

Gender and Governance in the Multilateral Trading
System: Critical areas of decision-making and
Global Responses

Mariama Williams,
mariama@igtn.org

International Gender and Trade Network and
DAWN

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I. Gender analysis and trade policy/trade liberalization

Gender analysis involves multiple perspectives on the gender division of labour (Razavi 1999) and tend to have a unified focus on the household level in terms of specification of the impact on the triple burden that women face. Therefore the starting point of any gender sensitive approach to trade policy making must be to examine in great details how trade policy impacts women and men in their different locations in the economy and the resulting outcome for women's and men's individual and overall status with regards to social reproduction, economic resources, decision-making and position in the labour market.

Yesterday's sets of reports of the GERA project highlighted many of the questions critical to a gender sensitive approach to trade policy/trade liberalization including:

- Identification of gender based constraints and considerations in specific countries such as: land, credit and technical assistance
- Identification of the specific directional shifts in trade policy and how trade liberalization is occurring
- Discussion of the (possible) impacts of trade liberalization/export promotion on women and on gender equality. These included: new or increasing factors that affect women's traditional access to productive resources. For example, the elimination of import barriers
- The nature of change in competitive environment: casualization of work, more EPZs, new sources of employment
- Impact of government export promotion incentives on women's jobs and access to resources
- Trends in terms of power and access to resources between men and women's access to resources, employment, range of alternative available to members of the household
- Intra household power and income distribution

Overall the findings presented in the GERA research projects were consistent with the findings from case studies of similar subject matter in Asia, the Caribbean and Latin America. A simple scan of the small but growing empirical literature on gender, trade and investment will reveal that trade liberalisation/trade reform policies (which is taken broadly to include measures taken to liberalise imports of goods and services as well as those to promote exports) generate complex and often contradictory effects on women's access to employment, livelihood and income.

In some cases, trade reform/liberalization has been associated with rising employment and entrepreneurial opportunities for women but in other cases the same phenomenon may exacerbate existing gender inequalities and thus worsen women's economic and social status. These differential results may occur in the same economy at the same time, for different groups

of women or different results may be occur at different phases of the trade policy reform or liberalization process in the same country.

The interplay between existing gender inequality and trade policies results in number of broader areas of gender-differentiated impacts which are generated by and have implications for the governance of the multilateral trading system. These include gender specific effects of trade-induced fiscal adjustment, gender specific effects of trade-induced employment effect and the gender effects of internal market adjustment.

Gender and Trade induced fiscal adjustment

- Decreased tax revenue from the liberalization of imports impacts the fiscal deficit resulting in cut back in government or the search for alternative taxation, such as VAT. Cut back in government spending is most of directed at social programs. These programs often benefit girls and women more relative to men. Increase taxes on goods and services (as opposed to income or corporate taxes have a regressive effect vis a vis poor women and men.
- The introduction of mechanisms such as privatization and commercialisation of services is another alternative source of governmental income. However when this impacts the provision of social services the primary impact is that the burden of social reproduction is shifted to the household and into the laps of women.

Gender and Trade-induced Employment Adjustment

- Feminization of the labour market (or certain sectors of it) and or the informalisation of work (including sub contracting, homeworking and permanent temporary work force).

Internal (or domestic) market adjustment

- Increased imports of products such as vegetable, meat, powdered milk and milk substitutes impact the local product market, which in some countries are dominated by women.
- Threats to craft, food provision sector, dressmaking and ready-wear sector from machined produced imports, imported prepared food and cross border trade in second-hand clothes. These activities are dominated by women whose livelihoods are destroyed.

II. Gender and Governance in the Multilateral Trading System¹

That trade liberalization/trade policy reform have powerful and differential impacts on women's and men's individual and overall economic and social status is undeniable. However, gender as a

¹ Adapted from a similarly entitled module in the Reference Manual on Gender and Trade, Commonwealth Secretariat, forthcoming, 2003.

category of analysis and gender relations as a key dynamics is not recognized in trade policy decision-making. Yet the substantive content and outcomes of trade negotiations are often permeated by male-centred assumptions and values about the nature of the household (it is male-headed), the relative importance of different sectors of the economy (each of which have clearly definable gender characteristics in terms of 'who' are the dominant group of workers) and a single-minded focus on the productive and formal economy.

At the same time, trade policy and trade liberalization is increasingly becoming part of a complex and intricately woven web of trade, social, fiscal, and labour market policies. The entangling of all these policies impacts gender relations, human development, and poverty dynamics in the economy through a complex set of transmission mechanisms that both filters and re-arranges axis of power and access to resources from the macro, meso, micro to the meta levels of the economy.

