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Briefings

Feminist Proposals on Macroeconomic Policies needed for a COVID-19 Economic Recovery

A perspective from the African continent

Covid-19 has posed new questions for economic policy makers around the world and provided a potential opportunity to rethink the way that macroeconomic policies are designed. Feminists have highlighted the gendered social, political, and economic costs of the pandemic and called for alternative proposals that recognise historical inequalities. This briefing, written by academics from the Institute for Economic Justice in South Africa, starts with a look at feminist approaches to macroeconomic theory examining some of the central ways in which they differ from orthodox economics, touching for example on the way the economy is conceptualised and the relationship between production and social reproduction. Using a feminist lens, it then goes on to explore some of the responses of African governments to the pandemic, and the constraints they face. It looks for example at the way in which the pandemic has exposed the impact of austerity measures in undermining the capacity of the state to provide public services, and how women's access to natural resources has been curtailed. Financialisation, the escalating debt crisis and continuing unfair terms of trade have then constrained governments from expanding their fiscal space and making the necessary increases in public spending, while a reliance on private investment to fill the gaps has further restricted access for working class women. The briefing concludes with recommendations that national governments could pursue to achieve a more just and equitable economic recovery.

1. Introduction

The Covid-19 pandemic has raised new questions that highlight its social, political, and economic impact and provide an opportunity to rethink macroeconomic policy from a feminist perspective. Feminist economists highlight the social and political cost of the pandemic, which macroeconomic policy alone has not adequately addressed, particularly when its purpose is narrowly defined. A feminist macroeconomic approach is a call to use fiscal and monetary policy to fundamentally restructure our economies to be more fair, inclusive, and just. Such an approach also broadens the scope of realms targeted by macroeconomic policy to include feminist demands for the wellbeing of people and planet, including global vaccine justice; as well as a more equal global distribution of resources to address the crises. Broad access to social protection/security, and the right to health, housing, water, and a basic income also constitute contemporary policy focus. Feminist macroeconomic policy in this regard recognises the historically gendered and structural exclusions that economic policy must address, as well as a social reorientation towards economies of care.

The Covid-19 pandemic has induced an unusual combination of supply and demand side shocks which have exacerbated existing gender inequalities and gaps. It has demonstrated how vulnerable our economic structures are and brought to the fore issues that feminist economists have been raising for decades. The crisis demonstrates the centrality of reproductive work and household production in the stabilisation of the capitalist economy. Gross domestic product (GDP) measures from this period do not sufficiently capture the contribution of reproductive activities to employment, production, inflation, and stabilization of economies, nor do they provide a clear indication of how domestic demands were met and the diverse income sources that have contributed to aggregate demand in this period. These are variables which only a feminist lens to macroeconomic policy can help us fully understand.

This paper adopts such a feminist lens to examine the macroeconomic context and impacts of the Covid-19 pandemic on African countries. It starts with a brief explanation of some of the relevant tenants of feminist approaches to macroeconomic policy making, before looking specifically at the impact of the Covid-19 economic crisis. The recommendations highlight the need for a just and equitable economic recovery predicated on an immediate end to profit accumulation, extraction, external debt dependency and illicit financial flows, investment in immediate relief measures and in a social reproductive economy, increased fiscal space, and the consideration of a feminist green economy. In this paper we focus mainly on the Covid-19 context in Africa and derive macroeconomic policy recommendations from this context. A glossary of terms is then provided at the end.

2. Feminist approaches to macroeconomic policy

Feminist macroeconomic policy critiques conventional orthodox policies. Orthodox policies, primarily fiscal and monetary policies, conventionally aim to achieve particular and stable levels of economic growth, employment, inflation, balance of payments deficits, and budget deficits. They seek to do so by changing the level and composition of expenditures (aggregate demand management) and by changing the availability and quality of production, and the factors used to engage in production (aggregate supply management). The dominant approaches to macroeconomic policy over the last four decades - and prevalent in Africa since the International Monetary Fund's and World Bank's Structural Adjustment Programmes of the 1980s - emphasise the 'supply side' of the economy. This resulted in an emphasis on macroeconomic policy creating a 'conducive environment' for market mechanisms to expand production and grow the economy. Within this paradigm, the role of the state as a public provider of goods and services is minimised and fiscal policy aims to limit debt and expenditure, supported by often regressive tax policies.[1] Monetary policy has likewise focused on creating a conducive environment for market activity, particularly for financial markets, with a focus on low inflation at the cost of employment and developmental objectives. This results in state regulation that benefits private accumulation of wealth through market mechanisms and highly extractive profit maximisation. In addition, "[f]inancialisation has been at the heart of the three decades of [orthodox economic policy], and has set a major part of the global and systemic context within which economic and social reproduction has occurred."[2]

