
**RESPONSE TO THE GOVERNMENT'S *TRADE
AND INVESTMENT WHITE PAPER 2004:
MAKING GLOBALISATION A FORCE FOR
GOOD, BY THE***

GENDER EXPERT GROUP ON TRADE¹

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Introduction

The Department of Trade and Industry of the United Kingdom (UK) recently published its *White Paper on Trade and Investment 2004: Making Globalisation a Force for Good* (the Paper). The Paper deals with the vital question of how the Government can harness the power of globalisation, making it a force for good, not only in the UK but elsewhere in the world, especially in the developing world.

The Gender Expert Group on Trade (GEGT) has produced this position paper in response to the White Paper, aiming to highlight gender issues across UK/European Union (EU) trade policy. The GEGT was established by the Department of Trade and Industry and is supported by the Women's National Commission, the Government's official independent advisory body on women, to ensure that gender is mainstreamed into UK/EU trade policy, and to provide independent and expert advice on gender issues.

The GEGT supports the Paper's approach to globalisation with a human face; however, we are concerned that so little is done to measure the impact of liberalisation of trade on the poor — especially the impact on women as differentiated from men — and are adamant that greater attention should be paid to gender analysis in trade policies. In addition, some members of the GEGT question whether, as progressing at present, globalisation will ever have a human face. Globalisation, as a major force for interdependence between economies of different countries, impacts widely on men, women and children worldwide. Trade liberalisation, as an important part of the globalisation process and as a key model for development, has specific economic, political and social effects. We recognise and support the Paper's position that these effects are different for men and women due to the already unequal situation of women vis-à-vis men in terms of access to, and control over, resources, land, credit, training, education, technology and the distribution of household responsibilities. These structural inequalities are a result of, and result in, unequal power relations between women and men.

There is a gap between the hopes governments have of trade liberalisation and women's experiences on the ground. These hopes are partially predicated on two myths that gender and trade experts identify as problematic 1) trade liberalisation will automatically reduce poverty which will benefit women and men equally and 2) market access promotes development, which will improve the condition of women and men equally². We believe that only through reform of existing, and the new design of appropriate gender sensitive policies and strategies, these myths can be overcome. 'Trade liberalisation will not reduce poverty in itself, nor will it impact women and men equally unless it challenges sub-national, regional and multilateral formulation and decision-making structures'³. Gender analysis can challenge current trade practices and structures, and also national policies that affect the impact of trade on poverty reduction. In addition, gender analysis may also help to explain the gap between expectations of trade liberalisation and its real impact on women and men.

² Williams (2003) 'Gender Mainstreaming in the Multilateral Trading System: A Handbook for Policymakers and Other Stakeholders'. Commonwealth Secretariat

³ Williams (quoted in Spielfoch, 2004:3), Book Review of 'Gender Mainstreaming in the Multilateral Trading System: A Handbook for Policymakers and Other Stakeholders'. International Gender and Trade Network. Geneva

1. The Globalisation of Business

The GEGT supports the vision of a world trade system that is fair as well as free. In order to achieve this, we believe that the global trade regime must be able to meet social needs and should also help to achieve other stated goals of UK Government policy such as development, democracy and human rights. The group considers that the Paper emphasises the value of competition, over that of cooperation, and lacks analysis of the disadvantages of trade liberalisation, particularly for women. Using a gendered lens, we recognise that trade liberalisation has positive *and* negative effects. We believe that women can benefit from trade openness if the economic sectors in which they operate are able to expand,⁴ and, if they have the capacity to adjust to trade changes through the required skills and levels of specialisation. Women would benefit from a redistribution of income within the household as well as from new employment opportunities. Nevertheless, gender inequalities persist in wage differentials, job segregation, and access to resources (especially credit and training), legal rights, and basic services. Furthermore, there are fundamental inequalities between women and men resting on women's dual role in reproductive and productive life that often combine to make it very difficult for them to take up employment opportunities and exercise their human rights.

Therefore, a gender analysis and gender impact assessments of trade policies *are essential* to guarantee fair trade and, as a consequence, an equal distribution of trade liberalisation benefits. The economic model that is being utilised assumes and indeed requires a level 'playing field' upon which well-matched players engage: that patently does not exist.