Any attempt to re-balance or reconfigure the dynamics set in motion by trade liberalisation from the perspective of gender equality will therefore not be successful unless it also challenges the sub-national, national, regional and multilateral formulation and decision-making of trade policy.

However, the issue of governance of the multilateral trading system (here taken to mean the set of rules, ruling making, processes procedures and institutional framework governing the cross border movement of goods and services globally is a complex and vexing having to do with questions of power relations and power dynamics between men and women (and over women's labour and time), labour and capital, domestic firms and foreign firms and north and south power dynamics. Including gender analysis and gender perspective into this volatile mix requires an explicit analysis of power and system perspectives. This moves the discussion from a simple gender analytic focus on the gender division of labour and specification about trade policy impacts on household and individual towards a more complex and explicit gendered political economy approach.

Governance in the MTS revolves around at least the following five key issues:

Agenda setting

- Who sets the substantive context, inputs (policy briefs, research, consultations, position papers) and contours of negotiations?
- What and whose values predominated?
- How are they participation, substantive and advocacy positions of different groups within countries as well as among countries factored in negotiating parameters and frameworks?

Rule making

- What is the basis for it? What are the formal and informal processes of negotiations?
- What are procedures for ensuring fairness, democracy and accountability?

Enforcement

- What are the enforcement mechanisms and process for weighing claims and counter claims, arbitrating conflicts and enforcing judgments?

Recognition and remedying structural and other imbalances

- The nature and extent of structural and other imbalances in the system
- What mechanisms exist (at the national, regional and global levels) to assess these? How well does the system respond to and corrects identified imbalances?

Accountability

- Careful and proactive attention must be paid to the substantive content of trade rules and policy monitoring and assessment and corrective measures for those affects that are negative on the day to day lives of children, men and women.

These aspects of governance of the MTS are critically dependent on the institutional framework established for making, implementing and surveilling trade rules and practices.

The institutional framework of the multilateral trading system (here I am including not just the WTO but the regional trade agreements, plurilateral agreements such as Cotonou and the IFIs) has adapted over time to the specific needs and requirements of the over-riding global integration process and the specific values and ideological shifts that accompanies that process. Thus globalisation and liberalisation are often assumed to be universal and gender, class and race neutral (Bakker 1998). The assumption of undifferentiated impact (whether positive or negative on men and women (gender neutrality), endemic to the general area of macroeconomic theory and policy, in particular, has been carried over into trade policy-making and is deeply embedded in the formulation, negotiation and implementation of trade agreements such as the Uruguay (and WTO) agreements.

As a result, gender—the role of institutional and situational of men and women vis a vis resource, decision-making and participation--has not been a significant variable in the agenda setting, rule-making, and enforcement of trade policy. This is true among trade negotiators as it is among civil society. Despite the proliferation of non-trade concerns: food security, public health, rural livelihood, environment and labour standards, gender has not been integrated as a cross cutting issues either in the substantive areas of agreement nor in the non-trade concern discussion. There is also very little attempt to link the gender equality objectives and gender mainstreaming to trade and export promotion agenda.

But the relative roles, influence and contribution of men and women in national and international economies plays an important but often unrecognised role in the setting of trade rules, the kinds of assumptions that these rules are based upon and the consequent diagnosis of development and social issues that follows. It also includes the issue of who decides and who are consulted in the decision-making process surrounding WTO provisions as well as provisions at the national and regional levels.

In general trade negotiators and trade policy makers have focused on market access and paid little attention to the social and infrastructural needs of different groups in the economy. For example, in the discussion of service liberalization, critical services such as water, energy and health care are likely to be offered on the liberalization block without adequate attention to how this will affect access, availability and cost to the poor. Since women shoulder primary responsibilities for household and community management this has implications for women's paid and unpaid work and overall time burden.

Other issues in the area of general governance include the lack of gender analysis and consultation with women's groups and community-based organisations in determining national priorities for trade negotiations and in the formulation of substantive advocacy positions of governments and NGOs, especially in the areas of trade policy reviews, dispute settlement and labour standards.

In reviews under the Trade Policy Review Mechanism (TPR) there is no attempt to integrate gender analysis. Though technically TPR looks at the direction and practises of trade policies rather than impacts, there are cases where impacts are considered. For example, particular attention is paid to how price controls affect resource shifting. Most TPR issue areas are narrow and exclude questions of gender bias and gender inequality. Yet these are legitimate concerns that can be discussed in the preparation of such reports. For example, what are the effects on employment patterns of women and on income generation?

