

# ENGENDERING INTERNATIONAL TRADE GENDER EQUALITY IN A GLOBAL WORLD

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European Women's Lobby on the gender aspects of international trade and globalization in general

## 1. Introduction

Trade is undoubtedly one of the driving forces of global economic development and trade liberalisation as a process is therefore affecting every country in the world. However economic and trade policies affect women and men differently depending on their access to political power, economic resources and personal autonomy. The impact of trade liberalisation policies on women depends therefore on her position within her local, regional and national economy as well as her role as a mother and as a carer in her family and her community.

A gender analysis of trade liberalisation must therefore include an understanding of the social and cultural construction of the roles and relationships between women and men, which continue to lead to gender inequality. As a result of these different roles, women's experience of the process of globalisation generally and of trade liberalisation in particular are significantly different from those of her male fellow citizens.

Trade expansion has the potential to be a powerful contributor to gender equality and human development goals, as a creator of new income and new earning opportunities for women. One of our challenges is therefore to identify and promote the conditions and the model of trade most beneficial to women and to identify the preconditions for women to benefit from trade expansion and liberalisation.

Available evidence indicates that the ongoing process of trade liberalisation combined with the overall impact of the processes of globalisation are increasing economic inequalities between countries as well as between different economic groups within countries, between women and men and among women as they form part of the differently privileged economic groups.

At the same time there is evidence of positive gains being made by women as a group in terms of developing relative economic independence in some countries and in some sectors of the economy.

## 2. The positive aspects of global trade on women

The gender dimension of trade liberalisation shows both positive and negative effects, therefore analysis requires a detailed breakdown that examines different trends and takes into account the complexity of issues and factors involved.

These include:

Women's access to economic and technical resources,

Female labour force participation

Rates and patterns of labour market discrimination and segregation,

Access to education and women's education levels

Access to health care and socio-cultural resources.

Women are sometimes deemed to be the winners of global trade because more and more women are able to obtain employment. It is a fact that trade liberalisation has opened up new opportunities especially for educated and younger women with professional skills in developed countries and has led to access to new, better paying employment and opportunities previously unavailable to women.

In some parts of the developing world the expansion of trade has been associated with the "feminisation of the labour force", at least in its initial stages. The expansion of trade has facilitated and accelerated the absorption of women into the modern industrial economy. This has strongly positive gender equity effects: even when conditions of work are less favorable than for men in similar occupations women have access to a salary with the positive implications for their autonomy that a stable income provides.

The impact of trade expansion on women's economic activity has wider human and developmental benefits. It gives women greater control of income, although not always absolute individual control. Women's tend to have more family oriented expenditures patterns than men, so that an improvement in women's income-earning capability has lead to greater investment in the human capital of children, in their education possibilities and their livelihoods.

### 3. All that glitters is not gold

The processes of structural change to the global economy also carry with them new risks. Women's diversity and the very different political, economic, social and family contexts in which they find themselves create great challenges for both assessing and promoting the progress of women. The following points highlight the need for a gender monitoring of globalisation and the relevance of analysing the new economic tendencies from a gender perspective.

### 3.1 Women and Poverty

One of the main factors that threaten the progress of women is poverty. A prominent characteristic of women in poverty is social and economic inequality leading to greater vulnerability to the risk of being marginalised and further impoverished in times of economic upheaval. The Beijing Platform for action refers to the phenomenon of “feminisation of poverty” declaring that:

- women’s income-poverty is more severe than men’s income poverty;
- over time, the incidence of income poverty among women is increasing compared to that among men.

The international community has already agreed that poverty is a problem in both North and South and that its eradication requires democratic participation and changes in economic structures in order to ensure more equitable distribution of wealth. In addition women often do not have the same access as men to education, training, credit, technology and information, which are necessary to take advantage of new economic opportunities arising from trade liberalisation.

