Push no one behind
How current economic policy exacerbates gender inequality

Agenda 2030, with its “leave no one behind” principle, set important ambitions for gender equality and women’s rights. Yet with only a decade remaining in its mandate, progress against these ambitions is way off course. In this briefing we suggest that the problem is not just that women are left behind but that they are pushed behind by current economic policies including austerity, labour market flexibilization, privatisation and liberalisation of trade and investment rules. These policies exacerbate and sometimes even exploit entrenched gender inequalities, from access to jobs and wage gaps to discriminatory norms around unpaid care and domestic work. Moreover, international financial institutions and governments alike continue to advocate these economic policies, even in the face of mounting evidence of their ill effects. But such policies are not, we argue, inevitable—and we point to a myriad of alternative approaches that governments could pursue.

Original artwork: Snigdha Podder, for Gender and Development Network
1. Introduction

Agenda 2030 sets high ambitions for gender equality and women’s rights: it recognises that gender equality is central to sustainable development, it affirms the concept of reaching the most marginalised first with “leave no one behind” and it nods to the need to tackle root causes if these aspirations are to be achieved.¹

Yet progress has been slow. Too often, efforts to promote women’s rights fail to address the structural barriers that stand in the way of equality, with very little understanding of how intersecting discriminations compound the problem. As we pursue implementation of the Sustainable Development Goals (SDGs), it is now time to take a hard look at what is hindering progress.

Women are not simply left behind—they are pushed.¹ Women are pushed back not just by discriminatory laws and social norms that stand in the way of progress, but by the economic policies that are known to discriminate against women and yet continue to be implemented.² In the face of substantial evidence of the harms that they do, these same economic policies are adopted again and again in the name of growth, effectively shutting women out from the fruits of economic development. By leaving these structural barriers undisturbed, governments, international financial institutions (IFIs) and corporations sign up to the worthy new commitments of Agenda 2030 with one hand while entrenching inequality with the other.

In this briefing, we look first at the aspirations laid out in Agenda 2030, and then at some of the ways that many women—particularly those facing intersecting forms of discrimination—are left, or pushed, behind. We then focus on current economic policies, particularly around austerity, cuts to jobs and wages, labour flexibilization, and trade and investment liberalisation, taking a closer look at how each of these economic policies has increased gender inequality.

The evidence suggests that the SDGs cannot be fully achieved if economic policy continues down its current path. As Juan Pablo Bohoslavsky, the UN Independent Expert on debt and human rights, concludes, “Economic reform should aim to prevent gender discrimination and transform existing inequalities, instead of creating such situations”.³ There are alternative models available, so we point to some of these and conclude by calling for governments, IFIs and corporations alike to stand up for gender equality by recognising—and rectifying—the role of austerity and neoliberal policies in pushing women behind.

2. Agenda 2030—great expectations?

Agenda 2030 brings with it welcome and ambitious commitments on gender equality—commitments that, in contrast to those in the Millennium Development Goals, are “universally applicable” to countries in the Global North and in the Global South alike.⁴ These include Goal 5 (“achieve gender equality and empower all women and girls”), as

¹ Thanks to Diane Elson, who first coined this phrase “push no one behind”, looking at a broad panoply of development impacts. This briefing adapts her concept and focuses more narrowly on particular areas of economic policy and gender inequality.
well as explicit commitments to tackle additional barriers facing women that fall under the remit of several other Goals\(^\text{ii}\) and an overarching pledge to the “systematic mainstreaming of a gender perspective in the implementation of the Agenda”.\(^5\) The Agenda recognises women’s economic empowerment as a central component of achieving the SDGs, a message further reinforced when the UN Secretary General established a High-Level Panel on women’s economic empowerment in 2016.\(^6\)

In addition, core to the Agenda is the concept of “leave no one behind”:

> “we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the Goals and targets met for all nations and peoples and for all segments of society. And we will endeavour to reach the furthest behind first”.\(^7\)

From this concept of “leave no one behind”, two key implications can be drawn: first, that the needs, rights and voices of the most marginalised women should be privileged, recognising that women are not a homogenous group; and secondly, that those facing intersecting discriminations—that is, those with least power and income—should take precedence.\(^8\)

The Agenda also recognises the need to transform structural barriers that stand in the way of poverty eradication and the reduction of inequalities, including gender inequalities. It acknowledges that “there are enormous disparities of opportunity, wealth and power”, and envisions “a world in which every woman and girl enjoys full gender equality and all legal, social and economic barriers to their empowerment have been removed”.\(^9\) Recognition of the need to transform structural barriers reminds us that interventions to promote equality will only be successful if the root causes of the problem are tackled.

Of course, the SDGs are far from perfect\(^10\)—and unlike human rights frameworks such as the Convention on the Elimination of all forms of Discrimination Against Women, they are not legally binding. That said, they do lay out a clearly agreed set of aspirations for governments and, given the Goals’ prominence in the political discourse, their emphasis on gender equality and prioritising the most marginalised gives grounds for hope that the SDG era will see important progress for women’s rights.

Yet despite Agenda 2030’s clear recognition of the criticality of tackling gender inequality and its root causes, four years after its agreement, actual practice is falling far short. Discriminatory laws, social norms, social policies and regulatory failures all continue to perpetuate inequality and disadvantage, but perhaps most pernicious are the barriers created by economic policies. These persistent barriers are the focus of this briefing, because we are not only failing to implement needed reforms to secure women’s rights—in many cases, governments, IFIs and corporations are actually exacerbating the problem. In the face of mounting evidence, they continue to promote economic policies that inflame and entrench inequality, such that marginalised women are not just left behind—they are actively pushed.

