

---

## 2. Gender and the Multilateral Trading System (MTS)

### Introduction

Gender inequality persists around the world. Yet many countries have made great strides over the last twenty to thirty years towards reducing the gender bias that has limited economic development and been a stumbling block in the social and economic progress of women. Women are now employed across all sectors of the economy in many countries, though they tend to predominate in certain sectors and types of occupations. Some women also now have more access to education and training, better access to health care and a wider variety of livelihood options. This has been partly due to the rising importance of trade in addition to the removal of customary, legal and social constraints on women's mobility and access to economic, social and cultural resources.

The new manifestations of globalisation and the push towards greater trade liberalisation may thus present new options for women and men and generate export earnings for debt payments. However, they may also cause loss of livelihoods, employment and businesses. Many developing countries are experiencing severe social consequences from intensive and extensive trade liberalisation. Gender equality implications of globalisation and trade liberalisation arise because these phenomena do not eliminate existing inequalities in access to resources, power and decision-making between men and women in society. This is a reality that must be confronted directly or else much of the tremendous investment in promoting the social and economic advancement of women will have been in vain (see box 2.1).

Initially, the linkages between the trade liberalisation policy of the WTOA and the social dimensions of developing countries' economies were at best treated with benign neglect or at worst ignored or denied. However, there is now a spate of

*The new manifestations of globalisation and the push towards greater trade liberalisation may thus present new options for women and men and generate export earnings for debt payments. However, they may also cause loss of livelihoods, employment and businesses.*

**Box 2.1 Gender Dimensions of the Links between the MTS, Trade Liberalisation and Globalisation**

The consequences of trade liberalisation and globalisation have included:

- Many women have moved from unpaid household and subsistence agriculture to the paid economy and there has been an increasing female share of employment.
- More women have industrial jobs (though without significant changes in gender inequality in terms of pay, authority and career advancement).
- There has been an increase in flexible and casual labour and irregular work. Women, more so than men, lack employment security.
- Women continue to have primary responsibility for household and childcare and are still the family welfare provider of last resort.
- There is increasing demand for women's labour, at the same time as:
  - attempts to strengthen the homemaker stereotype;
  - unequal burden of domestic work;
  - marginal position of women in the labour market.
- There is continued occupational segregation by sex: (a) horizontal segregation (the distribution of women and men across occupations, e.g. women as maids and men as truck drivers); (b) vertical segregation (the distribution of men and women in the job hierarchy in terms of status and occupation, e.g. women as production workers and men in a supervisory capacity).
- Foreign direct investment (FDI) has meant more employment for women.

reports, some commissioned by the WTO itself, which have recognised and validated these links. This has resulted in – at least at the level of rhetoric – an apparent re-focusing on the

goals and objectives of economic development, including its social components. Evidence of this can be found in the widely touted Doha Development Agenda (DDA), the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement on public health and access to medicine, and somewhat belated attention to the over one hundred implementation concerns of developing countries (the so-called ‘implementation problems’). However, there is still no significant official recognition, at either national, regional or international levels, of the different impacts of trade liberalisation on women’s economic and social status relative to men’s.

This is partly due to unwillingness and foot dragging in accepting that there are social and human development costs to trade liberalisation. However, a major part of the great silence around the gender dimensions of trade liberalisation is the belief among trade officials, negotiators and technical staff that trade policy is gender blind in its orientation and gender neutral in its effects. This misguided belief is supported by at least two dominant myths:

1. Trade liberalisation will automatically reduce poverty and poverty reduction will benefit women and men equally.
2. Market access promotes development and achieving development will improve the conditions of men and women equally.

It is only by exploding these myths that serious attention will be paid to devising strategies and remedies in the context of a trade agenda to significantly improve the lives of women, men and children. This requires an approach that recognises the interconnections between trade and other macro-level policies and processes. Trade liberalisation is an intricate web of cross and behind the border provisions and social, fiscal and labour market policies. These policies impact on gender relations, human development and poverty dynamics in the economy through a complex set of transmission mechanisms that determine access to resources at all levels of the economy. Any attempt to reconfigure the dynamics set in motion by trade liberalisation from the perspective of gender equality will therefore not be successful unless it also challenges the sub-national, national, regional and multilateral formulation and decision-making of trade policy.

*A major part of the great silence around the gender dimensions of trade liberalisation is the belief among trade officials, negotiators and technical staff that trade policy is gender blind in its orientation and gender neutral in its effects.*

*Trade rules should be constrained and bound by existing international agreements that promote human – including women’s – rights and ecological sustainability.*

From a gender perspective what is important is that trade policies, programmes and mechanisms:

- promote sustainable human development;
- enhance social policies that protect the poor and promote the economic and social advancement of women and men;
- take into consideration differences in countries’ needs, nature and scope of businesses, activities, constraints and ability to compete;
- recognise and develop mechanisms and processes that seek to overcome the special constraints that women face in the economy due to gender biases and gender inequality.

There is therefore a need for an integrated framework for sustainable, gender-sensitive human development-based trade policy. Trade rules should be constrained and bound by existing international agreements that promote human – including women’s – rights and ecological sustainability. The institutional framework and core principles of the trade system should support and promote fairness, transparency, democracy and participation by civil society in trade rule-making, negotiations, monitoring and dispute settlements.

