# Women and Globalization By Dr. Hoda Sobhy

The paper includes preliminary remarks on a very wide and interesting subject. The remarks do not exhaust all the implications of globalization to women's status and the development of gender gaps as well as the efforts needed to bridge these gaps. Exhaustive deduction and analysis of these implications are, certainly, beyond the scope of this paper on women and globalization.

In general, globalization has strengthened women's position. Their participation in market economy has also been fostered by the tide of globalization. However, this development has been uneven whether between countries or among socioeconomic groups within the same country. Indeed, globalization has also led to more deepening of gender inequality on these two levels.

The issue of women and globalization is one that concerns all mankind, men or women. The subject of globalization and its impact on women has been of considerable interest in most countries.

Tackling this question reveals that there are two views. The first considers that globalization has been a source of more pressures and responsibilities on women, while the second views globalization as a source of several advantages for women. In fact, both trends are bearing non-negligible traits of reality.

Modern technology is widely accessible and rapid communications represent an important dimension of globalization. With increasing deregulation, modern information and communications technology, especially the Internet, can remold the modus operendi of markets, which would benefit those who are privileged with the possession of knowledge and skills, increasing trans-continental work opportunities have opened a number of opportunities to women in the south. However, most women who can benefit from these privileges are well educated and belong to the high income groups, while women with little or no education, usually the elderly, are marinated.

Consequently, women must have a powerful voice in dialogues concerning the policies to be drawn for improving training opportunities for women and providing social protection from those who are adversely affected.

The rapid advance and spread of the Internet technology means that a large number of women in developing countries are exposed to marginalization due to their inability to afford the necessary skills and money to access the Internet services. To alleviate this risk, UNIFEM, in cooperation with all networks that support women, have emphasized the gender concept and focused on the support of women and their participation in the information and communications sector.

#### 1. Introduction

- **1.1** In spite of the big push which globalization offered in the last two decades to the participation of women in the market economy, it led on the other hand to deepening gender inequalities within and between countries. It also witnessed socio-economic collapse in parts of Sub-Saharan Africa, and in countries which are in the phase of economic transition, in east European countries and the ex Soviet Union, in addition to the financial crises in Asia and Latin America.
- **1.2** The case of women and globalization is a case, which concerns all human beings, men and women. As for women, who are relatively worse off in different societies, they can benefit from globalization, which will put an end to all barriers.
- **1.3** Globalization and its effect on women received a lot of attention and importance all over the world, but unfortunately this was not the case in Egypt, except for some lectures and seminars here and there. Also research centers didn't play an effective role in this area.
- **1.4** The primary results of studies about globalization and women reveal two divert directions:

The first, believes that globalization will put more pressure and responsibilities on women, while others, believe that there are many positives or advantages for women. In the political field, some studies concluded that women's political role will be marginalized in the developing countries, on the contrary others concluded that political participation of women will be increased and that women issues will be in the center of human rights issues. As for the economic side, women will be excluded from the market because of their lack of skills and experience; and because of strong competition women will be marginalized and impoverished. On the contrary in western countries, where women have more experience and qualifications, they are expected to have more opportunities to compete in the market.

Some social studies empathize that the role of women in raising up children will shrink causing family system to break down. Other social studies come to the opposite conclusion.

**1.5** Traditionally, trade, development and gender, which are the major issues of concern to the world, now were studied separately, the fact is, the strong interrelations between them should be identified and strengthened.

The main issue here is the country's ability to effectively participate in the global economy taking into consideration that:

- Trade: is a major driving force for all economies.
- Development: is a necessary condition to guarantee the long term economic balance and environment protection.
- Gender Issues: have a strong impact on economic development as we move toward gender equality.

Gender analysis points to the social and cultural formation of the roles of and the relations between men and women, not only women issues. Gender issues can be summarized in simple words, they include a lot of determinants which affect it either negatively or positively, such as cultures, traditions, policies and needs, which differ from one social group to another within the same society, and from one society to another.

#### 2. Private Sector the Center of Globalization:

- **2.1** International trade, foreign investment and international migration are not new phenomena. What is new is the tremendous speed and the wide range for moving real and financial capital in the last two decades of the twentieth century, which is mainly due to:
  - Elimination of restrictions on trade and investment.
  - The modern information and communications technology.
- 2.2 This made the private business sector consider the whole world as the field for it's operations and reorganize its capital and changes its production locations. The private sector in any national economy is on its way to merge with the global private sector. Countries all over the world have experienced big market expansions and more and more items became tradable. This resulted in rapid growth of production and employment in some parts of the world, but on the other hand, it also caused increasing inequalities between countries, and within the countries themselves, and the financial crises of South East Asia, and the collapse of the average standard of living in parts of the ex Soviet Union and in Sub-Saharan Africa.
- **2.3** The household sector and the NGOs sector remain locked in the national economies. These sectors have international ties and connections, and use the new information and

communication technology to exchange experiences and strategies. But their possibility to reach the tools of globalization are weak and partial compared to the business sector. Countries still keep strict international migration regulations and restrictions. Moving a family to New York city needs a lot of official documents (visa, work license), at the same time, moving any money to Wall Street does not need such documents.

