



Women's economic empowerment

Parliamentary
briefing



Shaping Policy
for Development

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Introduction

A greater understanding has emerged of how investing in women's economic empowerment can deliver gender equality and women's rights, poverty eradication and economic growth in the UK and overseas.

Women's economic empowerment is a global policy priority, captured in related targets for all countries in the Sustainable Development

Goals (SDGs). Efforts to achieve these targets have been galvanised by initiatives, such as a dedicated High-Level Panel established by the UN Secretary-General Ban Ki-moon in 2016, which is championed by the UK Government.

Yet women in the UK and around the world continue to struggle to access equal economic opportunities.



Rubina walks with her children to the mobile crèche, Delhi, India. Photo: © Atul Loke/ODI.

The challenge

ODI's analysis shows that gender discrimination means that women often end up in insecure, low-wage and exploitative jobs often in the informal sector,¹ with only a small minority of those in senior and leadership positions.² Gender discrimination limits participation in shaping economic and social policies, while also curtailing

access to economic assets such as land and loans. Moreover, women perform the bulk of household and unpaid work such as childcare, which results in less time for women to pursue economic opportunities. Available evidence suggests that the current global gender wage gap stands at 23%.³



Women spend up to **5 hours more** than men each day on unpaid childcare and other domestic work.

More than **129 million** women around the world work in the informal sector.

This gives them greater flexibility, but most miss out on protections like **maternity leave**, the **right to breastfeed** and **parental leave when their children are sick**.



The opportunity

Where women's economic advancement has been successful, the benefits to society and families are shown to be extensive. It has led to reduced household poverty, and increased investments in children's education and health, while recent estimates by McKinsey Global Institute suggest that gender parity overall has the potential to boost global gross domestic product by between \$12 trillion and \$28 trillion by 2025.⁴ Put simply, when the potential of half of the population is not realised, countries, economies, communities and families lose out.

However, there is no automatic 'win-win' between wider development outcomes and gender equality. While the latter is clearly good for growth, evidence shows that faster growth does not automatically mean a more equitable distribution of the economic gains,^{5,6} nor does it necessarily translate into gains for women's well-being.⁷ Instead, realising women's economic empowerment requires concerted, targeted efforts that prioritise women's specific needs, preferences and experiences.



Nepal

Case study

In Nepal, a savings-led microfinance programme for women – WORTH – began in 1998, supported for some time by an international NGO before it became self-sustaining. WORTH combines business, banking and literacy, enabling an environment in which women support each other to become social activists, social entrepreneurs and effective community leaders. Women in the programme use the WORTH framework to develop their own village banks and small businesses, while improving their literacy skills.

WORTH has resulted in reduced gender-based violence, increased literacy and community participation and greater self-confidence among women.⁹ It has also successfully engaged very poor and marginalised women. The WORTH programme's replicability and scalability has led to its expansion to a further 13 countries.

