



Women's Economic Empowerment: Approaches, Strategies and Alliances for Success

By Lilli Loveday

'...there is no tool for development more effective than the empowerment of women. No other policy is as likely to raise economic productivity, or to reduce infant and maternal mortality. No other policy is as sure to improve nutrition and promote health (...). No other policy is as powerful in increasing the chances of education for the next generation.'

Kofi Annan, UN Commission on the Status of Women, 2005

Whilst women's economic empowerment has gained considerable traction both in the development arena and in the corporate world and beyond, it has also been the subject of significant debate. Late in 2014, Mokoro hosted a seminar, chaired by Sally Baden (Independent Consultant), which brought together Dr Elizabeth Daley (Mokoro Principal Consultant), Dr Catherine Dolan (Reader in Anthropology at SOAS and Associate Fellow at the Saïd Business School, Oxford University), and Christine Svarer (Head of Women's Economic Empowerment and Private Sector Engagement at CARE International) to discuss understandings of women's economic empowerment and explore approaches, strategies and alliances for success.

Drawing on the presentations and discussions at the seminar, as well as the wider literature on women's economic empowerment, this article presents an overview of the issues and brings together threads of the debate. What emerges is that interventions for women's economic empowerment should be as much a political process as they should be economic.

Outputs from the seminar are available at: <http://www.mokoro.co.uk/seminars/30>

Emerging from grassroots efforts at mobilisation and raising voices of the marginalised, empowerment – and specifically women's empowerment – has long been pursued by NGOs and CSOs as a process linked to organising for social justice, emancipation and rights (Baden, 2014).

As the quote from Kofi Annan above highlights, women's empowerment is linked to improved development outcomes and is seen as a driver for change. In more recent years and particularly since the 1990s, the economic dimension of women's empowerment has become increasingly visible, with an observable presence in international policy discourses such as the Beijing Platform for Action (which emphasises the promotion of women's economic independence), the Millennium Development Goals (which use women's share of non-agricultural employment as an indicator of empowerment), and the Convention for the Elimination of Discrimination Against Women (which advocates for 'equal access to opportunities through employment or self-employment'). In 2006, the World Bank was amongst the first to offer a more explicit elucidation of the economic element of empowerment, stating: *'economic empowerment is about making markets work for women...and empowering women to compete in markets'* (World Bank, 2006).

Not only is women's economic empowerment about achieving gender equality and recognition of human rights, but it is also a driver of broader economic (and pro-poor) growth (Golla *et al.*, 2011). Research indicates that when the number of women in paid employment increases, economies grow; that companies with the greatest female representation in management, deliver a return to shareholders which is 34% higher than in companies with the lowest representation; and that when the share of household income controlled by women is increased, the amount of spending beneficial to children increases (UN Women, no date). One [fact](#) makes evident women's potential to contribute in significant ways: *'women do 66% of the world's work, but earn only 10% of the world's income, yet they reinvest 90% of their income into family and community'*. Furthermore, as the economy grows, poverty decreases and there is an inherently 'pro-poor' bias, given that women often occupy the most disadvantaged and vulnerable positions across communities (Golla *et al.*, 2011).

Donors and multilaterals have tended towards interventions which support women's economic empowerment through microfinance schemes and support for women entrepreneurs. More recently, private sector actors have launched global efforts to support women's economic empowerment, albeit

with arguably different motivations arising from the perceived value of women being an ‘untapped market of consumers’. The [Third Billion Campaign](#) highlights this, indicating the significant potential impact on the global economy of women’s inclusion in the ‘economic mainstream’ as employees, producers and entrepreneurs. Private sector initiatives – often operated alongside INGO interventions – such as [Walmart’s Women’s Economic Empowerment Project](#) and [Coca Cola’s 5by20 plan](#) include commitments to empowering women by sourcing from women-owned businesses and providing access to markets and training (Dolan, 2014).

