

Waiting for the bloom: Correcting policy biases against Arab women's economic rights

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Contents

Introduction:.....	3
Section 1: Overview of indicators related to women’s labour force in the Arab region	5
Section 2: Trends in policy approaches towards Arab women’s economic participation.....	9
Section 3: Elements of a gender responsive development policy framework in the Arab world after the uprisings:.....	13
Section 4: Public policy instruments for gender responsive inclusive development:	16
Macroeconomic policies	17
Policy incentives for economic justice and social protection	20
National development planning and budgeting:	21
Accountability mechanisms for government performance:	24
Conclusion:	26
References:.....	28

Introduction:

Soon after the Arab uprisings it became clear to citizens and political leaders that providing solutions to long-standing problems requires closer scrutiny of economic policy making, and ensuring that these policies are aligned with the demands of the popular movements behind the uprisings. Economic policies hold the key to job creation, poverty reduction, equality, social justice and dignity. The transition towards democratic political systems, robust economies and egalitarian societies therefore, cannot move forward without addressing structural biases that weigh down main components of economic life, particularly the labour market and access to decent jobs. This paper focuses specifically on the biases that have a direct impact on Arab women's labour force participation.

The Arab male labour force participation rate (LFPR) (employed and unemployed) fares well compared to world averages (76 per cent in the Arab region compared to a world average of 77 per cent). However, despite this good performance, the Arab region stands as the lowest in the world in terms of LFPR, at 54 per cent compared to a world average of 64 per cent. This low ranking is attributed to the major gender gaps and inequalities faced by women in the labour market. At 26 per cent, the rate of Arab women's LFPR in 2010 was almost half the world average of 51 per cent. In 1980 Arab women's LFPR stood at 23 per cent, and it is evident that, demographic factors notwithstanding, the progress in increasing Arab women's LFPR over a period of 30 years did not exceed 3 per cent (Sadawi 1979). This data points to an alarming stagnation in policy responses related to Arab women's economic rights and opportunity. The significant gap between Arab female and male LFPR despite comparable, if not better education outputs among Arab females, has a high toll on Arab economies at large and demonstrates significant barriers to the realization of Arab women's rights.

The underlying causes behind these gaps are numerous. However, a wide range of analyses often attribute this low participation to conservative societal values that confine women to the household. This paper argues that while social values play an important role, they may have received exaggerated emphasis that masked broader policy failures in creating employment and sustainable growth. The inability of economic policies to build inclusive and productive economies,¹ coupled with severe gender biases that have largely ignored the growing female labour force, have resulted in a failure to absorb an increasing demand for jobs and a growing labour force (amongst women as well as the young men and young women reaching the working age). Job opportunities in the region, especially for women, remain scarce and policies have largely failed to address gender biases and discriminatory practices in the labour market.

The story told by data on Arab women's LFPR points to two challenges. On the one hand, the growth in female LFPR over the past decades has been very slow. Despite the fact that the

¹ The World Bank definition of inclusive growth is based on the work of the Commission of Growth and Development in 2008. Inclusive Growth refers both to the pace and pattern of growth, which are interlinked and must be addressed together. A rapid pace of growth is unquestionably necessary for substantial poverty reduction, but for this growth to be sustainable in the long run, it should be broad-based across sectors and inclusive of the large part of a country's labour force. The commission emphasizes equity, equality of opportunity, and protection in market and employment transitions as essential ingredients of any successful growth strategy. This definition implies a direct link between the macro and micro determinants of growth.

increase in women's entry into the labour market and the increased share of female youth in schools points to a positive trend of an increased supply of female labour force, this increase remains inadequate and the region remains well below world averages. On the other hand, the high unemployment rates amongst women (even when the supply of female labour force is low) compared to male unemployment rates shows a particular bias against women in labour market demand. This story demands an urgent policy response that tackles the negative conditions that have impacted upon the labour supply as well as the biases that exist in the labour demand side. It requires a comprehensive labour intensive policy approach as well as specific attention being given to Arab women's economic role as integral actors in the development of Arab economies.

This paper aims to contribute to discussions on Arab women's economic participation in the transition period underway in the region following the Arab uprisings. It is intended to assist policy makers and civil society organizations as well as the International Labour Organization (ILO) and other United Nations (UN) agencies in identifying entry points for shaping a gender responsive inclusive economy. This paper is prepared in the context of the ILO's efforts to contribute to the integrated UN Development Group strategy for responding to the popular uprisings across the Arab region. This effort follows up on the publication of the ILO and United Nations Development Programme (UNDP) report "Rethinking Economic Growth: Towards Productive and Inclusive Arab Societies" that focused on identifying the requirements for inclusive development. It also builds on discussions at the ILO Regional Experts Meeting on "Women's economic empowerment in the Arab transitions" that convened in Beirut in May 2013 and focused on the same topic.²

This paper focuses on the potential of policy reforms to address a host of structural biases. It argues that gender blindness and discriminatory approaches have not only impacted negatively on women, but have also placed the Arab region as a whole at the bottom of global performers in terms of growth, economic participation, productivity and employment. This paper will unpack the elements of a gender focused inclusive approach to economic growth where a balanced understanding of women's economic role and their care burdens form the basis for sound governance and economic management. This paper identifies a range of considerations that would facilitate a closer link between economic policy and social and political policy, and ensures that macroeconomic policy leads to positive impacts at the micro level.

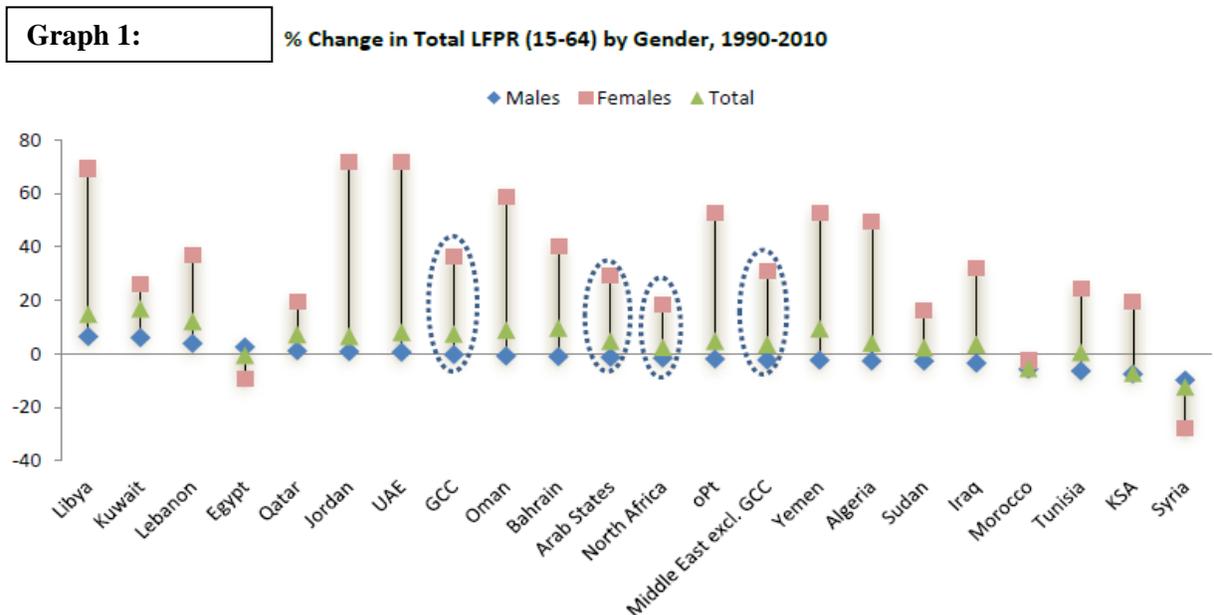
Section 1 of this paper reviews a number of key indicators related to Arab women's LFPR and extracts some basic observations from this review. Section 2 provides a broad analysis of policy approaches and outcomes that relate to Arab women's economic role in the past decades, and pinpoints deficits in those approaches that have contributed to the economic and political challenges in the region. Section 3 attempts to identify criteria upon which the post uprisings policy agenda should be assessed with regard to its response to Arab women's rights, and is in line with the popular demands for development, freedom and social justice. Section 4 identifies a number of strategic policy instruments that can facilitate the integration of a transformative vision for the future. These instruments include: a) macroeconomic policies, b) policy incentives for economic justice and social protection, c) national planning and budgeting, and d) accountability mechanisms for public performance.