1.1 The Experience of Developing Countries

As the Paper acknowledges, while some developing countries (three billion people) have experienced Gross Domestic Product (GDP) per capita growth of around 4 per cent in the last two decades, the rest of them (two billion people) have become relatively poorer. The majority of people living on 1 dollar a day or less are women⁵. This 'feminisation of poverty' under the current phase of globalisation is well documented. The GEGT believes that anti-poverty programmes in developing countries must be accompanied by changes in economic structures and democratic participation which ensure women's access to opportunities, resources and public services.

The group also considers that no pressure should be exerted on developing countries to open up their markets before they are ready, while recognising that national governments of developed countries and international institutions have an obligation to take the steps that will help make them ready for integration into the global economy. As the Paper recognises, there are gross inequities in global agricultural trade, and a number of reforms to agricultural policies in developed countries are required, if poor farmers in developing countries are to benefit.

There is certainly a risk that progressive liberalisation, strongly driven by Transnational Corporations (TNCs), forces developing countries to privatise public services. The GEGT considers that the UK and EU should promote strong measures

⁴ UNCTAD (2004) 'Trade and Gender: Opportunities and Challenges for Developing Countries'. United Nations. Geneva

⁵ United Nations (2004). Women Watch Fact Sheet.

<http://www.un.org/womenwatch/daw/followup/session/presskit/fs1.htm> [consulted on 15 November 2004]

to assist developing countries to protect the integrity of their social environments and the ability to determine their development path in the face of TNCs. *The major reform required to the GATS is to permit countries, especially developing countries, to alter conditions after a trial period.*

Trade and investment have often not led to the sound development of knowledge-based industries in developing countries. We recommend that the role of the World Trade Organisation (WTO) and trade rules on intellectual property rights (TRIPS) in opening up a gap between the developing and the developed world need to be carefully and critically considered. For example, the negative impact of TRIPS on poor people's access to affordable medicine, which has serious impact on gender inequity, must be reversed.

With regard to Sub-Sahara, it is important that we query the mono-crop agricultural system, but mantra of comparative advantage that guides much of the 'trading your way out of poverty' analysis works against diversification of the kind being hinted at in the Paper. The alternative here does not seem to be diversification and fulfilment of the needs of the people, but processing of the primary (mono-agricultural) commodities. Although some women may have benefited from expanded opportunities in agricultural processing industries, recent research has shown the poor quality of these jobs — unstable and precarious — has often left women without labour and social protection. Although the crisis facing Sub-Saharan Africa cannot be entirely overcome by addressing trade regulations, reducing EU and US subsidies would be a useful start.

The example of the destruction of fishing in Lake Victoria, Kenya, suggests that processing of primary goods does not always generate sustainable development⁶. Governments of Kenya, Uganda and Tanzania promoted foreign investment in fish processing (capital intensive) for export to Europe and Japan so as to increase export earnings. However, they did not take into consideration the enormous contribution of the traditional fishing industry to the domestic economy, which was destroyed as a result, amounting in the loss of employment for many women and a loss of affordable, sustainable food for local people.

Agriculture is by far the most heavily subsidised and protected sector in international trade, with Organisation for Economic Co-operation and Development (OECD) countries spending US\$245 billion to support their farmers in 2000. Some of this support can be important to promote legitimate rural development and environmental objectives. However, current EU and US agricultural policies fail to deliver the social and environmental outcomes they claim to promote; they have devastating impacts on poor farmers in developing countries because they generate overproduction. The resulting surpluses are dumped on world markets with the help of yet more subsidies, driving down prices for exports from developing countries and devastating the prospects for smallholder agriculture (the poorest smallholder farmers are mainly women).

Developed countries' trade policies also have a gendered impact in non-agricultural sectors, due to the gendered composition of employment in particular sectors. In the garment industry, where a large majority of workers are women, EU and US trade rules discourage exports from developing countries through a number of mechanisms: high tariffs, excessively strict rules of origin, anti-dumping and

⁶ David Campbell (1999). Film: 'Big Fish, Small Fry'. Directed and filmed by Nick Hughes. The World Conservation Union (IUCN)

'safeguard' measures.⁷ One recent study found that eight million jobs had been lost in developing countries as a result of high tariffs.⁸ The brunt of this protectionism is borne by women.

