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‘Accelerating the achievement of gender equality and the empowerment of all women and girls by addressing poverty and strengthening institutions and financing with a gender perspective’

Expert Group Meeting

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Economic and Social Policies for Eradication of Women’s Poverty in the Arab Region

* The views expressed in this paper are those of the authors and do not necessarily represent those of the United Nations.

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Introduction

Though the Arab World efforts have been successful in drawing and implementing several poverty eradication programs still the least-developed countries in this Region witness increases in the proportion of their populations living below the poverty line in the last decades. The estimated percentage of people in poverty on average in Jordan, Tunisia, Algeria Egypt, Iraq. Morocco, Sudan, Comoros, Mauritania, Sudan and Yemen amount to 40.6% of total population.¹

Moreover, the Arab region suffers an average loss of 24.9 percent when the Human Development Index is adjusted for inequalities, which is above the world average loss of 22.9 percent. Inequality is widest in the education component of the inequality adjusted HDI (about 38 percent) and less severe in income component (17 percent)². The Arab region also has the second highest ratio of rural to urban poverty (3.5) among all developing regions.

The persistence of conflict in *Syria, Iraq, and Yemen* remains one of the main drivers of poverty regionally. In Syria, after years of civil war it is estimated that 45 percent of the population lives in poverty. In Iraq ministry of planning statistics show that around 25 percent of Iraqi families live under the poverty line³. Yemen's poverty rate has increased from 42 percent of the population in 2009, to 54.5 percent in 2014⁴.

In Egypt, three years of political upheaval and dwindling foreign currency reserves has meant that 28.9% of Egypt's 105 million people live under the poverty line⁵.

Although the outlook for the West Bank appears less grim than in Gaza, high levels of poverty persist. In Gaza, the situation is even worse with poverty rates reaching 53 percent and 37percent in extreme poverty.⁶ Population vulnerable to multidimensional poverty in the Region ranges between 0.7% in Jordan and 22.3% in Yemen.

General conditions of women in the Arab Region:

Women in developing countries in general and in the Arab Region in particular are considered the first victims as soon as economic changes occur. Macro-economic policies concentrate mainly on the reallocation of resources to achieve both stability and growth rather than on micro economic issues and gender differentiation, while labour market theories show how the structure of the females' labour market differ from that for men. This is what we call gender segmentation at the national level⁷

In addition, there is *gender segmentation at the enterprise level*. Men and women might have different labour market experiences within the same institutions although national labour laws treat workers in the same job category equally⁸. Entry level jobs are likely to be different for men and women so that segregation will be maintained throughout one's career and women's job ladder may be shorter. Clerical jobs which are feminized with high turnover and low wages⁹

¹ ESCWA, UNICEF, ALO, OPHI, Arab Multidimensional Poverty Report, E/ESCWA/EDID/2017/2

² Rethinking Inequality in the Arab Countries, ESCW and Economic Research Forum E/ESCWA/EDID/2019/2

³ Middle East, January 2023A Quarter of Iraq's Population Lives Below the Poverty Line

⁴ Khalid Abu Ismail, Note on Poverty and Conflict in Arab States, February 2020

⁵ CAPMAS, 2022

⁶ Palestinian Central Bureau of Statistics (PCBS). <https://reliefweb.int/occupied-palestinian-territory>

⁷ Questions in this respect are: Does the female labour market have specific characteristics? Is the place of women marginalized? Do the characteristics of unemployed females differ from those of unemployed men? How much is the contribution of women in unions versus the participation of males?

⁸ ILO, The gender gap in employment: What's holding women back?

⁹ Questions in this respect are: What is the nature of opportunities for women and what are the factors affecting the job ladder? Are women dominated occupations structured in a particular way so as to contribute to their low pay and to women's lesser opportunities? Do we have sex segregation within sectors, occupations and institutions, do women and men have different labor market experiences?