² See meeting report available in English and Arabic on the ILO website: http://www.ilo.org/beirut/events/WCMS_213397/lang--en/index.htm

Section 1: Overview of indicators related to women’s labour force in the Arab region ³

Data and recent studies on the Arab labour force reveal harsh realities regarding Arab women’s economic participation. Almost every indicator shows major gaps between Arab women to Arab men and the region has one of the lowest performances in relation to women’s economic rights. However, it is important to recognize that aggregate data for the region does not capture the vast differences that exist across countries, and overlooks several variations across the three sub-regions: the Gulf Cooperation Council (GCC), the Middle East (ME) and North Africa (NA). For example, GCC countries have significantly lower female unemployment rates than the other two sub-regions and women’s economic participation is higher in North Africa than in Middle East countries. In addition, data on female employment is severely distorted in countries that live under conflict and occupation.

Some positive trends can be found. As shown in graph 1 below, there was a positive change in women’s LFPR between 1990 and 2010 across most countries. However, the concern is that countries with larger populations, such as Egypt, Morocco and Syria, have registered a negative change. Another concern that can be observed is that LFPR for young females is generally lower than the total female LFPR rate. Employment rates for women registered a significant increase over the last decade with 22.2 per cent growth in North Africa and 16.1 per cent growth in the Middle East.



³ All data provided in this section is for 2011 or 2012 as cited in the ILO reports listed in the references and the ILO Key Indicators of the Labour Market Database (KILM). The ILO’s databases distinguish between the Middle East (which includes GCC countries) and North Africa while some ILO reports separate data on GCC countries. Other international organizations use different divisions (e.g. the UNDP uses Arab states to include all Arab countries while UNESCWA uses the sub-regional groupings of Mashreq, Maghreb (excludes Egypt from the North Africa), GCC, and Arab Least developed countries (Comoros, Djibouti, Mauritania, Somalia, the Sudan and Yemen).

Source: ILO Key Indicators of the Labour Market Database (KILM)

During the last decade, employment rates for female youth in North Africa increased by 11.5 per cent while they decreased for female youth in the Middle East by 3.6 per cent (ILO 2012). However, some data suggest that growth in the informal economy in North Africa (especially in Algeria) is mainly responsible for the drop in unemployment rates in this sub-region over the last twenty years (ILO 2012). These trends are coupled with a significant drop in fertility rates from seven children per woman in the 1950s to three children per woman today. In addition, gender employment segregation in the region is declining at a much slower rate than it is globally (ILO 2012). However, the employment to population ratio for women in the region has only registered a 3 per cent increase since 1991, and remains less than half of that for men; 19 per cent compared to 44 per cent for men in 2011 (UNESCWA 2013).

The majority of employed women are concentrated in the public sector. In Jordan, 44 per cent of employed women are in the public sector compared to 34 per cent of employed men. In Yemen this figure is 26 per cent for women compared to 19 per cent for men. In Egypt it is 37 per cent for women compared to 27 per cent for men. These figures reach as high as 82 per cent for women in Qatar (88 per cent of overall employment of national citizens in the public sector), while Morocco registers the lowest share of public sector employment for both men and women (World Bank 2013)

Arab women are also concentrated in the agricultural sector with a trend of a consistent increase in their share in the agricultural labour force over the past 15 years. The same period has registered a reverse trend in the male share of this sector. The picture is different when looking at women's entry into the non-agricultural sector. Women hold less than 20 per cent of paid jobs outside the agricultural sector. Although women's share outside agriculture has slowly increased from 35 per cent to 40 per cent at the global level, figures from the Arab region have actually shown a decrease in the last 20 years (only the GCC and North Africa (excluding Egypt) countries have experienced a small increase) (UNESCWA 2013).

Despite an increase in the rate of Arab women's labour force participation rate, this rate remains the lowest compared to other regions. As shown in Table 1, female unemployment rates in the Middle East and North Africa are significantly higher than world average with slightly lower unemployment rate in North Africa compared to the Middle East. These indicators also show sharp gender gaps. In both sub-regions female unemployment rates are double those of men (19.7 per cent and 14.7 per cent female unemployment in the Middle East and North Africa respectively). One exception is the occupied Palestinian territory (oPt) where the female unemployment rate stands at 19 per cent compared to 26 per cent amongst men, while in the United Arab Emirates and Bahrain, unemployment rates have dropped as a result of positive changes in women's employment.

Table 1. Selected data on the status of Arab women in the economic sphere

	Arab Female per cent	Global Female per cent	Arab Male per cent	Global Male per cent
LFPR rate (ILO 2012)	26	51	74	77
Youth LFPR rate in the ME (ILO b. 2013)	13.1	40.7	46.6	56.2
Youth LFPR rate in North Africa (ILO b. 2013)	19.6	40.7	47.0	56.2
Rate of self-employed	11		22	
Share of vulnerable employment in ME (ILO b 2013)	37.8	50.8	25	48.7
Share of vulnerable employment in NA (ILO b 2013)	61.4	50.8	35.3	48.7
Share of the agricultural labour force⁴	45		66	
Unemployment rates ME (ILO KILM 2010 data)	19.7	6.3	9.3	5.8
Unemployment rates NA (ILO KILM 2010 data)	14.7	6.3	7	5.8
Youth unemployment rate in ME (ILO KILM 2010 data)	41.8	12.8	23.8	12.5
Youth unemployment rate in NA (ILO KILM 2010 data)	31.0	12.8	15.7	12.5

The data on Arab youth (15 to 24 years) reflects the same trends found in the figures on employment and unemployment for the total working population in the region with often lower performance for this age group on specific indicators. Female youth's LFPR is determined by education trends and marital status. In 2010, 27 per cent of females attended education institutions in North Africa compared to 24 per cent of males. In the Middle East, the respective numbers were lower at 21 per cent for females and 22 per cent for males. Data shows faster enrolment of females than of males in the past decade. It also shows that women are diversifying their education and are found in sectors such as science and law, and are no longer concentrated in health and education (the World Bank 2013). Employment rates for married women generally register a drop compared to single women. Youth unemployment for the Middle East and North Africa is the highest in the world. Young women have some of the lowest rates of transition into the labour market, with this share reaching only 16.2 per cent in Egypt and 10.7 per cent in Jordan.

Another key determinant of women's LFPR is mobility. Factors that restrict women's mobility (whether formal or informal) determine women's ability to access the labour market. Countries where violence and insecurity prevail have restricted levels of mobility. In Iraq, the

⁴ Women's share of the agriculture labour in the Middle East and North Africa has increased, from 34 percent during the period 1990- 1995 to almost 45 percent in 2011, while men's share has considerably decreased from 66 to 55 percent during the same period. A phenomena labelled as "feminization of agriculture labour in the Arab region"

unemployment rate amongst female youth reaches as high as 69 per cent, in the oPt this figure is 41 per cent.

Young women have higher unemployment rates than the average female unemployed category (in all age groups). Here again, we need to point out variations across countries. For example, Qatar's youth female participation rate is 32.7 per cent, (compared to 74.3 per cent for males), while Jordan has the lowest female youth LFPR with only 9.5 per cent (compared to 39.1 per cent for males). It should also be noted that while female youth unemployment in the Arab region is almost double that of men in all three sub-regions, the numbers of unemployed male youth exceeds that of female unemployed youth by 50 per cent.

Given the absence of data on employment in the informal economy, proxy indicators and country studies point to an expansion of the informal economy and increased participation of Arab women. In Arab states the rate of vulnerable employment⁵ is lower than in other regions (38 per cent in 2011). However, the rate of female vulnerable employment in the region is the highest in the world, with the ratio of females to males increasing by 10 per cent from 1991 to 2010 (UNESCWA 2013). According to the World Bank "In countries in which agricultural employment constitutes an important share of overall employment, as in the Republic of Yemen, women often are employed in unpaid, subsistence agriculture. In these countries, women are present in the informal sector in high numbers. On the other hand, in countries in which the public sector constitutes a large share of employment, women—especially educated women—are well represented in the public sector. In Egypt, Iraq, and Syria, for example, women's participation in the informal economy is lower relative to men" (World Bank 2013).