Feminist economists argue that orthodox economics suffers from a dismal presumption of aggregates, and thus assumes that both policy objectives and the traditional policy instruments of macroeconomics must be gender neutral. Macroeconomic policies, however, are predicated on a set of distributive relations across different social groups, which entail distributive choices across various social groups, and within and across households.[3] In 1989, the Commonwealth and the United Nations Children's Fund (UNICEF) did pioneering work on the negative impacts on women of structural adjustment policies (SAPs), which included budgetary cuts in social spending such as education and health.[4] The findings demonstrated that there were differentiated impacts on women and men which called for a gender responsive policy. A substantial amount of feminist economics literature has also focused on demand side policies (fiscal policy), in particular Gender Responsive or Transformative Budgeting (GRB) that uses the budget to promote gender equality.

2.1 Conceptualisations of 'the economy'

Feminist economists argue that sustaining capitalist production depends on more than the activities that occur within the sphere of the market. The narrow conceptualisation of 'the economy', advanced by mainstream economics as merely a site of production and market-based activities, obscures the extensive social relations that are also essential for the reproduction of capital and the labour force.[5] Feminist approaches to macroeconomic policy show gender relations as embedded in all social relations of production,[6] and therefore foreground the gendered structure of capitalist production. For example, feminists show that the existence and persistence of household production allows capitalists to expect the reproduction of labour in the absence of a living wage and inadequate social welfare programmes. These household production activities are largely excluded from mainstream conceptualisations of economic activity. Feminist economists have long argued that GDP is a deeply flawed indicator that does not take into account the social reproductive dimensions of the economy.[7]

2.2 The household and bargaining power

Orthodox economics perpetuates a binary between the public sphere of the market and private sphere of the household or family. The assumptions in orthodox economic theory and policy are void of bargaining power, whereas feminists show bargaining power in households as directly bearing on women's access to important resources such as jobs and credit, which depend on other macro-level policies.[8] While gender is an ideological and cultural construct, it is also reproduced within the realm of material practices such as family, religion, and media. Feminist macroeconomics therefore shows how pre-existing distributive relations both shape the nature of macroeconomic policy choices and influence the outcomes of macroeconomic policies. Gender relations play a systematic role in the division of labour, work (paid and unpaid), income, wealth, education, productive inputs, publicly provided goods and the like. This has resulted in the reproduction of power asymmetries and inequalities between men and women, and other social groups constructed on the basis of gender.

The increased privatisation of social reproductive activities has externalised care to the family or household and debilitated healthcare systems. Simultaneously, this has diminished women's ability to perform social reproductive activities as a result of longer working hours or constricting social and economic conditions. Girls and women who are unemployed have been especially burdened with these care responsibilities.

2.3 Women in the labour market and the myth of the male breadwinner

Feminist critiques also show that the presumption in policy of the 'breadwinner' as male is a bias which tends to conceal the gendered labour that supports the supply and regeneration of labour. The predominant orthodox focus on wages as the source of household income asserts this 'male breadwinner' bias because the maintenance of the household is seen as dependent on the capacity of the economy to generate employment opportunities and wages at levels which allow for individual consumption, and presumes that the cash needs of a set of dependents is met through these wages received by men. This bias constructs the right to make claims on the state for social benefits around a norm of full-time, life-long working-age participation in the market-based labour force. Because of this bias, macroeconomic policy mainly targets the maintenance of employment and wages and neglects the reality that most poor and working class households in the Global South increasingly depend on a variety of livelihoods that include petty commodity production and subsistence agriculture, work that is predominantly done by women for little or no wages.

