well below the average annual population growth rate of 2.9 per cent for the period of 1985-1990. There has also been some modest improvement in sub-Saharan Africa's terms of trade, which suffered a decline during the 1980s and the early 1990s.

Table 2. Sub-Saharan Africa: selected economic and development indicators, 1980 and 1990

	1980	1990	Percentage change
Per capita GNP	582	335	-42.4
Per capita consumption	465	279	-40.0
Investment (percentage of GDP)	20.2	14.2	-29.7
Exports of goods	54.9	38.5	-29.9
Total external debt	56.2	146.9	161.4
Per capital food production index	107	94	-12.1
Memo item: Women in labour force	39.3	37.6	-4.3

Source: African Development Indicators (Washington, D.C., World Bank, 1992).

- 19. Poverty and deprivation in sub-Saharan Africa continue to deepen. A regional classification by integrated poverty index $\underline{12}$ / reveals that 36 out of the 45 countries in sub-Saharan Africa were in the severe poverty group. $\underline{13}$ / The situation has been aggravated by civil conflicts, $\underline{14}$ / which have destroyed physical capital, institutions and infrastructure in at least eight countries. $\underline{15}$ / To make matters worse, the region has been hit hard by the AIDS epidemic, which is inflicting high costs on the economy and society through its adverse effects on productivity and savings. Africa is home to 50 per cent of all HIV-infected people and the proportion of women among AIDS victims in Africa is larger than in North America and Europe and continues to grow. $\underline{16}$ /
- 20. Despite the resumption in the early 1990s of the inflow of capital to developing economies, Africa remains excluded from access to international financial resources. In conjunction with the terms-of-trade decline, the persistently negative net financial resources transfer to Africa led to a significant worsening of external balances in African and particularly sub-Saharan economies. In addition, official development assistance may not be as forthcoming as it was in the 1980s because of greater demands on it around the world and the shrinking supply of resources. There is therefore a considerable risk that the inflow of resources to the African region will be inadequate in comparison to its development needs and the restoration of economic stability. This will of course, have serious consequences for investment and growth in the region.
- 21. General economic decline, deindustrialization and political instability in Africa have inhibited the implementation of the Nairobi Forward-looking Strategies in that region. Government expenditure cuts have led to widespread layoffs in public-sector enterprises. Employment in the private sector is also in decline as a result of aggregate demand deflation caused by stabilization and adjustment policies. The urban unemployment rate is currently between 15 and 20 per cent, up from 10 per cent in the 1970s. Women, although a minority in the public sector, $\underline{17}$ / appear to have fared worse than men as a result of public sector retrenchment. In Benin, for example, women's share in parastatal employment was only 6 per cent, but their share among workers laid off was 21 per cent. $\underline{18}$ /
- 22. Women in Africa have long been concentrated in the informal sector in such activities as petty trade, small-scale production and personal services. Despite the widespread perception of the informal sector as infinitely elastic with respect to the absorption of female labour, recent figures indicate the opposite. Table 3 shows that the percentage share of women in the informal sector in selected sub-Saharan African countries declined between 1985 and 1990. In 1990 the share of women in the informal sector in these countries was lower than it had been in the 1970s in all but two countries. That the female share of informal-sector employment declined despite the increase in the supply of female labour brought about by the "added worker" 19/ effect of structural adjustment indicates that women may have encountered difficulties in entering the sector that had traditionally provided them with income-earning opportunities. One explanation might be competition from the men who lost their jobs in the public sector as a result of structural adjustment policies. In most African countries men predominate in public-sector employment and consequently constitute the majority of redundant workers when public

expenditures are contracted under policies of structural adjustment. They are better equipped with capital and business contacts, and their entry into the sector may have driven women's businesses out. On the other hand, informal-sector employment is by definition very difficult to measure. Given the low unemployment figures for women in the region and the fact that poor women in Africa simply cannot afford to be unemployed, the declining rates of informal-sector participation may mean greater precariousness for sources of women's income as they resort to informal survival responses at times of economic hardship.

23. The most likely explanation of the declining share of women in the informal sector, however, is the overall economic decline of sub-Saharan Africa. Reduction in real income and contraction of aggregate demand has caused a decline in demand for informal-sector goods and services. The shortage of investable funds and the high cost of credit have not been conducive to the sector's expansion and are likely to drive a number of informal entrepreneurs out of business. Poor access to credit and labour crowding have made women entrepreneurs particularly vulnerable to the decline in informal-sector earnings and loss of business. Despite the limited counteracting influence of the substitution effect (i.e., the increase in demand for the cheaper goods and services of the informal sector owing to the downward pressure on income), the information available (table 3) seems to suggest that the net effect on women's business in the informal sector was that of contraction.

Table 3. Female share of employment in the informal sector, 1970-1990

Country	1970	1980	1985	1990
Congo	26.7	26.9	26.8	24.6
Ghana	32.0	32.0	32.0	27.3
Guinea	31.9	32.0	32.0	26.8
Liberia	42.8	43.2	43.0	39.3
Madagascar	33.3	33.1	32.8	29.0
Kenya	31.3	31.0	31.1	36.7
Nigeria	29.8	30.0	30.0	25.9
Somalia	32.1	31.9	32.0	34.6
Togo	38.6	39.0	39.0	32.2
United Republic of Tanzania	30.3	30.0	30.0	28.4
Zaire	37.3	37.0	37.0	24.9

Source: African Employment Report (ILO, Geneva, 1990). Cited in S. Baden, "The impact of recession and structural adjustment on women in developing countries", ILO paper, December 1993.

(c) Asia and the Pacific

- 24. During the recession of the 1980s and early 1990s, the economies of East Asia as a whole proved relatively more resilient to the worsening of the external economic environment largely because of greater outward orientation of economic policies and greater diversification of the production base. The economies of the region grew on average by 7 per cent annually during the 1980s and have maintained over 5 per cent growth since the beginning of the current decade. Economic performance has, however, varied from 1.7 per cent growth in the Philippines to 8 per cent growth in Malaysia, Singapore, Thailand and Viet Nam. 20/ There has been a notable decline in the dependency of economic growth in the region on the performance of the developed market economies; as intraregional trade has been growing faster than the total trade of these economies, the structure of their exports has continued to veer towards manufactures and the inflow of external capital has increased. The economies of East Asia are likely to remain the fastest growing in the 1990s, but rates of growth are expected to slow down as they begin to run into infrastructure and environmental constraints.
- 25. The South Asian economies grew on average by 5 per cent annually during the 1980s. Unlike growth in the rest of the developing world, this was an improvement over the proceeding decade. Faced with external financial crises, major economies in the region embarked on structural adjustment and stabilization policies. Future prospects for growth depend on the maintenance and consistency of these reforms. The inward looking import-substitution policies followed by the economies of the region for decades led to the inhibition of factor-market flexibility and, in some cases, to the loss of economic stability. The region continues to be home to the majority of the world's poor. In 1990 the proportion of the population of South Asia whose income and consumption fell below the nationally defined poverty line was 49 per cent. 21/ Most of the region's poor are concentrated in the rural areas, and poverty among women is on the rise. 22/
- 26. In the 1980s widespread poverty and unemployment 23/ in the countries of South and South-East Asia prompted a flow of international migration from the region to the capital-exporting economies of Western Asia. A significant number of women from Indonesia, Malaysia, the Philippines, Sri Lanka, India, Bangladesh and Thailand became temporary migrant workers in the Western Asia region. In Kuwait, for example, 103,501 migrant women were employed as domestic workers in 1989, constituting 5.1 per cent of the population of the country. In Saudi Arabia, there were 219,000 non-Saudi Asian female workers in 1986. 24/ However, the collapse of the oil economy, the Gulf crisis of early 1991 and the eight years of the Iran-Iraq war led to a decline of capital surplus in the region. In some cases capital surplus disappeared completely and some countries had to turn to international capital markets to borrow money to finance wars and later reconstruction efforts. The adverse economic and political circumstances in West Asia have caused a decline in opportunities for migrant women and men, thereby worsening the external payments position of the economies from which migration had originated.

27. If only the quantitative aspect is considered, it is possible to say that Asian women have benefited from the economic success of the region. These benefits are captured in the increase in labour force participation, sustained over the last two decades, in the increased access to education for girls at all levels, and in an increase in the ratio of women's to men's earnings, as income accruing to women through productive employment has increased.

Table 4. Advancement of women in Asia and the Pacific: selected indicators, 1970-1990

	1970	1980	1990
Education <u>a</u> /			
First level	66.00	78.00	84.00
Second level	58.00	70.00	77.00
Third level	46.00	63.00	84.00
Science and technology $\underline{b}/$	33.00	45.00	70.00
Economic activity $\underline{c}/$	28.00	42.00	48.00
Employment in professional, technical, administrative and management fields	27.00	47.00	55.00
Wage ratio <u>d</u> /			
Agriculture	74.00	78.00	79.00
Manufacturing	72.00	60.00	64.83

Source: WISTAT, version 3, 1994.

 $[\]underline{a}/$ Average ratio of girls to boys in enrolment in schools (number of girls per 100 boys).

 $[\]underline{b}/$ Average ratio of girls to boys in science and technology fields at third level of education.

 $[\]underline{c}/$ Average ratio of women to men in the economically active population (number of women per 100 men).

 $[\]underline{d}$ / Percentages.

^{28.} Examined from a gender perspective, the development experience of the East and South-East Asian economies suggests that female advancement is directly related to policies of external openness and export promotion and inversely related to policies of import substitution and protectionism. However, the fact that female employment expansion took place in these economies in the context of comparative advantage in labour-intensive production should not be overlooked.

As countries climb the "ladder of comparative advantage", there is constant pressure to upgrade production and modify micro- and macroeconomic management so as to take account of changes in economic structure and relative prices. In terms of the future of female employment in export-oriented industries in the economies where development in the last two decade has been driven by export expansion, the need for technological upgrading translates into the need for skills acquisition and better education and qualifications for female workers. Otherwise the benefits accruing to women thus far from export-led development will simply vanish with growth. Recent evidence suggests that the share of female labour in export-oriented industries is declining as skill requirements in export industries shift with shifts in comparative advantage. This, together with evidence of poor access for women to retraining, indicates that the gains to women's employment from the expansion of export-oriented industries might have been a short-lived phenomenon. 25/

- 29. The emergence of China as a major growth pole and trading power in the region should serve as a catalyst of economic growth and intraregional trade. It should also pose significant competition for already established exporters of labour-intensive manufactures in and outside the region. China's index of comparative advantage correlates significantly with that of four other large developing countries Egypt, India, Indonesia and Turkey. 15/ Arguably, China's growing exports present a threat to female employment in such industries as electronics, toys, textiles and apparel in the first generation newly industrializing countries where the eventual tightening of the labour market and rising labour costs pushed real wages up. However, economic history shows that, as far as female aggregate employment is concerned, shifts in comparative advantage do not always result in winners and losers. Owing to a strong upward trend in female employment in the non-tradable service sector, women's aggregate employment in the industrialized market economies continues to grow despite increasing cost competitiveness of the developing economies.
- 30. The outlook for the developing countries as a whole in the 1990s is considerably brighter than in the previous decade. One indicator of improved growth is the net transfer of financial resources, and this reached \$54 billion in 1993, an amount not seen since the early 1980s. $\underline{20}/$ After years of lost access to foreign credit and of capital flight, the Latin American economies emerged from the depths of the debt crisis as "emerging markets" attracting a considerable inflow of financial resources from the beginning of the 1990s. After almost a decade of being negative figures, net financial transfers to the region reached US\$ 12 billion in 1992 and are estimated at almost US\$ 19 billion for 1993. The inflow of foreign direct investment and greater access for the economies in question to international credit markets are largely attributed to the success of the Brady Plan in reducing the face value of their commercial debt and to comprehensive macro- and micro-economic reforms that improved their competitiveness and creditworthiness. $\underline{26}/$
- 31. The inflow of foreign capital to developing countries creates new jobs and increases the demand for labour, including that of women. Given progress in economic reforms and political stability, the inflow of foreign capital can expand employment opportunities for women in developing countries and thus foster their economic advancement. It should be noted, however, that the conditions underlying competitiveness are changing and are coming to rely less

on natural assets like cheap labour and more on created assets in the form of knowledge and skills. Emerging patterns of flows and stocks of foreign direct investment reveal that such assets have become the main determinant of foreign direct investment location. In view of women's poorer educational level - or rather its less appropriate orientation, given modern needs - women in developing countries are less likely to benefit from the inflows of foreign direct investment and the expansion of the export industries associated with it.

