WOMEN AND THE 1%

How extreme economic inequality and gender inequality must be tackled together

The rise of extreme economic inequality is a serious blow to the fight against gender inequality and a threat to women’s rights. Women’s economic empowerment has the potential to transform many women’s lives for the better and support economic growth. However, unless the causes of extreme economic inequality are urgently addressed, the majority of the benefits of women-driven growth will accrue to those already at the top of the economy. The same forces that drive this economic inequality – political capture and market fundamentalism – are also driving greater gender inequality. By addressing these, through accountable and democratic institutions, decent work, progressive taxation and universal public services, we can win the twin struggles against gender and economic inequalities and make the world a fairer, better place.
SUMMARY

The gap between the rich and poor is more extreme than ever before and is continuing to rise. This is a serious blow to the fight against gender inequality, and a threat to women’s rights. In 2015 the gap widened so much that the richest one percent now own more wealth than the rest of the world put together. Earlier this year, Oxfam revealed that 62 individuals own as much wealth as the poorest 3.6 billion people.1 This figure is down from 388 individuals as recently as 2010, an indicator of the alarming pace at which the gap is growing.2 The richest people in the world are overwhelmingly men, while women are more likely to be poor than men. This extreme economic inequality has been acknowledged by the International Monetary Fund (IMF), World Bank and the World Economic Forum as bad for growth, for reducing poverty and for social cohesion. The IMF has also demonstrated that countries with higher income inequality also tend to be countries that have higher gender inequality.3

Recently, many leading figures have championed greater participation of women in the global economy. Evidence shows that women’s economic empowerment is important for both achieving women’s rights and broader development goals. Currently, women make up half of the world’s working population, but generate just 37 percent of global GDP.4 It has been calculated that if gender gaps in the economy were closed by countries, an additional $12 trillion could be added to global GDP by 2025.5

It is clear that women participating more equally in the economy would drive global economic growth and contribute to women’s economic empowerment. However, Oxfam has shown how in recent decades the majority of those who have benefited from economic growth have been those already at the top end of the income distribution. The top one percent of earners in fact receives more than the bottom 50 percent put together. At the same time the poorest, the majority of whom are women, are failing to see equal rewards. Indeed, in many cases women’s low-paid labour facilitates greater profits for others. Without also challenging the structural causes of this economic inequality, women – particularly the poorest women – will fail to fairly benefit from growth, even where they are driving it.

This paper firstly argues that unless the causes of extreme economic inequality are urgently addressed, the main beneficiaries of women's economic empowerment will be the richest, the majority of whom are men.

Oxfam’s research has also highlighted two drivers of the rise in extreme economic inequality: the capture of the economy and political and economic power by elites, and the pursuit of a set of policies which focus on liberalization, privatization and a reduction in the role of the government in favour of the market.6 George Soros has famously called these policies ‘market fundamentalism’.
Secondly, this paper will argue that the two processes that drive extreme concentration of wealth, political capture and market fundamentalism, are also standing in the way of gender equality and women's rights, and particularly those of women in developing countries.

Evidence shows that women's rights and gender equality do not automatically improve as a result of economic growth. In order for this to happen, specific actions must be taken which make growth more inclusive for all and redistribute the gains to women. Current trends show that there is a systematic failure to do this. Calls from leading figures for women’s economic empowerment have focused on supporting individual women’s participation in existing economic opportunities. There has been a great deal less focus on changing the economy itself to ensure that growth fairly benefits women. This is a serious blind spot and risks undermining these good intentions.

The current economic system, pursued over recent decades, has failed to create enough decent jobs and has undermined the safety nets of social protection for the majority of workers, particularly in developing countries. As the share of economic growth going to workers has been falling, women have been disadvantaged furthest by being concentrated in low-paid jobs and making up the majority of workers without formal labour rights. In Asia and Africa, for example, 75 percent of women’s work is in the informal sector, without access to benefits such as sick pay, maternity leave or pensions.

Simultaneously, the power of governments to raise revenue has been eroded by unfair international and national tax rules derived from the same economic system, undermining the redistributive power that tax can have. Tax exemptions and tax breaks favour the well off, predominantly men, while indirect taxes like VAT which have been actively promoted by the IMF fall disproportionately on the poorest, and on women in particular. When governments cannot raise enough revenue to pay for essential public services such as education and healthcare because the richest are not paying their fair share of tax, it is women and girls who are the first to lose out on these services and fill in the gaps with unpaid care work.

And as the economic elite’s influence on decision making has grown, it is less likely that policies and investments prioritize economic and gender equality, and governments can often make choices which have a negative impact on both of these. In India, a study showed that female-led councils had a 62 percent higher number of drinking water projects than male-led ones.

The privatization of public services and lack of investment in the care economy are further examples of this, decreasing women’s and girls’ access to services, reducing their employment opportunities and increasing the share of care that they provide unpaid. In rural Pakistan, the poorest children are four times less likely to be enrolled in a private school than the richest children. And of these children, the poorest girls are even further disadvantaged, being 31 percent less likely to be enrolled in private school than the poorest boys. Unfortunately, and despite their strong commitment to reducing gender inequality, the World Bank and some donors continue to
support policies and projects that further entrench both economic and gender inequality, including private education and private healthcare.

This situation is not inevitable. Governments and development actors can implement policies which reduce economic inequality and support gender equality and women’s rights. As well as challenging the social norms which consistently discriminate against women across society, it requires governments to make investments in public services such as universal free education, healthcare and social protection that reduce economic and gender inequality and vulnerability to poverty. A progressive and fair tax system will be essential to these. It also requires the creation of jobs that pay a living wage, the reduction of gender inequalities in work and the recognition, reduction and redistribution of women’s heavy and unequal responsibility for unpaid care work.

It is clear, therefore, that the rapid rise in extreme economic inequality is a serious threat to the fight for gender equality. It is also clear that majority of the benefits of more involvement of women in the global economy will accrue to those already at the top, unless economic inequality is also tackled at the same time. The same forces that drive economic inequality – political capture and market fundamentalism – are also driving greater gender inequality. By addressing these, through accountable and democratic institutions, decent work, progressive taxation and universal public services, we can begin to win the twin struggles against gender and economic inequalities and make the world a fairer, better place.

RECOMMENDATIONS

Governments and international institutions should:

- **end women’s economic inequality** by implementing economic policies and legislation to close the economic inequality gap for women. All legal restrictions to gender equality including women’s equality in the economy should be removed. Policies should promote equal pay and decent work. Gender inequalities in access to credit, equal inheritance and land rights must be addressed through both removing legal barriers and changing negative social norms.

- **end gender inequality and uphold women’s rights** by implementing policies and measures to promote women’s political participation, ending violence against women and addressing the negative social attitudes that fuel gender discrimination.

- **recognize, reduce and redistribute unpaid care work** by collecting better data on the provision of care; investing in physical and social infrastructure that supports care; supporting child and elderly care and paid family and medical leave, flexible working hours, and paid parental leave; and challenging the social norms that delegate unpaid care work mainly to women.

- **systematically analyse proposed economic policies for their impact on girls and women** by improving data in national and local accounting systems – including the household level – to monitor and assess their impact (for example on the distribution of unpaid care work).
• keep the influence of powerful elites in check and promote women’s influence and decision making: prioritize gender budgeting to assess the impact of spending decisions on women and girls, and allocate spending in ways that promote gender equality; include women’s rights groups in policy making spaces. Address gender inequality in representation and leadership.

