

## **A proposal for a Future Agenda**

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## INTRODUCTION

During the last decade countries have consolidated a new development style following the world transformations, accelerated technological changes and new form of international relationships. In the process, the understanding of poverty has been transformed from the early equation with income to a more multi-dimensional understanding.

In the past, the several approaches were identified to eradicate poverty: the “trickle down” approach where economic growth and investment in physical capital coupled with building an extended safety net would support poverty eradication. Later development was seen as a process of modernization and industrialization was a key factor for development. During the 70’s and 80 proposals emerged on the need for a structurally different development path to reduce poverty. Structural adjustment policies (Sap’s) were imposed by the international banks and market forces were left to set relative prices; the state cut back its expenditure and intervention and; economies were liberalized and open to international trade and foreign investment. The tremendous impact of SAP’s approach resulted in the 80’s to be identified as the “lost decade” and several studies and argument arose that argued that changes should include a more “human face” . During the 90’s a new poverty agenda was implemented which included the need for economic reforms to establish macroeconomic stability; the need for strong institutions and governance to enforce the rule of law and control corruption: and the need for social justice and involving people in decisions that affect them and their communities and countries.

In the late 1990 the debate on development was dominated by the so called “globalization “.. Two factors have been particularly significant in driving the pace of globalization: the changing technology of transport and telecommunications, and a massive increase in world trade and capital flows. The results of these phenomena have been the increase of an informal labor markets and national economies; the erosion of social protection and the emerging “atypical “labor (outworking, contract work, casual labor, part-time work and home-based) in this frame. Women’s labor force participation has increased faster than men’s in almost every region except Africa

The analysis of gender and development has change during the time in compliance with the shifts in development paradigms. From the social welfare approach, through equity, anti-poverty, efficiency and empowerment approach to the rights based approach has been a long process. Today women are preferably seen as active participants of development and no longer considerer as passive beneficiaries. This entitle a whole different approach on how to address development towards poverty alleviation

The eradication of poverty cannot only rely on rising income because approaches that only strengthen growth do not trickle down automatically to all households. Therefore development strategies must consider gender differences and incidence of poverty in a contextualized way. Today there is also a consensus on the need of gender-disaggregated statistics to provide information on who is currently being negative or positive affected by the new development approaches. Moreover it is also acknowledge that data should include ethnic information due to the fact that indigenious and afro descendants women are among the poorer of the countries ( specially those living in rural areas) .

When poverty is understood in a multidimensional sense and conceptualized through the lens of human poverty, women appear to be having more representation. This have been informed in the several UNDP developing countries HDR’s. And therefore poverty eradication strategies should be informed using the concept of human poverty, an approach critical for eradicating women’s poverty

## **I FROM SOCIAL SAFETY NETS TO DEVELOPMENT WITH HUMAN FACE: The International socioeconomic context <sup>1</sup>**

Gender inequality contributes to poverty. A shift to ensure women have increased access to resources will have a significant effect on household welfare. Poverty contributes to gender inequality and economic growth alone will not bring such equality. Gender inequality is caused by patriarchal regimes as well as scarcity. To refer to the socio economic context of gender and poverty I would like to start by presenting a brief overview of the different approaches and strategies during the last decades to poverty reduction during the last decades..

**1944: The social safety nets approach** in the early post-war years, development policy emphasized economic growth and with investment in physical capital formation. It was expected to gradually “trickle down” through society to its poorer members. This approach promoted that building an extended safety net would support tendencies to poverty. Comprehensive support among others to unemployment insurance, pension for old age, free or nearly free access to health and education were promoted and implemented. But countries in the world (specially developed) had different schemas according to their socio economic situation and approach to country development

**1950-1960 modernization versus traditional, urban versus rural** .Development was seen as a process of modernization with labor protection specially addressed to developing countries. Also industrialization was a key factor for development. Urban areas were modern and rural areas traditional, and later it was acknowledge that non-modern activities in urban areas led to the concept of informal sector

**1970 and 1980 structural adjustment approach** At the beginning of the 1970s, discussions were held that poverty alleviation would take a long process. There was a greater concern with the productivity of small farmers, with meeting basic needs and with income-generation for the landless poor. The debate of “trickle down” continued with very little positive results in developing countries. Proposals emerged on the need for a structurally different development path to reduce poverty and they were implemented in most of the developing countries. Structural adjustment policies (SAPs) were imposed by the World Bank and the International Monetary Fund (IMF). Structural changes included: a) market forces should set relative prices; b) the state should cut back its expenditure and intervention; and c) economies should be liberalized and open to international trade and foreign investment. . Due to the results in poor countries several studies and argument arose that argued that changes should include a more “human face”. The review on the implementation of SAP’s in the 80’s performed by ILO, showed that poverty worsened as poverty alleviation was not an objective of these proposals. Economic crisis and the SAPs had tremendous social costs and fortunately pressures and arguments from different sides of the society helped bring about a return to a more direct concern with poverty reduction.

**The 1990s: the rise of a new poverty agenda.** During the 1990s debates about development focused on three sets of issues. The first was the need for economic reforms to establish macroeconomic stability. The second was the need for strong institutions and governance to enforce the rule of law and control corruption. The third was the need for social justice and involving people in decisions that affect them and their communities and countries .Social questions and the poverty issue were considered and social fund programs were financially supported by several international organizations including the Breton Woods The 1990 World Development Report (WDR) from the World Bank proposed a new poverty agenda with two ways of promoting pro-poor growth: a)labor-intensive strategies to generate income-earning opportunities for the poor by using their labor power; and b) social investment in basic health and education to improve the productivity of labor. These were transfers and safety nets to assist the most vulnerable and least accessible sections of the poor, such as those in remote areas, the elderly and the disabled.

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<sup>1</sup> Based on description in Kabeer N ( 2003 ) and ILO distance course Module 1 (2004)

In the late 1990 the debate on development was dominated by the so called “**globalization** “. This phenomena, has different understanding and impacts in groups, regions and ideological frames of analysis. Two factors have been particularly significant in driving the pace of globalization: the changing technology of transport and telecommunications, which served to compress time and space across the world; and a massive increase in world trade flows. Within national economies, labor markets have become increasingly ‘informal’ and social protection has been eroded and different forms of labor, such as outworking, contract work, casual labor, part-time work and home-based work have been replacing regular, full-time wage labor. Women’s labor force participation increased faster than men’s in almost every region except Africa, where it was already high.