The quality of women's employment remains an area of concern. According to the Arab Millennium Development Goals (MDG) Report for 2013, on average women are paid less than men for the same work. Women's wages in manufacturing as a share of men's wages in Egypt, Jordan, the oPt and Syria are 66 per cent, 68 per cent, 50 per cent and 79 per cent respectively (UNESCWA 2013). The public sector remains more women friendly than the private sector in terms of social security/pension, health insurance, paid sick leave, stable contracts and gender pay gaps, but it provides increasingly shrinking employment opportunities.

These realities indicate that while there has been a positive shift in the Arab female labour supply, growth in the female labour supply has been largely restrained. Moreover, the growth in demand for jobs by women has seen limited absorption in the labour market. Addressing Arab women's low LFPR would require paying attention to the demand and supply sides, in both cases by removing barriers preventing women from seeking employment and remaining in the labour market, and by shifting labour demand to absorb growing numbers of females across sectors. The ILO/UNDP's report, "Rethinking Economic Growth: towards Productive and Inclusive Arab Societies", says that "a significant part of the labour market indicators in the Arab region is influenced by differences between female and male workers. This duality can be traced at least in part to certain legal regulations and societal norms. These regulations and norms operate on both sides of the labour market. On the one hand, they constrain women from seeking employment and, on the other; they do not allow employers to consider women on the basis of

⁵ The vulnerable employment rate is the ratio of the sum of own-account workers and contributing family workers to all those in employment (i.e. employers and employees together) (ILO)

their productive potential.” In the following sections, we will attempt to unpack the factors behind these constraints and identify areas where policy can address them.

Section 2: Trends in policy approaches towards Arab women’s economic participation

This section will elaborate on trends in policies adopted in the region that have influenced female related labour outcomes. It describes the policy content and context that accompanied the trends in Arab female labour participation including low rates, high unemployment and limited access to decent jobs.

The analysis of this paper is driven by the argument that policy approaches to women’s rights generally reflect the political values of governments as translated by the “rules, norms, resources and responsibilities that served to position different groups of women and men within the broader social hierarchies of their societies” (Kabeer et al. 2013). This analysis, in the large part, explains the diversity of global experiences around gender equality and women’s rights, and the wide range of interpretations of gender relations across countries and societies as well as under different political regimes. Such analysis is particularly relevant when applied to the policies and values that delineate women’s role in the family and their care responsibilities, from their role and contribution to economic development and labour force participation. Historical evidence from political transitions in post World War II Europe to post revolutionary Iran, Afghanistan, Post Franco Spain, the Post Soviet Union Eastern European and Central Asian States as well as Latin American countries, indicates that processes of political change have always introduced policies that have directly shaped women’s role in the political and economic spheres in post revolutionary transitions either positively or negatively.

The Arab region is no exception to this analysis as shown by the variation across different political regimes in the region that have emphasized a variety of sets of values in order to define policy approaches to development and to women’s rights, be they economic, social or political. While it may be unrealistic in this paper to attempt to provide a comprehensive summary of policy approaches to Arab women’s economic rights and to fostering human capital in the region over the past decades, a snapshot review of policies adopted by countries that have been at the forefront of shaping the “modern Arab State” is necessary in order to capture how Arab policy makers have dealt with women’s economic rights.

Post-colonial state building in the Arab region was a time of investment in human capital through investment in health and education as well as a reliance on natural resources for economic revenue, with some attempts being made to build an economic base from manufacturing and agriculture. Egypt and Tunisia under the leaderships of Nasser and Bourghiba present clear examples of this pattern (this is also visible in other Arab countries). Education and health indicators showed great advances amongst Arab women during those periods (though illiteracy rates amongst poor and rural women remained high), with less though still significant progress in relation to women’s economic and political participation.

As the region entered the 1970s, the emphasis on economic growth was largely shaped by the oil economy and associated with a vision of modernization, and the region witnessed a surge in women's entry into the labour market. Dividends from the 1970s oil boom and the associated revenues and remittances generated from the growth of the oil economy enabled governments to expand the public sector which offered employment opportunities to educated women in particular. In many Arab countries, public sector employment represented the majority of women's paid employment. In 1988 in Egypt the public sector was responsible for 52 per cent of female employment and a record 90 per cent of formal employment for women (Kabeer 2013). The public sector not only provided educated Arab women in Egypt, Jordan, Syria, and Tunisia with employment opportunities, but it also provided a "gender equality-friendly" space which offered egalitarian hiring for women and equal pay, and which provided increasingly better working conditions including provisions for maternity leave, short work hours and day care facilities, many of which were absent from employment opportunities in the private sector.

Despite the benefits expanded social services, consumer subsidies (e.g. on food items and energy) and public sector employment offered women, there were significant constraints to LFPR amongst women with less education, particularly rural women. The expansion in the public sector was not coupled with an expansion of the productive sectors. Policies encouraged the expansion of male dominated sectors, such as construction and transport, but this was often at the expense of sectors where working women were more concentrated, such as agriculture and manufacturing. The services sector, which has seen the largest growth in employment and is considered a relatively gender friendly sector, does not provide women with equal employment opportunities as is the case in the tourism sector in Jordan, Egypt and the GCC countries.

It is safe to conclude that the yearning of political regimes for modernization in the 1970s was reflected in focused investments in urban areas (as happened in India and Turkey), which created biases against rural populations and resulted in widening gaps in income, education and health between urban and rural areas. Rural to urban male migration increased and often meant that rural women were left to take on agricultural work, and they eventually constituted about 45 per cent of agricultural workers in 2011 in a sector that is at the lowest point of the value chain with only a 2 per cent contribution to Gross Domestic Product (GDP) (ILO 2012).

With the collapse in oil prices in the 1980s, non-oil exporting countries could no longer sustain the exaggerated levels of public sector spending and employment. By the mid 1980s, an era of pro-market policies, privatization and private sector development was strongly underway under the aegis of lending by international financial institutions (IFIs). The values of modernization that resulted in educated women's participation in the public sector in previous years, shifted towards market-oriented priorities. Women's rights continued to be a secondary consideration. Pro-market policies adopted in late 1980s and 1990s focused on attracting domestic and foreign capital investments that had a positive impact on growth levels but a minor impact on increasing labour demand or on expanding the labour intensive productive sectors. The main values that were driving policy during this period were those of sustaining authoritarian regimes. These values were expressed in a two tiered strategy: firstly, by creating subsidies and employment to maintain support to the political regimes, and secondly, by securing the interests of a select elite that benefited from privatization and the growth of capital intensive sectors such as construction and infrastructure. Pre-revolutionary Egypt and Tunisia present clear examples of this strategy

whether in terms of public sector employment and subsidies, or in the benefits granted to a particular group as a result of economic liberalization policies. Some consider this instrumental approach to a “Welfare state” as the embodiment of the Arab rentier state, and that the demands of sustaining authoritarian regimes’ political and economic interests, rather than development, the redistribution of wealth, and poverty reduction, is what led to the Arab uprisings (Razzaz 2012).

In the 1990s, policy attention to women became centred on “technicalizing” the work on women’s rights by establishing national committees for women’s empowerment, formulating national actions plans, setting up gender units within ministries and introducing legal reforms related to women’s rights. Beyond aid-funded gender programmes, there was little investment in the implementation of laws, national action plans or gender-related sector strategies. Experts describe this phase as “state feminism”, where state supported programmes “served as part of broader state building and/or regime consolidation processes. Women were instruments or tools, and their liberation was part of a larger project of reinforcing control within a series of states that continued to be dominated by what are generically referred to as patriarchal structures”(Sabbagh 2005). Women’s rights activists working within a democratic agenda had to manage a complex relationship with institutional mechanisms controlled by “first ladies” at a time where freedom of association was greatly restricted. Mobilization around political rights, family law, criminal code and citizenship rights required a range of strategies that were met with varying degrees of success dictated by the regime’s political interests of balancing conservative and authoritarian rule while maintaining a democratic façade (Kandioti 2012 and 2012). This period also witnessed a growing grassroots religious movement.

