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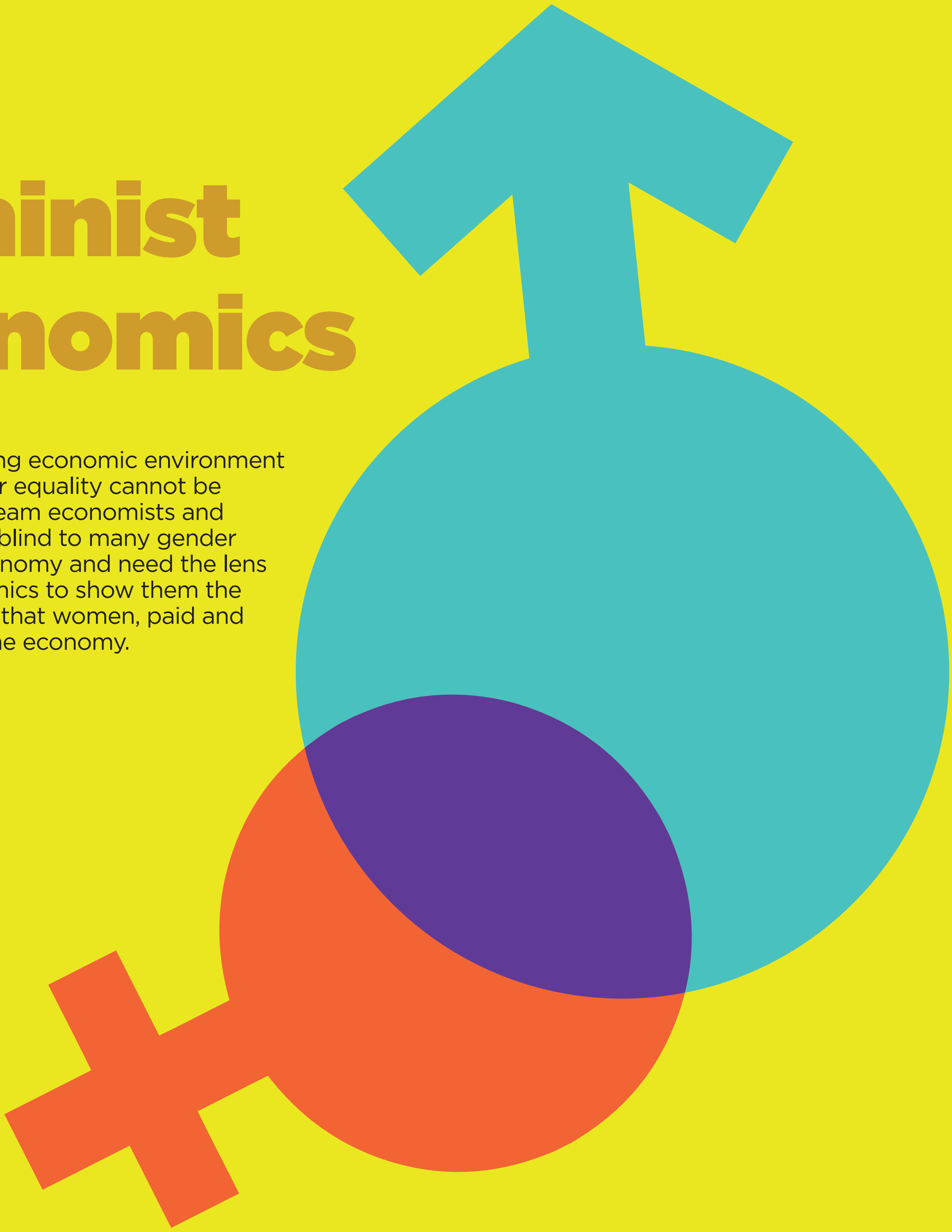
Feminist Economics



Without an enabling economic environment for women, gender equality cannot be achieved. Mainstream economists and policy makers are blind to many gender aspects of the economy and need the lens of feminist economics to show them the huge contribution that women, paid and unpaid, make to the economy.

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CONTRIBUTORS

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Research Interests

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See page 17 - IWNews Favourite

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EDITORIAL

This issue of IWNews is focusing on Feminist Economics. Some of the articles published in it were sent to us by Margunn Bjørnholt PhD who is President of our Norwegian affiliate association and a feminist economist herself. She is the co-editor with Professor Ailsa McKay of the book Counting on Marilyn Waring: New Advances in Feminist Economics.

Why are we focusing on this subject? Because feminist economics help us understand and analyse the gap between women and men especially in the labour market and why women's empowerment cannot take place unless we can create an enabling economic environment for women. The major problem with economics is that they ignore women and that by ignoring them they help cement gender inequality.

The priority issue that is going to be discussed during the 60th session of the Commission on the Status of Women is the empowerment of women and its link to sustainable development. Unfortunately, despite its vision to transform our world, the post 2015 Development Agenda has done little to address vast inequalities and discrimination embedded in decision making structures and financial systems. In the end, the Declaration continues to protect the interests of the private sector, the global North and International Financial Institutions.

For women, it is deeply concerning that human rights Conventions and other international agreements that have been ratified by member states have been overlooked in the post 2015 Development Agenda. How can we talk about women's empowerment as key to economic growth while neglecting to support the contribution of women in the informal economy and the disproportionate burden of unpaid care work they carry in their families and in the community. Moreover, even if we succeed in ensuring that women are appointed to decision making structures, how can we ensure their capacity to operate within a patriarchal system and adequately represent women?

How can feminist economics help us in this endeavour? By challenging mainstream economics and promoting new gender conscious analyses of social, economic and political relations that can help us elaborate transformative policies in the economic as well as in other fields to promote gender equality and the empowerment of women.

Economics as presented today lacks any basis in reality as it leaves out the very foundations of economic life that is women's reproductive labour as well as their unpaid care work within the family.

Feminist economics assert that power relations exist within the economy and therefore must be assessed in economic models and not be overlooked. Consequently understanding power and patriarchy help us to analyse how male dominated economic institutions actually function and why women are often at a disadvantage.in the workplace.

Mainstream economics emphasize Homo Economicus, a selfish and individualistic person who is not influenced by society. Feminist economists call for a more holistic vision of the economic actor and emphasize the complexity of human motives and the importance of culture and relations of power.

Economics should be focused less on mechanisms like income and more on wellbeing, a multidimensional concept including income, health, education, empowerment and social status.

