

**Financing gender equality and women's empowerment:
UNCTAD comments for CSW60 Multi-stakeholder Forum
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I want to thank UN Women for the invitation to contribute to this multi-stakeholder Forum, which reflects the ongoing cooperation between the two agencies.

Our contribution centers on the point that the macroeconomy – how and in whose interest it functions, the global economic and institutional contexts in which it exists, and the livelihoods, public goods and productivity growth it generates – are all fundamental tools for promoting gender equality and women's economic empowerment. Moreover, macroeconomic policies continue to be perceived as “gender neutral”, despite clear evidence that budget, fiscal and trade policies, among others, have different effects on different segments of the population, including on women and men. MDG8 was gender-blind but Agenda 2030 and AAAAA highlight various aspects of gender inequality that need to be addressed. So, I'll propose some solutions in three broad areas: (1) Enabling global/macroeconomic environment; (2) Increasing Investment and LT development finance; and (3) Gender-aware, developmental public policy.

Starting with

1. Enabling global/macroeconomic environment

- ***Deficient global demand and sluggish growth limit gender equality and women's economic empowerment.*** The policy mix in developed countries to deal with the most recent financial crisis – combining monetary expansion with fiscal and wage restraints – has been ineffective at generating recovery and created negative spillovers for the rest of the world. The resulting secular stagnation and volatility hamper the ability of developing countries to generate decent work and invest in expanding human capabilities and productive capacity. Women continue to be under-employed, temporarily employed or employed on a part-time basis and continue to be segregated in a limited number of occupations that are often poorly remunerated. Conversely, they are overrepresented as contributing family workers or in other informal work arrangements that do not provide any social security net.
- ***Global reform must include dealing with the challenges posed by financialization of the global economy.*** Global capital flows are so large and so volatile that they not only regularly cause shocks and crises that destabilize and ultimately lower growth in developing countries, they also make it difficult for governments to conduct the sorts of longer-term development policies that advance gender equality (such as the sort that might require running a budget deficit or keeping domestic interest rates low). Global cooperation in the management of flows of global capital is essential.

2. Increasing investment and long-term development finance

- ***Despite abundant international liquidity and low interest rates, developing countries struggle to obtain sources of long-term international finance for productive investment.*** This is especially true for the sorts of investments where payoffs are long, such as those that aim to raise gender equality and women's economic empowerment. These goals cannot be entrusted to financial markets, which prefer short-term and low risk operations.

- ***To remediate we believe that specialized public institutions and mechanisms for financing gender equality are crucial***, such as development banks that prioritize projects involving women, or using overseas development assistance to support the productive economy in ways that raise gender equality. Public-private partnerships might also help, but they have a mixed record and do not typically create additional finance.

3. Gender-aware, developmental public policy

- ***State governments can and should do more than simply regulate markets and facilitate trade.*** Though these functions are important, they are not enough to spark and sustain the type of economic growth and development that generates stable and sustainable livelihoods, especially for women and girls.
- ***We propose that public infrastructure investment*** that supports women's traditional care work (providing safe water, ample sanitation, safe transportation, basic health care, early childhood education and support for elderly care) is essential. This kind of investment not only contributes to gender equality, it also facilitates the expansion of private investment and ultimately raises growth as well as contributes to development.
- ***We propose gender-aware trade and industrial policy.*** A key aspect of development is raising value-added and productivity, and bringing about the sorts of structural economic changes that shift employment into higher productivity, and paid, work. Industrialization and diversification historically proffer the most promising pathways for these goals (though high productivity services may also offer opportunities for high quality employment generation, especially for women). Nearly all countries that have successfully industrialized did so with the support and guidance of a variety of proactive trade and industrial policies. But from a gender perspective, it is also essential to “mainstream gender” into these policies, to gain an understanding of how gender equality and women's economic empowerment are served (or not) by strategies for industrialization and growth. There is evidence that without proper “gender mainstreaming”, existing inequalities tend to be reproduced in the process of structural transformation
- ***Lack of policy space.*** Multilateral agreements and negotiations, including those on trade and the evolving framework for international investment, fail to adequately recognize the legitimate concerns of developing countries. And bilateral and regional trade and investment agreements often come with stricter policy commitments than their multilateral versions. This greatly limits the policy space that governments have to conduct trade and industrial policy in ways that are gender aware and economically empower women. **We propose** a “gender assessment” of trade and investment agreements under negotiation would allow countries to have a better understanding of the likely implications of forthcoming agreements on women's employment and well-being, and would also help them in designing measures necessary to redress possible shortcomings.
- ***Protecting government financial capacities.*** Gender aware public budgets are essential for establishing a strong link between public spending and gender equality. But financialization poses a serious threat to the goals of gender budgeting. Global private finance recurrently creates external debt crises that are ultimately taken on by governments. At a time of rising financial fragilities, the international economy lacks a fair and efficient sovereign debt restructuring mechanism, and greatly constrains governments' abilities to finance gender equality and women's economic empowerment. Providing such a mechanism would protect government capacities to prioritize gender-related goals.
- ***Thank you!***