Rapid liberalisation led to a loss of women's livelihoods during the 1990s in Mozambique when export tariffs on raw nuts were removed as a condition for receiving loans from the World Bank. The lack of protection for the industry led to 10,000 jobs being lost in one of the few sectors that provided employment for women. The anticipated rise in prices of raw nuts paid to farmers did not materialise, as only the few large traders who exported nuts to India retained any gains.⁹

2. Ensuring the UK benefits from globalisation

We strongly support the Paper's view that social justice and economic opportunity should go hand in hand. We believe that a 'one-size-fits-all' approach to trade reform should be avoided. Regulated markets enable governments to guarantee the basic needs of people, such as education and healthcare, which have profound implications for economic and social welfare.

While recognise the UK's strengths and comparative advantages, we are concerned about the high levels of income inequality, with the UK fourth most unequal amongst the 'old' EU members with a Gini Index¹⁰ of 31 per cent in 2001.¹¹ This inequality pattern is mirrored by the gender pay gap, which stands at 18 per cent in the UK today (for full time work, but widens to 40 per cent when comparing hourly rates for men working full time with women in part time jobs,¹² also one of the highest in Western Europe. We recommend the Government keep supporting actions to reduce this gap, such as regulation changes, increases to the National Minimum Wage and gender pay reviews and audits. Furthermore, the average woman in the UK is still less qualified than the average man in the work force. As the Paper suggests, in order to get the best from globalisation, the UK Government must build a highly skilled workforce hence, improving women's skills must be at the top of the agenda.

Large income inequality is also due to widespread precarious employment, such as temporary and part-time jobs and home-working among women who work under little job protection, poor social security, and low labour standards. The Government should, in its drive to make the UK more competitive in world trade, endeavour to ensure that women are not made to shoulder the hidden costs of a competitive workforce.

In the specific case of the services sector, we recognise its relevance in UK employment: UK women make up 80 per cent of the public sector labour force and

⁷ Oxfam International, 'Stitched Up: How Rich Country Protectionism in textiles and clothing trade prevents Poverty Alleviation', Briefing Paper 60, April 2004.

⁸ IMF/World Bank (2002), 'Market Access for Developing Country Exports – Selected Issues', p 43.

⁹ McMillan, M., Rodrik, D. and Welch, HW. (2002) 'When Economic Reform Goes Wrong: Cashews in Mozambique'. Faculty Research Working Paper Series, Harvard University, USA. and Kanji, N., Vijfhuizen, C., Braga, C. and Artur, L. (March 2004) Liberalization, Gender and Livelihoods: the Mozambique Cashew Nut Case. Summary Report. IIED.

¹⁰ The Gini coefficient is a number between zero and one that measures the degree of inequality in the distribution of income in a given society. The Gini index is the Gini coefficient expressed in percentage form, and is equal to the Gini coefficient multiplied by 100.

¹¹ Commission of the European Communities, Draft Joint Inclusion Report (2003): Statistical annex

¹² Gender Trade Liberalisation and Services in the European Union. Briefing Paper (2000) European Women's Lobby.

they are also the main users of public services¹³. Therefore, changes in the quality and prices of public services as well as in its employment structures and opportunities would impact more heavily on women than men.

The services sector is currently under negotiation in the WTO making it timely to incorporate gender analysis in this area. The issue of women and services is discussed further below in section 3.5.2.

Some members of the group are currently working on regional competitiveness in the UK, specifically in the north of England. This is part of a broader attempt to embed corporate responsibility into competitiveness considerations. A gender perspective is totally lacking in all discussions in this work. The GEGT recommends that there may be scope for the DTI to incorporate a gender perspective more strongly in its competitiveness agenda, as it is important with respect to issues such as off-shoring and how companies and public policies deal with unemployment and skills development.