## **The Gender Impact of Trade Policy**

As noted above, it is generally assumed that trade policy and trade liberalisation are gender neutral in their formulation and impact. Trade decision-makers are seemingly unaware of the important place of the unpaid (care) economy in the productive economy and in market activities. Furthermore, there is very little recognition that the low-wage growth strategy inspired by trade liberalisation depends on the incorporation of female labour into the formal and informal sectors of the economy.

Trade intensification in the context of economic reform, the continuing impact of structural adjustment policies (SAPs) and nine years of WTO-led liberalisation are associated with:

- The comparative advantage of developing countries based on their supply of cheap labour. Increasingly this consists of





female labour that is systematically underpaid. If maintained, this strategy is likely to trap both the women workers and the countries that depend on a low-wage growth strategy in a perpetual swirl of debt and dependency.

- A rise in women's labour force participation in manufacturing in Asia, Latin America and the Caribbean and in commercial agriculture in Africa and Latin America. However, the conditions of work are not always as desirable as they should be. The opportunities for economic and social advancement are also not always as readily apparent as conventional wisdom would predict.
- The introduction of new and cheaper products (food and household items). This may widen the choices available to households and hence lead to a reduction in women's unpaid work. However, where it displaces local enterprises it may simply increase the work of women who must seek ways to offset loss of household income.
- A multilateral framework that tends to define most social

*A dressmaker in the  
Maldives*

INTERNATIONAL FUND FOR AGRICULTURAL  
DEVELOPMENT (IFAD)/H. WAGNER

*Women activists and feminist researchers working on issues of gender and sustainable development have begun to challenge ... the argument that globalisation and liberalisation are unambiguously beneficial to all groups in society.*

and environmental regulations as ‘trade barriers’. Hence trade liberalisation policies may have powerful impacts on poverty eradication programmes. Conventional wisdom argues in favour of a positive impact on poverty, linked to the job and income-creating possibilities of increased trade. However, trade diversions and distortions may in some cases prove to be stronger than job creation. This could result in losses in market share (in the domestic market or abroad), triggering business closures or restructuring and loss of livelihood for some formal and informal actors.

- Loss of revenue from tariff reduction and the elimination of some licensing requirements that could trigger shortfalls in government budgets, leading to further reductions in government spending on social services and poverty eradication programmes.
- Changes in domestic labour legislation, social insurance programmes and policies as well as the promotion of new forms of regulation. Such changes will not simply be confined to the business sector but will have important impacts on men and women in households, communities and social institutions.

Women activists and feminist researchers working on issues of gender and sustainable development have begun to challenge, theoretically and empirically, the argument that globalisation and liberalisation are unambiguously beneficial to all groups in society. These challenges are part of the broad agenda of engendering macroeconomic policies so as to promote gender equality and the economic empowerment of women.

The work of activists is grounded in the empirical findings of case studies on the impact of SAPs on women. Structural adjustment led to welfare loss and “strained women’s time and effort beyond acceptable limits” (Bifani-Richard, 1999). It also resulted in non-reciprocal trade liberalisation in many countries that was not accounted for in the Uruguay Round negotiations. The resulting WTOA created a broadening and deepening of trade liberalisation, thus imposing even more hardship on particular sectors and groups of women in developing countries.

Research shows that trade liberalisation impacts on

### **Box 2.2 The Effects of Globalisation from a Gender Perspective**

The likely positive effects may include:

- acquisition of new skills;
- higher income;
- new opportunities for women and men;
- wider reproductive choices (Bifani-Richard, 1999).

The likely negative effects may include:

- more informalisation of work;
- devaluation of women's work;
- heightened gender stereotyping of employment;
- increasing burden for women (paid and unpaid labour);
- further marginalisation of women.

women's social and economic status in at least four important ways:

1. It affects women's employment status and may increase their income. However, without complementary measures (such as day care, access to transportation, ensuring proper health and occupational safety standards, etc.), it imposes a burden on time availability/use as well as on women's health and morbidity.
2. It has increased the employment of women in the industrial sector and in commercial agriculture as well as offering work opportunities via subcontracting and home-based work in the manufacturing and services sectors. However, this is not always benign or entirely beneficial, as it tends to occur under poor conditions of work and pay and often entails violations of women's rights.

*It has been argued that gender-based institutional biases that affect women's access to credit and training opportunities create bottlenecks and inefficiencies ... [that] may ultimately result in export promotion schemes not having the desired outcomes.*

3. It may open the way for cheap (subsidised) foreign goods to enter the local markets, dislocating women farmers and micro-entrepreneurs. Trade in second-hand clothing or prepared/fast food replaces dress-making and informal, small, local food establishments.
4. It may lead to cuts in social expenditure when governments experience reduced revenue due to reductions in tariffs. Most of the programmes that are cut or eliminated are those that benefit women and girls. Governments often try to offset declining revenues with the imposition of other taxes such as the VAT, which is more burdensome for women because of their responsibility for household purchases.

When policy-makers are not aware of existing gender biases and inequalities and how these affect women's access to resources and credit, trade policies may have counterproductive outcomes. It has been argued that gender-based institutional biases that affect women's access to credit and training opportunities create bottlenecks and inefficiencies, especially with regard to supply response in agriculture and food production. This may ultimately result in export promotion schemes not having the desired outcomes.