The private sector is the center of the global economy, while all the other sectors (national peripheries) are still far, even though they are connected. The degree of how far they are differs, because some countries are more powerful than other countries, in formulating the rules of globalization for the private sector.

- **2.4** In addition to the elimination of restrictions on capital movement, different countries participated in a series of United Nation conferences, and trade negotiations, to agree on the broadlines, the rules, the socio-economic goals, and environment policies. But these conferences lacked mechanisms and accountability, and were biased to the advanced countries, and the stronger companies. A good example for this is the bias of the rules of trade liberalization of the WTO, which usually forces the developing countries to open their markets to the imports from the developed countries, but does not open or widen the developed countries' markets to the exports of the developing countries.
- **2.5** The information and communication technology led to a parallel globalization of the social movements, as organizations of the civil society of every kind- female organizations, syndicates, environment protectors, farmers' unions, social justice campaigns- gathered and united in international nets as a one side opposition to the globalization which leads to inequality. These movements have met on the Internet and in the NGO forums for the United Nation conferences, and sometimes in streets like what happened in Seattle in 1999.
- **2.6** It is necessary to identify the aspects of gender inequality in the traditional societies. Women may not suffer from any discrimination in the workplace if they stayed at home, but keeping women away from participating in the international markets as workers, self-employed, or as owners of small enterprises, leads to increasing gender inequalities and does not lead to closing gender gaps.

# 3. Consumption Patterns:

**3.1** Globalization inherit a lot of contradictions such as, spreading the culture of consumer entertainment through television, films and advertisements, which serves the big companies and

destroy the social values and traditions. This culture helps many women to prove themselves and give them choices, so they find job opportunities and earn income.

- **3.2** No doubt, the globalization has got a lot of negative effects on countries of the south, and these negative effects will affect the household budget, this is because of the growing tendency of the unlimited consumption pattern. The problem of unlimited consumption is a problem facing households all over the world, even in the developed countries, therefore the question is how can we rationalize the consumption behavior of the household, because unlimited consumption will deprive the next generations from their rights in consumption.
- **3.3** Therefore, women can play a very important role in the rationalization of consumption as they are responsible for household expenditure and budget, but of course women alone can not do this. This emphasizes the importance of the role of all sectors of the state to help women rationalize domestic consumption and raise domestic savings to be able to finance economic development.

# 4. Cultural Aspects:

**4.1** Here we can concentrate on three main issues concerning women and globalization.

The first concerns the relationship between the particularity of the national culture and the international thought, because of the growing international concern of women's issues and which dealt with this relationship and the different national identities. Right now there is a contradiction between the two extremes. Some consider international thought and culture as a kind of alienation; others look at the cultural identity as a kind of self-inclusion. This contradiction is considered one of the wide gaps that need to be overcome and reconciled.

- **4.2** The second issue is how to encourage the moderate and open-minded elucidation of the religious scripts, because for sometime, rigid elucidation based on ancestral thought, especially in the issues concerning the women, prevailed. It is important to find continuous motives and incentives for religious interpretations in women issues.
- **4.3** The third issue is the relationship between the future perspective of women's issues within the framework of globalization and the process of modernization of the society in a comprehensive way. Proposed modernization in many developing countries, because of political and historical reasons, suffered from a lot of failures and misinterpretations, that is why in the

future we need to redefine the concept of modernization and link it with women's issues and concerns.

**4.4** The main problem here is that men and women cannot interact positively with globalization if the society does not have to face and deal with it; the strategy contains the group of economic, social, cultural and political policies

The absence of clear strategic vision will add negative effects on the woman's role in the positive and creative interaction with globalization.

# 5.1 Modern Technology of Information and Communication:

- **5.1.1** Modern information and communication technology, specially the Internet, with the reduction of restrictions and regulations, can reshape the ways in which the markets work, and in which the production is organized. In this case the danger lies in the fact that this modern technology will only benefit those who have the knowledge and the skills
- **5.1.2** The growing trans-continental employment opportunities gave a lot of new opportunities to women in the south. However women who will benefit from these advantages are mostly those who are well educated and who belong to high-income classes, while women who are not well educated or are illiterate are marginalized, usually these are over 35 years old and are working in sectors which suffer from declining demand.
- **5.1.3** Nevertheless, this does not mean that women groups should refuse the new technology, but it means that they should have a strong voice in the policy dialogues and negotiations, so that they can practice pressure to increase the availability and accessibility of training opportunities for women, and for the social protection of those women who are negatively affected.

#### 5-2 The Internet:

**5.2.1** First of all it should be pointed out that there are great differentiation and inequality between the countries, which use the Internet; the users of the internet have accessibility to a large amount of knowledge and skills, such as the ability to reach appropriate information in the local language, and making use of this information to build capacity. Men usually get better opportunity to use the technological tools, and have greater financial capabilities and have more time; all this would enable them to gain the necessary skills faster and much easier.

