

Agenda for change

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This Agenda for Change was drafted by Marzia Fontana and edited by Rosalind Eyben (Convenor of Pathways Global Hub).

The contents reflect discussions from a Pathways workshop held in May 2008 with participation also from Diane Elson, James Heinz, Sue Himmelweit, Sue Holloway, Ruth Pearson and Janet Veitch.

The draft was reviewed by Andrea Cornwall, Naila Kabeer, Khawar Momtaz and Ratna Sudarshan.

Email pathways@ids.ac.uk

Website www.pathways-of-empowerment.org

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Women's empowerment needs a people-centred economy



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In 2006 the World Bank coined a catchy slogan 'Gender equality is smart economics'. Said the World Bank's President in June 2008, "The empowerment of women is smart economics ... studies show that investments in women yield large social and economic returns". Many international aid ministries and United Nations organisations are adopting the World Bank's argument. It is an approach to women's economic empowerment that aims to increase a country's GDP while ignoring the fundamental gender inequalities associated with the unpaid work of household maintenance and sustenance of society on which the market economy depends.

We, propose an agenda for change based on an alternative vision – one in which the economy is shaped for people rather than people for the economy.

The seeming triumph of the 1990s was that social justice was a sufficient reason to make efforts to secure gender equality. Women's and girls' well-being was an end in itself. Today, although the argument for equality based on justice and fairness is not entirely neglected, we have seen a strong shift in policies towards a revival of the centrality of market-led growth as the engine of development. Women are expected to increase a country's GDP, while development policy actors largely ignore the fundamental gender inequalities associated with the unpaid work of household maintenance and community care on which markets depend for their functioning.

Inequitable power relations shape the way the economy works. Most economic policies are designed to protect the interests of those with more power and voice. For example, accounts of the Asian economic crisis in the 1990s - which resonate so much with what is happening right now - show how the adverse effects on women were amplified because of gender inequalities both in the market and within households. The strategy of tight monetary policy and cutting back on public expenditure recommended by the IMF in those circumstances was described as the only 'sound' strategy available but was effectively designed to prioritise the financial rights of creditors over the human rights of people in Asia.

Our alternative is an economic system that reflects and places a value on equitable relations between women and men. We challenge commonly-held assumptions about how the economy works – *assumptions that in this time of global crisis risk bringing greater misery and impoverishment for those who can least protect themselves from collapsing markets*. In this crisis hundreds of millions of women will find themselves trapped in a system where the dice are loaded against them. They will find that they have to work ever harder to keep that system in place. Now, more than ever, we need an agenda for change.

An economy is more than markets. The market is just one element of a broader system of production, distribution and consumption of goods and services. Research has illuminated the close interdependence between the sphere of the market and the sphere of 'social reproduction' – the continuation of society through the care we take of each other from birth through to old age and the institutions such as the family that have evolved in relation to this and of the gender division of labour within it. From an economic perspective production uses people as one of the resources necessary to make things; the task of reproduction is to restore that resource into people. Reproduction is not just about the daily maintenance of people's lives, but also about less

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tangible but equally important nurturing of relationships and supporting the social fabric. Its fundamental contribution to human well-being makes it extremely important. Its current neglect in development policy is a matter of serious concern.

Unpaid care (for family, neighbours and the community) is a core element of reproduction. It sustains households and the physical and psychological life of their members; it also contributes to the functioning of the market economy. There are other forms of unpaid work (such as, for example, participating in subsistence production or in the family business, or collecting water) and these too, in both direct and indirect ways, support markets and households. Evidence from all over the world suggests that unpaid care work is still largely undertaken by women. Unpaid care work supports the private sector by lowering the cost that employers must sustain in order to maintain employees and their families, and supports the public sector by offering health services, sanitation, water and child care when public provision of such services is lacking or insufficient. Thus it is also mostly women who have to compensate for ill effects of the market system and for inadequate public services.

Care work can also be done for pay. Paid domestic services have become a growing sector of the monetised

economy in the current phase of globalisation, particularly in developed countries. It is largely women who earn their living through these services, typically low-paid and low-status, thus contributing further to women's marginalisation.

Women's caring responsibilities, and their resulting subordinate position in the labour market and dependence on male income, create a vicious cycle of asymmetric gender relations

What would a gender-equitable economic system look like? The diagram opposite draws on the work of Diane Elson, and gives a visual image of the economy as constituted of three main building blocks: the business sector, the public sector and the domestic sector. Their interconnectedness and interdependence are illustrated by arrows.

A gender-equitable economy would be an economy in which each of these blocks is equally visible, and the processes that attribute value to the work contributed by each individual to each of

the parts are just. It would be an economy in which all forms of work, whether paid or unpaid, for production or for reproduction, are recognised.

An adequate co-ordination of production and reproduction would require a transformation of the rules about what is women's work and what is men's work. It would call for a transformation of the business sector, so that firms would not discriminate against employees for their domestic responsibilities. It would likewise call for a greater role for the public sector for greater social investment in infrastructure and services to reduce and redistribute the burdens of unpaid care work.