2.1 Women and the European Union — The Lisbon Agenda, its Social Content and the Creation of Social Capital

The Lisbon Agenda, agreed four years ago, set strategies to make the EU the most competitive and dynamic knowledge-based economy in the world by 2010. The Lisbon Agenda also agreed policies that would ensure economic and social justice. In order to achieve this, women's fullest participation in the economy must be guaranteed, as gender equality is not only a fundamental principle of the EU but is key to its competitiveness. The lack of gender equality could impact on attaining the Lisbon targets, such as reaching a 60 per cent employment rate for women by 2010. Indicators of women's inequality in the labour market, such as the gender pay gap, must be addressed. In the EU, women earn between 15 and 33 per cent less than men for the same work and they are also heavily engaged in part-time jobs, accounting for four out of five part-time workers¹⁴. Given the diversity between member states, the EU should learn from those member states which have a low gender pay gap, and be wary of calls for increased flexibility of the workforce, which usually translates into precarious employment, impacting particularly on women. Instead, it should bolster social protection for part-time and informal workers. We believe that the EU must face the challenge of free trade and globalisation with a social approach, ensuring the real benefits from trade are available to all, including women.

Consideration also needs to be given to the social capital created by women working in a range of sectors — often unpaid. In particular, many women's caring responsibility and women working within the community and voluntary sectors do not see themselves as working with an economic orientation but are clearly contributing much to social cohesion and the fight against poverty.

One area that is not discussed in the Paper but to which the DTI has considerable responsibility is the EU Structural Funds. The Structural Funds are the major practical instrument through which EU assistance reaches people at local level. The post-2007 EU budget and the new Structural Funds should include regulations and guidance which give clear support to building a fair and diverse civil society, recognising and investing in social capital, promoting the role of the voluntary and community sector in an inclusive way, as this contributes to the overall economic viability of the UK.

¹³ The Women's Institute (2004) <http://www.womens-institute.co.uk/> [consulted on October 27, 2004]

¹⁴ Gender Trade Liberalisation and Services in the European Union. Briefing Paper (2000) European Women's Lobby.

3. The Role of Trade and Investment in Global Poverty Reduction

3.1 Gender Equality and Poverty Reduction

Gender equality is a fundamental prerequisite as well as a moral imperative for the effective tackling of poverty worldwide. This is well recognised by leading international institutions such as the World Bank and by development agencies and overseas aid departments of governments worldwide. Promoting gender equality and empowering women is also recognised as integral to the UN Millennium Development Goals (MDGs), which represent an international common framework for poverty reduction. In order to measure more effectively this distribution of benefits and the general impact of trade openness on poverty levels, gender disaggregated data must be produced. We also believe that MDGs can be a potential driver for developing and including new indicators on gender and trade¹⁵. The group strongly believes that the fight against poverty should start with women since that is where poverty is most deeply entrenched and where initiatives would have most effect.

3.2 The Doha Development Agenda

The Doha Development Agenda (DDA) aims to put development and the concerns of developing countries at the centre of WTO negotiations. With the DDA, greater attention is directed to gender analysis in trade policies. The DDA incorporates non-agricultural concerns in trade negotiations, such as food security, environmental concerns and employment (among others), which has opened up space for integrating gender into trade policies as a crosscutting issue.¹⁶ We believe that the debate on how gender and trade can make gains in achieving gender equality and progressing social development, must continue to be included in all future trade negotiations.

3.3. Agriculture, Gender and Trade

The GEGT agrees that agriculture and agricultural trade play a central role in meeting the MDGs. However, the potential for poor rural households in developing countries to benefit from trade is undermined by the continued excessive subsidies in rich countries that generate export dumping. Furthermore, evidence suggests that agricultural liberalisation in developing countries has not helped decrease rural poverty, and may even have increased it; it has certainly increased inequalities between those who have the assets to engage in markets for agricultural products and those who do not. Any policy framework that is designed to reduce rural poverty should include a conception of agriculture as a series of processes and interactions that not only produce/supply agricultural products, but also contribute to food security and to the preservation of local environments (a concept that is widely accepted within the UK). The 1992 Earth Summit called for 'agricultural policy review, planning and integrated programming [to be carried out] in the light of the multifunctional aspects of agriculture, particularly with regard to food security and sustainable development'. Instead, Third World countries have been pressured into unilaterally reducing the level of protection offered to their domestic food producers. While the eventual reduction of subsidy in Northern markets is a useful step, we should not lose sight of the fact that better functioning markets, improved infrastructure, and credit services and similar measures are likely to be of more immediate benefit to smallholders.