Policy options

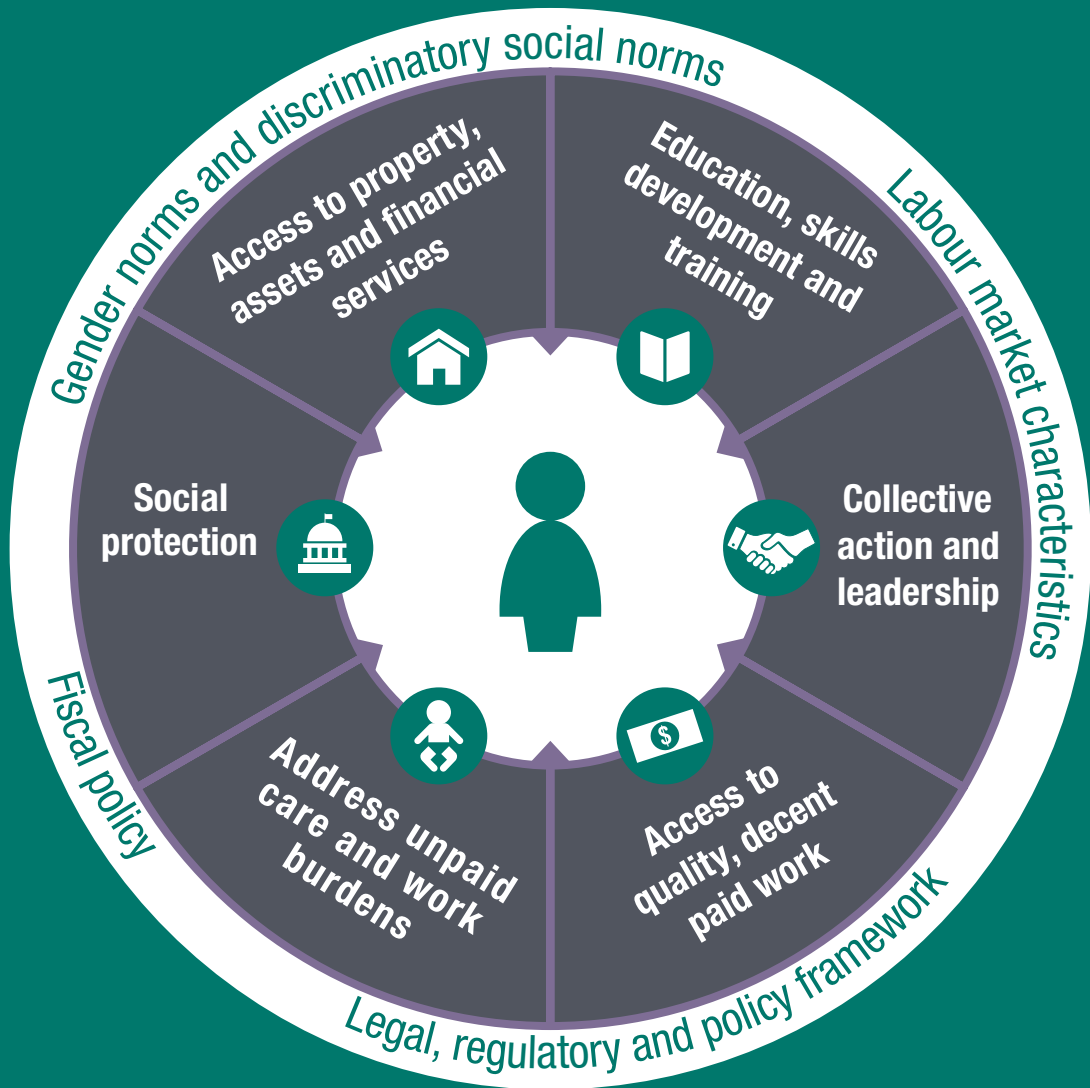
A new ODI research report, ‘Women’s economic empowerment: navigating enablers and constraints’, shows that to successfully support women’s economic empowerment, policy must go beyond the individual. It must focus also on the social, economic and political factors directly and indirectly affecting women’s equal access to and control over economic resources. Isolated technical interventions alone do not go far enough. Women’s economic empowerment is an inherently political process that requires changing established norms, structures and power.⁹

Specific, effective measures include:

- Deliberately targeting labour market and economic development policies to expand decent work opportunities for all women, including the poorest and most marginalised
- Removing legal restrictions to women’s employment, property and asset rights, and to their ability to establish formal enterprises

- Developing women’s business and financial knowledge and improving women’s access to financial services and assets
- Employing rigorous gender-responsive budgeting to inform policy and spending decisions
- Protecting public sector employment as an important means of decent, high quality employment for women
- Extending access to social protection to informal workers
- Addressing women’s disproportional childcare and housework load and the norms that underpin it
- Tackling women’s occupational segregation and associated gender wage gaps
- Supporting drivers of gender norm change
- Reinforcing the legitimacy of women’s rights movements and collective action.

The report demonstrates that the most effective interventions will act simultaneously across a number of these factors. They should also be tailored to the challenges facing women in different contexts and countries.



Recommendations

Earmarking funding. Even among the major OECD donor countries, only 2% of Official Development Assistance (ODA) to the economic and productive sectors was principally focused on gender equality in 2013-2014.¹⁰ This reveals a severe underinvestment in programmes to support women's economic empowerment. There is a need to scale up gender-specific financial resourcing across all relevant sectors.