Women’s low LFPR was not seen as a concern. It was assumed that increased participation would be a by-product of pro-market policies. Interventions aimed at the provision of microcredit and enterprise development support were seen as sufficient for increasing women’s employment opportunities. There was a growth in initiatives offering women micro-credit and enterprise development support, but they had limited success because they did not address structural gender biases or broader macroeconomic shortcomings. Women’s unemployment continued to grow as did their poverty and vulnerability to discriminatory conditions in the private and informal sectors. By the late 1990s there was significant growth in informal work. Analysts understand this growth to be part of individuals’ survival strategies to sustain their livelihoods in light of structural economic failures and the absence of public policy that provides jobs and addresses high unemployment (Saif 2013). In Egypt, the percentage of new entrants into the labour market who took up informal employment as their first job increased from 57 per cent in 1998 to 75 per cent in 2006 (Kabeer 2013). It was under these conditions that the Arab region experienced the global economic crisis in 2008. While there was weak integration into the global economy, repercussions on exports, aid and food prices, as well as the rise in energy prices created additional constraints that vulnerable Arab economies could not sustain. The impact on the citizens of the region was harsh with a drop in per capita incomes, decreased public spending, growing unemployment and stagnant wages (ILO 2013).

This quick sketch of policy trends towards Arab women’s economic participation indicates that the values that have driven Arab policies towards women’s economic rights were linked to the political interests of the regimes rather than to values of women’s empowerment, equality and an

inclusive developmental vision. Had it been the latter objective, the policy approach would have addressed structural barriers to women's economic rights and to unleashing their full potential as economic agents, whether in regard to increasing their labour force participation or to building a robust productive private sector.

Analysis of the development challenges that led to the Arab uprisings cites a number of failures of economic policy making that constrained productivity, growth, social justice and inclusion, and led to the public outrage and calls for economic and political reforms in the region. Whether those policies were driven by values of socialism, modernization, conservatism or self-preservation, they share a number of commonalities that demonstrate a two tiered failure: A) pro-market policies have been implemented in a manner that has not generated productivity, jobs, and competitiveness for Arab economies. These policies were marred by a lack of regulation and they promoted an economic elite who invested in capital intensive sectors that offered the labour force no opportunities and resulted in widening inequalities; and, B) the provision of social welfare has been unsustainable and inequitable and has burdened economies with little impact on addressing inequalities. These unsustainable policies have led to increased debt levels, higher taxes on the poor and a collapse in public services.

Deficits in economic policy making in the Arab region become particularly apparent when examining the status of Arab women. Common elements in economic policy making in Arab countries have unfortunately contributed to deepening biases against women's economic rights. These common elements include:

- a. Policies have ignored women's additional burden of care work and have failed to provide support services for care work, such as childcare services. Paying greater attention to the care economy would allow more women to enter the labour force and would generate greater employment opportunities.
- b. The privatization of public services and cuts in health spending as well as the high costs of water, sanitation and energy, have resulted in an increase in women's care work, thus restricting their opportunity to engage in paid employment.
- c. Legal provisions granting women maternity leave have not met the minimum standards, are not linked to strong implementation mechanisms and solutions for financing, and are only applicable to women working in the formal sector mainly in the urban public sector.
- d. Social protection systems in the region are weak and exclude women from social protection measures and benefits (whether they are in unpaid work, the informal economy or are heads of households) mainly because of the adoption of the male breadwinner model.
- e. Legislation continues to ignore discrimination in ensuring women's control over assets, including through the enforcement of inheritance laws and reform of property laws. In addition, some labour laws still include provisions forbidding women to engage in certain types of jobs and during certain working hours.
- f. Policy has generally favoured urban and educated women while ignoring rural women.
- g. Space for social mobilization and dialogue around a gender responsive national development agenda is limited.
- h. There is an absence of public accountability mechanisms and weak oversight with regard to economic performance and addressing gender inequality and discrimination.

Section 3: Elements of a gender responsive development policy framework in the Arab world after the uprisings:

There is no question that the current state of affairs in the region presents great challenges to policy makers. Rising inflation, surges in commodity and energy prices, high unemployment, budget deficits, high levels of debt, rising inequality, stagnant wages, and low productivity present policy makers with major dilemmas. These realities are exacerbated in countries undergoing the process of political transition, conflict, and occupation such as Bahrain, Egypt, Iraq, Libya, the oPt, Syria and Yemen. Policy responses in the region at a time of great fiscal pressure and political instability and International Monetary Fund (IMF) conditionality have tended to be reactive.

It has been argued that none of the measures put in place in the immediate aftermath of the revolutions, were grounded in a long-term vision of redistribution for equality, poverty reduction or economic recovery. Two years after the uprisings a holistic vision for policy making has yet to emerge; one that is in line with the aspirations of citizens and that realizes the overall public benefit. Democratically elected policy makers have had to deal with longstanding challenges of equality, transparency and sustainability, but they have not been forthcoming in presenting an alternative policy making model that effectively responds to those challenges including those related to gender equality.⁶ Such a policy model should entail shifting the goal of “Arab women’s LFPR and economic empowerment” from the margins of economic policy priorities to the centre. Realizing women’s economic rights and expanding their participation in the labour force and economic life is not only a moral imperative to ending discrimination against women, but a strategic policy choice for the present reform processes aimed at defining an inclusive development model that achieves growth and social justice. Such a model would ensure that the government functions and that institutions facilitate implementation through government programmes, budget allocations, taxation policies and accountability systems. However, there is concern that even at these early stages of reform, there is little indication that such a shift is taking place.

As previously mentioned, women’s economic participation has increased over the past two decades in most Arab countries. The failure of economies to absorb an expanding female demand for jobs has resulted in growing levels of female unemployment especially amongst youth, and created disincentives for new entrants to the labour market. The lack of policy responses to these realities will continue to leave millions excluded from economic opportunities, and keep the Arab region at the bottom of the global ranking in terms of economic performance related to employment, productivity and poverty.

⁶ At the time of writing this article President Morsi, who was democratically following the 25 January 2011 revolution, was ousted from office on 3 July 2013 following a massive mobilization led by a popular “rebellion” movement, and a military intervention appointed an interim president on the grounds of Morsi’s poor performance during his first year in office.

A sample of available recent policy documents shows a strong focus on inclusive growth and employment generation.⁷ They also indicate a greater role for the state in proactively creating conditions that will allow countries to embark on more dynamic growth trajectories. At the same time there is a notable absence of specifics when it comes to women's economic empowerment. Sex disaggregated data pointing to the centrality of women in any reform process is rarely used in those documents. As is the case with most post-crises policy making, there are arguments that other pressing priorities should take precedence over issues of gender-based discrimination. Arguments that women's rights should be left to the later stages of the reconstruction process are often repeated either implicitly or explicitly in public discourse.

The rise of Islamist political parties with conservative views on Muslim women's public role has given voice to patriarchal values that reflect an obsession with confining women to the private sphere, and that employ a very narrow and discriminatory interpretation of women's rights to work, ownership, mobility and participation. Some observers from Tunisia note that even when key leadership in Islamist political parties has been "cautiously reassuring" that it will not limit or deny women's freedoms, "actions and statement across the whole movement cannot be taken for granted" (Chatham House 2011).

Despite some worrying signs, the current moment presents a significant opportunity to articulate an inclusive development agenda within democratic institutions of governance. Women's groups and rights advocates have a key role to play in maintaining their mobilization during the uprisings and the popular movements that have followed. Women's mobilization needs to be sustained as an integral component of the reconstruction and the articulation of a holistic national development agenda. One that contributes to strengthening coherence between economic policy and social policy, that addresses gender based discrimination as well as all forms of bias that generate growing inequalities, and one that guarantees a voice and participation for all actors. Women's groups should capture the space created by the democratic processes by building new alliances and taking a proactive role in framing and articulating the vision for the future. This requires advocacy that utilizes evidence of the cost of gender biases and inequalities not only to women, but also to the overall success of the reform goals of inclusive growth, social justice and democracy.

