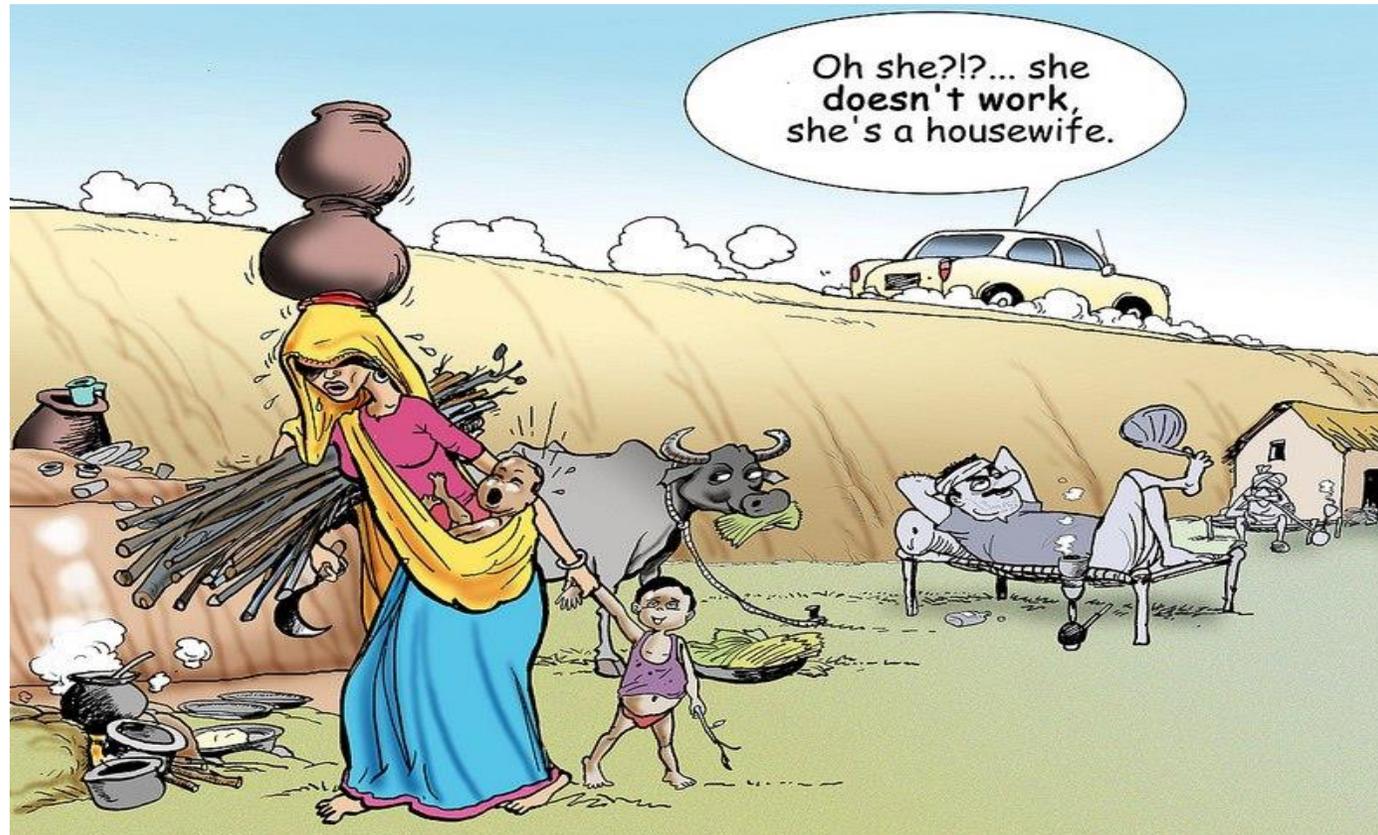


# Gender Equality Perspective on Financing for Development – Consequences for Women's Economic Empowerment

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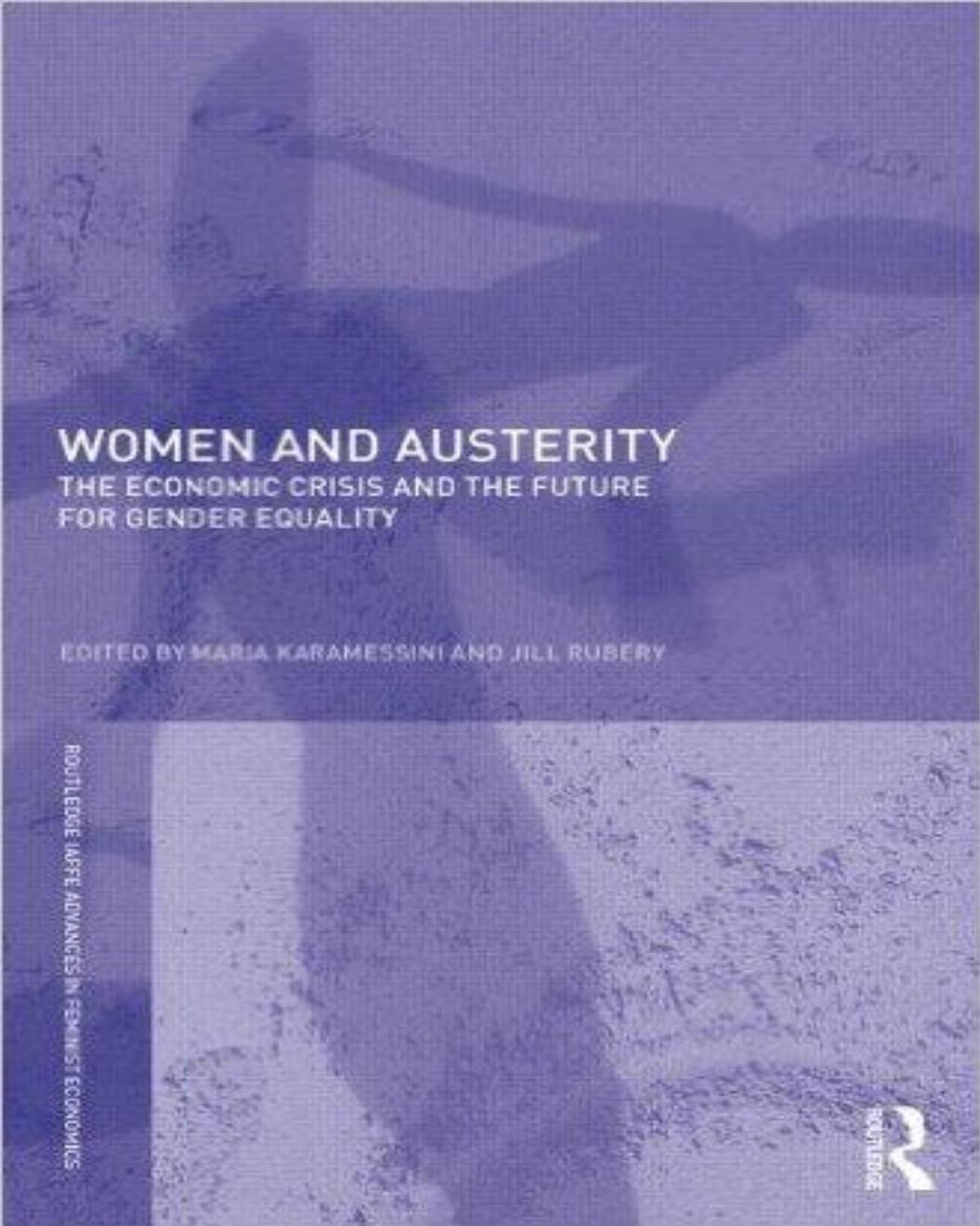


- For feminists and women's rights organizations, the Outcome document of the Third International Conference on Financing for Development: Addis Ababa Action Agenda (AAAA) fails to remove the global obstacles to development and to shift the balance of power in the international financial architecture in order to address systemic issues and create the conditions to respect, protect and fulfill human rights, in particular women's rights.
- It fails also to acknowledge the macro-economic dimension of the unpaid domestic and care work and the need to reduce and redistribute it among the State, private sector, communities, families, men and women.
- The AAAA might leave the impression to some that it is strong on gender equality, women's empowerment and women's rights.

