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Item Type	Preprint
Authors	Sharma, Ritu R.
Publisher	UNRISD
Rights	With permission of the license/copyright holder
Download date	2026-11-05 10:07:59
Link to Item	http://hdl.handle.net/20.500.12424/179293



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Women, Politics, and a Development Economics Renaissance

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Draft paper prepared for the discussion at the UNRISD meeting on
"The Need to Rethink Development Economics",
7-8 September 2001,
Cape Town, South Africa.

Introduction

I come to this discourse from the perspective of an advocate, a lobbyist to be more precise, working to open the minds of U.S. policy makers to alternative thinking on development, including the role of gender in development.

I think there are roughly four steps required to mainstream a new development economics theory and policy—empirical research, theory formulation and testing, education of technical experts in the use of new theory, and the ultimate adoption of the new theory by policy decision makers. Of these four steps, Women's EDGE focuses its work on the last: to get U.S. policy makers to abandon the "Washington Consensus" and embrace a new formula for development, one which includes gender in its basic equation. Therefore, I will focus my contribution on how we might "close the loop" between researchers, economists, and decision-makers.

And, as you have already gathered from the name of my organization, I will offer some thoughts on how the neo-liberal model has affected women and why any new thinking on development economics must ground itself in the most basic social organization humans have—male and female.

Women in the Neo-liberal World

The application of neo-liberal economics in developing countries has affected women unevenly, both between countries and within countries. Social class, however, can account many of these uneven effects, for. Studies by UNIFEM, UNDP, UNRISD, and many non-governmental organizations over the last five years have concurred that poor women bear a disproportionate share of the negative impacts of neo-liberal economic policies and are last to access the opportunities where they are presented.

This results not solely from economic policy alone, but from superimposing structural adjustment and trade and investment liberalization on to social structures that put women at a disadvantage. Neo-liberal leaders at the Office of the United States Trade Representative (USTR) and elsewhere maintain that it is not their system that is broken; it is the social norms of poor countries that lead to negative impacts on women. This is partly true and

partly disingenuous on their part. Though trade negotiators are not responsible for women's low status, they cannot continue to ignore the growing evidence that economics a la USTR can increase poverty, income inequality, and in some cases, has *worsen* women's status.

As we are all well aware, women are the primary caregivers for their families—an occupation that requires enormous amounts of time, energy, resources, and even expertise. The idyllic nuclear family—mom at home with the kids and dad happily winning bread—exists in a few places where families are wealthy enough to have a single wage earner. So for 97 percent of the population, women must somehow combine their roles as caretakers with their roles as income earners, and that's very hard to do. In economic terms, women's roles as family managers limit the supply and type of their labor available to the market relative to men. Therefore, many women are unable to take advantage of the employment or business opportunities that trade liberalization or economic growth in the neo-liberal world may bring.

Where women are able to take advantage of opportunities, they are only able to access those jobs that are acceptable forms of "women's work." This is a fairly limited universe of jobs, primarily those with lower pay, longer hours, less safety, and little security. So women's social status—leading to both a limited supply of and demand for their labor—closes off many potential benefits of economic growth. What then is the role of neo-liberal economics?

In many developing countries, it is the role of the woman to provide for the needs of the family. It is largely her income or her work that provides food, clothing, shelter, education, and health care. As the number of female-headed households rises, this phenomenon merely becomes more obvious. Therefore, any economic change that impacts the income, resources, purchasing power, or opportunity will disproportionately affect women due to their role as the family's primary caretaker.

Economic restructuring under U.S.-backed World Bank, IMF, and WTO rules have had dramatic impacts on income, resource and service availability, and purchasing power. In many cases, structural adjustment combined with trade liberalization has put women in the worst kind of "Catch-22." As health care and other services are cut under SAPs, the demand for women's labor at home increases. At the same time, it is women who must earn more money to pay for services, increasing the demands on their time outside the home. Then to make matters worse, lower wages mean that women must work longer and harder to makes ends meet. So it is not simply social norms that are at fault.

Any new or revived development economic theory must address distributive justice for women and other disadvantaged groups. At the very least, it should address distributive equity of the foundation needed to meet one's potential and the choice to do so.