**5.2.2** Users of the Internet are usually white university graduates who speak English and who are citizens of rich countries; but poor women in poor countries do not enjoy this advantage. The Internet has helped women to know, and to get information, especially in societies where women suffer from isolation because of traditions and social norms.

It helped women to improve their ability to reach information and also to know how to transfer this information from the Internet to other women who cannot use the net.

- **5.2.3** Improving the ability of using the Internet is only a part of a wider general discussion, which concentrates on the obstacles of the human development, which women face compared to men. These obstacles vary from earning income, education and less training, to gender roles distribution, and the limited participation in decision-making, which negatively affect women's participation in the "Society of knowledge".
- **5.2.4** The Internet offers new opportunities to a certain situation, such as: human crisis and the violation of women's human rights. It acts as an effective mean of communication with people in different parts of the world, such as organizations with limited budgets, which cannot express themselves through the national media, for it enables them to get the information quickly, and make them avoid governmental censorship. It is especially useful in rapidly spreading information, which requires immediate actions through the electronic nets. The campaigns which women carried out through the electronic nets showed how the internet can be transferred from a technical tool to a political tool for advocacy in several areas according to the specific cultural prospect of the different women's groups in the world.
- **5.2.5** The UNIFEM supported and encouraged the electronic campaigns of women against violence and human rights violations. In 1998 and 1999, an electronic debate was held under the title "End violence". Its aim was to exchange points of view and discuss different strategies and 2000 persons participated in it.

The communication through the Internet has played an important role in lobbying to criticize the systems, which control the international economy such as: MAI (Multilateral Agreement on Investment), which was the result of an NGOs Internet campaign. The electronic mail has also connected a lot of opponents to the meeting of the WTO in Seattle 1999 who opposed the suggested trade liberalization policies.

One of the positive outcomes of the international technology for women is the creation of what's called (WHRnet) Women's Human Rights net. This net is an NGO, which links women and women human rights organizations, in addition to helping in education and research in this

field. The net also provides the information in English, French and Spanish, in addition to being a site for online exchange of information.

#### **5.3** E.commerce:

**5.3.1** The WTO defines e.commerce as purchasing and paying for products, material or digital, and for information through the Internet. The Internet helps widening the scope for women to enter wider and faster markets with less cost than any other markets. So e.commerce training is considered to be very important to help women improve and widen their relations with others, who share the same interests, all over the world.

Such training helps women to learn about the market opportunities, and discover ways to utilize local productive resources, to meet the huge demand with better quality of products.

- **5.3.2** Producers may use the Internet to introduce themselves to the clients and to advertise for their products, so it acts as an advertisement channel. For example, in India the (SEWA) an organization for working women supported employment programs for more than 6000 artisan women, more than 3000 women have sold their products through special marketing outlets using digital photos of their products on the internet, and it also helped rural women to market their products directly.
- **5.3.3** Such initiatives help women to get more and better offers for their products through removing the mediators, who take most of the profit for marketing and selling the products.

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The virtual souk helps to create job opportunities for women in non-governmental sectors, to make it easy to include those who were deprived from the benefits of information technology because of the lack of knowledge and skills. Virtual souk in not considered only a place, but is also considered a development tool to build the capacity of local partisans and NGOs through training, and making available knowledge and information.

Morocco, Tunisia and Lebanon have participated in this market, and the ratio of women who participated was about 78% to 80%. This market offered better opportunities for partisans, and helped them to enter the international markets, and to obtain information. It also helped them to increase their income and preserve their national cultural heritage.

#### 5.4 E. Consultations and Conferences:

**5.4.1** One of the modern technology applications is the electronic consultations and conferences, which help to widen the scope of voting when making decisions to draw new

policies. This appeared clearly during the preparation for the Beining+5 Conference in June 5<sup>th</sup>, 2000. To guarantee that the largest number of women will participate all over the world, the UN site "Women Watch" was used to provide international information about the progress of women and gender equality. This was an initiative of the UN, UNIFEM and the INSTRAW. Working groups were formed through the electronic mail, which directed their activities towards important women issues. It discussed policies, laws and strategies, which successfully worked for women's rights and equality. It also concentrated on case studies and discussed the obstacles facing women, and how to overcome them.

- **5.4.2** Although technology is increasing the number of women working in the information and communication, and the wide rapid development of this technology in all possible languages mean that poor people, specially women in developing countries face the danger of being left out of production or knowledge and information exchange, and in many other aspects of life, from marketing to household bills payment.
- **5.4.3** The 1999 Human Development Report indicated that; in the year 1998 the giant American corporations controlled 60% of the computer industry profits, and 86% of the communications, as a result, technology, communication and culture through the Internet became Americanized. We have to support the issue of increasing women's participation in creating knowledge, using it, and reaching it. The March 2000. "Partnership in Global Knowledge" conference concentrated on these issues.
- **5.4.4** All women, helped in spreading the concept of gender and focused on businesswomen and the participation of women in the information and communication sector, in addition to the female decision makers in the formal sectors.
- **5.4.5** In 1998, the Scientific Conference for Communication Development assured that the benefits of the modern technology should be available equally for both men and women, in developing countries.

ITU has been working to strengthen the active nets of the different kinds of women organizations working in information and communication.