Feminists argue against the mainstream economic theory that labour market deregulation frees the economy from market distortions (for example caused by trade unions) and will benefit women through increased employment and reduction in gender wage gaps. While there have been some increases in the female employment rate since the 1990s, feminist authors suggest this feminisation proceeds through the increased share of women in paid employment at unequal and low wages, or through the degradation of male jobs whereby the conditions associated with them deteriorate to a level characteristically associated with female jobs.[9] The so-called flexibilisation of labour, means women enter the labour force on unequal terms and are exposed to super-exploitation. Employment should thus be contextualised within processes of production, reproduction, financialisation and rapid globalisation.[10]

2.4 The complex interaction between production and social reproduction

These approaches are core components of 'social reproduction theory' that feminist economists argue should inform macroeconomic policy. Originally a western tradition, Global South feminist theorisations have sought to expand and decolonise theories of social reproduction.[11] Feminists from the Global South have drawn attention away from institutions (such as the welfare state) towards labour and labour processes in ways that challenge productivism in the Global North. They have pointed out the silence on race, and western-centric approach to the analysis of care work, arguing for the need to account for multiple trajectories to recognise differences in reproductive struggles and account for other 'traditional' reproductive workers including carers, domestic workers, and sex workers. The western focus on 'flexible working' and fathers looking after their own children ignore the reality of most households in the Global South. A more realistic understanding of social reproduction recognises the complex interaction between extended families, communities, underpaid work and scarce public services.

3. Feminist analysis of the current macroeconomic context

On 14 February 2020, the first case of the coronavirus was announced on the African continent.[12] By the end of April, more than 25 African nations had declared a state of emergency or state of disaster, with varying degrees of lockdowns.[13] Many countries implemented lockdowns before cases of Covid-19 had been confirmed in their jurisdictions. Governments mandated lockdowns for Covid-19 mitigation purposes which, without adequate government support, adversely affected the vast majority of working people.[14] Lockdowns were successful in saving lives by slowing down the infection rates, however livelihoods were grossly impacted. The global lockdowns also led to unprecedented economic shocks which are likely to lead to scarring.[15]

The majority of African governments announced economic and social responses as a direct response to COVID-19.[16] As of December 2020, most African countries had announced rescue packages varying between 0.1 percent and 3 percent of GDP, with South Africa having the largest stimulus package of 10 percent.[17] Despite the efforts made to save lives and livelihoods, Africa's GDP contracted 2.1 percent in 2020 and marked "the continent's first recession in half a century."[18] The impacts on the continent have, nonetheless, been quite heterogeneous with 10 countries[19] accounting for the majority of all Covid-19 cases, while economic impacts have been determined by geography, the socioeconomic conditions of the specific country, and trade patterns (for example the reduction in international trade is sharpest for the island economies), amongst other factors.[20]

While many governments were initially praised for taking proactive and aggressive steps to 'flatten the curve' to reduce the impacts of the Covid-19 pandemic, the gains made by the public health response have been severely constrained by decades of neo-colonial, neoliberal and increasingly financialised forces and structures. The response of governments, and the constraints in which policy decisions are made, are outlined in the remainder of this section.

3.1 The economic context - financialisation

Overall, after more than three decades of IFI reform programmes, the structural problems of Sub-Saharan African (SSA) economies seem unchanged: notably the vulnerabilities stemming from commodity dependence – vulnerabilities that precisely induce SSA economies' recurrent need for IFI rescue financing. Governments' response to the pandemic have then taken place within the context of neo-liberal financialisation, including the redistribution of income in favour of shareholders and at the expense of workers. Financialised capitalism has led to disinvestment in public goods, privatisation of social services and welfare, and the deregulation of labour and financial markets alongside the stagnation of real wages. The financialisation of everyday life means that people have to borrow in order to consume, and the public provision of health, education, and housing has been replaced by private provisioning of these public goods. The cost of borrowing to meet these obligations has deepened the link between social reproduction and household debt, drawing households into the financial system and trapping them in generational cycles of poverty. This is exacerbated by, and reinforces, the historical inequalities in access to these necessities on the basis of race, gender, sexuality, ethnicity, caste, and class. At the same time individual borrowing becomes a major source of profit for commercial banks. A significant weakness of macroeconomic policy under financialised capitalism pertains to a particular insensitivity to household demand. The enormous expansion of lending, including to the poorest of the working class, becomes a general problem because of the trading of debt by financial institutions, a trend that is now globalised (and digitalised).

3.2 Public Services and livelihoods

The decisions made by African governments to go under lockdown was met by much political and economic debate, given the structural vulnerabilities on the continent. A lockdown readiness assessment undertaken by UNU-WIDER argued that "on average, only 6.8 percent of SSA [Sub-Saharan Africa] households are fully prepared for a lockdown scenario."[21] Thus substantial support was needed for households to counter the socio-economic impacts that would be induced as a result of lockdowns.

