effectively tapped than men’s (Figure 4.1) and that women have been more concentrated than men in informal, subsistence and vulnerable employment (Figure 4.2). In the last decade, more than 200 million women have joined the global labour force. In 2007, there were 1.2 billion women in paid work, compared to 1.8 billion men. An indicator of the accountability challenge they continue to face in formal employment is the gender wage gap, standing at a global average of about 17 per cent (Figure 4.3), and which tends to be higher in private than in public sector employment (Figure 4.4).

This chapter examines how women have mobilised in order to make governments, employers and businesses more accountable for protecting their rights so that markets are managed in the interests of gender and social equality. It looks at the contradictions between human rights legislation that is meant to protect women’s rights and the uncertain status of gender equality in trade legislation. It argues that if women’s rights are to be upheld, then both the public and private sectors must make commit-

---

**FIGURE 4.1**

**Men’s Productive Potential is Tapped to a Greater Extent than Women’s**

Across all regions, employment-to-population ratios are significantly higher for men compared to women, particularly in South Asia and the Middle East & North Africa.

**FIGURE 4.2**

**Women are a Smaller Proportion of Salaried Workers than Men**

In most developing regions, about one half to two thirds of women hold vulnerable employment. Although the percentage of women in vulnerable employment has dropped since 1997 in most regions, a disparity between men and women exists, specially in the Middle East & North Africa and Sub-Saharan Africa.
in a different country, thereby limiting parent company liability. An emerging ‘foreign direct liability’ legal instrument has been used to hold parent companies to account in their home countries in high-profile cases involving dereliction of duty to protect the environment or workers’ health. So far, however, foreign direct liability instruments have not been used to prosecute corporate abuses of women’s rights.

Regional oversight bodies
In some instances, governments have been required to honour their commitments to labour and human rights standards through national or regional oversight bodies. In the European Union, for example, member states must adopt legislation that prohibits discrimination and establish agencies to monitor compliance, such as Equal Opportunities Commissions and Equal Treatment Authorities, to review cases of discrimination, as Box 4B illustrates in the case of Hungary (see page 63).

National legislation
Where efforts to bring gender balance into corporate governance have been endorsed by national governments – most strikingly in the case of Norwegian national legislation obliging companies to bring women onto company boards (see Box 4C) – they have been successful. Data on numbers of women in executive posts around the world shows that positive action such as this is essential to breaking the ‘glass ceiling’ keeping women from senior enterprise management. Figure 4.10 shows that the share of women in senior positions around the world remains low and is not correlated with numbers of women in full time jobs. There is, however, an evident relationship

![FIGURE 4.10](image_url)
effectively tapped than men’s (Figure 4.1) and that women have been more concentrated than men in informal, subsistence and vulnerable employment (Figure 4.2). In the last decade, more than 200 million women have joined the global labour force. In 2007, there were 1.2 billion women in paid work, compared to 1.8 billion men. An indicator of the accountability challenge they continue to face in formal employment is the gender wage gap, standing at a global average of about 17 per cent (Figure 4.3), and which tends to be higher in private than in public sector employment (Figure 4.4).

This chapter examines how women have mobilised in order to make governments, employers and businesses more accountable for protecting their rights so that markets are managed in the interests of gender and social equality. It looks at the contradictions between human rights legislation that is meant to protect women’s rights and the uncertain status of gender equality in trade legislation. It argues that if women’s rights are to be upheld, then both the public and private sectors must make commit-
ments to gender equality that are monitored and enforced. The challenges of remaining competitive in the world economy must not become an excuse for governments to suppress women’s labour rights.

**Market forces and women’s rights**

**Accountability and globalisation**

Accountability mechanisms in private sector markets are based on different principles than those in the public sector. In the public sector, as we have seen in earlier chapters, a social contract between the state and its citizens governs the rights and obligations of both parties. In the market, by contrast, accountability is based on individual contracts between the employee and the employer or between service providers and clients. As noted by Kurt Hoffman, Director of Shell Foundation: “Corporations are accountable to the market. If they don’t succeed in providing their customers what they want, they go out of business… that’s the model. You find out what the customer wants and then they respond by voting for what you provide.” Where demand is not met or contracts are not honoured, the theory goes, individuals may choose an alternative provider or employer.