According to the UN, industrialization as part of globalization is currently as much female-led as it is export-led.

The World Bank’s most comprehensive treatment of gender to date is the **2001 Policy Research Report, Engendering Development: Through Gender Equality in Rights, Resources, and Voice**. This documented different aspects of gender inequality using evidence from both the developed and developing world. The overall analysis in this document suggests a combination of the sort of broad-based pro-poor economic growth strategies being promoted by the World Bank and IMF and the kind of rights-based approach to human development adopted by a number of UN and bilateral donor agencies. However the report was much stronger on growth-based policies than rights-based ones. It understands rights in terms of regulation rather than redistribution, stresses civil and political rights rather than economic and social rights.

**The United Nations Millennium Development Goals (MDGs) 2000** agreed at the United Nations Millennium Summit in 2000 by developed and developing countries. To halve the world poverty by 2015, eight objectives, 18 targets and 40 indicators were identified. Taking as a baseline the year 1990, the MDGs to be achieved by 2015, include:

1) Halving extreme poverty and hunger; 2) Achieving universal primary education; 3) Promoting gender equality; 4) Reducing under-five mortality by two-thirds; 5) Reducing maternal mortality by three-quarters; 6) Reversing the spread of HIV/AIDS, malaria and tuberculosis; 7) Ensuring environmental sustainability; and 8) Developing a global partnership for development.

It must be acknowledge that some goals proposed in the Millennium Declaration were chosen taking into account the situation of countries less developed than the average country of Latin American and the Caribbean (LAC) region. For example, when comparing gender differences in education, in the case of LAC, women are equally and sometimes more educated than men. Something similar occurs with population living on less than \$1 a day. In most of LAC countries this is not a good measure to define poverty, but it is still relevant, for instance, for Sub-Saharan African countries.

The MDGs address gender issues in relation to human development goals, with “progress towards gender equality and the empowerment of women” by the elimination of gender disparity in primary and secondary education. There is also a commitment to reproductive health services and to the reduction of maternal mortality – a major cause of female deaths in poorer countries (by three-fourths by 2015). While these are important goals, closing the gender gap in indicators of health and education not only requires better service delivery. It also means increasing women’s economic agency and the value they give themselves and are given by their community.

The MDGs represent only a partial improvement for women, as they are still not part of the poverty reduction goal. Instead women continue to be identified with human development goals – in relation to education, maternal mortality and the incidence of HIV/AIDS. There are, however, a number of important new features: Gender equality is treated as an explicit goal (nr 3). And there is a set of Indicators of progress

to reduce gender disparities in primary and secondary education include: a) the ratio of boys and girls at all levels of education; b) gender disparities in adult literacy; c) the percentage of women in waged employment in the non-agricultural sector; and d) the percentage of women holding seats in national parliament.

**In the MDG** the focus for poverty alleviation is more comprehensive and call for alliances with private sector and organizations of the civil society for the eradication of poverty But also call for develop countries to have compromise to increase their support to achieve MDG goals and targets. Finally in this new frame certainly success will also depend on the actions of developing countries, which must direct their own development.

*Summarizing*, during the decades there have been various policies and strategies for poverty eradication but none by itself have achieved eradication of poverty:

- a) those that were correlated to the distribution of the basic factors of production, land, capital and labor
- b) policies with twin objectives where macroeconomic policies and sectoral policies are part in the re-structure of the production process
- c) those that work to remove labor market discrimination through legislation, awareness-raising campaigns and other positive measures enhancing access to productive employment and to social protection
- d) policies that enhance direct social transfers and work as a complement to those policies that provide access to assets and to production policies by sector
- e) policies that support the organization of the poor and their effective functions, in a democratic environment, and support programs of capacity building.

Several studies have shown that no single approach or strategy can achieve the desired result. What would work is a combination of socially sensitive macroeconomic policies with direct policies for employment promotion and with redistribution of assets and income towards the poor.

During years of efforts by the international community to support the development of the poor countries and eradicate poverty there have been different strategies and results. We have to recognize that, in the past 30 years, the world situation has experience improvements in eradicating poverty and therefore it is interesting to refer to the world trends and how women and men have been impacted after the implementation of different approaches.

## **II POVERTY ERADICATION: world trends<sup>2</sup>**

The past 30 years saw dramatic improvements in the developing world. Life expectancy increased by eight years. Illiteracy was cut nearly by half, to 25%. And in East Asia the number of people surviving on less than \$1 a day was almost halved just in the 1990s. Child mortality and educational attainment in developing countries have advanced much faster than today's developed countries Consumption per capita in some developing countries has increased by almost 70 per cent. This is the case of Asian developing countries that from 1980 to 1993, the average economic growth of South and East Asia (excluding China) averaged 5.8 per cent a year, compared with a 2 per cent annual growth rate in the United States and the European Union, and 3.6 per cent in Japan.

Despite economic advances more than one billion people in the developing world are struggling to survive on less than US\$370 a year still, human development is proceeding too slowly. For many countries the 1990s were a decade of despair. Some 54 countries are poorer now than in 1990. In 21 a larger proportion of people are going hungry. In 14, more children are dying before age five. In 12, primary school enrolments are shrinking. In 34, life expectancy has fallen.