2. <u>Economies in transition: 27/ economic and political</u> restructuring and its impact on women

- 32. While the former centrally planned economies of Central and Eastern Europe and the Soviet Union were sheltered to some extent from the global economic crisis of the early 1980s by an autarchic trade and production regime, towards the end of the decade they too experienced a decline in economic performance that was caused by a tightening of the resource constraint on extensive growth, the inability to sustain growth through technological progress, severe monetary disequilibria, and attempts at economic reform in the context of structural rigidities and distortions. Since the end of the 1980s these countries have embarked on the road of transition to a market economy and this has proved to be costly in terms of real income and output decline, loss of employment and security, a rapid deterioration in social conditions and deepening gender inequalities.
- 33. The fundamental changes in trading patterns that followed the disintegration of the Council on Mutual Economic Assistance (CMEA) and the internal payments system led to a rapid deterioration in the current account and to an accumulation of external debt. Lack of commitment to tight monetary policy and at times its political infeasibility fuelled inflation rates, which in some countries approached a dangerously high near-hyper-inflation level. In response to high inflation, some countries in the region embarked on "shock-therapy" macroeconomic stabilization. 28/ Where policy makers were able to conduct a consistent monetary policy, this approach worked although inflation still remained relatively high and the decline in output and income continued. Real wage decline took place in all the economies in transition, but its magnitude varied from about 12 to 15 per cent in Hungary and the Czech Republic to around 30 per cent in Poland. 29/
- 34. The process of market building in economies in transition involves, inter alia, changes in property rights and ownership structures. 30/Privatization in the transition economies varies in terms of its methods, speed and degree of success. Privatization methods include sales through local auctions, the distribution of privatization vouchers, the use of mutual funds and other financial intermediaries, and sometimes "spontaneous" privatization by the current management. If the privatization of small-scale enterprises, shops and restaurants has been relatively fast and painless, that of large-scale government-owned enterprises has involved many economic problems (such as the difficulty of making an adequate estimate of the market value of the enterprise to be privatized) and social problems (such as the displacement of workers and the loss of social benefits and job security). The emerging private economy

covers a wide range of activities, from catering to commercial law; and it takes a variety of forms, from limited liability and joint stock companies to micro-enterprises and sole proprietorship.

Table 5. Rates of growth of GDP and external debt indicators $\underline{a}/$ of economies in transition, 1983-1994

	1983- 1988	1989	1990	1991	1992	1993	1994 <u>b</u> /	
Economies in transition	3.4	2.1	-6.3	-9.0	-16.8	-8.6	-6.0	
Eastern Europe	3.3	0.0	-11.8	-12.0	-6.2	0.8	2.2	
Albania	-	-	-9.0	-29.4	-6.0	11.0	6.0	
Bulgaria	3.7	-1.4	-9.1	-16.7	-13.0	-4.2	-0.5	
Former Czechoslovakia	2.0	1.3	-4.7	-15.9	-7.2			
Czech Republic						-0.5	2.0	
Slovakia						-4.7	0.0	
German Democratic Republic	4.2	2.4	-25.1					
Hungary	1.9	3.8	-4.0	-11.9	-5.0	-2.0	0.0	
Poland	4.2	0.2	-12.0	-7.6	0.0	4.0	4.2	
Romania	2.4	-5.8	-7.4	-13.7	-15.0	1.0	1.2	
Former Soviet Union and successor States	3.5	3.0	-4.0	-8.0	-20.0	-12.0	-9.2	
External debt and debt indicators for economies in transition, 1983-1993 \underline{b} / (billions of dollars)								
Former Soviet Union	27.1	53.9	59.8	67.5	78.7	86.1		
Eastern Europe	65.1	82.6	91.1	99.5	95.4	95.6		

Source: World Economic Survey, 1993 and 1994 (United Nations publications, Sales Nos. E.93.II.C.1 and E.94.II.C.1).

a/ Average growth rates and annual percentage changes.

 $[\]underline{b}$ / Forecast.

^{35.} Privatization raises many complex issues with respect to its impact on the economic status of women. Generally speaking, it tends to increase their chances of being laid off and to worsen their conditions of employment. At the

same time, it offers opportunities for higher incomes and for entrepreneurship. Although it is rather difficult to determine with certainty the direction of the impact of privatization on women in transitional economies because the process is still at an early stage and because gender-disaggregated data are lacking, it is possible to identify some early trends. It seems that, so far, privatization undertaken in the context of stabilization policies and slow institutional change has adversely affected women's economic position. Where restructuring is directed at increasing the profitability of privatized and commercialized enterprises, female clerical and administrative jobs tend to be cut before male production-line jobs because of perceptions of female labour as "expensive" owing to the associated social benefits and protective legislation enjoyed by women in the past, and of women as less efficient workers because of the burden of family responsibilities. Consequently, the privatization of large State firms had strong and immediate impact on female employment because of the large numbers of women employed by them in administrative and clerical positions. Because of the special protective measures that underpinned women's participation in the labour force in the past and because of a resurgence of traditional stereotypes of gender relations, women have had difficulty in securing their jobs in privatized firms, or getting new jobs after being laid off. An industrial establishment survey carried by ILO in East-Central Europe in 1990-1993 shows a marked tendency for managers to give pronounced preference in recruitment to men, even in previously "women-dominated" sectors. 31/

- 36. In the course of privatization and cost/production restructuring, the sectoral distribution of female employment is changing. An ILO survey of Russian industry shows that, as privatized and commercialized State-owned enterprises undergo restructuring, there is a relatively small decline in the share of female employment in the declining sectors of heavy industry and an increase in the share of female employment in light, "feminized" industries like textiles, garments and food-processing. This trend points towards strengthening the already existing segregation of employment in industry, "which inevitably leads to a decline in their relative wages and benefits".
- 37. As transition progresses, female employment dynamics are beginning to resemble those of industrialized market economies. Despite the advantageous position of women in the services sector at the beginning of reform, they seem to be unable to consolidate their advantage in this sector. As trade, banking, insurance and financial services become more profitable men move into these sectors in increasing numbers changing the employment ratio to their advantage. In Poland, for example, in the period 1989-1992 the employment share of women declined in trade, banking, insurance and community and social services, while that of men increased dramatically. Male employment in trade increased by 62 per cent and in banking and insurance by 80 per cent. Similar changes in the female and male shares of employment in trade, banking, insurance and financial services took place in the Czech Republic. There, thus, appears to be a clear tendency towards convergence of high employment shares of women (see table 6) in these branches with those much lower ones in industrialized market economies. The less profitable services like education, health and social care continue to be women-dominated and women's employment share in them is increasing.

Table 6. Share of women in the banking and insurance industries in selected economies in transition, 1993

Country	Women's share (percentage)
Azerbaijan <u>a</u> /	48.80
Belarus <u>a</u> /	88.10
Czech Republic	68.58
Georgia <u>a</u> /	75.50
Hungary <u>b</u> /	74.38
Kazakhstan <u>a</u> /	85.30
Poland	75.00
Romania	79.38
Russian Federation $\underline{a}/$	90.20
Slovakia	79.40
Ukraine <u>a</u> /	88.80
Uzbekistan <u>a</u> /	61.10

 $\underline{Source} \colon \ \, \textbf{Economic Commission for Europe, "Regional review and appraisal of Nairobi Forward-looking Strategies"} \, (\, \textbf{E}/\textbf{ECE}/\textbf{RW}/\textbf{HLM}) \, .$

<u>a</u>/ 1990.

b/ Financial intermediaries.

38. Unemployment is becoming a key area of concern for women in the transitional economies. While the steep decline in real income has made women's wages a necessity for the survival of the household, jobs have become scare and competition for them has intensified. The vast majority of women were little prepared for the loss of job security and the need to compete for employment in a market environment. Although highly educated, women appear to be losing jobs to men even in previously "women-dominated" sectors of the economy. The rate of female unemployment is on the rise in all the economies in transition except for the Czech Republic. Women constitute by far the largest share of all those registered as unemployed and are believed to be the majority of those who are not registered. The duration of unemployment is longer for women than for men. In the Russian Federation, for example, the average time of registered unemployment is 4.6 months for women and less than 2 months for men. 32/

Table 7. Women's share in unemployment: selected countries, 1991

Country	Women's share (percentage)
Bulgaria	62.0
Hungary <u>a</u> /	40.0
Kazakhstan <u>b</u> /	70.0
Poland	52.0
Yugoslavia	53.0
Romania	85.0-90.0
Russian Federation $\underline{\mathtt{c}}/$	90.0
Slovak Republic	58.0
Ukraine $\underline{d}/$	65.0

<u>Source</u>: Compiled from several sources, and M. Fong, "Economic restructuring and women's status in Eastern Europe", UNU/WIDER research paper (Helsinki, 1991), pp. 6-9.

- \underline{a} / Quoted as "over 40 per cent".
- **b**/ National report of Kazakhstan.
- c/ 1993 figure of ECE, 1994 (E/ECE/RW/HELM/1).
- d/ National report of Ukraine. Quoted as "over 65 per cent".
- 39. The position of women in the labour market is further complicated by resurgence of the stereotyping of gender roles and a decline in the availability of social services, particularly in the area of child care, provided in the past by the State and by enterprises. As a result of budgetary pressures and privatization, child-care facilities have become less available and more expansive. The social costs of transition have thus been shifted from the State to the household and ultimately to women.
- 40. Growing unemployment among men, lack of child-care facilities and increasing social tensions have precipitated the return of traditional attitudes towards the role of women. A public opinion survey conducted in 1991 in the Russian Federation reveals that a growing number of men feel that women's place is the home. In the media and the press, social problems have been openly blamed on "too much emancipation of women". Measures, such as extended maternity leave and early retirement, have been introduced to encourage women to

stay at home. As a result there is little sensitivity to women's issues and to the growing "feminization of unemployment".

41. So far, women in Eastern Europe, the Commonwealth of Independent States and the Baltic States have had to endure a greater share of the hardship of transition. Their participation in political decision-making has declined, putting them in a poor position to influence the process of reform. At the same time, unemployment among women has grown and they presently account for a greater share of the unemployed. Their incomes have also declined and poverty among women and the households headed by women has increased. The balance between their economic and reproductive roles has shifted towards a greater emphasis on the latter owing to the strengthening of the traditional gender contract. Their distress has been intensified by growing social problems, and rapid criminalization of society in many economies in transition. Sexual harassment against women, sexual abuse and prostitution, previously reported to the United Nations Committee on the Elimination of Discrimination against Women as non-existent, are a reality now. So there is a real danger that women in that area might be further marginalized and find themselves on the periphery of major economic and political structures. This would have serious implications for social equilibrium in the region and for the sustainability of the transition process. Failure to incorporate women would also lead to a less than optimal economic performance in the transition period as 50 per cent of the labour force that is highly educated and skilled would remain underutilized.

3. <u>Developed market economies: growing flexibility in markets and women's work</u>

- 42. After the recession of the early 1980s, the developed market economies experienced an unusually long period of economic expansion that slowed towards the end of the decade and ended with the shallow recession of the early 1990s (see table 1). The current recovery has been slow: in 1993 growth picked up in the United States and Canada but remained unchanged in Japan and declined in the major economies of Western Europe, except for the United Kingdom, where the economy started to grow again.
- 43. Recession and the slow recovery pushed the rate of unemployment up from 6 per cent in 1990 to 7.3 per cent in 1992 and 7.7 per cent in 1993. 20/ While relatively low in the United States and Japan, unemployment has become a major problem in Western Europe, where rates reached 10-12 per cent in 1993. The unemployment rate is expected to increase in 1994 and possibly in 1995.
- 44. Among the pressing macroeconomic concerns of the developed market economies are structural fiscal deficits and a resurgence of inflation. Their macroeconomic policies have therefore been directed at fiscal consolidation and they have assumed an anti-inflationary stance that might conflict with the objective of a speedy economic recovery.
- 45. The micro- and macroeconomic reforms of the late 1980s and early 1990s encompassed a tightening of fiscal and monetary polices, flexibility and deregulation of financial, product and labour markets, and an industrial restructuring, that in part reflected a longer-term trend of structural shifts

involving changes in the roles of industry and services in economic growth. Industrial restructuring was also manifested in the move towards a "flexible firm" to foster competitiveness and greater mobility in an environment of everchanging markets. These policies have had a distinct impact on women's position in the labour market, and on their rates, quality and conditions of employment.

