

Labour market dynamics inside European countries, international economic decision making and the political agenda of the women's movement**Die Arbeitsmarktdynamik der europäischen Länder,
Entscheidungsprozesse der internationalen Wirtschaft und die politische
Agenda der Frauenbewegung****Zusammenfassung:**

Der Zusammenhang zwischen Handel und Genderungleichheit zeigt die Wichtigkeit von Gender Mainstreaming. Das allgegenwärtige „Freihandelsmantra“, das die Politik der EU dominiert, dient weder der Verringerung der Armut noch der Gleichstellung von Frauen. Vieles deutet darauf hin, dass die derzeitige volkswirtschaftliche Praxis zur Vertiefung der Geschlechtertrennung in der Arbeitswelt sowie zur Entrechtlichung der Arbeitsverhältnisse von Frauen führt. Dies wird angetrieben durch Auswärtsvergabe (Subcontracting), Verschärfung der Entgeltunterschiede, geringere Zugangsmöglichkeiten von Frauen zu Gesundheit und Bildung (verursacht durch die Privatisierung von ehemals staatlichen Dienstleistungen), wachsende Ungleichheiten bei Kreditaufnahmen, Grundbesitz und Eigentum und eine fortschreitende Feminisierung der Armut.

WIDE ist ein Europäisches Netzwerk von Entwicklungs-NGOs, GenderexpertInnen und MenschenrechtsaktivistInnen. WIDE überwacht und beeinflusst die internationale Wirtschafts- und Entwicklungspolitik und ihre Umsetzung aus einer feministischen Sicht, die sich auf die Menschenrechte gründet und dabei die Instrumente der Frauenrechte nutzt. Seit seiner Gründung 1985 hat WIDE Partnerschaften mit Netzwerken im Süden gebildet, da uns bewusst ist, dass wir gemeinsame Erfahrungen gemacht haben, und dass Lobby- und Öffentlichkeitsarbeit oft gemeinsam erfolgen können, da wir ähnliche Ziele verfolgen.

WIDE ist der Überzeugung, dass sich Prozesse weltweit ähneln. Die „strukturelle Veränderung“ im Süden hat dieselbe Basis wie die Veränderungen in Europa. Dazu zählen die Angriffe auf den Sozialstaat, die Unterwanderung der Systeme öffentlicher Kontrolle und Verantwortlichkeit sowie der zunehmende gesellschaftliche Ausschluss vieler Menschen.

WIDE ist auf verschiedenen EU-Ebenen vertreten und hat sich mit breiteren sozialen Bewegungen zusammengeschlossen, um z.B. die EU-Politik bei der Welthandelsorganisation ins Visier zu nehmen. WIDE erkundet das Gefälle zwischen den UN-Rechten und den WTO-Handelsabkommen unter anderem durch Fallstudien zu den Konsequenzen von GATS (z.B. zur Wasserprivatisierung in Bulgarien).

1. The international perspective

Headlines from European newspapers:

- *Pressure to work longer hours for the same pay in car industry (Germany)*
- *Reforms in state pension schemes (Austria)*
- *Further privatisation of social security (Netherlands)*

We live in a globalised economy. In Europe, we are seeing an ongoing restructuring of labour markets to bring them into line with a globalised and restructuring production system, which needs labour 'just in time'. Workers (male and especially female) and the labour market are re-modelled to fit the necessity for flexible labour. Unless we understand these international economic developments, we will not understand what is happening in our various European countries on a day-to-day basis, nor will we be able to position the decisions made in the European Union or the decisions and proposals made in international arenas where the EU operates as a block. I maintain that current international economic

developments are mainly a result of (political) decisions that are taken¹. Although these decisions are often fragmented and contradictory, there is a worldwide trend².

In line with the restructuring of labour markets on an international and national scale, we are facing the reform of the welfare state in Europe. Despite being home to some of the richest nations in the world, there seems to be a constant lack of money for public services and especially for the system of labour rights (unemployment and sickness benefits, state pensions etc), that have been built up over centuries. Instead, we see private wealth and public poverty, the undermining of public control and accountability, and the growing exclusion of many people in Europe³. The justifying rhetoric rings a bell. These are similar stories to those used in justification of the 1980s structural adjustment programs in the global South; they were based on the same logic, based on the same neo-liberal model. Today the trend worldwide remains towards deregulation and an emphasis on the private sector above all others, the erosion of labour rights towards a flexible labour force, cut backs in public services and the incessant "need for international competition"⁴.

