

GLOBALISATION

Theme: Gender Equality and Social Protection in An Era of Globalization: What Have We Learnt?

Context and Background

1. **This note states the background and context for a session on *Globalization, Gender, and Social Security* for the 2015 conference being organized by the Kerala Gender Park.** It is based on a rapid and informal literature review of the subject matter.

2. **The review does not take up the challenge of defining globalization or analysing its impacts.** It accepts the key elements of globalization as a process towards integration of the world economy and trade.ⁱ The review also finds that there is no consensus on the impact of globalization on societies. There is, however, overall consensus that since 1990, inequalities (income and consumption) have increased in India, between the haves and the have-nots.ⁱⁱ The common finding appears to be that while the richer sections of society in India benefitted from the opportunities generated over the last 25 years, for the majority there has been stagnation of incomes, and the bottom rung has been negatively affected as a whole.ⁱⁱⁱ Amongst those adversely impacted, the literature is clear – poor and unskilled women are a majority of those that have been more adversely affected. This constitutes the entry point for the session's agenda.

Gender Inequalities in a Globalizing World

3. **Gender inequalities were high in India at the end of the eighties, when India decided to embark on the path of liberalization and globalization.** Gender inequalities shaped globalization in India as much as globalization shaped gender inequalities. The majority of women in India lacked relevant education and skills; their mobility was highly restricted; and the vast majority worked in sectors where the effects of globalization did not benefit them.^{iv} For example, in India women work mostly in the agricultural and the informal sectors. Globalisation negatively affected the agricultural sectors in India.^v While the expanding opportunities generated some form of additional employment in the informal sectors, the majority of jobs that poor and unskilled women could access were casual, unsafe or exploitive. They also faced significant discrimination due to their reproductive role, such as termination of employment upon pregnancy or marriage.

4. **Policies and institutions also affected globalization.** In East Asia, globalization was marked in the initial days by the rise of the labour intensive garment industry; this ensured that unskilled women benefitted from the increasing international trade in this area. In India, on the other hand, the focus was in

the area of information technology and pharmaceuticals sectors, and the need was for more skilled workers (Bardhan 2012). When coupled with existing gender discrimination and handicaps, fewer women could take advantage of these opportunities, thereby reinforcing existing inequalities.

5. **Liberalization and growing trade resulted in increased value for scarce resources like land and natural resources.** Women for the most part, did not have equal rights to such economic assets and they also lacked political connections to influence public allocation. They could not gain from the opportunities, further exacerbating inequalities. Furthermore, there is a suggestion that the major part of the wealth of the Indian rich is either from inherited property and/or from businesses in the industries like property development, infrastructure, construction, mining, telecoms, cement, and real estate.^{vi} The ability of even the most savvy women to access opportunities in this area, is limited (see also Bardhan 2012).

6. **Rapid urbanization and modernization also weakened institutional structures of communities, impacting women disproportionately.** Increased migration left women as heads of households, without the skills to cope with the situation. The rapid changes in demography and changing nature of households also resulted in weakening informal social protection mechanisms. At the same time, accompanying reform programs, such as fiscal consolidation and adjustment measures, also contributed to eroding critical services, such as public health and education programs, thereby increasing the burdens of women and girls. Reduced government expenditures on food subsidies and social welfare schemes further exacerbated inequalities and increased the risks for women. The societal costs of reproduction and care services are gradually borne within the home sphere, where the costs are hidden and absorbed by women whose workloads are increased. Additionally, some social protection schemes are based on a patriarchal model, which proves to be discriminatory for women and women-headed households.

Reducing Inequalities

7. **Gender inequalities incur significant costs for the country.** Rising inequalities could impede future and more extensive poverty reduction and shared prosperity is a dominant theme that emerges from the review. It also significantly shapes the opportunities of education and upward mobility of disadvantaged individuals (OECD 2014). Furthermore, as a recent World Bank study suggests the acquisition of wealth by the poor is not resilient in India. Almost sixteen per cent of the poor in India who had overcome poverty has slipped back into poverty, according to the Report.

8. **Gender inequality is a key concern in designing social protection schemes.** While it is important to root out explicit discrimination in social security provisions such as those that make a woman's access to benefits dependent on her husband or lower pension ages for women, the ILO Report on Social security 2014-2015 notes that social security is more than "a question of securing equal

treatment of men and women in the formal sense”. Most women do not work long enough in the labour markets to benefit from social security benefits, mainly given their reproductive and caring roles, and end up being economically dependent on their husbands. Social Security, therefore, is also a matter of taking account, in an appropriate way, of gender roles in society, which cast a large part of the unpaid burden on women.^{vii} The argument is that only such a broadened concept can help to bring about gender equality.

SUB- THEMES

- **Globalisation and growing inequalities**
- **Protecting the Poorest and Most Vulnerable in a Globalizing World – Policies Matter**
- **Exacerbating Gender Inequalities– Equal Laws and Unequal Outcomes**

Focus of Sessions

9. **This session aims to explore international good practice in policies, programs, and institutions that have helped to reduce gender inequalities in a globalizing world.** The session will glean lessons from the experience so far and will include 3 speakers.

- How has globalization contributed to the growing inequalities?
- What have we learnt from development experiences in protecting the poorest to reduce inequalities? What works and in what contexts? How can economic constraints and development levels be taken into account in strategies for achieving this goal?
- How has the law supported protection of women? Is it supporting the reduction of inequalities in a globalizing world or helping to increase inequalities?

i Globalization has been described in different ways. But most agree that the process of globalization not only includes opening up of world trade, development of advanced means of communication, internationalization of financial markets, growing importance of MNCs, population migrations and more generally increased mobility of persons, goods, capital, data and ideas but also infections, diseases and pollution. (Guy Brainbant)

ii India's Gini coefficient has gone from 0.32 to 0,38 over the last two decades. According to an OECD note, "Focus on Inequality and Growth" December 9, 2014. the gap between the rich and the poor is at its highest level in most OECD countries in 30 years. Today the richest 10% of the population in the OECD area earn 9.5 times more than the poorest 10%. In the 1980s, the ratio stood at 7:1. However, even here there is no consensus. Bardhan argues that it is policies and not globalization that has increased inequities. See <http://yaleglobal.yale.edu/content/inequality-breeds-resistance-globalization>

iii See 2007. DESA Working Paper No. 45. *Inequality in India: A survey of recent trends*. By Paarthapratim Pal and Jayati Ghosh.

iv There are also a smaller percentage of socially and economically disadvantaged men who were not able to grasp the opportunities. Nevertheless, increased mobility, ability to migrate to work in some of the booming industries such as construction, and lower levels of social and economic discrimination gave men a better edge over women.

v Ibid. Employment growth in the agricultural sector declined to 0.02% between 199301994 and 19999-2000 compared to 2.23% in the previous period. During the same period, employment growth rate was concentrated in construction, trade and hotels, transport, and financial and real estate areas, where the need was for relatively skilled labor.

vi <http://www.bbc.com/news/world-asia-india-19921501>

vii The ILO report mentions the practice of pension splitting. All the pension entitlements earned by both partners while they were married to each other are added up, then divided equally between them. Such a system has existed in the social security schemes of Canada and Germany for almost a quarter of a century. More recently, it has been introduced in Ireland, South Africa and Switzerland.