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\(^{ii}\) These are found amongst certain targets that fall under Goal 1, 2, 3, 4, 6, 8, 10, 11, 13 and 17.
3. Behind—and pushed

Despite the re-emergence of gender equality on the political agenda, whether at the UN, the G7, the G20, the WTO or regional spaces like the African Union, or at the IFIs’ annual and spring meetings, women’s economic, social and political status continues to lag behind the average across the board.

Still behind

Globally, the pay gap between women and men in paid employment is estimated to be at least 16 per cent. Women in Africa, Asia and the Arab states are overrepresented in precarious jobs, as well as in the informal sector where there is little regulation or access to social protection. In sub-Saharan Africa and south Asia, high proportions of women work in typically low-paid roles as contributing family workers (34.9 per cent and 31.8 per cent respectively) and own-account workers (42.5 per cent and 47.7 per cent respectively). Oxfam estimates that men own 50 per cent more of total global wealth than women. At the same time, the World Economic Forum has determined that, at current rates, it would take 202 years to close the gender gap in economic participation and opportunity (based on a basket of indicators covering labour force participation, income and representation at senior levels). One recent analysis looking at 51 indicators across 129 countries found that not a single country was “fully transforming laws, policies, or public budget decisions on the scale needed to reach gender equality by 2030”.

These inequalities are exacerbated when gender intersects with other identity characteristics associated with discrimination. For example, in the United States, it has been estimated that single white men own 100 times more wealth than single Hispanic women. Most persons with disabilities are able to work, provided the right adjustments are in place, yet analysis of data from 51 countries gave the employment rate for women with disabilities as 19.6 per cent, compared with 29.9 per cent for women without disabilities. (For men with disabilities the rate was 52.8 per cent, compared with 64.9 per cent for men without disabilities.) To compound the issue even further, more women than men experience economic hardship in old age.

…and pushed

In the past the barriers to women’s economic empowerment have been framed around women’s lack of capacity, with solutions that promote the education, training and access to credit of individual women. Women are sometimes still described as “vulnerable” and in need of support. The solution was, and sometimes still is, therefore seen in relation to providing individual women with the skills, credit and so forth that they need to be able to compete equally in the market.

More recently, recognition has emerged that women face structural barriers in the economy and society more broadly, acknowledging the discrimination that remains regardless of women’s perceived capacity. We have seen, for example, how gendered social norms around unpaid care and domestic work reinforce occupational segregation, low pay and poor conditions—and how governments and corporations take advantage of these norms with policies and laws that maintain discrimination against women’s rights. This is why the UN High-Level Panel on women’s economic empowerment
recognised “systematic constraints” to empowerment requiring a “transformative agenda”.\textsuperscript{20}

What has not yet been fully acknowledged by policy makers is the way economic policies are systematically, and sometimes even deliberately, not just failing to reach women but actively pushing women behind.

In both the Global South and the Global North, austerity policies are creating a “triple jeopardy … which sees women suffer simultaneously as public-sector workers, service users and the main recipients of social security protection benefits”.\textsuperscript{21} In some countries, such as Brazil and Egypt, governments are vaunting their progress towards meeting the SDGs at the UN High-Level Political Forum, while implementing harsh austerity measures at home.\textsuperscript{22} Meeting the SDGs’ aspirations on gender equality requires progressive public spending on public goods and services, but austerity measures prevent such government spending from taking place. Returning to Bohoslovsky, the UN Independent Expert on debt and human rights, he writes,

“economic reforms which encourage, among other things, labour market flexibilization, reductions in the coverage of social protection benefits and services, cuts to public sector jobs and the privatization of services tend to have a negative impact on women’s enjoyment of human rights”.\textsuperscript{23}

Alongside these trends in economic policymaking, we have seen a further decline in democratic economic decision-making and failure to ensure corporate accountability, in the face of mounting evidence of corporate human rights abuses.\textsuperscript{24}

4. What is going wrong?

While the actual circumstances of women’s work and lives vary greatly across contexts, and generalisations can obscure significant differences, a number of common themes and threads are apparent in the way women’s economic inequality is maintained and the policies responsible for this inequality. The actions of some governments, IFIs and corporations are still constructing barriers that further hold women back or push them behind.

**Economic policies that push women behind**

A heady mix of fiscal and monetary policies, focusing on growth and inflation targets and designed to minimise the role of the state, have been combined with labour legislation and trade and investment rules that benefit large corporations.

Austerity measures were first used on a wide scale as part of structural adjustment programmes in the 1980s and 1990s as conditions for IMF and World Bank lending.\textsuperscript{25} Similar measures were then used in response to the 2008–9 crisis, and their use is far from over. Analysis in 2015 anticipated that, on average, 127 countries (or more than two in every three) would undergo cuts in government expenditure between 2016 and 2020.\textsuperscript{26} While austerity has made headlines recently in Europe, most austerity programmes actually affect countries in the Global South.\textsuperscript{27}
While there is no single definition of austerity, the term is generally understood to mean a programme of severe cuts to public spending in the face of economic recession. These cuts frequently go hand in hand with other economic reform policies that seek to create a more favourable environment for businesses, particularly multinational businesses, and seek to grow government revenues by increasing consumer taxes such as value-added tax (VAT). This paper focuses on the first two of these elements—public spending cuts and reforms to regulations governing business and trade—in order to complement the well-established literature on gender and regressive taxation that already exists.28

Thus, austerity measures have tended to bring about cuts to public services like health, childcare and social security programmes; privatisation of important social goods like pensions and utilities; deregulation of financial and labour markets; and cuts to public sector employment—all of which carry a disproportionate impact on women, and especially on those marginalised by poverty, racialisation, rural location or other factors.