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<sup>2</sup> Based data from UNDP Human Development report 2003 and from ILO distance course Module 1 Unit A

- One half of the population of South Asia and sub-Saharan Africa is in poverty and the poor are increasing in these two regions
- More than 1.2 billion people, one in every five in the world, survive on less than \$1 a day. In, the Arab States, Central and Eastern Europe and Sub-Saharan Africa the number of people surviving on less than \$1 a day increased
- During the 1990s the share of people suffering from extreme income poverty fell from 30% to 23%. But with a growing world population, the number fell by just 123 million. And excluding China, the number of extremely poor people actually increased by 28 million.
- Sub-Saharan Africa has the highest proportion of people in poverty.
- South Asia, East Asia, and South-East Asia and the Pacific have more than 950 million of the 1.3 billion people who are poor in income terms.
- South and East Asia contain the largest numbers of people in income poverty, though both regions have recently made impressive gains. In the 1990s China lifted 150 million people, 12% of the population out of poverty, halving its incidence
- In South Asia and sub-Saharan Africa it is estimated that more than 700 million people were poor in the year 2000,
- In Latin America, poverty levels rose significantly in the 1980s, and continue to rise.
- Eastern Europe and the countries of the Commonwealth of Independent States (CIS) have seen the greatest deterioration in income in the past decade. From a small part of their population, poverty has spread to about one third (120 million people) who have to live on less than US\$4 a day.
- In the 1990s only 30 of 155 developing and transition countries with data, about one in five achieved per capita income growth of more than 3% a year. In 54 of these countries average incomes actually fell.
- In industrialized countries, more than 100 million people live below the individual media income, and 37 million are jobless.
- The number of hungry people fell by nearly 20 million in the 1990s. But excluding China, the number of hungry people increased. South Asia and Sub-Saharan Africa are home to the largest concentrations of hungry people.
- Overall adult illiteracy rate is 50 per cent in South Asia, 42 per cent in sub-Saharan Africa and 43 per cent in the Arab States (for developing countries in 1995 was 30 per cent) .One in six of the world's adults are illiterate, and two-thirds of the 876 million illiterate adults are women.
- Across developing regions, more than 80% of children are enrolled in primary school. Some 115 million children do not attend primary school, and enrolments are low in Sub-Saharan Africa (59%). Gender gaps remain: three-fifths of the 115 million children out of school are girls
- Around the world 42 million people are living with HIV/AIDS, 39 million of them in developing countries. Tuberculosis remains (along with AIDS) the leading infectious killer of adults, causing up to 2 million deaths a year. Malaria deaths, now 1 million a year, could double in the next 20 years.
- More than 1.0 billion people in developing countries, one person in five, lack access to safe water. And 2.4 billion lack access to improved sanitation. Both can be life and death issues.
- Soil degradation affects nearly 2 billion hectares, damaging the livelihoods of up to 1 billion people living on dry lands

In 21 countries there has been a decline in the human development index (HDI is a summary measure of three dimensions of human development: living a long and healthy life, being educated and having a decent standard of living).

As stated in the UNDP HRD (2003) in the 1990s several developing countries faced many types of crises:

- *Income poverty*: poverty rates increased in 37 of 67 countries with data.
- *Hunger*: in 19 countries more than one person in four is going hungry. In 21 countries the hunger rate has increased.
- *Survival*: in 14 countries under-five mortality rates increased in the 1990s, and in 7 countries almost one in four children will not see their fifth birthdays.
- *Water*: in 9 countries more than one person in four does not have access to safe water and the situation is failing to improve or getting worse.
- *Sanitation*: in 15 countries more than one person in four does not have access to adequate sanitation and the situation is failing to improve or getting worse.

Underlying all these crises is an economic crisis. Not only are some countries already extremely poor, but their growth rates are slow. Poverty has increased even in some countries that have achieved overall economic growth, and over the past two decades income inequality worsened in 33 of 66 developing countries with data. All countries, especially those doing well on average but with entrenched pockets of poverty, should implement policies that strengthen the links between economic growth, social development and poverty reduction.

FAO State of Food Insecurity in the World 2002 inform that low income and undernourishment has increased in some countries of the Latin-American and the Caribbean as is described in the table below:

**Table 1: Poverty and undernourishment in Latin America and the Caribbean**

			Proportion of undernourished in total population		
			1979-1981	1990-1992	1998-2000
	Food-deficit country (2000)	Proportion living below 1\$ a day (1990-2001)			
LATIN AMERICA AND THE CARIBBEAN			13	13	11
NORTH AMERICA			4	5	5
	Mexico[3]	8.0	4	5	5
CENTRAL AMERICA			20	17	20
	Costa Rica[3]	6.9	8	6	5
	El Salvador[3]		17	12	14
	Guatemala[4]	Yes	18	14	25
	Honduras[4]	Yes	31	23	21
	Nicaragua[4]	Yes	26	30	29
	Panama[3]		21	19	18
THE CARIBBEAN			20	26	25
	Cuba[3]	Yes	4	5	13
	Dominican Rep.[4]		25	27	26
	Haiti[5]	Yes	48	64	50
	Jamaica[3]		10	14	9
	Trinidad and Tobago[3]		6	13	12
SOUTH AMERICA			14	14	10
	Argentina[1]		-	-	-
	Bolivia[4]	Yes	26	26	23
	Brazil[3]		15	13	10
	Chile[2]		7	8	4
	Colombia[3]		22	17	13
	Ecuador[3]	Yes	11	8	5
	Guyana[3]		13	19	14
	Paraguay[3]		13	18	14
	Peru[3]		28	40	11
	Suriname[3]		18	12	11
	Uruguay[2]		3	6	3
	Venezuela[4]		4	11	21

NOTES: the population undernourished in 1998-2000):

[1] <2.5% undernourished

[2] 2.5–4% undernourished

[3] 5–19% undernourished

[4] 20–34% undernourished

[5] 35% undernourished

a. Poverty line is equivalent to \$1.08 (1993 PPP US\$). b. Data refer to the most recent year available during the period specified.