**5.4.6** One of the most important issues is mainstreaming gender in science and technology. The goal here is not only to encourage women to do scientific research and design new technologies, but also to shift science and technology to be more people-centered.

A fundamental gender imbalance is the one between the viewpoint and knowledge of those who do science and design and control the technology and those who use it and feel its impact. Contraception technology is a good example because it reduces women's chance of conceiving but not women's control, leading to potential abuse of women's human rights.

#### 6. Woman and the Markets:

- **6.1** One of the most important points which we should concentrate on in the financial markets is small credit, as it is one of the major strategies for the reduction of female poverty. These programs target only poor women and include loans and other services and also concentrate on savings. They may be governmental or non-governmental.
- **6.2** The Small Credit Summit in 1997 has set a goal of granting small loans for the poorest one hundred million families in the world, especially women, to start small businesses. Donor organizations increased their grants and funds for small credit through governmental and non-governmental organizations. They targeted women for reasons of efficiency and equality, women's rate of paying back their loans are much higher than men's. The programs of small credit also offered project management training to women, in order to guarantee that women will use these loans and be able to manage them well.
  - **6.3** There are many ways to support women through small credit programs, these are:
  - Registration of the assets used as a guarantee, or those, which were purchased by the loan's money in women's name.
  - Clear strategies to qualify women to have bigger loans.
  - Offering different choices of loans, based on participatory conclusions, which include loans for non-traditional activities, health, education and housing.
  - Introducing a lot of forms of saving funds which includes high return deposits.
- **6.4** The ability to penetrate the markets is considered one of the most important points, for even if widening the markets is the main dimension of the globalization, women's position differs according to the organization of these markets because in some parts of the world social traditions prevent women from leaving home and going to the market, here the main challenge would be to find a way to enable women to share in the market. We may also find other obstacles, such as: lack of means of transport or lack of necessary information to reach the international markets, another problem is the women's need to know about the methods of business administration in these markets, and how to coordinate and consolidate with other

women to force governments, syndicates, and NGOs, to organize the markets in a way which improves women's bargaining power and to protect her intellectual rights.

**6.5** The changes caused by the policy of trade liberalization in the market regulations markets offer increasing opportunities to women. Liberalization of market allows new suppliers to enter the market, but this does not mean that both men and women have the same opportunities. The well established giant corporations which have access to information and have wide communication networks will probably have much better opportunities in the markets than smaller enterprises which lack information and the power to influence the market. Usually smaller groups do not have access to information, resources and the policy making, because the strong pressure groups usually stand against setting new rules, just to protect their own interests from the quality and low prices of products of small investors.

The representation of the interest groups who are affected by this, including consumers and women all over the world, and the limits of accessibility to information for decision making based on knowledge and right information, will specify the features of the trade policies and policies based on them.

**6.6** In addition to recommending systems and regulations which are sensitive to the different needs of men and women to realize gender equality in access to the markets. Women should also face the new forms of inequality, caused by the rapid development in the means of technology and communication. What determines the ability of individuals and groups to benefit from the liberalization of trade is mainly connected to their ability to control and use the modern technology tools.

# 7.1 Gender Impacts of Trade:

**7.1.1** The study of the gender impacts of growing trade, especially the differentiation between the impact on employment and income, give new dimensions to development and studies

Gender studies concentrate on employment changes in the industrial sector, as it is considered one of the most important sectors, which affects trade. The reason of concentrating on this sector is the easy availability of information and data, which makes the results of analysis more credible. These studies also discuss the trade impact on gender relations, the gender changes in the employment composition, and income, not only the value of the paid income, but also under what conditions do women earn this income, and the impact of earning money on women's social relations with others, colleagues, family members or the society as a whole.

#### 7.2 The Impact On The Industrial Sector:

- **7.2.1** According to the trade theory, as the participation in the international economy increases through the expansion of exports, this creates new employment opportunities. Many countries all over the world, especially low income countries, have increased its participation in the international market, through increasing employment in the industrial sector, and diversification of its exports, away from primary commodities. This led to an increase in the employment rates and a reduction in unemployment rates.
- **7.2.2** The increase of industrial exports in developing countries was accompanied by an increase in the demand for female employment, because industrialization under the present international conditions in the developing countries depended on female labour. Therefore, the new female employment opportunities depended on the expansion of industrial export. The participation of women in the industrial sector was much higher than on the national level in the formal sectors, and in the industrial sector female employment was concentrated in the export sector. Empirical evidence proved that industrialization in low income countries depended on women, just like export production; and that the increase in the income of many women is due to the expansion of trade. The expansion of export industries was the main reason for women to enter the market economy. For example, the number of the fabric factories in Bangladesh, increased from four factories in 1978 to 2400 factories in 1995, with 1.2 million workers, 90% of them women under the age of 25 years. Many other countries share the same experience such as Dominican, Moriches, Indonesia, Tunisia, Taiwan and others.
- **7.2.3** The demand for female employment has increased in the informal sector, through subcontracts with the formal sector. The role and importance of the informal sector in economic activity has increased in the developing countries specially for women, however a high ratio of these women are working without any contracts.
- **7.2.4** The relation between both formal and informal sectors is explained by the fact that small workshops produce production inputs to the big factories. The scope of this cooperation and integration is very difficult to evaluate as it varies from time to time and from one industry to another and from one season to another. The comparison between the impact of this cooperation on industrial employment and the impact of trade on employment is still not clear.

