



Clockwise from top left: Margaret Mumbua, a domestic worker in Nairobi, Kenya washes clothes (photo: Allan Gichigi/Oxfam); A woman works in a garment factory in Hanoi, Vietnam (photo: Eleanor Farmer/Oxfam); A woman speaks at an event in Morocco held to encourage women's political participation (photo: Ellie Kealey/Oxfam); Flonira Mukamana works on her tree tomato plantation in Musanze District, Rwanda (photo: Aurelie Marrier d'Unienville/Oxfam).

AN ECONOMY THAT WORKS FOR WOMEN

Achieving women's economic empowerment in an increasingly unequal world

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Women's economic empowerment could reduce poverty for everyone. In order to achieve it, we need to first fix the current broken economic model which is undermining gender equality and causing extreme economic inequality. The neoliberal model has made it harder for women to have better quality and better paid jobs, address inequality in unpaid care work, and women's influence and decision making power is constrained. To achieve women's economic empowerment, we need a human economy that works for women and men alike, and for everyone, not just the richest 1%.

EXECUTIVE SUMMARY

*'Despite important progress in promoting gender equality, there remains an urgent need to address structural barriers to women's economic empowerment and full inclusion in economic activity...If the world is to achieve the Sustainable Development Goals, we need a quantum leap in women's economic empowerment.'*¹

– UN Secretary-General Ban Ki-moon, January 2016

'Women had no voice in this community. They had no right to join other women. The co-op has changed women's lives in this community. They [men] saw us being self reliant – bringing home money, bringing sugar for porridge, they have really changed their mindset on women.'

– Flonira Mukamana, member of COPAPF women's cooperative in Kinigi sector, Musanze District, Northern Rwanda.

Women's economic empowerment requires the creation of decent, quality work opportunities with fair pay, and an increase in women's decision making power.² It is vital for fulfilling women's rights, reducing poverty and achieving broader development goals. To end extreme poverty will take much more than just money. But gender inequality in the economy costs women in developing countries \$9 trillion a year³ – a sum which would not only benefit women but would unleash new spending power across communities and provide a massive boost to the economy as a whole.

However, progress in making women equal to men in the economy is painfully slow, and women are still more likely than men to live in poverty.⁴ Across the world, women consistently earn less than men and are concentrated in the lowest-paid and least secure forms of work.⁵ Globally, the average gender pay gap is 23 percent⁶ and 700 million fewer women than men are in paid work.⁷ The World Economic Forum has warned that instead of improving in 2016, gender inequality in the economy reverted to where it stood in 2008.⁸ At the current rate of progress, it will take 170 years for women and men to be employed at the same rates, paid the same for equal work, and have the same levels of seniority.⁹ Clearly, a structural change is needed.

Evidence shows that although gender equality supports economic growth, not all economic growth supports gender equality.¹⁰ Our current economic model is concentrating wealth at the top of the economy, causing extreme economic inequality and leaving the poorest women and girls behind. Currently eight men own as much as the poorest 3.6bn people on the planet.¹¹ Rising inequality has slowed down reductions in poverty, and the majority of the world's poor continue to be women.

To achieve women's economic empowerment, we need to make the economy work for women. Harmful social norms devalue and restrict women's work: research in 67 developing countries revealed that on average, one in five men disagreed that women should have work outside the home, even if they are qualified to do it.¹² Inequalities also persist in the law and regulation. 155 countries have at least one law which means women have fewer economic rights than men.¹³ There has also been a failure to recognize that economic policy impacts women and girls differently to men and boys.

This report looks at how this economic model, neoliberalism, constrains women's economic empowerment in three main ways:

- **Neoliberal policies have led to poor labour rights and low pay. Countries are pursuing economic development strategies that prioritize cheap and precarious work, the majority of which is done by women.**

For example, women working in garment factories in Vietnam and Myanmar interviewed by Oxfam work very long hours, sometimes up to 18 hours a day, or they have to work through the night. Yet they are still not earning enough to sustain themselves and their families. This is despite the industry being one with famous brands and huge profits – brands like Zara, whose owner, Amancio Ortega, is one of the eight richest men on earth,¹⁴ or H&M, owned by Stefan Persson, ranked 32 in the Forbes list.¹⁵

Women are also concentrated in the informal sector where they often lack rights and privileges such as a secure contract, minimum wages and social protection. The example of domestic workers in Kenya (see page 11 in the full report) illustrates the challenges this creates, such as vulnerability to exploitation.