Source: The State of Food Insecurity in the World 2002

In this frame, women, rural inhabitants, ethnic minorities and other poor people are typically progressing slower than national averages or showing no progress

The facts presented speak by itself and the state of the world poverty seems to be increasing in several regions. In this frame it is stated by some researchers and policy makers that women have gains and losses. Therefore it is important to examine if there is a feminization of poverty and to what extent women from

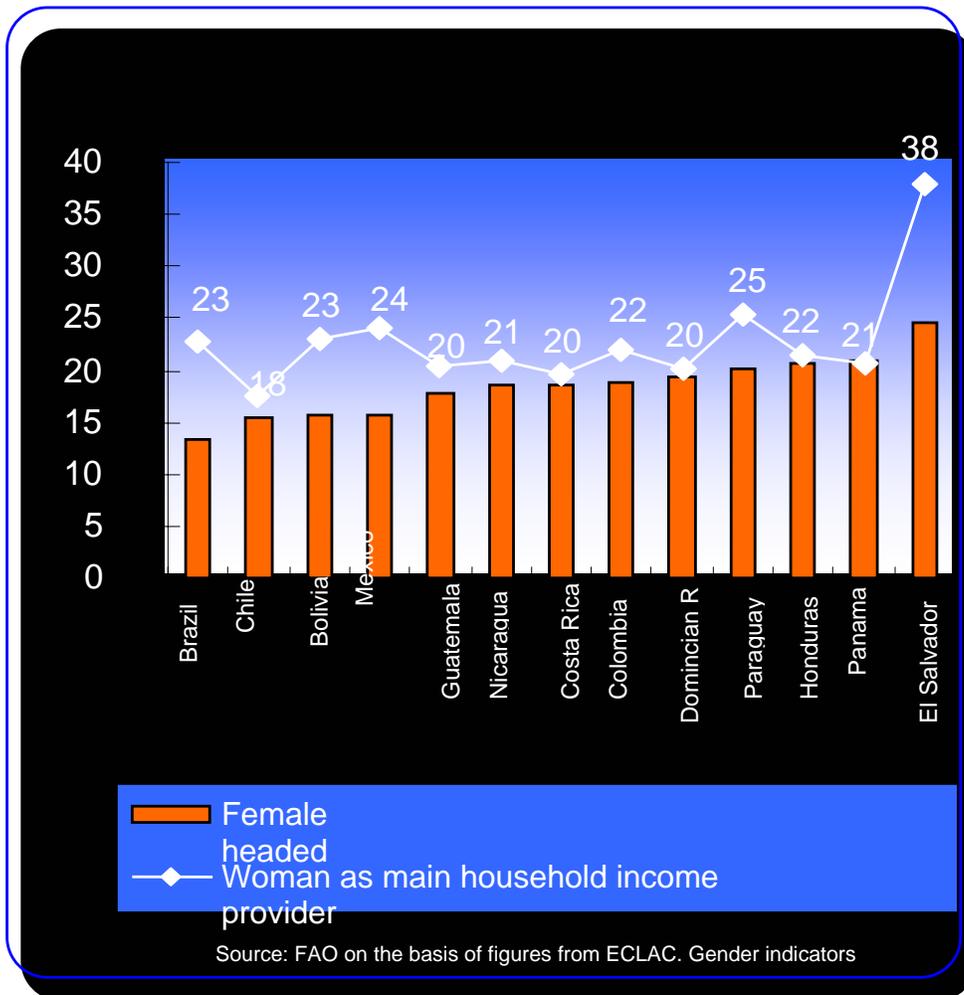
urban or rural area are represented among the poorer of their region. This point will be discussed in this next chapter

### **III IS THERE A FEMINIZATION OF POVERTY? : Gender and poverty**

The relationship between gender and poverty is a complex and a controversial topic that is being debated since some time. The difficulty originates from the different shapes and forms gender inequalities and poverty take depending on the economic, social context. Another difficulty involves the lack of statistic that can show that gender is an important factor of poverty. There is little gender-disaggregated statistical information on the income of men and women, given that household surveys take household income as a whole, although some sources indicate poverty primarily affects women.

The rise in the number and proportion of women among the poor is closely associated with increasing numbers of poor households headed by women. The percentage of female-headed households and of families maintained by women has risen in both developing and developed countries. In some South and South-East Asian countries, the percentage is in the mid-teens, and in some African and Caribbean countries, this is close to half of all households. In Latin American countries that have compiled statistics over a period of time, show that the percentage of female-headed households has grown. Various studies in this region reveal an increase in the number of rural female-headed households, in México, Paraguay and Panama have shown the highest increase, although, the statistics underestimate the registration of female-headed households, as cultural patterns ascribe men as the head of household. This is confirmed by the fact that countries with this information show a consistently higher proportion of homes in which the woman is the main income provider, exceeding 38 percent in the rural households of El Salvador at the end of the last decade. See Figure 1.

**FIGURE 1 – LATIN AMERICA. 1998 AND 1999: RURAL HOUSEHOLDS HEADED BY WOMEN, WHERE WOMEN ARE THE MAIN INCOME PROVIDERS**



A study by Köbrich and Dirven<sup>3</sup> identified lack of access to assets and disparity in control of these assets as critical factors associated with rural poverty in Latin America. The authors indicate this disparity in assets and control is based on studies that reveal poverty primarily impacts women, the young, the old and ethnic communities, all groups traditionally having limited access to and control of land and capital. (Köbrich, Dirven, 2001).

Despite their broad diversity, all developing countries in the regions have one common feature a vast proportion of their population, especially the rural, live in poverty. As noted in the Rome Declaration on World Food Security, “Poverty is a major cause of food insecurity and sustainable progress in poverty eradication is critical to improve access to food”.

The rise in the number of female-headed households has been brought about by several socio-demographic and economic factors. In many Latin American countries (e.g. Brazil, Peru), migration flows from rural to urban areas in the last decades have been female-dominated, as young women are pushed by lack of job opportunities in rural areas and are drawn into the cities by better prospects. This is the case for countries of the southern cone where women migration from rural to urban areas is higher than men. According to Katz (2003)<sup>4</sup> internal flows of women migration in Central America and Mexico are less than men.

For the last three decades, the women’s movement has been advocating that women are poorer than men. The most common expression of this idea is the concept of “feminization of poverty.”<sup>5</sup> Although the idea that there are gender differences in experiences of poverty is accepted, a more complex analysis of poverty and gender inequalities is emerging.

The earlier approach to “women and poverty,” focused mostly on female-headed households (FHHs) and the incidence of income among female-headed households compared to male headed counterparts. The household has been the unit of analysis for studying poverty and female headship was the only gender-transparent factor in this approach.