**7.2.5** When import tariffs are reduced as a result of trade liberalization, local producers will face competition from the low price imported goods, among them are women who own small businesses. These negative effects have not been yet systematically studied, neither on the national nor on the sectoral levels.

# 7.3 The Impact On The Income:

- **7.3.1** Trade offers regular paid contract jobs to women more than any other sector. This increases women's employment opportunities, this is strongly connected to their contribution in family expenses especially of education and health for women and children, which support the creation of new human resources and raises the level of human development.
- **7.3.2** In addition to the impact of the employment of women on the family level, contract jobs increase the social choices of women, to a great extent, as young women had to do a lot of unpaid work for the family. At the personal level, the independent income also increases women choices, as she can choose the proper husband or choose to stay unmarried; it also decreases domestic violence, in addition to raising women's morals because she is no longer a burden to her family. At the same time that all women's work all over the world is not valued or undervalued, the paid work in the industrial export sector has increased women's social choices, and life choices, in addition to giving them self confidence. All these are positive impacts of trade expansion from a gender perspective.
- **7.3.3** The wages in the export sector are higher than those in other sectors such as the agricultural sector, in many cases women get higher wages than men in the formal industrial sector. So the expansion of export has increased the average wage of women, also the bigger portion of wages goes to women.
- **7.3.4** However, the new trade jobs do not always increase women's income and improve their social status, there are some gender obstacles which can hinder the effect of women's paid work, for sometimes businessmen cut down the women wages, in addition to social restrictions, because women sometimes have to give all her wage or part of it to her family, which increase gender inequalities, in addition to the intransigence of the society which consider women's work a violation to its norms and traditions.

**7.3.5** Some studies suggested that the gender impact of the expansion of industrial production and export is stronger in the low income countries than in the medium income countries, where the expansion of trade caused the increase of women employment, but in the medium income countries women are employed, and men still get the better paid jobs.

#### 7.4 The Impact On The Agricultural Sector:

**7.4.1** The impact of trade on women's employment and income outside the industrial sector is more complicated, as the agricultural sector is divided into: wide range commercial agriculture and small scale agriculture for consumption purposes and self-sufficiency and which is specially important in the low income countries. Gender impact on trade differs according to the type of agriculture and the region, for example; in Asia and Latin America, women almost do not have any rights in the agricultural system.

**7.4.2** At the present time there is a growing trend to grow high quality non-traditional crops; it started in Latin America to serve North America markets, and it is growing rapidly in Africa and South Asia, specially in India. This trend has very serious gender implications.

In the small farms which grow traditional crops, the demand for women's work is very high, but their wages are very low. The increase of the profitability of cash crops in the international markets increases the independence of women in some parts of the world. In the agricultural system both in Asia and Latin America, international trade did not have a significant impact because women already worked in family farms without getting paid. Whereas in Africa the gender system is complicated in the way both men and women use the land, labor rights, and the income which each of them earns. The farmer's chance to enter the export sector, leads to conflicts with respect to gender, because the returns are always biased against women.

- **7.4.3** Empirical studies showed that profits of sugar and grains exports of family farms have increased in both east and west Africa, but at the same time the nutrition status of women and children has deteriorated, because the increase in growing export crops lead to rising demand on woman's work, but their negotiation power to ask for fair wages is very weak, which led to reducing women's share in family income. In such cases, trade expansion creates gender inequalities.
- **7.4.4** Women in most of the African counties work in their own farms, and inspite of the small areas that they own, they can enter the international markets like men, but it is noticed that

in the coffee farms in Kenya women adapt slower than men to the export opportunities, this is because of the restrictions on women for getting the necessary loans, production inputs and access to marketing channels compared to men, which reduce their ability to move to bigger scale of production. In addition to this, the legal restriction on women has a strong impact, as in Kenya only men can get license to produce tea.

**7.4.5** There are structural changes in agricultural production all over the world because of trade integration, as many countries have started to manufacture the agricultural products to increase the value added of their exported products, especially garden products (flowers, fruits, vegetables fresh or frozen). Women benefited from this because these activities are a good source of high wages. The ratio of women's participation in these activities is about 90%, and they are paid in cash, contrary to unpaid work in the family farms.

**7.4.6** The gender impact of the trade activities on employment depends not only on the trade expansion but also on its quality, i.e. how regular the work is, if it has social and health insurance, and if production is seasonal, the health conditions under which women work and which are usually worse than working in the farms. Although it is better for women to work in such agricultural companies, the ratio of the paid wages to the value added of the manufactured products is very low.