So what should a new development model resulting from the current period of transition and reform look like? What should it offer Arab women specifically? To what extent can economic policy making facilitate gender responsive outcomes? More importantly, how can citizens assess whether the direction of the reforms adopted during the transitions serve the aims of the uprisings?

The present development challenges reflect the need for responses on two levels. The first response concerns building effective governance and institutional structures and processes that ensure the effective achievement of results, and the second one is in regard to setting priorities and defining targets and results. Building on the analysis presented in sections 1 and 2, this new

⁷ For example: Tunisia's Social and Economic Jasmine Plan 2011, Yemen's transitional programme for stabilization and development (2012-2014), the Palestinian national development plan 2011 to 2013, the IMF working paper "The Economics of Political Transitions: Implications for the Arab Spring" March 2013, the IMF report to the Deauville ministerial meeting April 2013 "Arab Countries in Transition: Economic Outlook and Key Challenges".

development model would reflect priorities related to Arab women on both these fronts, and would be aligned with goals for the realization of women's rights and gender equality and addressing all forms of discrimination against women.

Governance systems need to be aligned with the priorities identified and the intended results (UNDG 2013). A governance system that is driven by considerations of market liberalization (with no regard of the cost to social justice and democracy) would differ greatly from one that is driven by considerations of inclusive growth and social justice. On the governance front, a gender responsive policy making model would require reforms that incorporate the following elements:

- **A rights based rule of law** that secures an enabling environment for decent work for women in the labour force (in the private sector, public sector and the informal sector), and secures equal access to resources and opportunity.
- **Effective institutional capacity** that follows a transformative approach of mainstreaming gender equality in public institutions that is focused on the *achievement of equitable results and performance*, and puts in place the necessary capacities, systems and resources to plan, budget and implement public programmes and deliver services.
- **Transparent economic policy making and budgeting** processes that balance considerations of economic growth and social justice and redistributes power and resources within a transparent process that guarantees the public's right to information on public policy and budgets.
- **An accountability system** that monitors performance related to the realization of women's rights and eliminates gender-based discrimination and inequality.
- **Inclusive and participatory policy making** that facilitates social dialogue and participatory processes for consensus building, and allows citizens to influence and inform policy making.

The content of policy is the range of defined strategic goals, results and targets, and programmes adopted by government. Demands of the popular uprisings must be reflected in the strategic goals and results adopted in the transition. Needless to say, a gender responsive policy content would set as a priority the adoption of measures that address the structural causes of gender inequality through explicit references in the strategic objectives and actions of the government. It would also ensure equity in the implementation of programmes and services.

Evidence from countries that have been successful in raising women's LFPR (Chile, Argentina, the US, Ireland, Greece and Spain), shows that governments have utilized a range of strategies such as the use of incentives, regulations, targeted public spending and carefully designed social security systems. Some examples of the types of interventions that have been adopted in those countries are identified below. However, it must be emphasized that there is ample space for innovative approaches in order to secure the effectiveness of governments in addressing gender based discrimination and developing gender responsive interventions, and therefore the following list of the types of interventions is not to be considered comprehensive:

- Interventions aimed at eliminating biases faced by women as a result of the gendered division of labour in households that puts the burden of care within the family almost

fully on women, including by expanding public childcare services as well as by introducing provisions and incentives for shared care responsibilities within the household.

- Interventions aimed at eliminating biases faced by women in the private sector as entrepreneurs and employees, including focusing on barriers to their access and control over economic resources, and ensuring compliance of the private sector with labour standards including addressing wage gaps and maternity benefits among others.
- Interventions supporting tailored solutions that respond to the different realities of groups of women (including their geographical location (urban/rural), education, age, marital status, position within the labour market and economic sector). For example, programmes aimed at decreasing the vulnerability of poor women, especially in rural areas and in informal work, by providing targeted social protection, public services, and subsidies.
- Interventions aimed at expanding economic opportunities for Arab women in growth sectors and sectors benefiting from reconstruction efforts, including through affirmative action to eliminate gender-based occupational segregation in recruitment, and access to finance among others.
- Interventions that address the negative impact of the privatization of public services (health and education) and the removal of subsidies (on energy and water) on women's time and ability to join the labour market.
- Interventions aimed at expanding women's coverage under social security schemes.

An approach that presents a response at the level of governance and content of public policy would provide a comprehensive framework for policies that are coherent socially, economically and politically, and that facilitate the implementation of effective programmes by making available the required capacity, investment and accountability mechanisms (Abdul Samad and Mohammadi 2013). Demands made by the popular uprisings should not only shape the content of public policy, but must also shape and define governance systems and the institutional reform agenda in the region. This framework provides gender advocates and civil society with a tool for assessing the reforms adopted in the transition period, and in influencing their direction so that they are aligned with public demands. The political will to implement those objectives would be proven by the increase in invested resources towards gender focused programmes and the delivery of services,⁸ and integrated into accountability frameworks that monitor government performance and effectiveness.

Section 4: Public policy instruments for gender responsive inclusive development:

This section highlights a number of key instruments for policy making that provide valuable entry points for integrating a transformative vision of an inclusive and equitable development model. These are:

- Macroeconomic policies
- Policy incentives for economic justice and social protection

⁸ Using the definition of the Organization for Economic Cooperation and Development (OECD), "Gender focused programmes" include women specific programmes or programmes where gender equality is a principal objective, as well as broader programmes that have a significant value to the achievement of gender equality, such as programmes related to infrastructure, agriculture, health, justice, economic development.

- National development planning and budgeting
- Accountability mechanisms for government performance

These instruments have been identified due to their significance to policy makers in making policy choices, creating incentives, and facilitating and creating the necessary conditions for implementation and accountability. These instruments are also the basis of institution building for sound governance and economic management. They make it possible to link economic policy with social and political policy, and ensure that national policy making leads to positive impacts at the micro level. They are the avenue to removing challenges to equality, productivity, job creation, sustainability of public spending and transparency.

While there is significant overlap between them, for purposes of clarity, the following section elaborates on the various elements of each of these instruments, and identifies entry points for integrating the framework for the gender responsive policy and governance systems described earlier in section 3.

Macroeconomic policies

There are considerable differences in the models of macroeconomic frameworks used in the region, especially across oil-rich and oil-poor countries. However, in the past three decades most Arab countries have been increasingly following a neo-liberal economic policy framework. With increased borrowing from the IMF and the World Bank, non-oil producing countries have followed a path of trade liberalisation and privatisation. They have opened their economies to foreign goods and investment, stabilised exchange rates, and cut government expenditures and intervention in the economy. Some of these policies were implemented despite the high cost to social justice and human development goals. The Arab uprisings have demonstrated that economic policies can no longer be defined based only on considerations of macroeconomic stability (inflation, exchange rates, growth rates, budget deficits, etc.). With the most pressing priority in the Arab region today being inclusive growth and social justice; a new approach to macroeconomic policies can provide a key policy instrument for achieving these goals.

Macroeconomic policies are intended to balance a number of variables in order to achieve economic growth and stabilize the economy. They seek to control inflation to ensure competitiveness (as is often prescribed by the IMF and set as a condition for borrowing) by keeping budget deficits in check. They also seek to balance investment, borrowing and domestic resources to manage fiscal space. In some cases, macroeconomic policies may seek to balance requirements for poverty reduction and social protection investment. The manner in which these variables are prioritized within the macroeconomic policy framework can determine outcomes in relation to social justice, equality and job creation, through expanding spending on public services, subsidies, wages and salaries to civil servants in order to generate sufficient consumer demand to maintain growth. A nuanced approach to macroeconomic policies **would entail** close analysis of the impact of policy choices in relation to **fiscal policy, trade policy, and labour market policies** on job creation and the elimination of inequalities with regard to their impact on inclusive growth and equality.