So the future we want concerning gender equality and the empowerment of women should lie in the reshaping of economics and economic theory, using the lens of feminist economics.

Joanna Manganara
IAW President

An unexpected drastic reduction this year in the allocation of slots for parallel events has disadvantaged many organisations. IAW had applied for 6 events and was allocated only one! IAW selected *Women in Decision Making*, one of two events planned by Torild Skard. An event organised by Joanna Manganara - *Corporations, Globalization and Women's Social and Economic Rights* – is being supported by the Permanent Mission of Greece to the UN. Other events on Climate Change, Birth Registration and the Istanbul Convention are also planned.

WOMEN IN DECISION-MAKING: Getting women to the top

The international community has promised to ensure women's full and effective participation in the political leadership worldwide. How can we increase the number of women top leaders? And how can they promote women's issues? What can we learn from the experience of women national leaders and from ours in support of women's leadership?

SPEAKERS
Torild Skard | Senior Researcher and author of "Women of Power": *What can we learn from 73 female presidents and prime ministers in 53 countries worldwide during half a century: how did they manage to rise to the top and did they make a difference as female top leaders?*
Laura Liswood | Secretary General of Council of Women World Leaders: *Lessons of leadership of women heads of state and government and challenges of women at the highest levels.*
Brenda Carter | Director, Reflective Democracy Campaign in America: *Strategies to create a cultural shift and break down structural barriers for a more representative democracy.*
Antonia Kirkland | Legal Adviser Equality Now: *How can we translate women's needs into international law, policy and practise and get a female UN Secretary General?*

SPONSORS Council of Women World Leaders / International Alliance of Women / Equality Now / Reflective Democracy Campaign

Corporations, Globalization and Women's Social and Economic Rights

This side-event will reflect on the impact that multinational corporations (MNCs) have on the social and economic rights of women and girls in the Global South. The goal of the discussion is to highlight innovative opportunities for advocacy and partnership to advance women's economic rights in a global climate of free-market economics.

OPENING REMARKS
Ambassador Catherine Boura | Permanent Representative of Greece to the United Nations

CHAIR
Joanna Manganara | President, International Alliance of Women (IAW)

SPEAKERS
Kate Donald | Director of the Human Rights in Development Program at the Centre for Economic and Social Rights and founder of the Women for Tax Justice Collective: *What makes corporate tax a feminist issue? How do tax holidays for MNCs undermine the rights of women and girls? Discussing the relationship between global tax justice, MNCs and gender equality, Kate will highlight several progressive feminist approaches toward tax and gender justice.*
Hester Eisenstein | Professor in Sociology at City University of New York and author of the book 'Feminism Seduced: How Global Elites Use Women's Labor and Ideas to Exploit the World.': *Have free market ideologies seduced mainstream feminist groups? Is micro-credit really as effective in empowering women as many MNCs claim? What progress has been made for the women who work in the factories of big clothing brands? Drawing on some of the case studies in her book and recent trends in corporate-sponsored Girl Empowerment campaigns, Professor Eisenstein will argue that a new transnational feminism is needed to make global markets work for women.*
Sara Blackwell | Legal & Policy Coordinator at The International Corporate Accountability Roundtable (ICAR): *Governments around the world are currently developing National Action Plans (NAPs) on business and human rights. Sara will explain the relevance of these plans for women's groups by addressing questions, such as: Why is it important that women's groups become more involved in corporate accountability discussions? How can women's groups use NAPs to advance their goals?*
Gregory Tzeutschler Regaignon | Research Director, Business and Human Rights Resource Centre: *What makes corporate transparency and corporate legal accountability important for realizing the human rights of women? What resources on corporate practises are most helpful for feminist groups to improve corporate behaviour in the Global South? In his talk, Gregory discusses various ways in which feminist groups can utilize independent resources on corporate practises and human rights frameworks, such as the UN Guiding Principles, to promote corporate accountability for women.*

MODERATOR
Maria Hengeveld | MA in Human Rights (Columbia '15) and B.Soc.Sc. in Gender Studies and Sociology (University of Cape Town '12). Researches Gender, Globalization, Corporations and NGOs. Opinion pieces include 'Nike's Girl Effect: the myth of the economically empowered adolescent girl' (Al Jazeera America) and 'The Anti-Poverty Swindle' (Jacobin Magazine)

SPONSOR International Alliance of Women supported by Permanent Mission of Greece to the UN and the Business & Human Rights Resource Centre

THE **EMPOWERMENT OF WOMEN** & SUSTAINABLE DEVELOPMENT

BY JOANNA MANGANARA

The centrality of women's empowerment, gender equality and the realization of women's human rights in achieving sustainable development have been increasingly recognized in recent decades. The recognition is evident in a number of international norms and agreements. The Beijing Declaration of Action provides that the advancement of women and the achievement of equality between women and men are a matter of human rights and a condition for social justice and are the only way to build a sustainable just and developed society.

The outcome document Transforming our world: the 2030 Agenda for Sustainable Development, agreed to by Member states in the Post-2015 Development Summit that took place in New York in September 2015, also acknowledges throughout the preamble and the Declaration that achieving women's empowerment, gender equality and women's human rights are a prerequisite for sustainable development.

The Sustainable Development Goals are a vast improvement on the Millennium Development Goals which were essentially a pact between donor and developing countries. The new goals are universally applicable, tackling poverty and deprivation everywhere, leaving nobody behind and holding all countries responsible for taking action. The Sustainable Development Goals are more equality sensitive with more cross-cutting commitments to gender equality and a stand-alone goal dedicated to gender equality and the empowerment of all women and girls. However, the 2030 Agenda fails to lay out a comprehensive human rights based approach for sustainable development. It also fails to recognize the need for a women's rights based analysis incorporated in the Sustainable Development Goals.

On the one hand women's empowerment needs the building of an enabling environment for the implementation of women's human rights. On the other hand it needs the enhancement of women's skills and capacities as active agents of change for sustainable development. However, in the 2030 Agenda, sustainable development goals, targets and means of implementation do not address systemic imbalances, systemic discrimination, and structural inequalities that deny the basic human rights of women and girls. Therefore, the 2030 Agenda does not contribute sufficiently to the creation of such an enabling environment.

Another obstacle to addressing the structural causes of gender inequality by the 2030 Development Agenda is the lack of specific resource commitments linked to the realization of women's empowerment, women's human rights and advancing gender equality.