If we cannot escape the dominance of neo-liberal thought for now, we can at least address the social issues that exacerbate the negative impacts of economic globalization. In addition, the "efficiency argument" for women's advancement is gaining momentum in neo-liberal circles—that is, not only does low social status hurt women, it slows economic growth. A 1998 World Bank Special Program of Assistance for Africa paper argues that improving women's access to and control of a range of resources would increase

growth, efficiency, and welfare in Sub-Saharan Africa. The report states that gender inequality in education and employment have suppressed annual per capita growth by 0.8 percentage points[i]. Advocates for official development assistance lean heavily on this argument to increase aid for education, health care, and legal reform for women.

But what of the other half of the equation? Is it the role of economic policy to "right the wrongs" against women, the poor, and the marginalized? Or at least not make their situations worse? This is fundamentally a political question: What is the role of the state?

Politics and Development Economics

The role of the state lies at the heart of battles between different economic and political systems. And this fight goes far beyond the walls of erudite policy makers and think tanks. This battle has so penetrated the American psyche that it is common to see bumper stickers stating "Get your government out of my (fill in the blank)." Therein lies the greatest challenge for an alternative economic model that makes equitable human development the goal rather than the by-product. We must not only penetrate the thinking of policy elites, but we must change the most basic assumptions people have about their relationship to the state. Why does the American psyche matter? As long as the U.S. dominates the discourse on economics, what the American electorate thinks cannot be ignored.

In addition, the prevailing cultural notions of the role of the state and the demise of development economics were not destiny or the final result of a Darwinian race for theoretical superiority (as the neo-liberals would have us believe). The number and diversity of conservative think tanks and public relations firms in Washington, DC is testimony to the massive and coordinated campaign waged against political and economic theories that could put the owners of capital at even the slightest disadvantage. The American Enterprise Institute, the Heritage Foundation, and the CATO Institute dominate lobbying on Capitol Hill and U.S. media coverage on any economic issue. The Chamber of Commerce is present in every locality in the United States and asserts its influence unabashedly.

Therefore, new theory on development economics must be popularized, in addition to being promoted by think tanks, universities, and NGOs. The need for a popular, grassroots base is readily apparent—it gives a movement legitimacy, voting power, protest potential, and momentum.

Also important is a diversity of perspectives and tactics within a popular movement. Radical organizations push issues onto the agenda by protesting and open the space for progressive ideas by pushing the envelope with ever-more "extreme" demands. Moderate organizations can mainstream ideas and move into openings created by radical organizations. Seattle was an excellent illustration of this. Post-Seattle, Clinton Administration officials were filling the FBI files of protesters and at the same time filling their calendars with appointments with moderate organizations critical of trade.

Our strategies must include a heavy emphasis on communications, media relations, and public education in addition to the education of policy makers, advocacy and lobbying.

Women as a Constituency for Development Economics

A March 2000 poll by the Program on International Policy Attitudes (PIPA) at the University of Maryland found a significant "gender gap" among American women and men on trade issues. Eighty-one percent of women surveyed felt they have a moral obligation to ensure that people who make the products they use are not working in harsh or unsafe conditions; 67 percent of men felt this way. American women were also willing to put their beliefs into practice. More than 80 percent of the women polled were willing to pay 20 percent more for a product made without the use of sweatshop labor (compared to 71 percent of men).

Building on this research, Women's EDGE undertook a review of existing quantitative and qualitative research that indicated that American women with higher than average levels of education and income, who participate in civic activities and who travel internationally are a potentially strong constituency for advocacy on international trade and its impact on developing countries.

In a study consisting of nine focus groups across the country, these earlier findings were validated, and Women's EDGE gathered valuable insight into the attitudes and opinions some American women share on trade issues.

Overall, the primary finding this research offers is that women came into the focus groups without specific knowledge on international trade agreements, but they left the discussion with a strong set of opinions that:

- Trade agreements can have harmful impacts on poor people who are often overlooked by decision makers.
- There probably is no one watching out for these issues or these people in trade negotiations.
- There ought to be an impartial group that monitors and informs the public and decision makers of potential harms within trade agreements.
- American women can play a constructive role through joining and supporting such an organization.