- **Unpaid care work has failed to be recognized and valued for its contribution to the economy. Current economic policies have undermined investment in infrastructure and public services like education, healthcare and social protection, meaning women have increased responsibility for unpaid care work.**

Worldwide, women carry out between two and 10 times more unpaid care work than men.¹⁶ This work is worth \$10 trillion to the global economy each year,¹⁷ equivalent to over an eighth of the world's entire GDP, and more than the GDPs of India, Japan and Brazil combined.¹⁸ Women's disproportionate responsibility for this work squeezes the amount of time that they have to go to school and earn a living. Recent research showed that globally, 57 million unpaid workers are filling in the gaps caused by inadequate healthcare provision.¹⁹ The majority are women who have given up employment to carry out this role.

- **Women's collective voice and influence on economic decision making is hampered by restrictions placed on labour organizing and undue influence of the richest in society over economic policy.**

Women's collective action and organizing is a proven factor in improving their rights, including key aspects of economic empowerment, as shown by the story of women strawberry pickers in Morocco (see page 22 in the full report). However women are often concentrated in informal sectors that are harder to organize, or face restrictions that mean their voices are not heard in labour movements. Investing in women's organizations and movements, and implementing policies such as gender budgeting, can ensure economic policies reflect women's priorities and are designed to support gender equality rather than undermine it.

In recent years, we have seen greater recognition by governments and policy makers that women's economic and workforce participation can pay powerful economic dividends. At the same time we have seen less concern with making sure that the benefits of their work are also experienced by women themselves. **While the focus remains on making women work for the good of the economy, making the economy work for women has yet to be seriously addressed.** Feminist economists and women's organizations have consistently drawn attention to this – but their contributions continue to be sidelined in male-dominated economic spheres.

Oxfam is calling for a 'human economy' which works for everyone, not just the few; one that benefits women and men alike. It would create fairer, better societies. It would ensure secure jobs paying decent wages, and treat women and men equally. The people who should benefit disproportionately from our economies are people living in poverty. Our economy would thrive within the limits of our planet, and hand a better,

more sustainable world to every new generation. Building a human economy requires us to fundamentally reject the current economic model, and agree to rebuild our economies in a different way.

RECOMMENDATIONS

1. Ensure decent work, including a fair income, secure contracts and safe working conditions.

Governments and businesses should address the quality and security of women's economic opportunities by:

- Assessing current labour and wage standards to ensure domestic workers, migrant workers and informally employed workers are covered by all current and future labour standards legislation.
- Addressing workplace violence and discrimination through legislation, prosecution, public information campaigns and holding corporate actors to account.
- Committing to lifting minimum wages to living wage standards, and setting out a roadmap to do so in consultation with workers and unions.
- Undertaking concerted efforts to end the gender pay gap, including ensuring equal pay for equal value and promoting decent work opportunities for women.
- Repealing laws that discriminate against women's economic equality, and implementing legislation and regulatory frameworks that support women's rights.
- Promoting positive social norms and attitudes to women's work and to the rebalancing of power at the household, local, national and international levels.
- Ensuring women have pathways to better-paid positions, and improving access to education and training for well-paid careers. Encouraging transparent promotion pathways and policies that encourage employers to hire and train low-skilled, low-wage workers.

2. Recognize, reduce and redistribute unpaid care work.

- Governments should invest in public services and infrastructure which reduces and redistributes unpaid care work, including universal free public healthcare, social care, child care, water and sanitation, and education services.
- Governments and International Finance Institutions should include unpaid care work as part of their economic development strategies.
- Governments and businesses should recognize women's greater responsibility for unpaid care work and help to reduce the proportion borne by women through providing child, dependent adult, and elderly care and paid family and medical leave, flexible working hours and paid parental leave.
- Governments should promote the redistribution of unpaid care work through policies that encourage men to do their fair share of this work. These include flexible working and parental leave for both parents. Social norms on the gender distribution of care work should also be challenged, for example through advertising or public campaigns.
- Governments and international institutions should collect better data on the distribution of unpaid care work and its contribution to the overall economy. Governments should maximize fiscal space for women's economic empowerment, through progressive and gender sensitive tax policies. They should crack down on tax dodging by rich corporations and individuals; raise taxes on the richest and

reduce them on the poorest; and use these additional revenues to invest in public services.

3. Support women's voices – in labour and feminist movements, collective enterprise, and political participation and leadership.

- Governments should adopt gender budgeting approaches that systematically involve women's organizations and civil society, to provide proper scrutiny and fully assess the impact of economic policies on women and girls. They should support the training of organizations and women in this area and improve data collection that would enable it.
- Governments, international institutions and civil society should provide increased, accessible funding to women's organizations to enable them to consistently and effectively raise the concerns of women, in government, civil society and corporate sector spaces.
- Governments should ensure laws are in place that protect the rights of women workers to unionize and strike, and rescind laws in opposition to those rights.
- All actors should support women's collective enterprises and cooperatives, including through providing training and integrating them fairly into supply chains.
- Governments and civil society should implement policies to promote women's political participation and leadership.

