

**Commission on the Status of Women**  
Forty-ninth session  
New York, 28 February – 11 March 2005

**PANEL I**

**Integration of gender perspectives in macroeconomics**

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\* The paper has been reproduced as submitted.

## Note on Gender and Macroeconomics

The explicit aim of the Beijing Platform for Action was to "promote women's economic independence, including employment, and eradicate the persistent and increasing burden of poverty on women by addressing the structural causes of poverty through changes in economic structures, ensuring equal access for all women, including those in rural areas, as vital development agents, to productive resources, opportunities and public services". As a result of this platform for action, over the past decade numerous governments have attempted to incorporate concerns for gender equality through directed programmes, targeting certain measures specifically for women, and trying to design more gender-sensitive overall policies through various forms of gender auditing. There is no question that there is greater concern on the part of governments to address the issues of gender inequality and try to achieve the greater empowerment of women. However, the current picture reflects at best a mixed outcome in terms of achieving the stated goals. The experience of the past decade has suggested that targeted programmes for women can be less than effective in achieving desired goals, if the broader macroeconomic policies and processes are working in the opposite direction.

Consider the experience of developing Asia, for example. The past two decades have been momentous for the Asian region. This is now the most "globally integrated" region in the world, with the highest average ratios of trade to GDP, the largest absolute inflows of foreign direct investment, substantial financial capital flows and even significant movements of labour. These processes have in turn been associated with very rapid changes in forms of work and life, especially for women. Indeed, the changes have been seismic in their speed, intensity and effects upon economies and societies in the region, and particularly upon gender relations. The processes of rapid growth (and equally rapid and sudden declines in some economies) have been accompanied by major shifts in employment patterns and living standards, as familiar trends are replaced by social changes that are now extremely accelerated and intensified.

We have thus observed, in the space of less than one generation, massive shifts of women's labour into the paid workforce, especially in export-oriented employment, and then the subsequent ejection of older women and even younger counterparts, into more fragile and insecure forms of employment, or even back to unpaid housework. Women have moved – voluntarily or forcibly – in search of work across countries and regions, more than ever j 13 0 TD( )Tj 15 0 TD(m)TD(w)Tj 36 0 TD(o)Tj 26 22 0 TD(m)Tj 3 22 0j 22 0 TD(a)Tj 22 0

There have been some clear gains from the relatively short-lived process of using much more women's labour in the greater export-oriented production of the region. One important gain is the social recognition of women's work, and the acceptance of the need for greater social protection of women workers. The fact of greater entry into the paid work sphere may also provide greater recognition of women's unpaid household work. At the same time, however, unpaid work has tended to increase because of the reduction of government expenditure and support for many basic public services, especially in sanitation, health, and education.



action and legislation designed to improve the conditions of women workers, tended to reduce the relative attractiveness of women workers for those employers who had earlier been relying on the inferior conditions of women's work to enhance their export profitability. The rise in wages also tended to have the same effect. Thus, as the relative effective real wage (the ratio of the real wage to the price of exports) rose, the relative attractiveness of women workers tended to fall. This was especially true in those countries where the export sector was large and where the conditions of women workers were particularly poor. In such countries, the rise in wages tended to have a significant effect on the relative attractiveness of women workers.

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and the sick, provisioning of necessary goods (such as fetching water and fuel wood in rural areas) are typically seen as the responsibility of women members of the household. It is only recently that women's involvement in paid services has increased. While there has been some increase in women's share of paid employment in the formal sector (especially in public employment) in general, women workers tend to be concentrated into the lower paid and more informal types of service activity.

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issue for women migrants in particular, since they are especially vulnerable to various forms of economic and sexual exploitation, not only when they are workers in the entertainment and sex industries, but also when they are employed in other service activities or in factories as cheap labour.

*Policy measures*

In this context, there are important measures which governments in the region can –and must– take in order to ensure that work processes do not add to the complex pattern of oppression of women that continues in Asian societies today. More stable and less exploitative conditions for work by women cannot be ensured without a revival of the role played by governments in terms of macroeconomic management for employment generation and provision of adequate labour protection for all workers. Changes in labour market regulation alone do little to change the broad context of employment generation and conditions of work, if the aggregate market conditions themselves are not conducive to such change.

### **3. Trade policies**

Trade policies that encourage export-oriented employment must also be conscious of the problems of volatility of such employment and competitive pressures leading to reduced wages and working conditions in such sectors. This may call for specific forms of protection for producers and workers in trade-related sectors.

### **4. Public provision of services**

There must be substantial increases in the public provision of basic goods and services in most countries, especially in the developing world. Such provision must ensure universal access at reasonable quality.

### **5. Employment programmes and labour market regulation**

There is a case for public employment programmes (which must be designed to ensure the maximum participation of women workers) which would also contribute to the public provision of goods and services described above.

### **6. Food and nutrition**

There is some evidence of stagnation and/or deterioration in nutrition indicators of women and girls in several parts of the world, and increasing gender gap in such indicators. Reversing this and reducing the gap requires a proactive strategy of public intervention and ensuring basic food security among the population.

### **7. Policies towards agriculture**

The crisis in agriculture needs to be addressed on a priority basis, with government strategies for redirecting public investment to rural areas, providing some degree of protection from input and output price volatility to farmers, ensuring access to institutional credit, and so on.

### **8. Policies towards migration**

Both host and home countries need to be more sensitive to the specific concerns and needs of women migrants, and to formulate policies to ensure basic workers rights and protection from exploitation of such migrant workers. Such policies may also have to be developed at regional level or through bilateral agreements between sending and receiving countries.