



POLICY BRIEF



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Beware of efficiency arguments in policies for promoting gender equality

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While pairing efficiency arguments with intrinsic or social justice justifications can be useful for promoting policy attention to gender equality it also may sideline important gender concerns and conceal the macroeconomic policies that generate obstacles to gender equality.

WHAT'S AT STAKE?

In the new millennium, the case for promoting gender equality has increasingly taken on board other arguments to strengthen the intrinsic or social justice justifications for gender equality. These arguments have claimed the wide-ranging benefits of promoting gender equality — economic (gross domestic product) growth, agricultural productivity, corporate performance and development goals. The articulation of these “win-win” synergies has a long history as feminists have instrumentalized gender equality goals (Razavi 2017). The strategy has been useful in gaining wider support for promoting gender equality and raising awareness or teaching about the consequences of gender inequality (Rubery 2017; Akram-Lodhi 2017).

KEY RESULTS

- **Win-win arguments may divert attention from persistent gender inequalities and their compatibility with economic growth.**
- **Gender equality goals that are not compatible with promoting efficiency may be neglected in the policy agenda.**
- **Proponents of win-win arguments may simultaneously advance macroeconomic policies that create roadblocks to gender equality.**

In many cases it has served feminist goals as the implementation of childcare policies in the European Union (EU) since the 1970s indicates (Rubery 2017). However, the widespread circulation of “gender equality is smart economics” arguments that emphasize economic growth in the contemporary era has led to concerns that feminist goals of gender justice and rights may be sidelined or coopted in the service of policies that are inimical to well-being (Eisenstein 2009; Fraser 2009; Chant and Sweetman 2012; Prügl 2015). In particular, feminist scholars emphasize that not all dimensions of gender equality are compatible with efficiency in the sense of economic growth or productivity. The focus on efficiency bypasses substantive equality, “equality of outcome,” considerations (Esquivel 2017). Feminist scholars have called for scrutiny of the agendas that are served and those that are hidden from view by win-win arguments. The concerns are that win-win arguments focus on selective dimensions of gender equality to the neglect of others, disregard heterogeneity of women in terms of class, race, ethnicity, and conceal macroeconomic policies that generate obstacles to gender equality.

KEY FINDINGS

Win-win arguments may divert attention from persistent gender inequalities and their compatibility with economic growth

Policies that encourage women’s labor force participation and increase their education level can be characterized as win-win policies as they are expected to contribute to economic growth directly through women’s employment and indirectly via children’s future productivity (Esquivel 2017). However, this synergistic story does not say anything about the nature of women’s jobs (even whether women are employed, since labour force participation only refers to availability for market work). It is also silent on the gender pay gaps that persist despite higher education levels achieved by women compared to men. Moreover, addressing this injustice by reducing gender wage inequality may constrain economic growth, especially in labour-intensive industries that produce for export markets where international competitiveness depends on containing unit labor costs (Sequino 2000; Berik and Rodgers 2010).

Gender equality goals that are incompatible with promoting efficiency may be neglected in the policy agenda

For example, proponents of smart economics often focus on increasing women’s labor force participation to the neglect of persistent gender wage inequality and working conditions problems. Likewise, they may overlook the need to alleviate the disproportionate unpaid care work of women (Esquivel

2017), or may not seek to ensure high quality care or decent pay for care workers (Razavi 2017).

Proponents of win-win arguments may simultaneously advance macroeconomic policies that create roadblocks to gender equality

While espousing gender equality as smart economics and a win-win discourse in the last decade, the World Bank and the International Monetary Fund continue to impose neoliberal macroeconomic policies as loan conditionalities in debtor countries (Berik 2017b). These policies include cuts in government spending on health and education, privatization of these services and utilities, and relaxing of worker and environmental protections. They are documented to bring hardship to women among low-income groups and increase gender inequalities (Elson and Cagatay 2000). The incongruence of rhetoric and practice may reflect an attempt to put a feminist face on these institutions’ longstanding macroeconomic policy stance and to conceal its gender-regressive effects.

POLICY INSIGHTS

Policy makers should aim to reduce a broad set of gender inequalities and consider the intrinsic and social justice rationale for policy, even if there is no efficiency case to be made or where promoting gender equality undermines economic efficiency

Reducing gender wage inequality should be a goal “in its own right” (Razavi 2017: 560). Similarly, the policy case for supporting unpaid caregiving should be made on intrinsic grounds, that is, to enable families to care and balance care with paid work responsibilities, and rather than remove an obstacle to “unleash women’s economic potential” (Razavi 2017: 561). And ensuring decent working conditions for care workers and high-quality care would be part of the policy of expanding care services to support women’s paid employment. Likewise, policy makers would justify equal access to inputs by women and men farmers in the global South in terms of well-being goals, such as reducing poverty, even if directing resources to male farmers are expected to raise agricultural output to a greater degree (Doss 2017). When such trade-offs exist it is also necessary to “reclaim the moral arguments for women’s equality” (Doss 2017: 556).

The macroeconomic policy context is relevant for promoting gender equality: While expansionary fiscal policy is enabling, austerity is constraining

EU policy after the 2008 financial crisis highlights the incompatibility of austerity with promoting broad-based well-being and gender equality. These policies reduced budgets for planned and existing care services, and undermined EU commitments to enabling women’s high employment levels (Rubery 2017). Furthermore, heavily indebted EU members

were required to reduce employment protection and collective bargaining coverage, decrease the real minimum wage, and promote outsourcing in public sectors—all of which undermine workers' ability to maintain decent standards of living. Substantive gender equality can be made compatible with economic growth if macroeconomic policies conducive to this goal are pursued (Seguino 2013; Berik and Rodgers 2010). If policy makers are interested in promoting gender equality and broad-based well-being, they should aim to develop policies that seek to enable rather than constrain gender equality.

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This brief was authored by Berik, G. It draws on key findings of the journal article:

Berik, G. 2017a. "Efficiency Arguments for Gender Equality: An Introduction." *Canadian Journal of Development Studies* 4(38): 542-546. (<https://doi.org/10.1080/02255189.2017.1377063>)

Cite as:

Berik, G. 2020. "Beware of efficiency arguments in policies for promoting gender equality" CJDS Policy Brief Series. *Canadian Journal of Development Studies*, Canada.

This policy brief was undertaken with the financial support of the Government of Canada provided through Global Affairs Canada, and from the Canadian Association for the Study of International Development. This publication's content in no way reflects Global Affairs Canada's official position or policies. The accuracy of the information and comments are solely the responsibility of the authors. Please note that some resources cited in this policy brief may not be available in both official languages."

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