Financial schemes have been credited with increasing women’s access to resources, which can in turn lead to stabilised livelihoods and, arguably, broadened choices through increased bargaining power (OECD DAC, 2012). And, indeed, research indicates that formal or semi-formal paid work offers the most promising pathway to women’s economic empowerment (Kabeer, 2012). Yet, whilst involving women in the formal/paid economy has evident benefits, whether participation in markets *by itself* translates to ‘empowerment’ more broadly is questionable and there is a need to challenge the assumption that access to resources determines *power over* resources (a paid woman does not necessarily have any more decision-making capacity than an unpaid woman).

So-called ‘magic bullet’ interventions such as microfinance schemes have come under scrutiny given their failure to address the underlying factors of ‘disempowerment’. Indeed, as Kabeer asserts, *‘merely increasing access to markets, does not necessarily address the terms on which poor women and men enter different market arenas or their ability to negotiate a fairer deal for themselves’* (Kabeer, 2012). There are other considerations to keep in mind when advocating for women’s economic participation – including evidence from practitioner studies that time poverty is increasingly rife, with women

experiencing the ‘double burden’ of formal and informal employment (Dolan, 2014). Rather than paid work replacing women’s unpaid work, it is often done ‘as well as’. Additionally, a woman’s economic advances may, in fact, trigger greater power struggles at household level given perceptions of their intent and/or ability to exercise greater autonomy. A study in South Asia highlights that *‘women’s paid employment is unrelated to having a say in decisions about family size, to enjoying freedom of movement, and to being unafraid to disagree with the husband’* (Oppenheim Mason, 2005).

Acknowledgment of the potential for microfinance (and similar) schemes to contribute to empowerment, by providing increased *access* to financial resources (and increasing income), and recognising their limitations for driving transformational change, lead to an important consideration of how economic empowerment – and, indeed, empowerment more broadly – is conceptualised and should, therefore, be achieved. Empowerment is a relative concept (defined against what existed previously), and transformative by nature; in its broadest sense, it is ‘an expansion of freedom of choice and action’ (Malhotra and Schuler, 2005).

Whilst the economic aspect of empowerment is the most studied, empowerment is a multi-dimensional concept encompassing social, psychological, and political components (Narayan, 2005). It is also contextual and operates at different levels and across different spheres (individual, household, community and national) – with potential for variation in terms both of the progress and of the definition of what it means to be ‘empowered’ within and across these levels and spheres. Empowerment in one sphere does not necessarily translate to empowerment in another.

In conceptions of empowerment, resources (such as education



Presenter, Christine Svarer (CARE); Mokoro Seminar. Photo by Lilli Loveday

and employment) are considered to be 'enabling factors' for, rather than indicators of, empowerment (Malhotra and Schuler, 2005). And, as a process, empowerment must engage women (rather than be done to them): women must be agents of the change and have agency, i.e. be able to formulate strategic choices and control resources and decisions (*ibid*).

Understanding empowerment as multi-dimensional, transformative, relative and about access to and power over resources influences both the types and the targets of interventions. One definition of women's economic empowerment emphasises its two components, namely *resources* (access to) and *agency* (control over): 'a woman is economically empowered when she has both the ability to succeed and the power to make and act on economic decisions' (Golla, *et al.* 2011). Resources include human capital (knowledge, skills), as well as financial capital and other resources, including land (discussed below) and property. But the *critical* 'next step' of economic empowerment is determining how these resources are distributed and used, which is a political process embedded in the deeper norms and institutions that govern the 'rules of the game'. Thus, it is more useful to consider microfinance schemes and support to entrepreneurs as ways to encourage (pre-requisites for) empowerment, contributing to overcoming the constraints which limit women's agency on a practical, everyday basis rather than, necessarily, transforming the deeper systems which support these constraints (Kabeer, 2005).

The diagram below depicts the interaction between projects/programmes which provide access to resources alongside those which aim to redefine the norms and institutions determining how resources are distributed.