All forms of austerity are premised on the idea that budgetary deficits are universally bad and must be eliminated using deep spending cuts—but, as numerous economists have highlighted, this assumption is, “economically speaking, extremely questionable.”29 Indeed, far from being rooted in objective or technical principles, as it is sometimes presented, austerity actually relies on highly political assumptions about the optimal size of the state, about the role of the private sector and about the extent to which private-sector corporations should be regulated.

Essentially, austerity measures are part of a wider model where inequality is at best an unavoidable by-product or at worst a central component of the way that the model works.30 Those who start out poorer tend to lose out most. For example, research on 10 cities in Latin America, Asia and sub-Saharan Africa across four informal work sectors shows that the global economic crisis hit the lowest-paid and those with the lowest barriers to entry hardest. These same workers are supplementing with unpaid labour to maintain family living standards, adding to their economic, physical and emotional burdens.31

Within this model, public services and social protection in particular are seen as ways of mitigating the harmful impacts of macroeconomic policy with safety nets targeted towards the very worst affected. This narrow approach, however, has proven so hard to implement that it actually threatens to exacerbate existing inequalities.32 This is in part because the scale of transfers can be derisory relative to the overall impact of austerity. For example, in Argentina, people reeling from drastic cuts and rapid inflation received just $36 USD per person to sustain them through a period of six months.33 Fundamentally, this “band aid” approach of targeted safety nets fails to tackle the structural causes that are creating inequality and deprivation in the first place.34

The combination of austerity measures, with their focus on cuts in public services and jobs alongside labour flexibilization, has hindered the achievement of gender equality and women’s rights. The evidence of the compounding gendered impacts of austerity has been mounting: research from the International Labour Organization (ILO) shows that public spending cuts—which are known to reduce women’s paid employment, increase their unpaid care load and decrease their access to services and social
protection—are incompatible with substantive gender equality, particularly in countries that have undergone severe austerity programmes following the economic crisis.\textsuperscript{35}

As a result of the discrimination they face, women have been disproportionately negatively impacted by system-wide cuts. Firstly, the failure to acknowledge the value of care work to the so-called “productive” economy has been a central problem, hiding the true cost of austerity. Second, as a result primarily of their socially defined caring roles and lack of income, women are more reliant on public services and social protection—and thus harder hit when cuts are made. Third, women are disproportionately reliant on the public sector for decent work, in part as a result once again of socially defined caring roles and occupational segregation. Fourthly, women’s concentration in informal and unregulated or otherwise precarious occupational sectors with little unionisation means they are more exposed to labour flexibilization measures. Finally, alongside these austerity measures, we have seen a package of measures on trade and investment which, combined with a rise in corporate power, have further pushed back women’s economic and social rights. In the sections below, we examine each of these in turn.

**Box 1: Austerity and the IMF**

The International Monetary Fund (IMF) has been—and continues to be—highly influential in the design of austerity programmes and associated economic policies such as regulatory reforms and increases in VAT.\textsuperscript{36} The IMF exerts this influence in several ways. One key channel of influence is the conditions attached to IMF loans. For example, the IMF’s 2016 loan agreement with Egypt included policy prescriptions such as public spending cuts, the introduction of VAT and new policies to encourage foreign investment—reforms that have been associated with very high levels of inequality, including on the basis of gender.\textsuperscript{37} A second key channel of influence is IMF policy analysis, like Article IV surveillance, which is often perceived by external financiers as a reliable judgement of the overall fitness of an economy.\textsuperscript{38} As such it can play a powerful role in encouraging governments to enact new austerity policies, or providing cover for existing ones. For example, in Brazil, the IMF gave strong backing to a constitutional amendment under which public spending was to be frozen for 20 years from 2016. The measure is already having drastic impacts on basic services such as the provision of medicines.\textsuperscript{39} While certain pieces of IMF research have pointed to some of the risks of austerity, this research is as yet rarely translated into practice in the IMF’s country-specific operations.\textsuperscript{40}

These negative impacts from austerity and related policies clearly undermine the achievement of many SDG targets. For example, by exacerbating unpaid care and domestic work burdens, austerity endangers target 5.4 (“Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate”). Labour flexibilization puts at risk several targets under Goal 8, such as target 8.8 (“Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment”). But the damage done by austerity goes even further than these individual targets, by eroding the ethos of quality public service provision and democratic space on which so much of Agenda 2030, with its
ambitions on gender equality and “leave no one behind”, depends. This process of erosion is unpacked in more detail in the sections that follow.

**Taking care for granted**

As a result of socially defined and discriminatory gender roles, women have primary responsibility for care and domestic work in most societies. That women do far more unpaid care and domestic work than men has been well documented: for example, the ILO estimates that women perform 76 percent of total unpaid care work worldwide. The impact of this disproportionate work on women’s rights generally—and specifically on their ability to secure decent work, education and political space—has also been well established.

As a result of this gendered division, care and domestic work is undervalued and frequently unpaid. In 2013, Magdalena Sepúlveda Carmona, the UN Special Rapporteur on extreme poverty and human rights, found that, “heavy and unequal care responsibilities are a major barrier to gender equality and to women’s equal enjoyment of human rights, and, in many cases, condemn women to poverty. Therefore, the failure of States to adequately provide, fund, support and regulate care contradicts their human rights obligations, by creating and exacerbating inequalities and threatening women’s rights enjoyment”.

What has been less well documented is the crucial and vast contribution that this unpaid care and domestic work makes to the wellbeing of society and to economic development. Even in good times, governments rely on unpaid care work to fill gaps in social spending and supplement the health and education sectors. Corporations also benefit from the maintenance of their current workforce and shaping of future workers.