- 46. The long-term trend in the developed market economies has been towards increasing rates of female labour force participation for women and declining rates for men (see figure I). Against this long-term trend, there are cyclical changes in the rates of female labour force participation that are the result of recession, short-term macroeconomic policies and micro-economic reforms.
- 47. The general worsening of the employment situation in the OECD economies is currently a major concern for policy makers in these countries. There has been an increase in the rates of long-term unemployment and country reports from the European region indicate that about 50 per cent of the unemployed in some countries has been out of work for 12 months or more. $\underline{32}$ / While there are variations in rates and patterns of unemployment among the developed market economies, it appears that in the majority of OECD countries unemployment rates for women are either comparable to those for men or lower. However, in Denmark, France, Germany, Italy and the Netherlands, unemployment rates for women are significantly higher than those for men. $\underline{32}$ /
- 48. A consistent increase in the rate of female labour force participation has taken place in the context of the expansion of the services sector. The share of total employment and women's employment in this sector have increased in all the OECD countries, $\underline{25}$ / while the shares of employment in agriculture and industry have declined, which explains the decline in male labour force participation (see figure II).

/ . . .

Figure I. Labour-force participation rates, by sex, total OECD (Percentage)

Table 8. Unemployment rates by sex: selected OECD countries, 1973-1992

(Percentage share)

	1973	1979	1990	1992
United States				
Men	2.3	3.1	4.1	6.0
Women	2.3	3.2	3.3	4.4
Japan				
Men	1.0	1.6	1.4	1.4
Women	0.5	1.1	1.3	1.3
United Kingdom				
Men	2.1	3.8	6.3	11.5
Women	0.3	1.3	2.0	3.2
France				
Men	2.3	3.1	5.6	6.5
Women	1.3	3.5	7.8	8.5
Sweden				
Men	1.6	1.3	1.3	5.4
Women	2.1	1.6	1.2	3.5

<u>Source</u>: <u>World Economic and Social Survey, 1994</u> (United Nations publication, Sales No. E.94.II.C.1).

Figure II. Changes in female share of total employment: by sectors, 1973-1992

(Percentage change)

Source: OECD, Labour Force Statistics, cited 1971-1991 (Paris, 1993).

- 49. Policies directed at the enhancement of internal and external competitiveness were centred around the deregulation and flexibilization of financial, product and labour markets. They focused primarily on wagebargaining institutions, tax and social spending policies and employment legislation perceived as hampering wage flexibility. At the micro-level, the flexibilization of markets was matched by industrial restructuring directed at lean production strategies and the evolution of flexible firms, capable of rapid expansion and contraction with a small number of permanent employees and the remainder employed as temporary and casual workers, outworkers and subcontractors. While benefiting female employment in terms of the supply of jobs, flexibilization has led to a trade-off between the quality and quantity of female employment. The positive aspects of the process must be weighted against the potential for undermining existing employment protection, social security provisions, and access to training and for the fragmentation of career prospects. Concern has been voiced that women may have been used as part of deregulation strategy by virtue of their association with flexible employment.
- 50. Present data indicate that part-time employment is increasingly a female phenomenon, and the majority of those employed part-time in almost all the developed market economies are women.

Table 9. Women's share in part-time employment: selected OECD economies, 1973-1992

(Percentage)

	1979	1983	1990	1991	1992
Austria	87.8	88.4	89.1	89.7	
Belgium	88.9	84.0	88.6	89.3	
Canada	72.1	71.3	71.0	70.5	70.0
Denmark	86.9	84.7	75.7	75.5	
France	82.2	84.4	83.6	83.7	83.7
Germany	91.6	91.9	89.7	89.6	
Italy	61.4	64.8	67.2	65.4	67.9
Japan	70.1	72.8	70.7	69.9	69.3
United Kingdom	92.8	89.8	86.2	86.1	85.4
United States	68.0	66.8	67.6	67.2	66.4

Source: OECD, Labour Force Statistics, 1971-1991 (Paris, 1993).

- 51. The increase in the part-time employment of women has been a factor contributing to increased occupational segregation and persisting inequality in economic rewards, salaries and benefits. While in some economies the proportion of women in "male-dominated" occupations has increased slightly as a result of affirmative action by the Government, employment segregation continues to persist. In France, for example, nurses, midwives, beauticians, secretaries, social assistants, cashiers, switchboard and telephone operators and receptionists are highly "feminized" occupational categories in which women constitute more than 90 per cent of employees. 32/
- 52. The increase in female labour force participation has not led to women achieving equal status or bargaining power in the labour market. As wage demands are increasingly being tied to increases in productivity, women's concentration in the services sector has contributed to an overall weakening of their wage bargaining power since increased productivity is not easily measured in this sector. National reports show that women's earnings are lower than men's in most of the reporting countries. Women earn between 50 and 90 per cent of men's earnings, but rates vary considerably across countries. In 1990, women's wages in non-agricultural industries in Japan were only 49.6 per cent of men's; and in Germany women earned 73.1 per cent of men's wages, while in France the figure was 80.8 per cent and in Australia, 90.8 per cent.

B. Gender aspects of internal and external migration

53. Migration, involving as it does millions of people around the world, is intricately linked with important economic, social, political, cultural and environmental factors. As such, it has gender-specific characteristics that however are often masked by data aggregates established without regard to gender. The data collected and published under the heading of "migrants and dependents" do not permit a full exploration of the extent, causes and consequences of migration from a gender perspective. Nevertheless, the available data, however limited, suggest that both, internal and external migration may have distinct gender patterns that vary with level of development, development strategies, type of economic growth and political factors.

1. Internal migration

54. Internal migration, which exceeds external migration by at least an order of magnitude, continues to be viewed primarily in terms of rural-urban flows and the growth of urban areas despite the growing importance of urban-urban and rural-rural flows. The world's urban population is estimated to have grown by about 500 million people over the period 1975-1985 and about half of this gain has been attributed to net rural-urban migration. Recent estimates suggest that 43 per cent of the world's population currently live in urban areas as compared to only 37 per cent in the 1970s. Some projections show that by the year 2005 urban population will reach a staggering 58 per cent. 33/ In recent years average annual population growth rates in urban areas, particularly in sub-Saharan Africa, Latin America and Asia, have been high and positive, while average annual growth in rural areas has, with few exceptions, been low or

negative. This suggests that a significant part of population growth is due to migration from rural to urban areas.

- 55. The gender pattern of rural/urban migration can be derived from the population sex ratios given in table 10 below. Although largely insufficient to support any definite conclusions, these ratios suggest that in low-income developing economies with a large agricultural sector men predominate among migrants from rural to urban areas and that in the newly industrialized and highly urbanized economies of Latin America and East Asia women migrate more than men. For example, in Africa, sex ratios in rural areas indicate that more men migrate to cities than women; and in Latin America they indicate that more women than men leave their villages for the city. In Asia, in general, men tend to predominate in the rural-urban migration flow, while in East Asia women in the 20-24 age group slightly outnumber men among rural-to-urban migrants. In Western Asia, rural and urban sex ratios reflect the predominance of males among city migrants.
- 56. It should be noted that the patterns of rural-to-urban migration observed in each of these regions are consistent with regional trends in economic development with respect to trade orientation, the inflow of FDI and the gender characteristics of employment in export-processing industries. The creation of EPZs in the context of export-promotion policies has undoubtedly contributed to fostering female migration from rural to urban areas in the first and second generation of the newly industrialized economies of East and South-East Asia and Latin America.

Table 10. Ratio of women to men in total, urban and rural population (1990 round)

Region/age group	Total population	Urban population	Rural population
Africa/15-19	0.997	0.989	1.100
Africa/20-24	1.002	0.885	1.097
Latin America/15-19	0.984	1.061	0.873
Latin America/20-24	1.006	1.089	0.882
Western Europe/15-19	0.956	0.972	0.913
Western Europe/20-24	0.956	0.988	0.865
Asia and Pacific/15-19	0.946	0.930	0.963
Asia and Pacific/20-24	0.944	0.909	0.969
East Asia/15-19	0.938	0.936	0.938
East Asia/20-24	0.935	0.956	0.864
South-east Asia/15-19	0.968	0.987	0.968
South-east Asia/20-24	0.986	1.003	0.982
Eastern Europe/15-19	0.948	0.939	0.934
Eastern Europe/20-24	0.952	0.958	0.929

Source: WISTAT, 1994.

2. External migration

57. In the past two decades external (international) migration for economic or political reasons has involved millions of people. Census data largely for the 1970s and 1980s suggest that the number of migrants in the mid-1980s exceeded 105 million. 33/ Although more recent data on the extent of external migration are not available, increasing globalization and growing interdependence in the world economy, the greater mobility of capital, regional integration and the reconfiguration of nation States in Europe and the former Soviet Union suggest that external migration may currently involve significantly more people than it did in the 1980s.

58. There is a general lack of adequate data on the gender composition of the external migration flows, and little attention as yet has been paid to such important issues as their gender-specific impact. It is therefore difficult to identify specific ways in which women migrants influence the process of external migration or are impacted by it. Clearly, women migrants may experience a significant change in lifestyle associated with a move to a society with greater

gender equality or considerable hardship, when migrating as refugees in the context of war, famine or drought.

- 59. With their statistics on foreign-born population, national population censuses provide the most comprehensive data on the extent of female migration. Census data for the 1970s and 1980s show that women accounted on average for slightly more than 50 per cent of the total inflow of migrants into developed countries. In developing countries, they represented 45.4 per cent of the total foreign-born population; and their share in the total number of people living outside their countries of origin averaged 48.1 per cent. Of course, these averages mask significant variations within and between regions. In the Americas and Europe women accounted for more than half of the foreign-born population; in Africa and Asia they were less than half of that category; and they were strongly underrepresented in the countries of Western Asia.
- 60. In the absence of data for the 1990s it cannot be determined whether the share of women in international migration flows has changed. It is nevertheless clear that women account for about one half of all international migration. Gender-disaggregated reporting of data on international migration and greater attention to its gender-specific consequences are necessary if a better understanding of the process itself and of the role of women in it is to be achieved.

C. <u>Trends in international trade and their influence on the advancement of women</u>

- 61. The relationship between the growth of international trade and increasing female participation in productive employment hinges on the employment-creating potential of trade and its influence on the nature and orientation of national economic development by bringing domestic resources allocation into line with comparative advantage. Those developing countries that opened their economies to international trade experienced a dramatic rise in the participation of women in industrial employment.
- 62. There are at least three reasons why this happened. First, production for the external market led to an increase in the demand for labour. Secondly, there was a significant expansion in trade flows and a change in their composition. Thirdly, as labour-intensive manufactured exports came to dominate export flows from the developing countries, unit labour cost minimization became a matter of priority for export-oriented industries. In this context, female labour, which is universally cheaper than male labour, enjoyed a unit labour cost advantage. The evidence shows that, in countries with export-oriented production, female labour was systematically preferred over male labour by transnational corporations and domestic export-oriented industries.
- 63. As a result of the expansion of international and intra-industry trade, women's participation in industrial production, and particularly in light manufacturing, has increased dramatically. The global average for women's participation in the manufacturing labour force stands today at about 30 per cent, which is almost the same as the share of women in the global labour force. 34/ However, this increase reflects the industrialization process in

developing countries, which typically begins with the production of labour-intensive items as economies begin to diversify away from primary production. In the industrialized and former centrally planned economies, (except for the Asian economies in transition) women's participation in industrial production has actually declined.

- 64. Trade expansion did not, however, prove to be a zero-sum game in terms of the aggregate female employment as had been predicted. Despite competition from developing countries, female employment continued to rise in the developed economies. The strong and sustained upward trend in women's employment in the non-tradable services sector is thought to have been largely responsible for this development. The decline in female industrial employment was primarily due to the long-term process of structural change in the composition of gross domestic product (GDP) rather than to the competitive pressure from the developing countries only. Some job losses to competition from developing countries, particularly in the manufacturing industries, were, however, inevitable, but the bulk of the burden fell most heavily on low-skilled, overwhelmingly male, labourers.
- 65. The trade-driven, export-oriented development strategies followed by first-and second-generation of newly industrializing countries $\underline{35}$ / came to be known as "female-led" as much as "export-led" owing to the high share of women in the export-oriented industries. The women-manufactured exports of these countries accounted for most of manufactures exported from South to North. In this sense, South/North trade in manufactures was not only labour-intensive but also "female-labour intensive". In some countries, particularly in East and Southeast Asia and Latin America, the share of female employment in export-oriented industries reached as much as 95 per cent in the 1980s. $\underline{25}$ / In Mexico, the share of women's employment in the export-processing zones was 77 per cent in the early 1980s. In the Republic of Korea and Singapore women accounted for between 68 and 83 per cent of the labour force in textiles and clothing and between 59 and 90 per cent in electronics.
- 66. Although trade liberalization in the developing countries has led to a steep increase in the employment of women in export-oriented industries, providing them with better income opportunities, most of the jobs that went to women were low-wage long-hours production-line jobs or sub-contracting jobs with no opportunity for the acquisition of new skills and without wage-bargaining power. That is to say that while trade expansion led to an increase in the supply of jobs for women, the quality of those jobs was often poor and they were insecure, paid only a fraction of male wage for the same job and lacked social protection. 36/ Thus, the increase in the industrial employment of women in the context of outward-oriented development was based on explicitly inferior treatment of female labour. Female employment in export-oriented economies is also highly segregated as the proportion of women employed in "feminized" industries greatly exceeds that in total industrial employment, suggesting that the female labour force is highly concentrated in these industries and underrepresented elsewhere. When the qualitative aspects of this process are weighted against the quantitative indicators of greater job availability, the overall assessment of the impact of export-oriented development is hardly consonant with female advancement.