There are well-known flaws in this logic. Women may get paid less than men for the same work, or be denied access to better-paid jobs because of entrenched attitudes that incorrectly assume men are the main breadwinners and need to earn more. Or women may not be able to compete equally with their male colleagues because they cannot invest an equal amount of time in work when they remain responsible for the greatest share of household and childcare tasks. In other words, women’s unequal status can restrict their ability to choose to leave a job as an accountability strategy if their rights are infringed.

Whether as farmers, factory employees or home-based workers, women’s employment increasingly takes place as part of ‘global supply chains’ that stretch from the...
Supply chains therefore reflect women’s lower status in the labour market, while at the same time illustrating the reasons why companies find it so attractive to rely on female labour in the new global economy. They capture two important, parallel trends in the labour market: feminisation and informalisation. As we shall see, both trends have consequences for accountability.

The feminisation of the labour force

Globalisation has led to an unprecedented demand for women workers in certain key sectors. For instance, women now make up 60 to 90 per cent of the fresh produce and clothing labour force at the labour-intensive stages of the supply chain in developing countries; they are also a major presence in the new tertiary outsourced service sectors, for example, call centres and financial services. As one economist observed, “Women have emerged as the flexible labour force par excellence for the highly competitive labour-intensive sectors of the global economy.”

There are at least three reasons why women are attractive to employers. First, they are often free of the ‘fixed costs’ of an organised labour force — namely, employer-provided benefits and social security contri-

### FIGURE 4.4

The Gender Pay Gap is Higher in the Private Sector

<table>
<thead>
<tr>
<th>Country</th>
<th>Public sector</th>
<th>Private sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>8</td>
<td>22</td>
</tr>
<tr>
<td>Netherlands</td>
<td>17</td>
<td>22</td>
</tr>
<tr>
<td>Spain</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>Germany</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Poland</td>
<td>2</td>
<td>16</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Belgium</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>Brazil</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Hungary</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Finland</td>
<td>17</td>
<td>20</td>
</tr>
</tbody>
</table>

Notes: ITUC also reports information for employment in the non-profit sector and “other”; however, information for the private and public sector only is reported here, since these represented 90% or more of the sample.


woman sewing a skirt in South Asia or Latin America to the consumer buying it in an upscale department store in one of the world’s metropolises, with many steps in between for bringing a product from conception to final consumption. Yet while supply chains are spread across vast geographic spaces, they are also socially embedded. Production occurs within national markets that are shaped by social norms and gender inequalities that can systematically disadvantage women.4

Supply chains therefore reflect women’s lower status in the labour market, while at the same time illustrating the reasons why companies find it so attractive to rely on female labour in the new global economy. They capture two important, parallel trends in the labour market: feminisation and informalisation. As we shall see, both trends have consequences for accountability.

The feminisation of the labour force

Globalisation has led to an unprecedented demand for women workers in certain key sectors. For instance, women now make up 60 to 90 per cent of the fresh produce and clothing labour force at the labour-intensive stages of the supply chain in developing countries; they are also a major presence in the new tertiary outsourced service sectors, for example, call centres and financial services. As one economist observed, “Women have emerged as the flexible labour force par excellence for the highly competitive labour-intensive sectors of the global economy.”

There are at least three reasons why women are attractive to employers. First, they are often free of the ‘fixed costs’ of an organised labour force — namely, employer-provided benefits and social security contri-

### PANEL | Women Seeking Accountability in the Bangladeshi Garment Industry

The first wave of women to enter the garment industry in Bangladesh in the early 1980s was driven by circumstances outside their control: poverty, dispossession, male unemployment, widowhood and abandonment. These women were generally unaware of their rights and grateful for jobs that paid far more than they could hope to earn elsewhere. From an employers’ perspective, they were an ideal workforce for an industry that sought to compete in the global economy on the basis of cheap labour. They could be paid much less than men with equivalent skills and be treated as a largely informal workforce to whom employers had no obligation aside from paying their wages.

Today, things are beginning to change. Female education has gone up steadily; there has been widespread dissemination of ideas about women’s rights through non-governmental organisations (NGOs), state pronouncements and the media, while microfinance has increased and diversified employment opportunities in the countryside. Women enter the industry not just because of poverty, but also for the prospect of improving their family’s standard of living, sending their children to school, saving for their dowries or supporting ageing parents. They have been able to leverage their earnings into increased decision-making power within their families and independent purchasing power in the market place. They have also become increasingly visible in collective actions in support of their rights, which have linked local and global movements.