Ai-jen Poo, director of National Domestic Workers Alliance in the United States, highlights that, “Domestic work makes all other work possible”. It is in times of austerity that we really see how women are pushed behind. A pervasive assumption is that women’s time for unpaid care is infinite and elastic: the UN Independent Expert on debt and human rights recently found that, “Cuts to social services also often intensify the demand for unpaid care work, which is disproportionately carried out by women and girls (notably in poor households) and, thus, forcing them to fill the gaps”. For example, cuts in healthcare have sometimes led to the early discharge of people suffering from chronic illnesses, in the expectation that household members (usually women) will support their long-term care at home. Research on austerity measures in Tanzania at the turn of the millennium found that, as health services were slashed, home-based care frequently became the only support system available to people affected by the HIV/AIDS pandemic. Cuts in social protection payments that affect people’s ability to live independently (such as certain pension reforms for the elderly) will further increase women’s unpaid care and domestic work.

Thus, and importantly, it is not just that such cuts inadvertently increase women’s unpaid care and domestic work—rather, they are made on the assumption that women will fill in the gaps, “acting as the ultimate safety net”. On the one hand, SDG 5.4 states the need to “recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies, and the promotion of shared responsibility within the household and the family as nationally appropriate”. Still, we have yet to see real action to reduce women’s unpaid care and domestic work burden.
through increases in public services, social protection and sustainable infrastructure investment. Instead economic policies continue to ignore, or even depend on, gender inequality and discriminatory social norms.

Cuts in public services and social protection

Cuts in public spending continue to be a central part of austerity measures, justified as a way to get out of economic crisis and frequently adopted on the basis of advice by the IMF and other IFIs. Recent research on the conditions attached to IMF loans approved in 2016 and 2017 found that, out of 26 sampled programmes, 23 were conditional on fiscal consolidation, often in the form of spending cuts. In Ghana, for example, fiscal targets attached to an IMF loan have been associated with public spending cuts and public sector wage bill restrictions, affecting basic services such as education and health.

Public spending cuts can markedly heighten barriers that limit women’s access to quality public services. This can include cuts to services that benefit the general population, but which women may use most due to social norms (e.g. unpaid care responsibilities), specific biological needs (e.g. certain healthcare services) or rights violations requiring support and redress (e.g. violence against women and girls). For example, recent cuts of 2,500 healthcare jobs in Ecuador or 25,000 in Ukraine are likely to hit women particularly hard due to their particular reliance on some health services and the health care needs of people for whom they have caring responsibilities. Similarly, the removal of subsidies for water in Ghana will have had disproportionate impacts for women, since collecting water is usually regarded as women’s work. Argentina has also experienced severe public spending cuts and other related economic reform policies, as Box 2 sets out.

Sometimes the impact of cuts have been more direct: in Brazil, women’s rights programmes, including services for survivors of violence against women and girls, saw a 40 per cent budget cut between 2014 and 2016. At the same time, rates of violence were increasing, leaving many without assistance. Cuts in public services tend to have particularly serious effects for women who experience multiple intersecting forms of discrimination, like in Spain where non-pregnancy related sexual and reproductive healthcare was withdrawn from migrant women with irregular status, and in practice many were even denied pregnancy-related care.

Cuts in social protection are also a common feature of austerity and, particularly in the case of universal social protection, of economic reform programmes championed by the IMF. The governments of Mongolia and Kyrgyzstan withdrew universal child benefits under just this kind of IMF pressure. Any cuts in state provision of social protection also affect women particularly, due to the gender pay gap and other inequalities that mean women are over-represented in lower income groups. Women are more likely to work in the informal sector, with less access to work-based pension schemes or other benefits. In fact, concentration in the informal sector is likely to be one reason why nearly 40 per cent of women in waged work globally do not contribute to social protection schemes like pensions; for women in southern Asia, this figure rises to over 70 percent.

Moreover, even where older women do have a pension the amount is likely to be less as a result of lower earnings over their lifetime, owing to lower wages and competing
demands of unpaid care work. This makes women more reliant on non-contributory social protection benefits, usually funded by government taxes. In addition, family-related benefits tend to be channelled to women due to social perceptions about their caring roles, and sharp cuts to such benefits hit women’s incomes hard. In the UK, an analysis of the cumulative impact of tax and benefit changes between 2010 and 2015 found that on average women lost around £400 GBP per year, and men only £30 GBP. In Brazil, a 55 per cent reduction in food security programmes was found to be especially harsh for low-income mothers. As ever, women who face intersecting discrimination on the basis of factors including ethnicity or disability are likely to be affected particularly severely.

Box 2: Austerity in Argentina

Argentina has seen severe austerity policies in recent years, which were intensified in exchange for an IMF loan of $50 billion USD in 2018 and further entrenched when the IMF granted an increase to the loan a few months later. The ensuing cuts had far-reaching implications for basic public services on which women are heavily reliant. Between 2018 and 2019 alone, the health sector budget fell by 8.1 percent in real terms, compounding previous financial challenges that had already left some provinces’ public health provision in a state of emergency. Investment in water and sanitation, which had been stable at around 2 percent of public expenditure between 2012 and 2015, dropped to 1.4 percent in 2016 and 0.3 percent in 2017, with further cuts anticipated under the latest austerity measures. Over 10 per cent of households are not connected to a clean water supply network, and over 30 per cent lack sanitation. Under reforms to the pension system, a plan that enabled persons who had not met minimum contribution requirements to receive benefits was abolished, with a disproportionate impact on women who—due to unpaid care work and other inequalities—had accounted for three out of every four people who benefitted from this scheme. Austerity also hit gender-specific spending: despite some increase in funding for public childcare services, the 2019 austerity budget saw an overall 19 per cent decrease in spending for gender-focused programmes. Argentina’s austerity programme also saw large numbers of public-sector workers lose their jobs, while the buying power of those still in their jobs decreased by 11.9 per cent (compared with 5.7 percent for registered workers in the private sector) between November 2015 and May 2018. In addition, regulations governing dismissals have been scaled back and collective bargaining activities have been restricted, leaving workers more vulnerable to exploitation. Youth unemployment levels are high in the country, particularly among women: as of April 2019, a reported 21.5 per cent of women aged 14–29 were unemployed, compared to 17.3 per cent of men in the same age group. In the year 2018–19, poverty levels grew by over 6 per cent, reaching 32 per cent of the population.
Job cuts