- 67. Recent evidence suggests that the share of women's employment in the export-oriented industries is declining in the "mature" newly industrializing countries. In view of women's relatively poor educational levels or rather their less appropriate orientation given modern needs women in developing countries are less likely to benefit from export-oriented production than they were. It is doubtful that trade expansion lays the ground for any special long-term benefits for women in developing countries in terms of their placement in the labour market and of improved access to employment on better terms in the future. As countries move along the development spectrum, they move away from reliance on unskilled labour-intensive manufacturing (as in Singapore) and unless their skills acquisition keeps pace with the country's industrial and technology development, women's employment opportunities will fall away with such growth. 37/
- 68. An open trading system is the key to economic growth and prosperity, which in turn is a <u>sine qua non</u> for political stability and democracy. Inasmuch as growth and stability are important factors influencing the economic advancement of women, free trade is instrumental in achieving this objective. There is no doubt that any shrinking of the volume of world trade would do immense harm to the world economy and to prospects for sustainable development in the developing countries. Development experiences (or rather the lack thereof) in the 1980s showed that the adverse consequences of economic decline often affect women to a greater extent than men. On the other hand, growth based on free trade and principles of comparative advantage has proved to be greatly beneficial to women. The resurgence in the mid-1970s of protectionist pressures and their proliferation in the 1980s under the strain of recession posed a serious threat to free trade and, by extension, to women's jobs and economic advancement.
- 69. The main achievement of the Uruguay Round of multilateral trade negotiations was that its successful conclusion served to uphold the principles of free trade. The Round, which took three years to devise and seven to complete, was the most ambitious in the history of GATT. The agreement under the Uruguay Round comes into effect on 1 January 1995, subject to ratification. Although implementation of the major agreements will be spread over the next 10 years and will not be as thorough and swift as exporting countries would have liked, significant new market-opening rules were introduced. The main provisions of the agreement, and those of utmost importance to the developing countries, aim at broadening market access, bringing trade in services and in textiles and clothing under the GATT regulation, providing a comprehensive framework for the future liberalization of trade in agriculture products, and curbing the proliferation of non-tariff trade barriers and unilateral protectionist measures.
- 70. The liberalization of trade resulting from the Uruguay Round should lead to a significant increase in world trade and income, which is expected to increase by US\$ 213-274 billion annually. It is expected that everybody stands to gain, particularly in the long run. The gender-specific dimensions of these gains (and of the unavoidable short-term losses) are less obvious, however. Some of the largest projected increases in trade are in areas of great importance to developing countries. Trade in clothing is expected to increase by 60 per cent and in textiles by 34 per cent. It should be noted that these are the sectors that usually lead the industrialization process at the early stages when a

developing country is just beginning to diversify from primary production. These are also the sectors where production is "female-intensive" - i.e., where the share of women in total employment is high. The dismantlement of the Multifibre Arrangement (MFA), which controlled trade in textiles since 1973 should speed up the shift in comparative advantage and hence in the global division of labour, leading to the take-off of industrialization process in the least developed countries. As industrialization at its early stages is often "female-led", women stand to benefit in terms of the increase in the availability of productive employment.

- 71. In a large number of primary-producing economies, diversification into the production of manufactured exports is nevertheless going to be a slow process. Most of the short- to medium-term gains are likely to accrue to Asian and Latin American exporters of manufactured goods. Given changes in consumer demand, shifts in comparative advantage of established exporters of manufactured goods and gender-related differences in education, it is unlikely that women in these economies will continue to hold onto their share of employment in export-oriented industries.
- 72. Primary producers and exporters of tropical products in Africa stand to benefit least from the liberalization of trade, at least in the short run, because of the low-income elasticities of their exports and the already low tariffs on most of them. Furthermore, women in many African countries are not involved in the production of export crops either because the gender-related division of labour does not permit them to switch to the production of tradable crops or because, as such production becomes profitable, deliberate efforts are made to turn cash-crop production over to men. 38/ Some of the developing countries net importers of food might see their terms of trade decline since the prices of their food imports are likely to rise as a short-term result of the Uruguay Round. The increase in trade in services is likely to benefit women, given their high propensity of employment in this sector.
- 73. Despite the obvious advantages for women in the liberalization of international trade, the extent to which they benefit will vary with their level of education and the nature of their economic environment. In the short-run, nationally and internationally, there will be winners and losers. Trade-adjustment assistance and skill-building programmes are therefore necessary to assist male and female workers who are displaced as a result of greater competition from abroad. Lately, however, there is some evidence of unequal access to retraining for women. 25/

D. Other factors affecting the implementation of the Nairobi Forward-looking Strategies

74. The Nairobi Forward-looking Strategies call for equal rights for women in social, legal and economic domains. They specifically emphasize the right to independent and full access to productive resources, and they call for the greater integration of women into every stage of the development process, for the reduction of poverty among women, particularly at the times of economic distress caused by recession or structural adjustment, and for the advancement of women to positions of economic and political power in business and

government. They also call for greater recognition in national accounts and economic statistics of women's paid, unpaid and informal-sector work and for the facilitation of women's access to productive employment through the greater availability and the improvement of the conditions of such employment. In that respect, emphasis was also given to the need to reduce widespread employment segregation by encouraging women to work in male-dominated environments.

- 75. The World Conference on Human Rights, held at Vienna in 1993, reaffirmed the importance of human rights in relation to all other aspects of global life. It specifically reaffirmed the importance of the equal rights of women and men, as well as a rights-based focus on issues of peace and development. In terms of women's de jure human rights, the provisions of the Vienna Declaration and Programme of Action reflected the considerable progress in placing these in the legal structure. The fact that, by the end of 1994, over 138 States were party to the Convention on the Elimination of All Forms of Discrimination against Women placed the laws of those countries within the norms set out in the Convention. At the same time, the enjoyment of these rights in terms of women's de facto situation did not improve at the same rate, as is noted below.
- 76. The reliance on democratic means for electing and changing governments, through competitive elections, that has characterized recent years, has opened the prospect for women of using the exercise of their political rights to improve their own status. At the same time, enjoyment of these rights has been constrained by the negative effects of previous systems which constitute a base of inequality upon which reform processes have been built. After the shift towards democracy, in the absence of strong and independent national machinery to raise women's issues into public debate, independent women's movements have continued to be excluded from the process of economic and political decision-making. Women's participation in parliament and at all levels of economic decision-making have only increased dramatically in a few countries and in others it has declined.
- 77. Where a resurgence of democracy has coincided with the spread of political instability, women continue to be the majority of the countless victims of political and ethnic violence. Much therefore much remains to be done before the world can claim that the objectives of the Nairobi Forward-looking Strategies have been achieved.

II. CRITICAL AREAS OF CONCERN

A. Persistent and growing burden of poverty on women

- 78. Poverty remains a grave concern for the international community and the issue of its eradication is at the top of the development agenda, particularly in the context of the World Summit for Social Development. This time, in addition to the now customary emphasis on the limitations of economic growth as far as overall development objectives are concerned, the development debate tends to focus, inter alia, on distinctly new dimensions of the issue.
- 79. It has become more obvious that economic development does not automatically lead to equitable distribution or redistribution of resources and income,

especially to the poorest sections of population. It is further clear that development does not automatically benefit men and women equally. Indeed, there is more and more recognition that women are disproportionately represented among the poor.

- 80. It has been explicitly recognized that poverty has a gender dimension. Moreover, research in the past 10 years has shown that in order to eradicate poverty this dimension needs to be addressed in development planning. Micro-studies conducted around the globe have shown that there is a strong correlation between the economic status of women and progress achieved with respect to poverty alleviation in general. There is a growing recognition among development policy makers and practitioners and among international and bilateral donors that it is crucial to improve the economic status of women and to target women in poverty explicitly when designing and implementing anti-poverty policies. These factors are generally not being considered by development planners, who are still reluctant to accept a gender perspective in development planning.
- 81. The perception is growing around the globe that poverty is becoming increasingly feminized. It is still a matter of debate whether or not this is a new trend or merely the acknowledgement of a persisting reality and whether or not the feminization of poverty is a world-wide phenomenon. What is clear, however, is that female poverty is a persistent and unevenly distributed burden that threatens the sustainability of the development process and that is, in the long run, likely to translate into slower rates of economic growth.
- 82. There is more and more evidence that women are neither a burden nor a cost to development. On the contrary, they constitute a particularly dynamic factor in the eradication of poverty. This realization, however, while reflected in the academic literature and in the agendas of international development institutions, has not been given due weight in the design and implementation of anti-poverty polices. The explicit targeting of poor women as the main thrust of anti-poverty policies is necessary if poverty is ever to be eradicated.
- 83. The Nairobi Forward-looking Strategies approached poverty as a significant albeit indirect obstacle to the advancement of women. As seen by the Strategies, poverty is a persistent cause of the inequality of women and an obstacle to women's advancement. Just as poverty retards the advancement of women and is an obstacle to equality, it is, along with an adverse economic situation and the general shortcomings of the development process, an impediment to the participation of women in development. However, the Strategies tackle poverty only indirectly as they focus on the three main themes of employment, education and health. The alleviation of female poverty is therefore also addressed indirectly, through measures to eliminate inequality and enhance women's participation in development.
- 84. As a means of eliminating inequality between women and men, the Strategies seek to expand women's access to education, training and productive employment. They recommend that anti-discrimination employment legislation and affirmative action, where appropriate, should be implemented to promote equality of opportunity. To ensure women's control of the return to their labour, the Strategies emphasize the need for greater access by women to productive

resources - i.e., credit and land. Strategies to increase women's participation in development seek to promote the role of women as a contribution to society rather than as a welfare cost. To emphasize the value of women's participation in development, the Strategies call for women's productive and reproductive work to be adequately reflected in national accounts and economic statistics. The alleviation of poverty is thus addressed through strategies of restructuring the rules governing employment and access to productive resources.

- 85. A number of things have happened since the adoption of the Strategies that have changed the order of priority given to the "special areas of concern" and the weight accorded to the poverty issue among them:
- (a) The emphasis within the development debate has once again shifted from economic growth as the principal economic objective of society to human-centred sustainable development, to concerns for the quality of life and hence to poverty alleviation as the main goal of the development process;
- (b) The relationship between women's advancement and poverty has come to be analysed increasingly from the perspective of gender rather than that of cause and effect, focusing on differences in the incidence, causes and dimensions of poverty as experienced by men and women;
- (c) The process of poverty eradication has slowed down significantly since the mid-1980s, the absolute number of people living below the poverty line of US\$ 370 increased by 20 per cent over the period 1985-1993 and the number of people living in absolute poverty on a yearly income of less than US\$ 300 has also increased;
- (d) If in the past poverty was considered a primarily rural phenomenon, towards the end of the 1980s the analysis had to be broadened to take account of growing impoverishment among the urban population.
- 86. These developments, together with the growing perception of poverty as an increasingly female phenomenon have brought poverty priority top among the areas of critical concern for the advancement of women. Since the mid-1980s the issue of female poverty has undergone a transformation in terms of its importance for both the agenda for development and for the advancement of women.

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Figure III. Poverty in developing countries, 1985-1993

Sources: World Bank, World Development Report, 1990 and 1992 (Washington, D.C.); World Survey on the Role of Women in Development, 1994 (United Nations publication, forthcoming).