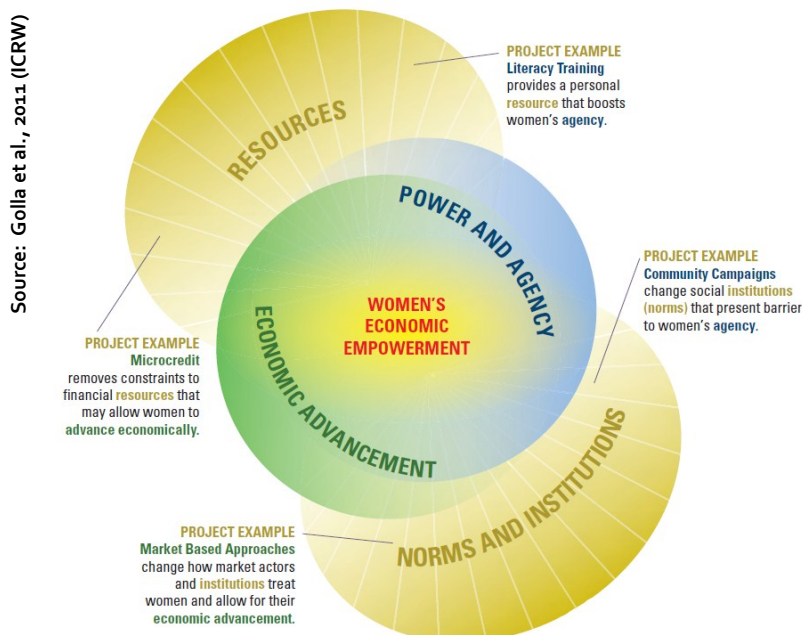
Golla *et al.* (2011) suggest that programmes should 'choose their slice' of the complex pie which constitutes economic empowerment whilst framing it in the broader context.

A recent study found evidence that combined interventions which are holistic and provide economic skills and services as well as life skills and other training deliver the best results (Taylor and Pereznieta, 2014). As single interventions, microcredit schemes were found to have no impact on female bargaining power, but when implemented with business development approaches (livelihoods, business education etc.) were seen to contribute to increasing women's confidence and knowledge (*ibid*).

Indeed, programmes which approach empowerment in a comprehensive way have recorded impressive results. The USAID-funded SHOUHARDO programme, implemented by CARE in Bangladesh, covers health, food production, village savings and loans, institutional strengthening and climate change adaptation, with various 'empowerment' elements including promotion of female entrepreneurship and 'self-help' groups. Results indicated that involvement in the programme increased women's freedom and raised their decision making power over the use of loans and the buying/selling of household assets (Svarer, 2014; CARE, 2012). The different components of the programme are credited with bringing about the transformation.

There is also a need to consider natural resources, such as land, as well as other property and assets. Land and other property (such as cattle, machinery etc.) can be used for farming and production, but are also the basis for wider political empowerment. Having access to secure land and property tenure can provide a home and enable women to engage in political struggles over resources; land is an asset to bring to marriage and can be used as collateral for loans. As such, land and property are the foundation of economic empowerment, giving women the confidence to take risks and to negotiate rights to resources, but also providing them with 'peace of mind' (Daley, 2014, citing Izumi).

Ultimately, inequalities persist between women and men because of underlying norms and institutions which determine how resources are controlled. No single programme can address all the factors that contribute to women's economic empowerment, and it is evident that it can only be meaningfully and sustainably achieved if its various components are taken into consideration. To free women from control and coercion and to empower them – expanding their freedom and choices – involves changing the social structures which shape their lives, which is ultimately, a political process involving negotiation. As Dr Elizabeth Daley suggested at the Mokoro seminar, the 'egg' of economic empowerment – when fostered and nurtured in the right ways – leads to the 'chicken' of political empowerment (Daley, 2014).



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