Under austerity, cuts in public sector spending have hit women’s employment. Women make up a disproportionate share of frontline workers in the public service sector—for example, 67 per cent of the global health workforce. Due to social norms and occupational segregation, women tend to be concentrated in areas of the public sector that are often most exposed to cuts, including service delivery, lower-level administrative positions and temporary or part-time positions. A study of 183 countries’ plans between 2010 and 2015 found that 130 were considering reducing their wage bills, a recurrent feature of austerity programmes that entails job losses and salary reductions for public-sector employees.

Such reforms are often influenced by the IMF: analysis of the conditions attached to IMF loans approved in 2016 and 2017 found that, out of 26 sampled programmes, 21 included measures relating to wage bill reductions. Thus, in Gabon, sharp IMF-supported deficit reduction targets prompted the government to reduce doctors’ salaries and to pay them in cash vouchers. In response, the doctors’ syndicate threatened an unlimited strike. In 2015, the IMF advised Jamaica that “efforts are urgently needed to sustainably lower the wage bill by creating a smaller and more effective public sector. Such efforts should begin immediately since they will take time to yield results”. In Zimbabwe, the IMF held that “achieving a sustainable fiscal position requires a significant reduction in the wage bill”, proposing that wages be reduced from around 66 per cent of government expenditure in 2016 to 50 per cent in 2019. Zimbabwe’s government recently announced that 3,000 public-sector jobs would be cut. In Ukraine, the government cut 165,000 civil service jobs in 2014–15, partly to comply with IMF loan requirements. These cuts had a disproportionate impact on women who comprise more than 75 per cent of the civil service. In Greece, Hungary, Ireland, Latvia and Portugal, public-sector employment cuts led to job losses in occupations where women hold a higher share of employment.

Labour flexibilization and poor conditions

Women’s labour force participation has been high on the agenda recently: for example, G20 leaders have committed to reduce the gap in women’s labour force participation in their countries by 25 per cent by 2025. But all too often this is justified by its impact on growth, with little real attention paid to the quality of jobs and level of wages—the factors that make work empowering. Instead, many governments’ austerity programmes have been accompanied by a drive towards labour flexibilization, which undermines decent work. Research on 187 countries’ policies between 2016 and 2020 found that 49 low-income countries and 40 high-income countries are promoting labour flexibilization policies, which—according to the report’s authors—“include relaxing dismissal regulations, revising minimum wages, limiting salary adjustments to cost of living benchmarks and decentralizing collective bargaining”.

In Jordan for example such policies have resulted in a situation where, in the words of one think tank, “nearly all instances of social dialogue on labour issues seemed to have been predetermined in favour of employers” and “the possibilities for productive social dialogue and the development of policies based on agreements between workers, employers, and government seem ever more distant”. In Egypt in 2016, the government
introduced controversial legislation to cut the public-sector wage bill by reducing labour rights, a move closely linked to IMF involvement.\footnote{95}

Achieving gender equality requires an improvement not just in women’s access to paid work, but also in the conditions under which they work. A number of ways of doing this have been identified, such as minimum wages and collective organising, which could go some way toward reducing gender wage gaps, even for informal-sector workers.\footnote{96} To that end, Pakistan’s minimum wage has been extended to cover bidi cigarette rollers in the informal sector.\footnote{97} Women’s collective action has also been shown to improve their working conditions, as in the case of Kenya’s domestic workers in 2012.\footnote{98} In the United States, the wage gap for unionised women is 40 per cent smaller than for non-union women.\footnote{99}

Yet the move towards the flexibilization of labour has often restricted these opportunities for positive change. Reform of collective bargaining was a criterion in IMF lending programmes to Portugal, Greece, Spain and Romania following the 2008 financial crisis.\footnote{100} Furthermore, the IMF recently called for restrictions on the minimum wage in its policy advice or lending conditionalities for Lithuania, Colombia, Greece, Bolivia and Ecuador.\footnote{101}

**Trade and investment liberalisation**

Trade liberalisation, or the process of removing perceived barriers to international trade (e.g. tariffs) and opening up economies to external investors, is often part of the package of reforms associated with austerity. In particular, liberalisation is a recurrent component of financing conditionalities imposed by the IMF and other IFIs.\footnote{102}

Trade itself has the potential to contribute to gender equality and women’s rights, if the right checks and balances are in place.\footnote{103} Yet trade liberalisation, as it is currently practised, has often had a negative impact on the lives of women for several reasons.\footnote{104}

For starters, liberalisation tends to reduce governments’ fiscal space to implement gender-transformative public services by bringing about revenue losses, either through reduction of tariffs and custom duties or through trade-related illicit financial flows.\footnote{105}

Furthermore, liberalisation often tends to be associated with a weakening of workers’ protections and wages in a bid to attract foreign firms competing on the basis of cost; this tends to affect women workers particularly, as they tend to have fewer options than men and hence a weaker bargaining position.\footnote{106} In addition, many trade agreements contain far-reaching protections for the interests of international businesses (for example, the Investor-State Dispute Settlement system) even where these infringe on the rights of local people, potentially including gender-specific safeguards.\footnote{107}

**Democratic decision-making and corporate power**

In part in response to austerity’s negative impacts, civil society organisations around the world have called for the democratisation of economic decision-making, with a particular focus on the inclusion of women’s rights organisations. Instead, economic decision-making is becoming even less democratic, a trend aggravated by further austerity. In some countries, the perceived crisis of austerity has been used as a pretext to introduce new restrictions on civil and political rights, while the squeeze on public budgets has
sometimes translated into a reduction in funding for civil society organisations whose work includes campaigning against inequalities.\textsuperscript{108}