Over time there has been a systematic undermining of the role and capacity of the state to provide universal public (health) services. Austerity policies, for example, have hollowed-out social welfare, resulting in the need for women's labour and time to fill the gaps. Women's concentration in the informal economy (excluding agricultural jobs, 3 out of 4 informal sector workers are women)[22] has further gendered the impacts of the pandemic. The particular vulnerability of informal sector workers (such as domestic workers) owes to their invisibility and non-recognition as 'workers' with legitimate rights, a problem which consolidates their exclusion from formal policy response, including social protection.

The implementation of lockdowns, which include school and childcare facility closures, also disproportionately affected women. Time use on unpaid activities was exasperated by the crisis. Even in households where domestic care work is paid, the absence of the workers due to lockdown meant that households had to internalise that work, including care of the elderly, children, the sick, and care of others within the household through activities such as washing, cooking, cleaning etc. For instance, early research from the lockdown in Kenya shows that women were spending more time collecting water for domestic usage.[23] Despite these concerns, globally only four out of 113 gender-sensitive COVID-19 response measures tackled unpaid care.[24].

Covid-19 stimulus packages in Africa did not account for the structural changes in household income structures that has occurred over the course of neo-liberalisation. Neoliberal economic policies implemented through privatisation, the reduction in the public wage bill, and cuts in public investment, led to massive job losses and stifled possibilities of formal sector employment growth. This has led to dependency on diverse livelihood strategies for income and survival, including a combination of wages, income from petty trade, and subsistence agriculture; all strategies which in the Global South are now dependent on some access to land and nature. The prior commodification of resources, such as, water, land, healthcare, sanitation, and housing therefore significantly affects the reproductive structure of many poor and working class African households, and ought to be the focus of any macroeconomic policies aimed at a sustainable recovery.

The pandemic, especially in agrarian economies, has highlighted the centrality of natural resources such as water and land in the fight against disease and sustenance of social reproductive functions in the absence of wages and adequate state support. Macroeconomic policy must of necessity address questions of protection of these resources, and financing access to them, if the gendered question of resources is to be resolved.

3.3 The care economy

The ability of governments to address unpaid care work is linked to the ability of economic policy makers and other decision-makers to effectively identify and target the relationship between the productive and reproductive spheres. The reproductive realm is more difficult to address because neoliberal policy making adopts macroeconomic policy in its narrow sense that is focused on 'stabilisation,' while ignoring the myriad ways in which financing impacts on access to resources.

When policy, for instance, neglects the re-privatization of social reproduction under neoliberalism, it has the effect of reproducing existing social divisions and gendered inequalities.

Due, in part, to external debt dependency and significantly smaller fiscal space, macroeconomic policy responses to the pandemic in Africa have generally failed to account for the gendered nature of the crisis. The UNDP gender tracker, for instance, records that while sub-Saharan Africa registers a relatively high number of Covid-19 response measures to address violence against women and girls and women's economic security, it is also the region with the lowest number of measures to address unpaid care and domestic work.[25]

State provision of temporary relief to households through social grants, food parcels, and direct cash transfers were necessary but not sufficient, as millions of household still continued to experience hunger.[26] The failure and/or insufficiency of state provisioning suggests that the minimal rates of social grants and other state support in reality presume other sources of household income - managed mainly through unremunerated gendered labour - which are devalued in part through exclusion from official statistical measures and macroeconomic policy.

The majority of responses by African states failed to account for the intersection between economic production and social reproduction despite the fact that the economic standstill pushed many productive and social reproductive activities to the household, despite the fact that the real impact of the pandemic is likely to be underestimated by GDP measures.

3.4 Indebtedness of African countries

Covid-19 has worsened an already deteriorating economic position in most African countries. As governments gather resources to respond to the pandemic, the looming debt crisis is the single biggest fiscal issue facing African governments. The associated danger is that fiscal responses in the subsequent periods will entirely focus on debt servicing and structural adjustments, which bear direct and indirect implications for the public financing of care economies as outlined above. According to the African Development Bank (AfDB), "the average debt-to-GDP ratio for Africa is expected to climb by 10 to 15 percentage points in the short to medium term."[27] As of December 2020, 14 countries in Africa were rated as high risk of debt distress and six were already in distress.[28] This has raised issues of fiscal space within African countries as governments prioritise debt.