• pay workers a living wage and close the gap with executive rewards: increase minimum wages towards living wages, ensure transparency on pay ratios and protect workers’ rights to unionize and strike.

• share the tax burden fairly to level the playing field by shifting the tax burden away from labour and consumption and towards wealth, capital and income from these assets; ensuring transparency on tax incentives; and by implementing national wealth taxes. World leaders must agree a global approach to end the era of tax havens.

• use progressive public spending to tackle inequality: prioritize policies, practices and spending that increase financing for free public health and education to fight poverty and inequality at the national level. Refrain from implementing unproven and unworkable market reforms to public health and education systems, and expand public sector rather than private sector delivery of essential services.

• support women’s agency through autonomous organizing: Set legal standards protecting the rights of all workers to unionize and strike, and rescind all laws that go against those rights. Support and strengthen women’s movements and rights organizations including through the provision of funding where appropriate.

Corporations should agree to:

• end the gender pay gap and push other corporations to do the same. Publish the wages paid in their supply chains and the number of workers who receive a living wage.

• ensure access to decent and safe employment opportunities for women, non-discrimination in the workplace and women’s right to organize. Build freedom of association and collective bargaining into human rights due diligence.

• recognize the contribution of unpaid care work, and help reduce the burden of unpaid care work that is disproportionately borne by women.

• support women’s leadership, for example by sourcing from women-led producer organizations, supporting women to move into higher-paid roles and ensuring women occupy managerial positions.

• analyse and report on their performance on gender equality, for example through the Global Reporting Initiative’s Sustainability Reporting Guidelines and the UN Women’s Empowerment Principles. Track and disclose roles played by women in their operations and supply chain.

• end the practice of using their political influence to erode wage floors and worker protections, uphold worker rights in the workplace, and value workers as a vital stakeholder in corporate decision making.
Gender inequality prevents many women from earning a decent income and limits their economic opportunities and choices. Addressing these inequalities and working towards women’s economic empowerment would benefit women and also have wider positive development impacts. In fact, closing gender gaps in the economy so that women participate in paid work more and move out of lower-paid sectors could add $12 trillion to global GDP by 2025. However, evidence shows that the current economic model tends to concentrate the benefits of growth with those who are already at the top of the economy. Without also challenging the structural causes of this economic inequality, women – particularly the poorest women – will fail to fairly benefit from growth, even where they are driving it.

WOMEN’S ECONOMIC INEQUALITY: WOMEN ARE CONCENTRATED AT THE BOTTOM

Gender inequality is one of the oldest and most pervasive forms of inequality and shapes our economies, societies and communities. Across the world, women and girls are systematically discriminated against and denied their rights because of their gender. Women are more vulnerable to poverty, own fewer resources and have less decision making power than men. One in three women will experience violence in their lifetime. Women’s situation is worse when their gender identity intersects with other forms of social and economic power inequalities and marginalization based on, for example, race and class. And although some progress has been made in recent decades, last year it was acknowledged by the UN Secretary General that women and girls face the same barriers and constraints that were present 20 years ago.

Access to decent work and a living wage provides a fundamental route out of poverty for all, and for women it can also challenge gender inequality through improving their decision making power and opportunities outside of the household. When women expand their economic participation it can help them to build skills and networks, challenge discrimination and improve access to resources and income. In the economy at the moment however, women are more excluded than men on virtually every global measure, and
are over-represented in low-paid, informal work without security. In 155 countries there is still at least one law impeding women’s economic opportunities. Although in many countries progress has been made towards gender equality in education, this is not translating into better work opportunities, and at the current rate of progress it will take 118 years to achieve economic equality between women and men.

Currently, women tend to be in employment at lower rates than men. Although there are regional differences, women’s participation in the labour market has stagnated globally since the early 1990s; worldwide, half of women are in the labour force compared to three-quarters of men. In the Middle East and North Africa the gender gap in participation is higher, with just one-quarter of women in the labour force, and in South Asia one-third, which is compared to three-quarters of men in these regions.

Gender inequality can also be seen in the quality of jobs women are concentrated in, and women’s overrepresentation in the informal sector. Women are more likely to be in jobs not protected by labour legislation: 49.1 percent of women globally are in vulnerable employment compared to 46.9 percent of men, and in regions including South Asia, sub-Saharan Africa and the Middle East these inequalities between men and women are much higher.

Where women are in the formal labour market, they consistently earn less than men. Globally, the gender pay gap is 24 percent, with women in most countries earning 70 to 90 percent of men’s wages. This is caused by a variety of factors. In some cases outright discrimination exists, where women receive lower pay for equal work of equal value, but women also earn less because they are concentrated in lower-paid jobs. For women who work part time or experience other intersecting forms of discrimination, the gap is even higher.

Women’s economic inequality is not just about day-to-day earnings – women earn 31 to 75 percent less than men over their lifetime due to the pay gap and other economic inequalities, such as access to social protection, accumulating to leave them much worse off overall. In Turkey, for example, over a woman’s lifetime she can expect to earn just 25 percent of what a man would earn.

Country-level studies have also demonstrated that the gender distribution of wealth, ownership of land and access to credit is far more unequal than that of income. In Latin America, which is ranked the most unequal in terms of overall land ownership worldwide, women farmers own the least land, and the land they do own tends to be of the worst quality and the least secure.

Women entrepreneurs and farmers face gender inequalities in establishing and growing their businesses, leading to inequality of earnings and productivity. Female-owned enterprises are on average smaller and employ fewer workers. Access to credit is crucial for investing in an enterprise, but women in developing countries are less likely than men to have an account at a formal financial institution; the gap is highest in South Asia and the Middle East, at 40 percent. Restrictions can result from a number of factors including legal requirements for women to have a male family member’s permission to open a bank account, a lack of ownership of assets that could
be used as collateral such as land, or a lack of credit history.31 Women also have less access to technology – in developing countries women are as much as 21 percent less likely than men to own a mobile phone.32

Women also continue to carry out the majority of unpaid care and domestic work, on average 2.5 times the amount that men do.33 This work includes cooking, cleaning, caring for children and elderly or unwell relatives, and other day-to-day tasks such as fetching firewood and water. For many women this reduces their time available for earning an income, participating in public life and for essential rest and leisure time, and is a key contributor to the pay gap. Gender norms which traditionally see men as the main breadwinners and women as caregivers mean that even when women are increasingly in paid work, this care and domestic work still falls largely to them. Although this work is essential for the well-being of families and communities, and supports the workforce, it is often not counted in traditional measures of the economy or valued as work in the same way that paid work is.