An example is the unpaid care and domestic work responsibilities that disproportionately fall on the shoulders of women. The burdens of these tasks are the main obstacles for women to fully exercise their rights, as they demand from them an excessive time use and their entire energies.

Unpaid domestic and care work which derives from discriminatory gender roles should be recognized and valued. Moreover, costs and burdens must be reduced and more evenly distributed between the state, community and family and, in families, between partners.

Unpaid care and domestic work together with violence against women, limited control over assets and property, and equal participation in private and public decision making are among the most important structural causes of gender inequality.

Unpaid care and domestic work, although covered by target 5.4, is not linked to corresponding means of implementation or commitments to legislative or policy change.

The difficulties in creating an enabling environment at all levels for the empowerment of women and the realization of their human rights are produced by development models that support market led growth. These models contribute to the persistence of unequal power relations between women and men. Such development patterns rely on and reproduce gender inequalities, exploiting women's labour and unpaid care work.

We should demand a new development model that is not based solely on economical growth but prioritizes people over profits; a new development model that regulates the role of the private sector through binding frameworks that align actions with human rights and sustainable development objectives.

Concerning women's empowerment as agents of change in sustainable development the most important premises are:

- Work for peace and the elimination of violence against women and girls
- Address health risks created through environmental degradation such as air and water pollution

- Develop infrastructure in transportation as well as in urban planning which takes into account the safety and mobility needs of women, enabling them to move freely
- Put emphasis on gender sensitive education which can challenge gender stereotypes
- Remove obstacles to women's full and equal participation in decision making and sustainable development
- Train women in new technologies and entrepreneurial skills and increase their access to credit in order to expand their opportunities in the market
- Identify and address gender equality perspectives in environmental protection and sustainable development

Unfortunately the follow-up and review section of the 2030 Agenda does not live up to the accountability standards. It is not only completely voluntary in nature but it fails to recognize concrete ways to enable meaningful society participation in gathering data, follow-up and implementation.
Governments when committing to the 2030 Development Agenda must recognize the value in involving civil society and NGOs in particular women and feminist organizations which can significantly help the implementation of this Agenda and make it a reality.
One important development that is taking place in recent years concerning civil society organizations, in particular women's rights organizations and networks is the closing space for them at all levels from the national to the global.
This development takes place in a context of increasing attacks on human rights in particular the human rights of women and girls.
We should call on politicians to recognize the critical role that women's and feminist organizations and women's human rights defenders have played in pushing for the empowerment of women and girls, the realization of their human rights and gender equality. The attempt of governments to marginalize the role of these groups is an affront to women everywhere.
We call on politicians to show renewed political will and move from commitments to accomplishments.
We call on them to adopt a new paradigm of accountability that can make the entire process of sustainable development more transformative and responsive to people's needs. A new paradigm of accountability that will help to build an enabling environment for the empowerment of women as well as to enhance women's capabilities and skills for sustainable development. This new accountability paradigm should institutionalize the participation of civil society organizations, in particular women and feminist organizations and marginalized groups, in the implementation, reviewing and monitoring of the Post-2015 Development Agenda at all levels. It should provide avenues for both women and men to hold decision makers answerable for their actions and to seek redress when necessary.
States should recognize that by participating in accountability mechanisms and hearing from stakeholders as well as people affected and addressing their concerns they are helping to ensure implementation at all levels.
As the UN Secretary-General has said, a new paradigm of accountability is in fact "the real test of people-centred, planet-sensitive development".

First-ever UN High-Level Panel on Women's Economic Empowerment **to have its inaugural meeting during CSW60**

Eminent experts to highlight the interactions between economic growth and gender to galvanize political will and leadership to implement the Sustainable Development Goals

Davos 21 January 2016 — UN Secretary-General Ban Ki-moon has announced the first-ever High-Level Panel on Women's Economic Empowerment to provide thought leadership and mobilize concrete actions aimed at closing economic gender gaps that persist around the world.

The Panel will provide recommendations for the implementation of the 2030 Agenda for Sustainable Development to improve economic outcomes for women and promote women's leadership in driving sustainable and inclusive, environmentally sensitive economic growth. It will provide recommendations for key actions that can be taken by governments, the private sector, the UN system and other stakeholders, as well as policy directives needed to achieve the new targets and indicators in the Sustainable Development Goals which call for the economic empowerment of women. The panel is backed by the United Kingdom, the World Bank Group and UN Women.

"The empowerment of the world's women is a global imperative," said UN Secretary-General Ban Ki-moon. "Yet despite important progress in promoting gender equality, there remains an urgent need to address structural barriers to women's economic empowerment and full inclusion in economic activity. If the world is to achieve the Sustainable Development Goals, we need a quantum leap in women's economic empowerment."

The Co-Chairs of the Panel are Luis Guillermo Solis, President of Costa Rica, and Simona Scarpaleggia, CEO of IKEA Switzerland. They will be joined by the leaders of the International Monetary Fund, World Bank Group, UN Women and a diverse range of eminent gender and equality actors, economics experts, academics, trade union leaders, business and government representatives from all regions. The Panel will be supported by an independent Secretariat, hosted by UN Women with backing from the UK Government.

UK International Development Secretary Justine Greening, a founding member of the Panel, welcomed its launch. She said: **"I am hugely proud to be a part of this Panel. Investing in girls and women isn't just about basic human rights, it's about fully unlocking the potential of half the world's population. The UK is already at the forefront of this effort. At the Department for International Development I have put improving the lives of girls and women at the very heart of our work and Britain is successfully leading the fight against FGM and child marriage, as well as getting girls into school and women into jobs. Strong economies need the contribution of everyone—including women—and this panel will spearhead a movement to put women's economic empowerment on the global agenda like never before."**

Jim Yong Kim, World Bank Group President, also a founding member of the Panel, stated: "The World Bank Group is strongly committed to gender equality, which is integral to ending poverty and boosting shared prosperity. Our new Gender Equality Strategy puts a much sharper focus on economic empowerment." He added: **"No society, community or economy can achieve its full potential—or meet the escalating challenges of the 21st century—until all its people can achieve theirs.** We are pleased to partner with the UK's Department for International Development and the United Nations in convening this important panel, whose work will accelerate progress towards the goals we share."