Gender analysis has long been absent from macroeconomic policies. It is often claimed that macroeconomic policies are gender neutral and based only on aggregate analysis. As a result,

macroeconomic policies often lead to deepening structural biases against women. Women's unpaid work, structural barriers to labour force participation, and gender-based discriminatory systems are often overlooked in policy making related to macroeconomic challenges. A review of macroeconomic policy documents, technical advice provided by experts from the UN and the World Bank, and general analysis by economists reveals that these rarely refer to women.⁹

With gender inequality being a central economic constraint in the Arab region, the continued blindness to gender specific policy implications can be detrimental to the success of any alternative development model whether from an efficiency or an equality dimension. Policy makers need to acknowledge their responsibility for providing more hospitable macroeconomic conditions for achieving women's economic empowerment, and expanding their economic opportunities. A gender neutral approach that overlooks women's unpaid and care work will not be able to ensure that job creation policies will have a positive impact on women's work. It will overlook the impact of the privatization of social services and the added burden borne by women when social services are privatized. Whether the concern is with short-term policy interventions or medium and long-term strategies, labour policies should be tailored to respond to the growth rate in the Arab labour force including the growth in the young female labour force and in young women in education, if they are to prevent an even greater increase in women's unemployment. Gender analysis should be more closely integrated into the range of policies forming the macroeconomic framework of any country.

Fiscal policies are a critical aspect of macroeconomic policy especially in times of economic crises, inequality and unemployment. Arab countries can benefit from the numerous lessons learnt from countries around the world that had to make difficult choices to recover from crisis, either by implementing austerity measures or by utilizing stimulus packages. Evidence from Europe shows that increased social spending in times of crisis has a positive impact on economic recovery. In addition, it is an investment in human capital that recognizes the value of social protection spending to economic and human development, job creation and revenue-raising. Short-term fiscal policies that are concerned with budget cuts in key areas overlook the negative economic implications for inflation, economic competitiveness, trade balance, and the investment environment. Examples from Brazil, Thailand, Malawi, Argentina, Chile, Malaysia, Venezuela and Bolivia have shown success in reducing inequality over the last decade through the adoption of fiscal policies that aim to balance the budget along with expansionary expenditure, securing social protection measures involving cash transfers to poor people, increasing spending on secondary and higher education, raising tax/GDP ratios especially from oil and mineral exports, and adopting minimum wage legislation (Jolly 2012). Meanwhile, experts are voicing concern that more recent austerity policies in Europe are having a negative impact. "Instead of supporting measures directed towards higher growth and more employment on a trajectory which would reduce public debt-GDP ratios, governments are slashing public expenditure. This in turn is slowing growth and making it ever more difficult, if not nearly

⁹See for example: Jordan's Development Executive Programme 2011-2013; the IMF report presented to the G8 Summit on "Economic Transformation in MENA: Delivering on the Promise of Shared Prosperity" May 2011; the IMF staff report on Morocco's 2012 Article IV consultation and first review under the two year precautionary and liquidity line dated January 2013; the Jordanian government's Letter of Intent presented to the IMF 27 June 2012; the Tunisian government's Letter of Intent and Memorandum of Economic and Financial Policies presented to the IMF 24 May 2013.

impossible, to reduce public debt-GDP ratios. Europe is increasingly caught in a “No-growth, Low-growth” trap whereby the screws of austerity are tightened while reductions of debt and deficits proceed ever more slowly, if at all” (Jolly 2012).

Debt management in times of crisis is particularly critical. There are examples of a smart and more transparent approach to borrowing and repayment. In Iceland, following the financial crisis in 2008, national banks had a private debt to Dutch and UK banks totalling Euro 6.7 billion that caused them to collapse. The Icelandic government made the debt public and two national referendums were held in March 2010 and April 2011 that allowed citizens to vote on whether and how the country should repay this debt. The citizens in both cases voted against a repayment plan and for a set of policies that included debt repudiation, capital controls, and currency depreciation that proved effective in assisting the economy to recover with limited costs (Jolly 2012). A UNDP report emphasized the need for flexibility in expanding fiscal space in Arab countries with deficit financing stating that “if the development payback is sufficiently high, then deficit-financed public investments are compatible with fiscal sustainability and an expanded share of government in the national economy” (UNDP 2011).

With regard to trade and market liberalization policies, there is a need for macroeconomic policies that pay greater attention to the employment potential of growth strategies and provide incentives in labour intensive sectors. Growth incentives for sectors where women are disadvantaged (such as construction and oil-related industries) result in inequality in economic opportunity and do not contribute to the emergence of a sustainable, productive economy. A total of 87 per cent of employees in the sector of “manufacturing of refined Petroleum products” are male. Furthermore, while 71 per cent of those employed in the garment and textile industries are female, the quality of the job opportunities provided to women in this sector leaves much to be desired for in terms of pay equity, working hours, job security, labour rights and safety from violence. Trade policies that ignore sectors where women are heavily concentrated, such as agriculture, demonstrate a policy bias that has had a negative impact on women. While policies can be used to promote specific sectors, targeted interventions are needed to transform the gender-specific constraints that keep women out of these sectors in order to maximize the potential for generating female-intensive employment opportunities. There are also many examples of effective interventions for job creation. India’s National Rural Employment Guarantee Act (NREGA) that was introduced in 2005 entitles each rural Indian household to one hundred days of unskilled work per year on public work schemes. This public works scheme was initially opposed by fiscal conservatives but is gathering increasing support with its success in generating around 10 billion days of work at the minimum wage, and 70 per cent of total expenditure on the scheme is on wages. Nearly 50 per cent of the workers are women (Jolly 2012).

Growth strategies that emphasize private sector led growth also recognize the gender specific barriers to women and discriminatory practices in the private sector that have only offered Arab women limited or low quality economic opportunities. A recent World Bank report on Arab women’s economic opportunities has called for reforms that “put private-sector-led growth front and centre in the job creation strategy for women and men” (the World Bank 2013). Such a recommendation should be complemented with recognition of the need for corrective measures in the private sector that equalize opportunities for men and women.

Policy incentives for economic justice and social protection

One of the key functions of the government in carrying out and implementing national agendas lies in adopting regulations aimed at the enforcement of government controls and restrictions. Regulation entails granting significant benefits or imposing restrictions and penalties as mechanisms to ensure standards and sound implementation. It is often argued that government regulations create winners and losers. In some respects, this can be viewed as one of the strengths of this government's function as it assists in addressing inequalities by redistributing benefits to realize national economic and social justice goals. The regulatory function of the government is also an important instrument for behaviour change that is often used to promote environmentally sound practices and healthy habits. The government can use its regulatory function to provide incentives that are effective in promoting gender responsive practices in the same manner.

The function of regulating and implementing legislation requires paying special attention to coherence across social, economic and political agendas. In the area of employment, government regulation plays an important role in securing labour standards and enforcing those standards and labour laws, ensuring equality of opportunity and removing discriminatory practices. Incentives provided by such regulations can prove detrimental to increasing women's employment. Moreover, regulatory provisions impacting on women's employment extend beyond labour regulations to include property rights, enforcement of sexual harassment and violence provisions, and others (Hijab 2013). For example, immigration regulations governing expatriate labour can provide disincentives for spouses' employment, as is the case in GCC countries which are the main employers of Arab males from other countries. In Saudi Arabia a ban on the employment of spouses of expatriate men on dependent visas is being reconsidered by the Ministry of Labour, which will offer spouses employment opportunities. Similar restrictions are applied in most GCC countries where there are explicit restrictions on the ability of the female spouses (Arab and non-Arab) to work despite the high labour demand (The Hindu 2013).

Evidence from OECD countries that have been successful at raising women's LFPR (such as Greece, the United States, Ireland, Spain) shows that the development of a sophisticated system of incentives (social security, flexible work options, and maternity and paternity benefits) enables women to enter the workforce in larger numbers. These incentive systems have also helped women balance their dual roles of work and family life. Recently, the European Union issued a directive that all member countries must allow parents (men and women) to request flexible work arrangements (e.g. part-time and home based work) in addition to paid leave, in an attempt to address the issue of retaining women in the labour force. In the Arab region, there are a number of good examples of efforts to support implementation of gender-sensitive labour standards in the private sector, for example "Sadaqa" is a recent campaign launched by an NGO in collaboration with the Jordanian Ministry of Labour to encourage private sector companies to implement Article 72 of the Labour Code requiring the provision of childcare facilities in the workplace. Other initiatives are underway in support of the regulation related to pay equity that aims to close the gender pay gap. In contrast, a number of studies of national pension systems and unemployment schemes in the Arab region indicate the need for a review of those systems, as they provide incentives for women to leave the labour force through the provision of early retirement for women and marriage allowances, among others (Hijab 2013).