G20 countries have already put in place a moratorium (temporary suspension) on interest payments for some 47 countries, most of them in Africa. Countries have also been encouraged to re-negotiate some of their debt. However, a critical issue on African debt is that 40 percent of the debt is accounted for by the private sector.[29] As pointed out by feminist writer Denisse Vélez Martínez, debt is "a systemic phenomenon of deep historical roots that show power relations between countries,"[30] thus raising the importance of historicizing debt and responses to debt. Feminist economists have also flagged the myth that financial resources go from Global North to South while wealth actually moves from the Global South to the North.[31]

The lost wealth in the Global South through debt repayments is exacerbated by illicit financial flows, commercial clauses, and the colonial history of extractivism, amongst other factors. Debtor-creditor relations have been "driven by the international financial architecture that privileges profit at all costs," a phenomenon which feminists at Equidad conceptualise as "the financialisation of existence."[32]

Feminist economists have, for instance, highlighted the negative implications of sovereign debt on the provision of public services.[33] For already heavily debt dependent governments of developing countries, interventions directed towards relieving households affected by the Covid-19 economic crisis - including through direct cash transfers, social grants, unemployment grants, wage subsidies to business, and provision of health and sanitation services - is likely to deepen the debt crisis and lead to austerity measures which are particularly harmful to gendered economies.

3.5 Monetary policy responses

In June 2020 over thirty countries had announced policy measures in response to the economic and market effects of the crisis, and over twenty African central banks had reportedly reduced the central bank policy rates.[34] Monetary policy measures undertaken include interest rate reductions, capital requirement reductions for banks, liquidity support measures, loan deferrals/refinancing frameworks, exchange rate measures, and fintech/e-payment support measures to help government, businesses and households to better cope with the financial shocks from the COVID-19 pandemic. Fintech is hyped for its ability to “close the gender gap in access to financial services,”[35] yet the model of including those who have no collateral assets into the financial system means a correspondingly high cost of credit.

As economies signal recovery, these various measures are likely to be withdrawn to cater to financial markets. For example, central banks in floating exchange rate countries have increasingly felt the pressure to keep inflation low to preserve the wealth holders’ rates of returns.[36] In developing countries this has led to contractionary monetary policy that has negative job growth effects. The gendered impacts in monetary policy are not sufficiently known and more work is needed in this area. Non-neutral and aggregate impacts cannot be assumed.

3.6 Access to financing

Government revenues in Africa in 2020 are estimated to be US$45 billion below the pre-Covid forecast for that year,[37] and revenue collection is expected to decline in part as a result of the significant reduction (nearly 12.5 percent by World Bank estimates[38]) in foreign financing flows from remittances to Sub- Saharan Africa.[39] Other factors impacting revenue include decline of foreign direct investment and international aid transfers. Meanwhile it is estimated that the continent will require US$200 billion to address the financial and socioeconomic impacts of the pandemic.[40]

These factors will shape governments responses. Ahunna Eziakonwa, UN Assistant Secretary General, Africa Director, has argued that African countries are in a particularly difficult position for three reasons:

1. “Traditional donors are themselves reeling from the pandemic and are, thus, unlikely to commit or disburse additional resources: Bilateral aid slumped by 19 percent in 2020;
2. Covid-19 has pushed millions of middle-class families worldwide back into extreme poverty, creating a new category that has been dubbed the ‘new poor’. This trend will intensify competition for scarce and limited development assistance;
3. 54 percent of African countries are classified as middle-income and, as such, will not have access to concessional financing. Moreover, loans are ill-advised since the pandemic has worsened Africa’s pre-existing external debt vulnerability.”[41]

The solution that she and others have put forward is that Africa should have a much larger proportion of the International Monetary Fund’s issue Special Drawing Rights (SDRs), with the G7 and other affluent countries agreeing to a more equal distribution. Under current plans Africa will receive only 6.4 percent of the new funds.[42] SDRs are seen as the most efficient and effective way to provide the additional resources African countries so desperately need and have received widespread support including from feminist economists.[43]