In the Arab Region, labour force participation rates of women is 19% on average in 2021. The labour market is highly segmented for poor women, they do not usually do the same types of jobs as men (horizontal segregation), and women tend to have lower status than men in the same professions (vertical segregation).

In GCC, women's labour is concentrated in education sector, while in Maghreb and Mashreq women are mostly found in agriculture and services. Men, in contrast, are represented in nearly all professions and certain sectors, such as fishing, mining, construction, and transport which are almost exclusively male.

Feminization of the government sector in addition to feminization of several industries such as pharmaceutical, textiles and drugs is prevalent in many Arab countries, like Egypt, Morocco and Tunisia.

Meanwhile the proportion of poor women in vulnerable employment (own-account workers and family workers) is currently the highest in the world. The ratio is particularly high in Maghreb and Egypt, mainly due to the large share of women employed in the agricultural field.

While world proportion of women in paid employment outside agriculture sector increased from 35% in 1990 to 41% in 2020; it increased on average from 19% to 21% in the Arab Region in 2020 (lowest among other geographical regions).¹⁰ Moreover, the high proportion of females working in the private sector to total working females is a result of the increase in the engagement of females in the informal sector with low income levels and nonexistence of social protection.¹¹

Females in the agricultural sector in Sudan, Egypt, Morocco and other countries were always responding to the demand of culture, unequal wages or emerging conditions. During the oil boom and the migration of men, men were replaced by women, who were withdrawn from their jobs with the return migration. Females' engagement in agriculture was always regarded as part of their role as housewives. In this sector the problem facing women, is not relevant to lack of work opportunities, but to the fact that they are working all the time without any financial evaluation. Gender biased distribution of resources (land, access to market information, credit, and extension services) is a strong impediment against women ability to benefit from export expansion of agricultural products (Jordan and Egypt)¹²

Average female unemployment rate exceeds males' by about 13 percentage points, the largest gender gap in the world (21.5% vs. 8.5% in 2021). Nearly half of young women (15-24y) are unable to find a job, a rate that is more than twice male counterparts. Rising unemployment of women can be traced to several factors. On the supply side, an increasing percentage of them is not properly trained for the types of work required. On the demand side, government services and public enterprises are expected to play a limited role in absorbing labor. It is also hard for these women to obtain jobs in the private sector. Most unskilled women employed by the private sector are either semi- or unskilled workers on assembly and packing line, jobs that are low paying and low status.

To conclude the impact of unemployment is stronger on women as unemployment rates are higher, unemployment periods are longer for females and women are reluctant to search for jobs so quite a share of women will be left with no jobs¹³.

Women's Poverty in the Arab Region

Female headed households (FHH) tend to have different characteristics than male-headed households, they are older than males, less likely to participate in paid work and more heavily dependent on

¹⁰ Nassar, H. Egypt: Structural Adjustment and Women's Employment and Globalization in the Arab Middle East, Lynne Rienner, Publisher, 2003

¹¹ IEMed Mediterranean Yearbook 2019, Poverty and Inequalities Continue to Plague Much of the Arab Region, Rami G. Khouri, Issam Fares Institute for Public Policy and International Affairs

¹² FAO, 2023 UN report warns of accelerating food insecurity in the Arab region due to global crises.

¹³ Arab Women Organization, Mervat Sedky Abd El Wahab El Said "Gender Equality in the Agricultural Sector in the Arab Region" Desk Review-2021

income transfer-pensions and remittances- from a male breadwinner. In addition, most own earning women heading households are illiterate and working informally. Children in (FHH) are more likely to work as well.¹⁴Government pensions are unequally distributed because of men labour force participation rates are far higher than females participation rates in the Arab Region¹⁵ and poor FHHs only collect 1 percent of all pension funds dispersed by the government. More generally it should be noted that government transfers such as Sadat pension in Egypt to widows had a negligible impact on household income¹⁶. *Gender development index is 0.871 on average in the Arab Region in comparison to 0.958 worldwide.*

Reasons for Women Poverty in the Arab Region include the structure of family and household, employment, sexual violence, education, climate change and health. Though many Arab countries have achieved tremendous progress in the educational and health status of women¹⁷the traditional stereotypes of women remain embedded in particular rural areas in the Arab World restricting access to assets and well paid employment opportunities.

