

WEATHERING THE STORM:  
ADVANCING WOMEN'S ECONOMIC  
OPPORTUNITIES IN THE CURRENT  
FINANCIAL CLIMATE

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## Back ground

- The global financial crisis started in 2008 resulting an extensive and severe impact on all countries of the world.
- Compared to the Asian economic crisis in 1997, this financial crisis broke out more violently and spread more quickly.

## Back ground



Female headed household

Source : pekka.or.id

- Women are the earliest and the largest victims and are of the vulnerable group in the financial crisis, especially those who are old, disabled, destitute and unemployed.
- On the other hand, women have proven to be the buffer and backbone of the family during the 1997 crisis, through their creative and innovative micro and small enterprises.

## Back ground

- For ten years (1997 – 2007) Indonesia has greatly benefitted from an economic growth of 6.4 %, but reduced to 4.47 % in the first quarter of 2009 due to financial crisis.
- Indonesia succeeded in reducing poverty from 16.8 % in 2007 to 15.42 % in 2008 and the efforts continued in 2009.

## Back ground



Source: [www.langitperempuan.com](http://www.langitperempuan.com)

- The contribution of Indonesian economy are domestic consumption, investment and income tax, agriculture sector, tourism industry and manufacture industry and export-oriented agricultural sector contributes to 35 percent of the total export.
- The micro, small and medium enterprises sector plays a vital role in Indonesia's economy. The majority of businesses (97 percent) are namely micro and, two percent are small enterprises and less than one percent of businesses are medium and

## Impact of crisis on women

- Women who work in the export-oriented sector such as garment and tourism industries are mostly affected.
- Adverse impacts to other areas such as food vendors, restaurants, tourists guides, souvenir shops, and other supporting facilities.
- The crisis is seriously affecting remittances from overseas migration which is one source of income for Indonesian government as well as for so many households especially in rural areas in Indonesia.
- Reducing household spending, reducing meals, engaging in alternative income generating, increased trafficking and violence against women and children, commercial sex practices are some of the negative impacts of the crisis encountered by women.

## Measures taken to mitigate the impact of the global financial crisis

- Revising fiscal policy and providing stimulus economic package for among others agriculture, cooperatives, infrastructure, transportation, labour force and social affairs sectors;
- Mobilizing revenues by further strengthening tax administration, especially aiming at the rich and richest
- Revising monetary policy (reduction of Bank of Indonesia rate to reduce banking interest rate) as a result, increased deployment of capital/credit to micro, small, medium enterprises (women mostly found in micro and small enterprises);

## Measures taken to mitigate the impact of the global financial crisis

- Promote bilateral labour cooperation with receiving countries to avoid work termination and increased protection for migrant women domestic workers;
- Revise investment policy, provide incentive to manufacture industry, reduction of fuel prices and direct assistance; promote tripartite cooperation amongst government, workers and private sectors; retraining of retrenched workers
- Provision of Poverty alleviation programmes that are categorized into three clusters namely (a) social safety nets and social protection programmes for meeting the basic needs of the poor, men and women; (b) community empowerment programmes for the poor, men and women; (c) programmes to strengthen micro and small enterprises institutions.

## Measures taken to mitigate the impact of the global financial crisis

Gender mainstreaming and gender budgeting efforts in Indonesia:

- Presidential Instruction Number 9 of 2000 on Gender Mainstreaming in National Development to all line ministries and provincial level
- the Minister of Finance through Ministerial decree number 119 of 2009 has instructed seven line ministries, as pilot projects, to conduct gender responsive budgeting in 2010.
- The seven ministries are Ministry of National Education, Ministry of Health, Ministry of Agriculture, Ministry of Public works, Ministry of Finance, Ministry of National Planning and the State Ministry for the Empowerment of Women.

## Measures taken to mitigate the impact of the global financial crisis

- The Ministry has facilitated stimulus funds to increase advocacy and capacity building on gender concepts and gender mainstreaming throughout the country
- Develop models for economic empowerment of women in several provinces and districts and models to alleviate illiteracy amongst women in rural areas

## Measures taken to mitigate the impact of the global financial crisis

- The Ministry has encouraged the establishment of Integrated Women and Children Services Centres all over Indonesia as the centre of information, empowerment and income generating activities, as well as counseling and shelters for victims of violence
- The Ministry has worked closely with Ministry of Labour and National Board for Protection and Placement of Indonesian workers

## Persisting challenges

- Lack of commitment of decision makers and policy makers at the executive, legislative and judiciary bodies to implement and to be committed to gender mainstreaming strategy
- Process of decentralization
- Lack of human resources who understand the importance of gender mainstreaming in development process
- Frequent changes of government structure and organizations at the national and sub-national level

## Efforts for the future

- we have to increase cooperation and collaboration amongst government organizations, private sectors and community to face the challenges and address the current global financial crisis through a more synergetic, coordinated ways.

Thank you