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ECONOMIC AND ENVIRONMENTAL QUESTIONS: REPORTS OF SUBSIDIARY BODIES, CONFERENCES AND RELATED QUESTIONS

Preliminary version of the 1994 World Survey on the Role of Women in Development

Report by the Secretary-General

## SUMMARY

In its resolution 48/108, the General Assembly requested that a preliminary version of the 1994 World Survey on the Role of Women in Development, which will be presented to the Assembly at its forty-ninth session, be submitted to the Economic and Social Council at its substantive session of 1994, through the Commission on the Status of Women. The present report contains a preliminary executive summary of the 1994 World Survey that reviews its main themes: poverty (paras. 13-23), productive employment (paras. 24-29) and women in economic decision-making (paras. 30-40). Present trends suggest that women are an increasingly decisive factor in economic growth, although they are not yet equal participants in the control of the process.

\* E/1994/100.

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#### INTRODUCTION

- 1. The purpose of the <u>World Survey on the Role of Women in Development 1/, 2/, 3/ is to present a periodic assessment of the gender aspects of economic development. The <u>World Survey</u> is prepared every five years, one year prior to the scheduled review and appraisal of the Nairobi Forward-looking Strategies for the Advancement of Women. It is intended, through an examination of the most recent information available, to identify trends on how men and women, in conjunction with their socially ascribed roles in society, affect and are affected by global economic processes.</u>
- 2. The first <u>World Survey</u>, which was prepared in 1985, was one of only a few studies examining the role of women in the economy. Since then, the question of women and development has begun to be built into many mainstream surveys of the global economy, which have accurately described the situation of women in the recent past. The third <u>World Survey</u>, which is to be published in 1994, therefore concentrates on identifying trends and on considering how a gender perspective might change the way development concepts are expressed.
- The 1994 World Survey was requested by the General Assembly in its resolutions 44/77 of 8 December 1989 and 44/171 of 19 December 1989. The final version of the 1994 World Survey is to be presented to the General Assembly in 1994 and, in accordance with resolution 36/8 of the Commission on the Status of Women, will be one of the principal documents before the Fourth World Conference on Women. In its resolution 48/108, the Assembly requested that a preliminary version of the 1994 World Survey be submitted to the Economic and Social Council at its substantive session of 1994, through the Commission on the Status of Women. The final version was to be completed by mid-1994. An abbreviated executive summary of the main document, emphasizing the initial findings on the main themes of the  $\underline{1994 \ \text{World Survey}}$ , was presented to the Commission on the Status of Women at its thirty-eighth session (E/CN.6/1994/13). The present report contains a more detailed executive summary. The final version of the 1994 World Survey is being prepared with the cooperation of organizations of the United Nations system, especially the International Labour Organization, the Food and Agriculture Organization of the United Nations, the United Nations Educational, Scientific and Cultural Organization, the International Trade Centre (UNCTAD/GATT) and the United Nations Industrial Development Organization, all of whom are contributing sections to the publication.
- 4. Since the 1989 World Survey, the world has experienced a number of dramatic changes in its economic relations, including a global recession, recovery in some regions, new growth sectors, structural adjustment, and increasing inequalities between countries and groups of countries as well as within countries. Those changes have occurred in a context of renewed emphasis on democratization, governance and the use of the market to direct economic development, as well as an increasing international interdependence, as reflected in the conclusions of the Uruguay Round of multilateral trade negotiations. The development debate now emphasizes sustainability and the human dimension.