In order to favor women’s full integration in the global economy the EWL recommends:

- Indicators of income-poverty incidence and severity to be presented in a gender-sensitive way.
- To promote legislative and administrative reforms to give women equal rights with men to economic resources, including access to ownership control over land, other forms of ownership, access to the information and communications technologies, access to savings and credit mechanisms and institutions.
- To adopt and maintain macro-economic policies and development strategies that address the needs of women in poverty.

#### 3.2.1 Women in the new labour market

Women’s employment remains key to economic independence and has a profound impact on the position of women in society as a whole. Women are particularly affected by unemployment and under employment together with many forms of discriminations in the labour market.

Labour segregation:

Trade might increase women’s access to labour market, but women in most developing countries are staying locked in at relatively low levels of pay and skills, becoming increasingly discriminated against. Women are pioneers in the new models of labour, as temps and part - time employees or as home - based workers. Women are over-represented in the work places where conditions are poor and wages are low and under represented in managing and decision - making positions.

The pay gap:

Studies show that although the labour force participation rates are likely to increase with globalisation for both women and men, the wage gap between them remains strong. Companies in a globalised economy want to diminish costs in order to be competitive. In those countries where it is allowed companies are limiting expenses and are paying lower salaries to women than to men for doing the same work. Again women will be the first to suffer from budget cuts and restrictions as they are in the majority of those working in less-qualified jobs

Other forms of discriminations:

For other women liberalised trade can mean loss of labour rights: such as social benefits and the right to organise; given that women tend to be concentrated in low-wage industries their relative power also tends to be low. For women it is difficult to separate their rights as workers from their rights as equal citizens. Very little will be achieved by ending discrimination at work if women are denied the right to education; or by bringing about equal pay if women do not have the right to control their earnings.

Therefore the European Women's Lobby recommends:

- The EU's mandate is to mainstream gender equality in employment policies however, this requires effective tools to implement this principle, such as the use of specific indicators, increased use of benchmarking and improved gender disaggregated statistics. Social development must also be a crucial cornerstone of trade policy. Consequently it is important that gender impact analysis and gender perspective are integrated into the design, implementation and review of trade policies and programmes as well as in social protection systems.
- The EU, the international organisations and the governments to act to eliminate pay discriminations, and reinforce legislation on this field. Furthermore, in order to close the gender pay gap, a re-evaluation of wages in sectors dominated by women is also needed.
- Governments to allow for positive actions measures so that structural barriers to full equality between women and men in the labour market can only be overcome.

### 3.2.2 Core Labour Standards

Increased mobility of capital and the freedom of investment almost anywhere

in the world puts the protection of workers and workers rights under pressure and can lead to social dumping -a process by which countries and companies make use of unacceptable and often unsafe labour practices in order to lower their costs of production.

Social clauses are of particular relevance to the disproportionately large numbers of women found in the lower position of production, nevertheless the social clause debate has, to a large extent, ignored the gender issues of significance to female workers interests. The social clause is only related to paid work and it is unlikely that international standards would also apply to the informal and hidden work. Nevertheless, international regulation could be of more value to women than men: it is women workers who tend to suffer the worst conditions and whose needs are systematically ignored. Social clauses could provide an opportunity for women to organize and demand more attention to be paid to their working conditions.

Moreover social clauses only sanction countries and do not target companies. As long as trade sanctions are imposed “country by country basis” companies will be able to avoid improving standards by moving production sites.

Therefore the EWL proposes a social clause that covers the following core points:

- Right to freedom of association;
- Prevention of forced labor;
- Establishment of a minimum wage;
- Prohibition of any form of discrimination, including gender disparities and barriers.
- Recognition of the paid right to maternity leave.
- Is built upon a wide consultation process to include organizations representing women’s workers.