The post uprisings period has witnessed a surge of legal reforms related to economic rights that are intended to respond to the demands of citizens. Reforms of laws on social protection, freedom of association, trade unions, labour laws, investment and others are underway in Egypt, Tunisia, Jordan, Syria, Kuwait and Morocco. These legal reforms provide an unprecedented opportunity to institutionalize social justice, inclusive economies, and gender equality. The Arab region has learnt from decades of past policy making that the achievement of outcomes related to gender equality and women's economic rights will not happen automatically. What is required is scrutiny of legal frameworks and regulations to ensure that these regulations have a positive impact on women and girls. In addition to scrutinizing the content of government regulations, there is a need to strengthen institutional governance to ensure implementation of policy intentions. Institutional governance requires the existence of strong mechanisms for inspecting work conditions, enforcing implementation of legislation and penalizing gender discriminatory practices. It requires mechanisms for receiving citizens' claims in case of breaches of these laws and regulations and to respond to those claims.

National development planning and budgeting:

National development plans are important instruments for defining national priorities, and identifying means for implementing programmes and delivering services that will result in their achievement. National development plans provide medium term frameworks that guide the functioning of government and the implementation of government programmes, and define accountability frameworks to measure progress in achieving results. Asian countries have shown significant value in utilizing national development planning for economic transition and recovery. Countries like Japan, Indonesia, and Malaysia have effectively used national planning for reconstruction and recovery following the World War II reconstruction effort in Japan, and the Asian economic crisis in the case of Indonesia and Malaysia (Sakamoto 2013). In recent years, the global trend has emphasized a closer link between national planning and budgeting as well as performance measures. This shift has been part of the introduction of a package of reforms of public finance management systems that is encouraged by donors and IFIs. The ability of governments to institutionalize these reforms has increasingly been linked to assessments of governance indicators.

With the exception of Egypt, which has followed a path of central planning since 1957, Arab countries have a weak tradition of national development and economic planning. For example, Jordan's Poverty Reduction Strategy for 2012 to 2015 was to be drafted and aligned with the National Agenda, but it has not been completed to date. Morocco has no central development plan available, though a number of sectoral strategies have been drafted. A UNDP report notes that "many Arab countries have produced vision documents, but these have mostly been academic exercises with little genuine popular participation. For the most part, they have been inspirational and not evidence-based -that is, they have neither taken into account the difficult choices ahead nor considered constraints" (UNDP 2011).

In post 2011 revolutionary Egypt development planning received immediate attention with the establishment of a central planning committee tasked with drafting the new development plan immediately after the fall of the Mubarak regime. The Ministry of Planning put forward a strategic framework for 2012 to 2022 for purposes of social dialogue. In Tunisia the "Jasmine

Plan” was announced by the Ministry of Finance in September 2011 with a focus on three elements: 1) managing the crisis after the revolution, 2) promoting the transition toward democracy, and 3) promoting sustainable social and economic development. It would be interesting to track the implementation of those plans and identify whether there has been visible shifts in public spending patterns to reflect the priorities of the uprisings. Observers indicate that such shifts have not yet been reflected in the budget when analyzing Egypt’s budget for 2013¹⁰. Jordan’s 2013 budget was passed with a temporary law before the election of the parliament in early 2013. In Yemen the transitional programme for stabilization and development (2012-2014) included a priority area on women and youth, and identified a number of strategic objectives related to women’s economic participation and empowerment. In the oPt the national development plan for 2011 to 2013 placed a similar emphasis on women’s empowerment and participation. However, in both cases the monitoring frameworks fail to identify specific targets for women, and nominal resources are allocated for programmes associated with those results.

Gender responsive budgeting (GRB) is an approach that has been applied to national planning and budgeting in a number of countries in recent years. It seeks to facilitate coherence between gender equality goals and government planning/budgeting by ensuring that government plans include programmes that address gender gaps, and that government budgets include the financial resources necessary to implement such programmes. A basic premise informing the concept and practice of GRB is that the budget reflects the values and priorities of a government as demonstrated in financial investments to implement commitments to various social and economic goals. Accordingly, national priorities of gender equality as well as the commitments outlined in national and international conventions to eliminate discrimination and realize women’s rights need to be explicitly reflected in national development plans, public spending and taxation policies, as well as budget performance accountability mechanisms.

The budget is the instrument that translates fiscal policies adopted within the government’s macroeconomic framework with the aim of achieving the strategic development goals. GRB interventions utilize a number of tools that serve to strengthen the responsiveness of the planning and budgeting process to link economic and social policy outcomes. These tools include gender budget analysis, development and tracking of gender performance indicators at the sector level, budget tracking, and monitoring and evaluation. These tools are useful for determining which budget allocations need to be expanded and which ones need to be cut to address fiscal burdens without threatening the achievement of the intended results on economic and social levels.

In times of crises, policy choices may include budget decisions that impose cuts on certain sectors such as education, health, agriculture, social protection and subsidies on food and energy. The only way to ensure that the “right” policy choice is being made is by prior assessment of the impact of such choices on women, on social justice and on the economy in the medium and long term rather than making those choices solely on considerations of balancing short-term budget deficits. Spending and taxation impact equality, growth, and sustainability by facilitating redistribution and empowerment. Budget decisions that prioritize social protection and job creation can be more effective than austerity measures and the removal of subsidies, which can

¹⁰ Interview with Mohammad El Naggar, Head of the Economic Unit at the Al Ahram Centre for Political and Strategic Studies, 24 April 2013 <http://www.youtube.com/watch?v=gwQSUD-xMI8>

accelerate the economic crisis and delay recovery. Similarly, increased spending for job creation is a necessity for recovery. Taxation and income transfers are important tools for reaching social goals and are a major means of redistributing wealth. Provisions of tax rebates for the costs of childcare provide useful incentives for women's participation in the labour force (ILO 2009). Progressive taxation can also guarantee a smaller tax burden on poor households.

Over the past decade, a number of Arab countries have implemented initiatives on GRB within their budget reform programmes or their public sector programmes. These countries include Bahrain, Egypt, Iraq, Jordan, and the oPt. These experiences are still nascent and their effectiveness marred by broader political and public sector challenges. However, some minor successes are noted including the increased availability of data on budget allocations towards gender equality programmes in sector budgets as well as the inclusion of gender related performance indicators (as is the case in Jordan). Morocco's experience has been more developed with systematic efforts from the Ministry of Finance since 2002 to integrate gender into its public finance management system, and to regularly include gender related budget performance indicators in this system. In addition, efforts for strengthening a gender responsive approach to budgeting has entailed: targeted capacity building for sector ministries and the local government in gender sensitive planning and setting measurable gender equality goals at the institutional level, gender assessment of public spending, and reporting through the annual gender budget report that is submitted to parliament along with the Finance Bill.

GRB provides Arab policy making with useful tools for addressing gender gaps in economic participation and women's employment. It provides a framework that can guarantee public investments result in increasing women's LFPR through investing in programmes and services that address barriers to women's employment. For example, following the democratic transition in Chile, the rate of women's participation in the labour force increased by 5 per cent between 2000 and 2009, reaching 41.8 per cent. This was achieved through a number of policies including pension reform that ensured coverage to women employees as well as to those who worked at home and never received wages. Not only did the pension system contributions grow drastically, but by end of 2009 65 per cent of pensions went to women. The government also expanded the network of free childcare centres from 705 in 2005 to 3500 in 2009. In addition, housing subsidies and health care services gave priority to women heads of households (OECD 2012).

GRB is intended to challenge token investment in women's rights that is often visible in public spending patterns. Rather than celebrating small projects that provide small numbers of women with microcredit or literacy programmes, gender budgeting is useful for assessing the adequacy of public investments on gender equality based on the results they achieve and their progress in eliminating gender inequalities. GRB should not be understood as having a separate budget for women-specific projects. Financing for water delivery or childcare services or infrastructure contributes to substantive gender equality. Likewise, women who face greater barriers and discrimination (due to their ethnicity, income levels or other factors) should be considered a priority in government spending. Failure to intentionally address the needs of excluded women in government programmes means deepening the discrimination they face.