**Box 1: Gender pay gap: key facts**

- Income inequality between women and men is usually measured in terms of gender gaps in pay per hour, week, month or year.
- Globally, the average gender pay gap is 24 percent.
- In some countries it is much higher: in India, 32.6 percent,34 in Ethiopia, 31.5 percent,35 and in Japan, 28.7 percent.36
- Countries where the gap is lower than average include Mexico, at 17.4 percent,37 Sweden, at 13.1 percent,38 and Slovenia, at 4.6 percent.39
- A low gender pay gap does not necessarily mean higher gender equality. Patterns of women’s labour force participation and wider gender relations in society affect how high the gap is. For example, in the Middle East the gender pay gap is below average at 14 percent. However, on average there are fewer women employed due to restrictions on women’s work outside the home, but those who are in employment tend to be highly educated and in better-paid jobs.40
- The gap can close as a result of men’s wages falling faster in real terms than women’s rather than any move towards equality – as seen, for example, in Egypt, El Salvador, Hong Kong, Panama and Sri Lanka between 2000 and 2010.41
Recent studies have highlighted that gender inequality causes overall income inequality to be higher and therefore needs to be addressed in tandem with redistributive measures. The IMF found that gender inequality is strongly associated with income inequality. An increase in the UN’s Gender Inequality Index from 0 (perfect gender equality) to 1 (perfect gender inequality) increases the Gini coefficient by almost 10 points. This was found to be driven by gender inequality in both economic outcomes (labour market participation) and opportunities (for example health and education). An equivalent reduction in income inequality in India could almost completely eliminate extreme poverty there.

The OECD found that more women moving into the workforce in the 20 to 25 years preceding the economic crisis ‘put the brakes’ on rising levels of income inequality, reducing the growth of inequality as measured by the Gini index by one point.

Research shows no single BRICSAMIT country (Brazil, India, China, South Africa, Mexico, Indonesia, and Turkey) with a slower-than-average rate of gender inequality reduction has managed to reduce economic inequality.

**WOMEN’S ECONOMIC EMPOWERMENT DRIVES GROWTH, BUT WHO IS BENEFITING?**

Evidence shows that reducing women’s economic inequality would benefit both women themselves and the wider economy, and the importance of women’s economic empowerment for achieving women’s rights and also wider development goals is broadly accepted. Currently, although women make up half of the world’s working-age population, they generate just 37 percent of global GDP. In fact it is estimated that if all countries closed gender gaps in the economy at the same pace as the fastest improving country in their region, it could add $12 trillion to global GDP by 2025. This would result from increasing the number of women in the labour market, increasing their working hours and reducing the concentration of women in low-pay sectors.

However, there is no guarantee that this extra wealth, the creation of which would be driven by women, would fairly benefit them. Under current conditions, the opposite is more likely to be true. This is because over the past 30 years, the proceeds of growth and the generation of wealth have overwhelmingly gone to those already at the top of the economy. Meanwhile, growth has failed to benefit the poorest in an equal way. Instead, for many women, work is failing to offer wages or conditions that offer a route out of poverty, or to challenge gender inequality.

In recent decades, extreme economic inequality has been driven by a concentration of wealth in the hands of the few. Although the global economy has been growing, the distribution of wealth has become much more unequal. If global growth was distributed equally, then each decile (one-tenth) of the population would see roughly 10 percent of income
growth. However, between 1988 and 2011, 46 percent of overall global income growth went to the top 10 percent, giving them a much bigger boost to their income than the rest of the population. At the other end of the scale, the bottom 10 percent received only 0.6 percent. Furthermore, the very top one percent of earners received a higher percentage of global income growth than the entire bottom 50 percent.

Figure 1: Global income growth accruing to each decile 1988–2011; 46% of the total increase went to the top 10%.

The concentration of wealth is overwhelmingly benefiting men. Of the 62 richest individuals who own as much wealth as the poorest half of the world, just nine are women. Moreover, 441 of the 500 richest people in the world are men, and women hold just 20 CEO positions at S&P 500 companies, or four percent. Women are also unequally represented in well-paid roles and industries. Globally, women make up just 22 percent of senior leaders in business, with 32 percent of businesses having no female leaders at all. In some countries inequalities are even higher: in Japan women account for just eight percent of senior leaders, while in India the figure is 15 percent and in Botswana 16 percent.

It is clear that women participating more equally in the economy would drive global economic growth and could reduce gender inequality. However, in recent decades the majority of those who have benefited from growth have been those at the top end of the income distribution. At the same time the poorest, the majority of whom are women, are failing to see equal rewards. Therefore, unless the causes of extreme economic inequality are urgently addressed, the main beneficiaries of women’s economic empowerment will be the richest.
2 HOW THE TWO MAJOR CAUSES OF ECONOMIC INEQUALITY ALSO DRIVE GENDER INEQUALITY – AND WHAT CAN BE DONE

Oxfam’s research has highlighted two drivers of the rise in extreme economic inequality: the capture of the economy and political and economic power by elites, and the pursuit of a set of policies which focus on liberalization, privatization and a reduction in the role of the government in favour of the market. George Soros has famously called these policies ‘market fundamentalism’. These two processes are driving extreme economic inequality and are closely intertwined with gender inequalities. They are a serious blow to the fight for women’s rights.

Evidence shows that women’s rights and gender equality do not automatically improve as a result of economic growth, and that for this to happen, specific actions must be taken which make growth more inclusive and redistribute the gains to women. Current trends show that there is a systematic failure to do this. A study of emerging economies, for example, showed that although they are experiencing economic growth, gaps in women’s economic inequality are closing more slowly than global averages.

While the majority of interventions by global institutions and donors championing women’s economic empowerment have focused on supporting individual women’s and girls’ participation in the existing economy, there has been less focus on changing the economic system itself to ensure that growth fairly benefits women. This is a major concern, because the economic system that has developed in recent decades undermines progress on gender equality in many different ways.

Reducing income inequality overall needs to go hand in hand with efforts to reduce gender inequality in order to ensure fair benefits for women. As well as challenging the social norms which consistently discriminate against women across society, it requires governments to make investments in public services, infrastructure and welfare systems that reduce economic and gender inequality, and vulnerability to poverty. It also requires the creation of decent work, the reduction of gender inequalities in work and the recognition, reduction and redistribution of women’s heavy and unequal responsibility for unpaid care work.

However, the capacity of governments to raise enough revenue in a progressive way and to spend it to reduce inequalities has been undermined by macroeconomic policies which instead concentrate wealth with the richest individuals and companies. Market-orientated policies have seen many countries across the world liberalizing trade and financial services, cutting government spending and privatizing public services.
The belief behind these policies is that markets will perform best and generate the most growth when left to their own devices. However, these policies have also eroded the redistributive power of governments and enabled the rise of extreme economic inequality. In East Asia, for example, after implementing structural adjustment programmes, Thailand, South Korea and Indonesia experienced an increase in levels of economic inequality. In Indonesia, the number of people living on less than $2 a day rose from 100 million in 1996 to 135 million in 1999; since 1999, inequality has risen by almost a quarter.62

Without the conditions needed for redistribution, the market economy has tended to concentrate wealth in the hands of a small minority; as World Bank President Jim Yong Kim has said, the idea of ‘trickle-down’ economics has failed.63 The same processes have also had a negative effect on the fight for gender equality and women’s rights.64 The wrong economic choices can hit women hardest, and failure to consider women and girls in policy making can lead governments to inadvertently reinforce gender inequality.

It is possible, however, to implement policies and reforms which would challenge extreme economic inequality, support women’s rights and promote gender equality. In emerging economies, evidence shows that reducing income inequality is associated with faster reductions in gender inequalities.65 This requires action and investment from governments, international institutions and the private sector to make decision making more accountable, to reform tax systems and to address inequalities across work and wages, public services and unpaid care work.