The first line for participation in the governance of the trade system is to hold governments accountable at the national levels for their commitments to gender equality and gender mainstreaming. This means that gender analysis and perspective should be an integral part of the trade policy-making environment. Effective and meaningful coordination among sector ministries such as health, education and welfare as well as agriculture should be part of an informed gender sensitive approach to trade policy-making. This should involve significant participation of national and regional gender machineries in the trade decision making process of negotiation frameworks and in setting gender policy and gender briefing documents directing at influencing the direction of trade policies at the national, regional and multilateral levels.

Effective participation in decision making in the governance of the multilateral trade system requires some level of clarity about priorities and objectives regarding the key issues being negotiated and how they are related to short, medium and long term strategic gender interests. This therefore raises the question of what are the critical trade policy related questions and issues that women's groups and groups concern with women's social and economic advancement must be concerned with.

III. Critical areas of decision making from the perspective of women's interest and concerns.

Broadly speaking there are two categories of decision-making that must be pursued. The first relates to systemic and governance issues and the second to the substantive trade issues of the trade negotiations agenda

I will briefly in outline form sketch out some of these decision-making areas and questions under the two headings.

1. Governance and decision-making Issues

National and sub national level trade policy- making

Who sits at the table, on top of the table and under the table at national level decision making regarding trade policy? Which sector ministries and in what priority? Are gender machineries included? Is there scope for gender analysis?

To what extent do sub national priorities and concerns get incorporated in the formulation of national negotiating mandate? Who is consulted at the sub national levels?

Who are the trade negotiation team: what is the gender distribution? What is the scope for including gender expertise?

Regional Organisations/plurilateral trade/aid policy decision-making

What is the nature and composition of delegation?

What factors are taken into account in defining national contribution to regional agenda as well as regional priorities? How are the voices, points of views and concerns of different national groups channel and factored into regional position?

Is there a gender policy statement of the regional block? Does this statement or policy impacts the agenda setting of regional trade policies and priorities?

What is the role and scope for gender focal point(s)?

International/Multilateral trade policy decision-making

All the questions and concerns for national and regional policy process is relevant here plus:

What is the gender composition and influence of trade delegations/high level technical personnel in Geneva and at related significant meetings?

To what extent can women's groups monitor the Trade Policy review and Dispute settlement processes?

Overall, avenues for integration of gender perspective and analysis into trade policy decision-making lie in:

The emerging spate of impact assessments of trade agreements. Along with the social and environmental impact assessment, a gender impact assessment has validity.

The trade policy review process undertaken at the multilateral level by the WTO Trade Policy Review Division

The debate about access to medicine/public health, food security/development box, and essential services

Advocacy for gender mainstream and an integrated framework in trade policy within key sector ministries and the ministry of trade.

Technical assistance and capacity building programmes (WTO, UNCTAD, World Bank and Regional Banks

The Special and differential treatment framework

The implementation issues

Participation in the creation of gender policy statement and programs in regional trading negotiations.

2. Sectoral Issues

Agriculture/AOA

Key areas of concerns from a gender perspective: food security, food sovereignty, rural development and sustainable livelihood.

Related sub areas:

- Development box
- Water
- IPR
- Biodiversity

Services/GATS

Key areas of concerns from a gender perspective: access to essential health care and access to essential services and natural resources such as water, fuel and energy.

Investment/TRIMS

Key areas of concerns from a gender perspective: the survival and long term growth and prosperity of women owned small and medium sized businesses; the quantity and quality of the male and female employment in export enclave sector; the overall development friendliness/promoting impact of foreign investment.

Intellectual property rights/TRIPs

Key areas of concerns from a gender perspective: public health/access to medicine including for reproductive health. Access to genetic resources for women and men; transfer of technology for women and men; protection and enhancement of traditional knowledge of women and men.

Related sub areas

- Education/training programs
- Support and assistance regarding biodiversity/conservation
- Food security/nutrition
- Traditional Knowledge: how to protect and ensure women's role as creators and users of this knowledge.

Labour rights

Key areas of concerns from a gender perspective: End the abuse of women workers in homebased production and informal sector linked to industrial agriculture, manufacturing and service activities globally. Recognition of the specific needs of women workers in EPZs and industrial agriculture.

Reform and repeal labour laws that allows for abusive working conditions. Modify labour laws and practices to ensure that women's gender specific needs are adequately addressed. Strong enforcement and better regulations of foreign corporations and domestic corporations in the export sector to protect workers rights.

Support and assistance to micro and small business, especially women owned enterprises to enable them to offer better working conditions for themselves and the workers they hire. This should include training on occupational health and safety practices as well as improve their knowledge of national labour laws in this area.

IV. Responses at the global level

Increasingly women's groups, feminists and gender advocates are agitating and mobilising around the disjuncture between national and sub national policies.