3.7 Trade

International trade and investment have drastically altered since the onset of the pandemic, disrupting deeply integrated trade networks that are essential for many livelihoods.[44] While the impacts vary across countries, the degree of changes in trade are informed by the trade patterns that existed prior to the pandemic. For example, three of Africa's largest economies - Nigeria, South Africa and Angola – rely heavily on commodity exports. These commodity-dependent economies contracted by 7 percent in 2020 due to a collapse in commodity prices.[45] In the East African region, the impact of the pandemic negatively impacted sectors that are key employers of women, such as tourism, logistics and retail.[46] The direct trade impacts are further exacerbated because countries most affected by the pandemic represent Africa's largest trading partners, including China, India and the United States.[47] Furthermore, a range of weaknesses within international trading systems have negative impacts on controlling the pandemic, from protectionist trade policies in the Global North that have limited countries' ability to access basic health equipment, to the enforcement of trade policies that placed embargoes on the export of life-saving vaccines.[48]

Informal cross-border trade, conducted mainly by women, has also been disrupted by lockdowns across Africa. About 76 percent of informal cross-border traders in East Africa are women, and many are unable to support their families and communities without adequate social protection to mitigate against the loss of income. In Uganda, informal cross-border trade collapsed in size from an average of US$44m in the first quarter of 2020 to just US$1.15m by the end of November 2020, representing a 97 percent drop.[49]

These trends support what feminist economists have shown are the gendered effects of trade liberalisation.[50] A defining feature of neoliberal globalisation is the exploitation of low-cost labour and the progressive lowering of global labour standards, particularly for women in the Global South.[51] In Africa, the rising economic participation of women in trade-related production has been accompanied by an intensification rather than a reversal of gender disparities in income, economic opportunity and burdens of reproductive labour. In addition, large corporations operating in global value chains – facilitated by trade liberalisation – have relied on the devaluation of women's paid and unpaid labour as a source of comparative advantage, leading to a global race to the bottom in wages.[52] Furthermore, the heavy reliance on world markets for food has been exacerbated by the Covid-19 pandemic through disruptions in trade. In countries such as Nigeria and Sudan, this has resulted in large increases in food prices.[53]

Lastly, feminists argue that the introduction of newer continental multilateral free trade agreements, such as the African Continental Free Trade Area (AfCFTA), are charting a path for the same neoliberal economic trade policy, this time at a much bigger scale.[54] Under the AfCTA, and under free trade agreements in general, trade taxes and tariffs will be removed, which will likely create a race to the bottom in labour regulations and reduce revenues in national governments. In turn, this might encourage governments to resort to regressive revenue-raising practices that disproportionately impact women, such as indirect taxes like value added tax (VAT), to fill the gap. These trade agreements should be resisted, or at least made more gender sensitive in their implementation.

3.8 Investment

Foreign direct investment in Africa has declined because of Covid-19, shrinking by over 40 percent in 2020.[55] The most affected investments are in energy and commodities, because of the drop in oil prices, as well as in the tourism industries as a result of travel bans. Foreign investors, particularly international finance, are known to redirect finance when they are not making a profit.

Even prior to the pandemic, private investments in Africa have been contested by feminists, owing to private investors' prioritisation of industrial activities over the wellbeing of citizens. For example, international financial institutions (IFIs) like the World Bank are encouraging African countries to deregulate finance - in the name of 'building back better' - in sectors to 'attract' foreign investment in infrastructure in Africa.[56] This will see the proliferation of contested public-private partnerships (PPPs) in the provision of basic services such as in water and health infrastructure. PPPs have been shown to make infrastructure inaccessible to low-income households. In Lesotho, for example, the healthcare PPP led to high user fees and increased out-of-pocket fees.[57]

3.9 National economic recovery plans

In response to the economic fallout of the pandemic, some African countries have implemented recovery plans, many of which focus on upscaling investments in infrastructure and industry. For example, South Africa announced an Economic Reconstruction and Recovery Plan (ERRP) which prioritises upscaling investments in infrastructure, with a particular focus on private sector investments.[58] Similarly, Nigeria implemented its Economic Sustainability Plan with a promise to invest in clean energy, agriculture and infrastructure.[59] However, these economic recovery plans – that include sectoral, industrial and labour – have largely focused on pumping money into industries and institutions that uphold a market-centred approach to economic policy. In the case of the ERRP, private sector investments in basic infrastructure are prioritised.[60] This entrenches the neoliberal model of privatisation of basic infrastructure – such as in healthcare – the adverse effects of which have been shown to disproportionately affect women.

