

# **Weathering the Storm: Advancing Women's Economic Opportunities in the Current Financial Climate**

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Good morning, distinguished guests. It is my honor to lead the United States delegation to the 14<sup>th</sup> APEC Women Leaders Network meeting. I want to first thank our host, Singapore, for organizing this conference, and for recognizing the importance of the role women play in our global economy. I would also like to thank everyone in the audience for participating in this regional conference to address the most critical challenges of our time in the Asia Pacific Region—how to weather the economic crisis through advancing women's economic opportunities.

## **Current Challenges**

We have heard leaders calling for innovative ways to engage women in the global economy, through technology, micro-enterprises, skills enhancement, trade, rural development, and other formal and informal economic activities. These are excellent ideas for job creation back in many of our economies. However, in some of the region's economies, women still bear a disproportionate burden of the world's poverty. Statistics indicate that women are more likely than men to be poor and at risk of hunger because of the systematic discrimination they face in education, health care, employment and control of assets. Poverty implications are widespread for women, leaving many without basic rights such as access to clean water, sanitation, healthcare, and decent employment. Women with little or no economic support also means they have little protection from violence and have no role in decision making. Unemployed women run a higher risk of exploitation, such as human trafficking and family violence.

Some estimate that women perform 66% of the world's work, produce more than 50% of the world's food; but women also represent 70% of the world population in poverty, earning 10% of the world's income, and owning only 1% of the land. Women remain the face of poverty and inequality. They are almost always paid less than men for the same type of work and in fact, in the United States, women work longer hours. Women also face persistent discrimination when they apply for

business credit and are often concentrated in informal economy, i.e., insecure, unsafe and low-wage work.

In many APEC economies where women work in export-oriented factories, or in countries where migrant women workers are the backbone of service industries, women's jobs have taken the greatest hit. Women are losing jobs in factories and corporations; businesswomen are closing operations and losing economic means to support their family.

The impact goes far beyond the loss of formal jobs as the majority of women tend to work in the informal sector, for example as domestic helpers in cities, and do not show up in official unemployment numbers. In some economies, women's incomes overseas are the major source of remittances and their job losses have created unintended consequences both at home and abroad.

Economic policies and institutions still mostly fail to take gender disparities into account, from tax and budget systems to trade regimes. And with too few seats at the tables where economic decisions are made, women themselves have limited opportunity to influence policy concerning their economic life.

### **Women as Economic Contributors**

Women have made and continue to make essential and enormous contributions to the economy as CEOs, business owners, entrepreneurs, teachers, nurses, mothers, and farmers. Women also contribute to the economy as consumers.

As a growing body of data indicates, women are a powerful economic force and that the costs are high without women's participation in the workforce:

- The United Nations Economic and Social Commission for Asia and the Pacific Countries reports in its 2007 annual review that restricting job opportunities for women costs the region between US\$42 billion and US\$46 billion a year in GDP growth.
- Goldman Sach's 2008 Global Economic Report says, "Narrowing the gender gap in employment could push income per capita as much as 14% higher than our baseline projections by 2020, and as much as 20% higher by 2030."
- Goldman's 2007 Report says, "Closing the gap between male and female employment rates would have huge implications for the global economy, boosting US GDP by as much as 9%, Eurozone GDP by 13% and Japanese GDP by 16%. Encouraging more women into the labor force has been the single-biggest driver of Eurozone's labor market success, much more so than 'conventional' labor market reforms."

- Ernst & Young cited a study in its report, *Goundbreakers: Using the strength of women to rebuild the world economy*, that 25 Fortune 500 firms with the best record of promoting women to high positions were between 18% and 69% more profitable than the median Fortune 500 firms in their industries.
- Former U.S. Secretary of State Albright cited that “women invest 90% of their income in their families and communities, compared to men who reinvest only 30% to 40% of their income.”

### **Empowering Women**

I can give more examples of studies or research that show the powerful and positive relationship between women’s economic empowerment and economic growth. But we need concrete actions to truly empower women to be entrepreneurs and active participants in our global economy:

- We, including governments, must recognize the important role women play in our economy, both formal and informal, and in industries including agriculture, business, public affairs, and trade and commerce. We need to have a gender-focused economic policy and budgeting with women at the decision making table. We also need to engender impact evaluation of development projects to raise awareness of the differentiated impact on women.
- We, including the private sector, must provide a safe working environment for women, eliminate gender-based discrimination in recruiting and at work, and strive to narrow gender-based wage gaps.
- As economies grow and when the time is ripe, we need to move beyond microcredit projects. We, government and banking sectors, must form public-private partnerships to provide incentives including access to credit and financing, to help women build small and medium sized businesses and capitalize on growing markets.
- We, all sectors in society, must continue to build capacity of women through training in business management, export development, marketing and networking. Opportunities provided through the Women Leaders Network (WLN) are examples.
- Finally, we must involve women in sustainable development, especially given women’s impact on resource management and consumption, women as land stewards, and the effects of education of women and girls on population growth in developing economies.

### **Working Together to Weather the Storm**

There is an undeniable body of evidence in favor of advancing women’s economic opportunities for building more inclusive societies and stronger economies. No

country can prosper if half of its population is left behind. At a time when our global economy is facing the greatest challenge in decades, governments and businesses must capitalize on the contributions women can make. It is not an easy task, and one that most economies have ignored for far too long. But our imperative is to do whatever it takes to increase women's economic independence — now.

The United States is committed to partnering with you, and everyone from the 21 economies in the Asia Pacific region, to forge a stronger women's leadership network, with which we hope to convene every year, and through which we hope to put the issue of women and economy on the upcoming APEC Summit's agenda when Heads of State gather here in November. APEC is the platform for inclusive growth and sustainable growth, and we all know that we cannot solve those problems alone. We look forward to working with you.

Cleared: S/GWI: Anita Botti (ok)  
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