- 5. The above-mentioned changes have not been gender-neutral in either their causes or their effects. Partly because of the nature of the process of economic growth and adjustment, and partly due to an enhanced enabling environment, women are increasingly becoming a decisive component of economic change. There is an increasingly evident correlation between the advancement of women and economic success. The very nature of restructuring policies has led to an increase in women in the labour force, initially as part of a lower-paid labour force in labour-intensive industry. Subsequently, progress in the liberalization of markets has reinforced that participation and is beginning to reflect itself in a movement of female labour into higher paid, more highly skilled sectors.
- 6. Although causality is difficult to prove and there may be national exceptions, a comparison of data over time suggests that in general, where women have been enabled to be full and equal partners in development there has been long-term economic growth with improved distribution. Where that enabling environment has not been provided, there has been stagnation and even decline.
- 7. Two key aspects of the enabling environment are the increasing achievement of <u>de jure</u> equality between women and men and the clear trend, in most regions, towards equality between women and men in access to education. Taken together, they have served to level the playing field for an increasing proportion of women and allowed them to participate fully in development, contributing with the particular skills and priorities that derive from their gender roles.
- 8. The gradual achievement of <u>de jure</u> equality for women is reflected in the increase in the number of States Parties to the Convention on the Elimination of All Forms of Discrimination against Women. In 1985, when the first <u>World Survey</u> was prepared, States Parties to the Convention numbered only 39; in 1994, they numbered 133, including all States in Latin America and the Caribbean, almost all States in Europe and in South-East and East Asia, and a majority of States in other regions. Although a number of States entered reservations on some articles, in most of them, ratification or accession has meant the elimination of legal restrictions that had impeded women from obtaining access to the means of production: land, capital and technology. Progress in exercising those rights has been less rapid, especially where there is a gap between constitutional principle and customary law, but the success of innovative programmes has demonstrated the potential of women's economic participation on an equal basis with men.
- 9. In most regions of the world, notable progress has been made towards gender equality in access to education at all levels. Table 1 compares the ratio of girls to boys at all three levels of formal education from 1970 to 1990. For primary school enrolment, there is near equality in most regions by 1990, a marked change from 1970. Even more rapid progress can be observed in secondary and tertiary education. The relationship between development and access to education can be seen in the ratios for the least developed countries taken as a whole: on average, there were 75 girls for each 100 boys in primary and only 37 in tertiary education.

Table 1. Average ratio of girls to boys in enrolment in schools, by level and region, 1970-1990

(Number	of	girls	for	each	100	bov	s)

	Primary education			Secondary education			Tertiary education		
	1970	1980	1990	1970	1980	1990	1970	1980	1990
Africa	65	74	79	46	57	69	20	30	32
Latin America and the Caribbean	94	95	95	98	107	109	72	74	106
Western Europe and other	95	95	95	90	98	98	53	72	94
Asia and the Pacific	66	78	84	58	70	77	46	63	84
Eastern Europe	94	94	96	97	91	94	78	106	104
World	77	84	87	67	80	85	46	61	75

<u>Source</u>: Division for the Advancement of Women of the United Nations Secretariat, based on information contained in <u>Women's Indicators and Statistics</u> Data Base (WISTAT), version 3, 1994.

- 10. There are, however, significant regional differences in progress. Africa lags behind the rest of the world in moving towards equal access, especially in the crucial tertiary level of education. Within Asia and the Pacific, there is a significant difference between southern Asia, where for each 100 boys in 1990 there were on average only 73 girls enrolled in primary, 60 in secondary and 37 in tertiary education, and South-East and East Asia, where the corresponding figures were 92, 90 and 74. In many regions, girls' enrolment exceeded boys at secondary and tertiary levels.
- 11. The rapid elimination of gender differences in access to education does not mean that the access problem has been solved. Globally, on average only 57 per cent of girls of school age were enrolled in primary or secondary education in 1990. In Africa, for example, the average was only 37 per cent and only in Europe did the proportion reach 90 per cent. The statistics on female education still provide only limited comfort. Although women are doing much better in terms of their access to education and the number of years of education they attain, the situation remains problematic with regard to the content of curriculum materials, which are often gender-biased; the social and organizational arrangements in the schools; and the presence of women in decision-making positions in the school system at all levels. Moreover, girls are still channelled into traditionally female fields and career paths, which is especially unfortunate in view of the skills women will need if they are to meet the challenges of information and technological progress and continue to take on gainful employment. An effort also needs to be made to address adult illiteracy, a consequence of former inequality in access to education that is far more prevalent among women than men.
- 12. The relationship between the global economic environment, the enabling environment and the role of women in the economy is evident in the analysis of the three central themes of the 1994 World Survey: poverty, productive

employment and women and economic decision-making. That analysis leads to one overriding conclusion: the economic role of women has become more critical to development and must be taken into account when development policy is being formulated.