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Factors in the feminization of poverty

- 87. While urban poverty also increased considerably during the 1980s, poverty in the developing countries continues to be concentrated in rural areas. In 1993, some 939 million of the 1.2 billion people whose incomes were estimated as falling below the poverty line were in rural areas. 13/ The fact that poverty remains a predominantly rural phenomenon in the developing and least developed countries is merely a reflection of the urbanization pattern and does not imply that poverty is less of a problem in the cities. As the proportion of the urban population in developing countries grew from 22 per cent in 1960 to 37 per cent in 1990, rural poor became urban poor. If the rate of urbanization increases as predicted, by the year 2000 the burden of poverty will be transferred from rural to urban areas.
- 88. At the same time, there has not been sufficient growth in most developing countries to absorb migrants from the countryside into the paid labour force, leaving many of them impoverished in urban ghettos instead of rural villages. An increasing proportion of the population is living in slums and squatter settlements. It has been estimated that 1 billion people live in very low quality housing, and this number may well double by the year 2000. Many of the poorest urban residents are women. In particular, the growing number of poor households headed by women experiences the greatest threat to health and safety as a result of urban environmental problems.
- 89. Data for 1990 show that the highest poverty rates in terms of absolute numbers and percentage of population are to be found in sub-Saharan Africa and South Asia, followed by the Middle East and North Africa. The poor as a percentage of total population increased between 1985 and 1990 in sub-Saharan Africa, Latin America and the Middle East and North Africa, as economies in these regions struggled with the burdens of adverse internal and external economic circumstances and debt and structural adjustment, which seem to have fallen most heavily on the poor. In Latin America, where poverty was already widespread, the poor as a percentage of the population has reached extremely high proportions. For example, in Ecuador the poor account for 78 per cent of the population, and in Bolivia 70 per cent of all households and 94 per cent of households in rural areas are among the poor.
- 90. Despite overall economic growth, the social security mechanisms designed to prevent vulnerable population groups from falling into poverty and the increase in average income in the developed market economies in the 1980s, poverty has been on the rise in some of these countries. In the United States 33.6 million people, some 13 per cent of the population, were estimated to be living below the poverty line, and in Japan, 25 per cent of all households were on the verge of destitution. In the countries of the European Union at the beginning of the 1990s, 44 million people, 18 per cent of the population, were estimated to be living in poverty and 10 million in extreme poverty. 39/
- 91. Poverty surged in the transition economies of Eastern Europe, the CIS and the Baltic States as a decline in real wages and the breakdown of social security systems there led to the rapid impoverishment of what appears to be the majority of the population, particularly that part of it living in rural areas and small towns.

Table 11. Poverty in developing countries, by region, 1988

			Rural		population poverty line
Region	Total number of countries	Severe poverty status <u>a</u> /	population as percentage of total population	Millions	As percentage of rural population
Asia	24	14	74	633	31
Sub-Saharan Africa	45	36	73	204	60
Near East and North Africa	13	2	51	27	26
Latin America and the Caribbean	32	<u>14</u>	<u>29</u>	<u>76</u>	<u>61</u>
Total	114	<u>66</u>	<u>68</u>	939	<u>36</u>
Least developed countries	42	35	80	253	69

Source: IFAD, 1988.

 $\underline{a}/$ Severe poverty status is determined on the basis of the integrated poverty index which is calculated on the basis of the percentage of rural population below the poverty line, the income-gap ratio and the range of growth of GNP per capita.

Table 12. The poor as a percentage of population, by region, 1985 and 1990

Region	1985	1990
Sub-Saharan Africa	47.6	49.7
East Asia	13.2	11.3
South Asia	51.8	49.0
Middle East and North Africa	30.6	33.1
Latin America and the Caribbean	22.4	25.5
All developing countries	30.5	25.5

 $\underline{\texttt{Source}} \colon \ \texttt{World Bank}, \ \underline{\texttt{World Development Report}}, \ 1990 \ and \ 1992$ (Washington, D.C., 1990 and 1992).

Table 13. Proportion of the total population and of children living in poverty, 1989-1992

Country	Social group	1989	1990	1991	1992
Bulgaria	Population				53.6
Czech Republic	Population	5.7	7.7	19.4	18.2
Hungary	Population	10.1		21.3	
	Children	14.1		29.1	
Poland	Population	20.5	39.7	38.8	42.5
	Children	28.0	53.0	54.7	57.6
Romania	Households	27.3	18.5	28.1	51.1
	Children	38.1	30.7	42.1	70.1
Russian Federation	Population	27.1	24.5	28.7	77.1
Slovakia	Households	8.5	8.9	28.2	30.2
	Children	10.9	11.2	35.6	41.3
Ukraine	Households	33.6		21.1	35.7

<u>Source</u>: "The role of women in the transition processes: facing a major challenge" (E/ECE/RW/HLM/5), p. 27.

- 92. Recent analyses of poverty in developed and developing countries emphasize the feminization of poverty as a current trend. The term itself appeared in the mid-1980s and was used to describe the growing proportion of women and of households headed by women in the ranks of the poor during the recession of the early 1980s and in the context of cut-backs in welfare programmes. By the end of the 1980s, some 75 per cent of all poverty in the United States was to be found among women, particularly women who were single parents. $\underline{40}/$ A review of the pertinent literature suggests that the number of families headed by poor women has been rising ever since by about 100,000 a year. The greatest incidence of poverty, however, has been found among older black women. $\underline{41}/$
- 93. It would be difficult to assert with certainty whether the same trend is at work in the other developed market economies and in developing economies. Evidence from some of the national reports of the European countries (for example, Austria) suggests that the feminization of poverty is not confined to the United States alone. On the other hand, reports from Finland and other Nordic countries suggest that the feminization of poverty has not been a "burning issue" there. Generous welfare systems in these countries prevent large-scale female poverty despite high rates of unemployment among women and a large and growing number of households headed by women. In the Netherlands, for example, more than 70 per cent of all single mothers with dependent children are

recipients of benefit payments. Although the mere fact of the primary wage earner being a woman is not by itself an indication of household poverty in these countries, the poverty rate among households headed by women is significantly higher than among households headed by men. In Norway, for example, 13 per cent of all households headed by women live below the poverty level but only 5 per cent of those headed by men.

94. The complex dimensions of poverty differences between men and women, the lack of data demonstrating changes in the ratio of women to men in the ranks of the poor, and substantial cross-country differences in the gender make-up of poverty make it difficult to substantiate the thesis that the feminization of poverty is a process that currently characterizes the gender composition of poverty in the developed market economies.

(a) <u>Developed market economies: the feminization of poverty and of labour</u>

- An explanation of the feminization of poverty, particularly in the context of developed market economies, may be provided in terms of changing gender-related patterns of employment. The feminization of poverty runs parallel to the other widely discussed process of feminization - that of labour. The feminization of labour took place in the context of the spread of part-time, temporary and other forms of casual or non-standard types of employment across the developed market countries. In the majority of countries, part-time jobs offer little access to training, benefits or occupational mobility and are largely confined to certain industries and occupations that are typically low-skilled and low-paid. The part-time workers generally earn lower hourly rates than their full-time counterparts. The majority of the so-called "working poor" on minimum pay are women, especially in Northern Europe. The distinction between so-called poor women and low-paid women has become blurred. Sectoral data on part-time employment and on the sectoral pattern of the growth of female employment suggests that the majority of those jobs went to women. In 1991-1992 the share of women in part-time employment in the OECD economies varied between 66 and 90 per cent. 25/
- 96. Other indicators of the feminization of poverty are the growth of single-parent households headed by women and the long-term decline in transfers to the poor and in government spending on welfare programmes. The feminization of poverty raises complex questions as to the role of the welfare State in the reduction of poverty. It has become apparent that the simple redistribution of income by means of government transfers does not always work towards a solution to the problem of poverty, let alone the reversal or prevention of the feminization trend, and that it often leads to the perpetuation of both. To some extent the feminization of poverty trend can be explained in terms of marginal rates of income taxation and high rates of indirect taxation, minimum-wage polices and income transfers within the social security system.

(b) <u>Developing economies: trends symptomatic of the feminization of poverty</u>

97. While in the developed market economies the feminization of poverty presents itself as a growing number of women and women heads-of-household with dependent children in the ranks of low-paid workers and/or in the ranks of the

long-term unemployed, in the developing countries it is the harshness of the deprivation experienced by poor women that constitutes the feminization of poverty. Poverty itself is widespread. A number of factors nevertheless point to the disproportionate effect that poverty is beginning to have on women. Poverty among rural women is growing faster than among rural men and over the past 20 years the number of women in absolute poverty has risen by about 50 per cent as against some 30 per cent for rural men. 13/

Table 14. Rural women living below the poverty line, by region, 1988

Region	Number of women (millions)
Asia	374
Asia (excluding China and India)	153
Sub-Saharan Africa	129
Near East and North Africa	18
Latin America and the Caribbean	43
Least developed countries	149

<u>Source</u>: <u>The State of World Rural Poverty</u> (New York, New York University Press, 1992), published in conjunction with IFAD.

98. Among the factors affecting the increase in the number of women among the poor are the growing share of households headed by women in the total number of households; intra-household gender relations and their impact on the distribution of household income and on the degree of control women have over their earnings; the impact of technology on female wage labour; and the persistent lack of access by women to factors of production, including sometimes the lack of control over the allocation of their own labour.

(c) Poverty and households headed by women

- 99. It is generally agreed that an important interlinkage exists between gender and poverty on the one hand and the situation of households headed by women on the other. An increasing number of surveys and national reports reveal that this is a growing phenomenon world wide.
- 100. The World Fertility Survey, conducted in the 1970s, and the Demographic and Health Survey, conducted in the 1980s, both indicate a pronounced increase in the percentage of households headed by women during the past decade in many developing countries. Ghana's national report comments on "the phenomenal increase in the proportion of female-headed households in the country". At the

end of the 1980s, households headed by women in Ghana accounted for 35 per cent of the total. Most were headed by women who did not receive any remittances from men for their upkeep, and they were characterized by a high dependency ratio of 1.8 as against 1.2 for corresponding households headed by men. Kenya and Namibia both report high rates, 30 and 40 per cent, respectively, for households headed by women. The highest proportion of households headed by women was registered in Kenya, in Mathare Valley in Nairobi, where 60-80 per cent of all households have women as heads. 42/ In Brazil, the proportion increased from 5 per cent in 1960 to 21 per cent in 1988. Similar increases were reported for Chile, Costa Rica and Colombia, although the proportion of women among the lowest 20 per cent of income distribution increased only in Colombia and rural Venezuela. 43/ The national report of Kenya, however, indicates the highest absolute poverty rates among households headed by single women, namely 52 per cent as compared to 44.3 per cent for households headed by single men. The phenomenon of female-headed households has been on the rise in Bangladesh since the mid-1980s, attesting to a critical decline in the position of women under modernization. 44/

101. While it is generally true that households headed by women are among the most disadvantaged economically, it is also true that such households are a heterogeneous group in terms of the marital status of their adult members, number of dependents and the circumstances of their formation. The most vulnerable to poverty are the so-called mother-child households where women are single providers for their dependent children. 42/ Consequently, it is the growth in the number of these households that is indicative of the worsening of female poverty and not the increase in female-headed households in general. Furthermore, the economic situation of households headed by women depend on the circumstances of their formation. A recent study 45/ shows that widowhood remains the main factor underlying female headship in developing countries. economic situation of such households is quite different from that of female-headed households formed in the context of abandonment or birth out of wedlock, although the degree of economic and social support provided to the former by the extended family and the community is declining with the erosion of traditional values while the social acceptability of the latter is growing.

102. Nevertheless, the situation with regard to households headed by women is highly indicative of gender and poverty, particularly when the heterogeneity of the group is taken into consideration. The key issue is not headship per se, but rather what it implies about women's detachment from the economic support of other adults, particularly adult men. Recent data show that the percentage of household heads who are single adult providers is much larger among women heads of household than among men. Also, the majority of female-headed households are households with no adult male.

