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What future for the WTO?

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TRADE AS A VEHICLE OF SOCIAL PROGRESS: THE GENDER PERSPECTIVE

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Economy as a gendered structure

The growing understanding of economy as a gendered structure challenges the economic theory that assumes trade to be gender neutral. Trade policy is not different from any other public policy, which affects men and women differently in their multiple roles as workers, producers, consumers and tax payers entitled to public services.

Equality between women and men is first of all a question of human rights. But it is also a precondition, and an indicator in itself of sustainable development. Existing gender inequalities impact trade policy outcomes and economic growth. To ensure that trade policies do not aggravate existing inequalities, but rather aim for a gender-redistributive impact, gender considerations need to be integrated into the design and implementation of trade agreements and policies.

Despite the world economy exhibiting sluggish growth since 2008, women's labour is not optimally utilized in most countries, even though half of those of working age across the world are women. Unpaid informal and care work done by women (the F-economy) amounts to up to 50% of countries' GDPs. Evidence suggests that equality and sound economic performance go hand in hand. The first step should be the recognition of a gender-sensitive agenda as an economic priority.

Women-led SMEs

Making improvements to SMEs run by women in international trade is a tremendous opportunity for women's empowerment. The vast majority of SMEs run by women are microbusinesses that are excluded from global value chains. The underlying reasons for that range from cultural barriers to limited access to finance, business networks and training.

A gender-sensitive approach in WTO - now is the right time!

WTO aims to remove trade barriers and create a trade environment that supports growth and employment. Since it was established, WTO has chosen to conduct a gender-neutral (if not to say gender-blind) policy that excluded "social clauses", including ILO labour standards, from its multilateral agenda. However, the equal treatment of unequal groups does not lead to equal outcomes. The impact of trade on women differs between countries and even between social classes. Women often fail to reap the benefits of trade liberalisation due to existing inequalities and their disadvantaged position in labour markets. The gender-blind regulatory policy of WTO has been causing gender discrimination in certain cases and reinforcing existing inequalities in others. Therefore, introducing a gender-sensitive approach into the WTO system cannot be delayed any longer.

The lack of data makes it difficult to prove a causal link between trade policies and agreements, and gender inequalities. That can often lead to gaps between rhetorical commitments to gender equality at the multilateral level and ineffective implementation mechanisms. The first step to overcome this shortcoming is therefore to systematically collect gender-disaggregated economic

data that can inform evidence-based policy making from inception to results evaluation. A pragmatic, gradual approach for introducing gender concerns in trade policy is needed. Such an approach is dependent on larger amounts of economic research be published that would assess the inclusion of social criteria into macroeconomic models. In the meantime, identifying multiple examples of good practices, such as the inclusion of a gender perspective in the UN Arms Trade Treaty, can inspire progress to be made in terms of legislation.

The WTO should adopt an approach that balances gender equality and trade concerns as it is likely to improve the effectiveness of the WTO system in achieving its long-term goals. The North-South Institute already suggested in 2003 that the WTO could contribute to international efforts to promote gender equality in the following three ways:

- taking gender considerations into account both when preparing new rules and agreements and when implementing and reviewing existing agreements;
- adopting gender-related measures in the WTO's trade-related capacity programmes by, for example: organizing regular expert discussions and the exchange of good practices among all actors concerned, from decision makers to women entrepreneurs; fostering the internationalization of enterprises run or owned by women, particularly SMEs; or promoting access to IT tools that would open up women's choices;
- ensuring that WTO Secretariat has the technical capacity to undertake gender analysis of trade rules, including conducting gender impact assessments in all phases of its work and including balanced numbers of women benefitting from technical assistance. WTO has tools to address gender issues both in its jurisprudence and in ongoing trade negotiations. (Dispute settlement mechanisms could be considered as an enforcement tool). WTO could raise gender issues both in the process of accepting new Members as well as during the regular trade policy review mechanism. Transparency and peer pressure are the key elements for success. Nevertheless, the realisation of set goals will depend on relevant national policies and their enforcement.

Questions to address

- What specific examples exist of good practice and suggestions on how to gender-sensitize the rules, negotiated agreements and working culture of WTO?
- How should the collection of gender-disaggregated data and research on the trade-gender nexus be promoted?
- What are the main barriers faced by women that prevent them from fully benefitting from trade liberalization and the global economy? How should these constraints be remedied so that SMEs run by women can participate in global value chains?