Economic reforms and policies linked to trade intensification, financial liberalisation and the labour market are peddled as being the engines powering women's increased access to improved incomes and employment both in Europe as well as in the South. The rapid opening of economies of the global South, associated with decreased real incomes, lack of labour protection, and the retreat of states from their responsibilities for welfare provision, has compromised the provision of care and social services at the macro-economic level. At the same time, it has increased the vulnerability of women's health, their bodily integrity and well being as they are forced to manoeuvre in both the productive economy and the socially reproductive care economy. In the states of the European Union, this process is intensifying.

We need to unravel the driving forces behind economic decision-making, especially in international arenas such as the World Trade Organisation, World Bank and International Monetary Fund as well as internally (EU and member states). It is in these arenas that the conditions are shaped and set which determine the policy of the European Commission (EC) and the members state governments. Therefore, we need to use a power analysis, especially as the EU is now the largest market and the largest trading block in the world meaning their point of view can really make a difference. It is no surprise that the EU follows a corporate led agenda and that through its international decisions it undermines (national)

¹ See for example the EU Services Directive, proposed by Bolkestein, which will have an immediate impact on EU labour markets.

² For the sake of brevity, I describe these developments here as one trend. Especially in Europe however, we have very different set ups of labour market legislation and policies, welfare arrangements and state regulations. Leading to varied outcomes. In addition, the European Union is often found in competition with the United States making the outcomes in e.g. WTO negotiations much more unpredictable, as alliances shift according to issue.

³ In this presentation, I emphasize the links to labour and public policy, I do not elaborate on the exploitation of natural resources on which the current dominant economic system is based.

⁴ Also in the EU Lisbon Strategy, in practice, the element of international competition takes precedence over all other elements that are part of the Lisbon Strategy, for example creating more and better jobs.

policy alternatives and minimizes spaces that these alternatives may need. Large companies have a much greater chance of being heard than citizens, either through democratic elections⁵ or organised in NGOs.

The European Services Forum⁶ for example, has been set up to facilitate collaboration between corporations working in the service sector and the European Commission. The European Commission co-finances the European Services Forum, the corporations involved have direct access to the EC and their civil servants, and the Forum is meant to facilitate negotiations in the WTO. At the same time, the NGOs have been relegated to NGO hearings, which are very low on the EC priority list and often just serve as window dressing⁷. Many NGOs, including WIDE, are calling for the abolishment of the European Services Forum. The European Commission pressurizes countries in the South to open up their services sectors to trade liberalisation. This pressure may be seen, not only in international fora (GATS/WTO) but also in a tendency to move towards regional agreements. For example in bilateral trade agreements and with other blocks like Mercosur⁸. The agreements are modelled along the same lines.

The EU deals with the ACP⁹ countries under the Cotonou agreement. Not only trade but also investment and fiscal policies are key here. The EU is committed to the WTO project of liberalising trade (except for the common agricultural policy) and to supporting Southern countries to take part more effectively in the global economy. At the same time, the EU is committed to increasing its own share of global trade and promotes its own interests aggressively, that is the interests of its own transnational corporations (TNCs). The Cotonou agreement commits ACP countries to negotiating and agreeing Economic Partnership Agreements (EPA) with the EU by 2008 (latest) to liberalisation of trading relations. EPAs will pose impossible challenges for almost all ACP countries, whose economies are in no position to compete on an equal basis with the EU in the global economy. Through the non execution clause, the EPAs seek to punish all members of a region through withholding development aid to all, if one member violates the trade agreement. Through EPAs, the EU works towards instituting zero tariffs between ACP countries and the EU market, a target well beyond the WTOs agenda of progressive tariff reduction. Existing processes of regional economic integration are being hampered by EU policies on EPAs. In addition, the debt problem crippling African economies in particular, remains unresolved. The international negotiations seem contradictory at times, but the trend remains clear. Any concession by the EU within the WTO to the G-90¹⁰ will be clawed back by the EU from the ACP countries in the reciprocal trade agreements under EPAs.

This example shows how trade and aid are linked, how the position of the European Union in international negotiations sets conditions for national policies and how it reinforces the overall agenda of liberalisation, de-regulation and fewer restrictions for large corporations.