At the global level, campaigns have drawn attention to abuses of workers’ rights in global supply chains and put pressure on international corporations to take greater responsibility for employees through corporate codes of conduct. Local employers in the Bangladesh gar-
In most regions female employment is concentrated in either services or agriculture, with fewer women than men employed in industry (ranging from 7 to 23% in all regions, compared to 12 to 34% for men). The only region where men and women have similar patterns of employment by sector, both in relative composition and in trend, is East Asia & Pacific.

In 2006, the Government passed a new labour code, after 12 years of deliberation and activism. It applies to all workers, and the new sections relevant to the garment industry include written contracts and identity cards, timely payment of wages, revised minimum wage, paid maternity leave and explicit laws against sexual harassment.

Despite this progress, there is still much to be done to improve women worker’s rights. In May 2006, tens of thousands of workers, men and women, took to the streets to protest irregular wage payments and demand a higher minimum wage. The government agreed to a new rate, though it falls short of the 3000 takas (US$44) per month regarded as a minimum living wage. As Shefali, a female garment leader, said: “Earlier it used to be much more difficult to make the workers understand about different issues. But now they understand the importance of organizations…about the ILO convention and the law, and they ask for information.”

Notes: Weighted regional averages were calculated by ILO using UNIFEM’s regional groupings. The value labels shown are for 2007.
Sources: ILO (2008); ILO key indicators of the Labour Market database; and estimates provided by ILO to UNIFEM on request.
a global average of about 19 per cent of union membership (Figure 4.8). Union membership for women is strongly linked to a lower gender wage gap (Figure 4.9), demonstrating the connection between collective action and better private sector accountability to women.

With ever-growing numbers of women in the paid labour force, unions are intensifying efforts to recruit them. Successful campaigns to organise women workers have been run by the Council of Trade Unions in Australia, the National Organisation of Trade Unions in Uganda, the Confederación de Trabajadores de Honduras and the Confederación Sindical de Comisiones Obreras in Spain, among others. In each of these cases, the organisation focused on a single issue of importance to women, such as gender gaps in pay, protection for mothers, or child care.15

Growing numbers of casual and home-based workers are also organising for their rights. In 1996, the International Labour Organisation (ILO) adopted the Convention on Home Work16 as the result of a long campaign17 led by SEWA (Self Employed Women’s Association) in India, the world’s largest union of women in informal work, and coordinated by HomeNet, an international network for home-based workers.18 So far, the Convention has been ratified by only five governments — Ireland, Finland, the Netherlands, Argentina and Albania — but in principle it provides a platform to demand accountability for the world’s estimated 300 million homeworkers.19

In India, where a large informal economy employs the vast majority of workers, SEWA has developed a model of organising that addresses women’s unpaid work in caregiving as well as their paid work in the labour force. With a membership of almost one million women,20 SEWA is now formally recognised as a trade union and is an affiliate of the International Trade Union Congress.21 Elsewhere, on May 1, 2006, organisations of home-based workers in Asia, Europe and Latin America announced the formation of the Federation of Homeworkers Worldwide to demand equal treatment with workers in
Their demands include recognition for home-based workers’ rights, including the right to organise and government-provided social protection, particularly for health, maternity and old age. UNIFEM supported this effort in 2004-2006 through its extended technical and financial support to HomeNet in South and Southeast Asia under a regional program funded by the Dutch Trade Union, Federatie Nederlandse Vakbeweging (FNV). The programme offers education and training, access to resources such as credit, skills training, and access to technology and markets.

**International human rights law and trade agreements**

A key path for women to realise their rights in employment is to ensure that companies adhere to national labour legislation and international conventions. These include the International Labour Organisation’s (ILO) Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, the Convention on the Elimination of all forms of Discrimination against Women (CEDAW), the Covenant on Economic, Social and Cultural Rights (ICESCR) and the Declaration on the Right to Development (DRtD). However, in parallel with international human rights law, there is a body of trade law under the auspices of the World Trade Organisation (WTO), as well as in regional trade agreements and economic partnership agreements. While gender equality is well defined in human rights law, it is on an uncertain footing in trade laws. This leaves women with a major accountability challenge.

