

Gender and development in crisis

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Moderator: **Sue Kendall**, Acting Head, Public Affairs, OECD

David Batt, Director, Africa Partnership Forum Support Unit, OECD

Otaviano Canuto, Vice President, Poverty Reduction Management Network, The World Bank

Maggi Kigozi, Executive Director, Uganda Investment Authority

Najat Vallaud-Belkacem, Deputy Mayor of Lyon, Conseil Général du Rhone, France

The current economic crisis disproportionately affects women in the developing world: **Sue Kendall** opened the Gender and Development in Crisis session with this remark, stating also that progress towards the UN Millennium Development Goals was slowing and might now be at risk of being reversed in certain areas. With funding tight and credit all but impossible to secure, “women, who make up the bulk of the world’s poor, suffer the most.” So what should we do?

David Batt painted a bleak picture of how the crisis has hit women particularly hard. While poverty rates are decreasing overall, the rate of that decline has also begun to slow. But that’s not true everywhere: in some countries, the rate has actually begun to increase. Some 55 million more people than expected will fall into poverty in 2009—and women make up 70% of the world’s adult poor. Female unemployment rates have risen from 6.5% in 2008 to 7.4% in 2009, compared to a 7% unemployment rate among men; and even if they have jobs, women are more likely to work part-time and to earn lower wages. When times are tough, parents sometimes demand that their daughters leave school and help support their families. Many of these girls never return to school.

Maggi Kigozi offered some relief to these grim statistics. She said that in Uganda, women are now found everywhere in political and economic life. “We’re here and we’re delivering,” she said. “Employ women and you will succeed.” Ms Kigozi offered portraits of four businesswomen in Uganda and described how each has been affected by the crisis. She showed that, as everywhere, the effects of the crisis are diverse. Those businesswomen involved in agriculture, running schools and exporting goods have been weathering the crisis well, while those whose businesses depend on importing products have been hardest hit. Ms Kigozi emphasised the need to strengthen agriculture, ease access to finance, and upgrade infrastructure to improve women’s access to markets.

As far as **Otaviano Canuto** is concerned, gender equality can be summed up in one simple equation: “Gender equality is smart economics.” “Let’s not regard women only as

vulnerable or as victims,” he said. “We should understand how women can be agents of change.”

He advocated putting wealth in women’s hands, since women invest a higher proportion of their income in their families and their communities than do men, and they are more cautious in their spending habits. “Countries with greater gender equality tend to have lower poverty rates,” he noted. “Tackling the gender equality issue is not only an object in itself, but it is smart economics.”

Najat Vallaud-Belkacem, who was born in Morocco, stressed the need to compare northern and southern attitudes toward gender equality. She noted, for example, that while women are the primary targets for micro financing schemes, because creditors know that they will invest any profits into their own families, those schemes tend to reinforce women’s traditional roles in the home and become obstacles to entering the wider workforce. She noted that lessons could be learned from developing countries. For example, employers in Tunisia are legally required to pay equal wages to men and women. In response to Mr Canuto’s focus on the economic value of gender equality,

Ms Vallaud-Belkacem asserted that gender equality should first be a political principle.

Following the presentations, a member of the Namibian Women’s Summit asked the panelists how to include more women in the urgent, international discussions that affect their lives. Mr Batt replied that education is key. “Investment in education for girls is the most powerful investment you can make,” he said. But Ms Vallaud-Belkacem noted that higher education rates in developed countries have not resulted in greater involvement, particularly among young women, in the urgent issues that affect them.

In response to Ms Vallaud-Belkacem’s comments on microfinance, another audience member from a microfinance organisation in Togo stressed the benefits of targeting women with those kinds of schemes, since women have far lower rates of default than do men. Mr Canuto also asserted that microfinancing remains an important tool to compensate for “market failures” at those lower levels of the economy. “By tackling this market failure, we are doing something for gender,” he said.

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