### **A Gender Analysis Approach to Trade Liberalisation**

A gender analysis approach seeks to identify the key mechanisms and pathways through which globalisation and liberalisation impact on women and men differently in terms of social burden, earnings, employment, poverty, survival/livelihood and wealth-generating strategies. Emphasis must be placed on the impact on men's and women's roles in the household, the family and the community as well as in the various markets. It must also take into consideration constraints on women's time, mobility, access to different types of work and access to credit, education and resources such as land and capital.

The starting point must be an understanding that it is women's unpaid, undervalued and unrecognised labour in social reproduction that is the lifeblood of all economies. This includes the production and maintenance of labour, the care of



the elderly, the nurturing of the sick and the maintenance of community via volunteer activities, etc. In other words, women's labour in the household and community is central to the process of accumulation and, along with natural resources, is the effective ingredient in the so-called 'magic' of the market.

There must also be explicit recognition that women more often than men:

- face a coercive and oppressive gender division of labour;
- need greater access to public services;
- lack control over labour and income;
- lack control over their bodies;
- lack access to and control over physical space;
- lack access to and control over political intangible resources (information, technology and influence);
- lack access to and control over productive resources (land, equipment, credit and housing).

Trade agreements involve measures, rules and practices that push import liberalisation and export promotion. Both sides of these agreements have implications for women as the primary caretakers of the household, family and community. They impact very directly, and in different ways, on women's time burden, nutritional status, health/morbidity and potential for social and economic advancement compared to men's.

Good practice that promotes benefits for women and men from trade liberalisation must start with trade and development co-operation policies that have poverty elimination and the promotion of gender equality as explicit objectives. These policies must be centred in a gender-aware model of the economy that specifically incorporates the reproductive and informal sectors. Access to paid employment should be used as one of a range of measures of, and tools for, good gender-sensitive trade liberalisation practices. This means that attention must be paid to the institutional factors that affect the supply of, and demand for, women's and men's labour (see box 2.3).

*Good practice that promotes benefits for women and men from trade liberalisation must start with ... policies that have poverty elimination and the promotion of gender equality as explicit objectives.*

### **Box 2.3 Institutional Factors Affecting Labour Force Supply and Demand**

These include:

- *Men's and women's time allocation* on productive (commercial or subsistence agriculture or formal employment) and reproductive (household/family and community) activities.
- *Women's lack of both bargaining power and control over household resources*, including land and income.
- *Women's and men's different access to, use and control of technology*. The economic activities of women are constrained by technological disparities, including lack of access to equipment and machines.
- *Gender bias in the labour market* that restricts women to particular job types and classifications, resulting in women dominating traditionally 'female' work areas such as clerical work, nursing, etc. and being found mainly in low-skilled jobs.
- *Women's limited access to education and skills training* makes it difficult for them to maintain or increase their productivity. The areas in which women dominate are likely to be the areas of most intensified global competition (textiles, garments and agriculture). These are also areas experiencing rapid technological advances.
- *Information bias* whereby greater information such as agricultural extension techniques, credit, etc. is given to/ accessible by men.
- *The inter-sectoral mobility of resources*. It is usually more difficult for women to move their activities/livelihoods between sectors such as agriculture and manufacturing.

### Import liberalisation and gender

Trade expansion in many developing countries has been driven by import growth. The 1999 UNCTAD Trade and Development Report provides evidence that rapid trade led to trade deficits in the South as exports stayed flat or did not keep pace with rising imports. Thus the average trade deficit of the South is higher by 3 per cent than the 1970s and the average growth rate is lower by 2 per cent (FAO, 2000). The effects may be positive, negative or contradictory for different households within the same economy. For example, cheaper imports may displace local production that was an important source of livelihood for some households. There may be a loss of traditional market domain such as vegetable and food production, marketing and distribution.

The budgetary implications of trade are another important area for teasing out the link between gender and import liberalisation. A key tool for import liberalisation is to decrease or eliminate cross-border taxes on goods and service. The revenue impact of tariff elimination or reduction is likely to have a pronounced effect on the allocation of public expenditure. This will affect the flow of resources and the provision of basic social services. Gender issues arise in terms of whether the resources go into industries or sectors dominated by men or women. It is important to know which business sectors or groups are supported and which sectors suffer the most from changes in government spending or offsetting tax measures such as VAT as a result of loss of tariff revenues. The implications for men and women at the level of the household also have to be examined.

### Export promotion and gender

The most obvious impact of trade intensification on women as a group relative to men is the heavy reliance of export promotion strategies on the labour of women in commercial agriculture, export processing manufacturing and, increasingly, in the data entry/coding aspect of the export services enclaves.

Trade policy that focuses on export promotion by altering domestic regulations and forcing factor re-allocation may also affect women's access to and control over resources such as

*Cheaper imports may displace local production that was an important source of livelihood for some households [and] there may be a loss of traditional market domain such as vegetable and food production, marketing and distribution.*

land, credit and technical assistance. A case in point is the shift from food production to cash crop export production. This tends to impact negatively on women's access to land and common property resources as well as their labour time. In addition, the increasing penetration of multinational corporations (MNCs) in food and agriculture is creating serious survival and sustainable livelihood issues for women farmers and women in family farming entities.

As it is assumed that trade rules and policies have their primary impact only at the level of the formal economy, not much attention is paid to how they impact on the informal economy.



