Women’s economic independence
State economic benefit or moral justice?

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“Promote women’s economic independence, including employment, and eradicate the persistent and increasing burden of poverty on women by addressing the structural causes of poverty through changes in economic structures, ensuring equal access for all women, including those in rural areas, as vital development agents, to productive resources, opportunities and public services”

Beijing Platform for Action, art. 26, 1995

What is economic independence?

Economic independence is a relative condition at best. In the broadest sense, all living things are economically dependent upon others,—the animals upon the vegetables, and the human being upon both. In a narrower sense, all social life is economically interdependent, wo/man producing collectively what s/he could by no possibility produce separately. But, in the closest interpretation, individual economic independence among human beings means that the individual pays for what s/he gets, works for what s/he gets, gives to the other an equivalent for what the other gives her/him. I depend on the shoemaker for shoes, and the tailor for coats; but, if I give the shoemaker and the tailor enough of my own labour as a house-builder to pay for the shoes and coats they give me, I retain my personal independence. I have not taken of their product, and given nothing of mine. As long as what I get is obtained by what I give, I am economically independent.

Women, however are in a lesser extent participating directly in this economic exchange as a majority are dependent on the income of their partners, resulting from long term patriarchal cultures, and the only ‘exchange’ objects they have are domestic and caring tasks and their children (Perkens Gilman, 1998).
Women workers in past and present

Until the end of the 19th century women in the middle and lower class society did participate in the employment economy and made long hours, as of the age of 12, in low paid, dangerous, dirty jobs (Duby & Perrot, 1991-1992). In the course of the 20th Century the status of men was determined by the fact if he was able to financially support his wife as housekeeper and carer of his children. As only women in the higher classes were able to leave the housekeeping and childcare to nanny’s and other staff, the middle and lower class women could only maintain this new class structure by undertaking these tasks herself. Therewith a new unpaid employment class was created i.e. ‘housewife’ (Bott-Buter & Tijdens, ed, 1998).

In present European societies differences are noticeable in the way and extent of women’s integration into the labour market due to different economic development, political ideas and cultural traditions. Despite the fact that women’s participation in the labour market has increased again since the second feministic wave late sixties and early seventies, women’s employment rate is still considerably lower than men’s and there are still strong gender inequalities and many forms of gender discrimination related to employment that need to be tackled. Women in general, face higher rates of unemployment and they are to a larger extent engaged in insecure forms of work with less social protection. At the same time, they carry the main responsibilities for care of children and other dependant persons.

So far less attention has been given to the quality of the jobs created and to promoting better working conditions for women. Analyzing the organization of work and working conditions it becomes clear that women are over represented in sectors and jobs with precarious working conditions and low pay. Women are the majority of people with temporary and fixed-term contracts, women do more part time work, and also currently account for 77% of low- paid workers.

An increase in flexible work has not been accompanied by an increase in security for women. The current employment situation does not ensure sufficient pension and social security rights for women. As such rights are often linked to income and to length of employment, women are more likely to become poor when reaching pension age. Moreover, the lack of job security and precarious working conditions provide women very few possibilities for promotion and development of a professional career, and strongly affects their general well being, and life choices as a whole.

Many women, and particularly black, migrant and refugee women, are still living and working within the EU without any kind of protection, with very limited access to rights and services, with no opportunity to work outside the unregulated labour market and are working in the so-called three D’jobs: Dirty, Degrading and Dangerous.

To combat unemployment among women, the national action plans of employment have developed numerous initiatives and measures, but the majority are isolated measures without a strong impact on the overall situation and not imbedding economic independence. To promote women’s employment, employability and economic independence an integrated approach is essential with a focus on women’s needs, identifying the specific needs of particular groups of women who are at risk of being social excluded. Such an integrated approach must include the notion of societal responsibility for care, issues of social protection, and issues of poverty and social exclusion.
Women’s employment: differences among Member States

Women’s participation in the labour market also differs considerably between Member States and regions, and a gender equality perspective is needed to identify and address regional imbalances in unemployment. If we compare for instance Finland, Sweden, Germany and the Netherlands we see big differences in relation to women’s employment patterns, employment prospects and their life orientations. While most Finnish and Swedish women are participants of the labour force in full-time jobs, the working pattern of German and Dutch women is of rather discontinuous nature, depending on their chosen intimate relationships in private life, implicating their role as unpaid carers.