International and regional trade regimes often have strong accountability mechanisms, such as the WTO’s Dispute Settlement Body (DSB) and the World Bank’s International Centre for the Settlement of Investment Disputes (ICSID). Both can punish those in violation of agreed trade rules, but they rarely give adequate emphasis to gender equality. The WTO’s Trade Policy Review Mechanism, where member states review each other’s
trade policy, is also not concerned with the social impacts of trade. Some effort has gone into devising ways of bringing gender equality concerns to both the DSB and the Review Mechanism, for instance by justifying protective measures to encourage women’s businesses on the basis of CEDAW. However, the significant technical and financial costs of legal processes within trade treaty bodies have been major constraints in fully implementing this initiative.

Instead, women’s groups have focused on amassing data to assess the effects of trade on women. In Jamaica, UNIFEM supported a study in 2004 by Women’s Edge Coalition on the impact of free trade agreements. It found job losses outweighing job gains for women in agriculture, food processing, garments and services. In Central America, UNIFEM’s program ‘Women’s Economic Agenda’ focuses on gender analysis of the impact of trade agreements on women’s economic opportunities. It also develops women’s economic planning leadership and influence in new trade negotiations.

**BOX 4B** | **New Equal Treatment Authorities Offer Some Improvement**

What can a European Union citizen do if she experiences discrimination on the basis of gender? One avenue open to women is to seek help at the Equal Treatment Authority (ETA) in their countries. Since its establishment in 2005, the Hungarian ETA has handled cases of discrimination on the basis of ethnicity, disability, gender and maternity, including the following cases of Ilona and Krisztina.

In 2006, Ilona, a 26-year-old Hungarian unskilled blue collar worker, called to apply for a job at a small company that seemed to offer decent hourly wages. She was told that she was not eligible as only men were hired for this particular job, and was instead offered a cleaning job, which would have paid significantly less. Krisztina, a piano teacher in a private music school in a small town in Hungary, was working on a series of fixed term contracts, which had been renewed every year for the previous three years. When she announced that she was pregnant, the director of the school refused to renew her contract and hired someone else for her slot.

In both of the cases above, the Hungarian ETA passed decisions in favour of the employees. In the first case, the company where Ilona wanted to get a job paid a small fine. Although Ilona herself did not get any compensation, when the company opened a new plant six months later, she received the job for which she had originally applied. Krisztina’s school was also reprimanded; a bulletin announcing this was posted in the local Town Hall and the ETA prohibited further discriminatory behaviour on the part of the employer. Krisztina, however, did not get her job back or the eligibility for maternity leave she had lost when fired. The ETA recommended that she sue the school, but she was too busy with the new baby to get involved in a lengthy, expensive and emotionally taxing court battle.

The cases of Ilona and Krisztina illustrate the fact that ETA’s impact is necessarily limited. Even when a favourable ruling is passed, the women who brought the complaint are not personally eligible for compensation. ETA can mediate between the victim and the company, fine the company and issue a statement reprimanding them and prohibiting further discrimination. It can also prevent the company from receiving state subsidies or funding from European Union sources. But ETA has no resources to monitor whether or not the company stops discriminatory behaviour when asked to do so. While ETA may encourage victims seek compensation or restitution through the local courts, it cannot provide concrete financial or legal assistance.
factory inspectors charged with implementing workplace safety and operational directives; public-health officers empowered to ensure that minimum environmental quality standards are met; and anti-trust authorities responsible for protecting vulnerable groups from collusive business practices. The recent food crisis, for example, demonstrates the importance of market regulation in the interest of gender equality as a development goal along with other goals, as highlighted in Box 4A.

Efforts to manage market forces, however, are not always driven by social justice agendas. Governments have responded to public demands for regulation by adopting or enforcing labour laws designed to provide a safety net against market failure, or to correct abusive practices such as child labour, environmental degradation or gender discrimination. They have also tailored economic policy decisions to support national industries, increase economic growth and enhance private accumulation. In the past, this often took the form of efforts to protect infant industries through, for instance, raising the cost of competing imports. In the current era of open economies and market deregulation, the emphasis has shifted to creating a market environment designed to attract investors.

Efforts to attract investment do not have to conflict with managing the market for social ends. For instance, research has shown that investment in women’s education pays off not only for women and their families, but also in terms of a skilled labour force that can attract business investment. However, the costs of labour rights protections, the high state capacity it requires, and the empowered labour force that results, are sometimes seen as a constraint on capital. These con-