Poverty has been traditionally understood to mean a lack of access to resources, productive assets and income resulting in a material deprivation. In this approach, absolute rather than relative poverty has been the focus of attention. As the consumption/income approach to defining poverty has come under criticism, several other approaches have merged : a) poverty viewed as a process that include, in the analysis of poverty common property resources and state-provision, b) a broaden concept of poverty that include lack of dignity and autonomy c) poverty as a process that emphasizes on assets they own and resources they can access and include social capital and household relations (Moser 1996, 1998), d) a recent approach, the social exclusion approach,<sup>6</sup> that emphasizes the importance of institutions and norms that exclude certain groups from a variety of social networks and the importance of social solidarity in sustaining livelihoods.

UNDP has contributed to broadening the discussions around the conceptualizations and measurements/assessments of poverty as well as by introducing new approaches to poverty elimination policies. The UNDP’s Human Development Reports (HDR) and the concept of

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<sup>3</sup> Köbrich C. y M. Dirven (2001) *Pobreza rural: Un desafío de múltiples dimensiones*. CEPAL, Santiago, Chile

<sup>4</sup> Katz E. La feminización de la economía rural en América Latina: evidencia, causas y consecuencias in FAO( 2002) *Current and Emerging Issues (CUREMIS Latin America and the Caribbean)* Rome

<sup>5</sup> For example, the idea of “feminization of poverty” informs one of the key policy goals of the Beijing Platform for Action of the Fourth World Conference on Women (FWCW).

<sup>6</sup> The social exclusion approach was first developed in France. See ILO and UNDP (1996), UN (1997), de Haan and Maxwell (1998), de Haan (1998).

Sustainable Human Development have helped broaden the understanding of poverty and vulnerability.<sup>7</sup>

Poverty is viewed as multidimensional taking into consideration more than the minimum necessities for material well-being The Human Poverty Index (HPI), also introduced in the same report, measures deprivation in basic human development, (e.g., a short life, lack of basic education and lack of access to public and private resources). In this way, human poverty helps us see the causes of poverty, not merely its symptoms.

In summary growth based approaches to poverty alleviation assume automatically “trickle down” of benefits to poor households. Consumption/income approaches to poverty assume that the benefits of an income increase in poor households “trickle down” to all members equally. The concept of human poverty makes clearer the relationship between gender inequalities and poverty and makes it possible to disaggregate the household and analyze the relative poverty or well-being of household members.

### **3.1. Feminization of poverty a myth or a reality?**

The gender inequalities make women poorer in most societies. They face more obstacles, as compared with men: more limited access to the labor market, less chances of getting a well-paying, secure job, lower wage earnings, and more limited access to productive resources and services. Women are still perceived as secondary income earners constraining their priorities to productive work and remunerative employment, also women work tend to be under valued and with low importance and low economic value.

Gender biases in labor markets and social exclusion that women experience in a variety of economic and political institutions form the basis for the greater vulnerability of women to chronic poverty. Also the gender-based division of labor between unpaid (and often reproductive labor) and paid labor put women economically and socially more insecure and vulnerable.

It is acknowledge the scarcity of studies, research and information but with the current information available it can be concluded that poverty has women face. Nevertheless in view of the new emerging trends in a globalized world, there is a need to organize more research studies specially those that can provide with statistics information and where poverty is viewed as multidimensional taking into consideration more than the minimum necessities for material well-being. The rise in the number and proportion of women among the poor associated with increasing numbers of poor households headed by women still sustain the concept of feminization of poverty, but this has to be updated by region and within countries. Specially is important to look the impact of free trade markets, on poverty reduction and women.

## **IV A NEW TREND TO POVERTY ERADICATION? Gender and decent employment**

### **4.1. Highlights on Gender and labor force**

Globalization, a multifaceted phenomenon has emerged by the end of the 90's, implementing trade liberalization, mobility of capital and increased financial flows. Also the globalization have brought changes in labor demand, liberalization of labor markets and flexibility, changes in the process of production, changes in the role and function of the State, rapid diffusion of products and consumption patterns, more rapid diffusion of information and technology, new

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<sup>7</sup> As an example, see Sen (1981). Vulnerability is not synonymous with poverty. Most poor people are vulnerable, but not all vulnerable people are poor. Persons who are not in a state of material deprivation may, nonetheless, be vulnerable to poverty.. The concept of vulnerability involves being at risk of becoming poor as a result of natural or socially induced crises. It is associated with insecurity and defenselessness in the face of crises. ( see Module 1 Unit B , ILO distance course 2004).

forms of governance and mechanisms of regulation, and the emergence of a global civil society.. Rural development, in the context of globalization, has also been affected in several ways through intensified commercialization and industrialization of agriculture, by a growing economic and political influence of multinational corporations, by the expansion of agribusiness and the emergence of global commodity chains.

The changes have had a mixed impact on regions, countries, households and individuals; as well as in the gender division of labor. Emerging issues tend to be different in regions and within countries, socio economic and cultural background plays their role when defining women integration to labor markets.

Globalization has multifaceted impacts but for the purpose of this paper and to contribute in proposing key measures for new responses in productive employment for poverty eradication I will start by presenting some of the features of women labor force participation patterns in the last few decades:

- There has been a **rise in the percentage of women in the labor force**; and an increase in their share of overall employment as in almost every region. But their employment is concentrated in “female areas” with less prestige and lower paid. In Latin America there has been a systematic rise in female labor force participation with increasing share of white collar (professional and technical) employment in almost every major city in the region
- **Distribution of the labor force between different sectors of the economy is among the major changes in patterns of work.** In South Asia and sub-Saharan Africa female labor remained largely concentrated in the agricultural sector; in East and South-East Asian countries there are high levels of female labor force participation and by a more even distribution of female labor across agriculture, industry and services.
- According to the UN, industrialization as part of globalization is currently as **much female-led as it is export-led.**
- Competitive pressures on the global markets have resulted in an **increasing trend towards flexible working patterns. This atypical form of work** include flexible working hours, part time work, home work, casual and temporary employment. These fall among others, outside of the social security system, labor union agreements, leaving women in a vulnerable situation.
- **Working hours** are on average shorter in industrialized than in developing countries, and shorter in urban areas of developing countries than in rural. Yet women work longer hours than men in every case
- **Wages inequities** are still continuing, where women, for same work and same skills, still earn around 20 to 50 percent less than men. The decline of real wages and the scarcity of full time employment have lead to urban women to search for survival strategies in self-employment micro-business schemes mainly develop in the informal sector.