Table 15. Percentage of households headed by women, by country and year of most recent data

C	T 2	_																																		
				Year	1982 1990 1979	70/72	1988	1989	1986 1988							1991	1980	1985	1981	1971 <u>-</u>	1982	1981	1980	1980	1980	1981	1980		/ 1	1981	000	1981	1981 1985	000	1991 1981	1990 1980
	25+	Per-	cent-	female	24.64 24.70 25.15	28.80	32.20	32.60	40.30							25.00	25.30	26.60	28.20	33.80	34.24	37.67	38.84	42.37	43.93	45.25	45.64	0	28.50	24.83	00.00	25.24	25.38	0	31.19	32.30
				Country	Reunion Burundi Rwanda	rogo Malawi	Ghana	Zimbabwe	Swaziland						Dominican	Republic Trinidad and	Tobago	El Salvador	Cuba	Jamaica	Guadeloupe	Dominica	St. Lucia	Grenadines	Barbados	Grenada	and Nevis	Antigua and	barbuda	Australia	United	Kingdom	Canada Sweden	Germany	(1990) Austria United	States
	Î			Year	1989 1979 1984	1989									1992	1989	1989	1990	1990	1985	1985	1980								1981	1982	1981	1991			
	20-24	Per-	cent-	female	20.60 21.00 21.09	22.00									20.00	20.10	21.00	21.30	22.30	23.00	24.30	24.40								19.94	21.91	22.53	23.86			
				Country	Uganda Benin Congo	kenya									Costa Rica	Brazil Honduras	Chile	Venezuela	Panama	Uruquay	Nicaragua	Guyana								Italy	France	Luxembourg	New Zealand			
				Year	1975	1988	1992	1980	1987	1987	1983		91/92	1988 1986	1980	1989	1991	1980												1981	1981					
;	15-19	Per-	cent-	female	15.49	16.10	16.20	16.30	17.30	18.50	18.53		18.60	18.70	15.20	16.90	17.30	19.17												15.80	17.93					
				Country	Madagascar Ethiopia Côte	a'lvoire Zaire	Zambia	Comoros	Morocco	Cameroon	Mauritius United	Republic	Tanzania Central	Africa Republic Liberia	Mexico	Guatemala Paraquay	Peru	Argentina												Spain	Portugal					
				Year	1985 1988 88/89	1987	1988	1983	1990																											
;	10-14	Per-	cent-	female	9.70																															
				Country	Burkina Faso Niger Sierra Leone	Algeria Tunisia	Egypt	Guinea	Sudan																											
				Year																																
	6 >	Per-	cent-	female																																
				Country																																
				Region	Africa										Latin	America and the	Caribbean													Western	others					

	Year	1989	1978
25+	Per- cent- age female	31.90	26.68
	Country	Viet Nam	Poland
	Year	1986	1980
20-24	Per- cent- age female	19.90	19.91
20	Country	Tonga	Hungary Czechoslovakia (former)
	Year	1990 1983 1986 1980 1981 1981 1980 1980	
15-19	Per- cent- age female	15.70 16.20 16.40 16.45 17.00 17.40 17.40 18.19	
	Country	Republic of Korea Nyanmar Solomon Islands New Caledonia Thailand Bangladesh Japan Szi Lanka Malaysia Singapore Israel	
	Year	1975 1990 1979 1986 1970 1991	
10-14	Per- cent- age female	10.00 11.30 11.40 12.40 12.50 13.00	
	Country	Turkey Philippines Vanuatu Fiji Syrian Arab Republic Indonesia	
	Year	1981 1985 1976	
6>	Per- cent- age female	4.33 4.77 7.31	
	Country	Pakistan Kuwait Iran (Islamic Republic of)	
	Region	Asia	Eastern Europe

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National report of Haiti, 1994. National report of Antigua and Barbuda, 1994.

Table 16. Change in the percentage of households headed by women

		Percentage		Percentage	Change in
Region/country	Year	female, 1970	Year	female, 1980	percentage female
Africa					_
Zambia	1980	27.75	1992	16.20	-11.55
Sudan	1973	22.10	1990	13.30	-8.80
Kenya	1969	29.50	1989	22.00	-7.50
Mali	1976	15.06	1987	14.00	-1.06
Morocco	1971	16.90	1987	17.30	0.40
Botswana	1981	45.15	1988	45.90	0.75
Tunisia	1975	10.40	1988	11.30	0.90
Liberia	1974	14.90	1986	19.10	4.20
Burkina Faso	1975	5.10	1985	9.70	4.60
Cameroon	1976	13.75	1987	18.50	4.75
Ghana	1970	27.40	1988	32.20	4.80
Latin America and the Caribbean					
Peru	1972	22.50	1991	17.30	-5.20
Honduras	1974	21.60	86-87	20.40	-1.20
Paraguay	1982	18.1	1990	17.00	-1.10
Chile	1982	21.58	1989	21.00	-0.58
Venezuela	1981	21.77	1990	21.30	-0.47
Panama	1980	21.50	1990	22.30	0.80
Uruguay	1975	21.04	1985	23.00	1.96
Costa Rica	1984	17.55	1992	20.00	2.45
Dominican Republic	1981	21.7	1991	25.00	3.30
El Salvador	1971	21.50	1985	26.60	5.10
Brazil	1980	14.43	1989	20.10	5.67
Guatemala	1981		1989	16.90	16.90
Asia and Pacific					
New Caledonia	1983	18.49	1989	16.40	-2.09
Indonesia	1980	14.23	1991	13.00	-1.23
Philippines	1970	10.80	1990	11.30	0.50
Republic of Korea	1980	14.66	1990	15.70	1.04
Japan	1980	15.18	1990	17.00	1.82

Source: WISTAT, 1994.

Table 17. Households with only one adult member, by sex, and households headed by women with no adult male in household

(Percentage)

Country	One female adult	One male adult	Female head of household with no adult male in household
Sub-Saharan Africa			
Botswana	31	21	56
Burundi	34	10	51
Ghana	31	18	57
Kenya	44	18	63
Liberia	33	12	52
Mali	50	6	68
Sudan	31	2	48
Senegal	16	4	36
Zimbabwe	36	14	51
North Africa			
Egypt	32	1	48
Morocco	34	4	52
Tunisia	30	2	45
Asia			
Indonesia	36	3	55
Sri Lanka	13	2	25
Thailand	20	3	40
Latin America/Caribbean			
Bolivia	51	9	68
Colombia	23	4	44
Dominican Republic	24	10	39
Ecuador	30	6	52
Guatemala	27	4	44
Mexico	26	4	48
Peru	32	7	51
Trinidad and Tobago	23	14	36

 $\underline{ \text{Source:}} \quad \underline{ \text{Population Distribution and Migration}} \quad (\text{United Nations publication,} \\ \text{forthcoming).}$

103. Poverty, as measured by income and consumption, is particularly severe among female heads of household who are single providers for their families and receive no support from a male. Studies indicate that the income of women who are heads of household is significantly lower (sometimes only half or less) than that of male heads of household. The national survey of Chile, for example, showed that in 1988 the average income of female heads of household was only 12,200 pesos while that of males was 24,000. A study of urban household income in Jamaica showed that the average monthly income of households headed by women was 22 per cent less than that of households headed by men. Another study showed that in the mid-1980s in the Kingston metropolitan area 72.6 per cent of female household heads had an income below J\$ 400 a week (equivalent to \$18) compared to 39.3 per cent of male household heads. 46/

104. It has already been noted that the economic status of women is indicative of the dimensions of general poverty (i.e. poverty that is non-specific in terms of gender) and correlates closely with the progress made in its reduction. Apparently, the same relationship holds at the household level as well. Studies have found that in poor households where the women's share of income and their economic status were relatively high, the children's needs in terms of nutrition and education were met better and without discrimination between the sexes. It is therefore not surprising that, in households where income is earned and controlled by women the children's health, nutrition and educational attainment was found to be no worse and sometimes even better than in male-headed households even though the households headed by women were poorer. 42/ It is well documented that women heads of households spend a greater proportion of their income on the children's well-being than do men heads of households. This result holds even when, taking Engel's Law 47/ into account, income is controlled for by statistical methods.

(d) Structural adjustment and poverty among women

105. Adverse external economic circumstances and distortive domestic macro-policies act as a brake on development and consequently on the advancement of women in the economic and social spheres of life. But even when some progress in development is achieved, research shows that it is often not shared equally by women and men. Some evidence suggests that men's share of resources and their control over women's lives increases dramatically with economic development. $\underline{48}$ / The greater availability of education in the developing countries has translated into unequal access to it for men and women, and incentives for the production of export cash-crops have been taken advantage of almost exclusively by men whereas women have ended up with responsibility for the production of food for domestic consumption and for helping with cash-crop production while having little or no control over the return on their labour.

106. As economies around the world responded to the global recession of the early 1980s with policies of structural adjustment, the question was repeatedly raised whether these policies are gender-neutral, gender-blind or outright gender-biased. The argument has been justifiably made that policies of structural adjustment entail a cost that tends to be distributed disproportionately. Women come to bear most of it in the form of loss of income and of control over productive resources, greater pressures in balancing family responsibilities with income generation, and the absence of opportunities to

take advantage of price-related changes in production incentives. There have been reports of the distinctly adverse impact of structural adjustment on women in Africa. In Zimbabwe, for example, government health spending fell by one third in the first three years of structural adjustment polices. The number of women dying in childbirth in the capital, Harare, doubled in the two years after adjustment from 101 in 1989 to 242 in 1991. 49/

- 107. Concern has been expressed that structural adjustment leads to a perpetuation of the "vicious circle" of female poverty as younger female members of households are drawn into productive and reproductive labour at the expense of school attendance. In Haiti, for example, where 70 per cent of households are headed by women, 10 per cent of girls between 5 and 10 and 33 per cent between 10 and 14 were found to be economically active in 1987. A similar situation was reported in Jamaica, where a decline in school attendance left one quarter of all primary school children, many of them girls, outside the system.
- 108. Persuasive evidence had been compiled on the adverse effect of structural adjustment on African women farmers and particularly on poor households headed by women that produce insufficient food and have no access to credit and agricultural inputs and therefore suffer most when food prices go up. The picture of the consequences of structural adjustment story in Africa is essentially the same for all countries: as incentives arise in the context of structural adjustment for the production of cash-crops and as Governments stop subsidizing agricultural inputs, women lose in terms of access to land and credit and consequently in terms of the income accruing to them and their families. Studies show that the cash-crops controlled by men respond well to increased producer prices, while cash- and food-crops produced by women respond little or not at all. The question is: where does the increase in acreage allocated to men's crops come from? The answer is: from drawing land resources away from women. Given that statistical analyses uniformly show that there is a strong and statistically significant positive relationship between income earned by women and the nutritional status of the family 42/ while in the case of male income it is only the contributed proportion of income which is the best explanatory variable 42/ of family well-being, the impact of the decline in the income accruing to rural African women on poverty is self-evident. A number of empirical analyses of the relationship between these two variables in rural Africa show that subsistence production is a better predictor of children's nutrition than cash-crop production. 50/
- 109. However, it would be incorrect and misleading to associate the persistence and, in some cases, worsening of female poverty with the policies of structural adjustment. These policies were introduced into the economies that were already suffering from profound internal and external imbalances which were in themselves detrimental to poverty reduction. To the extent that structural adjustment policies helped to restore financial stability, remove market distortions and improve allocative efficiency they acted as a cure for economic distress and not as a cause. As such, these policies were actually helping towards a long-term and sustainable solution to poverty, including that of women. Furthermore, since "counterfactual" 51/ with respect to women's socio-economic situation cannot be directly observed and no satisfactory methodology exists for its estimation, it would be difficult to conclude with

certainty that policies of structural adjustment have had an inevitable negative impact on poor women.

- 110. What can be stated is that structural adjustment is about change and change implies costs. It is well documented that the costs of structural adjustment, even if only the short-term ones, have been distributed unevenly with women being hit hardest. Also, while the policies themselves created opportunities for the reallocation of resources to more productive sectors of the economy, women, owing to existing gender biases, the rigidity of their socially ascribed roles and their limited access to productive resources, were unable to adequately benefit from this reallocation. Thus, when analysing the impact of structural adjustment, it is more appropriate to emphasize the need to alleviate their cost and in connection with that the need for a clear understanding of their gender-specific effects. This, in turn, can be achieved only if a conscious effort is made by policy makers at the national and international levels to trace the impact of macro-policies to the gender level and to capture it in adequate statistical indicators.
- 111. Another important aspect of the impact of development on poor women stems from the effect of the introduction of new technology on female wage labour. Generally speaking, the impact of new technologies depends on whether they tend to displace female labour or increase the demand for it; whether they are labour-using or labour-saving; and whether the increase in the demand for female labour falls on family labour on wage labour. Studies of the impact on female wage labour of the introduction of high-yield varieties during the Green Revolution, for example, showed that it increased the demand for it. Poverty rates among female casual labourers in India continue to remain high; at the end of the 1980s, 61 per cent were below the poverty line as compared to 58 per cent of male casual labourers. According to the national report of Bangladesh, the introduction of new technologies in food processing and preservation and in animal husbandry increased the demand for female wage labour. Women nevertheless continue to account for the largest proportion of the poor; the female share of poverty as a percentage of the labour force is currently 87.7 per cent as compared to 74 per cent for males.
- 112. According to an ECLAC study, in Latin America and the Caribbean new technologies and the new ways of organizing work could theoretically have been very helpful in reducing gender-based segregation, but these possibilities have not materialized in the region. Where the integration of large numbers of female workers into some of the modernized sectors of the economy has occurred (e.g., in Chile's agro-industry and northern Mexico's electronic maguila industry), it has generally been precarious and workers in these jobs usually receive low pay, have temporary contracts, lack social security and are not allowed to unionize and engage in collective bargaining. 10/

(e) Control and allocation of resources within the household

113. Intra-household gender relations tend to create a disjunction in the translation of the improvement in household and female earnings into the improvement of female and child welfare. The national report of Bangladesh shows that women wage earners in poor households have only 1.03 meals to every 2.4 meals for men. Other studies show that in developing countries household

strategies for coping with crises reveal that the bulk of the hardship falls on women, since their consumption tends to be reduced first and their assets are often sold first. In the face of economic hardship, a desperate measure is often the abandonment of the household by the male wage earner, leading to the creation of another female-headed household. Because of its impact on the ability of women to exercise control over their own resources and those of the household, the intra-household gender relationship is an important factor influencing the feminization of poverty in developing countries and in some developed and transitional economies.