Agricultural liberalization has done little, if anything, to help promote development in the context of multifunctional farming. While women are heavily engaged in agriculture, they tend to have fewer assets than men — in terms of access to and

¹⁵ Williams (2003) suggests that the MDG are a potential area to bolster the work on trade and gender

¹⁶ Background document for the 7th Women's/Gender Affairs Ministerial Meeting (7WAMM) May 2004

control over land, access to capital, educational levels as well as less mobility due to the balancing of income-related activities, domestic work and caring for children, the elderly, sick and disabled. In many countries women's rights to own land, borrow money or to travel independently of male relatives is limited. Women are disproportionately represented among the rural poor and so policy needs to address gender disparities in rural poverty through a bundle of policies: the provision of land rights, for example, and other measures — the reduction of women's workload through investment in appropriate technologies and the provision of affordable, good quality basic and social services.

3.4 Women and Trade Related Capacity Building

The GEGT supports the aim of the UK government to work closely with developing countries to build the skills and knowledge they require in dealing with trade changes. There should also be recognition and resources for capacity building that will enable a range of pre trade related support to be undertaken in the area of community development. Initiatives should always draw in local expert where they are available rather than bringing in expert from overseas.

Governments can enhance women's capacity to compete in the market through services and training. However, building a skilled work force is a major challenge and we believe that the role of the state needs to be more carefully assessed. The Indian example is a good one — subsidised higher education over a long period of India's development has provided the country with a skilled labour force enabling them now to attract jobs from abroad. GATS agreements and arrangements need to be considered in this light — asking if the privatisation of education will hinder the marginal upward mobility in India and reduce the level of skilled labour available in the technical and software sector.

Another element that is absent in the Paper is the importance of technology in capacity building. The link between science and technology and sustainable development has been deteriorating in recent times but is important: we notice with approval the recent recruitment by the Department of International Development (DfID) of a Chief Science Adviser. It is well known that poor countries are poor partly because of their lack of technological capacity but the gender perspective should be emphasised: women often lack access to production and labour saving technologies and have less access to new Information and Communication Technologies (ICTs). There is compelling evidence of a gender divide in the access and effective use of ICTs worldwide, which must be addressed if women are to attain the undoubted benefits of ICTs.

One of the international policy instruments that can be used to reinforce the link between MDGs, ICTs, gender equality, and poverty reduction programmes, is the World Summit on the Information Society (WSIS). This UN Summit aims to develop a clear vision of an 'information society' for all, where humankind can benefit from information and communication technologies and their equal utilisation. In order that this Summit contributes to human development, gender equality and women's rights must be integrated in its negotiations and follow up programmes.

3.5. Trade Liberalisation: Good for Women?

The Paper argues that there is a differential effect of trade liberalisation on women and men, because women, in general, are a more vulnerable group than men in society. However, there is a need to provide concrete examples of how women benefit from trade liberalisation, and also, to see women as contributors to solutions with expertise to offer and not merely as victims and vulnerable.

The Paper focuses on women as wage-workers, whereas the majority of women in the working poor category in developing countries are self-employed as food producers, processors, forest gatherers and the like. We believe that the paper should focus on women as a priority — but not only as wage-workers in garments and horticulture — but also as self-employed, and thus in need of assistance with technology, credit and training rather than only with labour legislation¹⁷. In addition, women also play a role as entrepreneurs where programmes to support women in the development of small and micro enterprises are also needed¹⁸. With that important qualification, we emphasise the need to enforce international labour standards through trade agreements and improve the welfare of home workers.

3.5.1 Women and Liberalisation of Services

Women are affected by liberalisation of services as workers, since this sector is key source of employment, and also as consumers, especially because of the disproportionate distribution of household responsibilities and community duties. Prices tend to fall and availability increases with trade liberalisation. As such, women might be able to purchase services that they tended previously to provide, such as laundry and cleaning, which results in more time available and opportunities for women and girls to gain employment and education.¹⁹ Nevertheless, women can also be affected negatively by cutbacks in the public provision of essential social services: poor families will have to buy services to which they once had free or subsidised access. This might lead to an increase of time that women devote to household duties and caring responsibilities. As a result, we strongly support the view expressed at UNCTAD XI recommending all governments to implement gender-sensitive policies *prior* to further liberalisation of services bearing in mind that governments can choose in which sectors and to what extent to make commitments in GATS²⁰. Nor should GATS commitments be irrevocable; developing countries should be able to reconsider liberalisation if experience the effects are damaging to the welfare of the poor.