At the same time, the private sector is increasingly given a place at the table as a key development partner. These developments are not unrelated: growing private-sector involvement is often justified by the logic of austerity, which holds that there are insufficient public funds to provide key infrastructure and services. For example, the Nairobi Outcome Document of the Global Partnership for Effective Development Cooperation envisages “engaging business entities in a partnership that mutually benefits business strategies and development goals”.\textsuperscript{109} Likewise, the World Bank’s “Maximising Finance for Development” approach very explicitly states that the private sector should be the first port of call in development finance, enticed if necessary through regulatory reforms or the “blending” of public and private finance, while purely public finance should be the last resort.\textsuperscript{110} Public-private partnerships (PPPs)\textsuperscript{iii} are a case in point where austerity measures have been used as a way to open up public services to corporate interests. PPPs are often promoted, including by the World Bank and other IFIs, as a way to deliver infrastructure and services when governments are unable to do so because they have to comply with austerity budgets.\textsuperscript{111}

This discourse assumes a strong degree of alignment between corporate interests and development objectives, including gender equality, although there is a lack of evidence to support this.\textsuperscript{112} The Sierra Leonean women who have lost their basic incomes and food sources in the wake of opaque and possibly even coercive land deals to make way for large-scale biofuel projects might see things differently.\textsuperscript{113} So too might the 300,000 rural Ugandan women who have been forced from their homes or are facing eviction due to land-grabbing by large oil, transport and sugar corporations.\textsuperscript{114}

There is now a level of “corporate capture” in economic policy decisions—an effect that tends to be amplified in times of austerity, as state resources for effective regulation and tax collection are diminished.\textsuperscript{115} As Global Policy Forum states,

“...big business has consolidated its influence on global governance and the United Nations in particular. In that multilateral setting, corporate actors have been granted privileged access to decision-makers, and their interests have become more prominent as calls for legally binding instruments for TNCs become more sidelined”.\textsuperscript{116}

The United Nations has an important role to play by promoting the SDGs and upholding human rights, and slow progress is being made—through an Open Working Group convened by the UN Human Rights Council, for instance.\textsuperscript{117} Nonetheless, the absence of a legally binding treaty to regulate the human rights impacts of transnational and other corporations remains a significant obstacle in the fight to increase accountability and hold some of the worst abuses of corporate power in check.\textsuperscript{118} Meanwhile austerity measures are, at least in some instances, further opening the door to corporate interests.

\textsuperscript{iii} Following Eurodad, FEMNET and GADN (2019), we define public-private partnerships as agreements wherein private-sector companies replace the state as the provider of traditional public services, and where the public and private sector share the risks associated with the project in some agreed way.
5. The alternatives

The SDGs, and particularly SDG 5, will never be achieved while women and girls continue to be pushed behind. Governments and institutions that are serious about gender equality and women’s rights must now take a long, hard look at the impacts—intentional or not—of the economic policies that they promote.

In an important recognition of the extent of the problem, the UN Independent Expert on debt and human rights presented a detailed set of guiding principles, setting out how carefully states must think about their human rights obligations before they proceed with austerity policies. The principles emphasise that, “economic reform should aim to prevent gender discrimination and transform existing inequalities, instead of creating such situations”.

There is a myriad of alternatives, and a wealth of literature to support them. In the words of the ILO,

“It is often argued that social protection is not affordable or that government expenditure cuts are inevitable during adjustment periods. But there are alternatives, even in the poorest countries [that] are supported by policy statements of the United Nations and international financial institutions.”

The global independent civil society report Spotlight on Sustainable Development 2018 also provides a wealth of alternative proposals that are not only necessary but also possible. Detailed prescriptions for aligning economic policy and human rights have also been put forward by academics like Radhika Balakrishnan, James Heintz and Diane Elson.

The aim of this briefing is not to present a blueprint but merely to indicate that there are other possibilities, and that without considering alternatives, true progress on the SDGs—and particularly SDG 5—may be stalled forever. Below we outline some of these alternatives for decision-makers to test whether their economic policies are gender-just—in other words, whether they contribute as much as they could to the SDGs’ ambitions on women’s rights and gender equality. The questions are not exhaustive, but they challenge our economic orthodoxy and illustrate the diversity of alternative approaches to consider.

Are public-sector cuts necessary?

- Has progressive taxation been considered as an alternative to austerity?

Spending policy is only one part of the fiscal picture: revenue policy is just as important. Many options exist to generate additional resources through progressive taxation—such as income, capital, property and wealth taxes—and fully exploiting these channels can generate vital resources to realise social goals, including gender equality. However, consumption taxes such as VAT can impose disproportionate burdens on women, so selecting a progressive mix of taxes is key.
• Are all reasonable steps being taken to tackle tax avoidance?

Global rules on tax need to be reformed too, in order to create more space for action by national governments. An array of measures has been identified, including corporations committing to pay their taxes in the countries in which value is added, country-by-country reporting, shutting down tax havens and minimum corporate tax rates—all of which Northern governments should support. 126

• Could strategic spending be a better way out of crisis?

Cutting public expenditure is not necessarily the best way out of economic crisis if it leads to a reduction in social investment that reduces human capabilities. Sometimes increasing investment in social spending can in turn create a rise in both demand and productive capacity, and so have a more positive impact on long-term growth—a point that has been argued in a number of UN reports. 127 A report by the International Trade Union Confederation also showed that investing in the care economy had the potential to generate substantial gains in employment, at the same time as promoting gender equality. 128

Could better decisions be made on where to make cuts?