#### 7.5 The Impact On The Service Sector:

**7.5.1** The service sector is considered one of the strongest sectors at the present time, as it clearly expanded very rapidly to the extent that it is getting more similar the progress achieved by the industrial sector, specially in the field of communication and information technology. The service sector includes a lot of activities, starting from domestic services and small trade, government administration, social service sector (education and health), project services (accounting, counseling services, law and information processing). This sector is considered the largest sector of all the economic sectors in terms of its output, and the employment opportunities which it provides in many countries. Working in the services in the informal sector especially small businesses is considered the most important income source for the poor women.

**7.5.2** The impact of trade liberalization policies on the expansion of the formal and informal service sectors have not been studied yet, generally or from a gender perspective. There is evidence that in the data processing sector (data entry and programming) which is the fastest

growing service sector, the demand for female employment is increasing such as in the industrial export sector.

These services vary from post offices, tourist companies, airlines, and railway offices, in addition to the services which need high skills, programming and financial services such as in banks and insurance companies. Women employment in these sectors is growing very rapidly in the developing countries, whether the employer is a national or an international company.

- **7.5.3** In spite of this, there is no enough data to help us know the importance and the trend of this sector and to link it to gender issues at the global level, but it is clear that the case of this sector is similar to the impact of trade expansion on the industrial export sector.
- **7.5.4** A negative impact is, the very limited employment opportunities that this sector offers to the poor women who are not educated, compared to those offered by the industrial and the agricultural sectors.

## 8. The Impact of International Investment on Women:

- **8.1** Globalization is the flow of international capital, technology, labour, information and increasing international economic relations, in several ways and at several levels. Foreign direct investment plays an important role in these flows and relations. As the importance of direct investment increased, the nature and the ties between the home country and the host countries, and the impact of the multinational corporation on the economies of the host countries economics and on it is development became also as important, especially for the developing countries.
- **8.2** A very important point which needs to be investigated, is the way that labour is still immobile, and how it can be linked to the mobile production assets such as; capital, technology, practical practices of management and organization, and marketing skills which the multinational corporations bring to host countries.
- **8.3** If we look at development from the gender perspective, we will find out that an important point related to the impact of the productive role of women on the economy, and the economic and social impact of delegating her authorities in multinational companies, and the impact of this on the role of women in other companies or in the wide economy or scale of operations of the multinational companies.

- **8.4** Men and women affect investment activities in the country and are affected by it, whether they are consumers, producers, workers or income earners. The saving decision which the household makes, affects the availability resources for investment, such decisions are made by the individuals who earn income. The role of the maker decision depends on the distribution of income between men and women. The decision of organizing the way this income is spent depends completely on who earns this income regardless of being he or she, and the responsibility of men and women within the family to take these economic decisions. The role of women, in this regard, differs according to the society which she belongs to.
- **8.5** Companies make the investment decision, the gender dimensions here are indirect, they depend on the distribution of ownership and the rights to make decisions at the highest levels by men and women in the producing company, this distribution can have an impact on the level and the composition of investment, and is known as the gender distribution among the decision makers in the multinational companies. Gender affects the investment, national or foreign, according to the role which men and women play in decision making. The question is: how does the role of each of them affect the size and the distribution of investment? But it seems that this point did not attract enough attention, and this is because we assume that men and women are affected by the same economic factors when making decisions. The issues related to direct foreign investment which take into consideration gender aspects should be integrated with employment and human resource development, so the roles of men and women are taken into consideration in the production activities which are ,directly or indirectly, increased by the direct foreign investment.
- **8.6** Another question now is how women are integrated in the jobs that the multinational companies offer directly or indirectly in the host countries, and the conditions and administrative levels of employment, and the opportunities offered to them. Although the direct foreign investment may have a limited impact on the employment of men and women at the macro level, but on the other hand there is a clear difference in employment according to sector, to activity and to the country in general and in women's employment in particular.

Direct foreign investment in some developing countries has offered real employment opportunities for women, and improved their economic status through generating income and offering jobs with good work conditions, better than any other alternative jobs. The jobs which women had in the foreign branches or in the companies connected to the multinational companies did not need high skills especially in the export industries. But in the service sector,

women were employed as assistants, workers, waitresses and sales employee in addition to data processors.

**8.7** In the developed countries, the expansion in the service sector, where the direct foreign investment grew rapidly, offered plenty of quality work for women, such as services which need high skills like computer programming and the financial services and which employ a large number of highly qualified women.

Another point is the role of women in management and in decision making in the multinational companies. There are many factors in developed countries, such as the strong economy and the political and legal changes, which led to an increase in the number of female managers all over the world, this increase was concentrated at two levels: the middle and the lower managerial level, but women's participation in the higher managerial in the private sector is still limited.

**8.8** The multinational companies which have integrated strategies based on activities which mainly serve the international market, could have women in high management level, in a way that no other companies could, this is because of:

First: these companies work in a competitive environment, which make them have to choose the best employees regardless of their gender.

Second: the flexibility in defining the criteria for choosing employees, and for the promotions according to their special culture.

Third: they are characterized by a network hierarchy in the human resource management, which women are more suitable for.

