

Economic Globalization and the Free Market Ethos: A Gender Perspective.

By Chineze J. Onyejekwe

Abstract

This paper focuses on the consequences of economic globalization on women's welfare. The principles and ideological origins of the neoliberal economic policies dominating this process are analyzed from a gender perspective. The impact of this process on women's welfare particularly women's work is discussed. The various ways of reducing if not eradicating women's vulnerability to the negative effects of this ideology are also suggested.

Key words: Economic globalization, neoliberal economic policies, women's welfare and work.

Since the 1960s the term globalization has been used to describe technological processes and advances that have made our world seem smaller. In term of economics, an aspect of this process (economic globalization) greatly refers to the inexorable integration of markets, nation - states, and technologies to a degree never witnessed before – in a way that is enabling individuals, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before. The predominant ideology steering economic globalization, macroeconomic policy and political decision-making in much of the world is referred to as “neoliberalism.” Neoliberalism is a set of economic policies that have become widespread during the last 25 years or so, and its main points include:

- The rule of the Market: Liberating "free" enterprise or private enterprise from any bonds imposed by the government (the state), no matter how much social damage this causes. Greater openness to international trade and investment, as in the North American Free Trade Agreement (NAFTA). This reduces wages by de-unionizing workers and eliminating workers' rights that had been won over many years of struggle. No more price controls. All in all, total freedom of movement for capital, goods and services.

- Cutting public expenditure for social services like education and health care.
- Reducing the safety-net for the poor, and even maintenance of roads, bridges, and water supply -- again in the name of reducing government's role.
- Deregulation: Reduce government regulation of everything that could diminish profits, including protecting the environment and safety on the job.
- Privatization: Sell state-owned enterprises, goods and services to private investors. This includes banks, key industries, railroads, toll highways, electricity, schools, hospitals and even fresh water. Although usually done in the name of greater efficiency, which is often needed, privatization has mainly had the effect of concentrating wealth even more in a few hands and making the public pay even more for its needs.
- Eliminating the concept of "The Public Good" or "Community" and replacing it with "individual responsibility," hence pressuring the poorest people in a society to find solutions to their lack of health care, education and social security all by themselves -- then blaming them, if they fail, as "lazy." (Martinez and Garcia, 1997).

Neoliberalism has in recent decades become widespread. The ideological origins of these neoliberal economic policies can be traced to the free-market (free-trade) ethos of the 18th century economist, Adam Smith. In his book titled *The Wealth of Nations* (1776; 1937) Smith states that individuals naturally want to improve their lot in life by employing their capital so that its produce may be of highest value. Yet, the individual's intention is not being the promotion of the society's interest, but is rather purely focused on personal security and self-gain. Experience however shows that individual-endeavors aimed at achieving personal gains often lead to the promotion of public interest. Supporting this viewpoint Lourdes Beneria (1999) opines that at the theoretical level, Smith linked the selfish pursuit of individual gain to the maximization of the wealth of nations through the invisible hand of the market. In her analysis of the impact of globalization on the world economy, she argues that Orthodox Economics has continued to rely on this basic link associated with rational economics. Rational economics stipulates the idea that people are governed by calculated means and ends in attempting to

build up wealth. By so doing, it (rational economics) is considered, an embodiment of the neo-classical economic theory. From a gender perspective this theory assumes, that women have lower levels of education and on-the-job-training while their participation in the labor market is constrained by the intermittent nature of their natural childrearing roles or mothering. As Nancy Chodorow (1978) points out, mothering is central to the sexual division of labor. Women's maternal roles have, therefore, had profound effects on their lives; on ideology about them (women); on the reproduction of masculinity and sexual inequality as well as the particular forms of labor power. While women as mothers are practical actors in the sphere of social reproduction, women's roles have often been associated with domestic and conjugal roles. This has often led to their relative invisibility in other spheres of life, including that of work and labor. Hence, women's status and productive roles have been described as subordinate and their family obligations have been assumed to make them less mobile than their male counterparts (Boserup 1970). Ester Boserup's analysis, however, focuses on non-domestic production as the main determinant of women's position in society, and neglects economic activities within the household, thereby having the tendency to isolate reproductive from productive work. An extensive criticism of Boserup's 1970 work has, been carried out by Lourdes Beneria and Gita Sen (1988). Beneria and Sen described it as being over-empiricist. They also added that Boserup's theoretical position was limited to that of neo-classical economics, which upholds the type of economic development that justifies the idea that the market system allocates resources efficiently. Efficiency or production at the lowest cost is at the core of the International Monetary Fund (IMF) and World Bank's (WB) imposed economic liberalization policies, which have been implemented by most developing countries since the early 1970s.