*Loincloth street vendors  
in Togo*

INTERNATIONAL LABOUR ORGANIZATION/  
P. DELOCHE



However, the expansion of export production, particularly in manufacturing, has been associated with the expansion of informal sector activities and homeworking, drawing directly on women's labour. Moreover, even when trade agreements create jobs for women, there is bound to be some direct impact on unpaid work. It cannot be assumed that when women find work in export processing zones (EPZs) or in commercial agricultural production, their time spent on unpaid work will decrease.

Whether the current trade regime is good or bad for women as a group, relative to men as a group, is still a matter of debate. Some studies posit a pronouncedly positive effect of export promotion on women in terms of increased employment.

*It cannot be assumed that when women find work in export processing zones (EPZs) or in commercial agricultural production, their time spent on unpaid work will decrease.*

#### **Box 2.4 Positive and Negative Effects of Trade on Women's Employment**

In certain types of manufacturing – clothing, light electronics, etc. – women have gained increased employment opportunities, especially in export processing zones (EPZs). Countries that are heavily dependent on female labour in this sector include the Dominican Republic and Bangladesh. This has prompted some researchers to conclude that women are benefiting more than men from trade in terms of increasing numbers of jobs and access to paid work. However, in some countries women workers have been dislocated by the process of trade. For example, the clothing and textile industries in South Africa lost close to 40,000 jobs between 1996 and 1997 (McQuene, 1998). This was a result of the reduction in duties on clothing and textile and the relocation of production facilities to neighbouring states where wages were lower and trade unions were weaker. Additionally, research findings indicate that women have become more vulnerable to temporary, part-time work without proper health and safety safeguards or trade union rights. Women workers both in EPZs and agro-industry face hazardous working conditions, high levels of insecurity and more intensified work schedules.

*Though often presented as a technical and neutral issue, the market access debate has significant gender equality dimensions. Market access is seemingly the 'holy grail' of trade negotiations.*

Other studies, however, argue in terms of a strong negative impact on women in terms of:

- an increasing social reproduction role, even as their labour market roles expand;
- health hazards created by employment;
- the long-term unsustainability of wages and income;
- the reinforcement of gender segregation and gender stereotyping of occupations and industries in which 'women's jobs' have lower pay and less secure tenure than 'men's jobs'.

It might be the case that trade expansion/intensification via export promotion leads to less than desirable outcomes for both women and men when it is untempered by social and human development considerations. More specifically for women, the results may not be necessarily beneficial when women's needs and concerns are not factored into trade policies. These include corrective measures (e.g. improved access to credit and technical assistance) to cover the special disadvantages that women may face that block their ability to take advantage of opportunities unleashed by trade. This must be in the context of balanced and equitable trade rules that support sustainable, social and gender equity-based development.

### **Market access and gender**

Another area that remains relatively unexplored in the broad area of trade liberalisation, regardless of the sectoral aspects, is the ubiquitous search for market access that colours and dominates trade negotiations at the global and regional levels. Though often presented as a technical and neutral issue, the market access debate has significant gender equality dimensions.

Market access is seemingly the 'holy grail' of trade negotiations. This is because it is believed that expanding the markets for goods and services will: (i) enable economies of scale production; (ii) enhance specialisation via efficient utilisation of resources (such as market information); and (iii) promote movement of capital. Ultimately, market access is expected to increase production, increase the number and quality of goods

### **Box 2.5 Market Access and Access to Information**

In Uganda's fishing and horticultural sectors, female producers were found to prefer radio to other methods of delivery such as newspapers, seminars or training. This is because: (a) more women than men owned and listened to radio (even as they performed other, primarily household, tasks); and (b) women lacked reading skills and had difficulty interpreting technical written information. When women producers did not have access to marketing information, they suffered in terms of lack of knowledge about the availability of loans and know-how in accessing them and other funds. Lack of knowledge also impacts on the quality and standards of production as well as the ability to implement cost-effective techniques.

*Source:* Sengendo and Tumushabe, 2002.

and services available, increase employment, promote income growth and improve the standard of living.

Whether or not market access alone can deliver on all that is expected of it depends on a number of factors, such as the nature and conditions of domestic production (including physical capital stock and human capital). However, there are also gender dimensions to seemingly 'technical' market access conditions. Such conditions include requirements on product quality, health regulations (for the protection of plant and animal life), distribution channels, price data, information on import and export procedures, and documentation and the nature and extent of domestic support (subsidies). The gender equality dimensions of market access are twofold:

1. *At the level of international trade agreements:* Market access burdens that are imposed may impact on female producers differently than men in terms of implementation at the national level. They have an impact on the cost, availability and usability of marketing information and technical assistance. They may also work against women as workers if the major product sectors facing lack of market access to a WTO member economy are dominated by females.

*Women's empowerment is linked to their ability not only to earn a consistent income but also to control the expenditure, savings and investment decisions around this income.*

2. *At the level of the domestic economy:* Market information on the availability and access of investment funds, grants and loans may be more known to male than to female producers. Likewise, information on market sources and prices, security and tax information may not be as available to female as to male producers. It depends on the method of information delivery and how accessible the information is. Differences in access to and utilisation of information (verbal or written) is very pronounced for men and women (see box 2.5).