Gender responsive budgeting for expanding women's LFPR requires a sophisticated understanding to define interventions that would help realize the achievement of this goal. Increased investment in social protection measures would provide significant incentives for increasing women's LFPR such as:

- Expanding access to quality and affordable care solutions as an important determinant of women's employment opportunities and workplace productivity in the public and private sectors. Increased investment in childcare services that are accessible to working women should be a priority. Countries, such as Jordan, are starting to pilot initiatives on workplace solutions for childcare, while the debate is picking up in Saudi Arabia and other Gulf countries.
- Identify solutions for financing maternity benefits for working women. The cost of maternity benefits should follow the universal move to "socialize" the cost of maternity and to spread it across the labour market in various proportions among employers, workers and the government.
- Improving spending on public service delivery in the areas of health and education as well as infrastructure (water, electricity, and transport) that have a direct impact on women's empowerment, care work and mobility.
- Ensure that women benefit equitably from active labour market policies (ALMPs).

Barriers faced by women in agriculture and in the informal economy require more in-depth analysis and need to be associated with public investments and capital spending that integrates gender equality and equity into their design.

Accountability mechanisms for government performance:

Monitoring is a key instrument for assessing results and progress in achieving development goals and priorities. It also helps governments to take measures to address barriers that prevent the achievement of results. International human rights mechanisms provide an important avenue for monitoring compliance of government actions with human rights commitments related to economic and social rights as well as women's rights, as stated in the convention of elimination of all forms of discrimination against women (CEDAW).

The goals of economic justice and gender equality require specific tools and indicators of measurement that are linked to accountability processes and mechanisms in order to ensure continued progress. The Arab region has very limited practice of using such accountability mechanisms, be they formal performance indicators that are linked to national development planning or a parliamentary oversight mechanism. The inclusion of gender related indicators in performance assessment frameworks (PAFs) that are attached to national development strategies, where they do exist in Arab countries, has been sketchy. Reports on the progress of the MDGs are some of the few instruments available in the region that track the progress of MDG indicators.

In recent years, national accountability mechanisms have been introduced as part of public finance management reforms to improve public performance in terms of transparency, effectiveness, efficiency and strategic management. Part of these reforms includes the adoption of results-based budgeting, which integrates an accountability framework of performance indicators with budgets. A number of Arab countries have adopted those reforms (Algeria,

Egypt, Iraq, Jordan, Lebanon, Morocco, Syria, Tunisia, the West Bank and Gaza and Yemen). However, the majority of these countries are in the early stages of these processes with Jordan and Morocco showing most progress. Meanwhile, a growing number of countries around the world have successfully tailored mechanisms for government accountability in relation to economic justice and gender equality. In some cases, governments have developed specifically designed instruments to monitor performance related to the advancement of gender equality and women's rights, while in other cases gender equality advocates have succeeded in integrating gender related assessments within broader accountability instruments (see the examples below).

The following are a few examples of government accountability mechanisms that have specifically addressed performance in relation to gender equality:

- **Performance contracts for public institutions in Rwanda:** The performance contracts known as “Imihigo” are an integral part of service delivery in the public sector in Rwanda. They are agreements signed between the president of Rwanda and heads of public institutions to establish general goals for the institutions, set targets on which performance will be measured, and provide incentives for achieving these targets. The “Imihigo” system includes a variety of incentive-based mechanisms for controlling public agencies and controlling delivery of outcome rather than the process.¹¹ Goals are set within the framework of the national development strategy as articulated in the country's Economic Development and Poverty Reduction Strategy and the vision document. The Gender Monitoring Observatory provides technical support at the national and local level to define gender sensitive indicators, targets and a gender responsive reporting framework and engender the reporting templates from the national level.
- **Morocco's gender budget report:** Under the leadership of the Ministry of Finance, sector ministries produce an annual gender report in which they report on their performance with regard to gender-sensitive indicators. The first such report was produced in 2006 by five ministries. By 2012, 27 departments whose budgets constitute 80 per cent of the national budget completed this report. The Gender Budget Report is presented to parliament along with the finance bill. Recently, the Government of Morocco and the European Community signed a cooperation agreement for the financing of a Euro 45 million national programme in support of the implementation of the Government Equality Plan within sector ministries. This represents one of the largest gender-related direct budget support programmes and has been facilitated by the existence of the results monitoring system.
- **Ecuador's Budget Classifier K on financing for gender equality:** The Ministry of Finance has developed a system to track financing and performance in relation to gender quality. Thanks to this system it is now possible to have data on budget allocations that are related to the implementation of gender equality policies and programmes and expenditures across all departments. The existence of such a system ensures transparency and accountability towards the implementation of gender equality goals and assists in improving performance and aligning budget allocations with intended results.

¹¹ <http://www.independent.co.ug/supplement/117-supplement/6597-imihigo-six-years-of-transforming-rwanda>

In addition to government-led accountability systems, civil society, parliaments and the media play a key role in monitoring government performance and ensuring that government policies are implemented in compliance with human rights, and meet the standards of social and economic justice and equality. In both cases, these efforts remain disparate examples and their effectiveness is constrained by the absence of transparency in public policy and the limited access to information. Nonetheless, these are significant efforts that are at the core of any process of democratic transition.

Conclusion:

The current transition in a number of Arab countries opens the door for a range of reforms including economic, political and legal reforms that are intended to promote a development agenda that links an economic growth agenda with that of social justice and gender equality, and which institutes the new “developmental” state in the region. What is required today is the establishment of a new policy making system that corrects past failures and institutionalizes a democratic approach to policy making.

This paper has provided elements of a gender responsive development policy framework in the Arab world after the uprisings, that addresses women’s labour force participation whether in terms of the low growth in female LFPR, the failure of the labour market to absorb the existing demand for jobs for Arab women or the historically wide gender gaps between Arab men and women. These challenges have incurred a very high cost to Arab economies and to the realization of women’s rights in the region. This paper emphasized that correcting these biases requires a response that overhauls governance systems and the content of economic policies to explicitly demonstrate the intent of eliminating gender inequalities. It identified how principles of gender responsive policy making can shape strategic policy instruments such as macroeconomic policies, regulations, national development planning and budgeting and accountability mechanisms.

This paper focused on the role of government and identified entry points for correcting past gender biases. A new development model in the Arab region not only requires a more effective government, but also requires a new definition of the relation between the state and its citizens, which is based on principles of social justice, gender equality, accountability and participation under a robust rule of law.

The paper did not tackle the significant role of the private sector, civil society or parliament. However, this role cannot be emphasized enough in the definition of policy or in contributing to the success of the economic and governance reforms that were described in this paper. Channels for citizen participation and social dialogue between policy makers and all other actors need to be strengthened. These channels include political representation in central and local representative bodies as well as more inclusive citizen participation processes for formulating public policy, such as the processes associated with the formulation of National Development Strategies, and review of public policies related to privatization and borrowing. Arab civil society organizations still face major barriers for accessing policy making spaces and having the freedom to organize for collective public action. Arab women face a double disadvantage that

constrains their ability to influence policy dialogue and consensus building around development priorities. The limited representation of women workers, especially those largely concentrated in the informal sector, in trade unions presents evidence that the participatory processes where they do exist still fall short of including women's voices and priorities.

The Arab region faces major challenges in addressing past failures at creating robust economies that are productive, inclusive and meet the demand for jobs, growth and social justice. Arab women's labour force participation is a major component of this failure and a key part of the solution to broader development challenges. If discriminatory and gender biased policies continue unchallenged during the transition period, there are serious doubts that achievement of the hoped-for developmental agenda of productive and inclusive Arab societies will become a reality.

This paper has attempted to provide not only policy makers but also women's organizations, civil society organizations, trade unions, parliaments and development agencies with tools that can allow them to bring forward women's rights in the vision of forward-looking strategies and solutions for the region during this period of transition.

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