

Economic meltdown This crisis has a woman's face in Asia

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The current economic crisis is unravelling before us faster than even the most pessimistic of experts predicted just a few months ago.

The effects are already trickling down to ordinary working people. In Asia Pacific the International Labour Organization has projected that as many as 27 million more people could become unemployed this year. 140 million others in the region's developing economies could be forced into extreme poverty¹.

The numbers are staggering and without a doubt, everyone will be touched by this crisis. Yet what is so far lacking from many of the debates on how countries should respond is a realization that this crisis has a gender bias. Here in Asia working women will be affected more severely, and differently, from their male counterparts.

For policy makers, failure to take into account this gender dimension, especially at the lower end of the socio-economic scale, could be a critical miscalculation, worsening the working and living conditions of millions, deepening economic and social inequalities, and wiping out a generation of hard-won gains in pay equity and workplace equality.

Why are women affected differently? One reason is that women workers are concentrated in labour-intensive export industries that feed into global supply chains. In contrast, male workers tend to be distributed across a wider range of economic sectors. Women are also concentrated in the lower levels of these global supply chains, in casual, temporary, sub-contracted and informal employment, where work is insecure, wages low, working conditions poor, and workers least likely to be protected by conventional social insurance systems². It follows that shrinking global demand for clothes, textiles and electronics (as well as for related business services like hotels and restaurants) means that women will be the first to lose their jobs.

Asia's experience during the 1997 economic crisis provides evidence to back this projection. In Thailand 95 per cent of those laid off from the garment sector were

¹ ILO, *The fallout in Asia: Assessing labour market impacts and national policy responses to the global financial crisis* (pdf 655 KB), Bangkok, February 2009

² King Dejardin, A., Owens, J. *Asia in the global economic crisis: Impacts and responses from a gender perspective* (pdf 413 KB), Geneva, 2009

Empirical evidence available from the author's on-going research on "Work, income and gender" in the Philippines, Thailand and Vietnam

women, in the toys sector is was 88 per cent³. In Korea 86 per cent of those who lost their financial services and banking jobs were female⁴.

The consequence of losing a job also affects women differently, and more severely. Research shows that, the poorer the family the more important the woman's earnings are to the family's subsistence, children's health and education. And because women workers in Thailand, the Philippines and Vietnam – among other countries – are concentrated in lower paid jobs they tend to save less; so a small pay cut or price rise can severely damage them and their dependents.

The region's experience in 1997 supports this concern; a survey in the Philippines found that when a male worker lost his job 65 per cent of households reported a fall in income, but when a woman worker was retrenched 94 per cent of households had less money⁵. More households of retrenched women workers cut back on their meals than those where men had lost work.

Poorer households also rely more on unpaid care work (for children, the elderly, or sick family members) which is almost always provided by women. So in tough times women tend to be stretched more between their conflicting responsibilities.

Since the 1990's the Governments of many Asian countries have strengthened their social protection schemes. This is a welcome move since a social floor is a vital tool in fighting poverty (and designing a social floor that meets women's needs is one of the themes of the current ILO Global Gender Campaign). However, in many countries women do not get equal access to social protection.

In some cases this is because of the non-standard, low wage and informal economy jobs they have, which are less likely to come with such social benefits. In others it is because policy makers assume women can rely on men, or because benefits are directly linked to keeping your job – for example, most maternity protection systems in Asia are paid solely by employers.

Of course, this is not a simple black and white issue. In some areas or sectors men will bear the brunt. For example, demand for female workers could rise as regular workers are replaced by casuals. Among migrant workers in developed economies, better-educated, skilled, women who work as nurses, doctors or in other specialist health care jobs, or as domestic workers, are less likely to be laid off than their male migrant worker counterparts – who are mostly in construction, manufacturing and agriculture.

It is therefore critical that when governments, employers and workers organizations sit down to discuss policies to combat the social and economic effects of the crisis, they do so from the perspective of women as well as men.

³ Mahmood, M., Aryah, G., "The labor market and labor policy in a macroeconomic context: Growth, crisis and competitiveness in Thailand" in Betcherman, G. Islam, R. (eds). *East Asian labor markets and the economic crisis. Impacts, responses and lessons*, Washington D.C. The World Bank and ILO, 2001, pp. 245-292

⁴ Aslenbeigui, N., Summerfield, G. 2000. "The Asian crisis, gender and the international financial architecture", in *Feminist Economics*, 6(3), pp. 81-103

⁵ Joy Chavez, J., [*The Asian financial crisis and Filipino households: Impact on women and children*](#) (pdf 809 KB), 2001

12 June 2009

For example, public infrastructure and investment programmes are common components of national crisis response packages. However, the bulk of jobs created by these programmes could easily go to men because construction, engineering and technical jobs are dominated by and seen as more suitable for men. This is what we saw in 1997.

Not only should efforts be made to ensure that these jobs are open to women, but the concept of what are public works should be expanded, to incorporate social services, health care, education, child and youth development. Recruitment strategies must be created to reach women. Child care facilities must be included. Initiatives specially targeting unemployed women are needed. Economic and fiscal stimulus packages must include support for microfinance – which has been extremely effective in helping women start small businesses.

Special attention is needed to ensure that women's own views and opinions are heard. In 1997 women were not properly included in the social dialogue because – even in businesses that employed mostly women – the leadership of workers' and employers' organizations was dominated by men.

Finally, as regards the social aspect of policy responses, basic health care, child care, maternity protection (income security and maternal health care) and education must be ensured, less poor households cope in damaging ways, such as reducing health care and food consumption, and pulling children out of school. Only then will crisis response packages truly be effective.

Further reading

- International Labour Organisation, [*Gender equality at the heart of decent work \(Report VI\)*](#) (pdf 1.7 MB), Geneva, 2009
- International Labour Organisation, [*Global Employment Trends for Women*](#) (pdf 607 KB), Geneva, 2009
- International Labour Organisation, [*Global job crisis observatory: Gender*](http://www.ilo.org/public/english/support/lib/financialcrisis/gender/index.htm), <http://www.ilo.org/public/english/support/lib/financialcrisis/gender/index.htm> (last visit: 03 June 2009)
- King Dejardin, A., [*Gender \(in\)equality, globalization and governance*](#) (pdf 4.01 MB), Geneva, 2009