POLITICAL CAPTURE AND PARTIARCHAL POLICY MAKING

The capture of economic policy making by elites is a key driver of economic inequality, as documented by Oxfam and others.66 Left unchecked, political institutions become undermined and governments overwhelmingly serve the interests of economic elites to the detriment of ordinary people. For example, policies which favour financial deregulation enable the richest to pay less tax or capture the revenues from natural resources.

Women’s under-representation in decision making works together with this political capture to mean that policies are designed without prioritizing the goals of reducing economic and gender inequality. Barack Obama recently commented that unfair tax arrangements which count women’s sanitary products as ‘luxury items’ in the USA were probably due to the fact that ‘men were making the laws’.67 Men are in fact making most of the laws, as they are over-represented in leadership positions across the private and public sectors.

Women’s representation in government is lower than men’s in the vast majority of countries. In 2015, just 11 women served as heads of state and 10 as heads of government.68 The percentage of women in national governments has nearly doubled in the last 20 years, but still remains at just 23 percent.69 Women make up 17 percent of government ministers, but they remain concentrated in ministries governing areas traditionally thought of as ‘women’s domains’, such as the family or education.70
While not all women in leadership positions will make choices that support women’s rights, the current situation means that women’s priorities are far less likely to be acted on. Around the world there is a legacy of discriminatory laws and practices that compound gender discrimination – for instance on inheritance rights, lending practices, access to credit and asset ownership for women. The fact that women’s economic, social and legal position in many communities is different to that of men’s is a key barrier to women’s economic equality, but progress in changing this has been slow. 155 countries still have laws which impede women’s economic participation, and in 18 countries husbands can prevent their wives from working altogether.

Research shows that women’s leadership is critical to ensuring that economic and social policies promote gender equality. In India, a study showed that female-led local councils had a 62 percent higher number of drinking water projects than male-led councils. Another study in Norway found a direct causal relationship between women being in municipal councils and childcare coverage improving.

Although men as leaders can and should make choices that support women’s rights, men’s over-representation in positions of power and decision making means that women’s priorities are less likely to be reflected. At the same time, Oxfam’s research has shown that the extreme concentration of wealth and income is leading to the richest having undue political influence and being able to skew national policies to their own advantage, for example by negotiating more favourable terms for their business, or lobbying against changes which are positive for the poorest but impact on profit margins. This means that political institutions are undermined, serving the interests of the economic elite rather than the poorest people, further working against women’s rights.

**Case study 1: Making women’s voices heard in Armenia**

The experience of Oxfam-supported women’s agricultural cooperatives in Armenia shows that there is a desire among women farmers to be involved in the decisions made concerning their villages, to ensure their needs are taken into account. The cooperative supports women to access better economic opportunities for their agricultural work, but problems remain – for example a lack of water provision in the villages. In Azatek, Susan, a member of the cooperative said:

‘The fact that there are no women members on our community council limits women’s rights. Women should also participate in the management of the village. At the next council elections we plan to nominate council members from the cooperative. We have to do that so that we become members of the council and move forward. We also have nominees from the women of our cooperative for village head, why not?’

Increasing women’s representation and decision making power, and ensuring government institutions become more accountable to ordinary people could support policies which would help to reduce economic and gender inequalities. Government budgets are not politically neutral, and are often shaped by the priorities of those with the most influence over them – who are often overwhelmingly men. An accountable and participatory budget
process can be a powerful tool for ensuring that government spending targets those in society who need it most and is effective in addressing gender and other inequalities. Gender budgeting is an example of what this could look like in practice. Gender budgeting is a tool which incorporates gender into all stages of budget setting, analyses the impact of spending on both women and men, and assesses to what extent government spending is furthering gender equality and women’s rights. Supporting gender budgeting and the involvement of women’s rights organizations and movements in policy making spaces can help to counteract the excessive lobbying power of wealthy elites; it can also ensure that governments are held to account on whether government spending is supporting gender equality and promoting women’s rights.

WORK AND WAGES – A RACE TO THE BOTTOM

For many women, having increased access to decent work and to a living wage could provide a reliable route out of poverty, and support empowerment in other areas of their lives. Good quality jobs or income generating opportunities can provide new skills and networks, improve women’s access to resources and income, and support their decision making power. However, current policies and business practices are failing to create the kinds of opportunities which could reduce gender and economic inequalities.

Structural adjustment programmes and market-orientated reforms have been strongly associated with a deterioration of women’s relative position in the labour market. For many countries, globalization and the increase in cross-border trade has created new international markets for goods and services, and a large concentration of low-wage workers has been key to remain competitive and attract investment.

Policies which have reduced the power of labour and kept wages low have contributed to rising inequality and the creation of many jobs which do not pay enough to lift workers out of poverty. Women are particularly affected because they are concentrated in a few sectors of the labour market, and are restricted in terms of the roles they can take up. Reforms have also reduced investment in the public sector, disproportionately affecting women, for whom the public sector has been a source of good quality jobs. Often women will turn instead to informal employment opportunities, which lack the same kind of security.

In some cases the creation of new jobs has presented new opportunities for women to take up paid work, for example in growing export-orientated industries. However, a lack of labour regulation, and the power of businesses to move production to other countries if cheaper options become available, means that these opportunities are often not of the quality which would challenge economic inequality or support women’s economic empowerment. Instead the quality of jobs is poor, with long and unpredictable working hours and insecure contracts. Women’s low wages may be good for boosting profits and reducing public spending, but are undermining both gender and economic equality.
Gender inequalities also mean women are less able to challenge poor working conditions, for instance because they are less represented in trade unions. Oxfam’s research has also shown that the creation of new job opportunities in itself does not necessarily challenge wider gender inequalities. For example, violence against women and girls does not necessarily decrease with better access to jobs and income.\textsuperscript{81}

Across the world, the share of national income going to workers has been falling, meaning that workers are seeing fewer benefits from economic growth.\textsuperscript{82} Meanwhile, CEO salaries are skyrocketing. For example, in the USA, the average CEO in the top 350 firms saw their pay rise by 54.3 percent between 2009 and 2014.\textsuperscript{83} The result is that often the workers who are driving the economic growth of their countries remain trapped in poverty. For many women, this translates into a reality of working extremely long hours in supply chains that are making large profits for others, while their wages are not enough to meet their own basic needs.\textsuperscript{84}

Oxfam’s research with garment workers in Myanmar has illustrated how without the right policies and practices in place, a booming business environment driven by women workers will not necessarily lead to fair economic benefits for them. In recent years, democratic reforms have seen Myanmar open to trade and investment, with the garment industry growing rapidly as global retail heavyweights such as Gap, H&M, Primark and Adidas start to source from Myanmar factories. It has been estimated that the industry will grow from a value of $912m in 2012 to $8bn–$10bn in 2022, and will employ 1.5 million workers.\textsuperscript{85} The creation of these jobs could offer many women in Myanmar new opportunities for decent work and fair wages; however, the quality of the jobs is key.