Economic liberalization policies are based on the neoliberal ideology, which currently dominates increasingly integrating world economies. This process affects men and women in different ways. According to Chineze J. Onyejekwe (2004a; 2004b), women's experiences with this process are extremely complex and diverse-- both positive and negative. The extent to which one is affected depends on a number of factors such as race, class, sexuality, religion, age, nationality and ethnicity. In terms of employment, for

example, women have benefited from this process. The Oxfam report of 8 February 2004, states that in the past 20 years, trade liberalization has created employment for millions of women who now occupy between 60-90% of jobs in the labor-intensive stages of the clothing and food supply chains. In Kenya, 75% of factory workers are women, in Sri Lanka 85% and in Cambodia up to 90% are women (one in five of all 18-25-year-old Cambodian women have jobs in the garment industry). In China's Guangdong province, four out of five people working in the garment sector are women under 25 (there are 26 million migrant workers in the province). A significant number of the women workers in other countries include: 48 percent in India, 74 percent in the Philippines, and 80 percent in China (Durano 2002). In this regard, economic globalization has opened up niches for women to create opportunities, particularly for their livelihood. Despite these benefits, labor market regulations based on the neo-liberal ideology negatively impact on women. These impacts include among others, the feminization of labor, low-income, and the feminization of poverty (Cornia *et al* 1987; Elson and Pearson 1981; Standing 1989; Deshpande 1994). Over the last decade, the number of women living in poverty has increased disproportionately to the number of men (UNFPA 2002). Poverty makes them vulnerable to the various forms of exploitation. For example, it makes them vulnerable to gender-based violence (GBV), and HIV/AIDS. A 2002 World Health Organization (WHO) report states that GBV makes women vulnerable to HIV/AIDS infection and untimely deaths. The report attributes women's vulnerability to both HIV/AIDS and GBV to these factors:

- Biological: greater susceptibility to infection during unprotected sex
- Economic: the lack of education, employment and economic opportunities, and inequitable inheritance laws
- Cultural and gender norms: these restrict women's sexuality and prevent them from availing themselves of information on sexual and reproductive health
- Unwillingness of governments to publicly discuss the empowerment of women in gender relations and sexual practices (WHO 2003).

Realizing these problems, at the World Summit for Social Development (Copenhagen 1995) and the United Nations Fourth World Conference on Women (Beijing (1995) women's organizations from all over the world pressed governments, to address women's economic inequality and poverty, and to change macroeconomic policies that hinder women from enjoying secure and sustainable livelihoods.

Neo-liberal economics emphasizes efficiency and growth but it has often failed large segments of the population, particularly women who have largely borne the negative impacts of these policies. In this process, there is therefore the need to institutionalize regulations and structures that will provide for women's welfare and empowerment. Hopefully, better economic policies can be developed in the future.

References

Beneria, Lourdes (1999) "Globalization, Gender and the Davos Man." *Feminist Economics*, 5 (3): 60-65.

Beneria, Lourdes and Gita Sen (1988) "Accumulation, Reproduction and Women's Roles in Economic Development: Boserup Revisited.", *On Work: Historical, Comparative, and Theoretical Approaches*. Ed. R E Pahl. New York: Basil Blackwell. 355-364

Boserup, Ester (1970) *Women's Role in Economic Development*, London: George Allen and Unwin.

Chodorow, Nancy (1978) *The Reproduction of Mothering: Psychoanalysis and the Sociology of Gender*, Berkeley and Los Angeles: University of California Press.

Cornia, Giovanni, Jolly Richard and Frances Stewart (1987) *Adjustment With A Human Face: Protecting the Vulnerable and Growth*. Oxford: Clarendon press for UNICEF.

Deshpande, Sudha (1994) "Structural Adjustment and Feminization." In *Women, Work and Ecology*. Ed. Uma Devi. New Delhi: Har Anand Publications. 71- 85

Durano, Marina, *Network Women in Development* [WIDE] 2002 "Foreign Direct Investment and Its Impact on Gender Relations." Website:
http://www.eurosur.org/wide/Globalisation/IS_Durano.htm

Elson, Diane and Ruth Pearson (1981) "Nimble Fingers Make Cheap Workers: An Analysis of Women's Employment in Third World Exports Manufacturing." *Feminist Review*, 7 (Spring): 87-107.

Martinez, Elizabeth and Arnolando Garcia (1997) "What is Neoliberalism?" *National Network for Immigrant and Refugee Rights*. January, 2004 Website: <http://www.corpwatch.org/issues/PID.jsp?articleid=376>

Onyejekwe, Chineze J. (2004a) "Domestic/Unpaid Labor and Economic Liberalization Policies: A Gender Perspective." *Quiet Mountain Essays*; I, (X). Mach, 2004 Website: <http://www.quietmountainessays.org/>

_____ (2004b) 'Economic Globalization, Flexible Labor and Women Home-based Workers.' *Parallax: The Journal of Ethics and Globalization*. Website: <http://www.parallaxonline.org/pemay04.html>

Oxfam (2004) Some Facts and Figure from "Trading Away Our Rights." Canada: Oxfam. 8 February, 2004. Website: http://www.oxfam.ca/news/MakeTrade/TAOR_Facts.htm

Smith, Adam (1937 [1776]) *An Inquiry into the Nature and Causes of Wealth of Nations*. Ed. Edwin Cannan. New York: Random House.

Standing, Guy (1989) "Global Feminization Through Flexible Labor." *World Development*, 17 (7): 1077-1095.

UNFPA (2002) "Working to Empower Women-Women and Poverty." October, 2003 Website: <http://www.unfpa.org/moddules/intercenter/beijing/poverty.htm>

UNFPA (2002) "State of World Population 2002: People, Poverty and Possibilities." December, 2003. Website: <http://www.unfpa.org/swp/swpmain.htm>

WHO (2002) "The World Report on Violence and Health." Geneva. Website: http://www.who.int/violence_injury_prevention

_____ 2003 "Gender and HIV/AIDS." Website: http://www.who.int/gender/hiv_aids/en/