3.5.2 Women Trade Related Intellectual Property Rights

The impact of Trade Related Intellectual Property Rights has been subject to debate in trade negotiations, especially in relation to changes on the accessibility of drugs and the protection of traditional knowledge. The Paper suggests that agreement on an amendment to the WTO rules related to intellectual property rights should make access easier. However, we believe that this is not necessarily true, because the lack of drug availability and accessibility is precisely one of the main areas of concern of the impact of TRIPS. Due to women's specific health requirements, reproductive and sexual health in particular, an increase in prices or loss of access to essential medicines could affect more women than men.

Another controversial area in which TRIPS may affect women is agriculture. Women's role in this area is increasing in developing countries. The lack of recognition of traditional knowledge represents a risk, especially for women in developing countries who play a role in conserving biological diversity²¹. TRIPS may encourage companies to patent inventions based on traditional knowledge without

¹⁷ Carr (2004) 'Chains of Fortune: Linking Women Producers and Workers with Global Markets'. Commonwealth Secretariat

¹⁸ In the UK, only around 13 per cent of businesses are wholly or majority owned by women, compared with 44% by men and 43 per cent co-owned. Department of Trade and Industry (2004) <http://www.dti.gov.uk/ewt/gender.htm> [consulted on 29 October 2004].

¹⁹ Ibid (2004)

²⁰ Gender Expert Group on Trade (2004) 'Trade Liberalisation and Gender Equality'. Paper prepared for UNCTAD XI. Sao Paulo, Brazil.

²¹ UNIFEM (2004) <http://www.unifem.org> [consulted on 27 October 2004]

acknowledging nor benefiting their source, in this case, women farmers. We support UNIFEM's recommendation²² to address this situation by empowering communities and women to safeguard and hold intellectual property rights over their own knowledge.

More research on how TRIPS affects women is required. Unless new socio-political and economic agreements are reached within developed countries, that they will pay higher prices for medicines and subsidise higher levels of research to develop medicines for diseases of the developing world, then this research will not occur. There are also broader political questions on who pays for health, access to technology and so on, that have not been addressed by governments nationally or multilaterally.

Furthermore, the GEGT considers that women's reproductive roles, together with social reproduction, also known as 'the care economy', must be included in trade agreements and negotiations. Social reproduction includes unpaid and invisible work to sustain human families and communities, and is largely undertaken by women. The GEGT supports the International Gender and Trade Network (IGTN) mandate to develop a better integration of the social reproduction and production spheres as the 'underlying bases for trade policy decision making'²³. The inclusion of social reproduction and reproductive roles on trade agreements will help to ensure that trade policies foster true economic and social justice for all, not just for a limited few.

3.6 Trade Facilitation

The GEGT offers strong support to the Government's view of the need for a long-term strategy on trade facilitation, broader than the proposed agenda for negotiations in the WTO. Trade facilitation refers to activities and practices that allow goods to cross borders freely. Some examples would include, insurance payments and custom and licensing procedures. The gender dimension of trade facilitation can begin with the question of how the extra budget spent in trade facilitation, and the opportunity costs of implementing trade facilitation on Small and Medium Enterprises (SMEs), would affect women²⁴. The costs of implementing WTO agreements (for instance, the Agreement on Customs and Valuation) are very high²⁵. In relation to SMEs, it is not clear if trade facilitation will lead to a greater exposure on international trade or impose additional structural disadvantages for women. However, the group considers that women can benefit from the simplification of procedures, such as export and import formalities. Women's literacy represents a major concern when dealing with trade liberalisation; therefore, women's access to basic education and training in trade formalities must be guaranteed.

In relation to UK export controls, the GEGT agrees that better implementation is needed and welcomes the 2002 Export Control Act. The group hopes that the requirements expressed in the Paper in relation to the UK strategic export controls will not be overthrown in the interests of political or economic expediency. UK exports are, unfortunately in our view, excessively dependent upon arms trade. We accept that countries must defend themselves and that UK could therefore legitimately supply arms for national defence.