- Some of the references about women's rights in the outcome document show strong tendencies towards the instrumentalization of women (i.e. Para 21) and to financing gender equality and women's empowerment as a means to achieve economic growth, to increase productivity and to improve economic performance.
- The outcome document has seriously reduced the integrity of the Financing for Development (FfD) agenda. On several points, there has been a serious retrogression from the commitments made in Monterrey (2002) and Doha (2008).
- While the document includes a narrative of "sustainable development", it still relies on orthodox economic assumptions regarding growth, 'trickle-down effects', commodification of nature and people.

- The heavy **negative impacts of the economic and financial crises**, caused by an imbalanced international economic and financial rules on development, social justice and human rights, particularly women's human rights, are not adequately addressed.
- What is needed are countercyclical and social policies that respect women's human rights and avoid transferring the costs that derive from austerity measures, privatization, cuts in cash transfers and social services, among others, to women.
- These needed measures are not even mentioned. Thus, **governments are relying on women's unpaid care work as a stabilizer and shock absorber of the economic and financial crises.**
- Women's rights activists are deeply concerned that the AAAA falls remarkably short in providing alternatives to the status quo.

- To discuss austerity with "gender blindness" is to ignore what is actually happening. Mothers skipping meals to feed their kids. Women queuing at food banks for sanitary towels.
- We are witnessing an economic and cultural assault on women.
- Women, similarly to disabled people – many of whom, as obvious as it is to state, will also be women – tend to be reliant on multiple public services. They are also primary caregivers and often the lowest earners.
- If you impose an ideological project to simultaneously cut public services and benefits, then it is women – particularly marginalised women, such as single mothers or those in poverty (again, not typically binary groups) – who will find their living conditions worsening.



**WOMEN AND AUSTERITY**  
THE ECONOMIC CRISIS AND THE FUTURE  
FOR GENDER EQUALITY

EDITED BY MARIA KARAMESSINI AND JILL RUBERY

ROUTLEDGE LAPPE ADVANCES IN FEMINIST ECONOMICS

ROUTLEDGE  


**IF WOMEN FARMERS HAD THE SAME  
ACCESS TO TOOLS AND CREDIT,  
THERE WOULD BE UP TO  
150 MILLION  
FEWER HUNGRY PEOPLE**



#ruralwomen  
@un\_women  
unwomen.org

- There is a lack of recognition of the important role of **debt audits** and the total omission of any reference to the notion of illegitimate or odious debt.
- Debts servicing continues to undermine women's human rights, through the diversion of scarce government resources from public services that reduce women's care burden; and through the attachment of harmful policy conditionalities, such as privatisation or the introduction of user fees for services that are critical for women's enjoyment of human rights and gender equality.

- The references of some women's rights in the AAAA get undermined by a framework that shows a strong tendency towards the **instrumentalization and commodification of women**, where women's empowerment, and women's full and equal participation and leadership in the economy are vital to significantly enhance economic growth and productivity or to promote market access for financial services.
- Different references in the AAAA on addressing gender equality and women's empowerment seem to speak more the IMF and World Bank language on "Gender Equality as Smart Economics" rather than to women and girls' entitlement to human rights which are at the foundation of the UN. Gender equality must be addressed putting women as subjects of rights and not as a strategy to improve economic performance.