### **Trade Liberalisation and Women's Well-being<sup>1</sup>**

Women's well-being is inextricably linked to: (a) the sustainability of their income and wages; (b) the degree of their participation in leadership and decision-making in the household and society (empowerment); and (c) positive changes in the social relations of gender that reduce or eliminate gender biases and gender-based victimisation. Trade may contribute positively or negatively to these factors depending on the nature of the changes it brings about in macroeconomic and social policies in the economy.

*Income/wage sustainability.* In most economies women experience severe wage discrimination that causes their earnings to be substantially lower than men's. In general the evidence shows that this is true in manufacturing, agriculture (especially the non-traditional sector) and the low tech aspect of the service industry. Where countries have focused on a low wage strategy and the employment of women, there is a persistency to women's low earnings. In countries where the focus is on the creation of higher value production with progressively improving working standards, however, there is the possibility for women's wages to rise.

*Empowerment effect.* Women's empowerment is linked to their ability not only to earn a consistent income but also to control the expenditure, savings and investment decisions around this income. Many researchers have noted that it is associated with increases in the proportional household expenditure on

---

1 This section draws heavily on Joekes, 1999.



women's and children's health and education. This in turn enhances human development in later generations.

It has also been noted that in some places women do not control the income they earn as it is retained by their employer for rent. Portions of their earnings may also disappear into pooled income of the household and other familial obligations without the wage earners' having any say in the matter. There may or may not be a significant empowerment effect if there is no corresponding shift in the household bargaining structure.

*Social status and gender relations.* Researchers have also observed that the nature of women's waged employment – whether it is contractual or non-contractual – has important implications for women's status in the household and, by extension, the community:

- contractual employment has the possibility of relieving young women from domestic labour obligations in the household;
- an independent income can increase women's autonomy in personal matters such as choosing a husband and deciding when or if to get married;
- access to employment can reduce the level of domestic violence;
- access to employment can mean that girls are seen as assets to their families rather than as liabilities.

Overall, access to contractual employment can be the effective ingredient in enhancing women's self esteem, autonomy and power.

A cautionary note, however, is that many of these positive contributions can be quickly eradicated by changes in production and trade decisions linked to liberalisation. This is especially so if there is little opportunity for deepening women's skills and knowledge base. In such cases, women do not have skills that they can transfer to other sectors in the economy when firms or industries leave or suffer a downturn due to ever-changing 'trade winds'.

Trade liberalisation and globalisation have also intensified competition among women. At the national level, the manu-

*Trade liberalisation and globalisation have also intensified competition among women. At the national level, the manufacturing sector previously tended to hire poor women with little education but the newly emerging modern services sector seeks to hire educated and middle-class women.*

facturing sector previously tended to hire poor women with little education but the newly emerging modern services sector seeks to hire educated and middle-class women. Regionally, trade blocks such as the North American Free Trade Agreement (NAFTA) may lead to trade diversion from one country to another. This results in a loss of income in the country from which the business entity has shifted operations, while it creates employment for women in the receiving country (see box 2.6). Furthermore, the growing instability and marginalisation that accompanies trade liberalisation and globalisation is directly associated with the rise of sex trafficking.

### **Box 2.6 Effects of Trade Liberalisation on the Textile and Clothing Sectors**

The North American Free Trade Agreement (NAFTA) has severely impacted on Canadian and Caribbean women workers in the textile and clothing sector. In 1995 Jamaica was the largest exporter of underwear to the US (40 per cent of US imports). However, by the third quarter of 1996 (approximately two years after NAFTA came into force) Jamaica's exports to the US had declined by 12 per cent while Mexico's NAFTA access had grown by 40 per cent with 10 per cent share of the US market (King, 1996; cited in Wedderburn, 1998). Yet another example is the re-location of South African clothing enterprises into other areas in southern Africa to take advantage of cheaper labour.

At the global level, it would seem that women workers in Africa are losing local textile and clothing markets due to competition from cheap clothing from Asia. Likewise, there is inter-regional competition as some garment firms move out of the Caribbean region altogether to relocate in places such as Bangladesh. With the gradual phase out of the Multifibre Agreement (MFA) and full liberalisation of clothing and textiles (as envisioned under the Agreement on Textiles and Clothing), many countries now benefiting from the MFA will be at a severe disadvantage.

## Gender and Working Conditions

The potential impact of trade on wages and workers' health and safety has been raised in a number of trade fora by labour organisers, the International Labour Organization (ILO) and some Northern governments. Gender equality concerns also arise in the discussion of labour standards in the MTS.

Undeniably, women are increasingly at high risk of working in exploitative and hazardous conditions. Yet the set of ILO core labour standards that is at the centre of the debate does not pay attention to the fact that women workers face particular gender-related problems. These core standards are generally taken to include the seven ILO conventions that have been most highly ratified by countries: (i) freedom of association (87, 1948); (ii) effective recognition of the right to collective bargaining (98, 1949); (iii) suppression of all forms of forced (29, 1930) or (iv) compulsory labour (105, 1957); (v) the effective abolition of child labour (minimum age for employment) (138, 1973); (vi) combating discrimination in employment and occupation in all its forms (111, 1958); and (vii) remuneration for work of equal value (100, 1951).