²² Ibid

²³ International Gender and Trade Network. <http://www.genderandtrade.net/> [consulted on 19 January 2005]

²⁴ Background document for the 7th Women's/Gender Affairs Ministerial Meeting (7WAMM) May 2004

²⁵ It costs US \$16.2 million in Tunisia and US\$38.5 million in Bolivia (based in US measure system) Background document for the 7th Women's/Gender Affairs Ministerial Meeting (7WAMM) May 2004

We very much doubt, however, whether sufficient cognisance is taken of: 1) the alternative uses for 'defensive' weapons and 2) the secondary trade in armaments to warring countries not involved in the original trade. We are extremely concerned at the part played in this by money laundering.

Our concern arises from the overwhelming evidence that in all modern conflicts, women and children constitute the majority of victims.

In addition, the group supports the Government's focus on the protection and promotion to wider adoption within the UK and EU of core labour standards as defined by the International Labour Organisation (ILO) — *no* to child labour; *no* to forced labour; *no* to restrictions on trade unions and collective bargaining; and *no* to discrimination in employment. Protection of these rights is a crucial means for eliminating precarious employment.

3.7 A More Effective Multilateral Trade System

WTO rules have an impact on the ability of governments to pursue gender equality through domestic policies. The GEGT supports the Government's view that WTO processes could be improved and its endeavour to work with EU partners to bring about these improvements about. Trade policy is still made on the basis of an assumption that trade liberalisation is gender neutral. In addition, the WTO remains highly undemocratic and biased in favour of large, wealthy member States who command expert advisers and have the resources to lobby WTO officials. The UK Government, preferably in conjunction with other EU States, could adopt more vigorous monitoring of WTO activities. It should propose more technical assistance to poorer members, so as to enable them to contribute more effectively to WTO discussions and protect their own interests. The GEGT is ready to provide technical support on gender mainstreaming to women who should be appointed in greater numbers to the WTO and similar bodies.

Conclusion

This position paper has highlighted gender issues across UK/EU trade policy, where much greater attention should be paid to the integration of gender equality in all policy fields. Trade liberalisation brings opportunities and threats. The main challenge is to move away from a 'one-size-fits-all' approach to trade reform, and to have policies in place which enable women to make the most of new economic opportunities.

It is important to expand the sectors in which women tend to be heavily engaged, as well as to focus on developing trade capacity building for women in order to empower them to face trade changes. Governments must ensure that trade liberalisation benefits are available to all, including women in the UK, EU and developing countries. Failure to address gender gaps in the UK and EU, especially in the labour market, could hamper the EU's attempt to reach the goal of being the most competitive and dynamic knowledge-based economy in the world by 2010.

The GEGT offers broad support to the Government's view of helping developing countries adapt to trade changes. However, no pressure should be exerted to open up their borders before they are ready. In addition, Governments must develop gender sensitive policies, collect gender-disaggregated data, and undertake Gender Impact Assessments (GIAs) in order to generate the best results from globalisation and trade openness. The UK and other EU governments should support the development of data collection methodologies and GIAs and consequent policy-making through UNCTAD and directly to developing countries. Furthermore, the role of trade and investment in global poverty reduction should be focused on gender equality as a fundamental prerequisite for the effective tackling of poverty worldwide. The GEGT believes that the fight against poverty should be carried out within the framework of the Millennium Development Goals (MDGs), which explicitly highlight the need for gender equality when aiming to achieve economic and social development.

Finally, the group recommends that the UK Government and other EU States should play a more active role in changing and monitoring WTO activities and negotiation processes to ensure that these are not biased towards powerful and rich players, but which should be based on fair and transparent rules. WTO rules should result in the development of a more effective multilateral trading system and contribute significantly to poverty alleviation, gender equity and sustainable development.

'Promoting the progress of women in the task of eradicating poverty and reshaping economic priorities will not just achieve greater gender justice, it will also improve human development and human rights'
Maria Riley, 2001²⁶

²⁶ Riley, Maria (2001). 'Women's Economic Agenda in the 21st Century'. International Gender and Trade Network.