Three socio-economic factors responsible for the male bias in economic policies:¹⁸

- The sexual division of labour. This factor implies that some kind of work is socially constituted as women's work while other kind of work is socially considered as men's work. This is a result of the division of labour inside the household and outside it.
- The second kind of bias is the unrecognition of unpaid work required for the process of reproduction and maintenance of family business and the work done by women outside the house to help their husbands, especially in the agricultural sector.
- The third aspect is that in some cases economic policies are adding to the women's responsibility within the household through the increase in the costs of living (Egypt, Tunisia..).The rise of electricity and kerosene prices will throw additional burden on working women given their traditional role in the household, while they are compelled to make savings on electrical or human help in the housework, and she has also to work outside the house to compensate the decrease in the family income.

Economic and social policy for the eradication of women's poverty

Many governments in the Arab region have outlined strategic plans and earmarked financial resources for achieving significant poverty-reduction goals using a diverse set of interventions including regulations, taxes, monetary, and spending policies¹⁹. Egypt, Jordan, Tunisia, Iraq and several other

¹⁴ Situational Analysis of Women and Girls in the MENA and Arab States Region, http://LLwww.UNICEF.org.Pillar-1_V2pdf

¹⁵ Valentine M. Moghadam, Women, work and family in the Arab Region: Towards economic citizenship. Doha Family International Institute.

¹⁶ Nassar, H, Social Protection and Women Economic Empowerment¹⁶, 63rd Commission of the Status for Women-UN2019

¹⁷ The Arab Region made remarkable advances in eradicating female illiteracy mainly among youth (15-24 yrs.); however adult literacy among females remains high, 86% in 2021 vs.71./. among males in 2021.Female/Male gaps in primary school enrolment were significantly reduced throughout the Arab region since 1995, except in some LDCs (Djibouti and Yemen) and Iraq. Secondary enrolment rates remain generally low for both sexes. In about one third of the countries in the Region, more girls than boys attend secondary school, in part because young men tend to join the labour market before completing their secondary education. This trend continues in higher education, where women now surpass men in university enrolment including Algeria, Bahrain, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Sudan and Tunisia. Moreover female life expectancy at birth increased from an average of 68 years in 1995 to 76.5 years in 2019 equal to world average. Male life expectancy has risen at about the same rate, from 64.5 years to 73 years. In addition significant reduction in child and maternal mortality occurred (with the exception of five LDCs).

¹⁸ Elson, Gender Relations and Economic Issues, ISTOR, Vol. 1, No. 3, [Macroeconomic Policy and Gender Relations; Income Generation Projects and Empowerment] (Oct., 1993)

¹⁹ In times of crisis there are several criteria for a gender countercyclical policy agenda like:

- Preventing job losses through expansionary policies to promote access to remunerative work opportunities for all, including women;
- Reinforcing access to productive resources for women and men so as to enable them to secure their livelihood through own-account work and subsistence production,
- Recognizing existing gender inequalities in unpaid work.
- Providing access to minimum social safety nets for everyone, especially to women and their children.

countries in general has pursued multi-dimensional strategies for raising standards of living, including; income generation, human capital and safety net strategies. The governments pursue poverty alleviation objectives through various of channels, including direct assistance to the poor, girls' education and literacy programs, women health care, subsidies for bread, flour, sugar and oil. Several national and international institutions are providing credits and training for the poor in the Arab Region.²⁰

Most of those strategies are tackling the main determinants of preventing people from falling into poverty or higher levels of poverty²¹ through:

- Improving **capability** (education, vocational training and health insurance),
- **Diversifying opportunity** (regular formal job (with contract), diversification of income sources),
- **Providing security** (monetary and non-monetary transfers) and **empowerment** for (those left behind among mainly women in informal work, female headed households....)