Currently the industry employs around 300,000 people, 90 percent of whom are young women.\textsuperscript{86} Oxfam’s recent research into the sector found that even when they worked overtime, workers’ wages were not enough to meet basic needs such as housing, food and medicine, forcing them to borrow to cover these costs. The jobs are also failing to adequately address wider gender inequalities which affect the women workers, such as violence. Women working in the sector reported feeling intimidated and uncomfortable due to male security guards monitoring and restricting their movements during their shifts. Almost one-third of workers (31 percent) said they had experienced verbal or other abuse by supervisors or management. Adequate provision of safe forms of transport home after workers have finished shifts, particularly overtime shifts which finish late at night, was also a problem. As one women interviewee said: ‘I am worried that after doing overtime, men will interfere and attack me on the way home.’

Women in Myanmar have new economic opportunities and are being brought into the formal labour market, which has the potential to support both their own economic empowerment and the economic development of Myanmar. However, under the current system which facilitates extreme economic inequality, the value that their work creates is not fairly benefiting them. Instead, huge profits are accumulated at the top of the supply chain while they are left subsisting on poverty wages. Interestingly, four of the world’s 62 richest billionaires made their fortunes in high street fashion\textsuperscript{87}. The owner of one of the companies currently sourcing from Myanmar – H&M
– is one of them. At the same time, between 2001 and 2011 wages for garment workers in most of the top 15 apparel-exporting countries fell in real terms, and the majority of those working in this industry are women.88

The growing focus on increasing women’s employment is welcome, but for women to be economically empowered, work must be decent work with safeguards, and enjoyed alongside integrated interventions to address the structural barriers faced by women.89 Oxfam’s analysis shows that there are three causes of inadequate wages in supply chains that must be addressed in order to reduce poverty and tackle inequality: an unfair share of value in the chain, an absence of collective bargaining and an inadequate minimum wage.90

Case study 2: Myanmar action on inequality

Concerted efforts to improve standards in the garment manufacturing sector provide an opportunity for the private sector and the Myanmar government to contribute to women’s economic empowerment and gender equality. But if these problems are not addressed, they will reinforce and deepen the existing inequalities the women workers face.

Recently in Myanmar, international buyers were able to support the case for higher wages and better conditions for workers, recognizing the injustice of the current balance of power. In previous years, workers in Myanmar have held mass strikes in protest at low wages, unpaid overtime and poor working conditions. Following this pressure and negotiations between the government, unions and employers, a new minimum wage was announced to come into effect on 1 September 2015. However, before it could be enacted, garment manufacturers called for an opt-out, claiming that paying it would make their businesses unsustainable.

30 European and US brands (including Tesco, Marks & Spencer, H&M, Primark and Gap) – supported by trade unions and non-government organizations (NGOs) including Oxfam – wrote to the government, stressing that ‘a minimum wage that has been negotiated by all parties will attract rather than deter international companies from buying garments from Myanmar’. The call for an opt-out was rejected and the new minimum wage was confirmed with effect from 1 September 2015.51

This example shows how companies and governments can work together to address low wages that are driving inequality. Ongoing efforts will be needed to ensure the minimum wage is enacted and that working conditions improve in the industry.

FACILITATING OR HAMPERING INVESTMENTS IN EQUALITY THROUGH TAX POLICIES

A progressive tax system is one of the most effective ways a government can reduce economic inequality, and is crucial for raising the revenue needed to invest in gender equality and women’s rights. In a recent UN review of progress in implementing the Beijing Platform for Action, 20 years after it was agreed, insufficient resources both for targeted investments in gender equality, and in sectors such as health, education, social protection
and water and sanitation, were identified as a major challenge to achieving women’s rights. Although many countries have made commitments towards gender equality, an analysis of national action plans to achieve these goals shows funding deficits as high as 90 percent.

A well-designed and progressive tax system ensures that those who can afford it make the largest contribution. On the other hand, regressive tax systems, where the poorest pay a higher proportion of their income in taxes than the richest, often impact more strongly on women since they are concentrated in lower-income groups. And when governments cannot afford to invest in public services, infrastructure and welfare systems, it reinforces gender inequalities and fails to create the necessary redistribution to fight income and wealth inequality.

The capacity of governments to raise enough revenue has been reduced by policies which have instead emphasized attracting trade and investment through tax incentives — tax holidays, tax exemptions and free trade zones. At the same time, the global tax architecture is weakening the ability of governments to collect taxes and facilitating the concealment of wealth and cross-border tax dodging. Developing countries are estimated to lose at least $100bn annually due to tax dodging by multinational companies, and at least eight percent of the world’s individual wealth, $7.6 trillion, is estimated to be in held in tax havens. Tax havens are estimated to deprive poor countries of a staggering $170bn in taxes every year.

Tax avoidance mainly benefits the richest individuals and companies, who can afford to employ the costly services of professionals in the banking, legal, accounting and investment industries to navigate the global architecture to avoid paying what they owe. Those who benefit are far more likely to be men, who more often control wealth and assets. To compensate, governments are increasingly relying on indirect taxation such as VAT on goods and services.

Indirect taxes are considered regressive since the poorest pay the same rate of tax as the richest. They also tend to exacerbate gender inequalities, because women are disproportionately over-represented in the lower part of the income distribution. These taxes make up on average 67 percent of total tax revenues in sub-Saharan Africa, compared to 33 percent in OECD countries. The IMF has been very active in the past in promoting the use of indirect taxes in developing countries using conditionalities attached to its lending, and has been critiqued for doing this. Currently 93 developing countries are considering raising consumption-based taxes in order to increase tax revenue.

These taxes can also fail to take into account the differences between men’s and women’s spending. For example, a study in Ghana found that removing VAT on children’s goods would most strongly benefit female-headed households, as women had lower incomes and were also predominately responsible for purchasing such items. Tax breaks for higher earners overwhelmingly benefit men, for example, when income tax for top earners was cut in the UK, 63 percent of workers who failed to see any benefit were women. When income taxes are filed jointly between couples it can reinforce the ‘male breadwinner’ model, as women are predominately counted as the second earner. Ensuring that individual tax returns can
be filed can both challenge gender norms and decrease rates that women pay on their incomes.

Progressive, gender sensitive tax systems would ensure that the necessary funds for investing in gender equality can be raised in a way which is redistributive. Measures which facilitate this, including ending the era of tax havens and focusing on raising revenue through the direct taxation of income, profits, wealth and capital gains would support investments in gender equality and greater economic equality.108

PUBLIC SERVICES: KEY TO GENDER AND ECONOMIC EQUALITY

Publicly financed and delivered healthcare and education provided free at the point of use are two of the strongest weapons in the fight against both economic and gender inequalities. Research shows that the ‘virtual income’ which these services provide already reduces income inequality by an average of 20 percent in OECD countries, and by between 10 and 20 percent in Latin America.110

Poor and disadvantaged women and girls stand to gain most from quality and comprehensive, universal and equitable healthcare and education. If all girls completed primary education, maternal deaths would fall by two-thirds, saving 189,000 women’s lives each year.111 Education can also increase women’s economic opportunities and their decision making power within the household.112,113 Universal access to quality healthcare can transform women’s lives, giving them more choices and reducing their risks of suffering from preventable illnesses or maternal deaths. In turn, the IMF reports that gender gaps in health and education exacerbate overall income inequality and further stunt economic growth by limiting economic opportunities for women and girls.114

Ensuring these services are universal, of good quality and free at the point of use would support greater gender and economic equality. However, the fight for economic and gender equality and women’s rights is being undermined by underfunded services and regressive policies that promote out-of-pocket payments and privatization.