In addition, many of the policy measures to assist businesses during the crisis excluded measures that directly support the informal economy, an area of the economy where women are most engaged in Africa.[61] Kenya's 'Post-Covid-19 Economic Recovery Strategy' that is estimated at US$12 billion, for instance, has no direct social protection measure to subsidise informal workers, despite this sector comprising over 80 percent of total employment in Kenya.[62]

Recognising the inadequacy of social protection, civil actors, including many feminist organisations across Africa have been calling for a basic income guarantee, based on evidence of its positive impact on livelihoods, particularly in times of economic crisis.[63] In Namibia, for instance, the basic income grant is shown to have reduced poverty by over 30 percent and improved access to services such as healthcare, particularly for women. [64]

Similarly, feminists and other civil society actors pointed out that post-Covid-19 industrial policies have centred on reigniting economic growth and not on structurally transforming the economy. Structural transformation entails the diversification of the industrial-base of the economy to sustainable industries that are labour intensive. So far, there has been no commitment to a just green recovery, away from the reliance on ecologically harmful industries such as in fossil fuels. In Nigeria for example, the recovery plan prioritises investments in green technologies with no firm divestment from fossil fuels as its economy is still dependent on the oil industry.[65]

4. Recommendations

Below are some of the recommendations that national governments could pursue to achieve a more just and equitable economic recovery.[66].

1. **Implement immediate relief measures that directly impact household income, consumption to prevent further degradation of livelihoods.**
    - Conduct vulnerability impact assessments with a focus on poor and working class households to gauge shifts in livelihood patterns, sectoral job losses, and dimensions of gendered labour.
    - Extend the duration and reach of social protection measures, especially to working class households and those marginalised on the basis of status, citizenship, gender, ethnic, caste, class inequalities.
    - Where social protection measures do not exist, institute immediate cash transfers and/or food assistance should be provided.

2. **Increase fiscal space to strengthen governments' financing capacity to respond to the pandemic and pave the way for long term recovery.**
    - Stem the increase of taxes that directly affect household consumption (such as VAT), and implement progressive tax measures, especially in Personal Income Tax (PIT), and Corporate Income Tax (CIT) to redistribute wealth and income.
    - Campaign for domestic resource mobilisation through implementing minimum regional CITs to increase tax revenue garnered from the value created within the national economy.
    - Call for debt cancellation and new debt servicing agreements (with clauses that specify a maximum debt servicing cost) that should be negotiated for the long run.
    - Continue calling for higher allocation of SDRs which can be directed towards investments in public goods.
    - Motivate a demand-side stimulus which can produce a differential demand for female labour and increase employment opportunities for women in the paid economy.
    - Encourage central banks to implement diverse monetary policy tools such as increasing inflation targeting bands and availing liquidity for public works programmes.[67]

3. **Increase investment in the social reproductive economy to radically redistribute and socialise the burden of care.**
    - Undertake budgetary redistribution through Gender Responsive/Transformative Budgeting (GRB) to account for the gendered dimensions of the pandemic, including its health, social, and economic outcomes.
    - Allocate resources towards physical and social infrastructure to build resilient care economies.
    - Extend and prioritise vaccine access to broadly defined essential workers including domestic workers, sex workers, teachers, and other vulnerable workers.

- Invest in universal access to basic services such as water, healthcare, education, housing and other care infrastructure to improve time use outcomes for women and girls.
- Develop long-term social protection measures that include basic income grants and employment guarantee schemes.

4. **Build a feminist green economy that is resilient and diversifies the industrial base of economies to reduce the vulnerability of African countries to economic shocks.**
   - Invest in sustainable small-scale agriculture and agroecology to support subsistence farmers and reduce agricultural vulnerability to fluctuations in food prices.
   - Ensure that feminist approaches inform the development of green new deals and just transition plans.[68]
   - Institute and/or expand the presence of gender-sensitive economic planning commissions to balance short and long-term macroeconomic objectives, as well as to ensure gendered policy coherence.
   - Disinvest from industries, such as fossil fuels, which degrades the environment, deepen the existential climate crisis and increases the cost of healthcare for everyone.
   - Ensure that plans for a just transition incorporate gendered labour dimensions (such as reskilling workers), as well as environmentally friendly labour practices.

5. **Implement a feminist trade deal that prioritises people over profit.**
   - Support the dismantling of intellectual property rights under Trade-Related Aspects of Intellectual Property Rights (TRIPs) to support local production.
   - Renegotiate trade agreements such as AfCTA which propose the rapid liberalisation of economies which disproportionately affects women, and ensure gender-aware implementation.
   - Conduct gendered trade agreement impact assessments to inform the coordination of regional cross-border trading, protect traders from Covid-19, as well as to ensure that all trade deals have positive outcomes for women.