As there is no sufficient provision of public care services, many German and Dutch women are dependent on a male breadwinner while leaving their jobs for family purposes.

In contrast, Finnish and Swedish mothers return to their full-time jobs after maternity leave as the welfare states provides enough public care services for children and the dependent others. 2% of the Swedish GDP is reserved for childcare provision, something that many member state governments are reluctant to invest in their future economy (Klaassen, 2004). Thus it appears that Finnish and Swedish women have gained financial autonomy and economic independence, a pre-requisite for living in democratic, individualized intimate relationships with equal decision power. Even if, during the last decades, empirical evidence has revealed the transformation of the well known breadwinner model to a modernized version, or partially a shift to an 'adult worker model', in Germany and the Netherlands there is still no evidence for a general trend to a fully individualized life pattern of women with children and such is even more salient within ethnic minority cultures (Cochrane & Clark, 1993; Hill, 1996; Sainsbury 1994, 1996; Klement & Rudolph, 2004). In the Netherlands e.g. 62% of all women between 15-65 are not economically independent (SCP,2002; VA, 2004).

The EU economic policies are weighting more and more negatively on the social protection systems, on social inclusion, and on gender equality. One example is the recent Commission Communication on Modernising Social Protection for more and Better Jobs: a comprehensive approach contributing to making work pay (COM (2003) 842 final). The European Women’s Lobby welcomes the fact that the Communication recognizes the importance to move towards individually based social security systems, and that the communication identifies the non-availability of affordable child-care as a key barrier to the participation of women in the labour market. However there is a growing concern about the overall approach of this Communication, which is based on the “making work pay” philosophy. Experience has indicated that this approach is already leading to cuts in benefits; to the stigmatisation of people who are unemployed; to forcing people into low-paid bad quality jobs; and to an increase in poverty and social exclusion.

Furthermore, social protections system reforms cannot continue to be aimed at deficit reduction as its key objective. Any reforms must make sure to take into account the cost to society of insufficient levels of social protection, i.e. for example the increased levels and negative impact of social exclusion and poverty experienced by women.

Any reform of the social protection systems must include a specific analysis of social protection systems from a gender equality perspective, in order to take actions to tackle the gender based inequalities and to strengthen the European Social Model.
GDP calculations: gender biased?

As the last Commission’s report to the Spring European Council (COM (2004)29) reflects, economic challenges such as economic growth and competition remain the central focus of the Lisbon strategy. GDP, economic growth, competitiveness, productivity, fiscal and budgetary policies etc. form the basis for determining the progress made by the Union and the Member States in relation to the goals set by the Lisbon Strategy. Within this context, there is too little space left to analyse the social dimension of the Lisbon strategy, to analyse the social and political impacts of EU economic policies and of the different implications of these policies on women and men.

In general there is a lack of recognition of women’s contribution to the economy noticeable. The GDP\(^1\) is the reference for the analysis and for the measures proposed in the BEPG\(^2\) and in the Commission’s Communication on the Implementation of the 2003-03 BEPG. The activities that are used to calculate the GDP are only those that represent market transactions - that is the ones traditionally understood as ‘production’ activities. ‘Reproduction’ activities, the ones that are not bought and sold in the market place and do not represent market transactions, are invisible in the calculation of the GDP. Without specific indicators allowing for an evaluation of how the economic policies promoted within the BEPG affect women and men differently, it is impossible to efficiently tackle the discrimination experienced by women.

Due to the fact that domestic and unpaid work is excluded in the calculation of the GDP, the analysis is distorted and incomplete. The consequence of this is that different strategies to promote economic growth are designed without any gender analysis when measuring productivity. It is rarely recognised that many cuts in public services and reductions of public expenditure, merely represent a shift in costs from the paid to the unpaid sector. Unpaid care and domestic work can in principle be done by men or women, but this work has been socially constituted as a responsibility of women and often thought of as a social role rather than economic activity.

Paradigm shift in GDP calculations

Policy makers must make explicit their assumptions, which underpin macro-economic policies and must recognize the need to establish the costs of ignoring unpaid work and women’s time use in these activities. The incorporation of unpaid work into macroeconomic analysis and policy-making is possible by seeing national output as a product of the interaction of four sectors:

- the private sector;
- the public sector;
- the domestic sector;
- the voluntary sector.