⁵ The democratic deficit in the European Union is continuing.

⁶ The European Services Forum (ESF) is a network of representatives from the European services sector. They are committed to actively promoting the interests of the European services sector and the liberalization of services markets throughout the world in connection with the GATS 2000 negotiations.

⁷ For more information see Corporate Europe Observatory, www.corporateeurope.org

⁸ Free trade zone of the following countries: Argentina, Brazil, Paraguay and Uruguay, with associated membership of Bolivia and Chile

⁹ African, Caribbean and Pacific group of states, many former European colonies

¹⁰ Group of 90 countries from the South, which sometimes operate as a group in international negotiations in the WTO.

2. WIDE and its activities

WIDE is a European network of development NGOs, gender specialists and human rights activists. WIDE monitors and influences international economic and development policy and practice from a feminist perspective, grounded in human rights and using women's rights instruments. From the beginning (1985) WIDE has formed partnerships with networks in the South as we realise we have common experiences and we can do lobbying and advocacy jointly, often sharing a similar analysis and agenda. WIDE uses the incoherence in the EU and influences and monitors the international economic, trade and development agenda. It uses a number of identified gaps as entry points for lobby and advocacy work.

The gap between trade and (women's) development

The ubiquitous 'free trade' mantra, strongly embedded in EU policy and charter, does not reduce poverty or enhance women's equality worldwide. Evidence suggests that pre-dominant macro-economic policies are associated with increased gender segregation of labour, informalisation of women's employment through subcontracting, increases in gender wage gaps, reductions in women's access to health and education due to privatisation of state services, increased inequality in access to credit, land, and property, and deepening of the feminisation of poverty.

In its work on the intersections and interactions between development and trade policies, WIDE recognised a growing lack of coherence between two different global governance and rights regimes, which affect national policies, the chances for gender justice women's rights and livelihoods.

These are on the one hand the human rights framework adopted by the UN and elaborated in various conventions, plans of action and development programmes, on the other hand the commercial and corporate rights codified in free trade agreements, be they multilateral, regional or bilateral agreements.

Although women's economic, social, and political rights have been spelled out in the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BpFA) and other United Nations-documents, they are under attack, and it is becoming increasingly difficult to implement them in the context of neo-liberal globalisation, and unequal development between and within countries. WIDE has been lobbying DG " Trade about the gap between trade agreements and goals in development cooperation. Furthermore, WIDE has been exploring the possibilities of existing trade policy instruments like SIA (Sustainability Impact Assessment) to see if they can be effective in addressing this gap ¹².

¹¹ Directorate General

¹² See WIDE publication 'Globalising Women's Rights; confronting unequal development between the UN rights framework and the WTO trade agreements', September 2004

The gap between human rights and macroeconomic policy/trade

WIDE is exploring the gap between the human rights framework and the WTO trade agreements, and also doing case studies on the consequences of GATS, e.g. on water privatisation in Bulgaria.

In the age of liberalisation of market forces, expansionism in trade, overall globalisation, economic cost and benefit has taken lead in determining the livelihoods for all. Recently, under pressure by the European Bank for Reconstruction and Development (EBRD) and the World Bank to implement social and economic reforms, Bulgaria plunged into a project to revamp the country's water system. In a great 'leap of faith', Bulgaria has entrusted its water management, previously in public hands, to western-European transnational corporations.

Research work commissioned by WIDE from the Bulgarian Gender Research Foundation, BGRF looked at the long-term effects the concession of Sofia's water supply and wastewater services granted to external corporations has had on women. This undertaking has proven that provisions crucial to human development and gender equality have been greatly compromised. The study highlights the inconsistencies found in the regulation of trade and compliance with several ratified human rights treaties such as CEDAW and the ICESCR, which Bulgaria is a party to. The study analysed the fundamental impact caused by privatisation of public services and its implication on women, whom are most susceptible to such change ¹³.

The gap between gender policies and practice

WIDE uses gender-equality ¹⁴ and the EU policy towards gender mainstreaming to keep politicians accountable. There is a gap between policy and practice, also noticeable in the EU development policies. Often development policies are subordinated to 'more important concerns' such as enlargement, monetary union, trade policy, agricultural policy, foreign policy etc. Here, WIDE uses the achievements of the international women's movement (CEDAW, BPfA) to apply pressure even though the political weight of the United Nations and its declarations has diminished. Some treaties like CEDAW are enforceable. WIDE uses entry points on gender equality where it sees them.