A gender approach to the issue of exploitation and unfair treatment of labour in the global economy should focus attention on issues such as maternity and paternity leave, non-discrimination in the workplace, freedom from sexual harassment and sexual discrimination, reproductive rights and access to childcare. Women workers are also concerned about gender-based issues such as menstruation leave, breast feeding times, negotiations on equal skills and knowledge for women and men workers, gender-sensitivity training for men and women, women's leadership development and family welfare. Many women consider these to be basic workers' rights.

NGOs, including many women's organisations, have advocated for a wide variety of strategies to deal with the threats to labour rights from trade intensification. Strategies range from outright resistance, such as occurred around SAPs, to promoting corrective measures in bilateral trade arrangements. These include side bars on labour standards in regional agreements and provisions on respect for workers in the Generalised System of Preferences (GSP) adopted by the US and the EU. However, labour standards are no panacea. The

*A gender approach to the issue of exploitation and unfair treatment of labour in the global economy should focus attention on issues such as maternity and paternity leave, non-discrimination in the workplace, freedom from sexual harassment and sexual discrimination, reproductive rights and access to childcare.*

*Due to the assumption that globalisation and trade liberalisation are gender neutral, gender has not been a significant variable in the agenda setting, rule-making or enforcement of trade policy.*

problem is not so much lack of standards but enforcement and implementation. Currently, most labour standards that have been ratified by countries are not observed in the production process. Hence there are no guarantees that such measures, *per se*, will automatically improve the conditions of workers, especially women.

In addition, labour standards in WTO agreements would only apply to trade-related activities and there is no automatic extension of such rights to workers in the non-trade sectors of the economy. This is particularly relevant for developing countries' economies where economic dualism already exists. The export and manufacturing sectors may not be the areas most in need of improvement. Such standards may tend to heighten disparities between urban and rural workers in countries where the worst offences of exploitation and deprivation are found on plantations and in mines, the construction industry and small service firms working for the domestic market.

Moreover, labour standards will not obviate the "problems with regulating women's work that is hidden in homes or small sweatshops and the informal sector where labour standards are lowest" (Petrat and Chaowilai, 1997). They will also not address the wider issues of property rights and access to education. Also, labour standards focus attention on sanctioning governments but not the corporations that are the major actors in the international trade system.

The bottom line is that labour standards in multilateral trade agreements "are not enough for women" (Petrat and Chaowilai, 1997). What is critically important is to determine a process that blocks the selective use of such measures against developing countries based on nothing else but the self-interests of Northern governments. The discourse must be removed from narrow preoccupations with 'market access' and 'market contestability' to focus on the fundamental assertion of basic human rights and dignity.

## **Gender and Participation in the Governance of the MTS**

Due to the assumption that globalisation and trade liberalisation are gender neutral, gender has not been a significant variable in the agenda setting, rule-making or enforcement of



trade policy. Despite the proliferation of non-trade concerns – for example, food security, public health, rural livelihood, the environment and labour standards – gender has not been integrated as a cross-cutting issue either in these discussions or in the substantive areas of agreements. There is also very little attempt to link gender equality objectives and gender mainstreaming with trade and export promotion agendas.

### **Box 2.7 UN Mandates Related to Multilateral and Regional Trading Arrangements**

The Platform for Action, adopted at the UN's Fourth World Conference on Women (Beijing, 1995), specifies several actions by governments that are relevant to multilateral and regional trading arrangements. These include:

- Seek to ensure that national policies related to international and regional trade agreements do not have an adverse impact on women's new and traditional economic activities (para 165k).
- Ensure that all corporations, including transnational corporations, comply with national laws and codes, social security regulations, applicable international agreements, instruments and conventions, including those related to the environment, and other relevant laws (para 165l).

The Beijing +5 document, adopted in July 2000, places responsibility on multilateral organisations as well as governments for achieving equality goals. It states that:

- Organisations of the United Nations system and the Bretton Woods institutions, as well as the World Trade Organization, [and] other international and regional inter-governmental bodies . . . are called upon to support government efforts . . . to achieve full and effective implementation of the Platform for Action (para 49).

*The need to develop gender-sensitive economic policies and decision-making is enshrined in the Beijing Platform for Action, which most governments who are members of the WTO have endorsed.*

At the same time, the relative roles, influence and contribution of men and women in national and international economies play an important but often unrecognised role in: (a) the setting of trade rules; (b) the kinds of assumptions on which these rules are based; and (c) the diagnosis of development and social issues that follows. This also includes the issue of who decides and who is consulted in the decision-making process surrounding WTO provisions as well as provisions at national and regional levels.

The need to develop gender-sensitive economic policies and decision-making is enshrined in the Beijing Platform for Action, which most governments who are members of the WTO have endorsed (Strategic objectives F.1, para 167 and F.4(b) para 176, UN, 1995). (See also box 2.7.)

### **The role of gender in agenda setting and trade rule-making**

The substantive content and outcomes of trade negotiations are permeated by male-centred assumptions (e.g. male head of household, male farmers/workers/entrepreneurs). They also reflect gender-biased ideas about the nature of households, the relative importance of different sectors of the economy to national production and growth, and a single-minded focus on the productive and formal economy. This has led to the undervaluation of the reproductive (household) and informal sectors.

Trade negotiations have focused on market access and paid little attention to the social and infrastructural needs of different groups in the economy. For example, in the discussion of services liberalisation, critical services such as water, energy and health care are likely to be offered on the liberalisation block without adequate attention to how this will affect access, availability and cost to the poor. Since women shoulder primary responsibilities for household and community management, this has implications for women's paid and unpaid work and overall time burden.

