

# Gender and Economic Isolation in an Era of Globalization

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# Globalization

- Definition
  - More economic connectivity
    - Trade
    - finance
- Benefits
  - Economic growth
  - Expanded choice/variety
  - More employment for women?
- Risks -
  - Increased volatility
  - Increased vulnerability to economic isolation
- IS IMPACT OF VOLATILITY GENDERED?
- CAN ECONOMIES FACING SANCTIONS TELL US ANYTHING ABOUT THE CURRENT CRISIS?

# Gender and Globalization Literature

- Reduction in trade barriers linked to rising female employment
- Increased reliance on traded sector for employment and growth
- Financial crisis already negatively affecting traded sectors
- Countries facing sanctions have had their ability to export curtailed.
- How has this negative shock been gendered?

# Economic Isolation (Sanctions)

- Multi-lateral
  - Eg: Iraq (UN)
- Unilateral
  - Eg: Iran (US)
  - Eg: Palestine (Israel)
- A number of other countries have also faced sanctions: Cuba, Sudan, North Korea, Congo, Zimbabwe, etc.

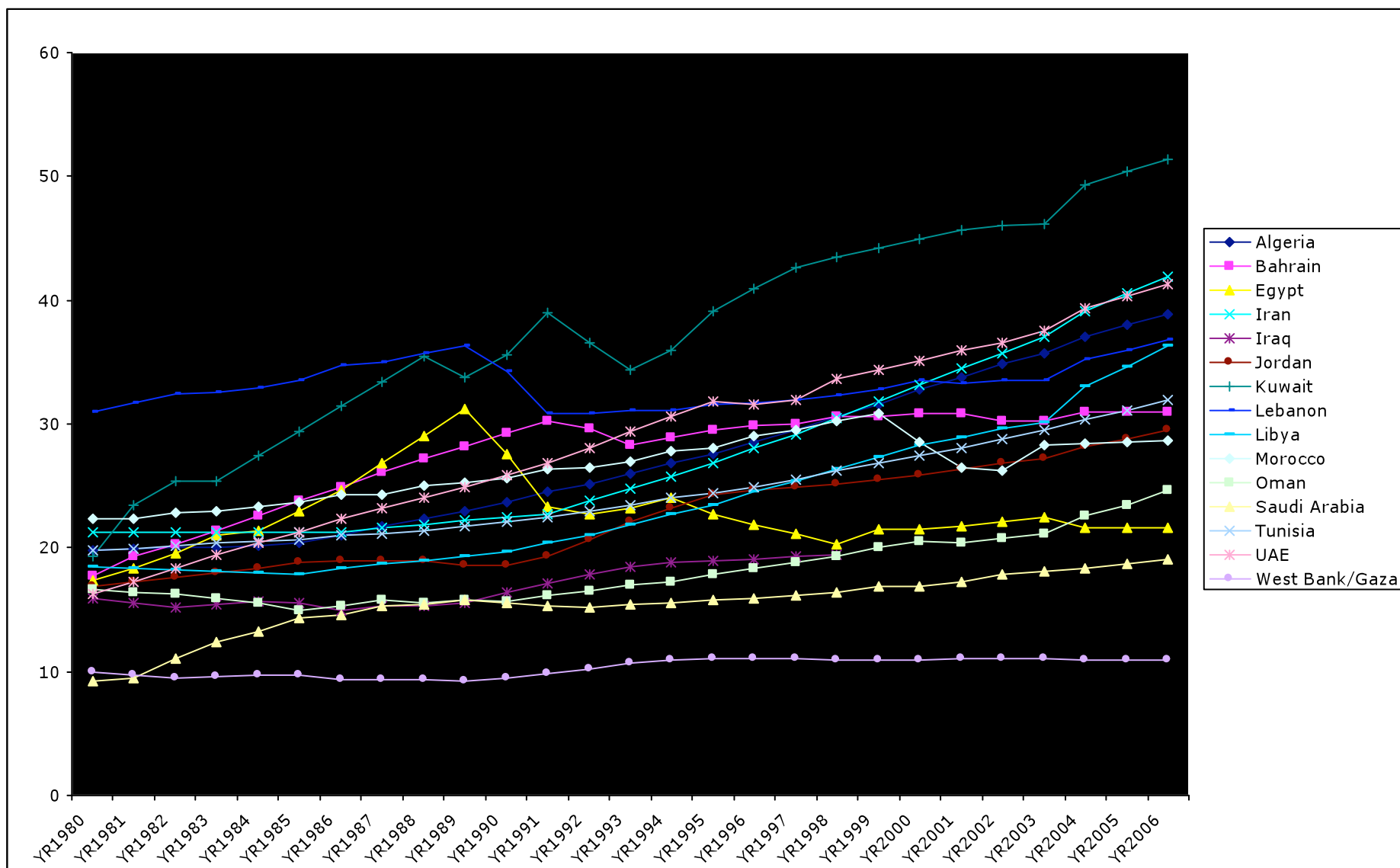
# Summary of findings

- Women's Labor force participation rate (LFP) stagnated (economic theory is ambiguous on this point)