The High-Level Panel will help tackle gender gaps in economic opportunities and outcomes which persist around the world, building on the growing evidence and recognition by governments and the private sector that women's economic empowerment has a multiplier effect and boosts whole economies. Research shows that women invest their income back into their families and communities, including in health and education. **McKinsey Global Institute estimates that if women in every country were to play an identical role to men in markets, as much as US$28 trillion would be added to the global economy by 2025.**

Yet women continue to earn less, have fewer assets, bear the burden of unpaid work and care and be largely concentrated in vulnerable and low-paying activities. Women spend more than twice as much time on unpaid care and domestic work as men and women on average are paid 24 per cent less than men globally for the same work. Moreover, 75% of women's employment in developing regions is informal and unprotected. These gaps constrain women's rights and hinder economic growth and productivity. Significantly scaled up actions and political will are required to ensure that governments, development organizations and others invest in the economic empowerment of women for the benefit of whole societies.

The High-Level Panel will have its inaugural meeting during the 60th session of the Commission on the Status of Women at the United Nations in March 2016. A series of regional consultative meetings will also take place, and the Panel's first report with action-oriented recommendations will be issued in September 2016.

WHY **GENDER EQUALITY** REQUIRES MORE TAX REVENUE

by Diane Elson
Chair of the UK Women's Budget Group and Emeritus Professor, Department of Sociology, University of Essex.

A government's capacity to reduce gender inequality is determined in large part by the amount of revenue it raises in tax, and how tax payments are distributed. A high level of tax revenue, if raised progressively and spent wisely, enables governments to fund the services, social security and infrastructure that make it easier for women to undertake paid work and to provide jobs for women in the public sector that are often of better quality than those in the private sector.

The Effects of Tax Revenue Reduction Policies

However, the capacity of governments to raise tax revenue has been reduced by neoliberal economic policies. At the same time the insecurities of liberalised markets call for more spending on social security, resulting in a 'fiscal squeeze'. Trade liberalisation has cut import duties and export taxes, key sources of revenue in many poor countries. Competition to attract multinational corporations and their highly paid executives has led to cuts in corporation and capital gains taxes, tax holidays and other exemptions. Cross border cooperation on taxation of corporations has not kept pace with globalisation, so that tax avoidance schemes have proliferated, and the political clout of wealthy people enables them to engage in tax evasion with little fear of prosecution. Governments have turned to indirect taxes like VAT to raise revenue, but such taxes fall most heavily on poor households, especially where they are reliant on women's incomes.

With revenue reduced by neo-liberal policies and budget deficits and public debt rising, international financial organisations and international investors have put pressure on governments to cut back on expenditure. This pressure has intensified in the wake of financial crises - such as in Latin America in the early 1980s, Asia in the late 1990s, and Europe in the period since 2008. Research has shown that women have been disproportionately affected by such cutbacks and have had to provide a safety net of last resort for their families and communities at the expense of their own well-being (Elson 2013).

The budget deficit reduction policies of many European governments since 2008 have hit women particularly hard because they have put much more emphasis on cutting expenditure than on efforts to raise more revenue, and the main instrument used to raise more revenue has been the regressive VAT.

Spain - Cuts to Benefits and Tax Evasion

A report on Spain (Center for Economic and Social Rights 2015) documents how the budget for social security benefits for children and families has been cut by 91% since 2008, while the budget set aside for services related to gender-based violence has been cut to 77% of the 2009 figure and many women's shelters have closed. There have been cuts to public sector pay, restrictions to health care entitlements, and the privatisation of public services. In 2014, women were more likely to be unemployed than men, and for longer terms compared to men. Deep cuts to essential care services; labour reforms that make it easier for employers to change working hours; and the austerity-induced postponement of parental leave make it more likely that women who are not the primary breadwinners will drop out of the labour market.

The Spanish government's principal tool to boost revenue since 2010 has been a series of increases to VAT. A major fiscal reform in 2014 may well lighten the tax contributions of high income-earners. Large companies, meanwhile, continue to benefit from generous tax incentives and privileges. While small and medium enterprises paid close to 16% effective income tax, large businesses effectively paid just 5.3% in income tax in 2012 (against the 30% nominal rate that year).

Large companies used tax breaks to avoid paying 19 billion Euros in 2012—three times the budget for social security benefits for families and children in 2015. Thirty-three of the thirty-five companies which make up Spain's benchmark stock market index have direct subsidiaries in tax havens: The Center for Economic and Social Rights concludes that:

'Rather than introducing tax amnesties for those committing tax abuse, as Spain has done, the government should make a clear commitment to eradicate illegal tax evasion and significantly reduce tax avoidance, particularly that committed by large corporations and wealthy individuals, which reportedly account for 72% of tax evasion in Spain'.

If the government of Spain made more efforts to raise tax revenue from those than can best afford to pay, it could avoid introducing cuts that undermine gender equality.

A Comparable Situation in the UK

In the UK, the situation is comparable, as documented by the UK Women's Budget Group in successive reports on government budgets since 2008. The deficit reduction strategy introduced by the Coalition government in 2010 has placed overwhelming emphasis on cutting expenditure

rather than raising tax revenue, and the main revenue raising measures was an increase in VAT.

Analysis by parliamentary researchers released in Autumn 2014 shows that £22bn of the £26bn ‘savings’ that the UK government has made since June 2010 through cuts to spending on social security and changes to direct taxes have come from women – 85% of the total, with only 15% coming from men. Taking into account changes to indirect taxes and cuts to public services as well as changes in direct taxes and cuts to social security, the UK Women’s Budget Group found that women who were not part of a couple were particularly hard hit (WBG 2013).

The percentage losses in total income in cash, and in kind (from public services), were estimated as follows: Among families with children, single mothers lose the most: 15.6%, compared to single fathers who lose 11.7% and couples with children who lose 9.7%. Among working age families with no children, single women lose 10.9%, single men lose 9.0% and couples lose 4.1%. Among pensioners, single women pensioners lose most: 12.5%, compared to single male pensioners who lose 9.5% and couple pensioners, who lose 8.6%.

While introducing cuts to spending on public services and social security, the government has brought in several measures that reduced taxes (WBG 2014). The income threshold for payment of income tax was raised, a measure that will cost £12bn a year – the majority of which will go to men and those on higher incomes. The WBG estimates that at least 21 million workers aged 16 and above will not benefit at all, of whom 63% are women.