**8.9** The experience of multinational companies is considered a model that motivates the companies in the host countries, specially the developing countries which do not consider the promotion of women in management, to care more for the role and development of women. They should take into consideration that we need special employment policies that take gender into consideration. This includes: for example, training programs that meet women's needs, flexible working hours, recognizing the importance of women as consumers.

# 9. Globalization and Economic Policy-Making:

**9.1** At the beginning of the new millennium a vigorous debate is taking place about what kind of economic policy is required to ensure that poor people benefit from globalization, and what kind of global rules are required to regulate markets and guide the operations of

international economic institutions. The 1999 UNDP Human Development Report made some suggestions about how to get globalization under social control and concluded that the debate is too narrowly focused, too geographically unbalanced and driven too much by economic and financial interests. People in all parts of the world need to join in the debate and to make clear their interests and concerns. Women have been contributing to this debate and moving towards formulating women-led economic agendas that put social justice and care for people before making money. The challenge is to ensure that these are reflected in economic policy agendas at national and international levels. Not only do more women need to participate in discussions of economic analysis and policy, but the terms of the discussion also need changing.

- **9.2** Since the late 1980s, women researchers have contributed to a critique of stabilization and structural adjustment policies that are a condition of access to international Monetary Fund (IMF) and World Bank loans. An initial focus on negative impacts on poor women was followed by a more nuanced critique which emphasized both the impact of these policies on gender relations and the impact of gender relations on the outcomes of these policies.
- **9.3** Women in different parts of the world have been taking initiatives to promote different, more gender-sensitive approaches to economic policy: improving the economic literacy of women's advocacy groups; securing more participation by women in economic policy process; advocating a gender-sensitive approach to the design of economic recovery programmes; training policy-makers to look at economic issues from a gender perspective; undertaking research on the gender impacts of macroeconomic policy at the local level; finding ways to "engender" macroeconomic analysis; and pressing for changes in global economic governance, especially changes in the WTO.
- **9.4** One initiative to improve the economic literacy of women's advocacy groups is the series of booklets produced by the Network Women in Development Europe (WIDE). These are written by women economists, who use imaginative approaches to communicate with women with no training in the field. One analyses production through a series of diagrams beginning with the theme of How the Cake is Cut. Another one contrasts the HIStory of household economics with HERstory of how households operate economically, drawing upon the classic American story of little women. Another one tells the story of the interaction between the commodity economy and the care economy, using diagrams and examples from the story, much used by economists, of Robinson Crusoe: Anther one provides a fresh look at markets and their place in society by describing them from the perspective of an extra-terrestrial visiting Planet

Earth. Each booklet has a glossary of technical terms or a technical appendix and suggestions for how to use them in discussion groups.

9.5 UNIFEM produced a briefing kit called "Women in a Global Economy" for policy-makers advocating an approach to economic recovery in South-East and East Asia that focuses on removing the barriers to women's productive participation in the market economy, rather than encouraging women to return to their traditional roles in the unpaid domestic sector of the economy. It argues that policies to create new jobs should be sensitive to different needs of men and women. Attention should be paid to the informal sector, where economic crises lead to increasing numbers of participants, putting downward pressure on women's wages and working conditions. The overall message is that economic recovery programmes should be designed in ways that directly support women's incomes and do not assume that income will "trickle down" from men to women and children.

**9.6** Policy-makers are often more receptive to messages about the need to redesign economic policy when they have a better understanding of how gender influences resource allocation, gained through a new look at old questions. More detailed information about the gendered impact of policy is provided by research on the micro-level impacts of macroeconomic policy.

To influence economic policy it is also necessary to speak the language of economics, but to inflect it in new ways. This was one of the objectives of the Asia-Pacific Economic Cooperation (APEC) project on Linkage between Paid and Unpaid Work in Human Resource Policy, which explored how economic policy could become more effective by recognizing that people undertake unpaid as well as paid work. The project highlighted linkages between unpaid work and economic cycles that are often overlooked. A key recommendation is to broaden the agenda for human resource development to include all kinds of labour, paid and unpaid, formal and informal.

**9.7** Among other steps for governments to consider are: Reform of the tax system and social security policies to eliminate the concept of the sole breadwinner in a two adult family;

Maternity, paternity and child-care leave for both women and men;

Provision for family-friendly workplaces and social support structures;

Provision of quality, affordable child- and elder-care services;

Financial support of enterprises, such as tax rebates to encourage them to provide social services for employment.

## 10. National Economic Policy and Global Economic Governance:

10.1 Globalization has transformed the national economic policy environment. Governments have opened up their markets for goods, services and capital to the international economy. The result of liberalization of international capital markets has been an increase in volatility and economic instability and new constraints on the extent to which macroeconomic policy can be used to promote social justice.

10.2 Exploring the relationship between gender inequality, economic growth and liberalization of trade and investment, four scenarios are possible: win-win (low gender inequality, high economic growth); win-lose (low gender inequality, low economic growth); lose-win (high gender inequality, high economic growth); and lose-lose (high gender inequality, low economic growth). Different outcomes are related to the structure of the economy being considered (e.g., industrialized; semi-industrialized; agricultural; degree of openness to world economy) and to the dimension of gender inequality being considered (e.g., health, education, labour market). World Bank research has revealed mainly win-win outcomes in which low gender inequality and high economic growth go together. This research measures gender inequality primarily in terms of education and health variables and has been used to make a case for reducing gender inequality on efficiency grounds.