- Return to subsistence agriculture may mask some of the decline in LFP
- Less skilled/poorer women most likely to lose jobs since they are in traded sectors
- Some industries may become defeminized as a result of economic hardship
- Government employment tends to benefit educated women, not those losing jobs in traded sector
- Trends may vary depending on structure of local economy
- Studying Iran of particular interest since female LFP now rising despite sanctions

**TABLE 1 - FEMALE LABOR FORCE PARTICIPATION RATE (LFP)**

Country	LFP FEMALE	RANK	LFP FEMALE	RANK	CHANGE IN LFP
	1995		2005		2005-1995
Algeria	8.0	19	35.7	7	27.7
Bahrain	17.0	12	29.3	11	12.3
Egypt	9.0	16	20.1	18	11.1
Iran	19.0	10	38.6	3	19.6
Iraq	23.0	7	13.0	20	-10.0
Israel	45.6	1	50.1	1	4.5
Jordan	10.0	15	27.5	14	17.5
Kuwait	27.0	3	49.0	2	22.0
Lebanon	25.0	6	32.4	8	7.4
Libya			32.1	9	
Morocco	21.0	9	26.8	15	5.8
Oman	9.0	16	22.7	17	13.7
Palestinian Territories	14.0	14	10.3	21	-3.7
Qatar	19.0	10	36.3	6	17.3
Saudi Arabia	9.0	16	17.6	19	8.6
Sudan	26.0	4	23.7	16	-2.3
Syria	16.0	13	38.6	3	22.6
Tunisia	26.0	4	28.6	12	2.6
Turkey	45.0	2	27.7	13	-17.3
UAE	23.0	7	38.2	5	15.2
Yemen			29.7	10	
<b>AVERAGE</b>	<b>20.6</b>		<b>29.9</b>		<b>9.2</b>

SOURCE: ILO KILM,  
<http://www.ilo.org/public/english/employment/strat/kilm/index.htm>