It is necessary to recognize that the four sectors of the economy are interdependent and that wealth is created in all of them, and in close interaction.

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\(^1\) Gross Domestic Product
\(^2\) Broad Economic Policies Guidelines
Feminisation of poverty

Women lose out because of state pension systems that were created right before or after the 2nd World War were never created to serve women independently. In general most EU pension systems (state and private systems) are marginal for those women who started working before the 80-ies. Many women were not able to build up pensions out of employment on the basis of working part-time, being married, or other gender-based discriminatory reasons. This results at present in the fact that one in four single women pensioners lives in poverty. Twice as many women as men rely on means-tested benefits in retirement. For every Euro a man receives from a pension, a woman receives 32 cents.

Women in the EU Member States, whether they are on the paid or unpaid employment market, young or older, have a much more insecure life situation than men, and face a greater risk that men of falling into poverty or to experience social exclusion. Women from more vulnerable or marginalized groups (migrant and ethnic minority women, older women, disabled women, lesbian women), experience not only gender discrimination, but they also face multiple discrimination (Rivièreme Zijdel, la, 2001). Feminisation of poverty continues to be a European wide reality.

In spite of the many employment initiatives for disabled people within the various member states, this has not lead to an increase of economic independence through either paid employment or by benefits for disabled women. When disabled women are not able to find or carry out suitable or any employment they are either cut on their benefits or in many member states dependent on social benefits that are so marginal that they are living up or under the breadline. As they are unable to build up private pensions they will face life-long poverty.

When it comes to economic independence, most women, and especially women from oppressed groups face stigmatisation and social exclusion. Women are quicker cut on their benefits such as unemployment benefits, health benefits, or social benefits. High costs for child-care provision discriminates single mothers even further. Society constantly harasses women if they are not a good mother, or wife, preferably both in combination with full-time contributing to society’s economy.

Women’s added value to the employment market

EU member states should give more visibility to women's participation in the social and solidarity-based economy, notably by gathering and disseminating qualitative and quantitative information on this issue. Within the National Action Plans legislation and economic policies should be developed that support the potential of the social and solidarity based economy and promote women’s involvement in this sector.

Women’s added value to the paid employment market is proven in various studies. A recent study by Catalyst demonstrates that companies with a higher representation of women in senior management positions for instance, financially outperform companies with proportionally fewer women at the top (Comper & Lang, 2004). A Dutch research revealed that the solvency of women entrepreneurs is much higher than that of their male colleagues resulting in less frequent bankruptcy of women lead enterprises (Graydon, 2004).
Human rights issue

Women’s economic independence is foremost a human rights issue. As women form half of society and contribute to society at large, they are also entitled to an equal peace of the economic cake. This is only possible if the EU and its Member States commit themselves to promoting equality between women and men by translating this into concrete measures within the European Employment Strategies and by implementing stronger gender equality objectives and targets such as:

- Reinforced policies for increased provision of childcare without age differentiation
- Policies for increased provision of care for other dependents.
- Strengthening legal provisions for parental leave, including longer and paid parental leave for both mothers and fathers
- Increase actions to eliminate pay discrimination, including reinforcing legislation in this area.
- Actions to eliminate gender labour segregation and bring about a balanced representation of women and men in all sectors, occupations and decision-making.
- Policies and actions should focus on the development of sectors where women work.
- A revalorisation of the value of jobs typically done by women and an increase in pay levels for work in these sectors is needed.
- Increase policy action for the inclusion into the labour market of groups of women experiencing additional discrimination and which face higher risk of poverty and social exclusion such as migrant and refugee women, women from ethnic minorities, women heads of one-parent households, disabled women, young women, lesbian women, older women, etc.

All measures become only morally just if women’s unpaid employment within and around the domestic sphere is recognised within the GDPs and used to elevate women’s economic independence (Beauchamp, 1991; Rawls, 1972; Sainsbury, 1994, 1996). Otherwise women’s participation on the labour market is only used for increasing the GDP and dependent on the market demand and the flow of the world economy, leaving them without any security for future economic independence.