Income tax was also modified by the introduction of a transferable tax allowance, compromising the principle of independent taxation, for which women had fought hard, and which was introduced with all party support in 1990. Before this, a married woman’s income was treated as belonging to her husband for tax purposes. 84% of the beneficiaries of this allowance were estimated to be men. Duty on beer was cut and duty on fuel was frozen, benefiting men more than women, because women tend to buy less beer and fuel than men. The UK Women’s Budget Group is calling for a different economic strategy: Plan F, prioritising investment in care services and social housing, a reversal of cuts to social security and much more emphasis on raising tax revenue from corporations and better-off people, both through raising tax rates and through a real crackdown on tax avoidance and evasion. (WBG 2013).

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This article originally appeared on the Tax Justice Network blog 5 may 2015 as a preview article from a forthcoming edition of Tax Justice Focus, looking at gender issues. It is published with the permission of the author and the Tax Justice Network

http://www.taxjustice.net/2015/05/05/why-gender-equality-requires-more-tax-revenue/

The Tax Justice Network is an independent international network conducting research, analysis and advocacy on international tax; on the international aspects of financial regulation; on the role of tax in society; and on the impacts of tax evasion, tax avoidance, tax ‘competition’ and tax havens.

SIX MYTHS ABOUT INFORMAL ECONOMY STATISTICS

by Joann Vanek
Director of the WIEGO Statistics Programme

Myth #1: *There are no statistics on the informal economy*

Statistics on the informal economy is a relatively new area for data collection by national statistical offices. But substantial progress has been made in the development of these statistics since 1993 when the International Conference of Labour Statisticians (ICLS) recommended a statistical definition of the "informal sector", and since 2003 when it added a statistical definition of "informal employment" covering employment both inside and outside the informal sector.

Increasingly, national statistical offices are including data collection on informal employment, so defined, in their labour force surveys and are doing so as an input to policy-making. Perhaps most noteworthy is Mexico's release of information on informal employment and its contribution to the GDP on a routine basis as key economic indicators. In 2011, the International Labour Office (ILO) and WIEGO prepared a database on informal employment and employment in the informal sector with nearly 50 countries. Data on informal employment and the informal sector are also available from these and additional countries through national statistical offices. The ILO and WIEGO have jointly published two editions (2002 and 2013) of Women and Men in the Informal Economy: A Statistical Picture, which report these statistics; and WIEGO has also published a working paper with updated regional averages.

To assist countries in planning surveys on informal employment, the ILO, the International Expert Group on Informal Statistics (known as the Delhi Group), and WIEGO published a manual, Measuring Informality: a Statistical Manual on the Informal Sector and Informal Employment.

Myth #2: *The 'informal sector' refers to employment that is not formal*

In the international statistical definition, the informal sector is only one part of employment that is not formal; the other is informal employment outside the informal sector.

The 1993 ICLS definition of informal sector captures one type of informal employment: employment that takes place in unincorporated enterprises that are unregistered or small. However, there is also informal employment outside informal sector enterprises: notably, all persons who are not covered by social protection through their work, including some employees in formal enterprises as well as many domestic workers, most casual day labourers and all unpaid contributing family workers. The 2003 ICLS definition includes informal wage employment outside informal enterprises as well as employment in the informal sector. This broader concept is referred to as informal employment and comprises all employment that is not formal.

Myth #3: *Informal economic activities are so diverse and vary so much across countries that it is impossible to have a statistical definition that would apply to all countries*

The international standards or definitions described above reflect the diversity of situations across countries. On the one hand, they are sufficiently comprehensive to cover all countries; on the other hand, they provide flexibility in applying the definitions in different national settings. These definitions have been successfully applied in many developing countries and efforts are now underway to apply them also in developed countries (see Myth #5). It is important that researchers use these internationally agreed definitions in their work rather than ad hoc formulations. Only with widespread adoption of the definitions will a comprehensive body of international data be produced.

Myth #4: *National employment statistics do not include people who work as domestic workers, home-based workers, street vendors or waste picker*

Employment statistics — for example, the number of women in the labour force overall — do pick up people who work as domestic workers, home-based workers, street vendors, and waste pickers, although often as an under estimation. The statistical challenge is not so much to capture these workers as employed, but to identify the specific category of work in which they are employed. Only one of them—domestic workers—is routinely identified as an occupational category in official national statistics, and this group is often under-estimated and misclassified.

In part, the challenge arises because informal employment arrangements are generally more difficult to measure than formal. More than one question is often required and countries may not include all needed questions. For example, some countries do not include questions on place of work, which is a key indicator in distinguishing domestic workers ("employer's home"), home-based workers ("own home"), and street vendors ("public spaces"). Challenges also stem from the need to ask enough questions and to have sufficient response categories to identify these groups. Response categories are based on international and national classifications of industries and occupations that may not be sufficiently detailed to specify these categories. And even with a detailed classification, the tabulations produced may not reach down to the level of detail required to specify these worker categories.

As countries are pressed to produce data more frequently or to undertake multi-purpose surveys rather than a dedicated labour force survey, questionnaires are shortened and sample size is reduced. This further limits the possibility of data on categories of informal workers. All users and potential users of these statistics should press national statistical offices to produce these data.

Myth #5: *Informal employment applies only to developing countries*

Initially, the statistical definition of informal employment was applied to developing countries only. Yet it is increasingly recognized that there are employment arrangements in developed countries that fit this definition and would be identified as informal employment in developing countries. A substantial share of the labour force in developed countries works under arrangements which provide reduced benefits and limited access to social protection: in own- account self-employment; temporary (or fixed-term) employment including temporary agency work, on-call, or contract company work; and some forms of part-time work.

Many developed countries are collecting data to better understand these changes in employment arrangements and their impact on workers. However, there are major differences across countries in the types of employment arrangements that are covered in national surveys, and few countries collect data on the full set of employment arrangements. To advance informal employment statistics and to understand ongoing changes in employment globally, it is important to have a comprehensive picture of work arrangements across both developed and developing countries.
In 2008 WIEGO launched an initiative to provide for the classification and analysis of the full set of employment situations in both developed and developing countries. WIEGO continues this work through participation in the ILO Expert Group on the Quality of Employment and through participation in the ILO Working Group to revise the International Classification of Status in Employment.

Myth #6: *Informal employment is so unproductive that there is little need to measure its contribution to GDP*

Just as the concept of the informal sector is relatively new in labour statistics, it also is new to the field of national accounting. The most recent manuals containing guidelines for the preparation of national accounts, System of National Accounts 1993 and the 2008 System of National Accounts, recommend that countries prepare estimates of the contribution of the informal sector to Gross Domestic Product (GDP) or Gross Value Added (GVA). Many countries now do so.