Education: removing fees, but backtracking on progress

In 2000, the Dakar Education for All goals set a target of ensuring universal access to free and compulsory quality basic education, with a particular focus on girls.115 Great strides in primary education enrolment have been made since then, and the removal of school fees in particular has been cited as the single most effective policy in achieving this.116 For girls, free education is particularly important, since when families can’t afford to educate all of their children it is often girls who are first to be taken out of school.

Benin, for example, in 1990 had one of the worst gender gaps in primary school enrolment in the world, with just under half of all children, and 31 percent of girls, enrolled.117 Two decades later, public investment in the
education system and policy choices directed at increasing girls' enrolment, including the removal of fees, specifically for girls in rural areas, followed by country-wide school fee abolition, had resulted in almost universalized access to education and a significant decrease in the gender gap.118

Although gender parity in enrolment has been achieved at the primary level, significant gaps in gender parity at secondary and tertiary level remain. Girls are still less likely to complete their studies than boys and around two-thirds, or 77 million, of the world's illiterate adults are young women.119 Significant gaps in the quality of education also still remain, and evidence shows that being a girl from a poor household, particularly in rural areas, means getting a quality education is much less likely.120

Evidence shows that the growing prevalence of so-called 'low-fee' private schools across many developing countries – a trend championed by actors such as the World Bank – threatens to reverse progress on girls' education.121 The UN Special Rapporteur on Education has said that the rise of commercial actors in education ‘cripples the notion of education as a universal human right...by aggravating marginalisation and exclusion’,122 UNESCO warned in 2009 that in particular ‘significant gender disparities’ were present in low-fee schooling123 because for many families, the so-called ‘affordable’ school fees actually impose a huge cost. In such contexts, girls are first to lose out.124 In rural Pakistan, for example, the poorest children are four times less likely to be enrolled at a private school than the richest children. And of these children, the poorest girls are even further disadvantaged – being 31 percent less likely to be enrolled in a private school than the poorest boys.125

**Free public healthcare supports gender and economic equality**

Women have particular needs for healthcare to support their reproductive and maternal health, and as a result of their higher concentration in precarious and often unhealthy and/or dangerous work in the informal economy. However, women face inequalities in accessing healthcare which are greatly exacerbated when services are unaffordable, inaccessible and of poor quality. Women are also predominantly those who provide care and health services when they are not provided by the public sector.

User fees for healthcare have been acknowledged by the World Bank as placing unmanageable costs on the poorest,126 and prevent many women from being able to access services – as evidenced by the dramatic uptake of services and improvements in women's health outcomes when fees are removed (see box below). Further inequalities and discrimination can reinforce lack of access. In Nepal and Vietnam, ethnic and indigenous minority women are less likely than non-indigenous women to have access to contraception, antenatal care and skilled birth attendance.127
Box 3: Free public healthcare supporting gender equality and women’s rights

- **Sierra Leone:** Fees removed for pregnant women in 2010. Within one year there was a 150 percent improvement in maternal complications managed at health facilities and a 61 percent reduction in the maternal case fatality rate. The number of users of modern family planning methods at facilities rose by 140 percent.¹²⁸
- **Ghana:** Fees removed for pregnant women in 2008. Facility-based deliveries increased by 67 percent and maternal mortality fell by 26 percent.¹²⁹
- **Burundi:** Fees removed for maternal deliveries in 2006. Births in hospitals rose by 61 percent and the number of caesarean sections went up by 80 percent.¹³⁰
- **Niger:** Fees removed for medical care needed in pregnancy in 2006. Antenatal care visits doubled.¹³¹

In efforts to reduce maternal mortality, across all developing countries and for rich and poor women alike, governments have been more successful than private health providers in reaching more women with skilled birth attendance. Recent evidence confirms that in the most successful countries, a much smaller proportion of deliveries take place in the private sector.¹³²

Even in the worst-performing and most underfunded health systems, poor women disproportionately depend on the public sector for qualified care, and investment in its improvement can produce significant results. In Nepal, increases in public health expenditure and targeted reforms to improve public health services and access for women have been linked to a 50 percent reduction in maternal mortality rates since the early 1990s.¹³³ In 2007, Nepal also began phasing out user fees, a measure which is further increasing access to services, especially for the poorest.¹³⁴ Between 2005 and 2015, the average annual rate of maternal mortality reduction was 5.4 percent.¹³⁵

Despite welcome high-level commitments in recent years to both universal health coverage – especially the reduction of out-of-pocket payments – and to the strengthening of health systems, by global players including the World Bank and the World Health Organization (WHO) as well as numerous governments, little has changed in practice. Selective, short-term and disease-specific interventions remain the norm.

Instead of financing the removal of user fees with progressive taxation, numerous countries are turning to insurance schemes, with enthusiastic donor support. These schemes can exclude those in the informal sector, where women are disproportionately represented, and further drive up inequality.¹³⁶ In Ghana, the high cost of an insurance scheme designed to extend social protection to informal workers was cited as the reason 39 percent of women and 32 percent of men in Ghana had not registered.¹³⁷

The new Global Financing Facility (GFF) for reproductive, maternal, newborn, child and adolescent health embraces and champions the private sector as both a financer and deliverer of healthcare services. The GFF has justified its focus with unhelpful and misleading aggregate figures, while
demonstrating little concern for the much higher levels of poor-rich inequity in the private delivery of sexual, reproductive and maternal health services in the private sector, or the disproportionate dependence of poor women on the public sector. Similarly, the International Finance Corporation (IFC), the private sector investment arm of the World Bank Group, justified its growing role in global health using figures showing the high usage of private healthcare services by poor women in Africa, while neglecting the fact that a large proportion of ‘private’ care sought by the poorest women was from unskilled and unqualified medicine sellers or quacks. In any case, Oxfam’s research has found that far from reaching the health needs of poor women in Africa, the IFC’s investments to date have been in high-end facilities for the richest one percent.

These policies drive both economic and gender inequality, and there can be little justification for the continued enthusiasm for them shown by the World Bank and other donor agencies. The disproportionate dependence of poor women and girls on underfunded public services will mean that long-term sustainable investments to improve the reach, scope, accessibility and quality of these services will be the most effective routes to meeting women’s and girls’ needs. Governments must prioritize investment in free public services of decent quality, close to where poor people live and work, in order to reduce economic and gender inequalities.

RECOGNIZING, REDUCING AND REDISTRIBUTING UNPAID CARE WORK

Across all countries, women carry out the majority of unpaid domestic and care work, on average 2.5 times the amount that men do. This work includes activities such as cooking, cleaning, washing clothes, caring for dependants and fetching water and firewood. It is essential to the well-being and health of families, communities and economies, and for reproducing the labour force. However, it is not included in traditional measures of the economy, and often economic policies fail to recognize or invest in it, making inequalities worse.

Women’s unequal responsibility for unpaid care work is a key determinant in the gendered nature of economic inequality. It creates ‘time poverty’, limiting women’s choices and the time they have available for work, participation in public life and for rest or leisure time. It is also a strong contributory factor in women’s lower rate of participation in the labour force, concentration in part-time work and lower wages. Research shows that poorer women tend to spend more of their time on unpaid care work than the richest women, and in countries with higher levels of economic inequality the difference is even wider.