Other issues in the area of general governance include the lack of a gender analysis and gender-sensitive perspective in trade policy deliberations at the national level. Women's

groups and community-based organisations are very rarely consulted when national priorities for trade negotiations are being determined or the substantive advocacy positions of governments and NGOs are being formulated. This is especially the case in the areas of trade policy reviews and dispute settlement.

In reviews under the Trade Policy Review (TPR) Mechanism, there is no attempt to integrate gender analysis. Although technically TPR looks at the direction and practices of trade policies rather than impacts, there are cases where impacts are considered. For example, particular attention is paid to how price controls affect resource shifting. Most TPR issue areas are narrow and exclude questions of gender bias and gender inequality. Yet these are legitimate concerns that can be discussed in the preparation of such reports, for example, what the effects are on employment patterns of women and on income generation (see Chapter 7).

### Building a gender equality perspective into the trade policy environment

The first line for participation in the governance of the trade system is to hold governments accountable at the national level for their commitments to gender equality and gender mainstreaming. This means that gender analysis and a gender perspective should be an integral part of the trade policy-making environment. Effective and meaningful co-ordination

*Women's groups and community-based organisations are very rarely consulted when national priorities for trade negotiations are being determined or the substantive advocacy positions of governments and NGOs are being formulated.*



*A merchant in Bangkok, Thailand*

INTERNATIONAL LABOUR ORGANIZATION/  
P. DELOCHE

*Effective and meaningful co-ordination among sector ministries – including health, education and welfare as well as agriculture – should be part of an informed gender-sensitive approach to trade policy-making. This should involve significant participation of national and regional gender machineries in trade negotiations and decision-making and in setting gender policy.*

among sector ministries – including health, education and welfare as well as agriculture – should be part of an informed gender-sensitive approach to trade policy-making. This should involve significant participation of national and regional gender machineries in trade negotiations and decision-making and in setting gender policy. They should prepare gender briefing documents aimed at influencing trade policies at the national, regional and multilateral levels.

There are a few instances where such activities have begun to occur:

- The EU gender resolution 1995 (EU Council of Development Ministers). This obligates EU development co-operation policies and programmes to encourage and support changes in attitudes, structure and mechanisms at every level in order to reduce gender inequality. The gender resolution is supposed to underlie the African, Pacific and Caribbean-European Community (ACP-EC) partnership agreement.
- The Southern African Development Community (SADC) has some formal recognition of gender in its policies and programmes (see Appendix 3 on regional trade organisations and gender).
- There are on-going attempts to introduce gender analysis and a gender perspective into the Free Trade Area of the Americas (FTAA) negotiations.
- Work is on-going on the preparation of gender policy for the Common Market for East and Southern Africa (COMESA).

At the global level UN Agencies such as the Food and Agriculture Organization (FAO), UNCTAD, the development fund for women (UNIFEM) and the ILO have been paying increasing attention to gender and trade. Women's rights activists in the health, food security and reproductive rights sectors must also weigh in on the trade debate. They should focus on the particular manifestations and linkages of trade to their sector while at the same time paying attention to the broader issues of women's economic and social well-being. National gender machineries and women's groups and other civil society actors interested in gender equality should likewise be proactive in the review of trade policies (see box 2.8).



### **Box 2.8 Integrating Gender into Trade Policy Decision-making**

Avenues for integrating a gender perspective and analysis into trade policy decision-making lie in:

- the emerging spate of impact assessments of trade agreements (along with the social and environmental impact assessment, a gender impact assessment has validity);
- the review of trade policy by the WTO's Trade Policy Review Division (see Chapter 7);
- the explicit development focus of the Doha Development Agenda;
- the tremendous debate around public and essential services, which opens up the area of social justice and equity in the trade agenda;
- advocacy for gender mainstreaming within the key sectors, ministries and inter-governmental fora that deal with trade policy;
- technical assistance/trade capacity-building programmes (WTO, UNCTAD, World Bank, etc.);
- the special and differential treatment (S&DT) framework.

*Key to improving the participation of women and integrating gender analysis and a gender perspective in trade policy-making is to establish who the critical voices are in the formulation of national trade policy.*

Key to improving the participation of women and integrating gender analysis and a gender perspective in trade policy-making is to establish who the critical voices are in the formulation of national trade policy. This includes asking what the gender distribution is of trade delegations/high level technical personnel in the Ministries of Trade, Geneva Missions, at the regional secretariats and at the WTO. At the national level, it is important to know which ministries and who in these ministries prepare reports and take part in trade policy and related decision-making. The role of women's/gender machineries in these processes should be ascertained, and whether gender experts are involved in discussions at all levels.

## A Tentative Framework for a Sectoral Analysis of Gender and Trade

The following tentative framework for a sectoral analysis of gender and trade policy and trade liberalisation is based on three fundamental gender realities:

1. Women's and men's traditional roles in society place different constraints on their time and hence their ability and availability to respond to changing opportunities in the trade environment.
2. There are gender disparities in access to and control of ownership of assets and productive resources.
3. The nature of production in different sectors of the economy is gendered.

Given these three fundamental realities, it is then important to raise the following questions:

- Where are women and men located at the point of introduction of trade liberalisation or change in trade policies? What mechanisms and measures are incorporated into the policy changes to account for these differences?
- What were the expected results of the changes in trade policy? Were these results generated?
- What mechanisms and measures are needed to return to the expected trajectory?