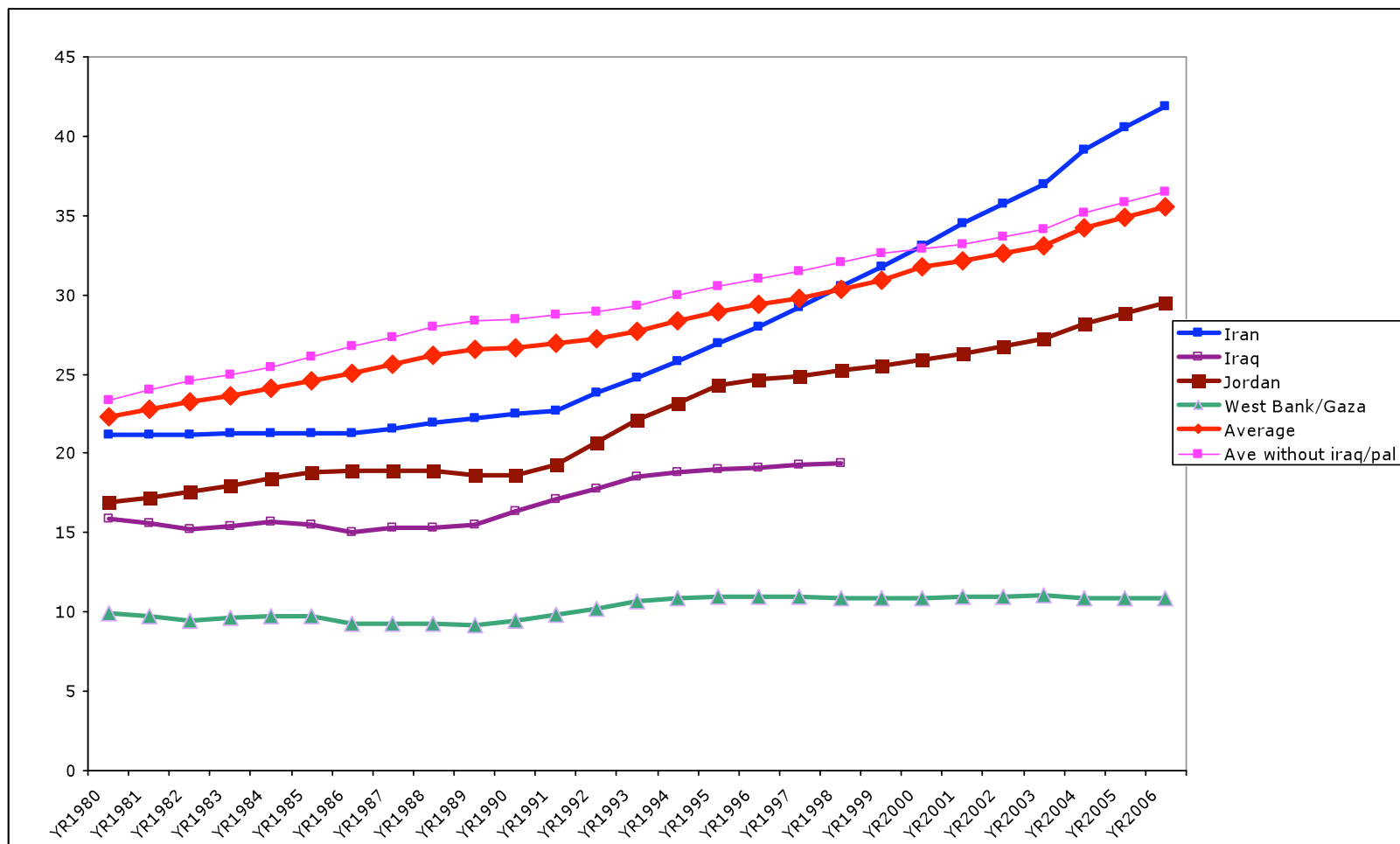




Table 3 - Female LFP for Iran

1976	12.9
1986	8.2
1996	9.1
2006	12.5

TABLE 2 - WOMEN'S PARTICIPATION BY SECTOR FOR AVAILABLE MENA COUNTRIES, VARIOUS `

Country	YEAR	AGRI	MANU	RANK	SALES	PUBLIC	EDUC	HEALTH	OTHER
		%	%		%	%	%	%	%
Algeria	2003	10.9	22.5	2	2.9	12.1	24.4	10.9	14.3
Bahrain	1991	0.0	5.9	7	3.8	10.0	16.3	8.2	48.8
	2001	0.1	12.1	5	5.6	7.1	13.1	7.3	49.7
Egypt	1997	40.4	6.9	6	6.5	11.4	22.4	6.0	0.0
	2003	39.0	4.8	10	6.3	12.8	22.5	7.3	0.0
Iran, Islamic Republic of	1996	16.7	33.0	1	2.2	5.6	26.0	6.7	8.8
	2006	14.5	23.4	1	5.3	2.7	24.0	8.9	20.2
Iraq	2004	32.6	6.5	9	5.1	16.3	29.8	4.5	0.0
Jordan	2003	2.0	10.6	6	5.5	5.1	40.6	13.8	16.4
Morocco	2002	57.1	18.5	3	3.7	3.7	13.1		0.0
	2005	61.4	15.5	4	5.1	14.9			0.0
Oman	1996	4.7	5.2	8	6.9	26.0	32.8	9.3	7.1
	2000	5.3	11.6	5	6.2	8.7	41.4	14.1	7.7
Palestinian Territories	1996	29.0	15.2	2	8.8	5.2	27.4	7.6	4.8
	2004	33.7	8.0	7	7.1	5.8	28.0	8.2	2.2
Qatar	1997	0.0	0.4	11	1.5	5.9	21.8	7.6	51.8
	2004	0.1	0.6	12	3.3	9.5	19.3	9.6	45.6
Saudi Arabia	1999	1.0	1.2	10	0.5	2.5	40.0	8.5	36.3
	2002	0.6	1.1	11	0.7	2.2	41.7	6.4	36.3
Syrian Arab Republic	1994	29.4	14.5	3	2.8	14.5	29.8	2.3	3.7
	2003	49.1	6.8	8	3.5	12.4	21.6	2.5	0.0
United Arab Emirates	1995	0.1	12.1	4	6.5	4.4	16.4	7.2	49.3
Yemen	1994	86.8	2.6	9	1.1	2.5	3.5	1.0	0.0
World	1996	41.9	21.1				37.0		
	2006	36.1	21.9				42.0		