Supporting women's organisations and building coalitions. Women's economic empowerment can only be achieved if gender-responsive policy and programmes spanning multiple sectors are developed. Bringing together actors such as the government, private sector, international institutions and civil society – particularly women's rights organisations and movements – is essential to generate an overall shift in culture and practice.

Adapting support to the realities of empowerment processes. Change takes time, and increasing women's empowerment is rarely a straightforward process. It requires negotiating the political realities and structures that are specific to location and context. As such, to make a real difference, approaches need to be tailored, 'politically smart' and flexible.

Listening to women. Measuring success requires looking carefully at how women's lives are changing. The best way to do this is to listen to women's views and experiences. Practically, this means investing in the collection of good quality, comprehensive data, which includes marginalised and 'hard to reach' women, and ensuring this data directly informs policy and practice.



Mexico

Case study

In Mexico, the *Government Estancias Infantiles para Apoyar a Madres Trabajadoras* (Childcare Services for Working Mothers) programme aims to increase women's labour market participation. It provides subsidised childcare services for mothers – and more recently, single fathers – in poor households where they work, are looking for work or are studying with no access to childcare.

ODI analysis of this programme found that the beneficiary satisfaction is high. *Estancias* supports women's greater access to more stable jobs, by helping them cope with the competing demands of paid work and unpaid care responsibilities.^{11 12} However, despite this support, women still face significant constraints in accessing decent, paid work in the formal sector. This shows that programmes need to both work with individual women, but also to build a supportive, enabling environment for the achievement of women's economic empowerment.

What can UK parliamentarians do?

In recent years, the UK Government has led the global women and girls' agenda. The UK championed the inclusion of a specific goal on gender equality and women's empowerment in the SDGs and Secretary of State, Justine Greening MP was one of the founding members of the UN High-Level Panel on Women's Economic Empowerment. The Panel published its first report, and a Call to Action, in September 2016. It is crucial that this momentum is not lost.

Furthermore, the SDGs' agenda follows the principle of universality so it includes women in every country, including the UK, where the gender pay gap stands at about 19%;¹³ where 'motherhood pay penalty' is estimated to be around 21%;¹⁴ and where there are still only 7 female CEOs among FTSE 100 companies.¹⁵

How does women's economic empowerment relate to the work of the UK parliament?

If you are a member of a Select Committee, advancing women's economic opportunities at home or abroad is likely to have a connection to your area of expertise – whether that is in relation to the Treasury Committee or the Foreign Affairs Committee, the Education Committee or the Justice Committee. Similarly, this could be the case in relation to your work with an All-Party Parliamentary Group or if you are your party's spokesperson on a specific issue.

Championing women's economic empowerment as part of your other work will help ensure that it is no longer seen as a niche issue that is separate from wider policy discussions.

Examples of actions parliamentarians can take:

- Table a question about how the UK Government will respond to the evidence and Call to Action presented by the UN High-Level Panel on Women's Economic Empowerment.
- Secure a debate on women's economic empowerment and highlight the issue during related debates.
- Engage in oversight and scrutiny of National Action Plans and budgets that have an effect on women's economic opportunities, such as the UK National Action Plan for Women, Peace and Security, and the UK National Action Plan on Business and Human Rights.
- Champion the SDGs. As shown by ODI's projections, early actions on the SDG agenda is crucial for overall success. The UK Parliament has a critical role in pushing for swift and effective implementation of the SDGs, both in the UK and overseas.
- Advocate for and support your party to have clear policy plans for delivering women's economic empowerment at home and abroad.

About ODI

Founded in 1960, ODI is one of the world's leading think tanks on international development and humanitarian issues.

Our first-class research promotes global progress and prosperity by focusing on improving the lives of the world's poorest people.

We work with partners in public and private sectors, in both developing and developed countries.



An Asian Development Bank project in Nepal is helping the most disadvantaged women learn trades once reserved for men. Photo: © Asian Development Bank.

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