The following statistics give examples:

- The contribution is the highest in West African countries. For example, in Benin, Niger and Togo, the informal sector, excluding agriculture, accounts for more than 50 per cent of non-agricultural GVA.
- In India, the contribution of the informal sector to the economy is 46 per cent of non-agricultural GVA in 2008.
- In Guatemala and Colombia, it is over 30 per cent of non-agricultural GVA.

Recently, Mexico estimated the contribution of total informal employment—both inside and outside the informal sector—to the national economy. In July 2014, the National Institute of Statistics and Geography (INEGI) made available the first estimates of the contribution of the informal economy to the Mexican economy for the years 2003-2012. During that period, the share of the GVA contributed by the informal economy dropped slightly from around 27 per cent to a still significant 25 per cent.

This article originally appeared on the WIEGO blog - May 4, 2015. It is published with the permission of the author and WIEGO. Link to original http://wiego.org/blog/six-myths-about-informal-economy-statistics

About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on securing livelihoods for the working poor, especially women, in the informal economy.
Informal workers need voice, visibility and validity. WIEGO creates change by building capacity among informal worker organizations, expanding the knowledge base, and influencing local, national and international policies

TEACHING **FEMINIST ECONOMICS** TO GENDER-BLIND POLICYMAKERS **IN HANOI**

by Haroon Akram-Lodhi
who teaches agrarian political economy at Trent University in Peterborough, Canada and is the Editor-in-Chief of the Canadian Journal of Development Studies.

Feminist economists have an impact on policy; however, those impacts are not often immediately apparent. I was starkly reminded of this when, in early August, I had the opportunity to do a day's teaching on "Gender and the Economy" in English and Vietnamese to the Ho Chi Minh National Academy of Politics and Public Administration in Hanoi. As the educational arm of the Communist Party of Vietnam, rising senior Party cadres attend a 3-month compulsory course on economics, public policy, and Marxism-Leninism-Ho Chi Minh thought. In an audience of 90, 79 were men and 10 of those were vice-ministers (effectively the number two in the ministry), including the Deputy Minister of Finance, along with more than 10 Provincial Secretaries of the Communist Party as well as senior generals in the armed forces. It was a very high-profile group from around the country that, ranging in age from the late 30s to the late 40s, represented the next generation in the leadership of the Party.

Gender-responsive economics

Although the day was organized by the Center for Women in Public Administration and Politics (WiPPA), a newly established center within the Academy, I was aware that I had to be careful about how I spoke. So when I started the day by discussing the feminist economics critique of neoclassical economics, to which most of the attendees had some exposure, I didn't use the "f" word and instead used the UN code-word "gender-responsive economics". We discussed the economic characteristics of unpaid care work, which was grounded in my 20 years of experience living in and working on Vietnam. When I asked for questions from the floor, people's freedom to speak their minds meant that many of the old stereotypes that persisted through central planning and renovation reared their head: that the Vietnamese gender division of labor was cultural and that people did not want their culture to change; that Vietnamese households shared their incomes and assets; that women enjoyed and preferred unpaid care work; and that the policy implications of recognizing unpaid care work were not self-evident.

Vietnamese women working.
From Wikimedia Commons. Public Domain. Photo by Linda D. Kozaryn.

Gently rebutting the stereotypes that were laid before me by the gender-blind cadres, I was able to lead on from the last point by displaying to the cadres the very limited evidence that is available on the distribution of unpaid care work in Vietnam, which strongly indicates, not surprisingly, gender-based inequalities in its distribution, and by explaining that supply depends upon the labor force and its productivity and, with the fertility rate in decline, Vietnam was facing a major constraint to the country's long-term economic development.

The ability to draw low-skill, low-productivity labor into the cities will diminish over time and, unless a policy framework is introduced that recognizes unpaid care work, there will be an impact that, in the long run, will affect the rate of growth of the Vietnamese economy. This made the group sit up and pay attention. In the discussions that followed, some, including a significant portion of the men in the group, were paying attention to unpaid care work in a way that was brand new.

Implications of informal and vulnerable paid work

I concluded the day by discussing the role of unpaid care work in Asia's response to the global economic crisis. As Diane Elson (2010) and others have demonstrated, unpaid care work was used by households as a private form of social protection. As a result, the crisis intensified gender inequalities and was intensified by gender relations. This allowed me to show the long term implications of a feminist economics understanding of macrodynamics for the Vietnamese economy, and some of the more immediate issues facing economies with high numbers of people employed in informal and vulnerable paid work.

Results

When we finished, a number of the cadres thanked me for my contribution and encouraged me to continue researching and teaching. WiPPA was very pleased with the results, believing that the day finally allowed the organization to be recognized in a more meaningful way.

The number of non-Vietnamese who have been asked to deliver lectures to the Communist Party is very small, but I remain hopeful that what I said during the day had an effect and offered a new way of looking at Vietnam's economic challenges. Of course, that does not equal policy impact, but at the end of the day I felt, as I often do when I teach feminist economics to policymakers in Africa and Asia, this is why I do this job.

Blog reference:

Elson, Diane. 2010. "Gender and the Global Economic Crisis in Developing Countries: A Framework for Analysis." Gender and Development 18(2): 201 – 212.

This article originally appeared on the blog Feminist Economics Posts, International Association of Feminist Economics (IAFFE) 21-08-2014. It is published with the permission of the author and IAFFE.:

Blog http://feministeconomicsposts.iaffe.org

Original article: http://feministeconomicsposts.iaffe.org/2014/08/21/teaching-feminist-economics-to-gender-blind-policymakers-in-hanoi/

IAFFE

The International Association for Feminist Economics (IAFFE) is a non-profit organization that seeks to advance feminist enquiry of economic issues and to educate economists and others on feminist points of view on economic issues.