• If cuts are unavoidable, has the impact on women been assessed?

The starting point for any tough choices on spending cuts has to be a full, gender-responsive, human rights-based impact assessment. Such an assessment should follow the principles set out by the UN Independent Expert on debt and human rights, which emphasise the risks of gender-based and intersectional discrimination associated with austerity. 129 Gender-responsive budgeting (GRB) is also an important tool now being used by some countries to assess how government resources are shared and targeted, and should inform decisions on how cuts are made. 130

• Is the economic contribution of the care economy understood?

As the costs and benefits of alternative options are weighed up, it is essential for the full economic contribution of unpaid care and domestic work to be comprehensively recognised; otherwise, the true costs of austerity measures are hidden. One option is to include the value of unpaid care work in national accounts, thus exposing the currently hidden contributions and costs. To this end, UN Women suggests building on the 2013 recommendations of the International Conference on Labour Statisticians, which called for a redefinition of work. 131

• Do cuts comply with international law?

Even if cuts are necessary, social spending may not be the best place to make them. Human rights law obliges states to provide essential levels of economic and social rights—which in practice means at least basic, non-discriminatory social services such as healthcare and access to medicines, even in times of crisis. Measures that would result in negative impacts to human rights enjoyment are generally prohibited by the principle of non-retrogression, but where “retrogressive measures” are truly unavoidable, human rights law sets out strict criteria before cuts to existing levels of services can be
made. Among other requirements, they should be temporary, seek to mitigate inequalities and be imposed only after an examination of all other alternatives.\textsuperscript{132} Human rights law also requires that whatever resources are available should be distributed in a way that does not discriminate, including on the grounds of gender.\textsuperscript{133}

**Could crisis be prevented in future?**

- **Has the government taken steps to promote long-term stability?**

  Governments have many options at their disposal to help prevent some of the most destabilising effects of economic crises. These include taking steps to regulate the flow of finance in and out of the country via capital controls—a strategy previously deployed by Brazil, China, Colombia, Chile, India and Malaysia.\textsuperscript{134} More cautious regulation of the financial sector, as required by SDG target 10.5, would also help prevent banks from building up unsustainable debts.\textsuperscript{135}

- **Are providers of aid and development finance living up to their commitments?**

  Aid and other forms of public development finance, including that from IFIs, can be a critical resource for countries in the Global South undergoing economic crisis; however, as this briefing has outlined, this finance can do harm as well as good if it is attached to conditions that lead to an intensification of austerity, or to other intrusions on governments’ space to implement gender-just economic policies. Governments in the Global North have a responsibility to step up the quantity of aid provided and to meet the long-established target (reiterated in the SDGs) of giving 0.7 per cent of their gross national income as official development assistance. They also have a duty to ensure this aid is spent in accordance with the agreed principle of respect for democratic ownership of development priorities by citizens of the Global South, without imposing policy conditions.\textsuperscript{136}

**Are economic policies that promote gender equality and women’s rights prioritised?**

- **Does policymaking engage with the importance of the care economy?**

  Recognising the key role of care and domestic work, both in the wellbeing of society and the functioning of the economy, will expose the reforms needed in this sector and reveal that there is no alternative but for governments to prioritise and increase spending in this area.\textsuperscript{137} Quality provision of affordable care must be more broadly available, particularly for the poorest. Meanwhile, paid workers in the care and domestic work sector need better working conditions and pay, which in turn will increase the quality of provision.\textsuperscript{138}

- **Is the creation of decent work a priority?**

  If participation in the paid workforce is to advance gender equality and women’s rights, then policies will be needed that promote decent work, particularly for the large numbers of women who work in the informal sector where work is unregulated, insecure and precarious. Measures will need to include increasing the quality and quantity of jobs available to women in the public sector though investment in social infrastructure,
implementing a universal living wage and collective bargaining protections to reduce the
gender pay gap, ratifying and enforcing existing ILO conventions, and funding and
recognising women’s workplace organising, particularly in the informal sector. Long-
term shifts in discriminatory cultural norms will also be needed to break down
occupational segregation in the paid work place, while the gendered division of labour
that assigns women a primary role in unpaid care and domestic work will also need to
be tackled.

Are people’s rights put before corporate interests?

• Do investment agreements put people before private investors?

Private-sector financing is in many cases governed by investment agreements, which all
too often are designed to protect the interests of private investors rather than those of
people in recipient countries. Investment agreements can only work in favour of gender
equality and women’s rights if such a perspective is built in from the outset of the
negotiations. All investment agreements should be subject to gender and human rights
impact assessments, and should be fully compliant with human rights and labour
obligations that take precedence over any rights of investors.

• Are decisions on privatisation and trade liberalisation based on
assessment of their social impacts?

Privatisation and trade liberalisation are widely promoted as a response to economic
crisis, but before rushing to adopt such measures, it is vital that governments assess
their impacts on human rights, including gender equality and women’s rights. They
should also be weighed up against the alternative responses discussed elsewhere in this
briefing. Effective corporate regulation, and speedy progress towards a strong binding
treaty on transnational business and human rights, are also essential.

• Is economic growth recognised as a tool in aid of social goals like
gender equality and women’s rights, or are social goals subsumed
under the pursuit of growth?

There remains a fundamental contradiction between Agenda 2030’s ambitions on
ensuring that no one is excluded and the neoliberal economic paradigm that continues
to shape global economic decision-making, in which economic growth is paramount.
Monetary and fiscal targets are frequently given precedence over social goals or the
fulfilment of human rights. Economic activity can be an important means of reaching
broader social goals, but it cannot be an end in itself, as Diane Perrons writes. This is
not a new concept: in fact, it was only with the expansion of neoliberalism that the
primacy of growth was embedded.

Is economic decision-making democratic?