Governments, business and civil society should recognize the danger that confronts women advocating for women's rights. They should establish effective measures to ensure that women human rights defenders, including trade unionists, enjoy full protection and a safe environment in which to carry out their actions without fear of reprisal.

NOTES

1 UN Secretary General, Ban Ki-moon, quoted in *UN Secretary-General announces first-ever High-Level Panel on Women's Economic Empowerment* – UN Women, 21st January 2016, available at: <http://www.unwomen.org/en/news/stories/2016/1/wee-high-level-panel-launch>, accessed 25th January 2017.

2 N. Kabeer (2008) *Paid Work, Women's Empowerment and Gender Justice: Critical Pathways of Social Change*, Pathways of Women's Empowerment Working Paper, available at: <https://assets.publishing.service.gov.uk/media/57a08bc3e5274a27b2000d3d/PathwaysWP3-website.pdf>

3 Staszewska (2015) *Close the gap! The cost of inequality in women's work*, ActionAid UK https://www.actionaid.org.uk/sites/default/files/publications/womens_rights_on-line_version_2.1.pdf

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5 UN Women (2015b) *Progress of the World's Women: Transforming Economies, Realizing Rights*, available at: http://progress.unwomen.org/en/2015/pdf/UNW_progressreport.pdf

6 International Labour Organization (2016) *Women at Work: Trends 2016*, ILO, available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

7 UN Women (2015a) *Summary Report: The Beijing Declaration And Platform For Action Turns 20*, op. cit.; UN Secretary General's High-Level Panel on Women's Economic Empowerment (2016) *Leave No One Behind: A Call to Action for Gender Equality and Women's Economic Empowerment*, United Nations, available at: <http://www.womenseconomicempowerment.org/reports/>

8 World Economic Forum (2016) *Global Gender Gap report*, accessed on 13 December 2016 at: <http://reports.weforum.org/global-gender-gap-report-2016/progress-over-time/>

9 Ibid.

10 N. Kabeer and L. Natali (2013) *Gender Equality and Economic Growth: Is there a Win-Win?* available at: <http://www.ids.ac.uk/publication/gender-equality-and-economic-growth-is-there-a-win-win>

11 D. Hardoon (2017) *An economy for the 99%: It's time to build a human economy that benefits everyone, not just the privileged few*. Oxfam, available at: <https://www.oxfam.org/en/research/economy-99>

12 A. Hunt and E. Samman (2016) *Women's economic empowerment: navigating enablers and constraints*, ODI, available at: <https://www.odi.org/publications/10483-womens-economic-empowerment-navigating-enablers-and-constraints>

13 World Bank, (2016) *Women, Business and the Law 2016*, available at <http://wbl.worldbank.org/~media/WBG/WBL/Documents/Reports/2016/Women-Business-and-the-Law-2016.pdf>

14 Ortega's annual dividends in 2016 were € 1,108m. Source: Ugalde, R. (2016, 9 March), *Amancio Ortega se lleva 1.108 millones en dividendo y, cada empleado, 479 euros extra*, *El Confidencial*, http://www.elconfidencial.com/empresas/2016-03-09/amancio-ortega-se-lleva-1-108-millones-endividendo-y-sus-empleados-479-euros-por-bonus_1165620/.

15 Persson's annual dividends were €658m, given that he owns 636,849,332 shares of H&M (See H&M Group *Shareholders: The 20 Largest Shareholders as of January 31, 2017*. <https://about.hm.com/en/investors/shareholders.html>) and last year the company decided to pay out 9.75 SEK per share (H&M Group *Dividend* <https://about.hm.com/en/investors/dividend.html>).

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17 McKinsey & Company (2015) *The Power of Parity*, available at <http://www.mckinsey.com/global-themes/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth>

18 The CIA World Factbook calculates the world's GDP for 2015 at \$75.73 trillion (official exchange rate) (see <https://www.cia.gov/library/publications/the-world-factbook/geos/xx.html>); the annual GDP of India as \$2.251 trillion; Japan as \$4.73 trillion; and Brazil as \$1.77 trillion in 2015, together totalling \$8.751 trillion, (all official exchange rate) accessed from

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19 X. Scheil-Adlung (2016) *Health workforce: a global supply chain approach: new data on the employment effects of health economies in 185 countries*, ILO, available at:

http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_537419.pdf

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For further information on the issues raised in this paper please email advocacy@oxfaminternational.org

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