#### I. POVERTY

- 13. The extent to which poverty is on the increase as a longer-term global trend is debatable, but there is no question that the incidence of global poverty is greater than it has ever been, that poverty is increasing in at least some regions, and that women and men experience poverty differently.
- 14. It is often overlooked that poverty is measured by consumption. Poverty is the condition of not having enough food, shelter and other essentials to meet basic needs. The causes of poverty are complex and multidimensional and include such phenomena as inadequate access to or distribution of resources and markets at the national or subnational levels, natural disasters, internal and international armed conflict, and inadequate investment in human resources. The consequences of poverty, however, are quite clear. When the lack of essentials (food, clothing and shelter) reaches the limits of survival, poverty is absolute and people living under those conditions can only deal with immediate daily survival. There can be no saving or investment and few long-term aspirations. Even when poverty is relative, its consequence is to diminish human potential. Poverty begets poverty in a vicious cycle.
- 15. Poverty can be observed at many levels, such as the national level, the regional level and the community level. In terms of gender, however, the best unit of analysis is the household. Poverty is experienced in households, where people related by blood, law or common interest live together. Households are consumption units in which essential goods are shared. They can also be production units in which resources are pooled to generate income, although that household function has been declining with urbanization and the transition to an industrial economy.
- 16. All members of households are affected by the lack of essentials. Indeed, it is that common experience that produces survival strategies for poor households. It is economically rational for the household to spread out the risks of losing an income earner by increasing its size. At the margin, the cost of adding one more potato to the soup is outweighed by the value of obtaining another potential contributor. Similarly, it is rational for household members to migrate to seek income elsewhere, if they remit to the household, since that both adds to income and reduces cost.
- 17. There are rural-urban differences in poverty, since rural households tend to be both consumption and production units, whereas in urban areas the household and the workplace are usually distinct. A critical issue for rural women is therefore their access to and control over productive resources, which depend on the availability of, <u>inter alia</u>, land reform measures that promote women's access to and control over the products of their labour; credit and financial services that address the unique situations of rural women; appropriate and affordable technologies; affordable units of agricultural input;

sustainable development techniques that are incorporated into productive activities; and appropriate extension services and training. There are also differences in the availability of social services, which are more prevalent in urban than rural areas.

- 18. In addition to the rural scenario, there are other respects in which there is a profound gender dimension to poverty. Women, because of their socially ascribed roles, are responsible for managing consumption in times of scarcity. When the first shock of economic stabilization programmes comes in the form of increased costs for basic goods, women have to determine how to cope, often by denying their own needs. When the household income declines, they enter the labour force to help increase incomes, often the informal sector, a dynamic but uncounted part of the economy characterized by its flexibility and fungibility with the household. Increasingly, however, poor women are entering the formal labour market, often enduring extremely low pay and unsatisfactory conditions. Coping with conditions of poverty, increasingly as the de facto head of household, has begun to change women's self-image. The forces pushing women into the economy as a means of coping with poverty, especially when the sectors that generate employment preferentially employ women, have allowed many women to exercise their economic abilities outside the household for the first time. That experience, in the long run and given adequate public policies, can for many women be a basis on which to build a way out of poverty.
- 19. At the same time, because of their gender roles, women are expected to maintain their domestic responsibilities. When that proves impossible, daughters replace mothers in care-giving tasks, trading their own futures to help support the present needs of the household. The figures on the enrolment of girls mentioned earlier speak to that problem. There are also intra-household differences in consumption: women may reduce their own consumption to permit a greater share to go to other household members, or may receive a smaller share, one consequence of which is an inter-generational transmission of poverty.
- 20. When the woman is the only adult income earner in a household, whether as a result of widowhood, abandonment or the disability or unemployment of a spouse, the gender dimension of poverty becomes direct and acute. Usually, such a household has dependants, which reduces the possibility of outside employment; when combined with other discriminatory factors in terms of economic opportunities, the result for the household is almost inevitably poverty. Female headship is thus one of the surest indicators of household poverty, an indicator which has been rising.
- 21. While poverty can be examined in terms of consumption, it cannot be eliminated by addressing the consumption needs of the poor. Everyone has the right to development and there is a public responsibility for maintaining a minimum level of consumption. Merely maintaining that level, except as a matter of emergency action, may alleviate the symptoms but will not address the root causes of poverty.
- 22. Poverty requires a public response, but that response can be made by different actors using different means. The State, the market and the community have different roles, each of which are currently undergoing a process of

rethinking, particularly the role of the State in regulating the market and making long-term investments in human development.

23. Poverty can only be eliminated by increasing income, which is as true of households as it is of States. For households, that means increasing the income brought in by household members, investing in them and providing employment opportunities. For States, it means increasing production both for export and for domestic consumption, through investment. For States, as for households, the policies chosen can help eliminate poverty or can increase it: some policies work, some do not. Based on the current global economy, targeting women is a policy that works.

#### II. PRODUCTIVE EMPLOYMENT

- 24. The relationship between the employment and the poverty of households and of nations is straightforward. Gainfully employed people have more income and are able to consume what they need and more as well. A strong domestic consumption can be the basis of continued national economic growth.
- 25. There has been a significant structural change in employment over the past decade that has to be understood in gender terms. Employment has feminized in a dual sense. First, women have been entering the formal labour market in unprecedented numbers, at a rate far greater than men. The averages (see table 2) show that the ratio of women to men in the economically active population has almost doubled over 20 years. Regional differences can be ascribed to different starting-points: the trend is indisputable for all regions. Considering that much of the economic activity of women goes unreported in national statistics, in terms of formal economic activity women are probably approaching equality with men. Moreover, in many countries the economic sectors that show greatest growth, such as modern services, light industry and information, have tended to employ women rather than men.