From the international arena and since several decades, several International organizations including the United Nations have been working for development to alleviate poverty in poor countries. Initiatives from direct support to developing countries through specific development project support as well the organization of world wide conferences, summits have been implemented to rise awareness among the world population and have been important forums to discuss alternatives, approaches, strategies, policies to eradicate poverty.

In the beginning of the XXI century, and as a result among others of the discussions emerged during the world wide “dialogue” of conferences and meetings organized by the UN a more comprehensive approach eradicate poverty has emerge with economic growth strategies

combined with right based approach to human development that are now been developed by the “Millennium Development Goals”.

#### **4.2. The proposals of the International Organizations to poverty eradication**

##### **The ILO approach**

ILO proposes to break out of poverty a dual action: policy changes and direct actions in a number of interrelated areas:

- positive action for promoting an overall environment for equality of opportunity and treatment between men and women at work;
- strengthening the organizational and negotiating capacity of the poor, so that they can defend their interests and secure lasting improvements in their situations;
- expanding women's access to wage employment opportunities;
- access to financial resources for consumption and for capital investment;
- improving the human capital base of the poor through training in order to enhance their ability to respond to market opportunities and to raise productivity;
- access to land and other assets, the availability of which determine the returns to self-employed women in the rural farming and non-farm activities, and in the urban informal sector;
- extending social protection and improving conditions of work in jobs that are unregulated and unprotected

Improving opportunities in all these areas requires policy reform and direct targeted programs.

##### **UNDP Human Development Report Approach**

Governance, health, education, infrastructure, access to markets are the key areas that UNDP Human Development Report 2003 has indicated so countries can achieve sustainable growth. The report continues saying that if a country falls below the threshold in any of these areas, it can fall into a “poverty trap”. The obstacles identified to eradicate poverty are mainly due to barriers to international markets and high debt levels, country’s size and location, low soil fertility, vulnerability to climatic shocks or natural disasters and rampant diseases such as malaria.

The HDR 2003 suggests six policy proposals that can help countries break out of their poverty traps:

- a) Invest in basic education and health while fostering gender equity. These are preconditions to sustained economic growth. , employment generation and incomes rise;
- b) Increase productivity of small farmers in unfavorable environments, that is, the majority of the world’s hungry people. A reliable estimate is that 70% of the world’s poorest people live in rural areas and depend on agriculture,
- c) Improve basic infrastructure, such as ports, roads, power and communications to reduce the costs of doing business and overcome geographic barriers;
- d) Develop an industrial development policy that nurtures entrepreneurial activity and helps diversify the economy away from dependence on primary commodity exports with an active role for small and medium-size enterprises;
- e) Promote democratic governance and human rights to remove discrimination, secure social justice and promote the well-being of all people;
- f) Ensure environmental sustainability and sound urban management so that development improvements are long term.”

The thinking behind these policies is that for economies to function better, other things must fall into place first. Growth is less likely to benefit poor people if it is narrowly based, if it neglects human development or if it discriminates in the provision of public services against rural areas, certain regions, ethnic groups or women.

### **The MDG Approach**

I have already extensively referred to the 8 Objectives proposed by the MDG to contribute for the eradication of poverty by halving by year 2015 the number of poor in the world. The Millennium Development Report and its goals contain a very comprehensive approach to development and eradication of poverty and summarize the proposals of the UN organizations. But the overall MDGs lack an explicit focus on employment or, more critically, on better employment for the working poor. To meet the MDG relating to poverty, greater emphasis must be placed on increasing both the quantity and the quality of employment opportunities for the working poor, and especially women. Promoting employment and gender equality there is a long way to go as there are still significant disparities in labor market opportunities and women's empowerment. Therefore actions should be taken to broaden the MDG and focus in supporting actions for increase employment, well paid, secure and with no discrimination.

### **The Breton Woods: World Bank and IMF proposal**

The overall analysis of the Report from 2001 "Engendering Development" propose the combination of a broad-based pro-poor economic growth strategies and a kind of rights-based approach to human development adopted by a number of UN and bilateral donor agencies. However the proposal is stronger on growth-based policies than rights-based ones. Rights are understood in terms of regulation rather than redistribution, and stresses on civil and political rights rather than economic and social rights.

## **V NATIONAL AND INTERNATIONAL ALLIANCES**

The proposals of the MDR goals, include a set of targets and indicators and call for alliances with private sector and organizations of the civil society for the eradication of poverty. The UN family is working together to help to achieve the MDG (Millennium Development Goals). But also the developed countries have to compromise to increase their support to achieve goals and targets. Success depends also on the actions of developing countries, which must direct their own development.

Aid is one way for rich countries to transfer resources to developing countries and is most effective in reducing poverty when it goes to poor countries with good policies and sound governance. After falling throughout most of the last decade, aid levels rose in 2002 to \$58.3 billion. During International Conference on Financing for Development held in Monterrey, Mexico in 2002 to discuss new strategies for attacking global poverty, countries came to commitments to increase the real level of aid by \$18.6 billion dollars more in 2006. But this amount will fall short of the \$30-50 billion extra needed to meet the identified needs of the poorest countries.

**The Monterrey Consensus** agreed to increase the official development assistance as follows:

- Members of the European Union: to strive to raise development assistance to at least 0.33 percent of gross national income (GNI) by 2006, with the EU average rising to 0.4 percent or more of GNI.
- United States: to achieve a \$5 billion increase (almost 50 percent) over current levels by 2006.
- Canada: to double its aid by 2010.
- Japan: to reduce its development assistance budget in fiscal 2002 and 2003 as part of

necessary fiscal consolidation.