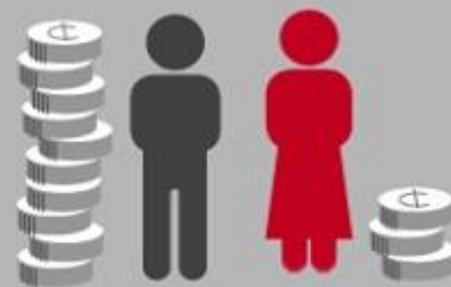
- Financial inclusion is promoted as "key for social inclusion". However, microfinance should be qualified given evidence that microfinance has not only been positive.
- It has also contributed to exacerbating gender inequalities, and created dangerous levels of indebtedness among many poor women, particularly when provided by for-profit financial institutions or intermediaries.
- Microfinance should not be provided without effective regulation, recourse mechanisms and consumer protection agencies to prevent predatory lending and ensure greater financial literacy of consumers.

# WAGES

**At least 50%  
of the world's  
women  
are in paid  
wage and salary  
employment,  
an increase from  
40% in the 1990s.**



But  
**women earn  
10-30% less  
than men**  
for the same work.\*



\*based on a study of 83 countries

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 **UN**  
**WOMEN** 



- While financial inclusion is overemphasized, **little attention is given to structural barriers for women's economic rights and access to, ownership and control over economic resources:**
- Ie, the unequal distribution of unpaid care work, the little access to health care services or the persistent gender discrimination in the labour market (through vertical and horizontal segregation, over-representation of women in precarious and low-paid jobs, and inadequate and insufficient social protection).
- The **AAAA strongly relies on private sector contribution** to financing for development and women's empowerment, diverting attention away from the role of states in removing the global obstacles to development, mobilizing official development assistance and sufficient domestic public resources.

- It is extremely concerning that there is no reference in the document to the need to promote equity, including gender equality as an objective in all tax and revenue policies.
- Governments agree to “work to improve the fairness of our tax systems”, but the AAAA might be promoting the contrary when it proposes simultaneously “broadening the tax base and continuing efforts to integrate the informal sector into the formal economy in line with country circumstances”.
- Tax policy is not gender neutral and domestic resource mobilization policies need to be reviewed for their impact on women’s income, work, including unpaid labour and unpaid care, and property and assets ownership.

- Regressive tax policies that for example rely disproportionately on indirect taxation are likely to affect women living in poverty more heavily because of women's socially constructed roles as primary caregivers and their responsibility for providing goods and services for their families.
- Expanding the tax base through “formalization of the informal economy” can translate into negatively affecting self employed women including small-scale market vendors, farmers and fisher people and those in micro and small-scale enterprises, who would likely bear a disproportionate high tax burden, while further enabling big corporations and rich individuals to continue to benefit from tax avoidance.

- The Monterrey Consensus recognized the vital importance of investment in economic and social infrastructure, social services and social protection, including education, health, nutrition, shelter and social security programmes, which take special care of children and older persons and are gender sensitive (Paragraph 16, Monterrey Consensus).
- The Doha Declaration advanced “universal access to basic economic and social infrastructure and inclusive social services” (Paragraph 13, Doha Declaration).
- Despite Monterrey and Doha’s inclusions, the AAAA emphasizes the commitment to new social compacts (Paragraph 12), blurring current state obligations to fulfill the human right to social security established in Art. 9 in the Universal Declaration on Human Rights and the International Covenant on Economic, Social and Cultural Rights (ICESCR).
- Therefore, there is a retrogression. Instead, government should have agreed to **ensure to build comprehensive social protection systems that provide universal access to quality social services.**

- Specific commitments should have been made to include care as a core axis of social protection, and a high priority.
- There is a strong **need for policies, regulations and services to transform current patterns of gendered division of labour**, including the unequal distribution of unpaid care work, through improving social infrastructure, expanding universal care services and promoting the transformation of gender roles that reinforce an unfair social organization of care.
- The aim of "generating full and productive employment and decent work for all" (Paragraph 16) is unachievable unless States assume concrete and effective commitments to transform these structural barriers.
- Unfortunately, there is no mention in the AAAA to the need to reduce and redistribute unpaid care work.