From this perspective we suggest several pillars for social and economic policies to eradicate poverty in the Region to:

Address economic poverty: facilitating access to affordable credit (micro-credit, group banking, etc.) for women; promoting income generation, generating opportunities and making markets work for women); supporting dignified employment (including equal pay for equal work); and the increasingly popular measure of cash transfers to poor women²².

Build human capacities: promoting access to education for all – often entailing targeted scholarship for girls, vocational skills training, and a wide variety of other long- or short-term training schemes, possibly targeted to particularly poor women.

Understand socio-cultural aspects of poverty: facilitating the full and equal representation of women in community decision-making processes; working with both men and women to combat labour market discrimination.

Increase protective capacities: these measures concern the ability of poor women to withstand domestic and external shocks such as a severe illness or the loss of possessions following a flood, war or climate change.²³

This will be achieved through macro-level, regional and sectoral interventions:

Interventions at the macro level:

The adoption of pro poor economic policies requires the mainstreaming of poverty eradication interventions in all national and local programs, creating an enabling environment for small-scale agriculture and informal micro enterprises, enabling governments to provide basic educational, health services and food supplies. A program of a well targeted transfers and safety nets is adopted in several Arab countries²⁴. Regarding monetary policies state-owned banks in some Arab countries (Egypt) provide financing for microcredit schemes and the banking system to maintain funding for microcredits.

²⁰ Towards ending poverty in the Arab States, 2023

²¹ Nassar H, Poverty Dynamics in Egypt between 2015-2018, UNICEF for every child, Draft2019.

²² Rural entrepreneurs in selected villages in Morocco were offered microcredit through weekly visits by the credit agents. Crepon et al. (2011). "Impact of microcredit in rural areas of Morocco: Evidence from a Randomized Evaluation". MIT Working Paper

²³ Nassar, Heba, Poverty Dynamics in Egypt between 2015-2018, UNICEF for every child, Draft2019

²⁴ Cash transfers under Takaful and Karama Program in Egypt were the most effective dimension in protecting poor people from falling into deeper poverty.

Fiscal policies emphasize public spending on social sectors especially preventing cuts in nutrition delivery programs²⁵, health, sanitation, and education. This is efficient for improving the overall conditions of women's empowerment than simply increasing expenditure on female-targeted programs. Decent jobs must be available to women, either by appropriate training and support to facilitate women work like transportation and nursing. Specific projects in infrastructure and rural development are benefiting women by reducing unpaid work burden like projects for easier water and better sanitation, services for childhood development and home-based care²⁶.

Drawing a dynamic socioeconomic development-oriented poverty reduction plan targeting poor villages, emphasizing the development of poor women people's capabilities and promoting participatory poverty reduction approaches. The plan should emphasize the continuous changing characteristics and priorities of poor women in the different regions and the different sectors to draw suitable anti-poverty programs to be implemented and evaluated continuously²⁷.

Interventions at the regional level:

Periodic geographical identification of the poor women in the labour market by strengthening the database for labour market information and poverty monitoring at the regional level. This does not mean only the identification of a poverty line and the poverty gap but it should also describe the relationship between poverty, sources of income of poor women, their social indicators, their occupational structure, the variability of their income, accessibility to the credit market, to natural resources, to land and to productive assets as well as their main coping mechanisms over time by region. Longitudinal studies at the regional level enable the investigation of trends in poverty and the impact of poverty alleviation interventions on women²⁸.

Promoting economic growth from below and decentralization means redistribution of economic activities in favor of deprived regions, where poor women reside. Governments should ensure the reallocation of national social spending and the enhancement of the private sector to invest in deprived regions in countries like Djibouti, Yemen, Sudan, Iraq through direct means (availability of infrastructure, facilities, land, etc) and indirect means (financial and monetary incentives).