SOURCES: International Labor Office (ILO) LABORSTA data available through the KILM database  
<http://www.ilo.org/public/english/employment/strat/kilm/index.htm>  
<http://www.ilo.org/public/english/employment/strat/kilm/download/kilm04.pdf> (World figures)

# Iraq

- Micro level labor force data unavailable
- LFP rate stagnated in 1980s and 1990s
- anthropological studies
  - Cainkar (1993) and Al Ali (1995)
    - Educated women exited labor market due to declining wages/benefits
    - Less educated women may have been driven into market due to economic hardship

# Iran 1976-2006

- 1979 marks revolution but also imposition of sanctions
- Torbat (2005) annual reduction of 1.1% to GDP
  - Impact on carpet sector much more dramatic
  - Reduced to 1/3 of its former size
- Female Labor Force Participation dropped after revolution and then rose.

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# Analysis

- A closer examination of the data suggests:
  - Iranian manufacturing sector important, but declining employer of women (33 to 23%)
  - Carpet weaving experienced decline and then rise in employment btw 1976 and 2006
  - Carpet industry was 60% (1976) female, then dropped to 40% (1986) and then rose again to 60% female (1996)
  - 1990s structural adjustment
    - Loss of public sector jobs
    - Educated women benefit most from public sector
  - High rate of informal sector employment

# Analysis

- Focus of existing literature on ideological shift after Islamic Revolution
  - F. Moghadam 1994, Alizadeh 2003, V. Moghadam 2003, Nomani and Behdad 2006
- Role of External Factors?
  - Sanctions
    - 1979 US sanctions affected tradable sectors
  - Migration Patterns
    - Post-revolution brain drain
    - Afghan war led to Iran becoming host to large number of refugees

# Sanctions:


- Although overall impact on national income small, manufacturing sector particularly affected by sanctions
  - 50% of female employment was in manufacturing pre-revolution
    - Carpet industry employed large numbers of young, uneducated Iranian women
    - Data suggest the number of women in this industry declined from 606,646 to 337,436 between 1976 and 1986 (Karimi forthcoming)
- 30% decline in female carpet industry jobs (conservative estimate) could lead to 2 percentage point drop in female LFP (eg from 12.9 to 10.9)
- At least  $\frac{1}{2}$  the decline in LFP may be due to sanctions not ideology!