WOMEN ON BOARDS – AUSTRALIA CAN DO BETTER

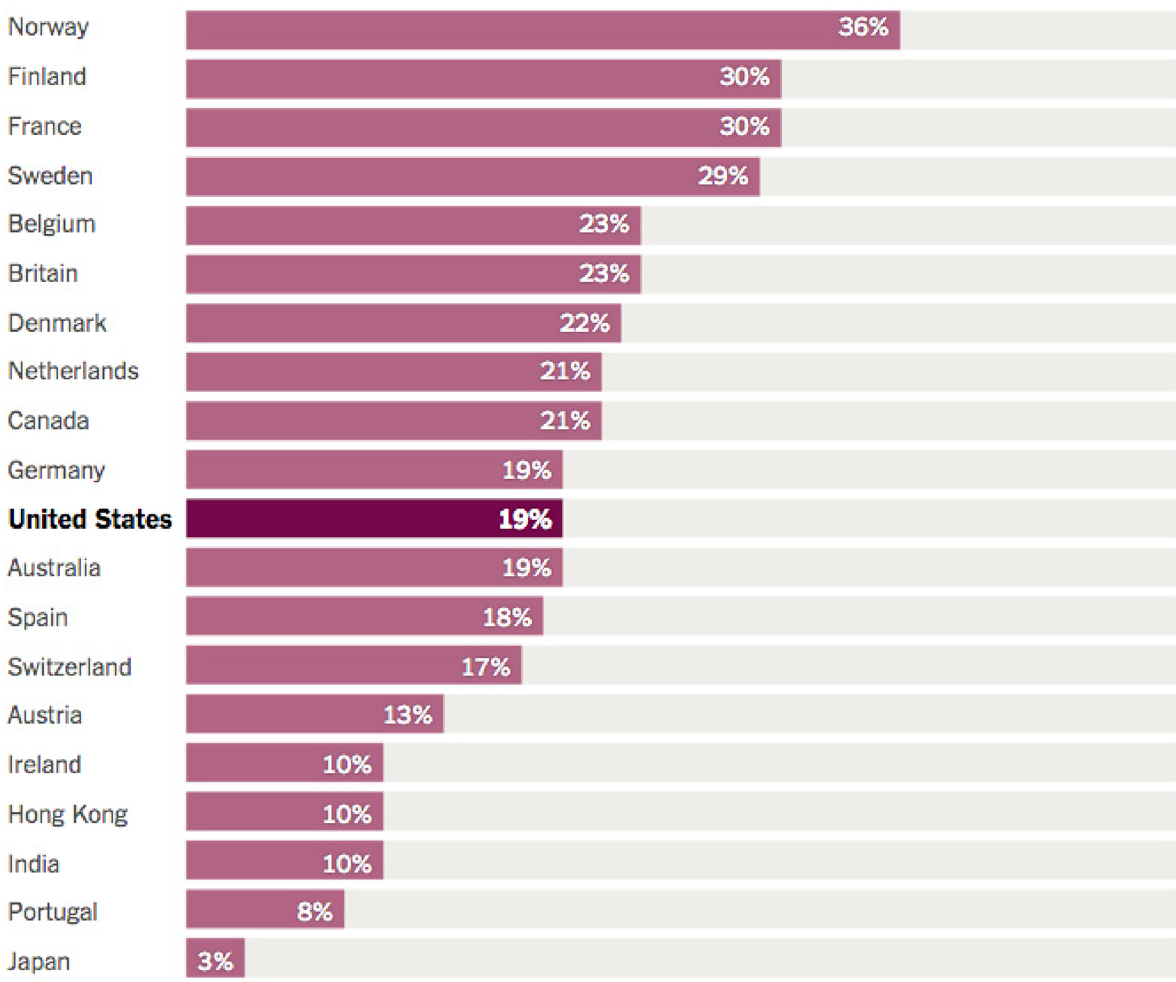
by Karen Volpato
Senior Policy Advisor, Australian Institute of Superannuation Trustees

The persistent gap in women's work pay, promotion rates and retirement income have each focussed attention on whether more could be done to improve matters. The World Economic Forum recently commented it would take, on the basis of the previous decades of improvements, a further 118 years for women to achieve equal pay and financial equality! That's three generations away! I remember trying to find a law firm to do my articles back in 1980 – a partner in an established law firm informed me that "your academic results are great, we like you, but we won't ever have a woman lawyer here." I did go into a law firm, then banking, local government, and superannuation. In all these domains, well-educated and competent women increasingly found themselves 'high enough' to get things done, but not to more generally participate on boards. Many commentators – be it the European Union, the OECD, and the Australian Bureau of Statistics - all comment on the gap between women and men regarding pay, workforce participation, and roles of corporate and political influence.

There are many causes to the gaps at each level of organisations, and this article concentrates on one – women on boards and what's happening here and overseas to reduce this gap. In addition to the specific board-related programs being used to reduce this gap, commentators agree that the gap at board level would be greatly reduced through having more women in senior management positions.

1. Gap in the representation of women on boards

In addressing any issue, it's first important to have orienting data. The following chart compares individual countries in terms of the percentage of board membership made up of women.



Source: Catalyst. Women's share of board seats at the companies in each country's major stock index, as of October 2014

While these numbers have improved from previous decades, they all fall below 50%, with Australia even below 25%. And yet Australia, since the 1970s, has improved educational qualifications of women far better than most countries. Indeed, Australia now ranks as the top country in the latest World Economic Forum Global Gender Gap Report 2014 for women's educational attainment.

Australia's capacity to release the full wisdom of all these educationally qualified and experienced women prompts further questions. Have boards in Australia focussed themselves sufficiently and imaginatively enough address this challenge? Or, are there other reasons why the participation of women on boards is so behind comparable countries and are particularly misaligned given the growing levels of education for women? Whatever the reasons, a review of initiatives overseas may provide some possible remedial actions.

2. Why closing the gap on boards is important

Many commentators outline the key reasons why more women should be on boards:

- Improved company performance. A 2012 EU report notes that Catalyst research identified that companies with more women on their board were found to outperform their rivals in terms of sales and returns on capital.
- Broader insight into consumer behaviours.
- More diverse boards enhance decision-making and a wider-pool of possible candidates.
- Strong economies (particularly in those countries with ageing populations) will depend on higher female employment rates and improved career progressions.

3. Overseas programs to close the board gender gap

3.1 Europe

In September 2010, the European Commission adopted a Strategy for Equality between Women and Men. Part of this program was the launch of the Women on the Board Pledge for Europe in 2011, where publicly listed boards were called to sign a voluntary commitment to increase women's participation on boards to 30% by 2015 and 40% by 2020. Here is a summary of what individual EU countries have done so far:

Mandated quotas

- Norway. In 2006, mandated quotas stipulating 40% were legislated with penalties for non-compliance. This drove the percent of women on boards from 9% in 2003 to nearly 40%. This was supported by various programs, which have driven one of the highest female employment rates. However, the OECD noted in 2014 that the quotas do not immediately change the number of women in top management positions. Further, the law had unintended consequences where some companies changed their legal status to either prevent or enable the choice of not complying with the quotas.
- France, Italy and Belgium have legislated quotas, with the legislation including sanctions. For example, France's percentage of women on boards has increased by from 12.3% in 2010 to 22.3% in 2012.
- In March 2015, Germany passed a law requiring public companies to give 30% of board seats to women.