- 114. Intra-household conflict is undoubtedly a factor that is, inter alia, responsible for the distinct gender dimension of poverty. It has been demonstrated at the theoretical and empirical levels that the assumption that households promote joint welfare maximization is useful for the purpose of economic modelling. It is, however, only an assumption, and is also to some extent an oversimplification and as such causes the model to yield a somewhat impoverished construction of social reality. 52/ The growing literature on intra-household distributional inequalities in developed, developing and transitional economies provides further theoretical and empirical refutation of the idea of joint welfare maximization. Research on the issue demonstrates that the economic process is not the result of the interplay of income and prices alone but is strongly influenced by social and cultural factors and factors related to customs and traditions. The inclusion of these factors in a model purporting to explain poverty from the gender perspective is crucial, and otherwise the gender dimension in what at first sight appears to be a genderneutral process of economic and social deprivation - i.e., impoverishment - goes undetected. However, to emphasize female poverty solely in terms of gender conflict would be a dangerous trivialization that would inevitably result in masking a more general crisis of the years of gender-blind and at times gender-biased development.
- 115. Attempts to assess the extent of the feminization of poverty among the world's poor run into problems of insufficient data. The accessible evidence is based on inferences from the trends that underlie the process of feminization, namely trends in female headship, changes in the pattern and structure of employment and the socio-cultural factors that continue to influence gender relations.

B. Poverty in terms of different groups of women

116. Women continue to be vulnerable to poverty by virtue of their social status. Social stratification can be affected by migrant and refugee status, age, marital status and ethnicity. Among the poorest of the poor are migrant and/or refugee women who have left home either in search of work or as a result of being uprooted by military conflict and civil strife.

1. Refugees and displaced women

117. Civil wars in countries as varied as Afghanistan, Angola, Armenia, Azerbaijan, Georgia, Haiti, Mozambique, Rwanda, Somalia, the Sudan and the

former Yugoslavia have denied livelihood to millions of people, destroyed infrastructure, driven people away from their homes and reduced millions to destitution and hunger. At the end of 1994, there were some 23 million refugees and millions of displaced persons, all victims of civil war and other forms of armed conflict. According to the United Nations High Commissioner for Refugees, 80 per cent of the refugees and displaced persons are women and children. Recent data shows that mothers and children are disproportionately represented in the refugee population in Africa, Asia and Central America. Two thirds of the total refugee population in Somalia were women, while 90 per cent of the total Ethiopian refugee population in Somalia were women with young children. Eighty per cent of Cambodian refugee families along the Thai-Cambodian border were headed by women, and 68 per cent of the refugee women in one Thai refugee camp headed households with young dependent children. 53/

118. Having escaped military conflict and/or persecution, refugee women often find themselves trapped in poverty. On resettlement, many suffer isolation and the lack of employment opportunities except in low-paying, low status jobs, $\underline{53}$ / and they have little or no chance of improving their situation. Despite strenuous efforts to help them, relatively few of these women have managed to escape poverty in any lasting way. Most continue to face adverse conditions owing to the gender bias prevailing in society and economic stagnation in the receiving countries. Any new strategy for eliminating poverty will have to address the special needs of uprooted women not only in the context of complementary actions directed at specially vulnerable population groups but also as part of national efforts directed at poverty eradication.

2. Elderly women

- 119. Poverty among elderly women is on the rise, particularly in developing countries where very few of them have pension rights and where rapid urbanization has eroded the traditional system of social support, but it is largely ignored in domestic economic and social policy-making and overlooked by international development donors.
- 120. For women in the developed market economies, poverty experienced in the workplace is often extended to their retirement and affects their psychological, physical, economic and social well-being. The retirement income, especially for working-class women, reflects years of disadvantageous positioning in the labour market and the pervasive discrimination that women encounter throughout their lives in schooling, work and housing. As a consequence, many women find themselves in poverty after retirement. 54/ Rural elderly women appear to be particularly vulnerable. Recent research shows that the incidence of poverty among non-metropolitan elderly women in these economies is higher than among metropolitan elderly women. 55/ Poverty among elderly women is mediated by factors such as class, ethnicity and race. The greatest incidence of poverty in the United States, for example, is found among older black women. 56/
- 121. Elderly women account for a large proportion of poor in the economies in transition. The national report of Kyrgyzstan, for example, indicates that elderly women constitute the majority of the poor.

3. Indigenous women

- 122. Poverty is endemic among indigenous women in Central America, Africa, New Zealand, Malaysia, Australia, Canada, and the former republics of the Soviet Union. Across the world, indigenous women have higher rates of unemployment, illiteracy, household headship and dependency than non-indigenous men and women and lack of access to health and social services. The national report of Kyrgyzstan, for example, emphasizes the lack of employment opportunities among indigenous women. The national report of Canada indicates that the average income of aboriginal women is the lowest in the country. In 1991, 60 per cent of aboriginal women in Canada had a total income of under \$10,000. Twenty-four per cent of indigenous women in Australia are recipients of social security benefits, a rate twice that found for other Australian women.
- 123. About 30 million indigenous men and women live in Latin America where their problems cannot be dissociated from the whole range of difficulties experienced by the region. In all Amerindian cultures, identity and culture are closely related to land ownership, which was denied them after the European conquest and which is still the object of a legal battle between indigenous communities and national authorities. As these communities are traditionally categorized as pre-farming self sufficient ethnic groups and farming ethnic groups, it is clear that the loss of their territories greatly affected their living conditions.
- 124. Poverty experienced by the indigenous population prompted many of them to seek gainful employment in rural and urban areas. In general, their integration has been marginal, particularly so in the case of women, who find work as household employees, itinerant tradespeople or workers in unstable jobs. They are all the more vulnerable because they migrate at an earlier age than men, when they are still unmarried, and also because their illiteracy rate is higher than that of men (about 3.9 per cent on average). 57/ In Bolivia, for example, where indigenous people account for 60 per cent of the population, 98 per cent of monolingual and 73.5 per cent of bilingual indigenous populations are living in poverty. In Guatemala, the income of the 65 per cent of indigenous men and women, who account for 41.9 per cent of the whole population, falls into the deciles of income distribution corresponding with the lowest share of total national income.

4. Other social factors

- 125. Female poverty is also an economic consequence of divorce. Recent data show that, as a consequence of divorce, women's income drops by 50 per cent compared to 25 per cent for men and that their poverty rate rises threefold, while for men, the rate increases only marginally. Income-to-needs ratios adjusted for family size show a 40 per cent increase for women following divorce, but for men the ratio remains essentially the same. 58/
- 126. In light of these trends and the persistence and/or worsening of poverty around the world, the lack of a systematic gender approach to poverty reduction constitutes a threat to the progress of women's advancement. A review of the national reports shows that in many countries measures taken to combat poverty

among women are of a somewhat piecemeal nature and lack the context of a coherent, consistent and gender-sensitive strategy.

C. Women, poverty and the environment

- 127. The link between women's economic status and environmental problems is complex, problematic and, occasionally, somewhat tenuous. It differs in developed and developing countries, in urban and rural settings, and with the nature of specific environmental problems. Moreover, the connection between environmental problems and women's economic status will vary between the context of global environmental change and that of local environmental problems. The link between the two is also affected by population variables, in particular rapid population growth and migration, which are both a stimulus and a response to environmental change.
- 128. The relationship between women, poverty and the environment has taken several conceptual forms since the mid-1970s, when interest in the issue first emerged within the development discourse. Initially, the relationship between female poverty and the environment was seen primarily in the context of fuel shortages and women's responsibilities involving the collection and consumption of wood. As poverty reduction was given greater priority in the development agenda, a new concept, (or rather misconception) emerged, namely, that the poor, in their struggle to survive, tend to exploit whatever natural resources they can appropriate, thus causing greater environmental damage. By the time women in development became a more or less separate field within development studies, women were recognized as being among those who suffer most from environmental degradation because of their extensive involvement in activities requiring close contact with nature and because of their maternal roles.
- 129. Urban women in poverty and their dependents may live in shacks and shanties, hastily developed lodgings, rented rooms, illegal quarters or in shared accommodations in boarding houses. In all cases, cramped and overcrowded quarters increase the risk of transmitting diseases, which is exacerbated by the lack of adequate sanitation, waste collection and access to safe water. Women, who often have to spend more time inside the house than men, are more exposed to both airborne and water-related diseases as well as to respiratory infections from the smoke and fumes of cooking and heating materials. A recent study of women and environment in developing countries 59/ shows that women's exposure to indoor air pollution from biomass fuel combustion often exceeds the WHO peak guideline by as much as 69 to 80 times. Nearly 92 million women in urban areas of the world are affected by lack of access to safe drinking water and more than 133 million by lack of proper sanitation. Most of these live in Asia in highly polluted environments. In Africa, 12 million urban women are estimated to lack access to safe drinking water. In Latin America, the figures are comparable to those for Africa (12 million and 22 million, respectively). 59/ Similarly, 20 per cent of all urban women in Africa, 19 per cent in Asia and 14 per cent in Latin America are estimated to be affected by lack of access to sanitation services.
- 130. The same study shows that 68 per cent of rural women in Africa, 77 per cent in Asia and 39 per cent in Latin America are affected by fuelwood scarcity. The

largest number of women affected by deforestation and fuelwood scarcity in absolute terms is in Asia where there are some 494 million when India and China are included and more than 131 million otherwise. The time spent by rural women gathering fuelwood in areas of high deforestation ranges from 2.5 to 5 hours, while in low-deforestation areas women spend an hour or more per day collecting fuelwood.

131. Rural women in developing countries are also affected by a lack of access to safe water and as a result, have to spend a significant amount of time fetching water. If India and China are excluded, Africa emerges as the region where the largest number of rural women, (56 per cent of those between 10 and 49 years of age), are affected by water scarcity. In Asia, more than 60 million women, or some 32 per cent, are affected by water scarcity. In Latin America, 46 per cent of all rural women in the same age group are affected by lack of access to safe water. Such a high proportion indicates that, despite the highly urbanized nature of Latin America and the general abundance of water, there are still a significant number of areas where water scarcity, at least seasonally, imposes a burden on women in their daily lives with respect to water procurement. Women in developing countries may spend as much as 1.6 hours a day collecting water in the dry season, and 0.63 hours a day in the wet season. Unfortunately, no studies have been made of the relationships between desertification, deforestation and water collection time.

132. Finally, any links there may be between environment and fertility will directly involve women. Two types of effect have been emphasized. In urban areas, the degree of exposure to toxic pollutants and other forms of pollution could affect the health of the mother and the foetus. In poor rural areas, the environment may be such that a woman's nutritional level is so low that her health and that of her child are endangered. On the other hand, it has been hypothesized, that as women's workload increases with environmental degradation, they may perceive the benefits of having children to help them as larger than they otherwise would. 60/ A number of studies on the cost and value of children show that inputs by children in peasant agriculture are substantial. 59/

D. Means of eradicating female poverty

133. Since it is largely true that "what is not counted is usually not noticed", $\underline{61}$ / appropriate measurements of poverty in general and of female poverty in particular are important for determining the nature and dimensions of the phenomenon, and for formulating the anti-poverty policies and monitoring their implementation. There are at least three immediately identifiable problems in measuring female poverty and they concern the choice of indicators, the level of measurement and the degree of aggregation.

134. The most widely used indicator is income. Poverty is then identified with low income, or with low consumption. The problem with this is that women's consumption is often not a direct function of their income but is governed by complex factors of a socio-cultural nature that are not easy to quantify. In addition, income accruing to women is systematically underreported owing to the problems of collecting gender-disaggregated data and the concentration of women in informal and non-monetary spheres of economic activity.