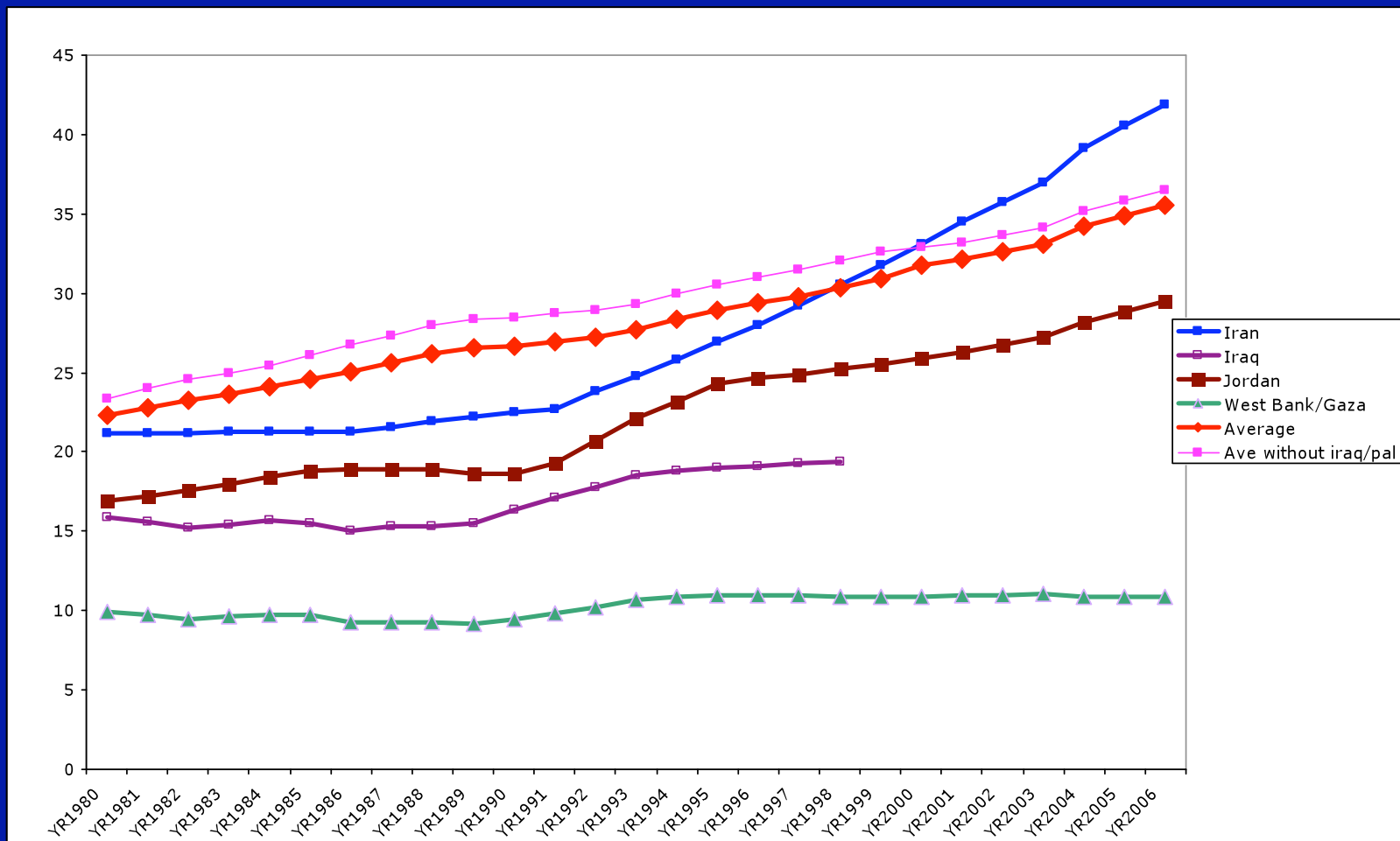


# Palestinian case:

- Palestinian situation is unique/tragic due to ability of Israel to control borders and impose closures.
- Since 1990s unemployment rates in the 20 to 30 percent range
  - loss of jobs in Israel and restrictions on local economy.
- Results of extreme economic hardship
  - Rapidly increasing poverty (from 25 to 60% in 3 years)
  - Return to subsistence agriculture
  - Massive decline in manufacturing sector

# Impact on women

- Female labor force participation appears stagnant 
- A look at the overall figure masks various other trends
  - decline in women's access to wage employment
    - Unpaid ag rose from 27 to 50% of all female employment
  - Less educated women's employment declining
    - Decline in textiles/apparel sector from 14 to 8 % of all female employment
    - Particularly stark in Gaza – from 17 to 2 %
  - Educated women's employment has risen
    - Government sector growing from 17 to 23%
  - Defeminization of the health care sector
    - From 10 to 5% of all female employment
    - From 50% to 14% of all health care workers



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# Conclusions

- Countries experiencing isolation provide insights into what downturn may do to women's employment options.
- Evidence of both a gender and class component to negative economic shocks linked to trade restrictions.

# Detailed conclusions

- Experiences of Iran and Palestine similar
  - Reduced trade/reduced manufacturing/decline in female LFP
  - Class implication = less educated women losing out
  - Evidence of defeminization of certain sectors
- Palestine –
  - growing government sector primarily benefitted educated women
  - Poor women returned to subsistence agriculture sector
- Iran –
  - public sector shrinking and
  - informal sector growing
- Iraq –
  - Trends unclear – different pattern may have emerged due to different (less industrial) economic structure

# Further research:

- More detailed analysis of class implication
  - Link between poor women's employment losses and increased inequality?
- Examine other sanctions cases for comparative purposes
- Closer examination of Iran:
  - female labor force participation rates have been rising despite
    - Sanctions
    - Structural adjustment policies which led to shrinking of government sector

- Questions?
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