Women’s economic independence breaks also through long existing patriarchal cultures in EU society, in which women’s importance is still measured by their ability as mothers and housewives, or wherein men from various positions decide what is good for women.

Some EU member state governments articulate that emancipation of women is no longer needed, that equality between men and women is nearly reached. But why are so many women than still not economically independent and living often in poverty? Why are they the largest group of victims of various forms of violence? Why are women so underrepresented in the EU Heads of States family picture?

The fact that for instance the number of women in the EU parliament has decreased cannot be linked to the fact that women are not capable, available or willing to come forward, but everything with the patriarchal structures within political parties and governments and the absence of quota legislation in most member states, therewith excluding or discouraging women to come forward.

The contributions of women to create a better world are critical. Above all, because the model of collective organisation -inherited from centuries of patriarchal culture and spearheaded by representatives of what is only half of humanity- has produced a world full of violence, marked by a lack of respect towards human life, suffering, extensive poverty and inequality and the destruction of the environment.
Women’s economic independence creates a decent society wherein women are no longer humiliated by being dependent on intimate relations, or state social benefits. A decent society resists the circumstances under which its citizens have reasonable grounds for feeling humiliated (Margalit, 1996).

Conclusions

Women’s participation on the employment market should not only lead to an increase of state economy, as this results into individual economic insecurity and devalues women’s added value to the employment market.

Gender inequalities remain strong both concerning the share of paid work and the amount of time spent on childcare. The growing percentage of women in employment has not been accompanied by an increase in men’s responsibility for the childcare and domestic work. Reconciling work and family life has been one of the priorities under the equal opportunities pillar in the European Employment Strategy; even so its impact on improving equal opportunities for both women and men in economic and social life has not been significant. Affordable and good childcare facilities are a prerequisite for women’s full commitment to gaining economic independence.

A paradigm shift is needed to break through the long traditions of the nuclear family unit wherein the breadwinners model is still prevailing and the domestic responsibilities are nearly solely on the shoulders of women.

To really promote equality between women and men within the EU Strategy against Poverty and Social Exclusion, it is essential to address the structural causes of poverty in general and the structural causes of the feminisation of poverty in particular. The policies developed at macroeconomic level must be designed following the goals to combat social exclusion and poverty, and much stronger commitments to gender equality objectives and targets have to be developed. The measures and policies promoted in the field of social inclusion should be based on:

- Individualisation of rights to social security: It is of fundamental importance to gender equality to pursue an individualisation of rights to social security throughout the Member States.
- Development of health care policies that ensure the equal access of all women to appropriate services, including high quality services in the field of sexual and reproductive health, and high quality care services for elderly and disabled people
- Changing family forms: adapting public policies and services in support of the growing number of one-parent families and other family groupings. The independence of each family member must be ensured while providing support to all family groups, one-parent families in particular.
- Coherent policies to combat violence against women: Violence in all its forms against women in Europe is a violation of women’s human rights, and social polices must play their role in a coherent policy effort to combat violence against women, and to strengthen the support and services for victims.

If the European Union has a true desire to progress with the equality between women and men, it is essential that domestic and unpaid work is included in the calculation of the GDP. Therewith an economic growth can be designed that includes a gender analysis by measuring all productivity (paid and unpaid) which compounds to the total economy.
Feminisation of poverty is and should be a concern of all European stakeholders. As EU member states we shifted from a charity based society to a welfare state one. If however the EU Strategy against Poverty and Social Exclusion is not met, wherein it is essential to address the structural causes of poverty in general and the structural causes of the feminisation of poverty in particular, we turn our backs completely to the created welfare states and become economy driven states only.

We have to realise that women are currently carriers of a distinct vision of the world, and spokespersons for the demand to respect for Human Rights for all individuals. The strength of their pacifistic movement and the scope of their analysis of the world make them an essential, almost paradigmatic element of all struggles for the liberation of human beings. Especially women’s NGOs throughout the European Union have played a pivoted role in this analysis. And we should ask ourselves: what would governments and society at large be without women’s valuable input?

*Economic independence is truly the key to women’s freedom, freedom to advance in society and freedom to help society advance (Davis, 2004).*
Literature


POTT-BUTER, HETTIE & TIJDENS, KEA, eds. (1998) *Vrouwen leven en werk in de twintigste eeuw*. Amsterdam: Amsterdam University Press