The disjuncture between national policies and sub national realities today must be located in the context of the increasing externalization (and subsequent attempts to harmonize macroeconomic policy into a one-size-fit all approach) of national policy. This has been greatly bolstered by the 'single undertaking' approach of the World Trade Organization with tremendously negative implications for sub national priorities and concerns. Sub national realities are increasingly detached from the making of national policies.

The road back towards the integration of the two must necessarily incorporate gender equality/women's economic empowerment, human development and enhanced economic and social rights based perspectives. Building civil society capacity to mobilize and agitate for this

integration requires an explicitly political gendered analysis and agenda on the part of social movements, broadly, and women and feminist, specifically, in the North and the South.

The imperative of interlocking advocacy with (participatory/policy oriented research) and economic literacy is a critical element of multi-sector organizing on a complex policy issue such as trade policy. There is critical role for researchers in this work. Thus the work of GERA, DAWN, IGTN and now AWID on the linking trade research and activism in the policy arena is quite important.

A key goal is to operationalizing locally responsive national trade) policy. This can only be achieved by the strategic use of research (focused on policy input and outcomes), economic literacy (for advocacy and participatory research) and networking/advocacy with a broad cross section of civil society institutions, sector ministries, parliamentarians, trade officials and regional and international trade policy decision-making forums (ECOWAS, COMESA, SADC, Cotonou, WTO etc).

The focus of the research is to try to pinpoint and articulate the mechanisms through which trade policy filters through the meso to the micro level via its impact on social policy. This means focusing on the particular dynamics of individual groups and sub units (such as women, village versus major towns). At the macro level emphasis is placed on articulating for greater intersectoral collaboration around and enhanced understanding of the economy at all levels including the household and informal sectors.

The economic literacy approach focuses on exploring from a critical and action-oriented perspectives what does trade policy changes mean for individual men and women. It is a way to help people to look at trade policy from the starting point of their experiences, analyzing that, then re-think with the aim of generating new strategies and alternatives.

Advocacy occurs at all levels: Working with meso level institutions professional organization, business groups, groups of policy makers (parliamentarians, sector ministries women's machineries and Working at the regional and international level with regional trade institutions and the World Trade organization. But always trying to ground these in the sub national and micro level realities.

Summary

Globally, the WTO and gender, trade and investment work is still at a very nascent stage. It needs greater clarity on the nature of investment liberalization, competition policy, government procurement and its potential impact on the economic and social rights and on women and women, the status of women, and women's and men's contribution to the performance of foreign direct investment as well as to the dynamics of competition policy in developing countries economy. Much, much more such reports and surveys are needed especially on the Singapore issues. But also on the older issues of agriculture, services and intellectual property rights.

What should be done urgently in the field?

Most urgent at this moment is to stop further liberalization of investment and the creation of multilateral investment rules solely on behalf of, and in the interests of multinational Corporations.

A second urgent task is for governments (members of the WTO) to re-think the liberalization of services, especially essential services such as water and energy.

Thirdly, there is urgent need for a critical examination of the process of coherence being implemented between the IMF, the World Bank and the WTO around implementing the trade liberalization agenda.

Fourthly, there is need to stop the present process of re-writing and subverting international rules and norms developed over the past fifty years to the imperative of trade liberalization. Over the last twenty years, through the big UN conferences, there has emerged a global consensus and commitments on the environment, poverty eradication, and gender equality goals. However, as evidenced by the recent Financing for development process and the Johannesburg summit all these things are being surreptitiously thrown aside without any meaningful global discussions on rights, social contract through the WTO trade negotiations and dispute settlement process.

In terms of specific tasks and programmes, there is need for

- More targeted lobbying of government official in national parliaments, political parties and sector ministries (especially of women's machineries).
- More cross-sectoral linkages of issues and advocacy: debt, trade, health care, hungry etc.
- Much clearer analysis on the independent, interacting and collinear impacts of these issues on the economic and social lives of men and women. For example, how do WTO trade policy impact social policies and the availability of essential services (water, energy etc)? What is the effect of this on the daily burden that women shoulder in carrying out their tasks of caring for children and families in the household and communities?

In this context there is also a need for much more popular education tools for mobilizing community-based groups in the north and south.

It is critically important to have organizations and program such as GERA and (I might add, AWID) as key advocates on gender and trade issue in the WTO as well as contributing to the discussion on the critical issues of WTO transparency, accountability and participation. Though these may seem to be technical and dry issues, they have critical implications for the ability of the men and women to participate in the economic decision-making that governs their day-to-day lives. Ultimately, a just and democratic international trade regime bodes well for boys, girls, men and women in the south to live healthy, productive and dignified lives.