

Gender, Development and Practical Ethics: Global Trade and its Impact on Women's Economic Empowerment

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Women still earn less than men everywhere. Today women own 1% of the world's wealth, have a 10% share of the global economy and occupy 14% of leadership positions. Issues such as credit and a lack of financial resources, WTO agricultural agreements, and other world trade policies have forced many women out of the formal economy. This paper focuses on some of the ways globalization have impacted women around the world, as well as explores the role of philosophers in the area of ethics and development.

It has often been noted that women's economic empowerment also tends to lead to an increase in their family's economic situation, as well as their community's economic growth. So there is a multiplier effect when women's economic standing is improved. Hence, any organization which promotes global development must also advance measures to ensure women's economic success. The rationale behind the World Trade Organization is that liberalized trade will increase benefits for the greatest number over time. There is often a tension between this utilitarian type of approach regarding trade and human rights ethics. In human rights ethics generally, *each* individual is worthy of dignity and should not be used simply as means to a utilitarian end. In a utilitarian liberalized trade approach, some human beings may end up winners and others may end up as losers. As long as there are more winners than losers, then the policy or practice is generally considered to be a success. Increasingly, human rights advocates are challenging the policies of transnational organizations such as the WTO. Must world trade policies and human rights ethics be necessarily mutually exclusive? Human rights ethics

also opens the door for an analysis of gender and development.¹ Are world trade policies really gender neutral? Do current trade policies benefit all groups equally? To this day, it is still often assumed that world trade policies are gender neutral. After all, so the argument goes, nobody is officially excluded from world trade agreements based on gender, race or class. Yet a gender and development approach reveals that trade policies are often *not* fundamentally gender neutral. A feminist approach examines these seemingly neutral policies and illustrates how they are often biased against women.

Many feminists are understandably skeptical of transnational organization such as the WTO. After all, in every country in the world women earn less than men for comparable work.² If all of the (usually male) leaders of these countries get together to wheel and deal, and the more powerful countries always come out on top, then how can women expect economic justice within such a biased system? Isn't world trade just a better built version of the bird cage that Marilyn Frye once described? Ms. Frye argued that the experiences of oppression aren't accidental but are "systematically related to each other in such a way as to catch one between and among them and restrict or penalize motion in any direction."³ If you look at one wire of the cage you wouldn't be able to see why the bird couldn't just bypass the wire and fly out of the cage. She writes:

And nipping at one's heels, always, is the endless pack of little things. If one dresses one way, one is subject to the assumption that one is advertising one's sexual availability; if one dresses another way, one appears to "not care about oneself" or to be "unfeminine." If one uses "strong

¹ <http://www.bridge.ids.ac.uk/reports/CEP-Trade-OR.pdf>. page 1.

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<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTGENDER/0,,contentMDK:22097491-menuPK:336874-pagePK:64020865-piPK:149114-theSitePK:336868,00.html>

³ <http://www.terry.uga.edu/~dawndba/4500Oppression.html>

language," one invites categorization as a whore or slut; if one does not, one invites categorization as a "lady" –one too delicately constituted to cope with robust speech or the realities to which it presumably refers.

If you look at different wires individually day after day, then you will most likely still wonder why the bird just doesn't fly around the wire and find its freedom. However, if you step back and notice how the wires are all connected to one another, then you will be able to easily see why the bird is unable to fly to freedom. Similarly, if you step back and take a broad look at world trade, it can look much like the cage that Marilyn Frye describes. There are often no good moves to make. For example, approximately 80% of refugees and displaced persons are women and children. They are often displaced because of globalization and yet they are disproportionately excluded from asylum protection for a myriad of reasons.⁴ Some of the reasons for women being disproportionately affected are that refugee laws tend to focus on political refugee protection and women's political issues are tended to be viewed as domestic issues. Also, women often don't have access to legal council or to media exposure. They often have young children and can't be indefinitely detained and separated from their children. Women are often scared to talk about issues such as sexual abuse and rape to male interrogators. For example, there is a one year filing deadline on asylum claims in the United States and many women aren't psychologically prepared to share their experiences with officers until after the deadline has passed and so on. Even if there were not such restrictive immigration policies biased against women, there is still *nowhere in the world* where women could go to earn a wage comparable with men for equal work. Women make up approximately 52% of the world's population. When current policies and structures have ended up with 52% of the population owning 1% of the wealth, there is an obvious issue of injustice. Hence, many

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women are cynical that transnational organizations based on the same people working together that run the various systems that produce these statistics will do much for their economic empowerment. While I am sympathetic to much of this cynicism, I ultimately argue that these institutions are probably here to stay and can at least be doing better work.