Table 2. Average ratio of women to men in the economically active population, 1970-1990

(Number of women for each 100 men)

	1970	1980	1990
Africa	39	58	71
Latin America and the Caribbean	35	48	62
Western Europe and others	45	60	72
Asia and the Pacific	28	42	48
Eastern Europe	79	81	85
Total	37	52	62

26. Second, the typical lifetime pattern of employment has shifted from one in which a career with a steadily rising remuneration could be expected in an

enterprise, profession or craft, which has characterized male labour-force participation during most of the twentieth century, towards the episodic, part-time, low-paid pattern that has always characterized female employment. New approaches to productivity and new technologies have undermined the opportunities for stable long-term employment. As a result, in the course of their employment histories more men are being compelled to work under conditions that in the past were only allotted to women, who were perceived as part of a reserve labour force. The gap between the average remuneration of women and men is beginning to narrow, partly because of increased remuneration to women and partly because of decreased remuneration to men. Hard data on those phenomena are not yet available, but the hypothesis is beginning to be confirmed in micro-studies in a number of countries.

27. Changes in women's employment have occurred in the direction of those occupations that have realized the greatest growth. While the largest occupational category continues to be agriculture, the incidence of economically active women in the professional and technical, clerical, and sales categories is growing (see table 3). Moreover, in the higher income categories of professional and technical, and administrative and management occupations, women have made particular gains in the direction of equality with men (see table 4). Again, although the starting base was different, the trend is the same for all regions.

Table 3. Occupational category, by sex, 1970, 1980 and 1990 (Percentage)

	1	970	1980		19	90
Occupational group	Women	Men	Women	Men	Women	Men
Professional and technical	11.94	5.62	11.76	6.56	13.17	8.22
Administrative and management	0.78	2.07	1.25	2.54	1.80	3.22
Clerical	10.81	5.86	11.79	5.71	13.25	6.51
Sales	7.76	5.98	7.93	5.27	9.91	7.22
Service	18.34	5.87	13.56	6.20	14.65	6.83
Agriculture	27.02	33.54	29.10	32.72	24.69	27.97
Production	14.54	32.06	29.73	29.71	12.63	31.66
Not classified, unemployed	6.07	6.27	9.52	7.53	9.00	7.45

Table 4. Average ratio of women to men in professional and technical, and administrative and management occupations, 1970-1990

(Number	$\circ$ f	women	for	each	100	men \	)

	1970	1980	1990
Africa	19	40	56
Latin America and the Caribbean	50	82	85
Western Europe and others	55	66	86
Asia and the Pacific	27	47	55
Eastern Europe	47	105	124
Total	36	58	70

- 28. A comparison of countries in terms of women in the economically active population and in higher status occupations suggests that the growth of women seeking and obtaining employment is a function of the global economic situation. The growth of women in higher status occupations is the delayed effect of increasing equality in access to secondary and tertiary education in the 1970s and 1980s. It implies that the currently increasing equality between men and women will have even greater effects on employment in the early years of the next century.
- 29. The implications of those developments are that women can be expected to provide an increasing share of the income available for consumption and investment. Here certain gender differences will probably be crucial. It is known that women have a higher propensity for saving than men do and are more likely to make choices based on foregoing present consumption for future benefit. It is thus likely that savings and investment on the part of women will become a potent source of resource mobilization for development. Together with the relatively higher productivity of women in growth sectors, that can be expected to lead to accelerated, women-driven growth over the next 10 to 20 years, which will have positive consequences for achieving sustainable development.

# III. WOMEN AND ECONOMIC DECISION-MAKING

30. The increasingly important role of women in the economy is not yet reflected in economic decision-making bodies at the national, regional and international levels in either the public or the private sectors. In the most visible way, it is men rather then women who make the macroeconomic decisions. In the public sector, there are few women finance ministers or heads of central banks, although their number is growing. In the private sector, there are even fewer women heading large corporations. However, in the small- and medium-sized enterprises that underpin economic growth there is an increasing presence of

women owners and managers, which suggests that a structural change in the gender balance of economic management may be occurring.