Regional reallocation of social spending: The revision of social spending in several countries indicates a regional gap in terms of social spending on health and educational services in particular. The reorientation of a comprehensive system for transfer payments like public maintenance benefits for children in female headed households in rural areas till the age of completed basic education is important. Child sickness benefit is a special family allowance that may be applied if mothers have no choice but to stay at home in order to care for a sick child²⁹. Targeting of social spending to the very poor in Luxor and Qena was the reason for the success of "ENID"³⁰ programs in improving the living standards of the poor in rural Upper Egypt.

²⁵ Partnership between UNDP and the World Bank's International Development Association (IDA) highlights the value of engaging rural women in improving food security in Yemen. Teaching dairy farmers on how to increase their milk production to supporting collection centers that help women sell their milk at a better price. These interventions are increasing incomes, alleviating poverty, improving women's livelihoods, and increasing food security in Yemen. "Towards ending poverty in the Arab States UNDP 2023"

²⁶ Macroeconomic Policy and Poverty Reduction, Brian Ames, Ward Brown, Shanta Devarajan Alejandro Izquierdo, Prepared by the International Monetary Fund and the World Bank August 2001

²⁷ (<https://doi.org/10.1108/CAER-10-2017-0192>).

²⁸ (Markus Loewe (2000) "Social Security in Egypt: An Analysis and Agenda for Policy Reform", ERF Working Paper 2024).

²⁹ Heba Nassar, Social Protection and Women Economic Empowerment, prepared for discussion in the 63rd Commission of the Status for Women-UN2019

³⁰ The Egypt Network for Integrated Development (ENID/El Nidaa) is a ten-year initiative that was established in April 2012 as a project of UNDP under the umbrella of the Ministry of Investment and International Cooperation. Its purpose is to develop viable and sustainable employment opportunities in Upper Egypt with a set of four programmes: Upgrading Basic Services, Promoting Medium, Small and Micro Enterprises (MSMEs) and Entrepreneurship; Sustainable Agricultural Development Programme

Development of an extensive system for employment training and income generation schemes. Regional targeting of employment pro-poor programs means the determination of regional objectives for job creation in both rural and urban areas in accordance to regional skills requirements.³¹ Investments in telephone lines, computer equipment and educational and training software in rural and remote schools has proven to be an important tool in antipoverty strategies³². It can be a tool for increasing women economic participation through providing poor women with cheap market information, access to e-commerce, distance-work, i.e. working from home which could be suitable option for their conditions. Increasing access of poor women to ownership of land and/or equipment should accompany policies aiming to investing in agricultural and non-agricultural activities in rural areas to promote food security and improve nutrition and boost incomes.³³

Upgrading the informal economy; With the relatively high share of poor women in the informal sector it is important to adopt several measures for upgrading this sector:(a) strengthening the informal information base, (b) providing social protection for informal workers through NGOs as well as state funded health coverage plans for a package of essential family health services.(c) increasing access to financial services and better marketing opportunities through strengthening the financial intermediaries in rural areas; (d) promoting industrial and manufacturing activities and encouraging the use of improved technologies; (e) increasing linkages with formal economy between rural and urban areas through subcontracting and franchising system.³⁴

Encouraging non-governmental organizations to play an important role in increasing available employment opportunities for poor women by multi-faceted strategies, emphasizing self-employment and micro finance through financial and non-financial support. Possibilities of obtaining credit, management training, and business advisory services could be conducted by NGOs. Micro-insurance projects, which combine the advantages of low contributions of NGOs or cooperatives and commercial providers can benefit informal workers. More support could be given to women's organizations to help poor women to access information on labour rights and their ability to take collective action to uphold their rights and to negotiate with their management over voluntary code of conduct for women in the informal sector

Interventions at the micro level

The Entire-village advancement poverty alleviation shifts the focus of poverty alleviation from country level to village level like the Hayat Karima Initiative in Egypt.³⁵ This is important to achieve

³¹ Entrepreneurship education training for students through public-private partnerships in Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, the Palestinian Territories, Saudi Arabia, Syria, Tunisia, the United Arab Emirates and Yemen in Reimers, F., Dyer, P., Ortega, M.E. (2012). "Entrepreneurship education in the Middle East: measuring programme impact" unpublished report. Harvard Graduate School of Education.