Voluntary initiatives

- In 2011, Lord Davies in the UK handed down a report examining how obstacles to women being on boards could be removed. The 2011 report recommended quotas (eg, FTSE 100 companies: 25% female board membership by 2015). The 2015 progress report found that women now make up 26% of FTSE 100 directors – up from 12.5% in 2011, and recommended a target of 33% by 2020. Critics have commented that while there are more women board members being appointed, these appointments have almost been entirely to non-executive directorship roles and not to executive directorship roles.
- The Netherlands and Spain have passed target quotas, but they are not binding or tied to any significant sanctions.

Corporate governance codes

- Various codes encourage gender diversity to varying degrees – eg, Austria, Belgium, Denmark, Finland, France, Germany, Luxembourg, the Netherlands, Poland, Spain, Sweden, and the UK.

Charters that companies can sign

- The Netherlands has a charter called Talent to the Top, which sets goals for the representation of women in senior positions.

3.2 USA

The New York Times commented in March this year that the USA lags behind many countries (including those without quotas for women on boards) - “change can still be glacial. Of the 500 biggest American companies, 3% have zero female board members. Women of colour hold about 3%of board seats. And the share of companies run by female chief executives is much lower than the share with a woman on the board, at just under 5%.”

The USA Women on Boards is promoting a 20% campaign by the year 2020. Some USA states (California, Massachusetts, and the City of Philadelphia) are passing legislation to urge their resident companies to have more women directors. Such legislation is not mandating quotas.

Picking up on a theme mentioned earlier in this article where commentators noted that some Norwegian companies had de-listed to avoid mandatory quotas, commentators in the USA have noted that while there have been slow increases the percent of women on boards, about 50% of S&P500 companies did so through increasing the overall board size. This and the other examples outlined in this article demonstrate the importance of continuing to gather and analyse data to see if policies are being suitably implemented.

3.3 Australia

In Australia, the corporate governance codes of the ASX encourage gender diversity through a recommended reporting framework for gender diversity. While it is not mandatory to follow the recommendations, the ASX requires listed companies to disclose the extent to which they have followed the recommendations in their annual report. In July this year, Senator Nick Xenophon introduced a bill which seeks to set targets for women on all government boards – this Bill has been referred to a Senate Committee.

Women as Chair

Female diversity on boards includes not just the percent of board members who are female, but also what roles they take. The example in the UK given above of women going to non-executive directorships instead of executive directorships underlines this point. The number of women who are Chairs is also of interest. In Australia, Conrad Liveris undertook an analysis of gender composition in ASX 200 roles, which included 200 CEOs and 200 Chairs. Women held 23 of these positions, with the remaining 377 being held by men. Catalyst research also shows that the level of women who are Board Chairs across the world is low: Italy 5.2%, New Zealand 5.0%, Sweden 4.5%, United States 3.1%, Australia 3.0%, and the United Kingdom at 1.0%.

Concluding remarks

This article has reported a few international comparisons that identify Australia’s relative poor performance in Board gender diversity. It may be tempting to think just in terms of quotas as a solution, especially given the ‘glacial rate’ of change. But as the above commentary shows, such a solution can lead to a focus on ‘filling the quota’. Yet the slowness of change may indicate that boards are in fact caught in ‘groupthink’. Many commentators after the Global Financial Crisis also referred to boards has having been caught in groupthink. This resulted in boards not being sufficiently critical and questioning about issues before them. If volatility in business environments and greater policy constraints grow, boards blessed with directors from diverse backgrounds of skills and experience may be better able to openly debate, challenge existing views and then produce a unified view. Whichever way this develops, it would help to have better data on gender, education backgrounds, diversity and experience of senior management and Boards.

This article was first published in the January 2016 issue of the Australian Shareholders’ Association’s monthly members’ magazine Equity.

IWNEWS **FAVOURITE**

Diane Elson is a British economist, sociologist and gender and development social scientist. She is Chair of the UK Women's Budget Group, a network of academics, policy analysts and activists that scrutinises UK government budgets for their impact on gender inequality and women's rights. She is also Professor Emerita of Sociology at the University of Essex and a former Professor of Development Studies at the University of Manchester. She is a member of the UN Committee for Development Policy, and adviser to UN Women, and former Vice President of the International Association for Feminist Economics

Diane Elson says that it is vital for economists and policy makers to look at economies through a gender lens, which will show them parts of the economy that are otherwise invisible to them the unpaid work of caring for family, friends and communities, that in most countries is largely done by women.

In 2006, a chapter on her research was included in D. Simon (ed). Fifty Key Thinkers in Development, Routledge, London. She has been awarded the 2016 Leontief Prize for Advancing Frontiers of Economic Thought by the Global Development and Environment Institute at Tufts University.

She has published widely on gender equality and economic policy, including articles in World Development, Journal of International Development, Feminist Economics, Journal of Human Development and Capabilities, and International Review of Applied Economics. Her recent books include (ed. with I. van Staveren, C. Grown and N. Cagatay) Feminist Economics of Trade, Routledge, London, 2007; (ed. with B. Young and I. Bakker) Financial Governance from a Feminist Perspective, Routledge, London, 2011; (ed. with R. Balakrishnan) Economic Policy and Human Rights Obligations, Zed Press, London, 2011; (ed. with D. Jain) Harvesting Feminist Knowledge for Public Policy, Sage, Delhi, 2011; (ed. with S. Fukuda-Parr and P. Vizard) Human Rights and the Capabilities Approach. An Interdisciplinary Dialogue, Routledge, London, 2012; and (co-authored with R. Balakrishnan and J. Heintz) Rethinking Economic Policy for Social Justice, Routledge, London 2016.

*NOTE: IAW members attending the 2013 Congress in London had the opportunity to hear Diane Elson speak on **Gender and the Financial Crisis** in a panel session on **Feminist Economics**. Other speakers on the panel included Margunn Bjørnholt PhD, IAW Board member from Norway: **The Norwegian oil fund and its responsibility for the financial crisis** and Joanna Manganara: **The impact of the economic crisis on women in Europe**.*

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