- 31. In the public sector, statistics developed by the Division for the Advancement of Women of the United Nations Secretariat show that of the total ministerial level posts in the economic sectors of Government, including central banks, only 3.6 per cent are held by women. In 146 countries, no women at all hold ministerial posts dealing with the economy. There have been almost no women in the top management of international financial institutions.
- 32. The situation is worse in large private corporations. A study prepared by the Division shows that in the 1,000 largest non-United States corporations, only 1 per cent of the top management positions are held by women; in the 1,000 largest United States corporations, only 8 per cent of the top posts are held by women, mostly lower-level senior management rather than chief executives.
- 33. The reasons for that situation have to do with the predominantly male culture of private-sector management, the continuing current effects of past discrimination, and the lack of recognition of women's actual and potential contribution to economic management. Usually, if women gain access to entry-level jobs in large corporations, they tend to remain in the lower ranks and to be concentrated in women-dominated bureaucracies and management organizations. Women's choices tend also to be determined by gender-ascribed roles that thus limit their access to potential career posts.
- 34. Once in a potential career post, women are confronted with formidable and widespread impediments gender-based impediments embedded in employment rules, regulations and performance evaluation that restrict their vertical and horizontal mobility. Since conditions of work are largely constructed around the interests of men as employees and employers, they are often unsympathetic towards and unsupportive of the behaviour, roles and outlook of women. Biased attitudes are also embedded in the so-called male corporate culture and take such forms as sexual harassment, the exclusion of women from developmental opportunities, the exclusion of women from formal and informal networks and the downgrading of women's skills. The combination of biased conditions of work and the male corporate culture forms the so-called glass ceiling, an invisible but impassable barrier that prevents women from rising upwards professionally, regardless of their education and experience.
- 35. The delayed effect of their former underrepresentation in middle management is argued to be the most important obstacle faced by women: in that scenario, women are maturing into candidates for the next two decades. However, other studies show that trends in the upward mobility of women have been much slower than they should: at the current rate of increase, in most developed countries it will take 475 years for women to reach equality with men as senior managers.
- 36. There is some indication, however, that that trend will change dramatically in the coming decades. First, the participation of women in the formal employment market is increasing. Second, women are beginning to enter tertiary education in fields like law, business, and science and technology at a faster

rate than men (see tables 5 and 6). As a result, the pool of entry-level executives will increasingly consist of women. Third, as managerial styles change to become more flexible, women's skills are being seen as important for business.

Table 5. Average ratio of girls to boys in science and technology fields in tertiary education, by region, 1970-1990

(Number of women for each 100 men)

	1970	1980	1990
Africa	24	21	24
Latin America and the Caribbean	37	54	80
Western Europe and others	29	49	67
Asia and the Pacific	33	45	70
Eastern Europe	61	81	74
Total	32	43	56

Table 6. Average ratio of girls to boys in law and business in tertiary education, by region, 1970-1990

(Number of women for each 100 men)

	1970	1980	1990
Africa	12	43	36
Latin America and the Caribbean	30	92	115
Western Europe and others	25	54	85
Asia and the Pacific	25	56	70
Eastern Europe	64	134	124
Total	25	63	102

37. Perhaps more importantly, in many countries women are beginning to take the lead in entrepreneurship in small- and medium-sized enterprises in the sectors where growth is greatest: services and small-scale contracting. Those sectors are beginning to earn a share of global trade; studies by the International Trade Centre (UNCTAD/GATT) document the increasing importance of women in international trade.

- 38. That development reflects, in part, an adaptation of women's productive activities to the need for a flexible work environment. It may also may mean that women are perceiving that they are unable to reach the top in the formal labour market and are consequently shifting towards entrepreneurship. The growing number and scope of organizations of women entrepreneurs and managers has been directly linked with that phenomenon.
- 39. Whether that growth in female entrepreneurship will lead to a fundamental change in the way in which economic decisions are made will be determined by whether women obtain equal access to the essential inputs and policy for entrepreneurial activity: credit, information about technologies and markets. Much can be accomplished by women themselves creating networks and taking advantage of their market position. Other obstacles will require public action to level the playing field so that women can compete in the market on the same basis as men.
- 40. The lack of access to resources, including credit, is often linked to inheritance laws, matrimonial property and other legal impediments. Other obstacles cited include a hostile working environment and a lack of support services. In most countries, legal obstacles are being removed; it remains to be seen whether support services that are as attuned to women's needs as they are to men's can be mandated and designed.

### <u>Notes</u>

- $\underline{1}$ / World Survey on the Role of Women in Development (United Nations publication, Sales No. E.86.IV.3).
- $\underline{2}/$  1980 World Survey ... (United Nations publication, Sales No. E.89.IV.2).
  - 3/ 1994 World Survey ... (United Nations publication, forthcoming).

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