10.3 On the other hand, the picture is different, if we focus on the gender gap in earnings in open semi-industrialized economies. Economic growth was higher where the gender gap in earnings was higher (i.e.,a lose-win scenario). This shows that some types of growth do not diminish gender gaps in the labour market, even though the absolute incomes of women may increase. Again in open economies where capital is highly mobile, policies that successfully promote greater autonomy for women can lead to an increase in national income (win-win); but those that increase women's bargaining power in the workplace can have a negative impact on national output (win-lose) if the response of capital is to move to other locations.

## **10.4** The policy implications of the analysis are twofold:

First: while globalization permits some dimensions of gender inequality to continue to be addressed at the national level (e.g., health, education). It makes it more difficult to tackle other dimensions of gender inequality (e.g., labour-market inequality) at this level;

Second: more concentrated efforts are needed at the international level to develop a harmonized framework for labour-market equality.

- 10.5 The ways in which national economies are analyzed and policy is made need transforming. A framework for doing this offers a strategy for gender mainstreaming in finance ministries, drawing upon previous work for the Commonwealth Secretariat. It identifies a fundamental constraint in the way that finance ministries operate: they do not deal directly with people but with monetized variables, such as aggregate national income and expenditure, and the aggregate money supply. Three possible points of entry are:
  - Short-run macroeconomic management, which focuses on budget deficit, the balance of payment deficit and debt;
  - Structural reforms such as trade liberalization and privatization of public sector enterprises and services;
  - Financial liberalization and its link to micro credit.

10.6 A matrix is proposed linking these three dimensions with three gender issues: the differential impact of policies on the well-being of women and men; the implications for human reproduction of the "care economy"; and for gender power relations (the relative degree of political voice, social/cultural value, and access to and control over economic resources held by women and men). The matrix is envisaged as a tool for use within finance ministries to enable officials to understand how their fiscal and monetary policies and privatization and liberalization measures impact on gender equality and women's empowerment; and how in turn gender relations impact back upon the economic efficiency and stabilization concerns of the finance ministries. Finance ministries with the assistance of local gender experts could gradually fill in information for their own particular economy. The use of the matrix is not envisaged as a one-off exercise, but as an ongoing endeavour that can be enriched as more information becomes available, and which will provide a framework for sustaining the attention of officials to gender issues. It would need to be complemented by a system of incentives and disincentives (through performance appraisal systems) so that finance ministry officials find it in their interest to take gender seriously.

#### **Promoting Social Dialogue on Macroeconomic Policy**

10.7 The idea of a policy matrix linking gender issues and national economic policy was extended to encompass proposals for a board social dialogue about the social content of macroeconomic policy and reshaping it to promote social justice. It looks at the issue from the perspective of the implications of macroeconomic policies for poor women, and identifies three forms of bias that need to be avoided if macroeconomic policies are to promote improvements in the position of poor women.

10.8 The first is deflationary bias, the bias that over-emphasises deflating the economy by reducing public expenditure and raising interest rates whenever financial markets show signs of concern about rising inflation, or whenever short-term capital leaves the country. There is clear evidence that using deflation to deal with problems caused by inappropriate financial liberalization makes the position of poor people, and poor women in particular, worse.

The second is commodification bias, the bias that turns as many public services as possible into commodities, to be sold to the public by newly privatized business, or to be delivered by a public sector operation on business principles and levying user fees for its services. In the case of health, education and social security, the replacement of citizen entitlements secured through the public sector by market-based entitlements to buy from the private sector polarize societies. It excludes poor women from the prospect of access to social support for unpaid care work.

The third is "male breadwinner bias" which sees women as dependents of men and constructs what public services and social protections remain upon the principle that men are the breadwinners and direct processors of citizen entitlements, while women can get access only as dependents of men. This bias predates the other two, and is often still to be found in the policy alternative put forward by those who are opposed to deflationary bias- but do not look at the economy through women's eyes.

10.9 Macroeconomic policy is more and more marked by these three biases but not solely due to finance ministry policy. Much of the pressure that creates deflationary and commodifications bias comes from global institutions, such as the World Bank and the IMF, and the globalized private sector, especially transnational corporations and international financial corporation. But there are national-level NGOs reinforcing these biases, including organizations that act as advocates for the rich, who benefit, as owners of financial assets, from these biases. In addition, a male breadwinner bias may come from organizations that also fight for social justice, such as trade unions, or may be reinforced by fiscal decentralization to provincial and local governments where officials and politicians hold out-of-date ideas about the reality of men's and women's lives.

The policy matrix is envisaged as a framework for a dialogue among a wide range of social actors. A key objective is to open up macroeconomic policy-making to consultation, in the way that many other areas of policy are being opened up. As with the matrix proposed by Sen, the boxes have to be filled in at the country level, drawing on country-specific evidence.

# 11. Conclusion:

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