While a lot of women benefit from globalization, a large amount of women (especially those living in extreme poverty) are hurt by some current world trade practices and policies. There are often multiple and interconnected reasons for the gap between men and women's economic empowerment. By examining these policies and by exploring some of the foundational beliefs from which these policies develop, there may be a way to make world trade more effective for women's economic empowerment. In current human rights literature, it is generally accepted that there should be a three prong approach to actualizing human rights. It is widely believed that: 1) the state should not interfere with the enjoyment of a right and 2) the state should make sure nobody else interferes with the enjoyment of a right and (3) the state has an additional obligation to ensure the underlying conditions are such to allow for the right to be enjoyed. There is also an increasing understanding that transnational corporations are very powerful and should have similar obligations, too. Many transnational organizations and corporations claim to understand these obligations and say that they will voluntarily put human rights considerations into their missions. How well is this working for women? According to Human Rights Watch, voluntary measures do not always work so well. There can be corruption, there are no monitoring or enforcement mechanisms and there are (not surprisingly) abuses when businesses are trusted to monitor themselves. Human Rights Watch strongly promotes U.N. Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with regard to Human Rights (the Norms). If this were enforceable and included more gender specific policies, this would be a powerful tool. But

there are still enforcement issues, which is a theme that occurs through much of the gender and development literature.

So far, world trade is a mixed bag of successes and failures for women. There have certainly been some positive points for women. According to the International Labour Organization's report entitled *Global Employment Trends for Women 2008*, there has been progress:

education levels for women around the world continue to increase and gender gaps for certain labour market indicators are decreasing in many regions... The report shows clearly that most regions are making progress in increasing the number of women in decent employment, but that full gender equality in terms of labour market access and conditions of employment has not yet been attained. (page 5)

Research shows that most regions of the world are making progress. But there are still huge gender gaps regarding economic power. Women are severely underrepresented in decision-making roles, and make up the bulk of the world's poor. As the financial crisis has taken hold of the global economy, the toll on women is becoming disproportionately large. On March 10th, 2009 WTO Deputy Director-General Valentine Sendanyoye Rugwabiza stated,

Access to finance is critical to business success. Women's lack of access to finance has been well documented. The global financial crisis exacerbates an already dissatisfactory situation of trade financing for women entrepreneurs. Women urgently need a gender-specific component

built into responses to the international financial crisis to ensure they are not further left out of the shrinking credit pool.⁵

Without gender-specific responses to this crisis, many women are extremely economically vulnerable and the results could impede development for a long time to come. The World Bank Organization has released a report *The Global Financial Crisis: Assessing Vulnerability for Women and Children*, which states, inter alia, countries wherein there are high child mortality rates, a fall in household income will exasperate this problem and there will be a disproportionate effect on women and girls. A study has indicated “while boys and girls benefit equally from positive shocks in per capita GDP, negative shocks are much more harmful to girls than to boys.”⁶ Additionally, girls in poor countries where there is already low female schooling are at much higher risk for dropping out of school when there is more of a financial strain on the household. The financial crisis will result in a great loss of employment in export oriented industries (an industry that is predominately female).⁷ The World Bank is using most of their resources from the Gender Action Plan to address this crisis.

This crisis, and the disproportionate way it will negatively impact women, must be aggressively addressed by the international community in order to minimize the damage, else there can be an even more vicious circle of poverty. When girls drop out of school then there can be a *negative* multiplier effect. UNICEF points out the benefits of girl’s education:

⁵ http://www.wto.org/english/news_e/news09_e/fac_10mar09_e.htm

⁶ <http://www.worldbank.org/financialcrisis/pdf/Women-Children-Vulnerability-March09.pdf>

⁷ <http://www.worldbank.org/financialcrisis/pdf/Women-Children-Vulnerability-March09.pdf>