Glossary

African Continental Free Trade Area (AfCTA): A regional integration agreement to create a single continental market for goods and services, with free movement of business persons and investments, and to expand intra-African trade through harmonization and coordination of trade liberalization and facilitation regimes and instruments across regional economic communities and across Africa in general.

Austerity: Neoliberal fiscal policy primarily of cuts in public spending implemented by a state aimed at solving debt and growth problems during a period of economic stagnation which results in economic deterioration.

Balance of payments: A record of all funds going in and out of a country.

Budget deficit: The shortfall between the government's spending and its revenue, usually measured over a single financial year.

Economic orthodoxy: An approach to economic planning which upholds the 'rationality' and 'efficiency' of the free market as the most efficient method of organising human activity. Orthodox policies include financial sector liberalisation, privatisation of state-owned enterprises, fiscal discipline and trade, exchange rate and foreign investment deregulation.

Globalisation: The process where countries become more integrated and interconnected with more international trade.
Debt: Amount of money owed by a person, firm or government (borrower) to a lender.
Gross Domestic Product: The final value of the goods and services produced within the geographic boundaries of a country during a specified period of time, normally a year.
Social reproduction: The daily reproduction of households through the acquisition and provision of such basic needs as food, shelter, clothing and healthcare, which in contemporary capitalist economies hinges on the interplay between three major institutions: households, markets and the state.
Financialisation: A process whereby financial markets, financial institutions and financial elites gain greater influence over economic policy and economic outcomes.
Fiscal policy: The use of government spending and taxation to influence the economy.
Fiscal space: The budgetary room that allows a government to provide resources for public purposes without undermining fiscal sustainability.
Households: Any social group of individuals that share income purchases, and consumption of goods and services. The households of the economy make decisions on how much of the available goods and services to purchase given the prices of all goods and its income level.
Industrial policy: Strategic effort by the state to encourage the development and growth of a sector of the economy, or selective government intervention or policy that attempts to alter the structure of production.
International Financial Institutions: Financial institutions that operate on an international level, by giving loans to governments for large-scale projects, restructuring, and balance of payments, with significant influence over the growth and development trajectories of countries. Examples include the World Bank and the International Monetary Fund.
Macroeconomic policies: Policies which affect the whole country (or region), concerned with monetary, fiscal, trade and exchange rate conditions as well as with economic growth, inflation and national employment levels.
Monetary policy: The means by which central banks manage the money supply to achieve their goals.
Neoliberalism: An economic philosophy associated with the dominance of the "free" market, capitalism, privatisation, a diversion from government ownership, and changes in government spending to stimulate the private sector.
Privatisation: The transfer of at least 50 percent of state-owned assets and/or enterprises to private ownership.
Protectionist: National policies restricting international economic trade to alter the balance between imports and goods manufactured domestically through import quotas, tariffs, taxes, anti-dumping legislation, and other limitations.
Regressive tax: A tax that imposes a harsher burden on low-income households than on households with larger incomes.
Stimulus: A package of tax rebates and incentives used by the governments of various countries to stimulate the economy and save their country from a financial crisis.

[1] For example, there is an over-reliance on regressive consumption taxes on the African continent, which fall disproportionately on the poorest citizens, especially poor women. Value-added taxes (VAT) and excise duties make the biggest tax revenue contribution across the continent. Among the 26 countries assessed by the African Tax Administration Forum (ATAF) in 2018, the largest contribution to revenue in 2016 was VAT at 34%. Women tend to be poorer, so indirect

taxes like VAT take up a larger portion of their income for the same purchase of a good/service. See: Oxfam. 2019. A tale of two continents. *Oxfam briefing paper.*

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The **Nawi – Afrifem Macroeconomics Collective** (Nawi Collective) is a Pan-African Feminist initiative building a community in Africa of individuals and organisations working on influencing, analysing, deconstructing and reconstructing macroeconomic policies, narratives and understanding of the same through an intersectional Pan African feminist lens.

The **Gender and Development Network** (GADN) is a UK based network that brings together expert NGOs, consultants, academics and individuals committed to working on gender, development and women's rights issues, with a particular focus on feminist approaches to macroeconomics. Our vision is of a world where social justice and gender equality prevail and where all women and girls are able to realise their rights free from discrimination. Our goal is to ensure that international development policy and practice promotes gender equality and women's and girls' rights.

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