In order to examine how far commitments to gender equality have been translated into practice at a national level within the EU, WIDE conducted three research studies, looking at Austria's, Belgium's and the UK's conceptual and existing approaches to (their gender mainstreaming methods) implementing gender equality in their trade and development policies ¹⁵.

¹³ See publication Bulgarian Gender Research Foundation & WIDE "Faites vos jeux, Messieurs! or A case study on the impact of GATS in Bulgaria", May 2004

¹⁴ Although many WIDE members assert that equality is insufficient and that we are looking for social transformation of society.

¹⁵ See WIDE publication: Genevieve Painter "Gender Mainstreaming in development and trade policy and practice", October 2004

Although there are signs of progress in the countries' commitment to gender equality and mainstreaming – e.g. all three countries recognise the need to locate gender in their organisational structure – the studies point out that further steps need to be undertaken. For example, it must be ensured, that gender is on the trade-development agenda in a coherent form, and that trade policies complement gender equality and development policies. Otherwise each country risks ignoring developing countries' specific needs and underestimating the negative consequences of their trade-development policies on women's livelihoods. Moreover, the goals of women's empowerment, gender equality and transformation of gendered power relations should drive gender mainstreaming, and donor countries should re-affirm commitments to women's human rights as contained in CEDAW and BPfA.

As a part of WIDE's ongoing monitoring and analysis of the EU enlargement process, WIDE will organise a hearing at the European Parliament in Brussels entitled 'The enlarged European Union and its agenda for a "wider Europe": What considerations for gender equality?'

The aims of the hearing are to initiate a debate and hold decision makers accountable on gender equality issues, to further discuss the impact of the EU accession process on women's livelihoods and gender equality in the new member states, accession countries and neighbouring countries, and to come up with concrete recommendations on policies and institutional mechanisms needed at both EU and national level for the promotion of the gender equality agenda. The hearing will be held on 2 December 2004 at the European Parliament in Brussels with the participation of EU officials, national governments' representatives and Wide members and partner organisations from Eastern and Central Europe.



Gisela Dütting

3. Economic policy and strategies for the women's movement

In view of the ongoing discussions during this conference, there are a number of issues to keep in mind, especially if we are debating the political agenda of the women's movement.

- *It is a mistake to follow the thinking of some of the speakers, that women are not yet part of the economy. They state that women need to take up paid employment to count economically and that women's position in the labour market is explained by their lower levels of education. In the WIDE Economic Literacy program, WIDE explores holistic economic thinking and maintains a view of the economy that includes women in their various roles. I also refer to Marscha Madoerin's presentation this morning. On education, I would like to point to the experiences in Central and Eastern Europe. Women remain at the bottom of the labour market despite women there having higher levels of education than men.*
- *The position of women is determined by many factors and combined factors, not only economic ones. We are also dealing with the effects of new fundamentalisms, militarisation, the effects of 'security measures' in the context of anti-terrorism, eroding civil rights and making the lives of migrant women in particular more difficult. We need to keep in mind that these are all political decisions and that we need to keep our eyes on preventing exclusion and improving the quality of democracy.*
- *There are major differences between women. A small group reaps advantages in the globalising economy and the large majority remains at the bottom of all statistics on income, health, safety etc. We must review our concepts of gender therefore and take the consequences of intersectional analysis seriously. The women's movement should look at itself as border benders in many different ways.*
- *Strategically, the women's movement can exploit existing rifts, which come up with a power analysis. Between large corporations and small/medium size business for example, rifts between the interests of countries etc. There is still a lot to be won and strategic allies can be found.*
- *In many countries in Europe, we see that resistance to economic trends and decisions and mobilisation of large groups of people is still in the hands of trade unions. I am familiar with all the critiques of male-breadwinner centred trade unions, often operating as dinosaurs. However, the reality is that in most countries the trade unions still mobilise a lot more people than the women's movement, the just globalisation movement and others combined. Therefore, while the women's movement makes alliances in the Social Fora and elsewhere, we must keep the trade unions in focus as well, also at international level.*
- *Concluding, I wish to make a general plea to always acknowledge and appreciate our diverse locations and experiences, even if we deal with worldwide economic trends and decisions. Only then will the women's movement be able to work towards an inclusive political agenda.*