- 135. Moreover, the income of women is often measured not at the individual level but at that of the household, and this leads to understatement of their poverty status because resource allocation at the household level is not really governed by principles of joint welfare maximization. The calculation of household per capita income is also often based on its number of adult consumers rather than on the actual number of its members. $\underline{62}/$
- 136. Finally, while various dimensions of poverty may be closely correlated, they are by no means interchangeable with or reducible to each other. Consequently, their aggregation into a single poverty index may give a misleading picture or bring about the loss of gender-specific information on poverty. This will have serious implications for the way female poverty is addressed. Quantitative analyses also need to be supplemented by qualitative assessment, or such important but unquantifiable dimensions of poverty as self-esteem, empowerment, autonomy, participation in decision-making and security will be overlooked.
- 137. Analyses of women's poverty suggest that its main causes stem from the perpetual disadvantage of women in terms of position in the labour market, access to productive resources, education, and income for the satisfaction of their basic needs. They also demonstrate that poor women possess exceptional resourcefulness, initiative and entrepreneurial spirit and show tenacity and self-sacrifice in trying to take a long-term view of their adverse economic situation and in safeguarding their livelihoods. The agenda for the eradication of female poverty should therefore begin with the recognition of women's economic potential and should aim at enhancing women's capabilities. Conversely, the agenda for development should begin by targeting women in poverty, because experience has shown time and again that any approach to poverty alleviation that leaves the economic status of women unchanged tends to fall short of its goal.
- 138. Attempts to provide a conceptual foundation for policies directed at reducing of female poverty have produced at least three approaches, all aimed at improving women's capabilities and creating the appropriate environment for their utilization. One approach, popular with international development institutions, emphasizes the role of the market as a sine qua non in creating income-generating opportunities for women providing that its functioning is not distorted by interventionist policies. Another important aspect of this approach is its recognition of the fact that it is not the rate of economic growth but rather its nature and its sources that determine whether or not women will benefit from it or end up being marginalized by it. Policy recommendations formulated on the basis of this approach emphasize sound micro- and macroeconomic policies together with non-distortive public intervention directed at the provision of social services.
- 139. A second approach to anti-poverty policy is on the expansion of the rights of the poor "so that rights of social security can be made to stand as guarantees of minimal protection and survival". $\underline{63}$ / The strength of this approach is that it emphasizes that the alleviation of female poverty cannot rely exclusively on either "the operation of market forces or on some paternalistic initiative on the part of the State ... or other social institution". $\underline{64}$ / Markets are not always hostile to women and government

interventions are not always beneficial for the advancement of their economic status. In light of this approach, the policy challenge is therefore to maximize the market's potential by creating income-generating opportunities for women, to minimize its hostile influences and to provide public assistance and social services in the least distortive way.

- 140. A third approach emphasizes "growth with equity" as the main premise in the formulation of anti-poverty policies and it is also based on the firm rejection of the "trickle-down" principle of GNP growth. In its attempt to reconcile market efficiency with equity as embodied in policy interventions, this approach is close to that couched in terms of the entitlement and endowments of the poor, except that the emphasis here is not so much on the inefficiencies resulting from distorted markets, as on failure to ensure the just distribution of the fruits of growth. Anti-poverty policy measures based on this approach emphasize responsible price and market polices together with policies for distributing assets and expanding productive employment opportunities.
- 141. During the 1980s, policies of poverty reduction reflected the differing conceptual approaches to their formulation. In the early 1980s, in the face of widespread macroeconomic difficulties and debt problems, anti-poverty policies aimed at restoring growth. In the late 1980s, they began to highlight the importance of environmental protection and of targeting female poverty in the fight against poverty in developing countries. The participatory approach directed at women's empowerment and the rejection of "welfarism" became central to the formulation of policies directed at the reduction of female poverty. This approach emphasizes the interdependence of women's advancement and development and also seeks to modify development policies so as to transform unequal gender relations and account for their gender-specific effects. In other words, it seeks to incorporate gender into development planning.
- 142. The policy prescriptions put forward by international development agencies reflect the conceptual approaches to poverty outlined above. There is a significant degree of similarity and overlap between these prescriptions. All of them pay attention to the role of markets in addressing female poverty, and all conform to the notion of the importance of well-functioning, undistorted markets and prices, although the degree of emphasis on the role of markets varies. All are concerned with access to productive resources, and particularly to credit. Access to education and health services is recognized by all as important for a solution to female poverty and references to better employment opportunities are frequently made.
- 143. The policy recommendations most frequently made are the following:
- (a) Target resources to poor women and facilitate access by women to credit (group lending schemes) and to new technology (using women extension workers to reach groups of women farmers);
- (b) Ensure access to education and health services (safe motherhood programmes, nutrition programmes etc.);
- (c) Change laws where necessary to ensure women's access to land, assets and employment;

- (d) Provide adequate safety nets;
- (e) Redefine priorities for resource allocation within national budgets to reflect priority social services;
- (f) Supplement the economic approach to female poverty with the elimination of social and legal gender inequalities;
- (g) Enable the rural and urban poor to analyse their situation and express their own priorities through a community participation approach (participatory rural appraisal, for example).
- 144. The common difficulty with such recommendations is that they address what is required without specifying how it is to be achieved. Also they do not adequately reflect gender relations and do not provide a comprehensive strategy for dealing with female poverty. And finally, they do not adequately address the role of the State, except in terms of restructuring public expenditure.
- 145. At the national level, approaches to female poverty are even less coherent and lack the context of a comprehensive strategy for dealing with the problem. Most of the national reports reviewed so far lack a coherent, balanced agenda for combating female poverty. Piecemeal measures, such as the introduction of a quota system for women in the recruitment policy of the public sector in Bangladesh or tax breaks for single mothers with children in the Russian Federation, are reported as measures taken towards the reduction of poverty among women. Nowhere is the issue addressed by gender-sensitive development planning, and due consideration is nowhere given to the role of Government and the market in the alleviation of female poverty. In light of the apparent feminization of poverty in developed, developing and transitional economies alike, the lack of specific policies that are well balanced in terms of emphasis is a threat to development and to democracy, because in the long run the low economic status of women is likely to translate into slower rates of economic growth.

<u>Notes</u>

- 1/ Report of the World Conference to Review and Appraise the Achievements of the United Nations Decade for Women: Equality, Development and Peace,
 Nairobi, 15-26 July 1985 (United Nations publication, Sales No. E.85.IV.10), chap. I, sect. A.
- $\underline{2}/$ See the discussion in <u>Women in the World Economy: the 1994 World Survey on the Role of Women in Development</u>.
- $\underline{3}/$ F. Nixson, "The third world and the global economy: recent trends and future prospects", <u>Developments in Economics: An Annual Review</u>, vol. 6 (1990), p. 34.
- $\underline{4}$ / Since early 1994, the International Monetary Fund has placed greater emphasis on social sector policies. Recognizing the important developmental gains from improving the status and quality of life of women, in the context of

both programmes and the policy dialogue with member Governments the Fund has underscored the importance of improving women's access to education, health care, and family planning. The Fund is exploring, in close consultation with the Bank, the modalities of providing gender-sensitivity training for Fund staff, in order to enhance their effectiveness in both the design of adjustment programmes and the provision of technical assistance.

- $\underline{5}/$ <u>World Economic Survey, 1990</u> (United Nations publication, Sales No. E.90.II.C.1), p. 3.
- $\underline{6}$ / World Economic Survey, 1993 (United Nations publication, Sales No. E.93.II.C.1), p. 209.
- 7/ ECLAC, <u>Panorama social de America Latina y el Caribe</u>, 1993 ed. (Santiago, 1993).
- $\underline{8}$ / _____, "Women in Latin America and the Caribbean in the 1990s: diagnostic elements and proposals" (LC/L.836; CRM.6/4).
- $\underline{9}/$ _____, "Report of the Regional Conference on the Integration of Women into the Economic and Social Development of Latin America and the Caribbean, Mar del Plata, Argentina, 25-29 September 1994" (PLE/2/Rev.1).
- 10/ _____, 1994. "Women and urban employment in Latin America: the significance of changes in the 1990s" (DDR/3). See also M. Pollack, "Feminization of the informal sector in Latin America and the Caribbean?" <u>Mujery Desarrollo</u>, No. 11 (LC/L.731).
- 11/ "Population distribution and migration. Proceedings of the United Nations Expert Meeting on Population Distribution and Migration, Santa Cruz, Bolivia, 18-22 January 1993" (ESA/P/WP.12).
- $\underline{12}/$ The Integrated Poverty Index is calculated by combining the head-count measure of poverty and the income-gap ratio, income distribution below the poverty line and the annual rate of growth per capital GNP.
- 13/ I. Jazairy, M. Alamgir and T. Panuccio, <u>The State of World Rural</u> <u>Poverty</u>. An Introduction into its Causes and Consequences (New York, New York University Press, 1992).
- 14/ Civil strife in Algeria, Burundi, Kenya, Liberia, Rwanda, Sierra Leone, Sudan and Zaire and the civil war in Angola reduced or brought to a halt economic activities, displaced population, destroyed infrastructure and precluded economic reforms.
- $\underline{15}/\underline{\text{Global Economic Prospects and the Developing Countries}}$ (World Bank, Washington D.C., 1994).
- $\underline{16}/$ Report on the World Social Situation, 1993 (United Nations publication, Sales No. E.93.IV.2), p. 39.

- $\underline{17}/$ G. Standing, "Feminization through flexible labour", World Development, vol. 17, No. 7 (July 1989).
- 18 / V. Moghadam, "An overview of global employment and unemployment in a gender perspective" (UNU/WIDER, 1994).
- $\underline{19}/$ The effects of structural adjustment on women are often described in terms of "added worker effect" and the "discouraged worker effect". The "added worker effect" is increase in the supply of female labour in response to a decline in household income. The "discouraged worker effect" results from the decline in employment opportunities.
- $\underline{20}/$ World Economic and Social Survey, 1994 (United Nations publication, Sales No. E.94.II.C.1).
- $\underline{21}/\underline{\text{World Development Report, 1992}}$. $\underline{\text{Development and Environment}}$ (New York, Oxford University Press, 1992).
 - 22/ I. Jazairy, M. Alamgir and T. Panuccio, op. cit., p. 84.
- 23/ In Sri Lanka and the Philippines, for example, the rates of unemployment among women have been higher than among men throughout the period since the Nairobi Conference. (See "Review and appraisal of the implementation of the Nairobi Forward-looking Strategies for the Advancement of Women" (E/ESCAP/RUD/SOCWD/1).)
 - 24/ "Violence against migrant women workers" (A/49/354).
- 25/ S. Baden, "The impact of recession and structural adjustment on women's work in developing countries", paper prepared for the ILO, 1993.
- $\underline{26}$ / Current debt-service to export ratio of major recipients of private capital among developing countries is 0.22 as compared with 0.29 in the period 1982-1987. Their debt to export ratio in 1990-1992 declined to 1.75 from 1.86 in 1982-1987 (Global Economic Prospects and the Developing Countries ..., p. 11).
- 27/ Economies in transition include the countries of Eastern Europe (Albania, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia and the Federal Republic of Yugoslavia), the republics of the former Soviet Union cooperating within the Commonwealth of Independent States, and the Baltic States of Estonia, Latvia and Lithuania.
- 28/ "Shock therapy" involves a sharp cut of budget deficits, liberalization of prices and imports, devaluation of exchange rates, interest rate increases and tight control of money supply growth.
- $\underline{29}/$ "The role of women in the transition processes: facing a major challenge" (E/ECE/RW/HLM/5).

- 30/ J. Musil, "New social contracts: responses of the State and the social partners to the challenges of restructuring and privatization", <u>Labour and Society</u>, vol. 16, No. 4, p. 1.
- 31/ L. Paukert, "Women's employment in East-Central European countries during the period of transition to a market economy system", working paper prepared for the ILO, 1993.
- 32/ "Regional review and appraisal of the Nairobi Forward-looking Strategies for the Advancement of Women" (E/ECE/RW/HLM/1).
- 33/ Population Distribution and Migration (United Nations publication, forthcoming).
- 34/ About 854 million women were estimated to be economically active in 1990, accounting for 32.1 per cent of the global labour force. See <u>Women in Manufacturing: Participation Patterns, Determinants and Trends</u> (Vienna, UNIDO, 1993).
- 35/ Recent trends suggest that Malaysia, Thailand, Indonesia, the Philippines and China have replaced four original newly industrializing countries as the engine of growth in the region.
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