- Norway: to increase its development assistance to 1 percent of GNI by 2005.
- Switzerland: to increase its development assistance to 0.4 percent of GNI by 2010.
- Australia: to increase its development assistance by 3 percent in real terms in 2002–03

**Another international interaction to contribute to poverty eradication has been to ease the burden of debt** for Heavily Indebted Poor Countries (HIPCs) and provide debt relief to the world's poorest and most heavily indebted countries. Since 1995, the ratio of debt service to exports among HIPCs has decreased steadily in both Latin America and Caribbean countries and in Sub-Saharan Africa. On average, they now have about 15 percent debt service ratio, half the 1995 levels

At national level it is promoted, by the UN agencies and the WB that countries should consider strong alliances with the private sector to support employment programs specially for youth and women, as well as develop partnership alliances with the organizations of the civil society who can support activities at field level for the eradications of poverty as well as women empowerment

In rural areas many hungry people are landless or lack secure tenure. Agrarian reform is needed to provide rural poor people with secure access to land. Women produce much of the food in Sub Saharan Africa and South Asia yet do not have secure access to land.

## **VI EMERGING ISSUES IN XXI century: issues to be considered in a future to address poverty eradication**

### **i. Rural/Urban and Trans national migration**

Trade liberalization, coupled with the free movement of capital, has enabled many developing countries to set up export industries using cheap labor. This has opened up employment opportunities for women, especially in the garment and electronic sectors. In many countries in South and South-East Asia, women are moving in large numbers from rural to urban areas in order to utilize these opportunities, resulting in a distinct feminization of the labor force in export-oriented industries.

Demand for cheap labor in newly emerging industries has increased labor mobility and migration. In this context, there is a trend towards the feminization of migration as women are becoming the preferred workers for lowly paid, casual jobs and easily displaced when their labor is no longer needed.

In rural areas women face constrains in access to land and credit and lack of job opportunities. This has resulted in the increase of women rural-urban and trans-border migration in search of better living conditions. In periods of slow economic growth, migrations grow strongly, also encompassing professionals and skilled women, a process implying drainage of human capital.

Population movements take place mainly from one rural area to another, specially when young women join the agribusiness workforce; from rural to urban areas, where girls and adult women leave for towns and cities to enter the service and manufacturing sectors, including the export processing zones; and from regions to the international arena, to work as nannies, maids, factory workers entertainers, or teachers and nurses. In most cases, labor movements are voluntary, and can be temporary, cyclical or permanent. There has, however, also been a rise in forced migration, such as trafficking in women and girls for sex work, domestic service or sweatshop employment<sup>8</sup>

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<sup>8</sup> UN General Assembly Report of the Secretary General: Improvement of the situation of women in rural areas. 31 July 2001 ( A/56/268)

The trend of demographic imbalance between sexes, in urban areas, has resulted in a surplus of young women in marriageable ages and older age groups. Many young women/ teenager get pregnant and commonly young mothers are left alone with children to maintain. If this situation is coupled with low educational level, then links are established for the intergenerational transmission of poverty between mothers and their children.

## **ii. New working patterns and lack of Social security support schemes**

There is a deterioration of living conditions and lack of job opportunities in urban and rural areas. The emergency of “atypical” working schemes developed in the informal sector are leaving specially women, outside of the security system with impacts on health security and social benefits that support women integration to labor market and productive work.

Women’s rates are increasing in export-oriented manufacturing in rural areas; changes in land tenure and agricultural capital concentration in large and modern properties to detriment of small farmers are having negative impact in rural women, specially those households headed by females... Women working in seasonal work are in the increase.

Changes in household structure and increase in the diversification of the different types of work in which household members may engage are one effect of that is altering the division of labor within households. The increase of household headed by women; household headed by teenagers due to the spread of VIH/AIDS and population ageing (especially in Latin -American countries,) are affecting actions to eradicate poverty.

## **iii. The impact of information technologies**

The development of new information technologies is having a major impact on access to information and traditional decision-making patterns. Information and communication technologies (ICTs) are powerful tools and vital resources in an integrated global economy. However, there continues to be a significant divide between and within countries in terms of access to and use of these technologies. The gap between the information haves and have-nots is widening<sup>9</sup>. The current rural-urban and gender digital divide presents challenges to the information and knowledge management needs of rural households. Given the potential and enormous opportunities for women of these technologies, this point was reiterated at the 2003 World Summit on Information Society (WSIS), where the need to develop, and broaden the access to, information and communication technologies (ICTs) were highlighted.

## **VII RECOMMENDATION FOR THE FUTURE: challenges to eradicate poverty with gender equality**

During the 1990s debates about development focused on the need for economic reforms to establish macroeconomic stability; the need for strong institutions and governance to enforce the rule of law and control corruption and; the need for social justice involving people in decisions that affect them and their communities and countries.

The globalization of the economy, flexibility of labor markets, and increasing informal and precariousness of jobs have pose new challenges to the problem of poverty and policy responses.

### **On decent employment for men and women**

The fact that poverty is related to unequal access to employment opportunities in the labor market, irregular job access and precarious working conditions *the promotion of productive*

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<sup>9</sup> Bridging the digital divide.-

[http://news.bbc.co.uk/1/hi/special\\_report/1999/10/99/information\\_rich\\_information\\_poor/466651.stm](http://news.bbc.co.uk/1/hi/special_report/1999/10/99/information_rich_information_poor/466651.stm)

*employment is one of the key strategies to eradicate poverty.* It calls for the creation of regular and good quality jobs in the labor market, for the general enhancement of the productivity of the “working poor” in the self-employment and home-based sectors. Countries should include in their poverty eradication agenda, the support of employment programs in alliance with the private sector. These could be promoted through initial economic support e.g. by tax discounts, to enterprises that provide employment to young women and men.

Also access to soft credits to poor people to invest in micro enterprises could also be considered an alternative to poverty eradication. This approach has been proven in some countries with good results. In Chile there is government a program where private enterprises can employ during four month, in an internship modality, young unemployed person and receive financial support to pay their minimum salary. After four month, the employee can provide her or him a permanent job. For those that are under the level of poverty there could be other approaches like the one that has develop Chile Solidario<sup>10</sup> a two year government program that provide mainly support to families under the level of poverty. This is implemented through subsidies, skill training and soft credit to start a micro enterprise that is monitored during an extra year. Families have to request the support in government local offices and after a socio economic evaluation of the level of poverty, selected families are integrated in a holistic program that beside the economic support , include social and physiologic support to the family .