• Are economic decisions recognised as political?

Decisions on macroeconomic policy are some of the most important choices that
governments and institutions make, with profound impact on the distribution of resources
and welfare of society. Yet these decisions are frequently obscured within democratic
processes, or presented as merely technical. The result is not only a democratic deficit but also a reduction in the efficacy of policymaking.\textsuperscript{146}

- **Are the views of marginalised women actively sought?**

The transparency, openness, responsiveness and accountability of the institutions that develop and implement macroeconomic policy, both nationally and internationally, should be improved. At the international level, there are calls for the IMF and World Bank to become more accountable through reforming their governance to give an equal say to countries in the Global South, and to enhance transparency towards civil society and the public. Governments should also protect rights to freedom of association, collective bargaining, assembly and speech to allow women workers to join unions, workers’ organisations and other groups campaigning for human rights in austerity contexts, and to engage in policy debates and negotiations. Specifically, space should be created for marginalised women’s voices in economic decision-making, with government funding for organisations led by and for marginalised women, and protection for women human rights defenders and labour activists from harassment, intimidation and retaliation.

### 6. Conclusion

Dominant trends in economic policy—including austerity, labour market flexibilization, privatisation and the liberalisation of trade and investment rules—continue to disproportionately impact on women because of entrenched inequalities in labour market access, remuneration and norms around unpaid care and domestic work. Indeed, the availability of women’s unpaid care as a “shock absorber” is a premise on which cuts to public services are based.\textsuperscript{147}

As this briefing has illustrated, the harmful impacts of economic reform policies adopted in the wake of the 2008 financial crisis range from the removal of vital services for survivors of violence against women in Brazil, through increased challenges accessing basic water supplies in Ghana, to widespread job cuts in Zimbabwe. Women facing intersecting inequalities have faced particular risks, while narrowly targeted safety nets have fallen far short of mitigating the damage.

A wealth of alternatives exists. The damage done by austerity policies shows all too clearly why it is essential for governments to refocus their economic policymaking on human rights, equality (including gender equality) and wellbeing, rather than the single-minded pursuit of economic growth and profit. Before undertaking economic reform policies, governments should take a long, hard look at the likely impacts on gender equality, human rights and economic justice—and fully consider the range of alternative options. This, in turn, requires a reform of the way that economic policies are formulated. The voices of marginalised women must be brought to the fore, and third parties like the IFIs should leave space for this to happen rather than imposing policy prescriptions.

Women are not just being left behind from the fruits of economic growth—they are pushed back by economic policies that reinforce and even rely on gender inequality. Without fundamental reform to economic policymaking, the laudable ambitions of Agenda 2030 to promote gender equality and women’s rights for all women will remain a distant aspiration.
7. Recommendations

The following recommendations are not an exhaustive list of the steps needed to create a gender-just economic system. Rather, these recommendations highlight key considerations for governments in relation to austerity specifically. In addition, recognising the damaging impact of many of their policy prescriptions, the IFIs should stop imposing policy conditions that interfere with governments’ space to put these recommendations into practice.

Governments should:

- Prioritise the promotion of gender equality and women’s rights in economic policy decisions, including through application of the new guiding principles on human rights impact assessment of economic reforms.\(^{146}\)
- Recognise, redistribute and reduce the burden of unpaid care and domestic work, and promote opportunities for decent work for women.
- Avoid cuts in social spending and adopt alternative strategies to tackle crises, such as progressive taxation, clamping down on tax avoidance and making strategic investments in social infrastructure.
- Ensure that, if austerity really is necessary, cuts do not fall disproportionately on women by using full impact assessments that examine hidden costs, particularly of unpaid care and domestic work, and considering the full range of options as to where cuts can be made.
- Take steps to prevent future crises by regulating in a way that promotes stability, ensuring that trade and investment agreements uphold women’s rights and (for donor governments) meeting longstanding commitments on aid quantity and quality.
- Promote democratic economic decision-making, which entails actively seeking the meaningful participation of marginalised women and their organisations.

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4 UNGA 2015, para 55.
5 UNGA 2015, para 20.
7 UNGA 2015, para 4.

9 UNGA 2015, paras 14, 8.

10 See, for example, Razavi, S. 2016. ‘The 2030 Agenda: challenges of implementation to attain gender equality and women’s rights’, *Gender and Development* 24.1, 25–41.


13 ILO 2016, xii.


20 HLP on WEE 2016, 2.


23 HRC 2019, principle 8.


30 Elson 2018, 6.


35. ILO 2016, 69.


41. UNGA 2015, target 5.4.

42. UNGA 2015, target 8.8.


50. UNGA 2018, para 12.

51. Rodríguez Enríquez 2018, 90.

52. Buidelender and Meena 2012 quoted in Donald and Lusiani 2017, 36.


54. UNRISD 2010, 185; Donald and Lusiani 2017, 36.

55. UNGA 2015, target 5.4.


57. Fraser 2016.


60. Donald and Lusiani 2017, 36.


67 Donald and Lusiani 2017, 35.

68 GADN 2019, 1; ILO 2016, xiii.

69 ILO 2016, 33.


71 INESC, Oxfam Brazil and CESP 2017, 4.


75 Alternative civil society report on Argentina’s progress on the SDGs quoted in Brunswijck 2018a, 19. For example Brunswijck 2018a, 13–14; Ortiz, Cummins, Capaldo and Karunanethy 2015, 12.


78 Ellmers, Romero and Brunswijck 2018; Centro de Estudios Legales y Sociales 2018, 4.


82 UN Women 2015c, 205.

83 For example Brunswijck 2018a, 13–14; Ortiz, Cummins, Capaldo and Karunanethy 2015, 12.

84 Brunswijck 2018a, 19.

85 Brunswijck 2018a, 19.

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