### 3.3 Trafficking in women and the sex industry

The liberalisation of certain services has had negative effects on women. The promotion and opening of the tourism sector in many countries - notably in the south - has led to an increase in prostitution and new “slave trade” involving women and children. The UN report State of the population 2000 states that two million girls between 5 and 15 years are introduced in the sex trade every year. As an economic activity, prostitution institutionalises the buying and selling of women. Because the sex industry is integrated into the economic, social and political life of many countries this does not mean institutions should passively accept this state normal system. Sex tourism and sex industry segregates women and perpetuates sexual servitude and gender inequality. In countries where prostitution has been

recognized as work and as an economic sector the illegal traffic of women for prostitution has increased.

Therefore the EWL believes that:

- Rather than accept the unexamined premise that some women earn more in prostitution than anywhere else, institutions should question why this is the only place where most women can turn when all else fails.
- We ask for the commitment of European tourist agencies not to offer information on sex trips both inside the EU and in developing countries.
  
- The Convention on Transnational Organised Crime concluded in October 2000 refers to the trafficking in people and in particular women and children. We encourage the EU and the international institutions and organizations to take the International Conventions on Human Rights into consideration. Trade cannot be an excuse to violate Human Rights. Trade agreements need to compliment international Human Rights agreements and instruments.

### 3.4 Migration

For an increasing number of women, globalisation has meant international migration. Although men still outnumber women in the total number of adults who have migrated to another country, from 1985 to 1990, the number of women increased at a faster rate than the number of men. More and more women are migrating on their own, or as the primary earners in their household, but often as temporary workers in low-paid jobs.

In contrast to the dismantling of barriers to the international mobility of capital, barriers to the mobility of the workforce have remained strong, except for professional people with skills that are relevant to high-tech industries. But globalisation cannot be understood without the movement of persons and the exclusion of workers who are not employed by a trans-national companies or who are not professionals with recognised qualifications.

Women are over-represented in the work places where conditions are poor and wages are low and under-represented in managing and decision making positions. This is one of the most important reasons for women to be the last to profit from the advantages of liberalised trade: As the movement of persons only favours those in top professional positions, women are discriminated against as these posts are male dominated.

Therefore the EWL recommends:

- The movement of labour associated to some specific commitments should be extended. Labour force is a basic factor of production and economic growth and women represent half of this potential. The argument that the movement of labour is related to immigration cannot be used to give less favourable treatment to labour. The movement of persons has to begin to favour different types of work so that women can benefit from the positive effects of globalisation.

### 3.5 Women's family life

More and more women want to participate in the labour market and profit from the benefits of global trade, but are at the same time expected to carry the main responsibility for care work. Due to women's greater responsibility in the unpaid work of maintaining the family and providing social care, women remain trapped in a cycle of poverty far longer than men. Women's reproductive and domestic responsibilities are generally perceived to be their primary function. These functions are largely unrecognized and unremunerated. This perception reinforces structural barriers to women's full participation in social, political, economic and cultural life.

Women's autonomy is inevitably linked to issues of care, including childcare, elderly care, and care for other dependent persons. It is therefore of fundamental importance for greater gender equality that care for dependant persons is taken onboard as an issue for the society as a whole.

Globalisation demands women's time in the non-domestic sectors of the economy but society needs an equal sharing of responsibilities and rights between women and men in all different spheres. The opportunity for women to engage both in paid work and to have children and a family life must be supported by adequate legislation.

Therefore the EWL recommends:

- To reinforce the human dimension to the trade and employment debate by discussing solutions to the negative effects of trade liberalisation, including compensatory measures and long-term measures. Compensatory measures may include job retraining and help in finding new sources of employment for workers displaced by the new trade policies. Long-term measures include reassessing domestic and industrial policies from a gender perspective and promoting more equitable and non-discriminatory employment, health and social conditions for women workers.

- Governments to address the fundamental need for childcare and other care

services to be established. Women have to be able to be integrated on the same footing as men in the labour market in order to benefit from the advantages of a global economy and to compete for jobs on an equal basis as men.

- That according to the Beijing Platform for Action and the Vienna declaration adopted by the World Conference on Human Rights women's reproductive rights have to rest on their freedom to decide. We call for uniform access to sexual and reproductive health education and information starting at an early age.

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November 2000

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