That women might have the chance of a healthier and happier life should be reason enough for promoting girls' education. However, there are also important benefits for society as a whole. An educated woman has the skills, information and self-confidence that she needs to be a better parent, worker and citizen. An educated woman is, for example, likely to marry at a later age and have fewer children. Cross-country studies show that an extra year of schooling for girls reduces fertility rates by 5 to 10 per cent. And the children of an educated mother are more likely to survive. In India, for example, the infant mortality rate of babies whose mothers have received primary education is half that of children whose mothers are illiterate. An educated woman will also be more productive at work -- and better paid. Indeed, the dividend for educational investment is often higher for women than men. Studies from a number of countries suggest that an extra year of schooling will increase a woman's future earnings by about 15 per cent, compared with 11 per cent for a man.⁸

So there are both human rights benefits and utilitarian reasons to add more gender specific policies to the world trade agenda.

There are many other gender gaps in trade policies, and I will briefly touch on just a couple of them. World trade agricultural policies greatly impact poor, rural women. These policies sometimes force women from their farms into more urban centers, where they turn to prostitution as the only means of earning money for survival. According to the Bridge Gender and Trade Overview Report,

Until the start of agricultural liberalisation in developing countries in the early 1990s, the majority of women producers were still able to meet household subsistence needs and to earn a

⁸ <http://www.unicef.org/sowc96/ngirls.htm>

living income in subsistence farming (FAO 2000). In theory, they could have benefited from trade liberalisation in agricultural products, as it could expand food production, attract investments and boost farm productivity. However, the majority of poor farmers have not necessarily seen these potential benefits.⁹

In agriculture, cheap and subsidized imports compete with food production of women who do not have access to credit or skills that will allow them to compete on a level playing field. This unlevel playing field is maintained by the World Trade Organization's Agricultural Agreement. It costs farmers in developing countries more money to produce a crop than they are able to sell it for.¹⁰ Until this is not allowed, women are given more access to credit, and more training is available, their ability to support their family and be economical empowered will be severely hampered *because* of current trade liberalization agreements.

Another area of trade that prima facie appears gender neutral, but is really gender biased, is the informal economy. It is virtually ignored in world trade policy. According to the 2009 World Survey on the Role of Women in Development, the informal trade sector needs to be addressed. Often, women working in the informal economy lack the income to gain from tariff exemptions, are uninformed about taxation policies, and are unaware that they have any labor rights. Additionally, they are not protected by standard safety regulations nor are they eligible for social security. Furthermore, they are generally excluded from the decision making process. They do not participate in the development of trade, investment, or labor policies. Those participating in the informal economy, which includes a high percentage of women, are often working informally because of a variety of reasons. I will touch on two

⁹ <http://www.bridge.ids.ac.uk/reports/CEP-Trade-OR.pdf>, page 28.

¹⁰ <http://www.bridge.ids.ac.uk/reports/CEP-Trade-OR.pdf>, page 28

of them. 1) Stereotypical attitudes, traditional notions of ‘women’s’ work (housework, child care, and other unpaid and undervalued work) often contribute to women being in the informal sector of the economy. 2) Certain trade agreements, such as NAFTA lead to retrenchments and radical changes to production, which lead to more people becoming part of the informal economy. Women are often the last hired and the first fired, which thrusts them back into the informal economy. Often times, men are seen as the bread winner, which is an excuse to let women go first. “This (the informal economy) has become the last resort not only for the increasing number of retrenched workers, but also for factories through subcontracting to the informal sector in order to cut labour costs. As more and more women are becoming members of the informal sector due to unfair trade agreements, they become increasingly marginalized *and invisible*. “It is generally the poor and marginalised groups of women who are negatively affected by unemployment and the restructuring of labour markets.”¹¹ Since the poor and marginalized groups of people are the ones *most affected* by the world trade policies, they need to be more involved in the decision making processes. Currently, their voices are largely absent from the debate that ultimately decides policy. One of the policy recommendations for the 2009 World Survey on the Role of Women in Development is to “...promote the access of women in the informal economy to decent work, through promoting and ensuring fair wages, secure employment; and opportunities for entrepreneurship development.”¹²

There still remains the question of how to best promote this goal. The questions start to become more technical. Even if these goals are promoted, how should they be implemented? For human rights advocates, there are a nearly overwhelming number of questions to be addressed. How do marginalized

¹¹ <http://www.bridge.ids.ac.uk/reports/CEP-Trade-OR.pdf>, page 25.