However, care work is often invisible in our conception of the economy and is not prioritized in economic policy making, even when that policy making is aimed at improving women’s economic participation. A study of World Bank projects in sub-Saharan Africa which were focused on improving employment opportunities for men and women found that the majority failed to consider women’s unpaid care work in the project design. And in China, although successful efforts have been made to create new jobs for women,
they have been undermined by cuts to state and employer support for childcare and elderly care.\textsuperscript{144}

In order to address inequalities in unpaid care work, action must be taken to recognize, reduce and redistribute it, and ensure that carers are represented in decision making.\textsuperscript{145} Recognizing and valuing unpaid care work is key to ensure it is included effectively in macroeconomic policy making, and to break down the false distinction between the paid and unpaid economy which reinforces gender inequality.

One way to do this is to ensure that it is counted and measured as part of economic growth. Economic modelling can be designed in a way which takes into account the input unpaid care work makes to the economy, which supports improving understanding of economic problems and the impacts of policies with a gender analysis.\textsuperscript{146} Data must be gathered on the scope of unpaid care work and how it is distributed between men and women and different communities. A monetary value can also be given to the time spent and productivity of unpaid care work as one way to highlight its value. Even by conservative estimates, the time women spend on unpaid care work can be valued at $10 trillion a year.\textsuperscript{147,148}

Reducing unpaid care does not imply a reduction in the quantity or quality of care; rather, it requires investments to reduce the excessive time that everyday tasks such as collecting water or fuel can take, particularly for the poorest women and girls. Currently women in sub-Saharan Africa spend five billion hours a year collecting water.\textsuperscript{149} Distributing time and labour saving equipment such as fuel efficient stoves can also support the reduction of time that tasks can take.

Redistribution of care should take place both in the household, with men taking on a more equal share of responsibilities, and also between households and wider society. As care work is an essential input into the economy, the responsibility for providing it can be redistributed in a more equal way by those who benefit from its provision. This can take place through the public provision of care services, social protection and infrastructure needed to fully support quality and accessible care.\textsuperscript{150} Governments investing in the care economy can increase accessibility of services such as childcare, healthcare and elderly care and increase women’s choices in using these services. In turn this can increase women’s economic participation. There is a strong correlation between the number of women in the labour force and the availability and affordability of childcare, for example.\textsuperscript{151} The private sector should also play a role ensuring employees are not disadvantaged by care responsibilities, supporting equal sharing of care between men and women, for example through flexible working and equal parental leave. Companies can also invest in services and technologies which support care.

However, the same policies that have driven extreme economic inequality are also undermining efforts towards addressing unpaid care and compounding gender inequalities. The pursuit of market based policies often results in a reduction in public spending, and has in particular been seen as a response to economic crisis. Policies implemented in both developed and developing countries since 2011, including caps on spending on public sector wages, were recently analysed by the ILO for their effects. The study
found that excessive fiscal contraction is projected to continue until 2020, affecting 80 percent of the world’s population, and is estimated to result in a loss of 12 million jobs globally. Reducing public spending on the care economy, e.g. on childcare, education, healthcare and social care has featured in many country’s efforts to reduce spending deficits. These reductions in social sectors have been shown to reduce the provision and quality of care services, leaving women to fill in the gaps.

Where healthcare services are not provided or are inaccessible, women often ‘fill in the gaps’ by increasing the care they provide free of charge to their families and communities. In fact, the UN Special Rapporteur on Extreme Poverty and Human Rights described accessible, gender-sensitive public services as ‘the most direct and effective way to redistribute (the poorest women’s) heavy unpaid care workload and reduce its drudgery and intensity’. Public health services which are universally accessible can redistribute care responsibility back onto the broader shoulders of society as a whole, and give women more opportunities to choose how to spend their time. A lack of investment in social protection and welfare measures such as sick pay, maternity and paternity leave and pensions also increases the costs of care which are shouldered by women.

Women’s disproportionate responsibility for care and for filling gaps in public services becomes especially apparent during healthcare crises, as seen in the recent Ebola epidemic in West Africa. As women carried out the majority of home and community care for the sick, their risk of infection was raised and their ability to continue earning an income during the crisis was affected. The long-term effect on the economy of this health crisis also has worrying gender impacts – firstly, the government’s reduced revenue will threaten its ability to provide services in the future, increasing the unpaid care that women will provide; and secondly, women’s livelihoods have been affected as the countries recover and economic opportunities are reduced.

On the other hand, public investment in the care economy can create good quality jobs for women, reduce gender inequality and also support economic growth. Research in seven OECD countries shows that if two percent of GDP was invested in the care industry, in this case social care and childcare, employment would rise by an estimated 2.4 to 6.1 percent. The majority of the jobs created would be taken up by women, reducing gender gaps in employment, and the policies would also boost overall employment and economic growth. These investments could also reduce economic inequality for many women with caring responsibilities, as the services being provided at a lower cost could enable them to take advantage of them, and therefore expand their choices to increase their paid work.

For women to equally benefit from economic opportunities, governments should scale up their investment in the care economy, including publicly provided child and elderly care, universal healthcare, education and social protection. Policies which reduce government spending on these increase the need for care to be provided by families and communities, and it is often women who the responsibility falls on. When the richest companies and individuals avoid paying taxes, there is less money available for
governments to invest in the services which reduce and redistribute care work.\textsuperscript{160}

\begin{center}
\textbf{Case study 2: WE-Care programme – making unpaid care work visible in Zimbabwe}
\end{center}

Oxfam’s WE-Care (Women’s Economic Empowerment and Care) programme is an initiative to make care work more visible and address it as a factor influencing gender equality.

In the three districts where Oxfam is implementing the WE-Care programme – Zvishavane, Umzingwane and Bubi district of Zimbabwe – women and girls carry out the majority of unpaid care work. Cultural and religious practices have cemented the view that unpaid care work is for women only, and before the WE-Care programme it was taboo for men to participate in it. Oxfam has worked with partner organizations to shift community perspectives on unpaid care work and to carry out advocacy to raise awareness of the issue. Men in particular now recognize the care work done by women, and support the reduction and redistribution of unpaid care work and the representation of women in key positions of influence.

Through conducting a Rapid Care Analysis (RCA) with the community and a quantitative Household Care Survey (HCS), the project built an understanding of how care responsibilities impact on women’s time, health or mobility, and identified practical interventions to help ensure that women can fully participate in and benefit equally from development programmes.

In the three target districts, ‘validation workshops’ were organized to present the findings to the local government, key private sector actors and civil society organizations. The findings surprised those present and influenced them to make commitments to addressing women’s unpaid care work. As a result:

- A mining company in Bubi district committed to providing 20 litre containers of water for 80 households to minimize time spent on water collection.
- Based on the RCA findings, one community engaged the Rural District Council (RDC) for access to water. Oxfam and a partner provided a 5000 litre water tank to the community as a result, which has helped to establish a community garden.
- A district government in Zvishavane provided free billboard space to promote the need to recognize, reduce and redistribute heavy and unequal care.