When addressing poverty eradication, it is necessary also to address the specific situation of women because there are processes which are gender-specific that leads to women’s poverty. Economic policies are not sufficient to bring about the needed change. *It requires, in promoting equality of opportunity and treatment between men and women workers, legal and policy reform at the national level and effective enforcement measures.*

#### **On demographic changes: rural/urban and transnational migration**

During this century there has been an increase in population movements from one rural to another or from one country to another. Constrains in access to land and credit and the lack of job opportunities has resulted in the increase of *rural-urban and transnational migration* in search of better living conditions. The drastic decrease of permanent employment in rural areas and its replacement by temporary work, associated with the frequent practice of sub-contracting has contributed to a growing instability of the agricultural employment market.

Those who migrate, usually send that portion of their earnings to the place of origin. In most of the literature the cash transfers transmitted to their families and communities back home is identified as *Remittances* and they can also be sent in kind.

Nyberg Sorensen N (2004)<sup>11</sup> introduces another concept: *social remittances* defined as the ideas, practices, identities and social capital that flow from receiving to sending country communities. The advantage of adopting a financial as well as a social definition of remittances is that it allows to understand migration as a social process in which migrants are potent agents of economic, social and political change.

The appreciation of remittances as a development tool is recent and there is a need to discuss on how best poor countries can capture their impact in development. In 2003, the Global Development Finance Annual Report took formal notice of remittances as a source of external development finance for the first time. Estimated at over US\$ 72 billion in 2000, remittances to developing countries represent a large proportion of world financial flows and amount to substantially more than global official development assistance, more than capital market flows

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<sup>10</sup> <http://www.preguntachileno.cl/chilesolidario/>

<sup>11</sup> Nyberg Sorensen N. The Development Dimension of Migrant Remittances Final Report April 2004 Danish Institute for Development Studies Copenhagen 2004.

and more than half of foreign direct investment flows to these countries. To underline their importance for the developing world, it is estimated that in 2000, 60 per cent of global remittances were sent to developing countries. Monetary remittances play a most important role in the accounts of many developing countries and are crucial to the survival of poor individuals and communities around the world.

In general remittances are used by poor families to meet their basic needs. Some researchers point out that remittances can have positive as well as negative impacts in poor families. The positive impacts are that with remittances, families can invest and promote production, expanding consumption, as well as contribute to meet their basic needs. On the negative side, among others, it is said that they led to disparities between recipients and non-recipients to conspicuous consumption, decrease local food supplies due to reduced agriculture production.

Regarding social remittances, a recent study of the local impact of Dominican Republic transnational migration concludes that changes in gender roles and ideologies as well as experiences with different institutions, such as legal systems abroad, are transferred back to the home communities. In Asia an IOM report, presented in January 2002, concludes that both monetary and social remittances are substantial at household, community and national level. They represent a significant inflow of income for poor families, especially for women and children and new economic opportunities are found to transform local, national and international power structures. The social impact of migration has led to positive changes in family structures, gender ideology, caste hierarchies and class relations. In Africa the same study concludes remittances represent considerable financial inflows.

Women and men from different regions may have different motives for remittances, for example related to household structures and different rules regulating inheritance may also influence remittance patterns. Social remittance transfers may also vary according to gender. Based on the general observation that men and women spend remittance income differently, several studies are pointing to gender as an area in need of further research (DFID and World Bank, 2003).<sup>12</sup>

Summarizing remittances are used for consumption as well as for investment in human capital (education, health, better nutrition). Thus, migration and the concomitant remittances are part of a livelihood and poverty reducing strategy at the individual and household level.

But as Nyberg Sorensen (2004) states “the use of remittances as a resource for development requires better answers to some fundamental questions such as: how can governments best estimate the actual flows of financial as well as social remittances; are there better ways to estimate more precisely how remittances are transferred and used, and what alternative ways can be envisioned; to what extent can the multiplier effect of remittances be increased by initiatives to encourage local purchase of locally-produced goods and other productive investments; what can be done to lower transfer costs in order to maximize the level of remittances reaching family members, local communities and ultimately states, and how can governments and international development organizations assist organized groups, and home villages to make the most effective use of collective remittances for development without impeding local initiatives?”

Local and donor governments could benefit from viewing migrants as a development resource and recognize that remittances are important resources for development. This is the same for the MDG goals that should include an approach to propose how to promote and integrate remittances to meet the goals in 2015. Using an approach to foster and enable an attractive investments environment to migrants will most probably promote to invest remittances in local

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<sup>12</sup> Department for International Development (DfID) and the World Bank (WB) 2003 Report and Conclusions from the International Conference on Migrant Remittances, 9-10 October, London, United Kingdom

development. And this must be investigated and come with innovative and participatory proposals.

### **On technology transfer and information technologies**

Given the potential of information and communication technologies (ICTs) there is a need to develop, and broaden the access of poor population, but specially women, to these technologies for contributing to the achievement of the Millennium Development Goals. ICTs provides enormous opportunities for women but some persons hold the view that there is no scope for information-technology-driven interventions in deprived urban areas and in rural areas because of the lack of basic services such as electricity. But even if this is true, ICT hold great potential for the development of poor population and leaving them out would only ensure a further marginalization.

When setting national agendas to eradicate poverty, low agricultural productivity also needs to be addressed, particularly in marginal ecological regions with poor soils and high climatic variability. *Increased investments are needed to research and develop better technologies and disseminate them through extension services.* So are investments in infrastructure, such as roads and storage systems. For a sustainable food security, *actions should be considered to import tariffs that protect markets in rich countries as they tend to reduce investments incentives for farmers in poor countries.* Moreover *action should also be taken against subsidies* in rich countries as they reduce incentives to invest in long-term food security and depress world market prices, though they can benefit net food importers.

Finally, global policy needs to focus on countries facing the steepest development challenges. Reducing poverty in poorer regions *requires national policies that reallocate resources* to them. The top policy priority here is *increasing equity, not just economic growth.* Policy responses to structural constraints require simultaneous interventions on several fronts along with an increased external support.

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