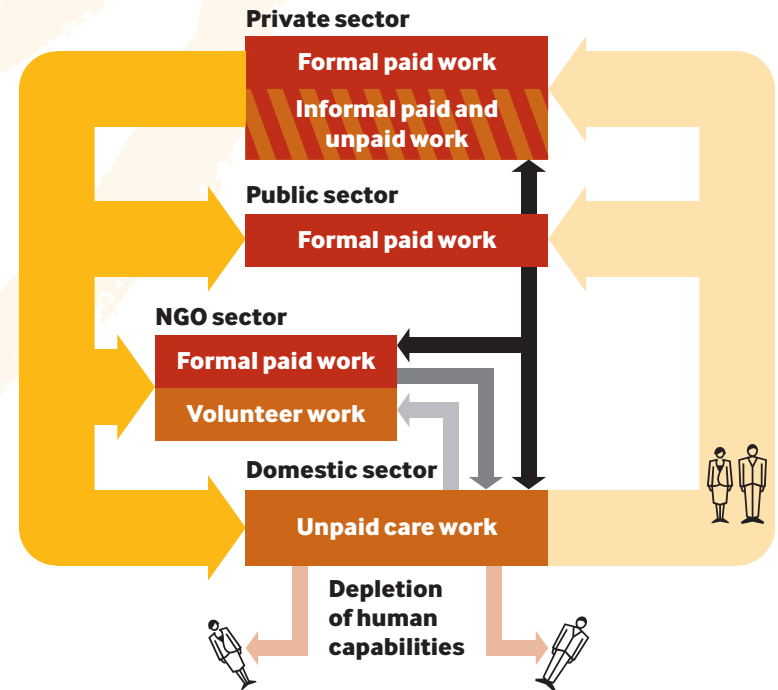
A reduction, and fairer distribution, of unpaid work would enable women, to spend more time and energy in other aspects of social engagement, such as participating in politics, continuing their studies or artistic expression, thus redressing the gender imbalance which frequently characterise these activities as well. This in turn would further lead to a strengthening of the social fabric and to a more equitable running of the economy – a virtuous circle.

In the skewed existing system, where the market sphere receives greater weight and visibility than the non-market sphere, the direction of resources and energy tends to flow from the reproduction of persons to the production of



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Revising the economy through women's eyes



- formal work, included in GNP
- informal work, undercounted in GNP
- volunteer and unpaid care work, not included in GNP
- marketed goods and services and payments
- marketed and non-marketed goods and services, including information and advocacy
- inputs of paid labour
- inputs of labour and volunteer work
- public services, income transfers and payments, less taxes and user fees
- depletion of human capabilities

Source: UNIFEM, 2000, The Progress of Women, Chapter 1, p. 26

commodities. *An agenda for change concerns reversing this direction in favour of a more humane process in which the quality reproduction of people is the goal and commodity production is the means.*

Because power shapes what is produced and valued, the work of reproduction often disappears from the context of economic analysis; those involved in care, and in other forms of unpaid work, become invisible. As a result, the depletion of human resources goes unnoticed and unmeasured, with serious implications for sustainable economic development and well-being. While economists talk of the depreciation of machinery, and, more recently, are becoming concerned about the environment, they rarely consider depletion in terms of human resources, households and social reproduction.

The intersections between unpaid labour and market employment are rarely acknowledged by economic policies claiming to be for women's empowerment and can lead to policy interventions that prove to be disempowering. This is because policies are exclusively focused on pushing women into paid employment without complementary policies such as entitlements for the providers of unpaid caring labour or ensuring access to essential public services and safety nets.

When reducing the time burden of unpaid work is acknowledged, it is only with reference to the barrier such work places on women's ability to become more productive in paid employment or entrepreneurial activities. No attention is given to the role of unpaid care in promoting well-being. In sum, women's 'efficiency' is promoted for goals other than their own empowerment. Policies that view women as instrumental to other objectives cannot promote women's empowerment, because they fail to address the structures by which gender inequality is perpetuated over time.

A strategy exclusively focused on 'increasing women's labour market participation and making it easier for them to establish a business' is not guaranteed to produce a balanced distribution between men and women in both production and reproduction. It might help specific individual women make progress within the existent power structures, but is unlikely to challenge those constraints and institutions that are at the core of women's subordination.

Moreover, the 'women in business' approach (on which the World Bank appears to be placing so much faith) is insufficient for understanding the activities of many of the poorest women and runs the risk of excluding women at the margin of survival. Only women who feel relatively secure can concentrate their efforts in investing in commercial

enterprises. But even these relatively better-off women may have a difficult time in securing a stable livelihood when faced with so many contradictory incentives and when operating in markets dominated by big businesses and actors with significant market power.

A large proportion of women entrepreneurs are only micro entrepreneurs who undertake activities in the informal sector and are effectively selling their labour, without being able to profit from capital investment. They have to add entrepreneurial activities to their reproductive responsibilities, and negotiate their use of household resources – such as work space through processes that are highly gendered. There is usually no economic rights framework to support these women for access to essential public services, transport and safety nets. Women micro entrepreneurs are expected to generate income to pay not only for the cost of borrowing money for their business, but also for the services which are said to offer them routes out of poverty.

The consequences of ignoring the structures that push women into marginal and precarious positions can be severe. Women end up bearing the brunt of economic crises, as more of the burden of reproduction and care is moved back into the domestic sphere. Their resilience may not last forever.



Empowerment happens when individuals and organised groups are able to imagine their world differently and to realise that vision by changing the relations of power that have limited their capacity to enjoy a good life. Our approach to empowerment aims at transforming society and the economy to achieve justice and equity for all. It means recognising and valuing unpaid labour in the home and in communities as much as earning an income through the market mechanisms. Work, of any kind, would be equally shared between women and men and be organised to support and nourish rather than oppress and exploit.

The current crisis has given the State an important role in securing people's material wellbeing. It is a moment of opportunity for creating a fairer world. Recognising the inter-dependency of production and reproduction is the first step towards constructing a people-centred economy.