¹² <http://www.un.org/womenwatch/daw/ws2009/documents/EC%20Report-%2026FEB09.pdf>, page 18.

people get their voice to be heard? Who should be in charge of making these decisions? For instance, CEDAW (The Convention on the Elimination of All Forms of Discrimination against Women) has a provision that the international community should work to ensure that women do not have to become prostitutes. CEDAW, article 6, states that “States Parties shall take all appropriate measures, including legislation, to suppress all forms of traffic in women and exploitation of prostitution of women.” Yet, the WTO has agricultural policies in place that (in effect) force many rural, poor women out of agriculture and into prostitution. When there is a conflict regarding whether or not rich countries should get huge agricultural subsidies that will result in the violation of other human right treaties, who should decide when human rights trumps trade agreements? Should the WTO be used to enforce compliance with human rights?¹³ We have already discussed some of the problems with this. In her article entitled *Integrating Enforcement of Human Rights Laws with Enforcement of Trade Laws: Some Baseline Issues*, Maria Green argues that there is already a paradigm for a defensive approach for human rights when they are in conflict with trade agreements. Since there is some precedent for this, it might be easier to build upon this existing paradigm rather than trying to use the WTO to enforce human rights. Instead, trade agreements would have to be restrained by international human rights law.¹⁴ There needs to be more internal and external coherence with these various trade agreements and treaty agreements, though it is not clear how to change the structures of power as they currently exist.

While it would be nice if the structures could be changed, in the meantime there are still things that can be done. Regarding refugee laws, a gender analysis has proven somewhat useful. There is sensitivity

¹³ See Joost Pauwelyn’s article entitled *Human Rights in WTO Dispute Settlement* in *Human Rights and International Trade*.

¹⁴ See Maria Green’s article entitled *Integrating Enforcement of Human Rights Laws with Enforcement of Trade Laws: Some Baseline Issues* in *Human Rights and International Trade*. Pages 237-238.

training, women are not supposed to be strip searched by men, and Canada and Australia have put in some progressive policies, while still not solving all (or even most) of the problems are starting to make a positive impact in some women's lives. The Australian government administers a program called "Women at Risk," which works to identify women and their dependent children for permanent resettlement. Women at risk constitute a separate visa category within Australia's Humanitarian Program from refugees, although the two categories are not mutually exclusive, and a woman may legally qualify for admission under both. Canada has adopted best practices and procedural accommodations for particularly vulnerable asylum claimants appearing before the Board, including children, and women with gender-based persecution claims. There has also been some work to really understand the definitions of refugee in a different way, but until structural issues are addressed there is still a Marilyn Frye bird cage type of a situation.

Still, perhaps a philosophical pragmatic methodology could be employed to examine some of these issues. For instance, an examination of the pragmatic understanding of education and its link to the empowerment of women could be further explored. In *Democracy and Education*, John Dewey writes about the aims of education. He does not believe that aims can be completely developed in advance of trying to realize them. Until more women from diverse backgrounds contribute to a dialogue of rights, conventions on the rights of women can be no more than a tentative sketch. It would also be useful to reread pragmatists such as Jane Addams and explore the pragmatic justification for dialogue. Since women are the people most affected by world trade policies, women need to be involved in the decision making process to a much larger degree than currently exists. Furthermore, more philosophers may choose to engage in practical ethics, which is compatible with a philosophical pragmatic approach to addressing these types of issues. There is still a notion among many philosophers that applied ethics is

just taking another philosopher's theory and mechanically applying it to a problem. However, it is obvious to me that this would be antithetical to *practical* ethics. After all, there is no theory that can be mechanically 'applied' to a practical problem without some sort of adjustments made along the way. Currently, there is wide acknowledgement of this in development ethics. The practical philosopher understands, as Dewey has said, that "a pragmatic intelligence is a creative intelligence, not a routine mechanic."¹⁵ A feminist using a philosophical pragmatic approach that asks where the women are and critiques some of the concepts introduced in international law as well as how such concepts sometimes limit women's empowerment, and develops a tentative sketch that involves a just approach to policy development, while adjusting it as circumstances warrant, may be able to positively confront some of the challenges that globalization presents to women and justice.

¹⁵ John Dewey, *Ethics, Logic, Psychology*, in *The Essential Dewey*, eds. Larry Hickman & Thomas Alexander (Bloomington: Indiana University Press, 1998), vol. 2, p. 67.