These advocacy efforts improved understanding of the importance of unpaid care work and fed into a national multi-stakeholder process, convening government departments and ministries, private sector actors (such as telecommunications companies) and some of the highest-ranking traditional leaders. These leaders acknowledged the importance of addressing unpaid care work for women’s empowerment and development, and two national newspapers published articles on unpaid care work and the WE-Care programme.
3 CONCLUSION AND RECOMMENDATIONS

The rapid rise in extreme economic inequality is a direct threat to the fight for gender equality and women’s rights. The capture of the political and economic system by a small elite, and the free market fundamentalism that has driven the structure of the global economy for the last four decades, directly undermine attempts to achieve gender equality.

All over the world, women stand to gain from greater equality with men, greater involvement in the economy and greater economic equality. However, unless the causes of economic inequality are urgently addressed, these opportunities will be lost and the main beneficiaries of women’s economic empowerment will be those who are already the richest.

With men occupying the vast majority of positions of power and influence in the world, decisions over resources and policy are shaped both consciously and unconsciously in their interests. At the same time, the market fundamentalist policies that underpin today’s extreme inequality also provide a series of barriers to gender equality. Policies on labour rights, taxation and privatization all disproportionately impact on women and girls. Many of the institutions who are, on the one hand, strongly supportive of women’s economic empowerment, are at the same time pursuing policies such as health insurance or private education which directly undermine it.

There is no need for this to be the case. Some countries have managed to demonstrate positive examples of simultaneously tackling economic inequality and gender inequality, showing that steps towards building a more ‘human economy’ can be taken. The first step is to recognize that these are twin struggles against the same failing system. In order to achieve the goals of women’s economic empowerment, policies which support the provision of living wages, social protection, universal public services and the recognition, reduction and redistribution of unpaid care work are essential.

RECOMMENDATIONS

Governments and international institutions should:

• end women’s economic inequality by implementing economic policies and legislation to close the economic inequality gap for women. All legal restrictions to gender equality including women’s equality in the economy should be removed. Policies should promote equal pay and decent work. Gender inequalities in access to credit, equal inheritance and land rights must be addressed through both removing legal barriers and changing negative social norms.

• end gender inequality and uphold women’s rights by implementing policies and measures to promote women’s political participation, ending violence against women and addressing the negative social attitudes that fuel gender discrimination.
recognize, reduce and redistribute unpaid care work by collecting better data on the provision of care; investing in physical and social infrastructure that supports care; supporting child and elderly care and paid family and medical leave, flexible working hours, and paid parental leave; and challenging the social norms that delegate unpaid care work mainly to women.

systematically analyse proposed economic policies for their impact on girls and women by improving data in national and local accounting systems – including the household level – to monitor and assess their impact (for example on the distribution of unpaid care work).

keep the influence of powerful elites in check and promote women's influence and decision making: prioritize gender budgeting to assess the impact of spending decisions on women and girls, and allocate spending in ways that promote gender equality; include women's rights groups in policy making spaces. Address gender inequality in representation and leadership.

pay workers a living wage and close the gap with executive rewards: increase minimum wages towards living wages, ensure transparency on pay ratios and protect workers' rights to unionize and strike.

share the tax burden fairly to level the playing field by shifting the tax burden away from labour and consumption and towards wealth, capital and income from these assets; ensuring transparency on tax incentives; and through implementing national wealth taxes. World leaders must agree a global approach to end the era of tax havens.

use progressive public spending to tackle inequality: prioritize policies, practices and spending that increase financing for free public health and education to fight poverty and inequality at the national level. Refrain from implementing unproven and unworkable market reforms to public health and education systems, and expand public sector rather than private sector delivery of essential services.

support women's agency through autonomous organizing: set legal standards protecting the rights of all workers to unionize and strike, and rescind all laws that go against those rights. Support and strengthen women's movements and rights organizations including through the provision of funding where appropriate.

Corporations should agree to:

end the gender pay gap and push other corporations to do the same. Publish the wages paid in their supply chains and the number of workers who receive a living wage.

ensure access to decent and safe employment opportunities for women, non-discrimination in the workplace and women's right to organize. Build freedom of association and collective bargaining into human rights due diligence.

recognize the contribution of unpaid care work, and help reduce the burden of unpaid care work that is disproportionately borne by women.
• **support women’s leadership**, for example by sourcing from women-led producer organizations, supporting women to move into higher-paid roles and ensuring women occupy managerial positions.

• **analyse and report on their performance on gender equality**, for example through the Global Reporting Initiative’s Sustainability Reporting Guidelines and the UN Women’s Empowerment Principles. Track and disclose roles played by women in their operations and supply chain.

• **end the practice of using their political influence to erode wage floors and worker protections**, uphold worker rights in the workplace, and value workers as a vital stakeholder in corporate decision making.
NOTES


2 D. Hardoon, R. Fuentes-Nieva and S. Ayele. (2016). An Economy for the 1%


5 Ibid.


13 Ibid.


16 Ibid, p. 2


20 Ibid.

21 Ibid.


25 Ibid.


30 Ibid.


32 Ibid.


34 Ibid.

35 ILO Country profiles: http://www.ilo.org/iostat/faces/home/statisticaldata/ContryProfileId?_afrLoop=1411235915109143%40%3F_afrLoop%3D1411235915109143%26_adf.ctrl-state%3D1ds072a0b_243 accessed 24 February 2016

36 Ibid.

37 Ibid.

38 Ibid.

39 Ibid.


41 Ibid


43 This is a measure of inequality where a rating of 0 represents total equality, with everyone taking an equal share, and a rating of 1 (or sometimes 100) would mean that one person has everything


47 In 2012 the World Bank published its World Development Report on gender equality, making the case that gender equality is ‘smart economics’, due to the potential increased economic contribution that women could be making, and evidence that women’s empowerment has positive knock on effects on areas such as child health and nutrition. World Bank (2012) World Development Report 2012: Gender Equality and Development http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTRESEARCH/EXTWDRS/EXTWDR2012/0,
...contentMDK:22999750~menuPK:8154981~pagePK:64167689~piPK:64167673~theSitePK:7778063,0,0.html


49 Ibid.


55 Ibid.


61 The model, Recognize, Reduce and Redistribute, relating to unpaid care work, was conceived by Professor Diane Elson

62 World Bank database, http://data.worldbank.org/indicator/ SI.POV.GINI, Gini rose from 0.29 to 0.38.


69 Inter-Parliamentary Union, Women in National Parliaments, as at 1 December 2015 http://www.ipu.org/wmn-e/world.htm

70 UN Women Facts and Figures.


79 Ibid.


87 Amancio Ortega of Spain, worth $64 billion, heads garment giant Inditex, owner of Zara. Swede Stefan Persson, worth $24 billion, is chairman of H&M and a 28% stakeholder. Tadashi Yanai of Japan owns Uniqlo and is worth $20 billion. The fourth is Phil Knight, who until June 2015 had spent 51 years as chairman of Nike, and is worth $21 billion.

The model, Recognize, Reduce and Distribute, relating to unpaid care work, was conceived by Professor Diane Elson.

The value should be taken as a conservative estimate since it is calculated using minimum wages. The cost of supplying this care professionally and the opportunity cost of women not working while they are caring are likely to be much higher than minimum-wage levels.


153 Ibid.


157 Ibid.