³² Multi-purpose programs are successful in eradicating illiteracy through combining education, services with training, sound health, nutrition and family planning practices as well. Low income students are disproportionately affected by poor health and nutrition, a condition that lead to lower rates of return to education because of lesser learning capability and more frequent absences from school. Targeting school-based meals and health services to poor children can increase the effectiveness of educational programs by decreasing absenteeism due to illness and inability to absorb United Nations (2017) Report of the Expert Group Meeting on "Strategies for Eradicating Poverty to Achieve Sustainable Development for All" United Nations Headquarters, New York, USA, 2017

³³ (United Nations World Food Programme (WFP) Egypt Country Office and CAPMAS (2013) The Status of Poverty and Food Security in Egypt : Analysis and Policy Recommendations. (2013) (Cairo)
In addition UNDP Lebanon has worked with the Ministry of Energy and Water, the German Federal Ministry for Economic Cooperation and Development (BMZ), and the German Development Bank KfW to improve irrigation, rebuild canals, and close leaky networks to create more efficient and diversified agriculture and more secure livelihoods to help people eradicate poverty.

UNDP Arab States, Towards ending poverty in the Arab States, September 2023

³⁴ Income maintenance payment by the Ministry of Social Affairs or non governmental organizations for workers in agriculture can be solution for those, who lost their occasional or temporary jobs. In addition the provision of unemployment benefits as a component of an employment promotion program is necessary in addition to providing unemployed in agriculture activities with vocational training.

³⁵ A project in Sudan, Mauritania and Yemen improved the socio-economic conditions of urban and rural women with the objective to empower rural women by facilitating their access to information on their rights, in particular to benefit from

the integrated development of rural infrastructure, social services and cultural training to assure a better living standard for each person and rural minimum living security system for females in the informal sector to narrow the rural-urban disparities³⁶

*Establishment of an asset income support system (AISS) to guarantee the poor without working ability benefiting from the assets they own. The AISS aims to convert the fragmented, scattered and sleeping resources into assets. Local departments use the special financial as a share of the poor to participate in production and management of professional large family farms, cooperatives and leading enterprises, thereby increasing the farmers' property income. This tool requires support training courses for women to be able to manage their possession.*³⁷

Finally, it is important to conclude that in the Arab Region tremendous efforts have been made on both national and regional levels to eradicate poverty for women through various socio-economic programs at all levels to fulfil the commitment to "leave no one behind," in alignment with the Sustainable Development Goals (SDGs) by 2030. There has been progress in several areas, but continuous efforts are still required to succeed in facing the socio-economic challenges against the eradication of poverty for women in the Region.

certain basic services and economic opportunities. See: Poverty Alleviation among rural women in the Arab Region, OPEC Fund for International Development, 2010.

³⁶ Entrepreneurship education training for girls through public-private partnerships in Bahrain, Egypt, Jordan, Kuwait, Lebanon, Morocco, the Palestinian Territories, Saudi Arabia, Syria, Tunisia, the United Arab Emirates and Yemen. Reimers, F., Dyer, P., Ortega, M.E. (2012): "Entrepreneurship education in the Middle East: measuring programme impact". Unpublished report. Harvard Graduate School of Education (Hugo, Nichole C. and Nyaupane, Gyan P, 2016).

³⁷ See: <https://www.social-protection.org/gimi/gess/ShowCountryProfile.action?id=444>