These realities and questions, plus a number of other subsidiary and sector specific questions, can be integrated into the matrix illustrated in tables 2.1 and 2.2. The next three chapters examine these issues in the context of the key sectors of agriculture, services and investment.

**Table 2.1 Situational Analysis of Women and Trade Policy (A)**

<b>Situational analysis of men's and women's roles and economic and social status</b>	<b>Constraints</b>	<b>Challenges</b>	<b>Opportunities</b>
In particular with regard to: <ul style="list-style-type: none"> <li>– unpaid labour time</li> <li>– labour market activity/location</li> <li>– access to:               <ul style="list-style-type: none"> <li>land</li> <li>credit</li> <li>education</li> <li>information</li> <li>technology</li> </ul> </li> </ul>	Lack of adequate reading skills  Time  Health status	Keeping up with productivity improvements  Technical upgrades	New marketing opportunities such as organic farming
<p><b>Critical questions:</b></p> <p>What is the nature of the change in trade policy/trade reform?</p> <p>What are the different sectoral effects (agriculture, services, etc.)?</p> <p>How do export promotion schemes promote or otherwise impact on women's formal and informal labour time?</p> <p>How does the change in trade policy impact on women's and men's constraints, challenges and opportunities?</p> <p>What is the overall impact on women's and men's:</p> <ul style="list-style-type: none"> <li>time burden?</li> <li>nutritional status?</li> <li>health/morbidity?</li> <li>education/training?</li> <li>income?</li> <li>employment?</li> </ul>	Land ownership  Credit bias  Technology	Dismantling of barriers Removal of import duties  Access to land  Ability to expand production  Informal traders Micro enterprise and small business Standards and technical regulations	Expansion of exports  Removal of import duties  Market access abroad  Employment  Availability/access to technical assistance  Trade facilitation

**Table 2.2 Situational Analysis of Women and Trade Policy (B)**

<b>State</b>	<b>Care economy</b>	<b>Access/ ownership of assets</b>	<b>Market</b>
<p>Policies impact on rights and responsibilities</p> <p>(Custom/law on inheritance, land title, credit Government services: support for input prices; price control on basic food; water, sanitation, irrigation, extension services; tariff and non-tariff barriers; export promotion)</p>	<p>Unpaid work Social reproduction</p> <p>(Food security, childcare, elder care, volunteer activity)</p>	<p>Land, credit, education/training, skills upgrade, technology, common property resources, services: water, energy and government programmes, such as extension services</p>	<p>Labour/credit market/input market (Price/consumption Production/productivity Employment)</p>
<p>Trade liberalisation policies Market access policies Change in export/domestic subsidy Tariff reduction</p>	<p>Trade liberalisation policies</p>	<p>Trade liberalisation policies</p>	<p>Trade liberalisation policies</p>
<p>Effect/response of trade liberalisation policies Changes in:</p> <ul style="list-style-type: none"> <li>- structure of consumption</li> <li>- structure of production</li> <li>- employment</li> <li>- income</li> <li>- distribution of services</li> <li>- pattern of trade</li> </ul>	<p>Effect/response to trade liberalisation policies</p>	<p>Effect/response to trade liberalisation policies</p>	<p>Effect/response to trade liberalisation policies</p>
<p>Net effect (+/-1; better or worse off)</p>	<p>Net effect (+/-1; better or worse off)</p>	<p>Net effect (+/-1; better or worse off)</p>	<p>Net effect (+/-1; better or worse off)</p>
<p><i>Critical questions</i></p> <ul style="list-style-type: none"> <li>• What is the nature of women's and men's access to and participation in government services? Why?</li> <li>• How does the change impact upon this?</li> </ul>	<p><i>Critical questions</i></p> <ul style="list-style-type: none"> <li>• What is the nature of the task allocation within the household (micro-level), community and industry?</li> </ul>	<p><i>Critical questions</i></p> <ul style="list-style-type: none"> <li>• What is the status of women's access to land, credit, etc.?</li> <li>• Does trade liberalisation worsen or improve this?</li> </ul>	<p><i>Critical questions</i></p> <ul style="list-style-type: none"> <li>• Where were women and men located at the point of the change?</li> <li>• What are the relative price and employment effects of the change?</li> </ul>



**Table 2.2** (continued)

<b>State</b>	<b>Care economy</b>	<b>Access/ ownership of assets</b>	<b>Market</b>
<ul style="list-style-type: none"> <li>• What complementary or supplementary measures are being put in place to improve the position of the group or sector most disadvantaged by the changing policy?</li> </ul>	<ul style="list-style-type: none"> <li>• (a) What is the nature of women's and men's time availability? (b) How does trade liberalisation impact on women's and men's time allocation?</li> <li>• What is the degree of flexibility and mobility?</li> </ul>	<ul style="list-style-type: none"> <li>• Who benefits and gains from the changing allocation of resources?</li> </ul>	<ul style="list-style-type: none"> <li>• (a) What new opportunities are offered? (b) Are women able take advantage of them?</li> <li>• (a) What is the supply response of women farmers? (b) What are the constraints on responding to market signals?</li> <li>• What measures can be put in place to mitigate negative effects and promote positive effects?</li> </ul>