We also learned that:

- Participants expect the issues surrounding international trade to be inherently complex.
- They expect that people in smaller, poorer countries probably don't understand the complexities either—whether they are government officials or citizens.
- The negative impacts of trade agreements usually result from oversights or loopholes, not malicious intent. They are most likely unintended consequences.

- American corporate profit is viewed as the primary goal for U.S. decision makers involved in international trade, and politics comes in a close second.
- Powerless people are left behind in trade agreements because trade negotiators probably don't see it as their job to look out for poor people in other countries. Participants believe decision makers could do more.
- While they do not expect a perfect trade agreement to be reached, they do expect input from all sides—especially citizens groups here and abroad—to be fully considered in order to find the best options.

In addition, EDGE's research, combined with a poll of the general population on women's attitudes on foreign affairs, indicates that about 11 percent of American women are prepared to become advocates for U.S. foreign and economic policies that support the poor, aid development, and respect other cultures. Approximately 10 million American women are our potential constituents.

Research Needs for Advocacy

The body of academic research on gender and macroeconomic policy, including trade and structural adjustment, is ripening. There is undoubtedly much research left to do, particularly in tracing changes in women's lives to specific trade policies (the always vexing issue of "linkages").

1. Real-time policy analysis

In terms of policy advocacy, we have some of the research needed to reasonably project the possible effects—both positive and negative—of specific trade proposals. The next important step is to do this kind of analysis in real time while negotiations in the WTO, FTAA, World Bank, etc. are underway. For example, the ability to project the impacts on women in a certain country based on specific negotiating text could be an extremely powerful tool for influencing trade agreements.

The scope of such a model should not focus solely on economic impacts—as Amartya Sen has noted, poverty is a concept that goes far beyond income scarcity. So it must also include human rights and sociological analyses, including gender.

Again, the most important application of this research should be to analyze real countries and real agreements to inform real negotiators in real time. For example, how will the current proposal to use a top-down approach to the definition of services in GATS impact, say, the rural and urban poor in Brazil?

The ultimate tool would be a computer modeling system that could account for country specifics in population growth, status of women, level of corruption, public sector employment, etc., etc. Clearly, we are a long, long way from that. But the booming environmental impact modeling industry may be a harbinger and a prototype of what's possible.

Women's EDGE is developing a very basic methodology for conducting such reviews. Our intention is that this model will be able to use currently

available data sets and research for application to specific countries and for specific types of provisions. We hope to be able to conduct case studies in the Latin America, Asia, and Africa to test the model.

This type of modeling described above could assist us immensely in being able to propose very specific fixes to problems that agreements may create. We might suggest changes in the rules themselves (e.g. use a bottom-up approach to defining services) or bolster development programs that change some of the underlying factors that lead to negative outcomes (e.g. increase women's status, educate girls).

2. Other research needs of women's advocates

In addition to real time modeling and case studies, research in the following areas would provide a larger foundation from which women's organizations can conduct advocacy on globalization:

- Studies on the nexus between trade policy and overall development economics
- Examinations of the unintended results of "gender neutral" economic prescriptions
- Assessments of how women adapt in the wake of trade agreements (e.g. time use studies)
- Best practices and promising strategies for women's political and social action on economic policy
- Methodology—inclusion of participatory research and qualitative data

Conclusion

The growing tidal wave of protests around the WTO, World Bank, IMF, G-7/8, etc. are popularizing the faults of neo-liberal economics, but any clear alternative or solution remains unformed in the public mind. And the refusal of developing countries to enter a new round at the WTO until they see more of the promised benefits of the neo-liberal medicine they have swallowed, presents a rare opening to present new theories rather than just critique the failures of the dominant theory.

I hope that we will use the opportunity of The United Nations Research Institute for Social Development conference on "The Need to Rethink Development Economics" to both discuss the content a new development framework as well as the strategies we must undertake to move new theory into policy and every-day wisdom.

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i Blackden, Mark & Chihtra Bhanu (1998) "Gender, Growth, and Poverty Reduction: Special Program of Assistance for Africa," in World Bank Technical Paper No. 428.